



CITY OF LONG BEACH

DEPARTMENT OF COMMUNITY DEVELOPMENT

C-14

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

November 14, 2006

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Recommendation to receive and file the Annual Report of the Economic Development Commission for the period ending September 30, 2006.
(Citywide)

DISCUSSION

The City Charter requires that all City boards, committees and commissions submit to the City Council an annual report describing each entity's activities and accomplishments. The subject report summarizes the activities of the Economic Development Commission (EDC) for the year ending September 30, 2006.

The Long Beach City Council established the EDC in 1976 to "advise and recommend to the City Council and the City Manager on matters pertaining to activities affecting economic development within the City." The current Commission membership includes dedicated business, education and community leaders who are committed to economic development that benefits the City of Long Beach. A roster of current Commission members is attached.

The Commission provided valuable input into a variety of strategic initiatives in Fiscal Year 2006 (FY 06). Its most important accomplishment was the completion of the Jobs and Business Strategy, the economic development strategy received and accepted by the City Council in December 2005.

This letter was reviewed by Assistant City Attorney Heather A. Mahood on September 11, 2006, and Budget Management Officer David Wodynski on September 8, 2006.

TIMING CONSIDERATIONS

City Council action on this item is not time sensitive.

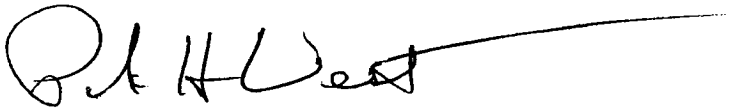
FISCAL IMPACT

There is no fiscal impact associated with the suggested action.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



PATRICK H. WEST
DIRECTOR OF COMMUNITY DEVELOPMENT

PHW:RMS:RH:sz
Attachment: FY 2006 Economic Development Commission Annual Report

APPROVED:

for Christine J. Shuppig
GERALD R. MILLER
CITY MANAGER



Economic Development Commission
City of Long Beach, California

ECONOMIC DEVELOPMENT COMMISSION ANNUAL REPORT

October 1, 2005 – September 30, 2006

110 Pine Avenue, Suite 1100, Long Beach, California 90802
Telephone: 562.570.3851 Fax: 562.570.3897 TDD: 562.570.3850

INTRODUCTION

The City Charter requires that all city boards, committees and commissions submit to the City Council an annual report describing each entity's activities and accomplishments. This report summarizes the activities of the Economic Development Commission for the year ending September 30, 2006.

BACKGROUND

The Long Beach City Council initially established the Economic Development Commission (EDC) in 1973. The duties of the Commission include:

- ◆ Evaluating and researching economic growth patterns of the community;
- ◆ Identifying economic development needs and opportunities in the community and making recommendations regarding program strategies for implementation by City staff;
- ◆ Evaluating and making recommendations regarding marketing plans for economic development programs;
- ◆ Reviewing and reporting to City Council the availability of surplus city-owned property and making recommendations regarding interim and long-term uses consistent with the community's economic development needs;
- ◆ Formulating and making recommendations regarding policies for business loan programs administered by the Economic Development Bureau;
- ◆ Cooperating with the Redevelopment Agency and Housing Authority regarding those development programs that are of common concern to the respective agencies;
- ◆ Evaluating the availability of federal and state grant programs and recommending application for those grants deemed appropriate for the economic development needs of the community; and
- ◆ Establishing and managing a land reuse program to stimulate industrial and commercial development within the City.

The EDC is comprised of 17 members who volunteer their time to assist the City of Long Beach concerning economic development issues. A current roster of the EDC is attached as Exhibit 1.

Members of the Commission participate on one of two committees, the Business Development committee or the Business Assistance Committee. The Business Development Committee supports the City's efforts to enhance the economic base of Long Beach and to monitor and encourage policy and planning decisions that encourage industrial, commercial and retail uses in the City. The Business Assistance Committee supports the City's efforts to promote business development through various loan programs and related technical assistance programs.

