

CITY OF LONG BEACH

DEPARTMENT OF ECONOMIC DEVELOPMENT

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September 18, 2018

HONORABLE MAYOR AND CITY COUNCIL

City of Long Beach

California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute all documents, and any needed subsequent amendments, with Living Cities, a 501(c)(3) non-profit collaborative of 18 foundations and financial institutions focusing on impactful results for low-income people, to accept and expend National Innovation grant funding in an amount not to exceed \$100,000, to foster entrepreneurship and job growth, for the period of September 1, 2018 to August 31, 2019. (Citywide)

DISCUSSION

As a leading Workforce Development Board, Pacific Gateway is often an 'early-adopter' of innovative strategies around complex workforce issues. The City was recently selected by the Citi Foundation and Living Cities as one of five cities in the nation to participate in the City Accelerator program's fifth cohort. As part of the selection, the City is to receive technical assistance and \$100,000 in grant funds. The City Accelerator is a unique opportunity to access resources and technical assistance to solve a key problem affecting cities across the nation: women entrepreneurs and entrepreneurs of color lack access to the support, capital, and knowledge needed to help launch their business and bring them to scale. This is particularly critical in a city as ethnically diverse as Long Beach, and ranked as one of the most diverse cities in the nation.

As part of its Blueprint for Economic Development, the City has activated a number of tools to help businesses launch and grow. It has collaborated with major institutions, including local universities and colleges, investors, and community groups to spur innovation and seed small-business programs. Still, a gap persists. Many entrepreneurs of color have limited access to these resources, leaving them and the City's most diverse neighborhoods outside this economic growth. The City Accelerator program serves as an opportunity to understand these gaps and respond with an aligned system of support that reaches all entrepreneurs.

The principal aims of the City Accelerator program and grant funds are to understand and apply a lens of inclusion, map the entrepreneurial ecosystem, develop seamless wraparound support, and connect to growth industries and local talent. To facilitate these aims, City leaders and activators of this work will work to understand the disparities in access, root causes and their impact on the City, and what pain-points are experienced by

entrepreneurs of color. Also, by developing seamless wraparound support guided by a lens of inclusion, a user-focused design process will be completed to develop programs that guide entrepreneurs through all levels of business development, while also creating access points to City and community resources, and help entrepreneurs find local talent in their own neighborhood.

This matter was reviewed by Deputy City Attorney Amy R. Webber on August 23, 2018 and by Budget Analysis Officer Julissa José-Murray on August 20, 2018.

TIMING CONSIDERATIONS

City Council action is requested on September 18, 2018, to expedite the processing of required documents.

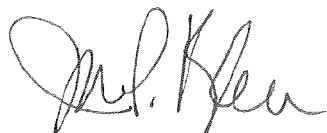
FISCAL IMPACT

Economic Development (ED) will receive \$100,000 in grant funds from Living Cities. The City will receive \$75,000 upon execution of the grant agreement and an additional \$25,000 after approval of a mid-year progress report. Any funds not used by the end of the grant period, September 1, 2018 to August 31, 2019, will be returned to Living Cities within 45 days as stated in the grant agreement. Sufficient funding is currently budgeted in the Community Development Grants Fund (SR 150) in the Economic Development Department (ED). The grant does not require matching funds or in-kind services. Approval of this recommendation may result in minority-owned small business growth and the creation of high-quality jobs.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN KEISLER
DIRECTOR OF ECONOMIC DEVELOPMENT

APPROVED:



PATRICK H. WEST
CITY MANAGER