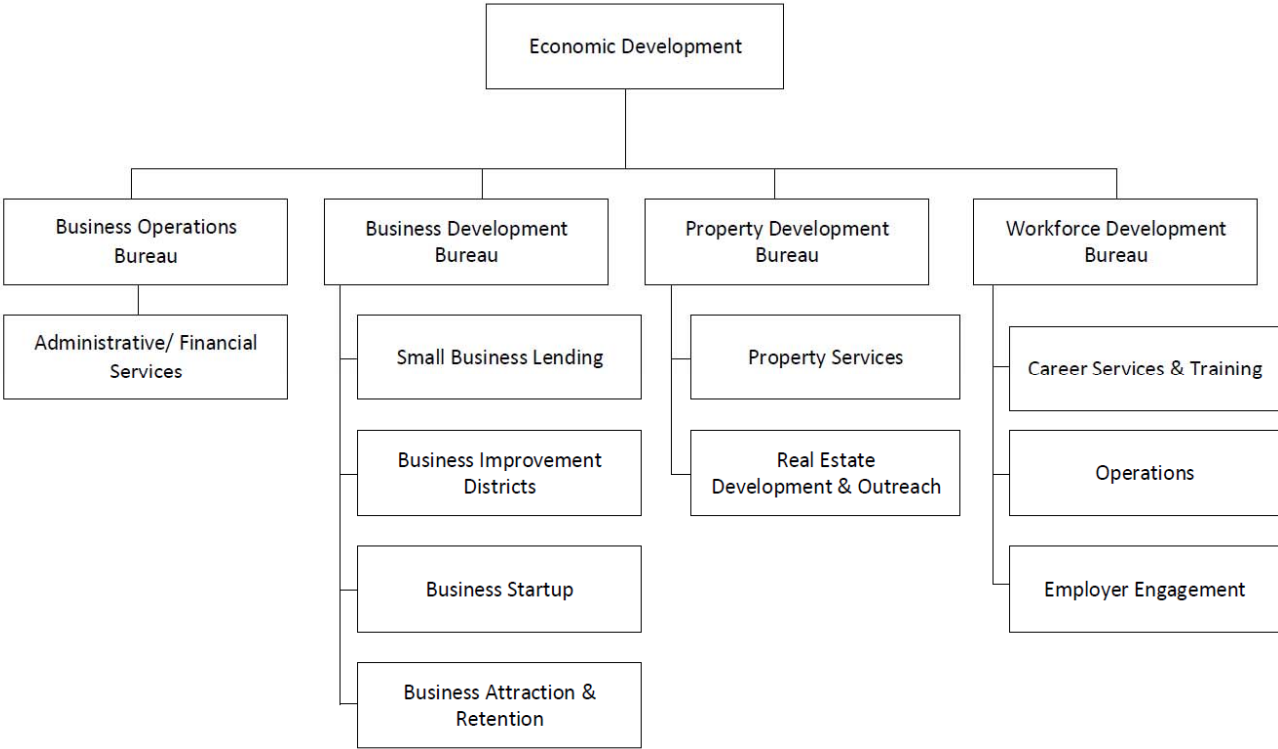


Economic Development



John Keisler, Director

Sergio Ramirez, Deputy Director

Nicholas Schultz, Workforce Development Director

Johnny Vallejo, Business Operations Manager

Mary Torres, Property Services Officer

Eric Romero, Business Development Officer

Arlen Crabtree, Acting Administrative/Financial Services Officer

Alisa Munoz, Workforce Development Officer

Department Overview

Mission:

The mission of the Economic Development Department is to create economic opportunities for workers, investors, and entrepreneurs in the City of Long Beach.

Core Services:

- Grow and strengthen established industry clusters and emerging sectors in Long Beach.
- Increase access to economic opportunities in low-income communities to advance economic equity.
- Ensure workforce preparedness and business competitiveness through an alignment of economic development, training, education, and community partner efforts.
- Build a supportive economic ecosystem that creates reliable pathways for entrepreneurs to confidently start and grow successful businesses.
- Create more responsive, cost-effective, and streamlined City processes to grow investment and development in the City.
- Enhance quality of life to grow businesses, jobs, and investment that support a thriving local economy.
- Advance an integrated approach to local and regional economic development to enhance business opportunities and global connectedness.
- Manage, negotiate and implement complex real estate transactions, leases and extensions.

