

## EXHIBIT "A"

**Scope of Work****Objective 1: Finalize Project Scope, Work Plan and Timeline****TASK 1.1 KICKOFF MEETING**

Principals Marie Jones and David Prowler will meet with the Long Beach Community Development Bureau to discuss project goals and refine the scope of work as needed.

**TASK 1.2 REVIEW OF MATERIALS**

MJC will review all relevant background documents regarding the City of Long Beach in preparation for the consulting engagement. Specifically MJC will review the Guides for Development for North Long Beach, the East Village, and American Marketplace, as well as the Downtown Long Beach Marketing Plan, the Downtown Long Beach Retail Recruitment Study and others as needed. This review will enable MJC to produce an excellent Local Economy Analysis (as outlined in task 2 below) without reproducing already sufficient work.

**Work Product.** Based on the kick-off meeting and a review of existing materials, the consultant team will refine and finalize the scope of work, the work plan and the timeline for the consulting engagement.

**Timeline.** Week 1 & 2 of consulting engagement

**Objective 2: Analysis of Local Economy****TASK 2.1 REVIEW EXISTING MARKET STUDY AND CORRECT DEFICIENCIES**

For this task MJC will update the Market Study which was completed for the first phase of EDSP. MJC will use relevant information and analysis from the Market Study for economic and market profiling. MJC will also identify and analyze additional economic and demographic indicators were existing data in the Market Analysis is outdated, inadequate or not included.

**TASK 2.2 PREPARE ECONOMIC ANALYSIS**

MJC will prepare a local economic analysis which will include the following sub-tasks.

- **Labor force demographics and employment data analysis.** These data will be obtained from the Employment Development Department (EDD) from the State of California. The data will be analyzed by MJC in light of local and state-wide trends in order to make projections for the economic development strategy. The data will also be analyzed to identify employment skills and potential areas of employment growth for the community.

- **Existing commercial, industrial and service business cluster analysis.** In order to complete this analysis, MJC will obtain EDD data known commonly as "ES 202" which provides NAICS classification, employment and location data for each business in the City of Long Beach. This is the most comprehensive source for employment data by industrial sector and will be used by MJC to further describe existing business sectors in terms of location quotients, business size distribution, business longevity/replacement rate, and employment growth rates.
- **Retail Sales clusters Analysis.** In order to complete this analysis, MJC will work with the City to obtain confidential State Board of Equalization data. These data will be analyzed to identify major sales-tax generating businesses, clusters and areas, and complete a retail leakage analysis.
- **Major tax generating properties and businesses.** MJC will identify the major property-tax, transit occupancy tax (TOT) and retail sales tax generating properties and businesses.
- **Transient Occupancy Tax generators.** MJC will work with City staff to identify the major Transient Occupancy Tax (TOT) generators in Long Beach. In addition, MJC will analyze TOT generation data to describe tourism trends in Long Beach.
- **Housing affordability analysis.** In order analyze housing affordability and its impact on economic development and employment, MJC will use U.S. Census data on family size and income distribution and compare it to a distribution of recent home sales prices (obtained from RealFacts™) and housing rental rates to determine what, if any, affordability gap exists for various family sizes and income groups in Long Beach.

MJC will analyze the data collected above to describe existing conditions and trends as well as reasonable future economic conditions in the City of Long Beach. This analysis will consider national and state economic trends and technology trends.

**Work Product.** MJC will provide an updated and where necessary revised Market Analysis and a Local Economic Analysis Report with comprehensive tables for staff comment and inclusion into the final Strategic Plan.

**Timeline.** Weeks 2-6 of consulting engagement.

## **Objective 3: Evaluate the City's Current Economic Development Program**

### **TASK 3.1 KEY INFORMANT INTERVIEWS**

MJC will evaluate the City's current economic development programs and projects through interviews with up to 10 key stakeholders. The confidential interviews will be conducted by phone or in-person and will include relevant city staff, business leaders and community leaders. MJC will query stakeholders regarding economic development outcomes, implementation measure effectiveness, and goal appropriateness given the current economic climate. MJC will also seek stakeholder recommendations for improving existing economic development programs, projects and partnerships.