During the 2005-2006 fiscal year, the EDC undertook a number of initiatives, and reviewed and analyzed a number of key economic development issues affecting the city of Long Beach. The major accomplishment of the EDC was completion of the Jobs and Business Strategy, which included an in-depth analysis of the economy of Long Beach, a comprehensive community outreach component, and a strategy for economic growth. In addition, the EDC organized support for the Long Beach Enterprise Zone, and reviewed and took a position on the Long Beach Airport modernization project. A more detailed description of these efforts follows:

Jobs and Business Strategy

The EDC was charged by the 2010 Strategic Plan to "develop a comprehensive economic development plan" and engaged in an 18-month process that resulted in the Jobs and Business Strategy. The strategy development process was comprehensive and exhaustive, and required a substantial and ongoing commitment from the Commissioners. As stated in the Executive Summary:

"An unprecedented 832 community leaders, business operators, workers and residents participated in 21 key informant interviews, 17 focus groups, three citywide meetings and 21 neighborhood and business community meetings. The Jobs and business Strategy is the product of community input, a review of best practices of other successful urban populations and input from a wide range of non-profit and business partners. This is a five-year strategy for the whole of Long Beach designed to bring us together as a thriving, single community."

On December 13, 2005, the City Council approved the Jobs and Business Strategy, and directed the City Manager to create an implementation plan. Highlights of the Strategy included 13 key strategic initiatives as follows:

To Achieve a Prosperous Economy

Create a Strong Diversified and Growing Economy

1. Develop successful partnerships with the community to support economic development.
2. Focus more resources on the retention and expansion of existing business.

3. Build on our economic strengths in Health Services, Education, Manufacturing, Trade and Professional Services
4. Preserve and retain industrial land for manufacturing and trade

Create a Positive Environment where Business Flourish

5. Improve customer service to the business community and create a more business-friendly climate
6. Improve the speed, predictability and consistency of the development review process

Encourage Private Investment and Improve Infrastructure

7. Use this Strategy to inform the General Plan update to help us realize our economic vision.
8. Work with the Port and State/Federal governments to reduce traffic congestion on Interstate 710.

To Increase Economic Opportunity

9. Expand and improve internship opportunities and vocational education for at-risk youth

To Improve our Fiscal Health

10. Track performance of economic development efforts and engage in continuous improvement
11. Develop a big box land use policy

To Promote Quality of Life

12. Encourage more workforce housing
13. Reduce violent crime and expand community policing

The Executive Summary of the Jobs and Business Strategy summary is included as Exhibit 2.

Enterprise Zone

The Long Beach Enterprise Zone, a key economic development asset for the City, is scheduled to sunset in January 2007. The EDC worked with City staff to support legislation that would have extended the designation for five years. Efforts included seeking support letters from Long Beach businesses, meeting with advocates for the extension, and communicating with key legislators, including Senator Denise Ducheny, author of SB 6. A copy of that letter is attached as Exhibit 3.

Long Beach Airport Modernizations

The EDC spent considerable time examining and reviewing the Long Beach Airport modernization issue. Efforts included reviewing the legal aspects of the project, the Airport Economic Impact Analysis, and the draft and final Environmental Impact Reports. The EDC provided comment on these matters in letters to the Mayor and City Council and to the Planning and Building Department. Copies of these letters are attached as Exhibits 4 and 5.

Loan Programs

The Business Assistance Committee serves as the Loan Administration Board for the Long Beach Business Loan Program, a revolving loan fund capitalized by a grant from the U.S. Department of Economic Development and City of Long Beach matching funds. In Fiscal year 2005-2006, the Business Assistance Committee reviewed and approved four loans totaling \$435,000.

EDC Commissioners appreciate the opportunity to contribute to the City of Long Beach, and are dedicated to improving the economic vitality of the city for all its residents.