In FY 21, the Economic Development Department (Department) will coordinate efforts of its four bureaus and multiple divisions to deliver its core services and support internal operations. The Department will continue ongoing efforts to deliver and implement the recommendations of the 10-year Blueprint for Economic Development (Blueprint). The Blueprint is a comprehensive plan that provides policy recommendations to advance Long Beach as “the City of opportunity for workers, investors, and entrepreneurs.” Specifically, Blueprint implementation will: facilitate the establishment of Long Beach as a place where workers can find more fulfilling, higher-wage job opportunities, market Long Beach’s “can do” climate where investors aggressively compete for the distinction to advance economic opportunities for businesses and the community, and further Long Beach’s innovative ecosystem that provides a foundation for entrepreneurial success from business start-up to growth. To achieve these objectives, the Department will continue to leverage partnerships with the Economic Development Commission, local education institutions, business associations, and other community partners and build on the strong momentum gained in prior years.

This focus will drive success in each key focus area of the Blueprint including:

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

In addition to core services, the Department will have a strong focus on addressing impacts from the ongoing COVID 19 pandemic. In addition to the significant health impacts, the pandemic has spurred a nationwide economic emergency. Local businesses, workers and residents have been significantly impacted by this economic emergency. The Department will focus resources to address the needs of the City’s businesses and workforce during this time. This will include the administration of numerous Federal CARES Act funded projects and programs, business outreach and assistance, and enhanced workforce development assistance.

Department Overview

Another comprehensive focus will be the Department's overlay of a social equity lens on the Department's deliverables. This will be done in conjunction with citywide Framework for Reconciliation, but also include the application of an equity lens to all departmental activities. The purpose of this focus is to be deliberate in the Department's planning and implementation to improve the equity of service delivery and expected impacts.

Department Performance Measures

Key Measure	FY 19 Actual	FY 20 Target	FY 20 Estimate	FY 21 Projection
Number of new Long Beach based small businesses (<i>10 or fewer employees</i>)	1,375	1,430	1,134	1,134

This measures the number of new small businesses (10 or fewer employees) locating in the City or adding a new location. Figures exclude home-based businesses and commercial/residential rental property licenses. In FY 15, Council approved a small business incentive pilot program, and these numbers have grown steadily over the last two years. Staff anticipates continued growth in FY 21 and will continue to monitor its success.

Key Measure	FY 19 Actual	FY 20 Target	FY 20 Estimate	FY 21 Projection
Number of Successor Agency properties Disposed	41	81	29	21

This measures the amount of former Redevelopment Agency Properties (Successor Agency properties) that were retained by the City as part of dissolution of the former Redevelopment Agency of the City of Long Beach. Successor Agency properties are categorized as either “future development” or “for sale” in the Long Range Property Management Plan, a plan required by dissolution law and the City’s plan was approved by the State of California in 2015. There were a total of 178 parcels, 58 categorized as “for sale” and 120 categorized as “future development”, transferred to the City for disposition, with the goal to leverage City-owned property for economic development. Through FY 20, a total of 51 “for sale” properties and 99 “future development” properties have been sold. Once all Successor Agency properties have been sold, this measure is expected to be replaced with indicators related to active ground leases.

Key Measure	FY 19 Actual	FY 20 Target	FY 20 Estimate	FY 21 Projection
Number of Long Beach residents who are placed in employment	1,900	2,500	1,925	2,850

This performance measure indicates the number of residents that are served through employment programs administered by Pacific Gateway. This includes career services through the WorkPlace, Youth Opportunity Center, and contracted service providers. After years of consistent service levels, program enrollment initially fell at the onset of the COVID-19 pandemic as residents sheltered or believed their employment would be reinstated, and then saw increases in the last quarter of FY 20. Still, it is anticipated that this dip will result in service levels equivalent to 77 percent of FY 20 Projection, with an uptick after Unemployment Insurance and stimulus funding expires for many households. For FY 21, service levels are expected to increase 50 percent above FY19 (pre-pandemic) levels.

