

Trade and Commerce Agency:

**The Effectiveness of
the Employment and
Economic Incentive
and Enterprise Zone
Programs Cannot Be
Determined**

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Audit Highlights ...

☑ We could not determine the effectiveness of enterprise zones and program areas because:

- Agency has not met all of its mandated responsibilities;***
- Zones and areas do not capture reliable data; and***
- Effects of other economic development influences cannot be isolated.***

☑ However, some statistics indicate that business and job growth within zones and areas was generally faster than their respective counties.

he enterprise zone and employment and economic incentive programs were established to stimulate business and industrial growth and to encourage and facilitate job maintenance and business and job development in depressed areas of the State. To achieve these objectives, the State offers several tax incentives to businesses and employees in enterprise zones and program areas. Enterprise zone and program area businesses and employees claimed more than \$53 million between 1988 and 1992 in state tax incentives designed to encourage participation in the programs. To carry out the program's goals, the Trade and Commerce Agency (agency) administers the programs at the state level and is required to review and monitor the zones and areas, evaluate them, and report on the effectiveness of the programs every five years. At the local level, enterprise zone and program area administrators coordinate activities with numerous local organizations and entities.

We were unable to determine the effectiveness of the zones and program areas for several reasons. We found that the agency has neither developed an adequate framework to review and evaluate the progress of the programs nor measured their effectiveness. Specifically, the agency has assigned insufficient staff to administer the programs to meet all of the monitoring and reporting requirements and has not performed required audits of certified businesses in program areas. Furthermore, enterprise zones and program areas are not state funded and most could not provide sufficient data to measure the effectiveness of the programs. Numerous other factors, such as changes in the general economy and similar programs operating in the surrounding areas, affect economic activity in the enterprise zones and program areas. Thus, isolating the effect the enterprise zone and employment and economic incentive programs have on economic activity may not be possible. Finally, the agency has not adequately responded to the recommendations included in the Office of the Auditor General's reports of May 1987 and June 1988, which addressed many of these same issues.

Because the agency and local administrators could not provide sufficient data, we contracted with the Stephen P. Teale Data Center to generate information on changes in businesses, jobs, and total wages within enterprise zones, program areas, and the counties in which they are located using data from the Employment Development Department. The statistics indicate that business and job growth in enterprise zones and program areas was generally faster than such growth in the counties in which they are located. However, we were unable to gather

enough data to determine whether this growth in economic activity was due to the effects of the programs or other factors.

Recommendations

The agency needs to reassess its priorities to fulfill its statutory responsibilities for monitoring and measuring the effectiveness of the enterprise zone and the employment and economic incentive programs.

To determine the impact of the programs on the State, the agency should, in accordance with the law, take the following actions:

- Establish and implement a plan to monitor, evaluate, and report on the effectiveness of the programs, which includes identification and establishment of the performance measures, a system to obtain complete and reliable data about program achievements, and a determination of how it will evaluate reported achievements against those performance measures. The plan should also include procedures to determine the resources the agency needs to implement this plan and a schedule by which the agency will accomplish each of the steps; and
- Determine whether the Stephen P. Teale Geographic Information Systems can be used with other State or local databases to gather and evaluate selected statistical data relevant to the programs.

However, the agency may be unable to collect all the necessary information without obtaining it from either the businesses or the local administrators. Therefore, to enable the agency to collect the necessary data and make its evaluation, the Legislature needs to consider implementing the following:

- Imposing reporting requirements on businesses in the enterprise zones and program areas and requiring that local administrators of the programs establish performance measures, collect data to measure performance, and report their results. Currently, the zones and program areas receive no State funds for administering the programs.

To ensure that certified businesses in program areas remain eligible to receive state tax benefits, the agency should, in accordance with the law, periodically audit these businesses.

Agency Comments

The agency generally concurs with our findings and conclusion that the effectiveness of the enterprise zone and employment and economic incentive programs cannot be determined. However, the agency believes that the positive findings we identified should be highlighted. Further, the agency asserts that its recertification process fulfills its statutory audit responsibilities and, thus, does not agree with our recommendation that it conduct periodic audits of certified businesses.

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Introduction

Background

The Enterprise Zone Act and the Employment and Economic Incentive Act were established March 20, 1984. The purpose of the enterprise zone program is to stimulate business and industrial growth in designated depressed areas of the State, called “enterprise zones,” by relaxing regulatory controls that impede private investment. Meanwhile, the employment and economic incentive program was established to encourage and facilitate job maintenance and business and job development in distressed and declining areas, called “program areas.” Although both programs focus on improving economic conditions in depressed areas or areas with high unemployment rates, enterprise zones primarily try to attract businesses whereas program areas primarily try to develop businesses and jobs. To be designated under either program, local areas must go through an application process, which is more stringent for program areas, before receiving a designation for 15 years. Program areas may be redesignated as enterprise zones under certain circumstances.

Administration at the State Level

At the state level, the Trade and Commerce Agency (agency) administers both programs as part of its economic development program. Under this program, the agency is required to provide leadership, advocacy, coordination, and direct assistance for

economic and business development. The agency's primary responsibilities for these programs are to do the following:

- Administer the application and designation process;
- Review progress of enterprise zones and provide technical assistance, including monitoring progress, to program areas;
- Certify, recertify, audit, and decertify businesses in program areas; and
- Report on program effectiveness to the Legislature.

For each program, the agency designs, develops, and adopts the regulations, applications, and selection criteria used in the application process. It screens preliminary applications submitted by local areas for each program and selects the final applicants. From these final applicants, the agency uses specific criteria or preferences to designate enterprise zones and program areas. It first began its application process in 1985 and first designated enterprise zones and program areas in 1986. As of June 1995, the agency has designated 25 enterprise zones and eight program areas in rural and urban locations throughout the State.

The agency is required to review the progress of enterprise zones to determine program effects. It is also required to provide technical assistance to communities and businesses in program areas, including limited assistance on site, marketing program development, coordinating the activities of other state agencies, and monitoring the progress of the program. Additionally, the agency may provide other management and technical assistance at its discretion.

The agency must certify that businesses in program areas meet at least one of three criteria established by state law to qualify for the State's tax benefits. The agency must also recertify those businesses every three years, periodically audit qualified businesses for compliance with the certification requirements, and decertify any business not in compliance with the requirements.

Finally, the agency is required to submit a report to the Legislature every five years that evaluates both programs on employment, investment, incomes, and state and local tax

revenues in enterprise zones and program areas. Additionally, for enterprise zones designated before January 1, 1994, the agency must submit a report to the Legislature within five years of designation, or by December 31, 1999, that reviews the zones' progress and effectiveness.

State Tax Benefits to Businesses

Under both programs, the State offers several tax incentives to businesses in enterprise zones and program areas. Businesses in enterprise zones may take advantage of these incentives without meeting any specific requirements whereas program area businesses,

as mentioned above, must meet certification requirements to use the offered incentives. Both programs offer the following incentives to businesses:

- Income tax credits for hiring economically disadvantaged individuals;
- Sales and use tax credits;
- Business expense deductions for the cost of certain machinery;
- Net interest deductions for lenders to businesses in the area; and
- A net operating loss carryover for up to 15 years.

Additionally, under the enterprise zone program, the State offers income tax credits for individuals who are employed by a business in the area. The Franchise Tax Board (FTB) is required to collect information on the dollar value of enterprise zone and program area tax incentives claimed by businesses each year. According to the FTB, from 1988 through 1992, enterprise zone and program area businesses and employees claimed more than \$23 million in state tax credits and \$30 million in deductions and operating loss carryovers. In addition, approximately \$26 million in net operating losses remained at the end of 1992 that can be used to offset profits in future years. Although tax credits directly reduce tax, deductions and operating loss carryovers reduce taxable income. Thus, for deductions and operating loss carryovers, the actual cost to the State in terms of foregone tax revenues is substantially less than the amount claimed or available for offset against future years. The tables in Appendix A identify the tax benefits claimed by type of benefit, industry, and enterprise zone or program area.

Administration at the Local Level

The State does not provide any funds for administering the programs at the local level. Instead, this funding comes from local entities, often the city and county governments in which the areas are established. At the local level, enterprise zone and program area administrators typically coordinate activities with numerous local organizations, including business groups, private

nonprofit organizations, and economic development agencies. Additionally, each program area must include a community advisory council to allow public involvement in the program. The council consists of representatives from various community groups, including area residents, businesses, local government officials, and community-based organizations. The council monitors the program's progress, helps to implement the area plan, and coordinates various local programs, such as neighborhood crime prevention, recreation, child care, and job training.

Local Benefits to Businesses

Under both programs, local governments offer incentives to businesses in the enterprise zones and program areas. Although these incentives can vary, they generally include the reduction or elimination of local permit and construction-related fees, streamlined processing of plans and permits, low-interest revolving loans, and job training services.

Scope and Methodology

The purpose of this audit was to analyze the effectiveness of tax incentives and other benefits available under current law to enterprise zones and program areas and also to update the information provided in the June 1988 report by the Office of the Auditor General on the enterprise zones and program areas.

During this audit, we reviewed laws, rules, and regulations, and we determined which of these were relevant to the issues. Additionally, we mailed questionnaires to local administrators of all 33 enterprise zones and program areas. Thirty-one of the 33 enterprise zones and program areas responded. The questionnaires tried to determine the following:

- The number of jobs created in the enterprise zones and program areas;
- The number of firms that relocated into an enterprise zone or program area from within California, the number of firms that relocated into an enterprise zone or program area from out of State, and the number of start-up firms or new facilities;

- The effectiveness of enterprise zones and program areas at reducing unemployment and dependence on public assistance among the long-term unemployed; and
- The relative effectiveness of enterprise zones compared with program areas at reducing unemployment and dependence on public assistance among the long-term unemployed.

Because the local administrators could not provide sufficient employment data, we contracted with the Stephen P. Teale Data Center to have its Geographic Information Systems Technology Center measure changes in businesses, jobs, and total wages within enterprise zones and program areas using data from the Employment Development Department. We then did a limited analysis of the resulting data. However, we did not audit these data; thus, we do not express an opinion on their reliability.

To determine the types of industries that use the enterprise zone and program area benefits, we reviewed data from the FTB. However, we did not audit these data; thus, we do not express an opinion on their reliability.

To try to determine the average cost to the State in terms of direct assistance and foregone tax revenues for each job created in an enterprise zone or program area, we reviewed data from the questionnaires and from the FTB. However, the data was insufficient to enable us to determine this information. As a result, we performed no further analysis of the data.

To determine whether the current application process used to select enterprise zones and program areas poses a burden on local government or businesses that locate in these areas, we reviewed responses from the questionnaires, and we reviewed the application process administered by the agency. Based on our review, few enterprise zone and program area administrators believe that the current process poses a burden. Accordingly, we performed no further analysis.

Our review of the effectiveness of the enterprise zones and program areas was limited for several reasons. Specifically, we were unable to obtain complete documentation about economic activity in the enterprise zones and program areas from the questionnaires we sent to the local administrators because state law does not require them to maintain the documentation. Also, we could not isolate the effect of the enterprise zone and employment and economic incentive programs from the effects

of other influences on economic activity in the enterprise zones and program areas. We address the lack of documentation at the local level and the inability to isolate the effects of the programs from other influences on economic activity in Chapter 1 of our report.

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Chapter 1

Enterprise Zone and Program Area Effectiveness Cannot Be Measured Adequately



Chapter Summary

The effectiveness of enterprise zones and program areas cannot be measured adequately at the state or local level. The Trade and Commerce Agency (agency), which administers the programs at the state level, is required to review the progress of enterprise zones and program areas and report the effects of the programs to the Legislature. However, the agency has neither developed an adequate framework to review and evaluate the progress of the programs nor measured their effectiveness. Specifically, the staff assigned to administer the programs is insufficient to meet all of the monitoring and reporting requirements and has not performed required audits of certified businesses in program areas. Furthermore, the agency has not reviewed or monitored enterprise zone and program area progress, evaluated the effects of the programs, or adequately prepared required reports on the effectiveness of the programs. Some of these deficiencies have been reported in previous audit reports by the Office of the Auditor General (OAG); however, the agency has not yet fully implemented the recommendations of those reports.

Additionally, although some local administrators have identified successes in their programs, these are based largely on anecdotal evidence. Because state law does not require enterprise zones and program areas to measure the success of their programs or establish standard measures of success, most enterprise zones and program areas either do not have specific measurable goals or do not collect data with which to measure the success of their programs. As a result, when we surveyed these administrators, they were unable to provide sufficient data to allow us to measure the effectiveness of their programs. Finally, numerous other factors, such as changes in the general economy and similar programs operating in the surrounding areas, affect economic activity in enterprise zones and program areas. Consequently, even if data were available from enterprise zones and program areas, isolating the effect of the programs on economic activity may not be possible.


Agency Has Inadequate Framework To Monitor Progress and Measure Effectiveness

Statutes require the agency, which administers the programs at the state level, to review the progress of the enterprise zones and program areas and report on the effects of both programs every five years. However, the agency has not developed an adequate framework to monitor the progress and measure the effectiveness of the enterprise zone and employment and economic incentive programs. Specifically, the agency has not done the following:



Agency has not fulfilled all of its statutory responsibilities.


- Committed sufficient staff to meet the monitoring and reporting requirements;
- Performed required audits of certified businesses in program areas;
- Reviewed or monitored enterprise zone and program area progress;
- Established an adequate system to evaluate the effectiveness of the programs; or
- Adequately complied with reporting requirements on the programs' effects.

Insufficient Staff Commitment



Only two employees administer the programs for 33 enterprise zones and program areas.



The agency has several statutory responsibilities for the administration of the enterprise zone and employment and economic incentive programs. However, it has not committed sufficient staff to meet all of the monitoring and reporting requirements. The Department of Commerce, the predecessor to the agency, began administering the programs in fiscal year 1987-88 with four staff members. Since then, although the administrative duties have increased and the number of zones and areas have increased from 16 to 33, the number of agency staff responsible for administration has fluctuated between two and six employees. Currently, the agency has assigned only two employees to administer the programs for the 33 enterprise zones and program areas; moreover, one of these employees is an interim manager who also manages another program within the agency. Program officials have requested that the agency provide additional staff to administer the programs; however, the officials stated the agency has not reallocated staff from other programs to administer the enterprise zone and employment and economic incentive programs. We did not perform a staffing study on the agency's 109 staff budgeted for its economic development program to determine whether personnel resources were available for these duties.


No Auditing of Program Area Businesses

To ensure that businesses achieve the employment and economic incentive program goals of stimulating businesses and jobs in areas with high unemployment, state law requires the agency to certify that businesses in the eight program areas are qualified to receive state tax benefits and recertify those businesses every three years. To qualify for the benefits, a business must meet one of three criteria:


- At least 50 percent of its employees live in a high density unemployment area;
- At least 30 percent of its employees live in a high density unemployment area, and the business has a program to provide assistance or services to residents of the area; or
- At least 30 percent of its ownership is by residents of a high density unemployment area.