Respectively submitted,

JULIE HEGGENESS, Chair
Economic Development Commission

JH:dm

Attachment: Exhibit 1 – EDC Roster
Exhibit 2 – JBS Executive Summary
Exhibit 3 – Letter to Senator Denise Ducheny
Exhibit 4 – Letter to City of Long Beach Planning and Building
Exhibit 5 – Letter to Mayor and City Council

**Economic Development Commission Roster
As of September 5, 2006**

Julie Heggeness - Chair

Susan Rusnak – Vice Chair

Creasie Adams

Daniel Alf

Alan K. Davidson

Diane DeWalsche

Joel Fierberg

Mark Gray

Jack Hinsche

Evelyn Knight

Charles Mason

Frank Newell

Naomi Rainey

Glenn Ray

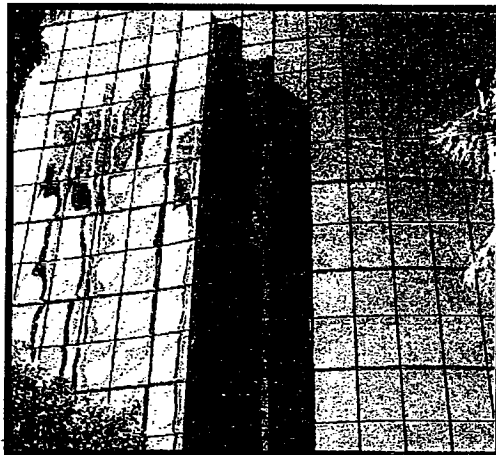
Debra Winter



JBS City of Long Beach
Jobs and Business Strategy
Our Vision for the Future

Executive Summary

Long Beach Jobs and Business Strategy



MARIE JONES CONSULTING
November 2005

1 EXECUTIVE SUMMARY

Purpose and Background

The City of Long Beach is often described as a jewel in southern California. With a population of nearly 490,000, it is a vibrant community with a collection of diverse, interlocking neighborhoods comprising the fifth largest city in the state.

With one of the most ethnically diverse populations in the nation, and residents from all walks of life and socio-economic classes, Long Beach retains a cohesive identity and a strong pride of place. The city's active and informed population is politically involved in both neighborhood-specific and community-wide issues.

In the 1990's, Long Beach suffered serious economic setbacks due to military base closures, major job losses in the aerospace sector and a seriously deteriorated downtown. With strong leadership and an aggressive revitalization effort, we have established momentum on the challenging path to recovery.

However, some facts of our economic reality remain alarming:

- ***Our middle class is shrinking.*** In 2003, 24% of Long Beach residents lived at or below the poverty line - almost twice the poverty rate of California.
- ***Job quality in Long Beach has declined.*** Of the 10,000+ jobs lost in manufacturing and defense, most have been replaced by lower-paid employment in the tourism and retail sectors.
- ***We are geographically segregated by income, education and ethnicity.*** The divide between east and west Long Beach is dramatic. Based on City Planning clusters, 28% of households on the west side live in poverty, while only 7% of east side residents are poor. Thirty-seven percent of west side adults are high-school dropouts, while less than 7% of east side adults are drop-outs.
- ***Housing is less affordable.*** In June of 2005, the cost of a median single family home was \$511,000, and a median condo was \$322,000.
- ***Sales tax revenues remain low.*** In 2002, Long Beach underperformed by \$389 million in retail sales for a city of its size – these potential sales dollars of Long Beach residents went to competitor cities. Many retail jobs that could be in Long Beach are in neighboring communities as a result of this retail sales leakage.
- ***A significant portion of the future workforce is not prepared to enter the job market.*** Some of our youth are in trouble; 21% of 16-24 year olds are high-school dropouts and 19% of our youth (including those with and without high-school diplomas) are not employed and not in school.

As an older city, Long Beach struggles with deteriorated public infrastructure, blighted commercial corridors and high poverty rates. However, unlike most large urban centers, which also face many of the same problems, Long Beach has a relatively small job base and a corresponding smaller tax base.