FY 20 Accomplishments

- Charles Benton Digital Equity Champion Award from the National Digital Inclusion Alliance (NDIA) for outstanding leadership and dedication towards advancing digital inclusion.
- Named a 2020 Digital Inclusion Trailblazer from the National Digital Inclusion Alliance (NDIA); a national honor roll of local government initiatives that promote digital literacy and Broadband access for underserved residents.
- Workforce generated \$16 million in state and federal grant revenue to support local businesses with worker hiring, training, and job growth.
- Pacific Gateway served more than 9,400 adult residents through a variety of workforce development programs.
- 1,118 jobseekers received in-depth career counseling and job placement support from Pacific Gateway's team of career and job placement specialists.
- The WorkPlace, Pacific Gateway's Job Center, provided more than 5,300 hours of counseling, interview preparation, and job coaching.
- Pacific Gateway issued more than \$525,000 in training scholarships to over 130 residents for a variety of vocational programs including information technology, truck driving, and nursing certification.
- 54 jobseekers received no-cost childcare through a newly coordinated network of local childcare providers.
- Job centers supported more than 2,000 laid-off workers through benefits and employment orientations with State Employment Development Department (EDD).
- Over \$300,000 provided to hundreds local families for COVID-19 related rental assistance.
- Pacific Gateway served more than 680 youth (ages 16-24) through work experience and training programs including Youth@Work program, 1:1 career coaching, training and job placement in collaboration with community-based organizations Centro CHA and United Cambodian Community (UCC)
- Local youth workers provided more than 41,000 hours of service, earning nearly \$600,000 in wages. Workers completed 10,000 hours of work readiness training, each earning an additional \$290 while they completed it.
- Pacific Gateway served over 2,300 businesses through recruitment and job fair events, workforce planning, connection to human resource support, youth worker programs, on-the-job training subsidies, and downsizing support.
- In response to the COVID-19 pandemic, Pacific Gateway responded to more than 102 WARN-Notices (notices of medium and large-scale layoff), providing affected workers with information and access to services, and provided much needed PPE to 941 businesses protecting over 7,000 workers.
- Through Economic Development administered loan programs, 89 small businesses received investment loans totaling \$1,895,000; another 25 small businesses received Paycheck Protections Loans from a City partner, National Development Council, totaling \$1,039,649.
- Over 600 small businesses received CARES Act Small Business Transition and Technology Grants totaling \$3.3 million; additionally, over 100 Small Business Restart Grants totaling over \$300K were distributed to support businesses that were impacted by property damages that occurred on May 31, 2020.
- Answered over 3,500 calls through the City's new 570-4BIZ Hotline in support of small business, assisted over 300 customers at Small Business Outreach Pop-ups located in West Long Beach, Central Long Beach, and North Long Beach, led over 50 presentations and webinars to educate small

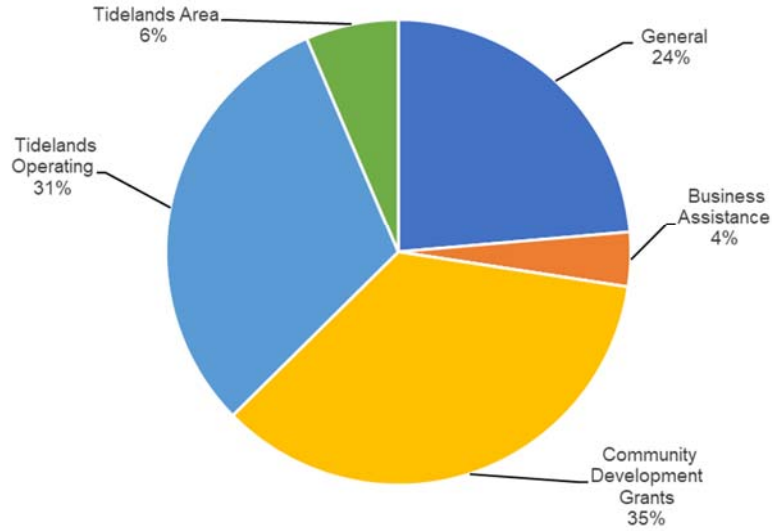
FY 20 Accomplishments

business about loans, grants, City policies, and other resources, and distributed over 30, 000 mailers and flyers to inform the community of small business support resources.

