

BLUEPRINT

for Economic Development

Policy recommendations submitted by the Economic Development
Commission for consideration by the City Council





A MESSAGE FROM THE ECONOMIC DEVELOPMENT COMMISSION CHAIR

Driven by civic vision along with creative public and private investment, Long Beach is undergoing an amazing economic resurgence. The time is now to ensure this economic success is sustained and reaches into every neighborhood across the city. To foster and expand these new jobs and entrepreneurial innovation, we need to institutionalize a culture of “economic opportunity” throughout the city. A lasting economic culture that inspires collaboration and a “can do” attitude among all civic and government partners to create a true “City of Opportunity” for Long Beach.

The Long Beach Economic Development Blueprint embodies strategies to strengthen the city’s core economic engines, nurture and grow new innovative industries, and foster economic inclusion in low-income communities. The Economic Development Commission has built the Blueprint upon a foundation of extensive new research, industry expert engagement, open dialogue with City staff, insights from business and community leaders, and very robust discussion among commission members. The Blueprint does not represent the end of the City’s and the commission’s work. Indeed, it is intended as a “call to action” for additional research, community engagement, and dialogue to define more specific strategies, policies, and programs to advance economic opportunities throughout our city.

We hope this Blueprint is a catalyst for new and ongoing dialogue and cooperation among all stakeholders who view the creation of economic opportunities as fundamental to enhancing the quality of life in our city. We encourage public, private, academic, and non-profit partners directly involved in economic development to assess new ways to foster innovative collaboration. And, we are hopeful this new economic partnership will elevate the city’s engagement in regional, state, and global efforts that will bring new investment and job opportunities to Long Beach.

Yes, the Long Beach resurgence is alive and moving forward. Working together, our great city can be viewed as a model and a leader for economic opportunity and community cooperation that benefits our residents, businesses, investors, and youth.

Randal Hernandez, Chairman

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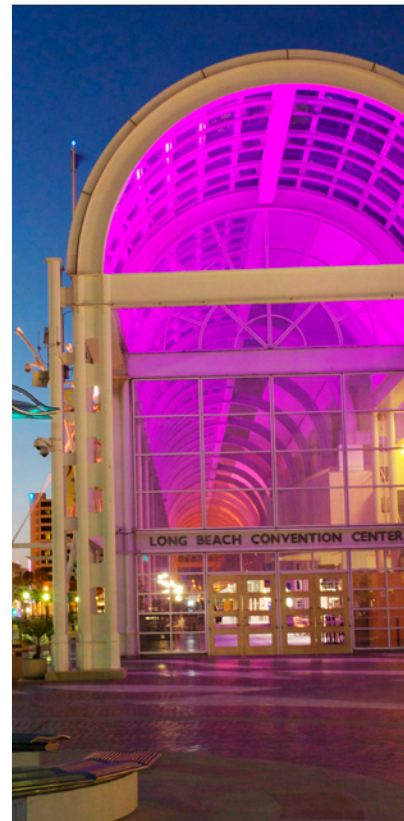
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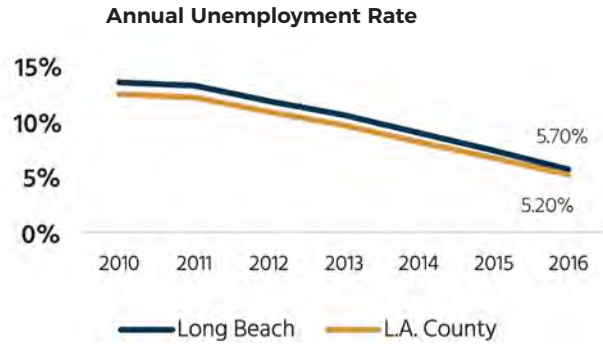
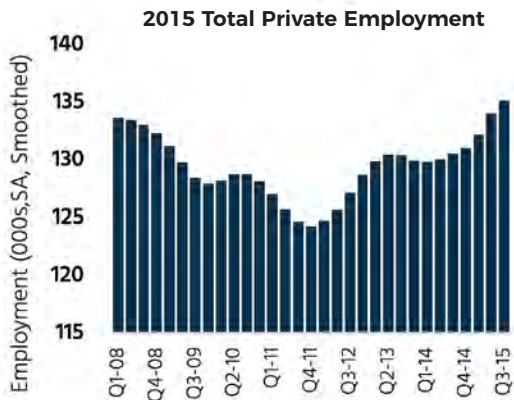
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ECONOMIC SNAPSHOT