A vital and prosperous economy is essential for ensuring a high quality of life and prosperity for residents, workers and employers. As a community we have all the components needed to make this a thriving, world-class city. This *Volume I: Long Beach Jobs and Business Strategy* ("JBS") is the first

economic development strategy for the City of Long Beach. It is intended as a guide to meaningful decisions, actions, programs and projects needed to achieve long-term economic prosperity for the city of Long Beach.

<u><i>What the JBS is ...</i></u>	<u><i>What the JBS isn't ...</i></u>
<ul style="list-style-type: none"> ✓ <i>For the entire community</i> ✓ <i>A vision & strategy</i> ✓ <i>Informed by economic analysis, extensive public process, staff involvement</i> ✓ <i>13 Key Strategies & 22 additional strategies</i> ✓ <i>A set of implementation best practices, potential action items, and general outcome metrics</i> 	<ul style="list-style-type: none"> ✓ <i>An implementation plan</i> ✓ <i>An implementation timeline</i> ✓ <i>A cost/benefit analyses, ROI analyses or cost estimates</i> ✓ <i>A list of specific outcome metrics tied to specific action items or strategies</i>

Process

The Long Beach 2010 Strategic Plan, established in 2000, charged the Economic Development Commission with the responsibility for engaging a consultant and overseeing the development of a strategy to enhance the economic well-being of the City.

This process was initiated with an extensive evaluation of our current situation. The resulting report, *Volume II: Long Beach Economic and Market Analysis*, provides a comprehensive view of who we are as a community and our economic strengths and weaknesses.

Armed with the key findings of this report, the study team went to the community for input. An unprecedented 832 community leaders, business operators, workers and residents participated in 21 key informant interviews, 17 focus groups, three city-wide meetings and 21 neighborhood and business community meetings. The results of the community outreach are published in *Volume III: Long Beach Community Input Report*.

The Jobs and Business Strategy is the product of community input, a review of best practices of other successful urban populations and input from a wide range of non-profit and business partners. This is a five-year strategy for the whole of Long Beach designed to bring us together as a thriving, single community.

Our Vision for the Future

Four basic goals were established with corresponding strategies to accomplish the following:

1. Achieve and sustain a **growing prosperous economy**
2. Create **economic opportunity**
3. Establish **fiscal health** and promote revenue growth to fund City services
4. Promote an **excellent quality of life** for residents, workers, employers and visitors

These goals are interdependent upon each other. A growing, prosperous economy leads to economic opportunity for residents and new investment in neighborhoods. New economic opportunities for residents reduce the need for City-funded services and improve the City's fiscal health. Finally, an improved quality of life will attract new economic growth.

Key Strategic Initiatives

The Jobs and Business Strategy details thirteen Key Strategic Initiatives for promoting economic growth in Long Beach and achieving success over the next five years.

OUR VISION

By 2010, as the most diverse and vibrant coastal city in southern California, Long Beach offers ...

- *A great place to live and work, with a diversified high-quality job base and a skilled workforce. Businesses prosper in attractive and modern industrial, office and institutional space.*
- *An economy that provides opportunity for residents. Excellent education and training programs prepare our youth and residents for a diversity of new jobs.*
- *The City, in excellent fiscal health, is a key player in economic renewal and flexibly responds to the needs of residents and businesses.*
- *A great quality of life, where residents, workers and tourists enjoy the arts, entertainment, open space, and a range of retail offerings. Neighborhoods and downtown are attractive, vibrant, safe and clean. More residents and workers can afford a home.*

To Achieve a Prosperous Economy:

Create a Strong, Diversified and Growing Economy

1. Develop **successful partnerships** with the community to support economic development
2. Focus more resources on the **retention and expansion** of existing businesses
3. **Build on our economic strengths** in Health Services, Education, Manufacturing, Trade & Professional Services
4. Preserve and **retain industrial land** for manufacturing & trade

Create a Positive Environment where Businesses Flourish

5. **Improve customer service** to the business community and create a more business-friendly climate
6. **Improve the speed, predictability and consistency of the development review process**

