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****THE ECONOMIC DEVELOPMENT COMMISSION HAS NOT FORMALLY ADOPTED ANY OF THE RECOMMENDATIONS OUTLINED IN THIS WORKING DRAFT****

Vision

The purpose of this report is to advance the vision of Long Beach as a “city of opportunity for workers, investors and entrepreneurs.”

The policy recommendations in the following “Blueprint for Economic Development” layout the broad focus areas of economic development, with objectives the City and its partners will have to accomplish over the next 10 years to make economic opportunity accessible for all.

Focus areas include:

- Business Assistance
- Jobs & Education
- Development Environment
- Engines of Growth
- Quality of Life
- Economic Inclusion
- Economic Cooperation

Following the adoption of the Blueprint, the City will work with its partners to invest in specific activities that advance progress in these key objectives, and publically report progress ongoing.

Focus Areas

Business Assistance

Goal: Ensure that Long Beach is one of California's leaders in business expansion, retention, and growth within ten years.

Objectives:

- Increase perception of the City as business friendly
- Increase number of active business licenses and new business starts
- Increase number and value of small business loans secured
- Reduce cost of doing business and median days to approval for business licensing
- Increase internet access for businesses

Recommendations:

1. Integrate and reinforce business assistance and support resources.
2. Facilitate and strengthen communications between existing networks of business support organizations.
3. Invest in the development of new business improvement districts and the growth of existing business improvement districts.
4. Increase proactive outreach to help retain and expand businesses of all sizes.
5. Augment access to capital by expanding outreach and marketing efforts to capital sources and attracting capital investors and lenders for all stages of business development.
6. Partner with University to measure perception of City as business friendly, and identify strategies to proactively engage the local business community, and improve confidence in the local economy.
7. Invest in City services that support business expansion, grow sales tax and business licensing revenue, and support economic development.
8. Improve access to high-speed internet to facilitate business and job growth.

Jobs and Education

Goal: Ensure the preparedness of the workforce and the competitiveness of business in Long Beach through alignment of economic development, training, education and community partner efforts.

Objectives:

- Increase year over year per capita income in the City
- Increase the Labor Force Participation Rate of Long Beach residents
- Increase the number of middle and high skill jobs in the City
- Reduce the unemployment rate
- Increase high school graduation rate
- Increase the number of CSULB graduates that reside and work in the City after graduation
- Increase the number of Long Beach residents who reengage with the education and training system

Recommendations:

1. Retain and expand the existing job base while pro-actively attracting new businesses, industries, and investment.
2. Invest in the incumbent workforce to train them for higher-skilled, higher-paying jobs.
3. Leverage business support partners to prepare and retain a qualified workforce to attract businesses that provide higher-wage jobs.
4. Improve high school graduation, college matriculation, and postsecondary attainment rates.
5. Increase access to Essential Employability Skills designed to boost 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 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 graduates as residents and employees in the city after graduation, decreasing brain drain and out-migration

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Development Environment

Goal: Create more responsive and streamlined City processes to grow investment and development in the city.

Objectives:

- Increase the number of building permits and the total value of construction
- Reduce the cost of development (building permits and impact fees) and average days to approval for entitlement
- Reduce commercial vacancy rate
- Increase property tax revenue to support programs and services that improve the property development and real estate investment environment

Recommendations:

1. Make Long Beach a more affordable place to do business (reduce costs and confusion associated with zoning, permitting, business licensing, school fees, incentives, and per employee fee).
2. Promote education of the development process, transparency, and the culture of yes.
3. Strengthen dialogue with community for ongoing improvement to the process for property development (from decision making to approval process).
4. Provide attractive, high-quality infrastructure (including fiber broadband and mobility) to attract private sector investment and development.
5. Proactively market development and investment opportunities that exist within the city.
6. Establish programs and events that promote interaction between City staff and potential investors.
7. Review parking requirements that prevent business growth.
8. Support the Planning Commission in establishing more specific plans (i.e., Downtown Plan) that standardize and empower staff to streamline the development process.
9. Recommend City leadership to conduct economic impact assessments of new ordinances.
10. Invest in City services and support programs that encourage property development and real estate investment activity.

Engines of Growth

Goal: Strengthen established industries and grow emerging sectors.