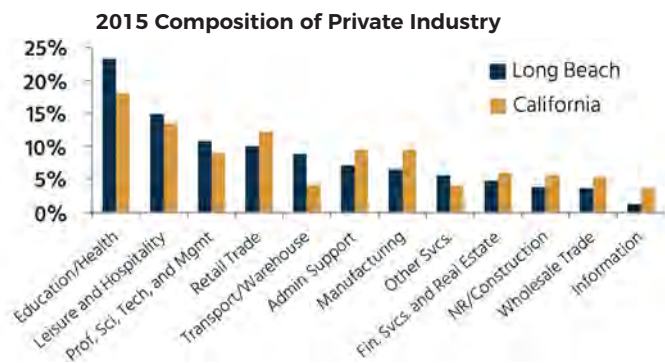


Labor Force: Inflow and Outflow



2014 Median Household Income by Race/Ethnicity

	Long Beach		L.A. County	
	Median Income	5-Year Growth	Median Income	5-Year Growth
White	\$69,809	5.9%	\$70,772	3.9%
Black	\$39,273	4.2%	\$33,744	-0.2%
Asian	\$59,087	15.7%	\$54,880	3.3%
Hispanic	\$43,869	7.8%	\$38,854	2.4%
Other	\$46,237	18.7%	\$35,615	-3.5%





The purpose of the Blueprint is to advance a 10-year vision of Long Beach as “the city of opportunity for workers, investors, and entrepreneurs.”

- For the City of Long Beach and civic partners, this Blueprint serves as a catalyst to work together to proactively recognize and seek solutions to civic and socio-economic challenges and opportunities.
- For workers, Long Beach will be a place where we come together to create more fulfilling and higher-wage job opportunities, beyond meeting basic needs.
- For investors, Long Beach will foster a “can do” climate where companies aggressively compete to advance economic opportunities across the city.
- For entrepreneurs, Long Beach will create an innovative ecosystem that lays a foundation for success from startup to growth.
- For our residents, Long Beach will be a place where all of us have the opportunity to create, thrive, and positively impact where we live.

Goals

To make this vision a reality, the Economic Development Commission recommends the following principal goals for the 10-year lifespan of this planning and plan implementation process.

- Make Long Beach a leader in education and business expansion, retention, and growth.
- Ensure that our economy provides at least one fulfilling job opportunity for every resident and student in Long Beach who wants one.
- Develop a civic and economic culture that provides every aspiring entrepreneur in Long Beach access to the resources and markets they need in order to startup and stay in business.
- Ensure through action that Long Beach is recognized as one of the world’s most livable, inventive, and inclusive cities.

The Economic Development Blueprint Focus Areas include:

1. Engines of Growth
2. Economic Inclusion
3. Jobs & Workforce Development
4. Business Assistance
5. Development Environment
6. Quality of Life
7. Economic Leadership & Cooperation

Following the adoption of the Blueprint, the Mayor, City Council, and City Manager’s Office will direct engagement with partners from business, community, government, academia, labor, and non-profits to invest in specific activities that advance the progress in these key Focus Areas. At the direction of the Mayor and City Council, the Economic Development Commission will continue to refine recommendations contained in the Blueprint. The City will regularly track and publicly report on key performance indicators.



ENGINES OF GROWTH

Grow and strengthen our established industry clusters and emerging sectors.