### **TASK 3.2 COST BENEFIT ANALYSIS**

Base on data provided by the Economic Development Bureau with regard to currently tracked metrics (e.g. jobs attracted, retained, loan volume, etc.), Jones will complete a cost/benefit analysis of current economic development activities of the City of Long Beach, using economic and job multipliers to identify and analyze potential direct and indirect impacts. Jones will also prepare a separate summary of qualitative benefits as identified through key informant interviews.

**Work Product.** MJC will prepare a short report summarizing the findings from the confidential stakeholder interviews and the Cost Benefit Analysis.

**Timeline.** Weeks 8-9 of consulting engagement

## **Objective 4: Identify Economic Development Needs, Opportunity Areas & Complete SWOT Analysis**

### **TASK 4.1 FACILITATE FOCUS GROUPS**

Prowler and Jones will initiate this engagement by facilitating four to five focus groups with community leaders from the business, developer, real estate, housing, historic preservation, neighborhood, merchant, art, and environmental constituencies. Focus group participants will be asked to identify specific economic development priorities with respect to the "global framework" of the City of Long Beach as well as needed economic development projects and programs that serve specific constituencies (business sectors, neighborhoods, etc.). Each focus group, of eight to ten community leaders, should include a mix of representatives from each constituency in order to increase understanding and communication across groups. Special attention will be paid to including business leaders from the four predominant economic sectors (tourism, retail, trade and technology) in the focus groups. During each focus group, Prowler and Jones will report on the current state of the economy, facilitate the generation of a SWOT analysis for Long Beach, and facilitate discussion of specific needed economic

development projects and programs. The final brainstormed lists will be prioritized by focus group participants.

#### **TASK 4.2 PREPARE DEVELOPMENT OPPORTUNITIES ASSESSMENT & KEY INFORMANT INTERVIEWS**

During the focus groups in Task 4.1, Jones will query participants with regard to specific economic development opportunity sites. Jones will also interview up to ten key informants to identify additional opportunity sites for analysis. Key informants could include developers, redevelopment agency staff, Port staff and others with specific development site knowledge.

Jones will prepare a detailed summary of opportunity areas for specific retail, industrial and commercial uses within priority economic development areas. In addition, Jones will identify market support for commercial, industrial, retail and residential markets and provide an analysis of the development potential of each opportunity site.

**Work Product.** Prowler and Jones will prepare a summary of the Focus Group discussions, which includes a SWOT analysis for the City of Long Beach and an initial prioritized list of potential economic development programs and projects. Jones will also develop a Development Opportunities Assessment Report which will include: a physical description of each site, a site photo, and potential market support for site development.

**Timeline.** Week 10-12 of consultant engagement.

### **Objective 5: Formulate Economic Development Vision and Guiding Principals**

#### **TASK 5.1 FACILITATE COMMUNITY WORKSHOP**

For this task, Jones and Prowler will facilitate a community workshop to define a common community vision for economic development and establish economic development principles for the City of Long Beach. The economic development vision and guiding principles created during this workshop will help define and organize the EDSP. The community meeting will begin with a presentation by Jones of the current state of the City's economy, as described in the Local Economy Analysis Report prepared in Objective 2 above, as well as a brief overview of current strengths and weaknesses as identified by the focus groups. David will then facilitate a discussion of economic development vision and principals important to the Long Beach community. If time allows, community members will also have the opportunity to make specific suggestions with regard to economic development programs and projects, and then prioritize their suggestions for inclusion in the Economic Development Strategic Plan.

**Work Product.** Upon completion of this task, the consultant team will prepare a summary of the community meeting which identifies the community's vision for economic development, establishes a set of guiding

principals and includes a list of prioritized economic development programs and projects.

**Timeline.** Week 13-14 of consultant engagement.

## **OBJECTIVE 6: ESTABLISH SPECIFIC ECONOMIC DEVELOPMENT PRIORITIES**

### **TASK 6.1 STRATEGIC SESSION WITH THE EDC AND CITY STAFF**

For this activity, David Prowler will facilitate a strategic session with the EDC and City staff to identify, refine and prioritize specific city-wide economic development priorities based on the economic development vision and guiding principles from the community meeting. Jones will be on hand to provide an overview of the City's current economy, strengths and weaknesses to help inform the discussion. David Prowler will illicit EDC identification and prioritization of City-wide economic development priorities. During the discussion, Jones and Prowler will also contribute their considerable expertise with regard to the potential cost, market support for, and success of each identified strategy.