Additionally, state law requires that the agency periodically audit certified businesses to ensure compliance with the requirements. It also requires that the agency decertify those businesses that are not in compliance. However, the agency has not performed the required periodic audits of those businesses after certification. Instead, the agency considers that its recertification process, in which it determines if businesses are qualified still to receive benefits, is a reasonable substitute for the periodic audits. Without those periodic audits, the agency cannot ensure that program area businesses have remained in compliance with the requirements after certification. As a result, program area businesses that are not in compliance after the initial certification may not achieve program goals and may take advantage of state tax benefits to which they are not entitled.

No Review or Monitoring of Programs


Agency has not reviewed the progress of any enterprise zones.

Statutes also require that the agency review the progress of enterprise zones to determine their effectiveness and monitor program area progress. The agency is required to review the progress of each zone within five years of designation, or by December 31, 1999, for enterprise zones designated before 1994. However, agency staff have not reviewed the progress of any enterprise zones. Furthermore, the agency has not yet developed a formal plan to accomplish the reviews or developed performance measures upon which to assess the effectiveness. Additionally, the agency has not monitored the progress of program areas. Without developing performance measures or reviewing and monitoring the progress of enterprise zones and program areas, the agency cannot adequately assess their success.


Annual report does not measure program success.


The agency also does not have an adequate system to evaluate both programs because it has not gathered complete and accurate data about program accomplishments or compared the reported accomplishments with measures of program success. The agency prepares an annual report, which summarizes current and historical economic data voluntarily submitted by enterprise zone and program area administrators; however, this report does not measure program success. First, the report contains incomplete data because some enterprise zones and program areas do not submit data at all, others submit only partial data, and others submit estimated data. Second, the agency does not verify the accuracy of the data included in the report. And third, the agency does not analyze or compare the data to performance measures. As a result of these deficiencies, the agency's annual report cannot be used to evaluate the effectiveness of the programs. The agency's interim enterprise zone manager stated that the agency does not perform any other evaluation because it lacks sufficient staff and because legislation has not provided it with authority to discipline or revoke the designation of zones or areas that fail to make demonstrable progress toward achieving goals. A bill was introduced in 1993 that would have given the agency this authority; however, the bill was not passed. Nevertheless, in our view, by establishing specific performance measures, obtaining complete data, verifying its accuracy and analyzing it against the measures, the agency could use its annual report to evaluate the effectiveness of the programs.

Inadequate Compliance With Reporting Requirements

The agency has not fully met its reporting requirements. State law requires that the agency submit reports evaluating the effects of the programs to the Legislature every five years. The agency submitted its first report for each program in 1987; however, these reports did not address the effectiveness of the programs because the agency stated that insufficient time had elapsed for it to evaluate them. Although the agency also stated that future reports would evaluate the effects of the program, it did not submit its required report in 1992. Instead, in 1994, the agency submitted a report issued by the California Policy Seminar, two years late. The agency's next report for both programs is due in 1997, and reports evaluating the effects of each enterprise zone are due by 1999; however, the agency still has not established a plan to report on the effectiveness of the programs.

Inadequate Agency Response to Previous Audit Recommendations


The agency has not adequately responded to recommendations made in two previous audit reports issued in May 1987 and June 1988 by the OAG. These audits were performed to evaluate the effectiveness of enterprise zones and program areas. Although each report concluded that the programs had not been implemented long enough to determine their effectiveness, certain problems existed with the administration of the programs and each report recommended changes to address the problems.


*Agency has not
implemented our prior
audit
recommendations.*

Specifically, the report issued in 1987 noted that the Department of Commerce (department), the predecessor to the current Trade and Commerce Agency, lacked a plan to comply with the evaluative requirements of the two programs. Thus, the costs and benefits of these programs could not be measured. In addition, the report noted that the department was not monitoring the program areas as required. The OAG recommended that the department take specific steps to implement a plan of evaluation and stated that the department should begin monitoring the program areas. According to agency staff, an employee worked on a methodology to evaluate the enterprise zones and program areas. However, this plan was never implemented, and the agency was unable to provide us with a copy of the plan. Furthermore, the agency has not monitored the progress of program areas, as previously noted.

Additionally, the OAG report issued in 1988 noted that few businesses in the enterprise zones and program areas used the program benefits available to them. The OAG recommended that the department determine whether program marketing efforts were deficient or whether other factors limited the use of program benefits. The report also recommended that the department then implement corrective action. As a result, the agency employed a marketing specialist from 1988 to 1992 who developed strategies and procedures for marketing the programs, and the agency identified some barriers that limit the use of program benefits. However, the agency did not prepare or implement a corrective action plan.

***Local Administrators
Maintain Insufficient Data
To Measure Program Effectiveness***


*Few enterprise zones and
program areas have
developed measurable
goals.*

The agency designates enterprise zones and program areas based on their potential ability to achieve the goals of the programs. However, once zones and areas are designated, there is no state requirement and no state funds provided for local administrators to develop performance measures or maintain documentation demonstrating progress towards meeting program goals. Few of the enterprise zones and program areas have developed measurable goals or maintain sufficient data with which to measure the success of the programs. As a result, we could not obtain sufficient data to perform a historical trend analysis or to evaluate program effectiveness.

We sent a survey to the 25 enterprise zones and eight program areas to determine the sufficiency and availability of data to evaluate program effectiveness. Specifically, we asked the local administrators about their measures of program effectiveness and their goals. We also requested statistical data such as the number of businesses and jobs created and the use of program incentives. In addition, we requested information on other factors affecting the program such as other programs offering similar benefits. We received 31 responses. The responses came from 23 of the 25 enterprise zones and from all eight program areas.

Enterprise zones and program areas measure success using anecdotal evidence.

Unfortunately, enterprise zones and program areas generally measure their success using anecdotal evidence. Several respondents provided examples of businesses creating new jobs in their area. However, isolated success stories do not provide a reliable basis for judging the overall success of the programs.

Additionally, we found that although most of the enterprise zones and program areas have established goals, these goals are often general in nature. Moreover, few zones or areas maintain statistics demonstrating their progress towards meeting those goals. Thirty of the 31 respondents provided data regarding goals for economic improvement established by their enterprise zone or program area. However, only 8 (26 percent) of the respondents identified measurable numeric goals whereas the remaining 22 (71 percent) respondents provided economic development goals that were often broad in nature. For example, one enterprise zone stated in our survey that its goal is to “create and retain jobs,” and one program area stated that its goal is to “bring additional jobs and businesses to the area.” Although general goals establish criteria for their achievement, they do not provide a sufficient measure to determine the effectiveness of the program.

Most of the enterprise zones and program areas maintain some statistical information. However, because no specific requirements exist, the type, quality, and amount of data available from the enterprise zones and program areas are not consistent. Consequently, we were unable to obtain enough complete, reliable data to evaluate the effectiveness of the programs. In the following sections, we discuss the problems with the data more specifically.

Data Was Not Always Complete

None of the respondents provided data for every year of operation for all applicable questions. For example, only 6 (19 percent) respondents provided any data for all years of operation. Furthermore, 16 (52 percent) respondents provided only current-year data for selected questions. Other respondents provided data for multiple years; however, the years were not contiguous. Finally, some of the zones are relatively new and could provide no more than one to three years of data. Because of these deficiencies, we could not use the data to identify trends.


Only 6 of 31 respondents provided any data for all years of operation.

Additionally, there were other problems regarding incomplete data. For example, even though most respondents provided data on the number of new businesses within their areas, they did not identify whether the businesses had relocated from within the State or were from out of State. Also, they did not identify whether the businesses were start-up companies. As a result, we could not determine whether the program brought new jobs to California or simply relocated jobs within California. Also, although 21 (68 percent) respondents identified the number of jobs created or retained as a result of their program, only one (3 percent) respondent identified the number of jobs lost in the area. Information on both jobs created and jobs lost for the entire enterprise zone or program area is necessary to analyze program effectiveness. Finally, many of respondents did not provide data on the use of local benefits or reduction in public assistance. For example, only 12 respondents provided data regarding the use of local benefits for three or more years, and from 3 of these respondents, the data were estimates. In addition, only one (3 percent) respondent provided any information regarding the effect the program area had on the use of public assistance benefits.

Data Was Not Always Reliable

We also found that the data was not always reliable. The statistical data provided by many respondents represented estimates rather than actual information based on evidence gathered from the enterprise zone or program area. For example, 17 (55 percent) of the respondents estimated the number of businesses located in their enterprise zone or program area. Additionally, the respondents did not always provide the assumptions and methods underlying their estimates; thus, we could not ascertain the reliability of the estimates.

Furthermore, some respondents provided information that appeared contradictory. For example, we found that one enterprise zone identified a greater number of new businesses established in the zone than the number of new jobs created by both new and existing businesses. In addition, we found inconsistencies between data provided to us and data provided to the agency for its 1993 annual report on enterprise zones and program areas. We compared 197 responses from 26 enterprise zones and program areas that returned a survey and also provided data for the agency's annual report. Seventy-seven (39 percent) responses to our survey matched the data in the annual report; 59


*Data provided by
enterprise zones and
program areas were
inconsistent, contradictory,
and
unreliable.*




responses (30 percent) did not. Further, 61 responses (31 percent) provided in the annual report identified data that the local administrators indicated was not available for our survey.


Isolating the Effects of the Programs May Not Be Possible

Even if reliable data were readily available on the economic activity in enterprise zones and program areas, isolating the effect of the programs from the effects of other influences may not be possible. These influences include, among other things, the general state and local economies and other programs operating in the area. For example, respondents in the Los Angeles area reported that the Los Angeles Revitalization Zone (LARZ) provided similar benefits with fewer administrative requirements. They further reported that the LARZ is responsible for a decrease in program area certifications and interest in enterprise zones.

Several reports have been issued that support the inability to isolate the effectiveness of the enterprise zones and employment and economic incentive areas or to attribute increases in employment to the programs. One of these reports is the June 1988 report from the OAG. The report is entitled, "A Review of Economic Activity in the State's Enterprise Zones and Economic Incentive Areas." This report concluded that, although businesses indicated they had moved to the enterprise zones or program areas because of the program benefits, several other factors, including changes in the general economy and the efforts of redevelopment agencies, may have contributed to improvements in economic activity. In addition, a report entitled, "Enterprise Zones: Lessons from the Maryland Experience," issued in December 1988 by the United States General Accounting Office to Congress, concluded that it was unable to show that increases in employment in the enterprise zones studied resulted from the enterprise zone program. Finally, an independent study entitled, "Evaluation of California's Enterprise Zone and Economic Incentive Programs," issued by the California Policy Seminar in March 1994, concluded that, although employment increases were documented, they were seldom attributed to enterprise zone or economic and employment incentive programs. As a result, we believe that, whereas the collection of some statistical data provides a foundation for measuring the effectiveness of the programs, it may not be possible to isolate the effects or to attribute economic improvements solely to the programs.



Other studies conclude that various factors can influence economic activity.



Chapter 2


Analysis of Selected Employer Data for Enterprise Zones, Program Areas, and Their Counties

Chapter Summary


Neither the Trade and Commerce Agency (agency) nor the enterprise zone or program area local administrators maintain sufficient data to determine whether the enterprise zone and employment and economic incentive programs are achieving their goals. Additionally, the State has not imposed any reporting requirements on enterprise zone and program area businesses and local administrators. As a result, it is difficult and costly to determine the effectiveness of the programs. However, we were able to obtain some data related to businesses and jobs from the Employment Development Department's (EDD) records with assistance from the Stephen P. Teale Data Center (Teale).

For the four years from 1991 through 1994, we requested that Teale compute the changes in the number of businesses and jobs for each enterprise zone and program area and for the county or counties in which each is located. An analysis of this data indicates that generally the number of businesses and jobs in the enterprise zones and program areas grew at a faster rate than the number of businesses and jobs in the counties in which they are located. However, this analysis is only a limited comparison of certain employer data in the zone or program area with that of the county in which it is located. Furthermore, because the analysis does not isolate the effects of the programs on businesses and jobs from other influences and because of the limitations described in Appendix B, this information alone is not enough to evaluate the success of the programs.

Description of the Analysis



It can be difficult and costly to obtain complete, reliable data to determine the effectiveness of programs.



Enterprise zones and program areas are not defined by traditional boundaries, such as cities, counties, census tracts, or zip codes. Additionally, businesses in the zones and areas are not required to report economic data to the local administrators. Further, no statutory requirements exist for local administrators to establish performance measures, gauge economic activity by businesses in the zones and areas against those measures, and report the results. Consequently, it can be difficult and costly to obtain complete, reliable data that can be used to determine the effectiveness of enterprise zones and program areas.

However, Teale's Geographic Information Systems (GIS) is designed to capture and manipulate data by its geographical location. The GIS can be used to extract selected data from database files that include addresses, such as databases containing unemployment and public assistance information, for review and analysis. We chose to review employer statistics from the EDD's ES 202 Program Master File (file). By applying the GIS to the file, which contains employer data from businesses such as location, wages, and number of jobs, we were able to extract some relevant data concerning businesses and jobs.

We provide a detailed description of our methodology and its limitations in Appendix B, and Appendix C contains the selected data reviewed for each enterprise zone, program area, and county or counties in which each is located. Because of the limitations cited in Appendix B, the data presented in Appendix C cannot be used to draw definitive conclusions. Nevertheless, the data does provide a basis for comparing certain economic activity in an enterprise zone or program area against the county or counties in which it is located. In the following section of this chapter, we summarize the results of our review.

Statistics Show That Businesses and Jobs Increased in Most Enterprise Zones and Program Areas

Statistics developed from the EDD files generally indicate an overall increase in businesses and jobs in enterprise zones and program areas from 1991, or from the year of designation if after 1991, to 1994. Further, when compared with the counties in which they are located, most enterprise zones showed a greater rate of growth in businesses and jobs. Most program areas also showed a greater rate of growth in businesses and jobs than the

counties in which they are located. Below we summarize the results of our review of these statistics.

Enterprise Zones—Businesses

The purpose of enterprise zones is to stimulate business and industrial growth in depressed areas. This can be measured, in part, by the increase in the number of businesses in the enterprise zones. Increases in the number of businesses are primarily due to the expansion of existing businesses, new businesses locating within the zone, and the expansion of the zone boundaries.

During the review period, 23 of the 25 enterprise zones showed a net increase, and 2 showed a net decrease in the total number of businesses in the zone. Additionally, in terms of the percentage change in the number of businesses, 18 enterprise zones outperformed the counties in which they are located. Specifically, one zone, Shasta Valley, increased while the county decreased, and the remaining 17 zones increased at rates faster than the counties in which they are located. For each zone, Table 1 below summarizes the changes in the total number of businesses and identifies how the rates of change in the number of businesses compare with those of the counties in which they are located.