Objectives:

- Increase the number of jobs in key industry clusters
- Increase the number of businesses in key industry clusters
- Increase the number of jobs in traded industries that bring wealth into Long Beach
- Increase research capacity and relevancy as measured by approved patents
- Increase tourism activity as measured by transient occupancy tax (TOT) revenue

Key Industry Clusters:

- Logistics
- Leisure and Hospitality
- Business Services
- Education and Knowledge Creation
- Health Services

Recommendations:

1. Convene industry cluster roundtables to develop an approach to monitor and create strategies that increase the number of firms in leading industries and emerging sectors.
2. Establish an innovation and technology partnership, potentially led by CSULB and LBCC, to support research, business incubation, and the development of emerging industry clusters.
3. Empower partners through enhanced coordination to attract and grow small businesses that support key industries.
4. Prioritize investments in industries and sectors that provide higher-paying jobs.
5. Market existing and new businesses in key industries and emerging sectors.
6. Boost entrepreneurial activity by augmenting access to entrepreneur peer mentoring and expanding training opportunities for students interested in starting their own business.
7. Strengthen entrepreneurship support through formally networked incubator organizations, resources, and programs.
8. Develop strategies to promote investment opportunities in the city to outside business leaders attending conventions, special events, and local attractions.
9. Continuously assess opportunities to invest and enhance the desirability of the Long Beach Convention & Entertainment Center, one of the City's primary business attraction assets.
10. Develop a strategy to grow TOT and tourism-related revenues in the city.
11. Explore, develop, and implement plans to utilize the waterfront as an economic driver for leisure, hospitality, and retail sectors.



ECONOMIC INCLUSION

Increase access to economic opportunities in low-income communities to advance economic equity.

Objectives:

- Increase the number of minority-owned and women-owned businesses
- Increase non-traditional capital resources for minority-owned and women-owned businesses
- Increase investment in low-income business corridors
- Increase the percentage of City spending on local businesses, with emphasis on minority and women-owned businesses
- Increase financial literacy and wealth-building opportunities for young people and disadvantaged families
- Decrease the digital divide for low-income households

Recommendations:

1. Develop plans and strategies to attract investment, encourage business formation, and support job creation for low-income communities.
2. Determine the value and benefit of establishing business improvement districts in low-income areas to promote cooperation and pooling of resources.
3. Enhance competitiveness for workers and small business owners in low-income areas by delivering job training, small business resources, and incentives directly in these areas.
4. Commit to adopting equitable business development practices from other cities around the country.
5. Assess opportunities for targeted City-specific incentives for business investment and growth in low-income areas.
6. Assess the value of establishing Community Revitalization & Improvement Areas or Enhanced Infrastructure Financing Districts in low-income areas.
7. Work with lenders to achieve greater access to capital among business owners of color and women in low-income neighborhoods.
8. Establish a financial empowerment public-private partnership to increase wealth-building education and develop innovative strategies to increase access to traditional banking services.
9. Develop technology education programs for business owners in low-income communities.



JOBS & WORKFORCE DEVELOPMENT

Ensure the preparedness of the workforce and the competitiveness of business through alignment of economic development, training, education and community partner efforts.

Objectives:

- Increase year over year per capita income in the City
- Increase the number of middle and high-skill jobs in the City
- Reduce the unemployment rate
- Increase the share of adult population with a Bachelor's degree
- Increase the number of Long Beach residents who reengage with the education and training system
- Increase the number of CSULB and LBCC graduates that reside and work in the City after graduation

Recommendations:

1. Invest in the incumbent workforce to train them for higher-skilled, higher-paying jobs.
2. Leverage business support partners to prepare and retain a qualified workforce to attract businesses that provide higher-wage jobs.
3. Improve high school graduation, college matriculation, and postsecondary attainment rates.
4. Provide entrepreneurial training at all levels of education.
5. Expand access to Essential Employability Skills designed to boost the City's overall educational attainment and digital literacy.
6. Establish vehicle to assess workforce needs of high growth industries and sectors, and to understand the needs of established local businesses.
7. Work with educational and workforce partners to align education programs (e.g. linked-learning) and pipelines to needs of high growth industries and sectors.
8. Increase access to vocational education, partner with the private sector, and create a long term strategy to increase vocational educational opportunities citywide.
9. Extend the Long Beach Promise to include job placement.
10. Develop a strategy to retain CSULB and LBCC graduates as residents and employees the city after graduation, decreasing brain drain and out-migration.



