



Memorandum

Date: December 12, 2006

To: Mayor and City Council

From: Bonnie Lowenthal, Vice Mayor, First District *BL*
Suja Lowenthal, Second District *SL*

Subject: **The Economic Impact of Downtown Long Beach**

REQUESTED ACTION:

Receive and file a presentation and report from Dr. Joseph P. Magaddino and Dr. Lisa M. Grobar entitled, *The Economic Impact and Revitalization of Downtown Long Beach*, commissioned by the Downtown Long Beach Associates.

BACKGROUND INFORMATION:

Downtown Long Beach plays an important role in helping to define the City of Long Beach. Visitors to our great city pour into the downtown area for business, tourism, maritime, judicial, entertainment, civic and convention activities – and many times these activities contribute to one another with powerful economic results. The synergy created by the intermingling of these sectors benefits our entire city with a diversification of job pool for residents, ensuing commerce for businesses and millions in general fund revenue for city services.

The report by Dr. Grobar and Dr. Magaddino should put to rest any questions about the value of our downtown and the resources committed by the City to protect its investment. Downtown Long Beach is a regional economic engine with over \$2 billion in private development and investment in residential, retail and tourist projects since 2000. Over 80,000 jobs can be attributed to its economy with a payroll of nearly \$2.3 billion. With nearly 6,000 new residential units planned, under construction or completed in the downtown sector bringing the total to 8,000 residential units, it is clear the City has charted a course for its downtown that is well on its way to becoming a vibrant urban center.

Dr. Joseph Magaddino is the Chairperson and Professor of Economics at California State University Long Beach. Dr. Lisa Grobar is also a Professor of Economics at CSU, Long Beach. The Office of Economic Research, an auxiliary agency of the Department of Economics at California State University, Long Beach, was founded in 1990 for the purpose of providing regional economic studies of interest to the academic, government and business communities. The office publishes the annual CSULB *Economic Forecast for Southern California and its Counties*, which includes forecasts for employment by sector, personal income, retail sales and building activity for the five county region (Los Angeles, Orange, Riverside, San Bernardino and Ventura counties).