



Date:

November 12, 2019

R-14

To:

Honorable Mayor and Members of the City Council

Councilwoman Suzie Price, Third District

From:

Councilwoman Jeannine Pearce, Second District

Councilmember Al Austin, Eighth District

Subject:

Update on Brick and Mortar Business Trends in Long Beach and Impacts of

Online Commerce

RECOMMENDATION:

Direct the City Manager to prepare a report on the status of retail commerce regionally and in Long Beach with a focus on brick and mortar establishments, including best practices and creative approaches cities are taking to manage changes in consumer behavior due to on-line shopping, and provide an update to the City Council in 120 days. This report should include findings and recommendations about what the City can do to help local small businesses identify, attract and retain customers to boost revenue and activate business corridors.

INTRODUCTION:

Consistent with the goals and objectives of the 10-Year Blueprint for Economic Development, the City of Long Beach continues to invest in strategies that provide a supportive environment for neighborhood serving small businesses. Due to changes in information technology, the nature of retail is changing and impacting the way that businesses identify, attract, and retain customers. Over the past several years, the trend of more retail transactions occurring online has continued. More shopping, including the search for goods and services, has moved online and away from brick and mortar shopping experiences. This growing role of the online marketplace is changing the way businesses operate and how local business corridors function. It does not appear that these changes are simply a fad, but rather a trend that is long-range and that requires local small businesses to adapt to continue to attract, retain and grow their customer base.

Although, ultimately, it is the responsibility of private businesses to implement the strategies that will help them to grow and thrive, the City Council is requesting a report from the City Manager about changes in the retail environment, and to recommend how the City may help all local small business innovate, evolve, and thrive.

This matter was reviewed by Budget Manager, Grace H. Yoon, on October 31, 2019.





FISCAL IMPACT:

This recommendation requests the City Manager to prepare a report on the status of retail commerce regionally and in Long Beach with a focus on brick and mortar establishments within 120 days. Implementing this recommendation is anticipated to result in a moderate impact to staff hours beyond normal budgeted scope of duties and a moderate impact on existing City Council priorities.