Eleven of the 23 enterprise zones where the number of businesses increased had expanded their boundaries during the period under review; in some zones all the increases can be attributed to the boundary expansions; in others, some of the increases can be attributed to boundary expansions. For example, the Los Angeles—Northeast Valley enterprise zone, which had its boundary expanded, experienced a 10.09 percent increase in businesses during the period of review. Without boundary expansions the enterprise zone would have experienced a 1.37 percent decrease. Nevertheless, even when we eliminated the effects of the boundary expansions, 9 of the 11 enterprise zones still showed an increase in the total number of businesses, and 6 of the 11 still outperformed the counties in which they are located, in terms of the percentage change in the number of businesses. For example, the San Jose enterprise zone experienced a 45.25 percent increase in businesses during the review period while Santa Clara County experienced a 9.22 percent increase during the same period. Without boundary expansions the San Jose enterprise zone would have experienced

a 10.57 percent increase. Thus, although this is a smaller rate of growth, it is still better than the county's rate of growth.

Table 1

**Summary of Changes in the Number of
Businesses and Comparison With
Counties—All Enterprise Zones**

Zone	Did Number of Businesses Increase?		Did Enterprise Zone Outperform County?	
	Yes	No	Yes	No
Agua Mansa	✓			e
Altadena/Pasadena	✓		a	
Calexico	✓		a	
Coachella Valley	✓		a	
Delano	✓		a	
Eureka	✓			e
Fresno	✓		a	
Kings County	✓		a	
Long Beach		✓		d
Los Angeles—Central City	✓		a	
Los Angeles—Northeast Valley	✓		a	
Merced/Atwater	✓		a	
Oakland	✓			e
Oroville	✓		a	
Porterville	✓			e
Richmond	✓		a	
San Diego—San Ysidro/ Otay Mesa	✓		a	
San Diego—Southeast/ Barrio Logan	✓			e
San Francisco	✓		a	
San Jose	✓		a	
Santa Ana	✓		a	
Shasta Metro	✓		a	
Shasta Valley	✓		b	
Stockton		✓		c
Yuba/Sutter	✓		a	
Total	23	2	18	7

^a Enterprise zone increased at a faster rate than the county.

^b Enterprise zone increased while the county decreased.

^c Enterprise zone decreased at a faster rate than the county.

^d Enterprise zone decreased while county increased.

^e Enterprise zone increased at a slower rate than the county.

For the 11 zones with boundary expansions, Table 2 below summarizes the changes in the total number of businesses and identifies how the rates of change in the number of businesses compare with those of the counties in which they are located.

Table 2

Summary of Changes in the Number of Businesses Without the Effects of Boundary Expansions and Comparison With Counties

Zone	Did Number of Businesses Increase?		Did Enterprise Zone Outperform County?	
	Yes	No	Yes	No
Agua Mansa	✓			b
Calexico	✓		a	
Coachella Valley	✓		a	
Fresno	✓			b
Los Angeles—Central City	✓		a	
Los Angeles—Northeast Valley		✓		c
San Francisco	✓			b
San Jose	✓		a	
Santa Ana		✓		c
Shasta Metro	✓		a	
Yuba/Sutter	✓		a	
Total	9	2	6	5

- ^a Enterprise zone increased at a faster rate than the county.
- ^b Enterprise zone increased at a slower rate than the county.
- ^c Enterprise zone decreased while county increased.

Enterprise Zones—Jobs

For the period of review, 19 of the 25 enterprise zones showed a net increase in the total number of jobs, and 6 showed a net decrease. Additionally, in terms of the percentage change in the number of jobs, 19 enterprise zones outperformed the counties in which they are located. Specifically, 8 increased while the counties decreased, and 11 increased at a faster rate than the counties in which they are located. Table 3 below summarizes the changes in the total number of jobs and identifies how the rates of change in the number of jobs compare with those of the counties in which they are located.

Table 3

**Summary of Changes in the Number
of Jobs and Comparison With
Counties—All Enterprise Zones**

Zone	Did Number of Jobs Increase?		Did Enterprise Zone Outperform County?	
	Yes	No	Yes	No
Agua Mansa	✓		a	
Altadena/Pasadena	✓		b	
Calexico	✓		b	
Coachella Valley	✓		a	
Delano	✓		b	
Eureka	✓		a	
Fresno	✓		a	
Kings County	✓		a	
Long Beach		✓		c
Los Angeles—Central City	✓		b	
Los Angeles—Northeast Valley	✓		b	
Merced/Atwater	✓		b	
Oakland	✓		a	
Oroville	✓		a	
Porterville	✓		a	
Richmond		✓		d
San Diego—San Ysidro/ Otay Mesa		✓		c
San Diego—Southeast/ Barrio Logan		✓		c
San Francisco	✓		a	
San Jose	✓		b	
Santa Ana	✓		a	
Shasta Metro	✓		a	
Shasta Valley		✓		d
Stockton		✓		d
Yuba/Sutter	✓		b	
Total	19	6	19	6

^a Enterprise zone increased at a faster rate than the county.

^b Enterprise zone increased while the county decreased.

^c Enterprise zone decreased at a faster rate than the county.

^d Enterprise zone decreased while county increased.

Eleven of the 19 enterprise zones where the number of jobs increased had expanded their boundaries during the period under review; in some zones all the increases can be attributed to the boundary expansions; in others, some of the increases can be attributed to boundary expansions. Nevertheless, even when we eliminated the effects of the boundary expansions, 9 of the 11

enterprise zones still showed an increase in the total number of jobs, and 9 of the 11 still outperformed the counties in which they are located, in terms of the percentage change in the number of businesses.

For the 11 zones with boundary expansions, Table 4 below summarizes the net changes in the total number of jobs and identifies how the rates of change in the number of jobs compare with those of the counties in which they are located.

Table 4
Summary of Changes in the Number of Jobs Without the Effects of Boundary Expansions and Comparison With Counties

Zone	Did Number of Jobs Increase?		Did Enterprise Zone Outperform County?	
	Yes	No	Yes	No
Agua Mansa	✓			e
Calexico	✓		b	
Coachella Valley	✓		a	
Fresno	✓		a	
Los Angeles—Central City		✓	c	
Los Angeles—Northeast Valley	✓		b	
San Francisco		✓		d
San Jose	✓		b	
Santa Ana	✓		a	
Shasta Metro	✓		a	
Yuba/Sutter	✓		b	
Total	9	2	9	2

- ^a Enterprise zone increased at a faster rate than the county.
^b Enterprise zone increased while the county decreased.
^c Enterprise zone decreased at a slower rate than the county.
^d Enterprise zone decreased while county increased.
^e Enterprise zone increased at a slower rate than the county.

Program Areas—Businesses

The purpose of program areas is to encourage and facilitate job maintenance as well as business and job development in distressed and declining areas. This goal can be measured, in part, by the increase in the number of businesses and jobs in the program areas. Increases in the number of businesses and jobs are due primarily to the expansion of existing businesses, new businesses locating within the program area, and the expansion of the program area boundaries.

All eight program areas showed a net increase in the total number of businesses for the period reviewed. Furthermore, the rate of increase in the number of businesses for all eight program areas was faster than that of the counties in which they are located. All of the program areas, except West Sacramento and Madera, expanded their boundaries during the period of review, and some of the increases in the number of businesses can be attributed to the boundary expansions. Even when the effects of the boundary expansions are eliminated, all six expanded program areas showed an increase in the total number of businesses, and four outperformed the counties in which they are located, in terms of the percentage change in the number of businesses. For example, the Bakersfield/Kern program area experienced a 15.98 percent increase in businesses during the review period while Kern County experienced a 2.28 percent increase during the same period. Without boundary expansions the Bakersfield/Kern program area would have experienced a 5.33 percent increase. Thus, although this is a smaller increase in the program area's rate of growth, it still exceeded that of the county.

For the six program areas with boundary expansions, Table 5 below identifies how the rates of change in the total number of businesses compare with those of the counties in which they are located.

Program Areas—Jobs

For the period reviewed, all eight program areas showed a net increase in total jobs. In addition, in terms of the percentage change in the number of jobs, all eight outperformed the counties in which they are located. Specifically, five program areas increased the number of jobs while the counties decreased, and three increased at a faster rate than that of the counties in which

they are located.

Table 5
Comparison of Rate of Change in Program Area Businesses Without the Effects of Boundary Expansions With Counties

Program Area	Did Program Area Outperform County?	
	Yes	No
Bakersfield/Kern	a	
Los Angeles—Eastside		b
Los Angeles—Watts		b
Los Angeles—Wilmington	a	
Pittsburg	a	
Sacramento	a	
Total	4	2

^a Program area increased at a faster rate than the county.
^b Program area increased while the county decreased.

Table 6 below identifies how the rates of change in the total number of jobs in each program area compare with those of the counties in which they are located.

Table 6
Comparison of Rate of Change in Program Area Jobs With Counties

Program Area	Program Area Increased at Faster Rate Than County	Program Area Increased While County Decreased
Bakersfield/Kern		✓
Los Angeles—Eastside		✓
Los Angeles—Watts		✓
Los Angeles—Wilmington		✓
Madera	✓	
Pittsburg	✓	
Sacramento		✓
West Sacramento	✓	
Total	3	5

As previously discussed, six program areas expanded their boundaries during the review period. In some areas, all of the increases in the number of jobs can be attributed to the boundary expansions; in other areas, some of the increases can be attributed to these expansions. For example, the Los Angeles—Eastside program area experienced a 43.48 percent increase in jobs during the review period while Los Angeles County experienced a decrease of 9.50 percent. Without boundary expansions the Los Angeles—Eastside program area would have experienced a 2.28 percent decrease. When we eliminated the effects of the boundary expansions, only two of the six program areas still showed an increase in the total number of jobs; nevertheless, five of the six still outperformed the counties in which they are located, in terms of the percentage change in the number of jobs. For example, the Pittsburg program area experienced a 24.48 percent increase in jobs during the review period while Contra Costa County experienced an increase of 2.51 percent. Without boundary expansions the Pittsburg program area would have experienced a 22.03 percent increase. Thus, although the program area’s rate of growth was less, it was still better than the rate of growth in the county.

For the six program areas with boundary expansions, Table 7 below summarizes the changes in the total number of jobs and identifies how the rates of change in the number of jobs compare with those of the counties in which they are located.

Table 7
Summary of Changes in the Number of Jobs Without the Effects of Boundary Expansions and Comparison With Counties

Zone	Did Number of Jobs Increase?		Did Program Area Outperform County?	
	Yes	No	Yes	No
Bakersfield/Kern		✓	b	
Los Angeles—Eastside		✓	b	
Los Angeles—Watts		✓		d
Los Angeles—Wilmington		✓	b	
Pittsburg	✓		a	
Sacramento	✓		c	
Total	2	4	5	1

- ^a Program area increased at a faster rate than the county.
- ^b Program area decreased at a slower rate than the county.
- ^c Program area increased while the county decreased.
- ^d Program area decreased at a faster rate than the county.

New Businesses in Enterprise Zones and Program Areas Are About Evenly Divided Between Start-up Businesses and Those Relocated From Within California

Statistics developed from the EDD files generally indicate that between 1991 and 1994 the overall increase in new businesses in enterprise zones and program areas is about evenly divided between start-up businesses and businesses relocated from within California. A start-up business is generally one that has begun operations for the first time, and a relocated business is an existing one that has moved or expanded to the zone or area from elsewhere in California. Start-up and expanded businesses generally create new jobs whereas relocated businesses generally shift jobs from one area of California to another. Because of limitations in the new businesses data, we cannot determine how many of these new businesses represent new jobs for the State and how many represent a shift of jobs from one part of the State to another.

As described in detail in Appendix B, to determine the composition of the new businesses in the enterprise zones and program areas, we compared the list of new enterprise zone and program area businesses with a file of all California businesses for the first quarter of 1991. Because our comparison was limited to the first quarter of 1991, this analysis would not identify as a relocation or expansion from within the State those new enterprise zone and program area businesses that began operation in another part of the State after early 1991. Thus, the number of new businesses relocating from within the State may be understated and the number of start-up businesses may be overstated. In addition, the EDD files do not distinguish between relocated and expanded businesses. Accordingly, we were unable to differentiate the new businesses that were relocations from those that were expansions.

On a statewide basis, during the period of review, start-up businesses represented 51 percent and relocated or expanded businesses represented 49 percent of the total new businesses in enterprise zones and program areas. For each enterprise zone and program area, Table 8 below identifies the percentage of new businesses that are start-up businesses and the percentage that relocated or expanded from within California.

Table 8**Composition of New Businesses in Enterprise Zones and Program Areas**

	Start-up Businesses	Relocated or Expanded Businesses
<u>Enterprise Zones</u>		
Agua Mansa ^a	56%	44%
Altadena/Pasadena	63%	37%
Calexico	65%	35%
Coachella Valley	49%	51%
Delano	73%	27%
Eureka	58%	42%
Fresno	48%	52%
Kings County	56%	44%
Long Beach	60%	40%
Los Angeles—Central City	58%	42%
Los Angeles—Northeast Valley	53%	47%
Merced/Atwater	58%	42%
Oakland	67%	33%
Oroville	57%	43%
Porterville	56%	44%
Richmond	66%	34%
San Diego—SanYsidro/Otay Mesa	70%	30%
San Diego—Southeast/Barrio Logan	64%	36%
San Francisco	55%	45%
San Jose	48%	52%
Santa Ana	37%	63%
Shasta Metro ^a	59%	41%
Shasta Valley	49%	51%
Stockton	62%	38%
Yuba/Sutter	59%	41%
All Enterprise Zones	54%	46%
<u>Program Areas</u>		
Bakersfield/Kern	60%	40%
Los Angeles—Eastside	48%	52%
Los Angeles—Watts	54%	46%
Los Angeles—Wilmington	30%	70%
Madera	55%	45%
Pittsburg	55%	45%
Sacramento	36%	64%
West Sacramento	45%	55%
All Program Areas	45%	55%
All Enterprise Zones and Program Areas	51%	49%

^a Because of an inadvertent error, we did not receive information on the composition of 85 new businesses, 7 in the Agua Mansa enterprise zone and 78 in the Shasta Metro enterprise zone. Thus, the percentages for these zones are based on incomplete data. However, these omissions have no effect on the percentages computed for all enterprise zones or all enterprise zones and program areas.

Appendix C presents wage data for enterprise zones, program areas, and the counties in which they are located. This wage data is presented for informational purposes only. Because it is affected by inflation, the general economy, and other factors that are not addressed in this report, we did not analyze the wage data.

Chapter 3

Conclusion and Recommendations

Conclusion

We were unable to adequately measure the effectiveness of the enterprise zone and the employment and economic incentive programs at the state or local level. The Trade and Commerce Agency (agency) administers the programs at the state level but has neither developed an adequate framework to review and evaluate the programs' progress nor measured their effectiveness. In addition, because they are not required to do so, enterprise zone and program area local administrators do not maintain sufficient data to measure the success of their programs. Finally, numerous factors affect the economic activity in enterprise zones and program areas; consequently, even if reliable data were readily available, it may not be possible to isolate the effects of the programs.

