



Building A Better Long Beach

June 21, 2010

REDEVELOPMENT AGENCY BOARD MEMBERS
City of Long Beach
California

RECOMMENDATION:

Approve and authorize the Executive Director to execute a First Amendment to the Agreement with the Downtown Long Beach Associates (DLBA) to increase the contract by an amount not to exceed \$155,500 in Fiscal Year 2009-2010; to extend the Agreement one year and add an amount not to exceed \$392,500 in Fiscal Year 2010-2011; and to allow the Redevelopment Agency to receive funding up to \$500,000 from DLBA for various projects. (Downtown and Central – Districts 1, 2)

DISCUSSION

The Redevelopment Agency (Agency) and the Downtown Long Beach Associates (DLBA) have a long-standing relationship in which both entities share resources and collaborate on the enhancement and revitalization of greater Downtown Long Beach. Separate and apart from these efforts, the Agency contributes as a landowner to the DLBA's Property Based Improvement District through annual monetary assessments.

On June 1, 2009, the Agency Board approved a contract (Agreement) with the DLBA in an amount of \$160,000 for Fiscal Year 2009 (FY09) and \$270,000 in Fiscal Year 2010 (FY10), for a total contract amount of \$430,000. The contract formalized the activities for which the Agency would provide financial support to the DLBA in furtherance of the following strategic initiatives: economic development, marketing, special events/sponsorship and special projects, including capital improvement projects.

The Agency and DLBA partnership has resulted in a number of successful initiatives, including recruitment of new businesses and several successful events. As the Redevelopment Agency and the DLBA plan for the expiration of the Downtown Redevelopment Project Area in December 2017, it is important that the DLBA and Agency begin to explore the feasibility of creating a Downtown Community Development Corporation (CDC). The eventual formation of a new CDC would allow the DLBA to create a new nonprofit 501(c)3 organization that could follow in Agency's footsteps by continuing to advance critical real estate and infrastructure improvement projects in Downtown Long Beach.

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In order to continue these efforts, staff recommends an amendment to the current Agreement to add an additional \$155,500 for the remainder of the fiscal year (Exhibit A – Proposed Scope of Additional Work) for a total amount of \$425,500 in FY10. The additional funds are proposed for the following purposes:

Summer and Music (SAM) Sponsorship	\$ 78,000
Economic Development Assistant	15,000
Economic Development Outreach	45,000
Community Development Corporation (CDC)	
Feasibility Study and Draft Business Plan	<u>17,500</u>
Total	\$155,500

It should also be noted that the Agency's sponsorship for the Summer and Music (SAM) is included in the DLBA Agreement and will not be a separate contract like last year.

The current agreement with the DLBA terminates on September 30, 2010. In order to continue the partnership, staff recommends extending the agreement one year and adding \$392,500 for Fiscal Year 11 (FY11). Funding is proposed for the following categories:

Staff Assistance	\$ 80,000
Economic Development Outreach	122,500
Marketing	40,000
Special Events	<u>150,000</u>
Total	\$392,500

The \$155,500 increase for FY10 and \$392,500 for FY11 would bring the total contract amount to \$978,000.

In addition to the programs listed above, the Agency and the DLBA have also negotiated a collaborative partnership for capital improvements. The DLBA is required to budget 50% of their downtown parking meter revenues for Capital Improvement Projects (CIP). Specifically, the DLBA through its CIP Task Force has recommended the following:

Pine Avenue Street & Landscape Consultants Fees	\$ 50,000
Pine Avenue Street & Landscape Implementation	150,000
MTA Grant to upgrade Downtown Parking Garages (towards the 20% local matching funds)	100,000
Future CIP Projects (to be determined)	<u>200,000</u>
Total	\$ 500,000

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The current agreement does not provide a mechanism for the Agency to receive funds from the DLBA. An amendment is recommended to allow the Agency to receive up to \$500,000 from the DLBA for support of various Downtown capital improvement projects.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



AMY J. BODEK
EXECUTIVE DIRECTOR

AJB:LF:CSM:pku

Attachment: Exhibit A – Proposed Scope of Additional Work

Exhibit A

Program	DLBA Funds to RDA for CIP	RDA Funds to DLBA 10 Amendment	FY09-	RDA Funds to DLBA FY10-11
CIP (not to exceed \$500,000)				
Pine Avenue Street and Landscape Consultant's Fees	\$50,000			
Pine Avenue Street and Landscape Implementation	\$150,000			
MTA Grant to Upgrade Downtown parking garages	\$100,000			
Total	\$300,000			
Personnel--VP and ED Research Assistant			\$15,000	\$80,000
ED			\$45,000	\$162,500
Outreach			\$45,000	\$57,500
Business Retention and Expansion				\$25,000
Business Recruitment				\$40,000
Advertising/Promos/Communication				\$40,000
Special Events			\$78,000	\$150,000
New Year's Eve				\$20,000
Taste of Downtown				\$15,000
2nd Saturday Art Walk/East Village Events				\$15,000
SAM/Music Series			\$78,000	\$100,000
Advocacy			\$17,500	
CDC Feasibility Study and Draft Business Plan			\$17,500	
TOTAL REQUEST			\$155,500	\$392,500

FY 09-10 AMENDMENT: PROPOSED SCOPE OF ADDITIONAL WORK

ECONOMIC DEVELOPMENT

Personnel (RDA Request: \$15,000)

- Salary, taxes, and benefits for Economic Development Research Assistant.