BUSINESS ASSISTANCE

Build a supportive economic ecosystem that creates reliable pathways for entrepreneurs to confidently start and grow successful businesses.

Objectives:

- Reduce the cost of doing business and median days to approval for business licensing
- Increase the number of active business licenses
- Increase availability and access to high-speed internet
- Establish Long Beach as one of the most business friendly cities in the state
- Increase the number and value of small business loans secured

Recommendations:

1. Implement plans to develop new business improvement districts and ensure sustainable funding streams for existing business improvement districts.
2. Establish one-stop centers for technical, financial, and regulatory assistance for small businesses in locations throughout the city.
3. Establish a Small Business Concierge program that will provide counseling services, administrative guidance on city processes, and education on City services supporting small businesses.
4. Develop plans to improve access to high-speed internet to facilitate business development and job growth.
5. Improve the ranking of the City on a selected “Cost of Doing Business Survey” by assessing its competitiveness with similar cities on business taxes, municipal utility user taxes, sales tax rates, and other relevant fees.
6. Integrate and reinforce cross-departmental business assistance and support resources to streamline the startup process.
7. Invest in proactive City services that support business expansion, business retention, grow sales tax and business licensing revenue, and support economic development initiatives.
8. Facilitate and strengthen communications between existing networks of business support organizations and the local commercial real estate community.
9. Incentivize and reward business owners that have multiple ventures in Long Beach.
10. Partner with CSULB to measure the perception of the City as business friendly, identify strategies to proactively engage the local business community, and improve confidence in the local economy.
11. Augment access to capital by expanding outreach and marketing efforts to capital sources, promoting City loan programs, and attracting capital investors and lenders for all stages of the business life cycle.



Create more responsive, cost-effective, and streamlined City processes to grow investment and development in the city.

Objectives:

- Reduce the cost of development and average days to approval for entitlement
- Reduce the non-residential vacancy rate
- Increase citywide real estate investment

Recommendations:

1. Promote education of the development process, transparency, and a culture of collaboration between City staff and customers to create a more predictable and streamlined property development experience.
2. Modernize land use regulations, entitlement, and permitting processes that reflect new economic opportunities.
3. Incorporate an “Economic Development Element” into the City’s General Plan and link to the revised Land Use element to clearly identify opportunities for commercial, industrial, and other types of investment.
4. Partner with the Planning Commission to evaluate parking requirements that prevent development and business growth.
5. Support the Planning Commission in establishing more specific plans that empower staff to streamline the development process.
6. Recommend the City establish an economic impact assessment of new ordinances which may impact business and property development before and after implementation.
7. Provide attractive, high-quality infrastructure and utilities to attract private sector investment and development.
8. Invest in City services, marketing, and support programs that encourage property development and real estate investment activity.
9. Establish programs and events that promote interaction between City staff, the commercial real estate community, and potential investors.



Enhance our quality of life to grow businesses, jobs, and investment that support a thriving local economy.

Objectives:

- Increase investment in strategies that enhance public safety in all areas of Long Beach
- Increase access to workforce housing at all market levels
- Increase active transportation and public transportation options across all areas of Long Beach
- Increase the percentage of children and adults with health insurance
- Increase public parkland per 1,000 people with an emphasis on “park poor” areas
- Increase the share of Long Beach residents working in Long Beach
- Increase or maintain resources dedicated to infrastructure that contribute to economic development and neighborhood quality
- Increase investment in the arts

Recommendations:

1. Collaborate with City departments and community partners to enhance public safety in local neighborhood employment centers and along commercial corridors.
2. Assess local policies and develop programs that produce market-based housing opportunities for working class families.
3. Develop innovative public-private partnerships with leading industry clusters to create housing options for employees.
4. Invest in the further development of safe, active transportation infrastructure connected to primary employment centers.
5. Invest in homeless services that result in employment opportunities, where appropriate, for veterans and homeless individuals.
6. Promote innovative employee-based health and wellness programs.
7. Engage the health care and public health sectors in strategies to connect all residents in Long Beach to physical and mental health services.
8. Promote healthy living by expanding recreational activities and open space, encouraging active lifestyles, and increasing access to healthy food options.
9. Implement development strategies that decrease the number of residents that are commuting outside of the city for work to create a better jobs-housing balance.
10. Develop and implement a public-private partnership for citywide beautification.
11. Encourage and expand economic opportunities driven by the city’s cultural and artistic amenities that celebrate our diversity.



ECONOMIC LEADERSHIP AND COOPERATION

Advance an integrated approach to local and regional economic development to enhance business opportunities and global connectedness.

Objectives:

- Increase private sector investment in citywide economic development initiatives
- Increase educational partnerships that focus on high-wage careers and incubate new business opportunities
- Increase the city's involvement and leadership in regional issues affecting local business
- Expand regional and international market opportunities for local products and services
- Increase foreign direct investment and two-way international trade

Recommendations:

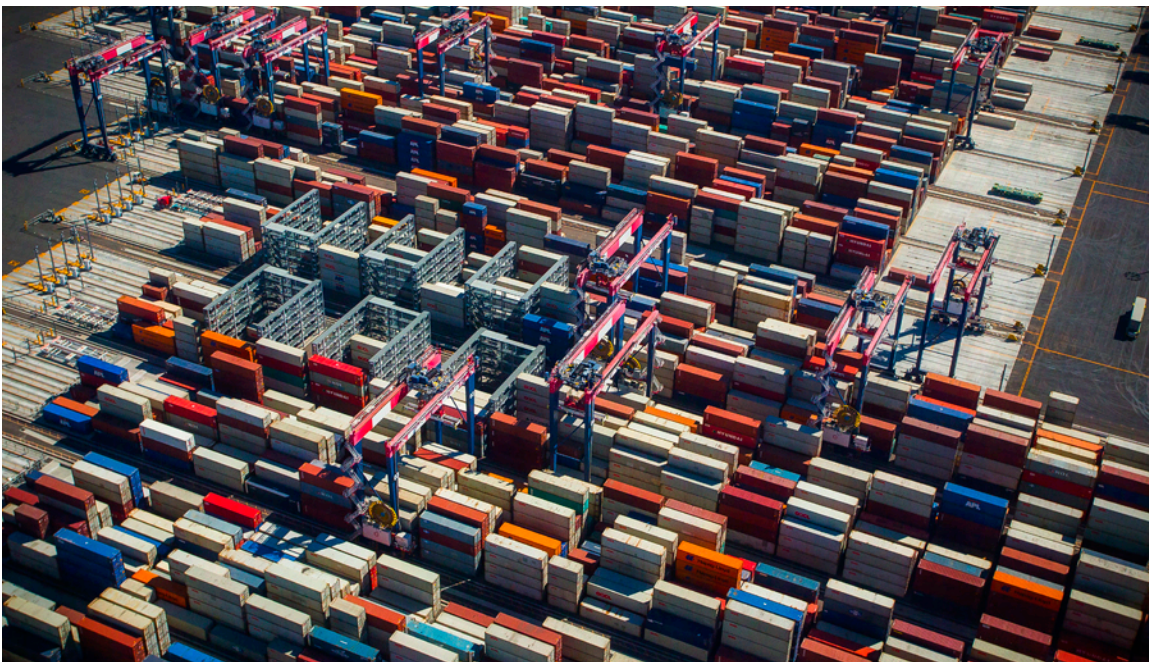
1. Establish a public-private Long Beach Economic Development Corporation to engage cross-sector partners to increase business retention, attraction, expansion strategies; create a permanent center for economic research; and develop a city marketing campaign.
2. Explore and develop partnerships with businesses and private foundations to bring new resources to the city.
3. Strengthen the partnership for innovation and entrepreneurship between the City, educational institutions, and industry to promote economic opportunity.
4. Establish a public-private sector procurement collaborative to increase certification and business development opportunities for local firms.
5. Improve awareness of existing city services, incentives, and business development programs through a citywide coordinated marketing campaign.
6. Establish a formal partnership between the City and Council of Business Associations to regularly discuss customer service, regulatory processes, and proposed new ordinances impacting business.
7. Adopt and actively support the implementation of the 2016-2020 Los Angeles County Strategic Plan for Economic Development.
8. Establish a formal partnership with the City and County of Los Angeles to develop common economic metrics to assess regional competitiveness.
9. Assess opportunities to partner with major Orange County cities on joint economic development and cross-city marketing initiatives.
10. Strengthen the city's leadership role in advancing regional and state policies and programs that increase business and job opportunities throughout the region.
11. Take a leadership role in facilitating regional coordination on infrastructure investment and development, including roads, bridges, water supply, sewers, electrical grids, and telecommunications systems.
12. Partner with regional agencies to promote foreign direct investment and trade.
13. Leveraging the global partnerships of the port, lead regional industry-specific trade missions to expand access to new markets for local companies and attract foreign direct investment into the city.