Objectives:

- Increase total number of jobs by key industry clusters
- Increase number of employers by key industry clusters
- Increase number of traded industry jobs
- Increase research capacity and relevancy
- Increase transit occupancy tax (TOT) revenue to support programs and investments that strengthen the leisure and hospitality industry.
- Accelerate entrepreneurial activity and output

Recommendations:

1. Develop an approach to monitor, understand, and implement strategies that increase the number of firms in key industries and emerging sectors (e.g. healthcare, hospitality, trade and logistics).
2. Promote awareness of existing and new businesses in key industries and emerging sectors.
3. Strengthen alignment between core regional research competencies, external partners, and technology applications.
4. Nurture creative/innovation economy by leveraging creative partners including the university with a focus on clean energy and technology development.
5. Ensure the attraction and relevancy of research and development funding and enable capacity for commercialization.
6. Empower partners (e.g. Chamber, BIDS, SBDC, CVB) through enhanced coordination to attract and grow small businesses that support key industries.
7. Prioritize investments in industries and sectors that provide higher-paying jobs.
8. Invest in City services, assets, incentives, and support programs that advance key industry clusters.
9. Develop a strategy to grow hotel occupancy rates in the city.
10. Encourage entrepreneurial activity through increased capital and investment.

11. Talent development through entrepreneur mentoring and student internships.
12. Strengthen entrepreneurship support through formally networked incubator organizations, resources, and programs.
13. Build next generation sector partnerships focused on industry's complete scope of needs related to competitive position.

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Quality of Life

Goal: Enhance our quality of life for a thriving local economy.

Objectives:

- Increase investment in strategies that enhance public safety
- Increase mobility options
- Increasing the share of Long Beach residents working in Long Beach
- Increase investment in the arts
- Increase access to housing at all market levels
- Increase or maintain resources dedicated to infrastructure investment that contribute to economic development and neighborhood quality

Recommendations:

1. Ensure public safety across all of our unique neighborhoods.
2. Improve active transportation infrastructure across all of our unique neighborhoods.
3. Encourage and expand cultural and artistic amenities that celebrate our diversity.
4. Invest in homeless services that result in permanent housing for veterans and homeless individuals.
5. Promote access to healthcare, particularly mental health care services.
6. 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.
7. Develop a strategy to increase housing production of a diversity of housing types at a variety of price levels.

Economic Inclusion

Goal: Increase access to economic opportunities in low-income communities to improve economic equity.

Objectives:

- Increase number of women and minority owned businesses in Long Beach
- Increase educational attainment rate geographically and demographically
- Increase non-traditional capital resources for minority entrepreneurs
- Increase investment in low-income business corridors
- Increase percentage of City spending on local small businesses, with emphasis on women and minority owned businesses
- 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. Assess specific incentives, tax rebates, planning waivers, public investments, to promote investment in low-income areas.
3. Determine the value and benefit of establishing BIDs in low-income areas to promote cooperation and pooling of resources.
4. Assess the value of establishing Community Revitalization & Improvement Areas (CRIAs) or Enhance Infrastructure Financing Districts (EIFDs) in low-income areas.
5. Enhance competitiveness for workers and small business owners in low-income areas by delivering job training, small business development resources, and incentives
6. Determine if sub-marketing strategies would be effective in differentiating the unique culture of these areas reflected in the diversity of businesses, employees and products.
7. Work with lenders to achieve greater access to capital among business owners of color and those in low-income neighborhoods.
8. Develop technology education programs for business owners in low-income communities.
9. Develop a strategy to increase access to formalized banking services in West and North Long Beach

Economic Cooperation

Goal: Advance citywide and regional economic cooperation to leverage resources, and grow economic opportunity.