Encourage Private Investment and Improve Infrastructure

7. Use this Strategy to inform the **General Plan** update to help us realize our economic vision
8. Work with the Port and State/Federal governments to **reduce traffic congestion** on Interstate 710

To Increase Economic Opportunity:

9. Expand and **improve internship opportunities & vocational education** for at-risk youth

To Improve our Fiscal Health:

10. **Track performance** of economic development efforts and engage in continuous improvement
11. Develop a **big box land use** policy

To Promote Quality of Life:

12. Encourage more **workforce housing**
13. **Reduce violent crime** and expand community policing

Other Strategies

In addition to these thirteen Key Strategic Initiatives, the document contains 22 other strategies that address other important opportunities for economic development and growth.

Douglas Park, on the former Boeing Manufacturing site, offers an opportunity to implement many of these strategies, including creating high paying jobs, building on our economic strengths, growing tax revenues and preserving and retaining industrial land.

Next Step: Community and City Implementation

There is much work to be done. We must apply resources as effectively and purposefully as possible. Success will require us to mobilize the energy, passion and talents of the community – its businesses, institutional partners, residents, neighborhoods, community leaders and others who want to see Long Beach flourish. To realize our aspirations we must:

- Ensure that City priorities reflect this strategy.
- Work to reinforce city-wide thinking.
- Use the Jobs and Business Strategy as the consistent vision for the community.
- Continue to build and employ community partnerships for strategy implementation.

City staff will need to continue to reach out to, and develop working relationships with, each other, outside agencies, institutions and businesses in order to implement many of these strategies. City Council might also designate the City's Community Development Department as the lead agency responsible for sustaining and overseeing strategy execution and the Community Development Director as the strategy's champion. A variety of City Department Directors and Bureau Managers will need to implement these strategies and goals within their Departments and Bureaus, including identifying staff capability, budget availability, timelines and which specific action items to implement. Staff should engage in a continuous improvement process and track performance objectively and with transparency. Finally, the Economic Development Commission could continue to work to bring together all community partners for implementation and work with staff to report implementation progress to City Council on an annual basis.

In Conclusion

This is an exciting time for the City of Long Beach, and yet a challenging time as well. As recommended by the community in its Long Beach 2010 Strategic Plan, this Jobs and Business Strategy was developed to help provide a framework for achieving an economy that offers prosperity, opportunity and a good quality of life for residents and businesses.

While change is often difficult to initiate and embrace, it is necessary in order to achieve our vision. A wide cross-section of the community participated in the formation of this strategy because they want Long Beach to be a better place. Our responsibility is to act on this grass-roots referendum for change.



CITY OF LONG BEACH

DEPARTMENT OF COMMUNITY DEVELOPMENT

EXHIBIT 3

BUSINESS DEVELOPMENT CENTER

110 PINE AVE., SUITE 1100 • LONG BEACH, CALIFORNIA 90802 • (562) 570-3800 • FAX (562) 570-3897

April 20, 2005

The Honorable
Senator Denise Ducheny
State Capitol, Room 4081
Sacramento, CA 95814
[Fax # (916) 327-3522]

Re: Support of SB 6 - Enterprise Zone 5-year Extension Bill

Dear Senator Ducheny:

On behalf of the City of Long Beach, Economic Development Commission, I write to express our support for SB 6, which would extend the life of the Long Beach Enterprise Zone and other post-1990 designated zones throughout California by five years, establishing parity with those designated prior to 1990.

Enterprise Zones target economically distressed areas through the use of special state and local tax incentives that encourage business investment and promote the creation of new jobs. The maintenance and enhancement of the Enterprise Zone and the state's other job generating tax incentive programs such as LAMBRA, MEA and TTA are vital to the state's economic recovery.