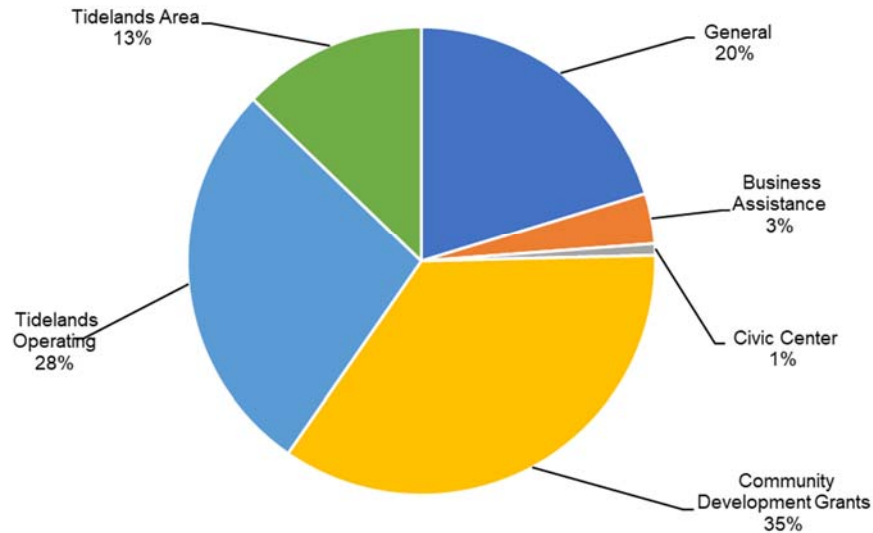
- Supported the development and launch of three new economic development non-profit organizations including the Center for Economic Inclusion (CEI), Long Beach Economic Partnership (LBEP), and the new Long Beach Technology Accelerator as called for in the Blueprint for Economic Development.
- Continued strategic partnerships with 9 Business Improvement District Associations totaling over \$10 million to support place-based economic and community development programs.
- Economic Development Department partnered with the Parks, Recreation and Marine Department and hired 19 part-time City staff to implement the Business Hotline and Call Center during the COVID-19 pandemic.
- 65 Youth Workers were hired as Community Ambassadors in response to COVID-19 and CARES Act Grant program delivery including PPE distribution, small business support, and education programs. Collectively, Youth Community Ambassadors earned more than \$310,000 in wages supporting resource distribution, call centers, COVID testing and other emergency response efforts.
- Launched innovative new program to provide job opportunities for over 20 people experiencing homelessness.
- Implementation of an online contract management system for more efficient and effective monitoring and administration of City leases and associated agreements.
- Partnered with the Technology and Innovation Department, the Long Beach Public Library and the United Cambodian Community (UCC) to launch a new Digital Inclusion Resources Hotline to help connect the community with a variety of resources and services, including computers, low-cost Internet services and computer literacy training.
- With the Technology and Innovation Department, convened the COVID-19 Digital Inclusion Response Working Group to implement short-term strategies to advance digital inclusion during the COVID-19 pandemic.
- Facilitated community pop-ups, workshops, interviews and surveys with Long Beach residents to co-develop strategies for the Digital Inclusion Roadmap.
- Sale of 29 former Redevelopment Agency parcels for \$22 million resulting in \$5 million to the City as share of property tax distribution. These dollars directed to project area programs and available for citywide economic development programs.
- Economic Development generated \$11.5 million through the leasing of City-owned property on behalf of the residents of Long Beach.
- Opening of Virginia Village Parking Lot adding 19 spaces to a commercial corridor in North Long Beach.
- With the Technology and Innovation Department, partnered with the California Emerging Technology Fund (CETF), EveryoneOn and human-I-T, has launched a centralized online platform for Long Beach residents to access low-cost Internet services, computers and digital literacy resources, called ConnectedLB Platform.
- With the Technology and Innovation Department, partnered with human-I-T to administer free Internet service plans, hotspots and computing devices to community members most in need.
- With the Technology and Innovation Department, celebrated national Digital Inclusion Week 2020 and implemented an educational campaign focused on engaging Long Beach residents about the digital inclusion resources and services available in Long Beach.