IMPLEMENTATION PROCESS

The development of the Blueprint for Economic Development was a collaborative effort involving 26 public meetings, 25 individual listening sessions, and discussions with 20 subject matter expert panelists. The focus areas and key objectives represent aspirational policy goals to move the City towards its vision as the “city of opportunity for workers, investors, and entrepreneurs.”

To move the key objectives toward this vision, the following implementation process is recommended:

1. Distribute Blueprint to City Council, City Commissions, City staff and partners, and encourage alignment with economic development goals and objectives.
2. Work with City staff and partners to develop a Blueprint work plan, including specific activities and investments, estimated costs and available financial resources, and timeline that will advance key objectives.
3. Develop an online platform for tracking and reporting performance for each of the key objectives for economic development.
4. Produce a communications plan to create awareness and distribute the Blueprint to community, research, investor, and industry partners; including multiple formats and languages to reach diverse stakeholder groups.
5. Provide regular updates to the Economic Development Commission, Economic Development and Finance Committee, and City Council.
6. Organize an annual conference that highlights progress on the Blueprint, including a scorecard focusing on key performance indicators for local economic development.



REFERENCES AND CITATIONS

The Commission would like to thank authors of the following reports and presentations that were reviewed as part of the Blueprint development process:

Beacon Economics, Economic Development Support Analysis, Part I: Economic Overview, October 18, 2016.

The Executive Office of the President, Community-Based Broadband Solutions: The Benefits of Competition and Choice for Community Development and High-Speed Internet Access, January 2015.

Kleinhenz, Dr. Robert, Economic Development Support Analysis, Part II: Industry Clusters Presentation, December 13, 2016.

Los Angeles County Economic Development Corporation, Considering the Minimum Wage Policy in the City of Long Beach: Theory, Practice and Potential Implications, February 2016.

Los Angeles County Economic Development Corporation, OTIS College of Art and Design, 2015 Otis Report on the Creative Economy, November 2015.

National League of Cities, 2014 Big Ideas for Small Business Report.

Public Consulting Group, Pacific Gateway Workforce Investment Network Economic and Demographic Analysis, December 2, 2016.

Schultz, Nick. Economic & Demographic Analysis Presentation, Pacific Gateway Workforce Investment Network Economic and Demographic Analysis, October 25, 2016.

Other economic development strategic plans reviewed by the Commission:

- 2012 Pasadena Economic Development Task Force Report
- 2014 Seattle Economic Development Commission 10-Year Vision
- 2015 Santa Clarita Valley Economic Development Corporation Action Plan
- 2016 Santa Ana Economic Development Strategic Plan
- 2016-2020 Los Angeles County Strategic Plan for Economic Development



ACKNOWLEDGEMENTS

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