Because the agency does not maintain sufficient data to determine whether the enterprise zones and program areas are achieving their goals and the State has not imposed any reporting requirements on enterprise zone and program area businesses and local administrators, it is difficult and costly to determine the effectiveness of the programs. However, with the employer data we obtained from the Employment Development Department and reviewed with assistance from the Stephen P. Teale Data Center (Teale), we determined that, between 1991 and 1994, the number of businesses and jobs in enterprise zones and program areas generally grew at a faster rate than the businesses and jobs in the counties in which they are located. Further, although businesses and jobs in enterprise zones and program areas grew at a faster rate with boundary expansions than without expansions, the growth without boundary expansions was still generally faster than that of the host counties. This analysis is only a limited comparison of certain employer data in the zone or area against the county in which it is located; thus, this information alone is not sufficient to evaluate the success of the programs.

Recommendations

The agency needs to reassess its priorities to fulfill its statutory responsibilities for monitoring and measuring the effectiveness of the enterprise zone and the employment and economic incentive programs.

To determine the impact of the programs on the State, the agency should, in accordance with the law, take the following actions:

- Establish and implement a plan to monitor, evaluate, and report on the effectiveness of the programs, which includes identification and establishment of the performance measures, a system to obtain complete and reliable data about program achievements, and a determination of how it will evaluate reported achievements against those performance measures. The plan should also include procedures to determine the resources the agency needs to implement this plan and a schedule by which the agency will accomplish each of the steps; and
- Determine whether Teale's Geographic Information Systems can be used with other state or local databases to gather and evaluate selected statistical data relevant to the programs.

However, the agency may be unable to collect all the necessary information without obtaining it from either the businesses or the local administrators. Therefore, to enable the agency to collect the necessary data and make its evaluation, the Legislature needs to consider implementing the following:

- Imposing reporting requirements on businesses in the enterprise zones and program areas and requiring that local administrators of the programs establish performance measures, collect data to measure performance, and report their results. Currently, the zones and program areas receive no state funds for administering the programs.

To ensure that certified businesses in program areas remain eligible to receive state tax benefits, the agency should, in accordance with state law, periodically audit these businesses.

We conducted this review under the authority vested in the state auditor in Section 8543 et seq., of the California Government Code and according to generally accepted governmental auditing standards. We limited our review to those areas specified in the audit scope of this report.

Respectfully submitted,

KURT R. SJOBERG
State Auditor

Date: November 1, 1995

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Appendix A

State Tax Benefits

Table A-1

**State Tax Benefits Claimed by
Enterprise Zone and Program Area
Businesses and Employees**

State Tax Benefit Type	1988	1989	1990	1991	1992	Total Dollars
Hiring, Sales, and Use Tax Credits:						
Number of Businesses	187	270	300	320	536	
Dollar Amount of Credits	\$1,744,698	\$4,407,438	\$3,357,295	\$3,951,589	\$9,514,080	\$22,975,100
Net Operating Loss Carryovers:						
Number of Businesses	NP	NP	NP	12	25	
Dollar Amount of Carryovers	981	0	787,139	311,322	1,213,628	2,313,070
Interest Deductions:						
Number of Businesses	NP	NP	NP	15	42	
Dollar Amount of Deductions	23,803	1,945,367	2,480,732	7,711,879	15,818,835	27,980,616
Business Expense Deductions:						
Number of Businesses	NP	NP	NP	NP	NP	
Dollar Amount of Deductions	1,612	0	0	0	1,260	2,872
Employee Credits for Personal Income Tax:						
Number of Individuals	247	203	107	213	304	
Dollar Amount of Credits	33,246	41,063	16,922	35,126	48,172	174,529
Total Dollars	\$1,804,340	\$6,393,868	\$6,642,088	\$12,009,916	\$26,595,975	\$53,446,187

Source: Franchise Tax Board

Note: NP = Number is less than 10; however, the number is not provided to ensure the confidentiality of the businesses.

Table A-2**State Tax Benefits by Type of Industry
(in Dollars)**

Industry Type	Hiring, Sales, and Use Tax Credits	Net Operating Loss Carryovers	Interest Deductions	Business Expense Deductions	Total Benefits
Agriculture and Mining	\$ 883,950		\$ 88,265		\$ 972,215
Construction	125,500	\$ 126,780			252,280
Light Industry	6,237,452	668,113		\$1,260	6,906,825
Heavy Industry	8,968,389	326,996	49,926		9,345,311
Nonfinancial Services	1,514,057	172,776	2,511,688		4,198,521
Trade	1,695,143	372,384	40,677		2,108,204
Financial Services	1,232,329	438,930	25,290,060		26,961,319
Transportation and Utilities	601,196	198,268			799,464
Not Identified	1,717,084	8,823		1,612	1,727,519
Total	\$22,975,100	\$2,313,070	\$27,980,616	\$2,872	\$53,271,658

Source: Franchise Tax Board

Note: The state tax benefits for individual employee credits are not identified by industry type; thus, they are not included in this table.

Table A-3**State Tax Benefits
by Enterprise Zone and Program Area
(in Dollars)**

	Date Designated	Hiring, Sales, and Use Tax Credits	Net Operating Loss Carryovers	Interest Deductions	Business Expense Deductions	Total
Enterprise Zones:						
Agua Mansa	10/86	\$ 1,226,944				\$ 1,226,944
Altadena/Pasadena	4/92	5,266				5,266
Calexico	10/86	22,825				22,825
Coachella Valley	11/91	1,852				1,852
Delano	12/91					0
Eureka	10/86	1,013,985	\$ 206,365	\$ 12,235		1,232,585
Fresno	10/86	1,503,439	17,610	88,265		1,609,314
Long Beach	1/92	76,846				76,846
Los Angeles—Central City	10/86	1,236,243	182,278	8,002,789		9,421,310
Los Angeles—Northeast Valley	10/86	307,106	140,761	1,555,663		2,003,530
Merced/Atwater	12/91	14,588				14,588
Oroville	11/91	12,770				12,770
Porterville	10/86	476,491				476,491
Richmond	3/92	77,152		94,519		171,671
San Diego—San Ysidro/Otay Mesa	1/92	36,155	37,841			73,996
San Diego—Southeast/Barrio Logan	10/86	726,647	15,640			742,287
San Francisco	5/92	17,689	53,184			70,873
San Jose	12/86	286,348	475,177	1,997,544	\$1,612	2,760,681

Shasta Metro	11/91	139,705	93,705	123,988		357,398
Yuba/Sutter	10/86	145,069	79,179	123,809		348,057
Program Areas:						
Bakersfield/Kern	10/86	18,243				18,243
Los Angeles—Eastside	1/88	188,562		15,059		203,621
Los Angeles—Watts	10/86	313,016	107,775			420,791
Los Angeles—Wilmington	3/89	110,113		75,173		185,286
Madera	3/89	683,183	246,090	40,677		969,950
Pittsburg	1/88	10,201				10,201
Sacramento	*	27,795		85,247		113,042
West Sacramento	1/88	67,284	29,136			96,420
Multiple locations		3,571,628	2,526	5,340,559		8,914,713
Unidentified locations		10,657,955	625,803	10,425,089	1,260	21,710,107
Total		\$22,975,100	\$2,313,070	\$27,980,616	\$2,872	\$53,271,658

Source: Franchise Tax Board

Note: The state tax benefits for individual employee credits are not identified by enterprise zone or program area; thus, they are not included in this table. Additionally, this table does not include enterprise zones and program areas designated after December 1992.

* The Sacramento program area consists of Northgate designated in October 1986 and Florin/Perkins designated in April 1989.

pendix B

A Detailed Description of the Methodology and Limitations of Our Review of Selected Employer Data

To obtain employer data for the 25 counties in which enterprise zones and program areas are located, we asked the Employment Development Department (EDD) to provide the data from its ES 202 Program Master File (file) for those counties. The data included businesses covered by unemployment insurance operating during the first quarter of each year, including those that opened or closed during the period. However, we excluded all data for public employers and private households to limit our analysis to businesses that would benefit from the state and local incentives. Additionally, inaccuracies in the data may exist for a variety of reasons; for example, businesses with multiple locations may not report each location as a separate business. The time period of our analysis was limited to four years because the EDD could provide comparable employer data only for the period from 1991 to 1994. We then asked the EDD to provide the employer data to the Stephen P. Teale Data Center (Teale).

To determine the businesses in each enterprise zone and program area, Teale used a two-step process. First, it processed the EDD's employer data through address-matching software. Using this software, Teale compared the addresses in the EDD employer file to a statewide database that contains street names and address ranges. Teale was able to match approximately 80 percent of the addresses on the EDD file. For those addresses that matched, the software automatically assigned a location code. Second, the location codes were compared with the boundary data derived from maps provided by each enterprise zone and program area, and the location codes fell either inside or outside the boundary. Those inside the boundary were considered to be part of the zone or area. The accuracy of the enterprise zone and program area data generated is limited by unmatched businesses and imperfect map or boundary data.

After extracting the business, job, and wage data, Teale computed the number of businesses and jobs and amount of wages paid for each enterprise zone and program area during the first quarter of each year beginning with 1991 or, for zones designated after 1991, since the year of designation. Additionally, Teale computed the percentage change in total businesses, jobs, and wages paid for the applicable years.

Zones and areas are allowed to expand their boundaries up to 15 percent. To isolate the changes in enterprise zone and program area data resulting from boundary expansions, Teale extracted information from the 1994 EDD file for each enterprise zone and program area using the map in effect during 1991 or, if designated after then, the year of designation.

To develop comparative data for the enterprise zone and program area data, we requested that Teale extract from the EDD's file similar job, wage, and business data for each of the counties in which the enterprise zones and program areas are located.

To identify new and deleted businesses, Teale compared business identification numbers from year to year. Business identification numbers appearing in one year but not in subsequent years were considered deleted businesses. Business identification numbers appearing in later years but not in an earlier year were considered new businesses. Teale provided the list of all the new businesses to the EDD for additional processing.

New businesses comprise start-up businesses and businesses that have relocated or expanded into an area. To determine the number of new businesses in enterprise zones and program areas that were start-up businesses and the number that were relocations or expansions from elsewhere in California, the EDD compared the list of new businesses provided by Teale with the ES 202 file for the entire State for the first quarter of 1991. Business identification numbers that the EDD determined were in existence in California were considered relocations or expansions from within California. Business identification numbers that were not on the 1991 file were considered start-up businesses. However, because employers may change business identification numbers for a variety of reasons, relocations and new businesses may be incorrectly identified. Furthermore, because the EDD compared the list of new businesses with the file for the first quarter of 1991 only, this analysis would not identify as a relocation or expansion from within the State those new enterprise zone and program area businesses that began operation in another part of the State after early 1991. Thus, the number of new businesses relocating from within the State may be understated, and the number of start-up businesses may be overstated.

Because 10 of the enterprise zones were designated after 1991, our review of these zones was limited to the years since their designation. As a result, for these enterprise zones, Appendix C includes data only from the year of designation through 1994.

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Appendix C

Selected Employer Data

Table C-1

**Agua Mansa Enterprise Zone
Riverside and San Bernardino Counties
1991 Through 1994**

	Agua Mansa Enterprise Zone					Riverside and San Bernardino Counties			
	1991	1992	1993	1994	1994 ^a	1991	1992	1993	1994
Businesses^b									
New ^c		64	92	70			6,416	7,369	5,848
Deleted ^f		64	76	63			4,707	6,022	6,039
Total	441	441	457	464	456	37,071	38,780	40,127	39,936
Percent Change		0.00%	3.63%	1.53%			4.61%	3.47%	-0.48%
Percent Change 1991-94				5.22%	3.40%				7.73%
Jobs^c									
New ^e		704	896	652			62,949	70,849	52,460
Deleted ^f		519	951	568			53,811	44,076	43,515
Total	7,452	7,608	7,582	7,791	7,665	498,292	491,612	507,467	514,676
Percent Change		2.09%	-0.34%	2.76%			-1.34%	3.23%	1.42%
Percent Change 1991-94				4.55%	2.86%				3.29%
Wages^d									
New ^e		\$ 3,536	\$ 6,710	\$ 3,076			\$ 291,179	\$ 319,126	\$ 237,645
Deleted ^f		2,906	3,416	2,881			233,286	206,393	207,423
Total	\$44,473	46,636	49,276	53,128	\$51,920	\$2,602,818	2,680,962	2,692,815	2,836,033
Percent Change		4.86%	5.66%	7.82%			3.00%	0.44%	5.32%
Percent Change 1991-94				19.46%	16.75%				8.96%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

^a Data presented by using the 1991 map parameters to extract 1994 employer data.

^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.

^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.

^d Wages are total quarterly payroll and are presented in thousands.

^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.

^f Deleted businesses are those with business identification numbers that appear one year of the period but not in subsequent years. Deleted jobs and wages are those jobs and wages associated with deleted businesses.

Table C-2

**Altadena/Pasadena Enterprise Zone
Los Angeles County
1992 Through 1994**

	Altadena/Pasadena Enterprise Zone				Los Angeles County		
	1992	1993	1994	1994 ^a	1992	1993	1994
Businesses^b							
New ^e	42	71	59		26,238	29,790	25,830
Deleted ^f	37	52	68		21,014	25,458	25,713
Total	375	394	385	385	196,407	200,739	200,856
Percent Change		5.07%	-2.28%			2.21%	0.06%
Percent Change 1992-94			2.67%	2.67%			2.27%
Jobs^c							
New ^e	251	641	615		293,439	333,803	243,392
Deleted ^f	299	248	1,140		353,560	286,515	248,819
Total	4,701	5,170	4,726	4,726	3,030,106	2,965,865	2,934,636
Percent Change		9.98%	-8.59%			-2.12%	-1.05%
Percent Change 1992-94			0.53%	0.53%			-3.15%
Wages^d							
New ^e	\$ 862	\$ 2,651	\$ 1,818		\$ 1,759,145	\$ 2,060,190	\$ 1,475,663
Deleted ^f	947	908	5,001		2,269,924	1,898,097	1,477,736
Total	20,874	22,405	19,318	\$19,318	22,311,516	21,349,610	21,862,009
Percent Change		7.33%	-13.78%			-4.31%	2.40%
Percent Change 1992-94			-7.45%	-7.45%			-2.01%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

^a Data generated by using the year of designation map parameters to extract 1994 employer data. The enterprise zone was designated in April 1992.

^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.

^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.

^d Wages are total quarterly payroll and are presented in thousands.

^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.

^f Deleted businesses are those with business identification numbers that appear one year of the period but not in subsequent years. Deleted jobs and wages are those jobs and wages associated with deleted businesses.