FY 21 Budget

FY 21 Revenues by Fund Group



FY 21 Expenditures by Fund Group



Fund Impact

Fund Group	Revenues	Expenditures	Fund Impact
General	4,560,600	4,154,480	406,120
Business Assistance	728,199	719,802	8,397
Civic Center	-	165,839	(165,839)
Community Development Grants	6,794,935	7,175,334	(380,399)
Tidlands Operating	5,970,000	5,645,996	324,004
Tidlands Area	1,244,000	2,616,517	(1,372,517)
Total	19,297,733	20,477,968	(1,180,235)

Summary of Changes*

GENERAL FUND GROUP	IMPACT	POSITIONS
Reduce budget for proactive property maintenance by reducing the monthly visits per property. Weekly proactive property maintenance visits will instead occur on a bi-monthly or monthly basis.	(75,000)	-
Reduce general material expense, funding for outside real estate legal and architectural services for properties managed, resulting in a supporting a more limited portfolio of properties.	(64,000)	-
Reclassify a Redevelopment Project Officer to a Development Officer in the Business Development Bureau to better align the position with its duties.	-	-
One-time funding to hire an Economic Equity Specialist to address income inequality by exploring and supporting public banking and universal basic income.	100,000	-
Update the Economic Development Department's Executive Office Division to the Business Operations Bureau to align with the currently functional structure of the department.	-	-

TIDELANDS AREA FUND GROUP	IMPACT	POSITIONS
Upgrade an Assistant Administrative Analyst II to a Administrative Analyst II for an increase of \$15,068 to support Queen Mary activities and transfer the full cost of the position to the Tidelands Operating Fund Group due to funding shortfalls in Queen Mary Fund Group.	(101,440)	-

TIDELANDS OPERATIONS FUND GROUP	IMPACT	POSITIONS
Increase Tidelands Operating budget to support the funding of an Administrative Analyst II position dedicated to Queen Mary activities.	116,509	-
One-time reduction for utilities due to anticipated lower usage at the Long Beach Convention Center as a result of COVID-19 pandemic and social distancing guidelines in place.	(200,000)	-
Reduce budget for various utilities at the Long Beach Convention Center to better align budget to actual expenses.	(150,000)	-

* For ease of review, reallocations of resources within departments, offsets, adjustments, and minor changes have not been included. As figures reflect the net impact to a fund, an increase in expense is shown as a positive number (cost/hit to fund) and a decrease in expense is shown as a negative number (savings/benefit to fund). Accordingly, a decrease in revenue is shown as a positive number (cost/hit to fund), and an increase in revenue is shown as a negative number (savings/benefit to fund).

Business Operations Bureau

Key Services:

1. Executive Office

- Patron Issue Management
- City Council Relations /Communications
- Community Relations / Outreach Education
- Strategic Initiatives
- Departmental Management
- Economic & Digital Inclusion

2. Financial Administration

- Budget Development and Management
- Grants Management
- Contract / RFPs Management
- Accounting
- Purchasing
- Records Request and Management

3. Personnel

- Payroll
- Benefits Education and Management
- Employee Assistance
- Personnel Management and Issue Resolution
- Risk Management and Safety Training

4. Communications

- Department Media Relations
- Public Outreach, Social Media and Events
- Publications

5. Office of Economic Research

- Economic Studies and Analysis

Business Operations	Actuals FY 19	Adjusted* FY 20	Adopted** FY 21
Revenues	92,808	-	-
Expenditures	1,403,055	1,400,286	1,627,152
FTEs	7.00	8.00	8.00

Note: With the conversion to the new financial system, the amounts and character categories have been updated to match the revised Chart of Accounts in the system. The City is still going through a stabilization period with the new system and future reports may have further adjustments.

*Adjusted Budget as of August 31, 2020

**Amounts exclude all-years carryover. See budget ordinance in the back of this document.

Business Development Bureau

Key Services:

- | | |
|---|--|
| <p>1. Small Business Lending</p> <ul style="list-style-type: none"> • Revolving Loans • Launch Grants & • Façade Improvement Program <p>2. Business Improvement Districts</p> <ul style="list-style-type: none"> • Administration & Oversight • Establishment/Renewal <p>3. Business Retention</p> <ul style="list-style-type: none"> • Incentive Programs • Relocation | <p>4. Economic Research</p> <ul style="list-style-type: none"> • Blueprint Implementation • Research • Tracking & Reporting <p>5. Business Startup</p> <ul style="list-style-type: none"> • Attraction • Site Selection • Licensing & Permitting |
|---|--|

Business Development	Actuals FY 19	Adjusted* FY 20	Adopted** FY 21
Revenues	390,902	728,199	728,199
Expenditures	1,050,612	8,455,917	1,224,660
FTEs	3.00	3.00	3.00

Note: With the conversion to the new financial system, the amounts and character categories have been updated to match the revised Chart of Accounts in the system. The City is still going through a stabilization period with the new system and future reports may have further adjustments.