The Long Beach Enterprise Zone has greatly contributed to the revitalization of our community, but much needs to be done. Now, more than ever, we need economic development programs to stimulate job creation, business investment, and revenue generation. Despite certain new waterfront and downtown developments, the Long Beach economy is still in transition. Current research undertaken by the Economic Development Commission's Jobs and Business Strategy confirms the following facts:

- * Between 1997 and 2003, Long Beach lost 10,319 high-paying manufacturing jobs.
- * The quality of new jobs created mainly in tourism, retail and service sectors is less desirable than the thousands of manufacturing jobs that were lost, as the new jobs provide lower pay, fewer benefits and less job security.
- * Boeing recently announced that it will close its manufacturing operations for the 717 aircraft in Long Beach by 2006, resulting in the loss of 750 more quality jobs.

Extension of the Long Beach Enterprise Zone will be vital to continue this city's recovery from devastating job losses, as well as to attract and maintain quality manufacturing jobs in Southern California. Indeed, the Enterprise Zone has been a major incentive for many businesses to locate and remain in Long Beach.

Perhaps more importantly, Long Beach has a significant labor pool of economically displaced and disadvantaged workers - the very persons who would benefit most from creation of jobs through the Enterprise Zone:

- * 19% of all youth in the City ages 16-24 are not in school and not working.

* As of the 2000 Census, 22% of Long Beach residents live in poverty, compared to only 13% of all Californians in poverty. Fully 32% of all children in Long Beach are poor.

* The North, West Central and Southwest areas of the City, areas partially included within the Enterprise Zone, have the highest incidence of poverty.

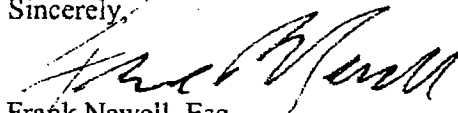
Enterprise Zones were created in large part to encourage creation of jobs through tax credits for every economically disadvantaged person hired. The Long Beach Enterprise Zone encompasses most of the areas of the City where the need for job creation is greatest. Premature termination of the City's Enterprise Zone will cut off urgently needed efforts to create jobs and combat growing poverty.

Historically, since its inception in 1992, Enterprise Zone tax incentives to employers have helped our City counteract the economic loss from the closure of the Long Beach Naval Shipyard and the downsizing of Boeing Company. As a result, more than 16,000 hiring credit vouchers have been issued for disadvantaged individuals employed through this program and approximately 400 businesses have benefited from the program. Participating businesses created 3,186 jobs in 2003 and an additional 5,722 jobs in 2004 through Enterprise Zone hiring credits.

Passage of SB6 will enable the Long Beach Enterprise Zone to continue its major role in revitalizing the City's economy, maintaining the City's position as a manufacturing center and providing jobs to disadvantaged residents.

On behalf of the City of Long Beach Economic Development Commission, thank you for recognizing the importance of the Enterprise Zone program by authoring SB 6. We look forward to a joint cooperation to ensure its successful passage. Please feel free to contact me if I may be of any assistance.

Sincerely,



Frank Newell, Esq.,

Chairman

City of Long Beach

Economic Development Commission

cc: Edward Vincent, State Senate, 25th District
Alan Lowenthal, State Senate, 27th District
Debra Bowen, State Senate, 28th District
Mervyn Dymally, State Assembly, 52nd District
Betty Kamette, State Assembly, 54th District
Jenny Oropeza, State Assembly, 55th District
Randy Gordon, President, Long Beach Chamber of Commerce
Mike Arnold, Arnold & Associates
Lina German, CAEZ Governmental Affairs Chair



Economic Development Commission
City of Long Beach, California

December 16, 2005

To: City of Long Beach
Planning and Building Department
Attn: Angela Reynolds
333 W. Ocean Blvd.
Long Beach, CA 90802

Re: **The Long Beach Airport Area Complex**
DRAFT Environmental Impact Report No. 37-03

Dear Ms. Reynolds:

Please accept this statement on behalf of the Long Beach Economic Development Commission, so that the Commission's position may be recorded in public comments regarding the Draft EIR for the Long Beach Airport. The role of the Long Beach Economic Development Commission is to advise and make recommendations to the City Council on matters affecting economic development within the City. The City of Long Beach Economic Development Commission recommends timely and immediate action to certify the Draft EIR.