Table C-26

Bakersfield/Kern Program Area

**Kern County
1991 Through 1994**

	Bakersfield Program Area					Kern County			
	1991	1992	1993	1994	1994 ^a	1991	1992	1993	1994
Businesses^b									
New ^c		20	21	53			1,371	1,380	1,246
Deleted ^f		17	25	25			1,160	1,310	1,300
Total	169	172	168	196	178	9,975	10,186	10,256	10,202
Percent Change		1.78%	-2.33%	16.67%			2.12%	0.69%	-0.53%
Percent Change 1991-94				15.98%	5.33%				2.28%
Jobs^c									
New ^c		114	175	1,906			14,206	12,972	10,339
Deleted ^f		44	135	157			14,046	9,572	8,556
Total	2,443	2,445	2,312	4,110	2,379	132,699	128,605	125,449	127,746
Percent Change		0.08%	-5.44%	77.77%			-3.09%	-2.45%	1.83%
Percent Change 1991-94				68.24%	-2.62%				-3.73%
Wages^d									
New ^c		\$ 417	\$ 1,107	\$11,582			\$ 64,926	\$ 59,219	\$ 43,838
Deleted ^f		244	471	574			72,001	41,849	38,774
Total	\$13,854	13,710	13,349	24,991	\$14,072	\$696,485	689,416	659,497	695,118
Percent Change		-1.04%	-2.63%	87.21%			-1.01%	-4.34%	5.40%
Percent Change 1991-94				80.40%	1.58%				-0.20%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

^a Data presented by using the 1991 map parameters to extract 1994 employer data.

^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.

^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.

^d Wages are total quarterly payroll and are presented in thousands.

^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.

^f Deleted businesses are those with business identification numbers that appear one year of the period but not in subsequent years. Deleted jobs and wages are those jobs and wages associated with deleted businesses.

Table C-18

**San Diego—Southeast/Barrio Logan Enterprise Zone
San Diego County
1991 Through 1994**

San Diego—Southeast/Barrio Logan Enterprise Zone					San Diego County				
	1991	1992	1993	1994	1994 ^a	1991	1992	1993	1994
Businesses^b									
New ^c		96	201	148			7,231	8,633	7,450
Deleted ^f		87	161	165			5,584	6,875	7,307
Total	962	971	1,011	994	994	49,273	50,920	52,678	52,821
Percent Change		0.94%	4.12%	-1.68%			3.34%	3.45%	0.27%
Percent Change 1991-94				3.33%	3.33%				7.20%
Jobs^c									
New ^c		799	1,952	1,188			69,218	86,950	71,203
Deleted ^f		1,065	1,502	1,583			72,369	58,707	69,151
Total	17,676	17,895	17,230	16,011	16,011	699,074	666,927	680,347	684,393
Percent Change		1.24%	-3.72%	-7.07%			-4.60%	2.01%	0.59%
Percent Change 1991-94				-9.42%	-9.42%				-2.10%
Wages^d									
New ^c		\$ 3,315	\$ 8,123	\$ 5,798			\$ 377,499	\$ 489,114	\$ 412,589
Deleted ^f		5,742	6,790	7,044			369,184	335,901	403,372
Total	\$109,459	110,080	105,134	103,392	\$103,392	\$4,149,758	4,136,798	4,128,989	4,331,140
Percent Change		0.57%	-4.49%	-1.66%			-0.31%	-0.19%	4.90%
Percent Change 1991-94				-5.54%	-5.54%				4.37%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

^a Data presented by using the 1991 map parameters to extract 1994 employer data.

^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.

^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.

^d Wages are total quarterly payroll and are presented in thousands.

^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.

^f Deleted businesses are those with business identification numbers that appear one year of the period but not in subsequent years. Deleted jobs and wages are those jobs and wages associated with deleted businesses

Table C-3

***Calexico Enterprise Zone
Imperial County
1991 Through 1994***

	Calexico Enterprise Zone					Imperial County			
	1991	1992	1993	1994	1994 ^a	1991	1992	1993	1994
Businesses^b									
New ^c		55	61	52			282	351	261
Deleted ^f		25	47	48			237	287	300
Total	223	253	267	271	269	2,211	2,256	2,320	2,281
Percent Change		13.45%	5.53%	1.50%			2.04%	2.84%	-1.68%
Percent Change 1991-94				21.52%	20.63%				3.17%
Jobs^c									
New ^c		439	761	315			3,295	3,885	3,004
Deleted ^f		61	181	937			5,205	1,636	1,908
Total	2,877	3,699	4,239	3,891	3,869	31,554	29,320	29,801	31,482
Percent Change		28.57%	14.60%	-8.21%			-7.08%	1.64%	5.64%
Percent Change 1991-94				35.25%	34.48%				-0.23%
Wages^d									
New ^c		\$ 1,283	\$ 2,524	\$ 845			\$ 13,616	\$ 14,850	\$ 8,467
Deleted ^f		142	608	2,969			12,001	5,665	7,714
Total	\$8,499	10,661	12,569	10,281	\$10,165	\$110,816	110,123	113,740	116,726
Percent Change		25.44%	17.90%	-18.21%			-0.63%	3.28%	2.63%
Percent Change 1991-94				20.96%	19.61%				5.33%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

^a Data presented by using the 1991 map parameters to extract 1994 employer data.

^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.

^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.

^d Wages are total quarterly payroll and are presented in thousands.

^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.

^f Deleted businesses are those with business identification numbers that appear one year of the period but not in subsequent years. Deleted jobs and wages are those jobs and wages associated with deleted businesses

Table C-4

**Coachella Valley Enterprise Zone
Riverside County
1991 Through 1994**

Coachella Valley Enterprise Zone						Riverside County			
	1991	1992	1993	1994	1994 ^a	1991	1992	1993	1994
Businesses^b									
New ^c		35	92	87			3,107	3,647	2,981
Deleted ^f		31	41	57			2,263	2,800	2,962
Total	248	252	303	333	298	17,108	17,952	18,799	18,818
Percent Change		1.61%	20.24%	9.90%			4.93%	4.72%	0.10%
Percent Change 1991-94				34.27%	20.16%				10.00%
Jobs^c									
New ^c		190	1,373	826			26,462	35,458	26,624
Deleted ^f		486	155	228			26,546	17,732	20,054
Total	3,333	2,969	4,254	4,687	4,233	216,565	209,565	222,127	227,308
Percent Change		-10.92%	43.28%	10.18%			-3.23%	5.99%	2.33%
Percent Change 1991-94				40.62%	27.00%				4.96%
Wages^d									
New ^c		\$ 857	\$ 4,715	\$ 3,663			\$ 116,896	\$ 150,860	\$ 116,988
Deleted ^f		898	708	979			109,180	74,837	87,791
Total	\$16,374	17,291	19,811	22,520	\$20,802	\$1,087,780	1,102,365	1,125,199	1,202,039
Percent Change		5.60%	14.57%	13.68%			1.34%	2.07%	6.83%
Percent Change 1991-94				37.54%	27.04%				10.50%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

^a Data presented by using the 1991 map parameters to extract 1994 employer data.

^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.

^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.

^d Wages are total quarterly payroll and are presented in thousands.

^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.

^f Deleted businesses are those with business identification numbers that appear one year of the period but not in subsequent years. Deleted jobs and wages are those jobs and wages associated with deleted businesses.

Table C-5

**Delano Enterprise Zone
Kern County
1991 Through 1994**

	Delano Enterprise Zone					Kern County			
	1991	1992	1993	1994	1994 ^a	1991	1992	1993	1994
Businesses^b									
New ^c		44	35	50			1,371	1,380	1,246
Deleted ^f		33	52	28			1,160	1,310	1,300
Total	288	299	282	304	304	9,975	10,186	10,256	10,202
Percent Change		3.82%	-5.69%	7.80%			2.12%	0.69%	-0.53%
Percent Change 1991-94				5.56%	5.56%				2.28%
Jobs^c									
New ^c		621	325	362			14,206	12,972	10,339
Deleted ^f		101	236	129			14,046	9,572	8,556
Total	3,041	3,419	3,714	4,058	4,058	132,699	128,605	125,449	127,746
Percent Change		12.43%	8.63%	9.26%			-3.09%	-2.45%	1.83%
Percent Change 1991-94				33.44%	33.44%				-3.73%
Wages^d									
New ^c		\$ 1,026	\$ 596	\$ 917			\$ 64,926	\$ 59,219	\$ 43,838
Deleted ^f		281	464	476			72,001	41,849	38,774
Total	\$9,789	10,544	11,203	12,709	\$12,709	\$696,485	689,416	659,497	695,118
Percent Change		7.72%	6.25%	13.44%			-1.01%	-4.34%	5.40%
Percent Change 1991-94				29.83%	29.83%				-0.20%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

^a Data presented by using the 1991 map parameters to extract 1994 employer data.

^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.

^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.

^d Wages are total quarterly payroll and are presented in thousands.

^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.

^f Deleted businesses are those with business identification numbers that appear one year of the period but not in subsequent years. Deleted jobs and wages are those jobs and wages associated with deleted businesses

Table C-6

**Eureka Enterprise Zone
Humboldt County
1991 Through 1994**

	Eureka Enterprise Zone					Humboldt County			
	1991	1992	1993	1994	1994 ^a	1991	1992	1993	1994
Businesses^b									
New ^c		75	107	98			390	418	370
Deleted ^f		57	92	80			271	334	333
Total	790	808	823	841	841	3,062	3,181	3,265	3,302
Percent Change		2.28%	1.86%	2.19%			3.89%	2.64%	1.13%
Percent Change 1991-94				6.46%	6.46%				7.84%
Jobs^c									
New ^c		497	1,212	509			1,709	2,441	1,314
Deleted ^f		399	797	359			1,927	1,798	1,425
Total	6,720	6,629	7,014	7,420	7,420	25,907	25,281	26,146	26,385
Percent Change		-1.35%	5.81%	5.79%			-2.42%	3.42%	0.91%
Percent Change 1991-94				10.42%	10.42%				1.85%
Wages^d									
New ^c		\$ 1,992	\$ 5,261	\$ 1,871			\$ 5,958	\$ 8,660	\$ 3,966
Deleted ^f		1,305	2,944	1,336			8,799	5,761	4,613
Total	\$27,276	27,891	30,275	32,770	\$32,770	\$108,457	107,542	111,069	115,567
Percent Change		2.26%	8.55%	8.24%			-0.84%	3.28%	4.05%
Percent Change 1991-94				20.14%	20.14%				6.55%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

^a Data presented by using the 1991 map parameters to extract 1994 employer data.

^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.

^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.

^d Wages are total quarterly payroll and are presented in thousands.

^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.

^f Deleted businesses are those with business identification numbers that appear one year of the period but not in subsequent years. Deleted jobs and wages are those jobs and wages associated with deleted businesses

Table C-7

**Fresno Enterprise Zone
Fresno County
1991 Through 1994**

	Fresno Enterprise Zone					Fresno County			
	1991	1992	1993	1994	1994 ^a	1991	1992	1993	1994
Businesses^b									
New ^c		153	292	279			1,824	2,140	1,774
Deleted ^f		132	184	209			1,620	1,817	1,734
Total	1,456	1,477	1,585	1,655	1,470	16,675	16,879	17,202	17,242
Percent Change		1.44%	7.31%	4.42%			1.22%	1.91%	0.23%
Percent Change 1991-94				13.67%	0.96%				3.40%
Jobs^c									
New ^c		2,077	3,746	3,426			17,738	17,046	14,387
Deleted ^f		1,644	1,781	1,910			15,699	13,106	9,826
Total	19,790	20,607	22,684	24,295	21,024	186,135	184,004	189,217	196,232
Percent Change		4.13%	10.08%	7.1%			-1.14%	2.83%	3.71%
Percent Change 1991-94				22.76%	6.24%				5.42%
Wages^d									
New ^c		\$ 12,817	\$ 17,556	\$ 22,000			\$ 77,193	\$ 69,051	\$ 61,169
Deleted ^f		8,680	9,829	9,336			69,482	57,793	47,416
Total	\$109,588	116,864	121,912	140,503	\$120,288	\$900,201	910,252	908,624	966,460
Percent Change		6.64%	4.32%	15.25%			1.12%	-0.18%	6.37%
Percent Change 1991-94				28.21%	9.76%				7.36%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

^a Data presented by using the 1991 map parameters to extract 1994 employer data.

^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.

^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.

^d Wages are total quarterly payroll and are presented in thousands.

^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.

^f Deleted businesses are those with business identification numbers that appear one year of the period but not in subsequent years. Deleted jobs and wages are those jobs and wages associated with deleted businesses

Table C-8

**Kings County Enterprise Zone
Kings County
1993 Through 1994**

	Kings County Enterprise Zone			Kings County	
	1993	1994	1994 ^a	1993	1994
<u>Businesses^b</u>					
New ^c	101	82		230	176
Deleted ^f	67	64		198	176
Total	586	604	604	1,713	1,713
Percent Change		3.07%			0.00%
Percent Change 1993-94		3.07%	3.07%		0.00%
<u>Jobs^c</u>					
New ^c	1,679	1,177		2,899	1,338
Deleted ^f	1,793	480		2,415	961
Total	7,117	7,930	7,930	16,977	17,977
Percent Change		11.42%			5.89%
Percent Change 1993-94		11.42%	11.42%		5.89%
<u>Wages^d</u>					
New ^c	\$ 5,694	\$ 6,386		\$10,801	\$ 3,839
Deleted ^f	6,919	1,373		9,886	3,120
Total	36,224	43,083	\$43,083	\$78,495	\$85,504
Percent Change		18.93%			8.93%
Percent Change 1993-94		18.93%	18.93%		8.93%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

^a Data generated by using the year of designation map parameters to extract 1994 employer data. The enterprise zone was designated in June 1993.

^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.

^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.

^d Wages are total quarterly payroll and are presented in thousands.

^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.

^f Deleted businesses are those with business identification numbers that appear one year of the period but not in subsequent years. Deleted jobs and wages are those jobs and wages associated with deleted businesses

Table C-28

**Los Angeles—Watts Program Area
Los Angeles County
1991 Through 1994**

	Los Angeles—Watts Program Area					Los Angeles County			
	1991	1992	1993	1994	1994 ^a	1991	1992	1993	1994
Businesses^b									
New ^c		586	1,069	630			26,238	29,790	25,830
Deleted ^f		316	578	599			21,014	25,458	25,713
Total	3,210	3,480	3,971	4,002	3,334	191,183	196,407	200,739	200,856
Percent Change		8.41%	14.11%	0.78%			2.73%	2.21%	0.06%
Percent Change 1991-94				24.67%	3.86%				5.06%
Jobs^c									
New ^c		7,512	13,477	5,998			293,439	333,803	243,392
Deleted ^f		6,620	5,697	5,218			353,560	286,515	248,819
Total	48,758	46,745	52,360	53,940	43,701	3,242,624	3,030,106	2,965,865	2,934,636
Percent Change		-4.13%	12.01%	3.02%			-6.55%	-2.12%	-1.05%
Percent Change 1991-94				10.63%	-10.37%				-9.50%
Wages^d									
New ^e		\$ 39,982	\$ 69,202	\$ 24,522			\$ 1,759,145	\$ 2,060,190	\$ 1,475,663
Deleted ^f		28,979	28,304	25,177			2,269,924	1,898,097	1,477,736
Total	\$251,039	254,826	280,195	289,499	\$228,091	\$22,630,059	22,311,516	21,349,610	21,862,009
Percent Change		1.51%	9.96%	3.32%			-1.41%	-4.31%	2.40%
Percent Change 1991-94				15.32%	-9.14%				-3.39%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

^a Data presented by using the 1991 map parameters to extract 1994 employer data.