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Property Development Bureau

Key Services:

1. Property Services

- Proactive Property Maintenance
- Contract Administration
- Lease Negotiation
- Asset Management
- Long Range Property Management

2. Real Estate Development

- Appraisals
- Acquisitions & Sales
- Real Estate Transactions
- Opportunity Site Identification
- Development Services

Property Development	Actuals FY 19	Adjusted* FY 20	Adopted** FY 21
Revenues	26,025,999	11,969,779	11,774,600
Expenditures	25,954,676	12,506,644	10,413,284
FTEs	9.00	9.00	9.00

Note: With the conversion to the new financial system, the amounts and character categories have been updated to match the revised Chart of Accounts in the system. The City is still going through a stabilization period with the new system and future reports may have further adjustments.

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Workforce Development Bureau

Key Services:

1. Workforce Development

- Job Search Assistance
- Individualized assessments
- Connection to Training
- Career Counseling
- Skill Development scholarship to Occupational Training

2. Communications

- Outreach
- Marketing & Promotion
- Public Affairs
- Workforce Investment Board

3. Business Assistance

- Recruitment and Hiring
- Youth Hiring and Internships
- Lay-Off Aversion
- Customized Training

4. Workforce Operations

- Contracts and Procurement
- Accounting Functions
- Budgeting
- Administration
- Grant Monitoring

Workforce Development	Actuals FY 19	Adjusted* FY 20	Adopted** FY 21
Revenues	8,730,329	(1,834,349)	6,794,935
Expenditures	11,151,862	21,469,863	7,212,872
FTEs	67.96	67.96	67.96

Note: With the conversion to the new financial system, the amounts and character categories have been updated to match the revised Chart of Accounts in the system. The City is still going through a stabilization period with the new system and future reports may have further adjustments.

*Adjusted Budget as of August 31, 2020

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Financial Summary by Category

	Actual FY 19	Adopted* FY 20	Adjusted** FY 20	Adopted* FY 21
Revenues:				
Property Taxes	-	-	-	-
Sales and Use Taxes	-	-	-	-
Other Taxes	-	-	-	-
Utility Users Tax	-	-	-	-
Franchise Fees	-	-	-	-
Licenses, Permits and Fees	6,680	12,000	12,000	13,500
Fines and Forfeitures	-	-	-	-
Use of Money & Property	12,036,806	11,097,600	11,097,600	11,346,600
Revenue from Other Agencies	8,577,130	10,027,530	(2,372,190)	6,578,668
Charges for Services	1,025	-	-	-
Other Revenues	3,401,500	1,138,466	1,754,219	1,138,466
Intrafund Services	-	-	-	-
Intrafund Transfers	2,150,000	-	150,000	-
Interfund Services	4,828	6,000	6,000	4,500
Interfund Transfers	9,062,070	216,000	216,000	216,000
Other Financing Sources	-	-	-	-
	-----	-----	-----	-----
Total Revenues	35,240,038	22,497,596	10,863,629	19,297,733
Expenditures:				
Salaries and Wages	5,640,912	6,902,513	10,565,570	4,466,214
Employee Benefits	2,790,126	3,872,504	6,373,299	4,027,415
Overtime	38,124	-	(76,497)	-
Materials, Supplies and Services	15,503,112	8,816,757	23,284,958	7,821,029
Interfund Support	899,161	791,344	720,642	1,587,681
Intrafund Support	-	-	-	10,643
Capital Purchases	11,851,593	-	400,000	-
Insurance Premiums and Losses	73,629	74,002	74,002	74,002
Other Non-Operational Expenditures	2,726,612	2,502,672	2,502,672	2,490,983
Operating Transfers	36,936	-	(11,936)	-
Intrafund Transfers Out	-	-	-	-
Purchase of Gas & Water	-	-	-	-
Depreciation and Non Cash Expenditures	-	-	-	-
	-----	-----	-----	-----
Total Expenditures	39,560,204	22,959,791	43,832,710	20,477,968
Personnel (Full-time Equivalents)	86.96	87.96	87.96	87.96

* Amounts exclude all-years carryover. See budget ordinance in the back of this document.