The Long Beach Airport is an important and essential asset in sustaining the City's economic growth and viability. The Economic Impact Analysis published in April 2005 presented **persuasive** evidence that continued airport operations have substantial positive impact on the city's long-term business growth and workforce development. As this report concluded, the airport is a fundamental element of the City's employment base, producing over 16,000 jobs representing \$1.0 billion in earnings.

The Commission has reviewed the Draft Environmental Impact Report, including the detailed project impacts and mitigation measures presented. The report concludes that the Proposed Project "does not result in substantially greater impacts than the other build alternatives" and declares the proposed improvements as the "environmentally superior alternative."

December 16, 2006

Page 2

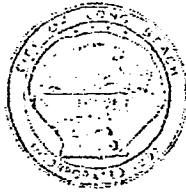
Due to the profound positive economic impact that airport operations have on the continued vitality of this City, the Economic Development Commission respectfully urges the City Council to act without further delay or impediments to the process to approve the EIR and move forward to improve and modernize the Long Beach Airport.

Sincerely,



Joel Fierberg, Chairman
City of Long Beach Economic Development Commission

cc: Gerald R. Miller, City Manager
Morton Stuhlberg, Chair, Planning Commission
Robert Swayze, Economic Development Bureau Manager



Economic Development Commission
City of Long Beach, California

June 17, 2005

**Re: The Long Beach Airport Area Complex
Economic Impact Analysis, 2003 (published April 2005)**

Dear Honorable Mayor and Council Members:

The role of the Long Beach Economic Development Commission ("EDC") is to advise and make recommendations to the City Council on matters affecting economic development within the City.

The Economic Impact Analysis of the Long Beach Airport Complex has been received by our Commission. This study, prepared by the Office of Economic Research, California State University Long Beach, examined the number of jobs, earnings, and the value of output related to the Airport. It concludes that the Long Beach Airport is "*an important source of economic vitality for the city,*" and that business opportunities relative to the airport "*need to be expanded within the constraint of the existing noise ordinances.*"

The Commission concurs with the observations and recommendations stated in the study. The Long Beach Airport is clearly an important and essential asset in sustaining the City's economic growth and viability.

In 2003, the Long Beach Airport Complex provided the following fiscal benefits directly to the City:

- \$7.2 million in General Fund City Services from Airport Enterprise Revenues
- \$1.9 million in Property Taxes
- \$1.3 million sales tax from Long Beach Airport Complex
- \$20.6 million direct tourist related and flight crew expenditures

More importantly, the airport is a fundamental element of the city's employment base, producing over 16,000 jobs representing \$1.0 billion in earnings.

The EDC is concerned that the financial and economic benefits of airport operations to our City have not been adequately recognized or considered. The Economic Impact Analysis establishes **persuasive** evidence that continued airport operations have substantial impact on the city's long-term business growth and workforce development.

It is our belief that the results of this study and the economic impact of the airport should be considered by the City Council when making its future decisions, including the ultimate decision regarding the modernization of the Long Beach Airport terminal.

Prior to the enactment of the Guiding Principles on February 1, 2005, the EDC requested that the Guiding Principles include language recognizing the economic and fiscal benefit of the airport. Our requested language was not included in the Guiding Principles that were adopted but we were encouraged to follow-up with the Council once the Economic Impact Study was completed. Accordingly, we request that the Council amend the Airport Guiding Principles approved by Council on February 1, 2005, to recognize the fiscal and economic impact of the airport in a manner consistent with the business development and land use goals for the airport set forth in the 2010 Strategic Plan.

