



Business Friendly Initiatives

Categories and statistics affect the business climate of a community. City of Irvine staff has compiled data to help interested businesses understand Irvine's overall attraction.

Business Tax Burden

- **Business Property Taxes** – Proposition 13
 - Property tax increases on any given property are limited to no more than 2% per year as long as the property is not sold. Once sold, the property is reassessed.

Economic Vitality

- **Jobs-to-population ratio** – Irvine is No. 1 among America's largest cities in terms of jobs-to-population ratio. Irvine's ratio of 94.8%, which reflects the more than 200,000 jobs in the City, is the highest among America's 100 cities of more than 200,000 population.
- **Residential population growth from 2011 to 2012** – Over the past three years Irvine's population increase has averaged 3.8% with a current population of 231,117. Irvine is the 91st largest city in the United States.
- **Orange County-run John Wayne Airport** – Adjacent to the City of Irvine, the airport served nearly 9.2 million passengers in 2013 with a total economic effect of more than \$1 billion.
- **Median household income** – The median household income was \$85,615 in 2010. Comparatively, the median per capita income in Orange County was \$49,863 in 2013.

Community Allure

- **Individual tax burden** – The City does not charge residents a Utility Users Tax (UUT), unlike many other cities, and commercial users are charged a relatively low UUT rate of 1.5%. In addition, there is a \$5,000 maximum payment threshold per business.
- **Business licenses** – Business licenses are required but there is no fee.



- **Per capita violent crime rate** – The City of Irvine has had the lowest per capita violent crime of any U.S. city of 100,000 or more population for nine straight years, according to FBI statistics.
- **Open space** – In June 2013, Irvine celebrated the 25th anniversary of the voter-approved Open Space Initiative to protect more than 16,000 acres of parks and wildlands, about 34% of total space, while accommodating phased growth.

Education

- **UC Irvine** – Orange County's major university will celebrate its 50th anniversary in 2015. It is considered one of the nation's best public universities and one of the best universities in the world under the age of 50.
- **High school graduation rate** – The high school graduation rate in Irvine is 96%.
- **Percentage of residents with at least a bachelor's degree** – 66% of Irvine residents have earned a bachelor's degree or higher, one of the highest of any American city.
- **Average SAT score** – The average SAT score in Irvine is 1808. Orange County's average SAT score of 1597 trails only the San Jose Metro area in California. See below for a breakdown by Irvine high school:
 - o Irvine High School: SAT average score – 1812 with 60% of students tested.
 - o Northwood High School: SAT average score – 1852 with 73.5 % of students tested.
 - o University High School: SAT average score – 1857 with 70.5% of students tested.
 - o Woodbridge High School: SAT average score – 1755 with 66.2% of students tested.

Sources: U.S. Census Bureau, 2013 American Community Survey, Orange County 2013 Community Indicators, Orange County Business Journal, Orange County Business Council, City of Irvine

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In March 2011, the City Council approved a number of business friendly initiatives to supplement many that are already in place. (See item 4.2, March 8, 2011)

<http://www.irvinequickrecords.com/sirepub/pubmtgframe.aspx?meetid=4044&doctype=Agenda>

The purpose of the Business Friendly Initiatives is to make certain that the cost of doing business in the City of Irvine is not unreasonable and that there is no “red tape” in moving forward with business attraction, retention and growth.

The specific items that were approved follow:

- A residential and commercial development fee deferral program allows for specific development impact fees to be due at the end, or toward the end, of construction to reduce up-front costs to begin construction.
- Online business license applications streamline the process for business owners. Business licenses are required but there is no fee.
- A no-fee solar permit program encourages solar installations. Fees otherwise could cost up to nearly \$1,000 for commercial roof systems.
- A local vendor preference policy gives preference to companies located within Irvine during the bidding process. It is a policy for a five percent local preference with a \$2,000 maximum cost variance.
- The Consultant Team Program streamlines our consultant selection process. It increases the opportunity for more businesses to be on the City’s list of pre-qualified consultants.
- And, working with our Irvine Chamber of Commerce, we have moved ahead with several business friendly initiatives. One is a Shop Irvine campaign to remind our residents that their sales tax dollars stay local. We also help support hotel stays, which benefit the community.