**Work Product.** Memo summarizing city-wide economic development priorities, projects and programs

**Timeline.** Week 16-17 of consulting engagement

## **Objective 7: Formulate & Prioritize Economic Development Strategies**

### **TASK 7.1 STRATEGY MATRIX FORMULATION AND EDC MEETING**

MJC will work with City staff and the Economic Development Committee to draft specific economic development measures, programs and projects. MJC will draft a matrix of potential economic development implementation measures based on:

- Market Analysis, Local Economy Analysis Report, and the Development Opportunities Report
- Vision, development priorities, SWOT analysis and other information distilled from the public meeting, focus groups, and meetings with the Economic Development Committee.
- Anticipated revenues for economic development from the City of Long Beach and the cost/benefit analysis of past economic development efforts.
- A realistic understanding of the fiscal impacts of the State's budget problems on the City's general funds.

The matrix will be organized by economic development principles and objectives and will include a detailed description of specific recommended strategies. Jones will facilitate an Economic Development Commission meeting where in members will discuss, prioritize and expand as necessary upon the matrix. Based on this input, Jones will draft specific economic

development strategies. Each strategy will be prioritized and include implementation steps, an implementation timeframe, an estimated budget, staffing requirements, and anticipated order of magnitude job creation, income generation and tax revenue outcomes.

The strategies will address a variety of challenges and opportunities identified through the above outlined analytic, qualitative and community outreach activities in this scope of work. However, they will at minimum include specific strategies which:

- Address the City's "business friendly" reputation, especially with regard to business attraction policies and programs, business retention and assistance strategies, and taxing, licensing and other regulatory and information providing roles of the City.
- Actively retain and attract good quality jobs.
- Address current "opportunity areas" in Long Beach.
- Increase the local tax base and improve the quality of life for city residents.

**TASK 7.2: IDENTIFY CRITICAL STEPS IN THE PUBLIC COMMUNICATION PROCESS**

Based on the economic development strategy matrix, David Prowler will prepare a public involvement and outreach strategy for the implementation phase of the EDSP. Specifically, Prowler will identify projects and programs which may require community involvement and will recommend a community involvement strategy which most facilitates successful implementation.

**TASK 7.3: DEFINE EVALUATION STANDARDS FOR FUTURE ECONOMIC DEVELOPMENT ACTIVITIES.**

For this task, Jones will prepare a set of evaluation metrics for process (example: number of firms assisted), service (example: customer satisfaction with assistance) and outcome (example: number of jobs retained) evaluation. Jones will prepare evaluation metrics for the Economic Development Bureau as a whole, as well as critical programs of the Bureau and its partners. Jones will review existing evaluation metrics, and data collection and analysis techniques in order to make recommendations to improve existing evaluation systems as well as create new systems where required. In addition, Jones will help create a report card system whereby the Bureau can effectively communicate the effectiveness of its programs and projects to City government and the community on an annual basis.

**Work Products.** Economic development strategy matrix, public involvement and outreach strategy, and economic development evaluation standards and recommendations.

**Timeline.** Weeks 18-20

## **Objective 8: Prepare Economic Development Strategic Plan and Present to Community**

### **TASK 8.1: PREPARE DRAFT ECONOMIC DEVELOPMENT STRATEGIC PLAN**

For this task, Jones will prepare and submit a draft of the Economic Development Strategic Plan to staff for comments and revisions. Jones will coordinate with the City's Advanced Planning Department to insure that the EDSP is successfully and easily incorporated as the economic development element of the City's General Plan Update. Jones has an excellent working relationship with the Director of Advanced Planning.

### **TASK 8.2: PRESENT DRAFT EDSP TO ECONOMIC DEVELOPMENT COMMISSION AND COMMUNITY**

Jones and Prowler will submit the revised EDSP to the City's Economic Development Commission at least two weeks prior to the Commission's review meeting. Jones will prepare a PowerPoint presentation and facilitate discussion with Economic Development Commission members to obtain final input, answer key questions, and make revisions to the plan prior to presenting it to the community and City Council.