** Adjusted Budget as of August 31, 2020

Note: With the conversion to the new financial system, the amounts and character categories have been updated to match the revised Chart of Accounts in the system. The City is still going through a stabilization period with the new system and future reports may have further adjustments.

Personnel Summary

Classification	FY 19 Adopt FTE	FY 20 Adopt FTE	FY 21 Adopt FTE	FY 20 Adopted Budget	FY 21 Adopted Budget
Director-Economic Development	1.00	1.00	1.00	212,331	212,331
Accountant III	1.00	1.00	1.00	71,285	71,285
Accounting Clerk II	1.00	1.00	1.00	40,894	40,894
Accounting Clerk III	1.00	1.00	1.00	44,017	46,509
Administrative Analyst II	1.00	1.00	2.00	89,359	162,409
Administrative Analyst III	2.00	2.00	2.00	193,010	175,336
Administrative Analyst II-NC	2.00	2.00	2.00	144,891	144,876
Administrative Analyst I-NC	1.00	1.00	1.00	69,246	69,239
Administrative Intern	6.45	6.44	6.44	212,426	213,768
Administrative Officer	1.00	1.00	1.00	101,936	115,047
Assistant Administrative Analyst I	1.00	1.00	1.00	55,769	53,026
Assistant Administrative Analyst II	2.00	2.00	1.00	140,443	76,327
Assistant Director-Workforce	1.00	1.00	1.00	124,948	124,948
Business Development Officer	-	-	1.00	-	125,009
Clerk Typist III	6.00	6.00	6.00	307,721	309,277
Community Information Specialist II	1.00	1.00	1.00	45,025	45,033
Community Program Specialist I	4.00	4.00	4.00	230,267	210,889
Community Program Specialist II	2.00	2.00	2.00	138,183	134,934
Community Program Specialist III	16.51	16.52	16.52	1,326,952	1,345,787
Community Program Specialist IV	3.00	3.00	3.00	255,127	258,371
Community Program Specialist V	7.00	7.00	7.00	674,633	675,534
Community Program Technician I	1.00	1.00	1.00	50,290	51,751
Community Program Technician II	1.00	1.00	1.00	45,902	48,591
Community Program Technician III	1.00	1.00	1.00	58,264	58,264
Community Program Technician IV	2.00	2.00	2.00	124,166	124,172
Deputy Director of Economic Development	1.00	1.00	1.00	173,047	173,047
Development Project Manager II	1.00	1.00	1.00	89,359	89,359
Development Project Manager III	3.00	3.00	3.00	300,042	300,042
Exec Director-Reg Wrkfrc Invest Brd	1.00	1.00	1.00	168,940	168,940
Executive Assistant	1.00	1.00	1.00	60,203	60,203
Manager-Business Operations	-	1.00	1.00	136,000	136,000
Payroll Personnel Assistant II	1.00	1.00	1.00	51,546	51,546
Real Estate Officer	1.00	1.00	1.00	120,517	122,369
Real Estate Project Coordinator III	3.00	3.00	3.00	313,331	305,363
Real Estate Technician II	1.00	1.00	1.00	62,833	62,833
Redevelopment Project Officer	1.00	1.00	-	125,009	-
Secretary	2.00	2.00	2.00	100,529	100,529
Senior Accountant	1.00	1.00	1.00	96,505	91,353
Special Project Officer	1.00	1.00	1.00	106,155	106,155
Workforce Development Officer	3.00	3.00	3.00	321,158	321,158
Subtotal Salaries	----- 86.96	----- 87.96	----- 87.96	----- 6,982,259	----- 6,982,503
Overtime	-	-	-	-	-
Fringe Benefits	-	-	-	3,723,497	3,877,177
Administrative Overhead	-	-	-	149,007	150,238
Attrition/Salary Savings	-	-	-	(36,857)	(36,857)
Expenditure Transfers	-	-	-	(42,890)	(2,479,432)
Total	----- 86.96	----- 87.96	----- 87.96	----- 10,775,016	----- 8,493,630