^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.

^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.

^d Wages are total quarterly payroll and are presented in thousands.

^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.

^f Deleted businesses are those with business identification numbers that appear one year of the period but not in subsequent years. Deleted jobs and wages are those jobs and wages associated with deleted businesses.

Table C-10

**Los Angeles—Central City Enterprise Zone
Los Angeles County
1991 Through 1994**

Los Angeles—Central City Enterprise Zone					Los Angeles County				
	1991	1992	1993	1994	1994 ^a	1991	1992	1993	1994
Businesses^b									
New ^c		243	760	388			26,238	29,790	25,830
Deleted ^f		189	269	361			21,014	25,458	25,713
Total	1,365	1,419	1,910	1,937	1,467	191,183	196,407	200,739	200,856
Percent Change		3.96%	34.6%	1.41%			2.73%	2.21%	0.06%
Percent Change 1991-94				41.9%	7.47%				5.06%
Jobs^c									
New ^c		4,599	15,434	4,957			293,439	333,803	243,392
Deleted ^f		2,835	5,341	5,958			353,560	286,515	248,819
Total	32,326	33,710	43,454	42,748	31,986	3,242,624	3,030,106	2,965,865	2,934,636
Percent Change		4.28%	28.91%	-1.62%			-6.55%	-2.12%	-1.05%
Percent Change 1991-94				32.24%	-1.05%				-9.50%
Wages^d									
New ^c		\$ 15,586	\$ 89,112	\$ 23,078			\$ 1,759,145	\$ 2,060,190	\$ 1,475,663
Deleted ^f		11,035	21,315	25,534			2,269,924	1,898,097	1,477,736
Total	\$165,613	166,750	232,179	238,846	\$161,352	\$22,630,059	22,311,516	21,349,610	21,862,009
Percent Change		0.69%	39.24%	2.87%			-1.41%	-4.31%	2.40%
Percent Change 1991-94				44.22%	-2.57%				-3.39%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

^a Data presented by using the 1991 map parameters to extract 1994 employer data.

^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.

^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.

^d Wages are total quarterly payroll and are presented in thousands.

^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.

^f Deleted businesses are those with business identification numbers that appear one year of the period but not in subsequent years. Deleted jobs and wages are those jobs and wages associated with deleted businesses

Table C-11

**Los Angeles—Northeast Valley Enterprise Zone
Los Angeles County
1991 Through 1994**

Los Angeles—Northeast Valley Enterprise Zone					Los Angeles County				
	1991	1992	1993	1994	1994 ^a	1991	1992	1993	1994
Businesses^b									
New ^c		110	105	106			26,238	29,790	25,830
Deleted ^f		65	101	96			21,014	25,458	25,713
Total	585	630	634	644	577	191,183	196,407	200,739	200,856
Percent Change		7.69%	0.63%	1.58%			2.73%	2.21%	0.06%
Percent Change 1991-94				10.09%	-1.37%				5.06%
Jobs^c									
New ^c		1,749	1,740	1,530			293,439	333,803	243,392
Deleted ^f		662	985	1,346			353,560	286,515	248,819
Total	11,593	12,443	13,060	13,606	12,225	3,242,624	3,030,106	2,965,865	2,934,636
Percent Change		7.33%	4.96%	4.18%			-6.55%	-2.12%	-1.05%
Percent Change 1991-94				17.36%	5.45%				-9.50%
Wages^d									
New ^c		\$ 9,637	\$ 7,166	\$ 7,495			\$ 1,759,145	\$ 2,060,190	\$ 1,475,663
Deleted ^f		3,604	4,503	9,221			2,269,924	1,898,097	1,477,736
Total	\$61,571	71,931	70,892	72,549	\$65,458	\$22,630,059	22,311,516	21,349,610	21,862,009
Percent Change		16.83%	-1.45%	2.34%			-1.41%	-4.31%	2.40%
Percent Change 1991-94				17.83%	6.31%				-3.39%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

^a Data presented by using the 1991 map parameters to extract 1994 employer data.

^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.

^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.

^d Wages are total quarterly payroll and are presented in thousands.

^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.

^f Deleted businesses are those with business identification numbers that appear one year of the period but not in subsequent years. Deleted jobs and wages are those jobs and wages associated with deleted businesses

Table C-27

**Los Angeles—Eastside Program Area
Los Angeles County
1991 Through 1994**

	Los Angeles—Eastside Program Area					Los Angeles County			
	1991	1992	1993	1994	1994 ^a	1991	1992	1993	1994
Businesses^b									
New ^c		1,006	476	404			26,238	29,790	25,830
Deleted ^f		177	457	429			21,014	25,458	25,713
Total	1,743	2,572	2,591	2,566	1,823	191,183	196,407	200,739	200,856
Percent Change		47.56%	0.74%	-0.96%			2.73%	2.21%	0.06%
Percent Change 1991-94				47.22%	4.59%				5.06%
Jobs^d									
New ^d		19,676	5,785	4,542			293,439	333,803	243,392
Deleted ^f		2,342	7,026	5,520			353,560	286,515	248,819
Total	34,858	51,760	50,307	50,013	34,062	3,242,624	3,030,106	2,965,865	2,934,636
Percent Change		48.49%	-2.81%	-0.58%			-6.55%	-2.12%	-1.05%
Percent Change 1991-94				43.48%	-2.28%				-9.50%
Wages^d									
New ^c		\$118,116	\$ 23,137	\$ 20,402			\$ 1,759,145	\$ 2,060,190	\$ 1,475,663
Deleted ^f		8,176	40,238	25,943			2,269,924	1,898,097	1,477,736
Total	\$190,586	309,952	290,467	288,520	\$198,029	\$22,630,059	22,311,516	21,349,610	21,862,009
Percent Change		62.63%	-6.29%	-0.67%			-1.41%	-4.31%	2.40%
Percent Change 1991-94				51.39%	3.91%				-3.39%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

^a Data presented by using the 1991 map parameters to extract 1994 employer data.

^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.

^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.

^d Wages are total quarterly payroll and are presented in thousands.

^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.

^f Deleted businesses are those with business identification numbers that appear one year of the period but not in subsequent years. Deleted jobs and wages are those jobs and wages associated with deleted businesses

Table C-29

**Los Angeles—Wilmington Program Area
Los Angeles County
1991 Through 1994**

	Los Angeles—Wilmington Program Area					Los Angeles County			
	1991	1992	1993	1994	1994 ^a	1991	1992	1993	1994
Businesses^b									
New ^c		789	285	216			26,238	29,790	25,830
Deleted ^f		46	191	209			21,014	25,458	25,713
Total	535	1,278	1,372	1,379	573	191,183	196,407	200,739	200,856
Percent Change		138.88%	7.36%	0.51%			2.73%	2.21%	0.06%
Percent Change 1991-94				157.76%	7.10%				5.06%
Jobs^c									
New ^c		15,246	3,567	3,409			293,439	333,803	243,392
Deleted ^f		194	2,588	1,922			353,560	286,515	248,819
Total	8,879	24,772	25,117	25,769	8,856	3,242,624	3,030,106	2,965,865	2,934,636
Percent Change		179.00%	1.39%	2.60%			-6.55%	-2.12%	-1.05%
Percent Change 1991-94				190.22%	-0.26%				-9.50%
Wages^d									
New ^c		\$133,667	\$ 21,548	\$ 25,095			\$ 1,759,145	\$ 2,060,190	\$ 1,475,663
Deleted ^f		2,793	14,640	11,706			2,269,924	1,898,097	1,477,736
Total	\$60,399	197,814	203,969	224,995	\$66,702	\$22,630,059	22,311,516	21,349,610	21,862,009
Percent Change		227.51%	3.11%	10.31%			-1.41%	-4.31%	2.40%
Percent Change 1991-94				272.51%	10.44%				-3.39%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

^a Data presented by using the 1991 map parameters to extract 1994 employer data.

^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.

^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.

^d Wages are total quarterly payroll and are presented in thousands.

^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.

^f Deleted businesses are those with business identification numbers that appear one year of the period but not in subsequent years. Deleted jobs and wages are those jobs and wages associated with deleted businesses.

Table C-9

**Long Beach Enterprise Zone
Los Angeles County
1992 Through 1994**

	Long Beach Enterprise Zone				Los Angeles County		
	1992	1993	1994	1994 ^a	1992	1993	1994
Businesses^b							
New ^c	443	559	524		26,238	29,790	25,830
Deleted ^f	411	536	581		21,014	25,458	25,713
Total	3,531	3,554	3,497	3,497	196,407	200,739	200,856
Percent Change		0.65%	-1.60%			2.21%	0.06%
Percent Change 1992-94			-0.96%	-0.96%			2.27%
Jobs^c							
New ^e	4,534	6,432	7,605		293,439	333,803	243,392
Deleted ^f	6,218	6,094	4,317		353,560	286,515	248,819
Total	93,860	81,024	77,324	77,324	3,030,106	2,965,865	2,934,636
Percent Change		-13.68%	-4.57%			-2.12%	-1.05%
Percent Change 1992-94			-17.62%	-17.62%			-3.15%
Wages^d							
New ^e	\$ 29,730	\$ 36,762	\$ 52,127		\$ 1,759,145	\$ 2,060,190	\$ 1,475,663
Deleted ^f	34,095	32,194	20,583		2,269,924	1,898,097	1,477,736
Total	792,385	650,090	658,826	\$658,826	22,311,516	21,349,610	21,862,009
Percent Change		-17.96%	1.34%			-4.31%	2.40%
Percent Change 1992-94			-16.86%	-16.86%			-2.01%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

^a Data generated by using the year of designation map parameters to extract 1994 employer data. The enterprise zone was designated in January 1992.

^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.

^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.

^d Wages are total quarterly payroll and are presented in thousands.

^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.

^f Deleted businesses are those with business identification numbers that appear one year of the period but not in subsequent years. Deleted jobs and wages are those jobs and wages associated with deleted businesses

Table C-30

**Madera Program Area
Madera County
1991 Through 1994**

	Madera Program Area					Madera County			
	1991	1992	1993	1994	1994 ^a	1991	1992	1993	1994
Businesses^b									
New ^c		34	61	48			237	268	213
Deleted ^f		34	54	35			204	246	251
Total	304	304	311	324	324	1,899	1,932	1,954	1,916
Percent Change		0.00%	2.30%	4.18%			1.74%	1.14%	-1.94%
Percent Change 1991-94				6.58%	6.58%				0.90%
Jobs^c									
New ^c		292	498	444			1,539	1,458	1,248
Deleted ^f		140	375	171			770	1,719	704
Total	3,365	3,338	3,414	3,690	3,690	18,295	18,512	18,419	19,965
Percent Change		-0.80%	2.28%	8.08%			1.19%	-0.50%	8.39%
Percent Change 1991-94				9.66%	9.66%				9.13%
Wages^d									
New ^c		\$ 912	\$ 1,942	\$ 1,354			\$ 5,295	\$ 5,329	\$ 4,192
Deleted ^f		390	1,206	498			2,532	4,411	2,238
Total	\$12,738	13,237	14,076	15,438	\$15,438	\$78,706	79,617	81,350	89,264
Percent Change		3.92%	6.34%	9.68%			1.16%	2.18%	9.73%
Percent Change 1991-94				21.20%	21.20%				13.42%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

^a Data presented by using the 1991 map parameters to extract 1994 employer data.

^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.

^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.

^d Wages are total quarterly payroll and are presented in thousands.

^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.

^f Deleted businesses are those with business identification numbers that appear one year of the period but not in subsequent years. Deleted jobs and wages are those jobs and wages associated with deleted businesses

Table C-12

**Merced/Atwater Enterprise Zone
Merced County
1991 Through 1994**

Merced/Atwater Enterprise Zone					Merced County				
	1991	1992	1993	1994	1994 ^a	1991	1992	1993	1994
Businesses^b									
New ^c		75	97	93			332	399	355
Deleted ^f		56	87	91			306	368	376
Total	715	734	744	746	746	3,359	3,385	3,416	3,395
Percent Change		2.66%	1.36%	0.27%			0.77%	0.92%	-0.61%
Percent Change 1991-94				4.34%	4.34%				1.07%
Jobs^c									
New ^c		565	601	1,104			2,508	2,892	2,435
Deleted ^f		318	987	595			2,173	2,817	2,757
Total	7,969	7,735	7,537	8,157	8,157	34,184	33,322	33,076	33,279
Percent Change		-2.94%	-2.56%	8.23%			-2.52%	-0.74%	0.61%
Percent Change 1991-94				2.36%	2.36%				-2.65%
Wages^d									
New ^c		\$ 2,455	\$ 2,332	\$ 3,951			\$ 13,379	\$ 9,770	\$ 8,400
Deleted ^f		2,094	3,910	1,971			8,905	9,804	10,346
Total	\$34,147	34,664	33,242	37,178	\$37,178	\$145,201	149,453	146,800	151,062
Percent Change		1.52%	-4.10%	11.84%			2.93%	-1.78%	2.90%
Percent Change 1991-94				8.88%	8.88%				4.04%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

^a Data presented by using the 1991 map parameters to extract 1994 employer data.

^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.

^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.

^d Wages are total quarterly payroll and are presented in thousands.

^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.

^f Deleted businesses are those with business identification numbers that appear one year of the period but not in subsequent years. Deleted jobs and wages are those jobs and wages associated with deleted businesses

Table C-13

**Oakland Enterprise Zone
Alameda County
1993 Through 1994**

	Oakland Enterprise Zone			Alameda County	
	1993	1994	1994 ^a	1993	1994
Businesses^b					
New ^e	835	766		4,572	3,871
Deleted ^f	670	714		3,399	3,569
Total	5,485	5,537	5,537	30,287	30,589
Percent Change		0.95%			1.00%
Percent Change 1993-94		0.95%	0.95%		1.00%
Jobs^c					
New ^e	7,962	10,996		45,964	36,955
Deleted ^f	8,084	6,196		35,744	31,797
Total	78,050	82,224	82,224	418,114	422,907
Percent Change		5.35%			1.15%
Percent Change 1993-94		5.35%	5.35%		1.15%
Wages^d					
New ^e	\$ 53,680	\$ 77,164		\$ 301,467	\$ 225,094
Deleted ^f	58,204	42,212		239,611	189,087
Total	624,313	673,082	\$673,082	3,038,629	3,213,967
Percent Change		7.81%			5.77%
Percent Change 1993-94		7.81%	7.81%		5.77%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

^a Data generated by using the year of designation map parameters to extract 1994 employer data. The enterprise zone was designated in September 1993.

^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.

^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.

^d Wages are total quarterly payroll and are presented in thousands.

^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.