### **TASK 8.3: PRESENT EDSP TO PUBLIC AND CITY COUNCIL**

Jones and Prowler will present the draft Strategic Plan at a public hearing of the City Council in order to solicit public and councilmember comments. Jones will provide written responses to the comments and revise the document per the Council's request, prior to presenting the final document to the Council for its consideration.

**Work Products.** Jones and Prowler will prepare a draft and final EDSP as well as appropriate PowerPoint presentation materials.

**Timeline.** Weeks 21-23

**Schedule of Performance & Community Involvement: Long Beach Economic Development Strategic Plan**

Task	Description	Month 1				Month 2				Month 3				Month 4				Month 5				Month 6		
		Week 1	Week 2	Week 3	Week 4	Week 1	Week 2	Week 3	Week 4	Week 1	Week 2	Week 3	Week 4	Week 1	Week 2	Week 3	Week 4	Week 1	Week 2	Week 3	Week 4	Week 1	Week 2	Week 3
Objective 1:	Finalize Project Scope, Work Plan and Timeline	■	■																					
Objective 2:	Produce Analysis of the Local Economy			■	■	■	■	■																
Objective 3:	Evaluate City's Economic Development Program							■	■	■														
Objective 4:	Identify Opportunity Areas & Complete SWOT Analysis							■	■	■														
Objective 5:	Formulate Vision and Guiding Principles									■	■	■												
Objective 6:	Establish Specific Economic Development Priorities												■	■	■									
Objective 7:	Formulate & Prioritize Economic Development Strategies														■	■	■							
Objective 8:	Draft, Revise and Present Final EDSP to Community & Council																	■	■	■				
<b>Community Meetings</b>																								
	Steering Committee Meetings	■						■													■			
	Focus Groups							■	■	■		■			■						■			
	Key Informant Interviews							■	■	■	■													
	Community Meetings							■							■						■			■
	EDC Meeting	■									■										■			
	City Council Meeting																							■

**Key** ■ Proposed Additional Meetings  
 ■ Existing Meetings  
 A Marie to Facilitate  
 B David & Marie to Facilitate

## Revised Cost Proposal: Long Beach Economic Development Strategic Plan

Objective	Task	Hours		Labor Costs	Travel & Data Costs	Total Cost
		Marie Jones	David Prowler			
Objective 1:	Finalize Project Scope, Work Plan and Timeline	20	15	\$ 5,275	\$ 600	\$ 5,875
Objective 2:	Produce Analysis of the Local Economy	110	15	\$ 16,525	\$ 1,000	\$ 17,525
Objective 3:	Evaluate City's Economic Development Program	50	5	\$ 7,175	\$ -	\$ 7,175
Objective 4:	Identify Opportunity Areas & Complete SWOT Analysis	45	10	\$ 7,475	\$ -	\$ 7,475
Objective 5:	Formulate Vision and Guiding Principles	30	70	\$ 16,700	\$ 600	\$ 17,300
Objective 6:	Establish Specific Economic Development Priorities	15	25	\$ 6,500	\$ 600	\$ 7,100
Objective 7:	Formulate & Prioritize Economic Development Strategies	110	55	\$ 23,925	\$ 250	\$ 24,175
Objective 8:	Draft, Revise and Present Final EDSP to Community & Council	95	60	\$ 22,975	\$ 1,100	\$ 24,075
<b>Additional Project Objectives</b>						
Objective 9:	Steering Committee Meetings	26	15	\$ 6,025	\$ 1,600	\$ 7,625
Objective 10:	Provide Additional Community Outreach			\$ 16,910	\$ 800	\$ 17,710
	Focus Groups (4 additional)	20	4	\$ 3,240		
	key Informant Interviews (15)	30		\$ 3,750		
	Community Meetings (2 additional)	32	32	\$ 9,920	\$ 800	
Objective 11:	Design, Implement and Analyze Community Survey	54	8	\$ 8,230	\$ 2,500	\$ 10,730
<b>Total</b>		<b>637</b>	<b>314</b>	<b>\$ 137,715</b>	<b>\$ 9,050</b>	<b>\$ 146,765</b>
<b>Consultant Subtotals</b>		<b>\$ 79,625 \$ 58,090</b>				