Objectives:

- Increase number of active business licenses and new business starts
- Increase foreign direct investment
- Increase perception of Long Beach as business friendly
- Increase number of public events/visitors in defined districts
- Increase number of firms in primary industry clusters, relevant supply chain or support industry
- Increase number of times Long Beach is advertised in external markets as a business destination
- Identify and coordinate critical infrastructure projects and priorities
- Advocate/communicate the needs and positions on key infrastructure projects to State and Federal elected officials and other key funders based on project need
- Increase investment in critical infrastructure development and capital improvement projects

Recommendations:

1. Leverage regional partnerships across sectors, to enhance current business development and job creation efforts.
2. Establish a public-private Long Beach Economic Development Corporation (EDC) to engage cross-sector partners to increase business retention, attraction and expansion.
3. Improve awareness of existing city services, incentives and business development programs through a citywide coordinated marketing campaign.
4. Strengthen the city's leadership role in advancing policies and programs that increase business and job opportunities throughout the region.
5. Partner with regional agencies to promote foreign direct investment and trade.
6. Hold a regional infrastructure forum to vet project priorities and develop a comprehensive long-term needs list.
7. Establish a database or link to existing databases that identify the status of key infrastructure projects in the region.

8. Coordinate advocacy outreach with other infrastructure and/or public policy related requests.
9. Prioritize elected official outreach regarding infrastructure priorities based on committee assignments and/or level of influence.
10. Research funding scenarios/options that may help to address growing funding constraints and limitations regarding infrastructure.
11. Host networking event(s) for key stakeholders and elected officials to report out on infrastructure priorities and status of key projects.
12. Form an Infrastructure Caucus that could regularly engage on additional issues like water, research expenditures and other public policy issues that would form an Advocacy Agenda

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Implementation Process

The development of the Blueprint for Economic Development was a collaborative effort involving 23 public meetings, 25 individual listening sessions, and discussions with 19 subject matter panelists. The focus areas, goals, and key objective 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 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, 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. Provide regular updates to the Economic Development Commission, Economic Development and Finance Committee, and City Council.
5. Create 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.

References & 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.

Los Angeles County Economic Development Corporation, 2016-2020 Los Angeles County Strategic Plan for Economic Development.

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

Appendix

Key Performance Indicators

<i>Data Point</i>	<i>Data Source</i>	<i>Baseline</i>	<i>Baseline Year</i>
Median days to business license approval	F.M. Department	24.0	2015
Median household income	A.C.S.	\$54,971	2015
Total number of businesses	EDD or F.M. Department		
Total number of jobs	EDD	155,377	2015
Total number of minority-owned businesses w/ paid employees	Census Survey of Business Owners	1,895	2012
Unemployment rate	EDD	6.7%	2015

Glossary

Active Transportation: Any self-propelled, human-powered mode of transportation, such as walking or bicycling.

Community Revitalization & Improvement Authorities: A CRIA is a public agency separate from the city, county, or city and county that created it; and deemed to be an “agency” for purposes of receiving property tax increment pursuant to Article XVI, section 16(b) of the Constitution. Any taxing entity within the Area (except for a school district) may choose to allocate some or all its share of tax increment funds to the CRIA. The CRIA may issue bonds backed by property tax increment revenues.

Enhanced Infrastructure Financing Districts: An EIFD is a governmental entity established by a city or county that carries out a plan within a defined area (boundaries of which do not need to be contiguous) to construct, improve and rehabilitate infrastructure; construct housing, libraries, and parks; remediate brownfields, etc.

Essential Employability Skills: Skills that, regardless of a student’s program or discipline, are critical for success in the workplace, in day-to-day living, and for lifelong learning.

Foreign Direct Investment: an investment made by one company or individual in one country in business interests in another country, in the form of either establishing business operations or acquiring business assets in the other country, such as ownership or controlling interests in a foreign company (Investopedia).

Industry Cluster: Groups of similar and related firms in a defined geographic area that share common markets, technologies, worker skill needs, and which are often linked by buyer-seller relationships.

Jobs-Housing Balance: The most common numerical measure of jobs-housing balance is a ratio between the total job count in a jurisdiction and the total household count, i.e., occupied housing, in the same area.

Labor Force Participation Rate: The percentage of the population that is either employed or unemployed (that is, either working or actively seeking work).

Minority-Owned Business: A minority-owned business is a for-profit enterprise, regardless of size, which is owned, operated, and controlled by minority group members. A minority group member is an individual who is at least 25% Asian, Black, Hispanic, or Native American.

Per Capita Income: A measure of the amount of money earned per person in a certain area. It can be calculated by dividing the total income in an area by its total population.

Traded Industry: Traded clusters are groups of related industries that serve markets beyond the region in which they are located. Traded clusters are the “engines” of regional economies; without strong traded clusters it is virtually impossible for a region to reach high levels of overall performance.