In doing so, we suggest the Guiding Principles be expanded to include the following language recognizing the fiscal and economic benefits of the airport and supporting the goals of the 2010 Plan:

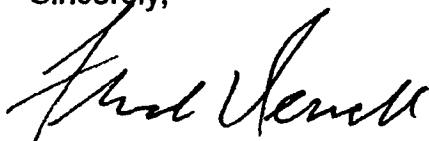
Economic Impact: Sustain and foster the fiscal and economic benefit of the Long Beach Airport and related business opportunities to the City of Long Beach, its residents and businesses within the existing noise ordinance consistent with the City's 2010 Strategic Plan.

In addition, revise principle #5, Land Use, to read:

Land Use: Support an environment that maximizes the economic return to the community, attracts and retains airport related businesses that serve the traveling public and that is compatible with the needs of the surrounding community.

The Economic Development Commission understands that there are environmental, health, safety, and other issues the Council considers the basis of its "Guiding Principles." However, the EDC urges that the "Guiding Principles" remain consistent with the City's 2010 Strategic Plan, and also consider the economic benefit and impact of the Long Beach Airport.

Sincerely,



Frank Newell

Chairman, Economic Development Commission

cc: Gerald R. Miller, City Manager

Robert Swayze, Manager Economic Development Bureau

Economic Development Bureau

Loans Funded Report

10/1/2005 to 9/30/2006

Loan Number	Company Name	Address	Note Amount	Fund Date	Fund Source	Loan Type	Council District	MBE WBE	Redevelopment Project Area	Loan Status	Jobs Req'd	Jobs Cmp'd
JED056001	AMBIANCE DAY SPA	3940 E 4TH STREET	\$60,000.00	11/01/2005	ED	Revolving	3	Yes	None	Active	2	3
JED056002	SENIOR SOLUTIONS TEAM, INC.	3736 ATLANTIC AVE., SUITE 1	\$40,000.00	03/15/2006	ED	Revolving	7	Yes	North LB	Active	2	0
JED056003	NORTH EAST DEALERS ASSOCIATI	4401 E. PACIFIC COAST HWY.	\$300,000.00	03/31/2006	ED	Revolving	5	No	North LB	Active	11	0

~~435,000~~

Report Criteria

Redevelopment Project Area	N/A	Fund Source	N/A
MBE/WBE Status	N/A	Loan Type	N/A
Status	N/A	Council District	N/A

Safari 35K 4/19

INTRODUCTION

The City Charter requires that all city boards, committees and commissions submit to the City Council an annual report describing each entity's activities and accomplishments. This report summarizes the activities of the Economic Development Commission for the year ending September 30, 2006.

BACKGROUND

The Long Beach City Council initially established the Economic Development Commission (EDC) in 1973. The duties of the Commission include:

- ◆ Evaluating and researching economic growth patterns of the community;
- ◆ Identifying economic development needs and opportunities in the community and making recommendations regarding program strategies for implementation by City staff;
- ◆ Evaluating and making recommendations regarding marketing plans for economic development programs;
- ◆ Reviewing and reporting to City Council the availability of surplus city-owned property and making recommendations regarding interim and long-term uses consistent with the community's economic development needs;
- ◆ Formulating and making recommendations regarding policies for business loan programs administered by the Economic Development Bureau;
- ◆ Cooperating with the Redevelopment Agency and Housing Authority regarding those development programs that are of common concern to the respective agencies;
- ◆ Evaluating the availability of federal and state grant programs and recommending application for those grants deemed appropriate for the economic development needs of the community; and
- ◆ Establishing and managing a land reuse program to stimulate industrial and commercial development within the City.

The EDC is comprised of 17 members who volunteer their time to assist the City of Long Beach concerning economic development issues. A current roster of the EDC is attached as Exhibit 1.

Members of the Commission participate on one of two committees, the Business Development committee or the Business Assistance Committee. The Business Development Committee supports the City's efforts to enhance the economic base of Long Beach and to monitor and encourage policy and planning decisions that encourage industrial, commercial and retail uses in the City. The Business Assistance Committee supports the City's efforts to promote business development through various loan programs and related technical assistance programs.