^f Deleted businesses are those with business identification numbers that appear one year of the period but not in subsequent years. Deleted jobs and wages are those jobs and wages associated with deleted businesses

Table C-14

**Oroville Enterprise Zone
Butte County
1991 Through 1994**

	Oroville Enterprise Zone					Butte County			
	1991	1992	1993	1994	1994 ^a	1991	1992	1993	1994
Businesses^b									
New ^c		42	32	51			529	543	482
Deleted ^f		39	43	31			435	554	497
Total	350	353	342	362	362	4,406	4,500	4,489	4,474
Percent Change		0.86%	-3.12%	5.85%			2.13%	-0.24%	-0.33%
Percent Change 1991-94				3.43%	3.43%				1.54%
Jobs^c									
New ^c		427	246	1,316			4,022	3,334	3,164
Deleted ^f		364	174	106			3,661	3,098	2,351
Total	2,430	2,513	2,517	3,622	3,622	39,525	38,824	38,399	39,733
Percent Change		3.42%	0.16%	43.90%			-1.77%	-1.09%	3.47%
Percent Change 1991-94				49.05%	49.05%				0.53%
Wages^d									
New ^c		\$ 1,295	\$ 805	\$ 7,842			\$ 13,730	\$ 12,780	\$ 11,217
Deleted ^f		1,653	508	380			12,088	12,318	6,939
Total	\$9,645	9,556	9,783	17,031	\$17,031	\$162,242	167,427	165,837	178,519
Percent Change		-0.92%	2.37%	74.09%			3.20%	-0.95%	7.65%
Percent Change 1991-94				76.57%	76.57%				10.03%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

^a Data presented by using the 1991 map parameters to extract 1994 employer data.

^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.

^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.

^d Wages are total quarterly payroll and are presented in thousands.

^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.

^f Deleted businesses are those with business identification numbers that appear one year of the period but not in subsequent years. Deleted jobs and wages are those jobs and wages associated with deleted businesses

Table C-31

**Pittsburg Program Area
Contra Costa County
1991 Through 1994**

	Pittsburg Program Area					Contra Costa County			
	1991	1992	1993	1994	1994 ^a	1991	1992	1993	1994
Businesses^b									
New ^c		29	44	27			2,566	2,885	2,535
Deleted ^f		12	21	28			1,857	2,257	2,291
Total	143	160	183	182	180	16,557	17,266	17,894	18,138
Percent Change		11.89%	14.38%	-0.55%			4.28%	3.64%	1.36%
Percent Change 1991-94				27.27%	25.87%				9.55%
Jobs^c									
New ^c		527	383	189			28,566	23,632	16,337
Deleted ^f		189	246	79			24,538	20,354	16,074
Total	2,120	2,450	2,556	2,639	2,587	205,137	203,146	207,575	210,288
Percent Change		15.57%	4.33%	3.25%			-0.97%	2.18%	1.31%
Percent Change 1991-94				24.48%	22.03%				2.51%
Wages^d									
New ^c		\$ 2,676	\$ 2,324	\$ 885			\$ 243,860	\$ 171,266	\$ 119,999
Deleted ^f		706	1,615	407			173,419	157,819	103,991
Total	\$13,820	15,822	16,401	17,932	\$17,538	\$1,378,551	1,472,484	1,494,279	1,593,153
Percent Change		14.49%	3.66%	9.34%			6.81%	1.48%	6.62%
Percent Change 1991-94				29.76%	26.91%				15.57%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

^a Data presented by using the 1991 map parameters to extract 1994 employer data.

^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.

^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.

^d Wages are total quarterly payroll and are presented in thousands.

^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.

^f Deleted businesses are those with business identification numbers that appear one year of the period but not in subsequent years. Deleted jobs and wages are those jobs and wages associated with deleted businesses.

Table C-15

**Porterville Enterprise Zone
Tulare County
1991 Through 1994**

	Porterville Enterprise Zone					Tulare County			
	1991	1992	1993	1994	1994 ^a	1991	1992	1993	1994
Businesses^b									
New ^d		4	13	8			749	784	712
Deleted ^f		4	8	12			605	760	700
Total	65	65	70	66	66	6,561	6,705	6,729	6,741
Percent Change		0.00%	7.69%	-5.71%			2.19%	0.36%	0.18%
Percent Change 1991-94				1.54%	1.54%				2.74%
Jobs^c									
New ^e		22	217	33			7,420	8,971	5,609
Deleted ^f		31	172	207			5,953	5,233	5,305
Total	1,134	1,352	1,519	1,367	1,367	68,153	72,323	77,746	79,730
Percent Change		19.22%	12.35%	-10.01%			6.12%	7.50%	2.55%
Percent Change 1991-94				20.55%	20.55%				16.99%
Wages^d									
New ^e		\$ 70	\$ 642	\$ 122			\$ 29,352	\$ 33,428	\$ 19,693
Deleted ^f		376	492	605			24,035	20,288	19,415
Total	\$5,968	6,299	7,618	7,498	\$7,498	\$288,405	307,793	318,512	331,710
Percent Change		5.53%	20.94%	-1.57%			6.72%	3.48%	4.14%
Percent Change 1991-94				25.62%	25.62%				15.02%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

^a Data presented by using the 1991 map parameters to extract 1994 employer data.

^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.

^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.

^d Wages are total quarterly payroll and are presented in thousands.

^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.

^f Deleted businesses are those with business identification numbers that appear one year of the period but not in subsequent years. Deleted jobs and wages are those jobs and wages associated with deleted businesses

Table C-16

**Richmond Enterprise Zone
Contra Costa County
1992 Through 1994**

	Richmond Enterprise Zone				Contra Costa County		
	1992	1993	1994	1994 ^a	1992	1993	1994
Businesses^b							
New ^c	58	74	61		2,566	2,885	2,535
Deleted ^f	43	58	52		1,857	2,257	2,291
Total	431	447	456	456	17,266	17,894	18,138
Percent Change		3.71%	2.01%			3.64%	1.36%
Percent Change 1992-94			5.80%	5.80%			5.05%
Jobs^c							
New ^c	594	562	683		28,566	23,632	16,337
Deleted ^f	219	821	340		24,538	20,354	16,074
Total	6,063	5,731	6,053	6,053	203,146	207,575	210,288
Percent Change		-5.48%	5.62%			2.18%	1.31%
Percent Change 1992-94			-0.16%	-0.16%			3.52%
Wages^d							
New ^c	\$ 2,821	\$ 4,046	\$10,171		\$ 243,860	\$ 171,266	\$ 119,999
Deleted ^f	1,537	7,828	2,136		173,419	157,819	103,991
Total	47,249	43,608	56,858	\$56,858	1,472,484	1,494,279	1,593,153
Percent Change		-7.71%	30.38%			1.48%	6.62%
Percent Change 1992-94			20.34%	20.34%			8.19%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

^a Data generated by using the year of designation map parameters to extract 1994 employer data. The enterprise zone was designated in March 1992.

^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.

^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.

^d Wages are total quarterly payroll and are presented in thousands.

^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.

^f Deleted businesses are those with business identification numbers that appear one year of the period but not in subsequent years. Deleted jobs and wages are those jobs and wages associated with deleted businesses.

Table C-32A

**Sacramento—Florin Perkins Program Area
Sacramento County
1991 Through 1994**

Sacramento—Florin Perkins Program Area					Sacramento County				
	1991	1992	1993	1994	1994 ^a	1991	1992	1993	1994
Businesses^b									
New ^c		505	233	192			3,217	3,677	2,979
Deleted ^f		96	183	176			2,586	3,127	3,137
Total	797	1,206	1,256	1,272	850	21,855	22,486	23,036	22,878
Percent Change		51.32%	4.15%	1.27%			2.89%	2.45%	-0.69%
Percent Change 1991-94				59.60%	6.65%				4.68%
Jobs^c									
New ^c		8,438	2,159	1,406			33,378	34,352	23,159
Deleted ^f		677	1,823	1,129			32,497	25,378	21,754
Total	13,270	20,119	19,983	21,156	13,706	289,522	280,411	281,401	285,756
Percent Change		51.61%	-0.68%	5.87%			-3.15%	0.35%	1.55%
Percent Change 1991-94				59.43%	3.29%				-1.30%
Wages^d									
New ^c		\$ 50,846	\$ 10,418	\$ 6,748			\$ 184,051	\$ 177,955	\$ 119,150
Deleted ^f		2,863	8,617	5,630			176,250	126,659	113,450
Total	\$81,553	121,388	120,866	135,304	\$85,753	\$1,631,612	1,634,454	1,645,181	1,730,917
Percent Change		48.85%	-0.43%	11.95%			0.17%	0.66%	5.21%
Percent Change 1991-94				65.91%	5.15%				6.09%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

^a Data presented by using the 1991 map parameters to extract 1994 employer data.

^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.

^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.

^d Wages are total quarterly payroll and are presented in thousands.

^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.

^f Deleted businesses are those with business identification numbers that appear one year of the period but not in subsequent years. Deleted jobs and wages are those jobs and wages associated with deleted businesses.

Table C-32B

**Sacramento—Northgate Program Area
Sacramento County
1991 Through 1994**

	Sacramento—Northgate Program Area					Sacramento County			
	1991	1992	1993	1994	1994 ^a	1991	1992	1993	1994
Businesses^b									
New ^c		133	91	47			3,217	3,677	2,979
Deleted ^f		20	59	61			2,586	3,127	3,137
Total	220	333	365	351	223	21,855	22,486	23,036	22,878
Percent Change		51.36%	9.61%	-3.84%			2.89%	2.45%	-0.69%
Percent Change 1991-94				59.55%	1.36%				4.68%
Jobs^c									
New ^c		1,385	1,975	288			33,378	34,352	23,159
Deleted ^f		266	469	771			32,497	25,378	21,754
Total	5,606	6,363	7,271	7,096	5,549	289,522	280,411	281,401	285,756
Percent Change		13.50%	14.27%	-2.41%			-3.15%	0.35%	1.55%
Percent Change 1991-94				26.58%	-1.02%				-1.30%
Wages^d									
New ^c		\$ 7,931	\$ 12,079	\$ 2,078			\$ 184,051	\$ 177,955	\$ 119,150
Deleted ^f		1,539	7,082	3,178			176,250	126,659	113,450
Total	\$39,049	44,980	47,928	50,736	\$42,257	\$1,631,612	1,634,454	1,645,181	1,730,917
Percent Change		15.19%	6.55%	5.86%			0.17%	0.66%	5.21%
Percent Change 1991-94				29.93%	8.21%				6.09%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

^a Data presented by using the 1991 map parameters to extract 1994 employer data.

^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.

^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.

^d Wages are total quarterly payroll and are presented in thousands.

^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.

^f Deleted businesses are those with business identification numbers that appear one year of the period but not in subsequent years. Deleted jobs and wages are those jobs and wages associated with deleted businesses.

Table C-32

**Sacramento Program Area
Sacramento County
1991 Through 1994**

	Sacramento Program Area					Sacramento County			
	1991	1992	1993	1994	1994 ^a	1991	1992	1993	1994
Businesses^b									
New ^c		638	324	239			3,217	3,677	2,979
Deleted ^f		116	242	237			2,586	3,127	3,137
Total	1,017	1,539	1,621	1,623	1,073	21,855	22,486	23,036	22,878
Percent Change		51.33%	5.33%	0.12%			2.89%	2.45%	-0.69%
Percent Change 1991-94				37.34%	5.22%				4.68%
Jobs^c									
New ^c		9,823	4,134	1,694			33,378	34,352	23,159
Deleted ^f		943	2,292	1,900			32,497	25,378	21,754
Total	18,876	26,482	27,254	28,252	19,255	289,522	280,411	281,401	285,756
Percent Change		40.29%	2.92%	3.66%			-3.15%	0.35%	1.55%
Percent Change 1991-94				33.19%	1.97%				-1.30%
Wages^d									
New ^c		\$ 58,776	\$ 22,497	\$ 8,826			\$ 184,051	\$ 177,955	\$ 119,150
Deleted ^f		4,402	15,699	8,808			176,250	126,659	113,450
Total	\$120,602	166,368	168,794	186,040	\$128,010	\$1,631,612	1,634,454	1,645,181	1,730,917
Percent Change		37.95%	1.46%	10.22%			0.17%	0.66%	5.21%
Percent Change 1991-94				35.17%	5.79%				6.09%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

^a Data presented by using the 1991 map parameters to extract 1994 employer data.

^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.

^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.

^d Wages are total quarterly payroll and are presented in thousands.

^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.

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Table C-19

**San Francisco Enterprise Zone
San Francisco County
1992 Through 1994**

	San Francisco Enterprise Zone				San Francisco County		
	1992	1993	1994	1994 ^a	1992	1993	1994
Businesses^b							
New ^c	921	1,862	1,161		3,489	3,858	3,610
Deleted ^f	681	1,048	1,115		2,552	3,236	3,188
Total	7,781	8,595	8,641	7,895	27,168	27,790	28,212
Percent Change		10.46%	0.54%			2.29%	1.52%
Percent Change 1992-94			11.05%	1.47%			3.84%
Jobs^c							
New ^c	12,424	24,552	9,882		37,488	35,375	30,466
Deleted ^f	7,151	10,016	8,024		54,549	26,290	33,942
Total	108,400	121,176	123,298	108,214	392,643	397,677	392,945
Percent Change		11.79%	1.75%			1.28%	-1.19%
Percent Change 1992-94			13.74%	-0.17%			0.08%
Wages^d							
New ^c	\$ 87,650	\$179,544	\$ 59,775		\$ 316,819	\$ 271,539	\$ 236,868
Deleted ^f	34,629	52,603	43,483		463,498	182,901	215,634
Total	678,387	804,666	843,626	\$702,687	3,411,868	3,447,269	3,694,286
Percent Change		18.61%	4.84%			1.04%	7.17%
Percent Change 1992-94			24.36%	3.58%			8.28%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

^a Data generated by using the year of designation map parameters to extract 1994 employer data. The enterprise zone was designated in May 1992.

^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.

^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.

^d Wages are total quarterly payroll and are presented in thousands.

^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.

^f Deleted businesses are those with business identification numbers that appear one year of the period but not in subsequent years. Deleted jobs and wages are those jobs and wages associated with deleted businesses

Table C-20

**San Jose Enterprise Zone
Santa Clara County
1991 Through 1994**

	San Jose Enterprise Zone					Santa Clara County			
	1991	1992	1993	1994	1994 ^a	1991	1992	1993	1994
Businesses^b									
New ^c		279	1,230	572			4,638	5,713	5,088
Deleted ^f		225	324	470			3,693	4,317	4,316
Total	2,347	2,401	3,307	3,409	2,595	33,747	34,692	36,088	36,860
Percent Change		2.30%	37.73%	3.08%			2.80%	4.02%	2.14%
Percent Change 1991-94				45.25%	10.57%				9.22%
Jobs^c									
New ^c		2,844	13,500	4,488			57,638	58,244	48,178
Deleted ^f		3,057	2,889	3,590			79,221	46,768	43,894
Total	33,905	33,430	43,497	45,427	34,578	651,253	615,065	622,314	625,882
Percent Change		-1.40%	30.11%	4.44%			-5.56%	1.18%	0.57%
Percent Change 1991-94				33.98%	1.98%				-3.90%
Wages^d									
New ^c		\$ 20,453	\$ 86,445	\$ 22,561			\$ 567,888	\$ 448,263	\$ 395,854
Deleted ^f		23,312	16,106	28,153			676,481	380,001	370,492
Total	\$249,276	241,241	314,487	322,688	\$251,834	\$5,608,010	5,613,879	5,654,932	6,003,333
Percent Change		-3.22%	30.36%	2.61%			0.10%	0.73%	6.16%
Percent Change 1991-94				29.45%	1.03%				7.05%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

^a Data presented by using the 1991 map parameters to extract 1994 employer data.