Outreach (RDA Request: \$45,000)

- Develop new logo and corporate standards with a clean, fresh look that communicates to a diverse audience across multiple platforms. Create an updated, uniform appearance for DLBA printed and online material, including the Economic Profile as well as new stationery and updated website.

SPECIAL EVENTS

Summer and Music (SAM) 2010 (RDA Request: \$78,000)

- After an enormously successful inaugural season in 2009, DLBA and RDA plan to bring SAM back for a solar-powered sequel in collaboration with other sponsors. Scheduled to run from June to August, the line-up for SAM 2010 is estimated to draw at least 34,000 people throughout the summer. This year's itinerary features 13 eclectic music events, including some favorites from last year, such as Battle of the Tribute Bands and Funk Fest. Concerts will span the genres of folk, jazz, pop, rockabilly, funk and beyond, bringing together artists and art enthusiasts of all kinds.

ADVOCACY

Community Development Corporation (CDC) Feasibility Study and Draft Business Plan (RDA Request: \$17,500)

- In concert with the DLBA's Strategic Plan Update, collaborate with DLBA to engage in a feasibility study and business plan for a downtown Community Development Corporation (CDC), envisioned as a 501(c)3 non-profit organization that could help advance real estate and infrastructure improvements in Downtown Long Beach. The proposed feasibility and business plan would determine the proposed CDC's role, work plan, budget, sources of funds, governance structure, and relationship to existing agencies including the City, RDA, and DLBA.

FY 10-11 PROPOSED SCOPE OF WORK

ECONOMIC DEVELOPMENT

Personnel (RDA Request: \$80,000)

- Salary, taxes, and benefits for Vice President and Economic Development Research Assistant.

Outreach (RDA Request: \$57,500)

- Utilize the most effective and popular real estate trade journals such as *California Centers*, *Western Real Estate Business Monthly*, and *Retail Traffic* or other vehicles for driving economic development messaging.
- Develop an annual Economic Profile that highlights market trends and analyses related to economic investment, growth, and potential in Downtown Long Beach. The Economic Profile will be distributed to all local officials, partner economic development agencies, regional partners, tenant representatives, key stakeholders, and targeted companies and developers, and will be available for download or mail order via the DLBA website.
- Utilizing new logo and corporate standards, the DLBA will develop the collateral needed to market the Downtown to new investors. Such collateral will include the aforementioned Economic Profile, specialized retail recruitment brochures, and a development opportunities map, amongst others.

Business Retention and Expansion (RDA Request: \$25,000)

- DLBA will continue to grow its outreach to the existing businesses in Downtown to expand business acumen, conduct layoff aversion assistance, and ideally, provide business expansion assistance. Examples of the types of Business Retention and Expansion programs include: shop local programming that educates the local segments of consumer demand about the impact of retail leakage, 'meet the proprietor' programs that engage active two-way communication between residential and commercial neighbors, grand opening assistance programs and business retention interviews.
- As a complement to the indirect outreach of the aforementioned programs, the DLBA will produce three annual seminars directed at improving the retail business climate in Downtown Long Beach. These seminars could include both a workshop and a direct outreach component. Examples of the previous year's seminar concepts include small business marketing and the integration of social media marketing tools.
- DLBA will coordinate with Long Beach City College's Small Business Development Center planned for 309 Pine Avenue, which is envisioned to complement, not compete with, DLBA's work to nurture a thriving Downtown business environment.

ECONOMIC DEVELOPMENT (Continued)

Business Recruitment (RDA Request: \$40,000)

- Employ a strategic presence utilizing Economic Development Task Force and the Office and Retail Council at retail deal-making conferences. The budget allotment for this task is related to any registration, travel, accommodations, booth rental, or other expenses needed to carry out the strategy.
- Expand upon the DLBA's ED web portal to include recruitment assistance tools that will assist prospects in estimating their approvals and permitting timelines based upon their desired use and the changes that need to occur in the space.
- Implement the Retail Visioning recruitment strategy to targeted retailers and work to gain the buy-in of integral partners and stakeholders.

Advertising / Promos / Communication (RDA Request: \$40,000)

- Advertising and promotion of DLBA programs and services available to Downtown businesses.
- Business outreach and customer retention promotions, including the Downtown Gift Card, Date Night/Happy Hour in Downtown, Festival of Lights, and more.
- Stakeholder outreach via direct mail, electronic communication and personal contact.
- Public relations outreach on behalf of the organization and its constituents.

SPECIAL EVENTS

New Year's Eve (RDA Request: \$20,000)

- DLBA will once again produce Downtown's signature New Year's Eve celebration on Pine Avenue with live music, special guest appearances and an oversized projection-screen stage backdrop that will broadcast New Year's celebrations from all over the world throughout the night.

Taste of Downtown (RDA Request: \$15,000)

- The successful Taste of Downtown series of events will continue as area restaurants are invited to serve up sample-sized portions of their signature dishes.
- Three two-day events will be scheduled throughout the year in the Pine Avenue, Waterfront and East Village areas.

2nd Saturday Art Walk/East Village Events (RDA Request: \$15,000)

- DLBA will work with the East Village Association and with area businesses to identify ways in which supplementary programming can complement and enhance events in the East Village Arts District.

Summer and Music (SAM) 2011 (RDA Request: \$100,000)

- DLBA plans to continue SAM for a third year in 2011 with RDA's collaboration as well as the support of other sponsors.