^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.

^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.

^d Wages are total quarterly payroll and are presented in thousands.

^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.

^f Deleted businesses are those with business identification numbers that appear one year of the period but not in subsequent years. Deleted jobs and wages are those jobs and wages associated with deleted businesses

Table C-17

**San Diego—San Ysidro/Otay Mesa Enterprise Zone
San Diego County
1992 Through 1994**

	San Diego—San Ysidro/Otay Mesa Enterprise Zone				San Diego County		
	1992	1993	1994	1994 ^a	1992	1993	1994
Businesses^b							
New ^c		93	59		7,231	8,633	7,450
Deleted ^f		58	64		5,584	6,875	7,307
Total	294	329	324	324	50,920	52,678	52,821
Percent Change		11.90%	-1.52%			3.45%	0.27%
Percent Change 1992-94			10.20%	10.20%			3.73%
Jobs^c							
New ^c		671	335		69,218	86,950	71,203
Deleted ^f		1,181	360		72,369	58,707	69,151
Total	3,947	3,797	3,774	3,774	666,927	680,347	684,393
Percent Change		-3.80%	-0.61%			2.01%	0.59%
Percent Change 1992-94			-4.38%	-4.38%			2.62%
Wages^d							
New ^c		\$ 3,368	\$ 1,305		\$ 377,499	\$ 489,114	\$ 412,589
Deleted ^f		3,939	1,317		369,184	335,901	403,372
Total	\$15,250	15,336	17,005	\$17,005	4,136,798	4,128,989	4,331,140
Percent Change		0.57%	10.88%			-0.19%	4.90%
Percent Change 1992-94			11.51%	11.51%			4.70%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

^a Data generated by using the year of designation map parameters to extract 1994 employer data. The enterprise zone was designated in January 1992.

^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.

^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.

^d Wages are total quarterly payroll and are presented in thousands.

^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.

^f Deleted businesses are those with business identification numbers that appear one year of the period but not in subsequent years. Deleted jobs and wages are those jobs and wages associated with deleted businesses.

Table C-22

**Shasta Metro Enterprise Zone
Shasta County
1991 Through 1994**

	Shasta Metro Enterprise Zone					Shasta County			
	1991	1992	1993	1994	1994 ^a	1991	1992	1993	1994
Businesses^b									
New ^c		145	316	228			554	603	521
Deleted ^f		109	192	183			396	487	537
Total	1,219	1,255	1,379	1,424	1,333	3,645	3,803	3,919	3,903
Percent Change		2.95%	9.88%	3.26%			4.33%	3.05%	-0.41%
Percent Change 1991-94				16.82%	9.35%				7.08%
Jobs^c									
New ^c		874	2,651	1,506			2,748	4,033	2,529
Deleted ^f		894	1,211	1,052			3,123	2,432	2,445
Total	12,865	12,872	14,218	14,620	13,954	32,573	31,913	32,733	33,392
Percent Change		0.05%	10.46%	2.83%			-2.03%	2.57%	2.01%
Percent Change 1991-94				13.64%	8.46%				2.51%
Wages^d									
New ^c		\$ 3,613	\$11,033	\$ 6,111			\$ 11,101	\$ 16,292	\$ 10,503
Deleted ^f		3,753	4,093	3,959			11,880	8,517	9,573
Total	\$59,120	61,241	65,708	71,581	\$68,015	\$152,180	156,650	160,611	173,214
Percent Change		3.59%	7.29%	8.94%			2.94%	2.53%	7.85%
Percent Change 1991-94				21.08%	15.05%				13.82%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

^a Data presented by using the 1991 map parameters to extract 1994 employer data.

^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.

^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.

^d Wages are total quarterly payroll and are presented in thousands.

^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.

^f Deleted businesses are those with business identification numbers that appear one year of the period but not in subsequent years. Deleted jobs and wages are those jobs and wages associated with deleted businesses

Table C-23

**Shasta Valley Enterprise Zone
Siskiyou County
1993 Through 1994**

	Shasta Valley Enterprise Zone			Siskiyou County	
	1993	1994	1994 ^a	1993	1994
<u>Businesses^b</u>					
New ^c	46	53		154	121
Deleted ^f	39	45		148	150
Total	326	334	334	1,160	1,131
Percent Change		2.45%			-2.50%
Percent Change 1993-94		2.45%	2.45%		-2.50%
<u>Jobs^c</u>					
New ^c	386	211		622	576
Deleted ^f	219	312		634	559
Total	2,987	2,868	2,868	7,522	7,884
Percent Change		-3.98%			4.81%
Percent Change 1993-94		-3.98%	-3.98%		4.81%
<u>Wages^d</u>					
New ^c	\$ 972	\$ 696		\$ 1,940	\$ 1,456
Deleted ^f	526	687		1,700	1,437
Total	11,098	11,354	\$11,354	29,041	31,256
Percent Change		2.31%			7.63%
Percent Change 1993-94		2.31%	2.31%		7.63%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

^a Data generated by using the year of designation map parameters to extract 1994 employer data. The enterprise zone was designated in June 1993.

^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.

^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.

^d Wages are total quarterly payroll and are presented in thousands.

^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.

^f Deleted businesses are those with business identification numbers that appear one year of the period but not in subsequent years. Deleted jobs and wages are those jobs and wages associated with deleted businesses.

Table C-21

Santa Ana Enterprise Zone

**Orange County
1993 Through 1994**

	Santa Ana Enterprise Zone			Orange County	
	1993	1994	1994 ^a	1993	1994
<u>Businesses^b</u>					
New ^c	641	1,650		10,191	8,687
Deleted ^f	592	670		8,462	8,390
Total	3,876	4,856	3,794	62,777	63,074
Percent Change		25.28%			0.47%
Percent Change 1993-94		25.28%	-2.12%		0.47%
<u>Jobs^c</u>					
New ^c	6,879	17,017		106,378	93,479
Deleted ^f	5,849	6,867		87,643	86,307
Total	64,722	77,259	66,722	889,869	899,289
Percent Change		19.37%			1.06%
Percent Change 1993-94		19.37%	3.09%		1.06%
<u>Wages^d</u>					
New ^c	\$ 40,597	\$ 93,114		\$ 668,632	\$ 579,226
Deleted ^f	38,268	49,523		570,109	496,619
Total	439,525	502,486	\$451,971	6,125,145	6,429,628
Percent Change		14.32%			4.97%
Percent Change 1993-94		14.32%	2.83%		4.97%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

^a Data generated by using the year of designation map parameters to extract 1994 employer data. The enterprise zone was designated in June 1993.

^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.

^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.

^d Wages are total quarterly payroll and are presented in thousands.

^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.

^f Deleted businesses are those with business identification numbers that appear one year of the period but not in subsequent years. Deleted jobs and wages are those jobs and wages associated with deleted businesses

Table C-24

Stockton Enterprise Zone

**San Joaquin County
1993 Through 1994**

	Stockton Enterprise Zone			San Joaquin County	
	1993	1994	1994 ^a	1993	1994
<u>Businesses^b</u>					
New ^c	222	189		1,307	1,029
Deleted ^f	207	213		1,159	1,081
Total	1,642	1,618	1,618	10,037	9,985
Percent Change		-1.46%			-0.52%
Percent Change 1993-94		-1.46%	-1.46%		-0.52%
<u>Jobs^c</u>					
New ^c	2,301	1,640		10,161	7,118
Deleted ^f	1,458	1,897		8,009	6,950
Total	24,071	23,631	23,631	113,618	114,978
Percent Change		-1.83%			1.20%
Percent Change 1993-94		-1.83%	-1.83%		1.20%
<u>Wages^e</u>					
New ^c	\$ 11,681	\$ 7,209		\$ 44,116	\$ 29,858
Deleted ^f	7,525	8,750		41,486	29,918
Total	143,841	149,674	\$149,674	606,437	641,519
Percent Change		4.06%			5.79%
Percent Change 1993-94		4.06%	4.06%		5.79%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

^a Data generated by using the year of designation map parameters to extract 1994 employer data. The enterprise zone was designated in June 1993.

^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.

^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.

^d Wages are total quarterly payroll and are presented in thousands.

^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.

^f Deleted businesses are those with business identification numbers that appear one year of the period but not in subsequent years. Deleted jobs and wages are those jobs and wages associated with deleted businesses

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**West Sacramento Program Area
Yolo County
1991 Through 1994**

	West Sacramento Program Area					Yolo County			
	1991	1992	1993	1994	1994 ^a	1991	1992	1993	1994
Businesses^b									
New ^c		69	97	76			401	442	367
Deleted ^f		54	85	56			349	369	357
Total	528	543	555	575	575	3,151	3,203	3,276	3,286
Percent Change		2.84%	2.21%	3.60%			1.65%	2.28%	0.31%
Percent Change 1991-94				8.90%	8.90%				4.28%
Jobs^c									
New ^e		1,804	1,505	1,402			4,815	4,319	2,678
Deleted ^f		1,073	1,403	349			3,617	3,620	1,854
Total	12,194	12,736	13,200	14,603	14,603	40,724	41,557	42,309	43,975
Percent Change		4.44%	3.64%	10.63%			2.05%	1.81%	3.94%
Percent Change 1991-94				19.76%	19.76%				7.98%
Wages^d									
New ^e		\$ 12,205	\$ 8,429	\$ 12,202			\$ 26,071	\$ 23,603	\$ 15,796
Deleted ^f		7,796	10,611	2,295			18,426	21,938	7,908
Total	\$83,083	87,652	94,926	106,675	\$106,675	\$219,243	232,853	244,851	265,443
Percent Change		5.50%	8.30%	12.38%			6.21%	5.15%	8.41%
Percent Change 1991-94				28.39%	28.39%				21.07%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

^a Data presented by using the 1991 map parameters to extract 1994 employer data.

^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.

^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.

^d Wages are total quarterly payroll and are presented in thousands.

^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.

^f Deleted businesses are those with business identification numbers that appear one year of the period but not in subsequent years. Deleted jobs and wages are those jobs and wages associated with deleted businesses

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Yuba/Sutter Enterprise Zone

**Yuba and Sutter Counties
1991 Through 1994**

	Yuba/Sutter Enterprise Zone					Yuba and Sutter Counties			
	1991	1992	1993	1994	1994 ^a	1991	1992	1993	1994
Businesses^b									
New ^c		106	127	101			378	392	303
Deleted ^f		68	116	89			251	360	322
Total	736	774	785	797	794	2,813	2,940	2,972	2,953
Percent Change		5.16%	1.42%	1.53%			4.51%	1.09%	-0.64%
Percent Change 1991-94				8.29%	7.88%				4.98%
Jobs^c									
New ^c		583	1,043	1,240			1,655	3,105	1,576
Deleted ^f		312	605	674			1,639	1,600	2,049
Total	7,011	7,086	7,183	7,844	7,838	22,139	21,501	22,295	21,951
Percent Change		1.07%	1.37%	9.20%			-2.88%	3.69%	-1.54%
Percent Change 1991-94				11.88%	11.80%				-0.85%
Wages^d									
New ^c		\$ 1,818	\$ 4,392	\$ 7,280			\$ 6,427	\$ 11,451	\$ 6,971
Deleted ^f		1,212	2,792	3,607			6,646	6,162	10,756
Total	\$30,731	30,611	32,009	36,978	\$36,941	\$101,111	100,445	103,279	103,736
Percent Change		-0.39%	4.57%	15.52%			-0.66%	2.82%	0.44%
Percent Change 1991-94				20.33%	20.21%				2.60%

Source: Employment Development Department and Teale Data Center.

Note: Totals do not represent the sum of new and deleted.

- ^a Data presented by using the 1991 map parameters to extract 1994 employer data.
- ^b A business is one with a location within the enterprise zone or program area or the surrounding county. For firms with multiple locations, each location is reported as a business.
- ^c Jobs represent a quarterly average count of all workers who worked or received payment for the pay period including the twelfth day of the month.
- ^d Wages are total quarterly payroll and are presented in thousands.
- ^e New businesses are those with business identification numbers that appear in later years of the period but do not appear in an earlier year. New jobs and wages are those jobs and wages associated with new businesses.
- ^f Deleted businesses are those with business identification numbers that appear one year of the period but not in subsequent years. Deleted jobs and wages are those jobs and wages associated with deleted businesses

Comments

Comments of the California State Auditor on the Response From the California Trade and Commerce Agency

To provide clarity and perspective, we are commenting on the California Trade and Commerce Agency's (agency) response to our audit report. The numbers correspond to the numbers we have placed in the response.

- 1 The positive findings are highlighted in Chapter 2 to the degree we believe is appropriate given the following limitations. As we discuss in the report, this data cannot and should not be used to draw definitive conclusions about the effectiveness of the programs for several reasons. Specifically, we did not audit the data. Additionally, as indicated in Appendix B, the accuracy of the data is subject to numerous limitations. Furthermore, a maximum of only four years of data was available which, in our opinion, is not adequate to identify trends. Finally, we could not isolate the effect of zone and area programs from the effects of other influences on economic activity in the enterprise zone and program areas. Because of these limitations, this information alone is not sufficient to evaluate the overall success of the programs.

We did not specify ② the type of data that should be collected. Rather, we recommended that the agency identify performance measures and establish a system to collect complete and reliable data to measure achievements. Further, we recognized that the agency may be unable to collect the necessary information without obtaining it at the local level. As a result, we also recommended that the Legislature consider imposing reporting requirements on businesses in the enterprise zones and program areas as well as on local administrators of the programs.

○ Although the agency 3 contends that the recertification process fulfills the requirement of performing audits, the legislation clearly calls for separate audit and recertification processes.

○ In 1987, the Office 4 of the Auditor General (OAG) recommended that the agency take specific steps to implement a plan of evaluation. However, the agency never implemented the plan and was unable to provide us with a copy of the plan. Although the agency states that it modified the annual report in response to the audits, the annual report falls short as an evaluative tool. As we state on page 10, the data provided is incomplete and the agency does no analysis of the data. Furthermore, as stated in the agency's response on page 78, the information obtained by the agency for the annual report is provided voluntarily and is sometimes incomplete. The agency has also mischaracterized the recommendations in the OAG's June 1988 audit report. In the 1988 report, the OAG recommended that, if the agency identifies barriers that limit a business's ability to use program benefits, it should develop and implement corrective action. However, as we state on page 12, the agency neither prepared nor implemented a corrective plan.