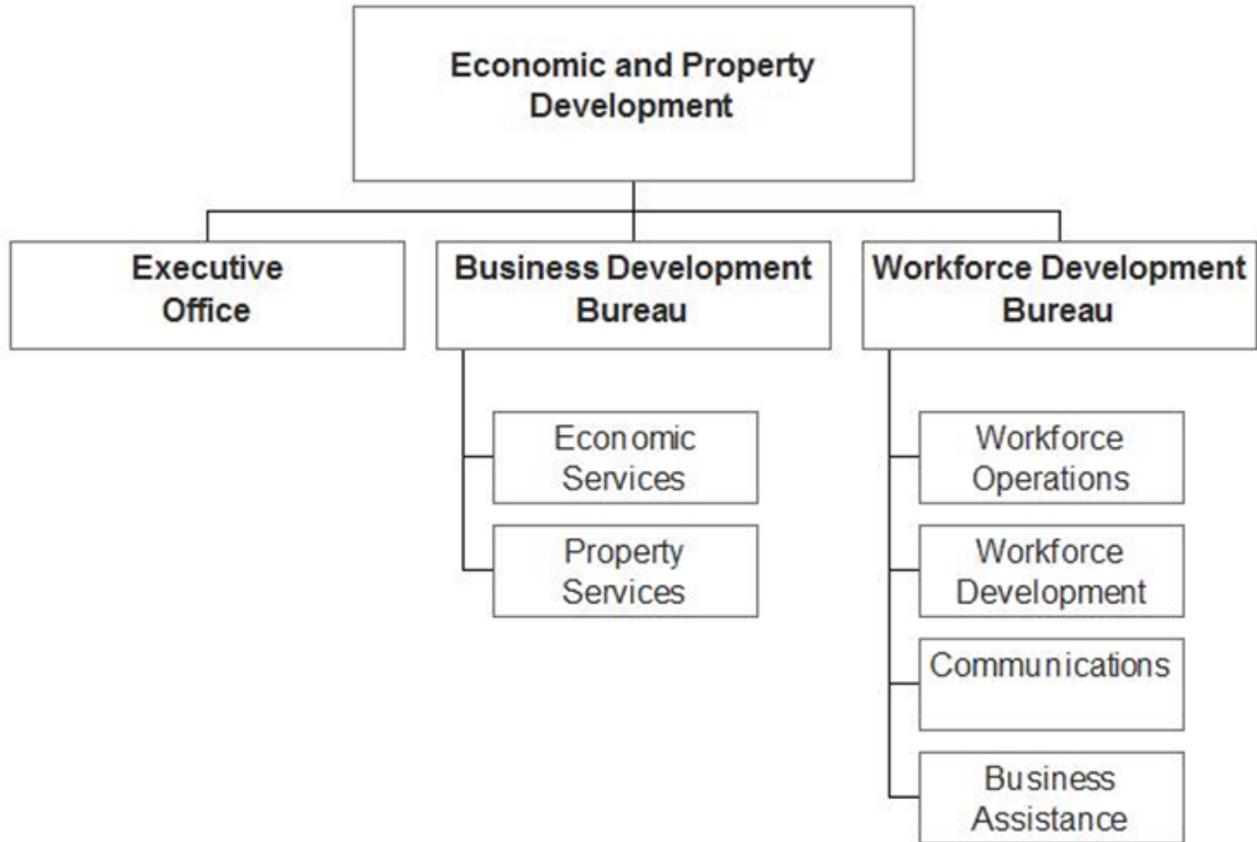


# Economic and Property Development



Michael Conway, Director

Juan Lopez-Rios, Business Development Bureau Manager

Nicholas Schultz, Workforce Development Bureau Manager

## Department Overview

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### **Mission:**

The mission of the Department of Economic and Property Development is to create a focused effort on economic development services, foster and encourage business and job growth, facilitate business relocation and expansion, and increase economic activity while maintaining the quality and strength of our neighborhoods.

### **Core Services:**

- Create business opportunities by laying the infrastructure groundwork
- Reduce risk and increase certainty in the development process
- Support our neighborhoods as we support development
- Coordinate City departments into a unified economic development team
- Continue to develop every City employee into a business ombudsmen

### **FY 16 Focus:**

The Department of Economic and Property Development will focus on working with the Mayor and City Council, and our various Committees and Commission to support and grow our City's economic health through business assistance, strategic disposal of Successor Agency properties, review of ground leases seeking to compel reinvestment in City property, and coordination with the Innovation Team to improve our delivery of services, reduce risk and increase certainty in the permitting and development process, and to identify problems and find solutions.

The Department will continue daily activities to assist and grow our economy and facilitate the great Department work. We will work with the Mayor, City Council, Economic Development and Finance Committee, and the newly formed Economic Development Commission to define a scope of work for Beacon Economics to prepare a Strategic Plan and Economic Indicators Report to help guide the City onto greater economic success.

Our most recent partner is the Mayor's Innovation Team, funded through a 3 year, \$3M grant from the Bloomberg Foundation. Our Department looks forward to working with the Innovation Team to identify ways to stimulate growth and increase jobs; and to identify ways to improve services, productivity and business growth.

The Department will plan for the realignment of Workforce Development (Pacific Gateway) within the Economic and Property Development Department in FY 16.

## Department Performance Measures

Key Measure	FY 14 Actual	FY 15 Target	FY 15 Estimate	FY 16 Projection
Number of new small businesses	N/A	N/A	N/A	N/A

This measures the number of new small businesses (10 or fewer employees) locating in the city or adding a new location. Earlier this fiscal year, Council approved a small business incentive pilot program. Staff will continue to monitor its success.

Key Measure	FY 14 Actual	FY 15 Target	FY 15 Estimate	FY 16 Projection
Number of Successor Agency properties disposed	N/A	N/A	N/A	N/A

This measures the amount of former Redevelopment Agency Properties that were initially retained under the Long Range Property Management Plan under the categories of “for sale” and “future development”. These properties were transferred to the city for disposition, with the goal to dispose of these properties to enhance economic development and improve the City’s economic health. The initial goal is to sell the 27 parcels designated “for sale”, then seek buyers for the 161 parcels listed under “for future development”.

Key Measure	FY 14 Actual	FY 15 Target	FY 15 Estimate	FY 16 Projection
Number of Long Beach residents who are placed in employment	2,526	2,500	2,500	2,300

This measures the number of Long Beach residents that are placed in employment as a result of the services provided through Pacific Gateway. This includes career services through the Career Transition Center, Youth Opportunity Center, and contracted service providers. The number of residents placed in employment is affected by several factors, such as the unemployment rate and availability of jobs and resources for job seekers. Despite modest funding reductions, discretionary grants will support continued service levels consistent with FY 15.

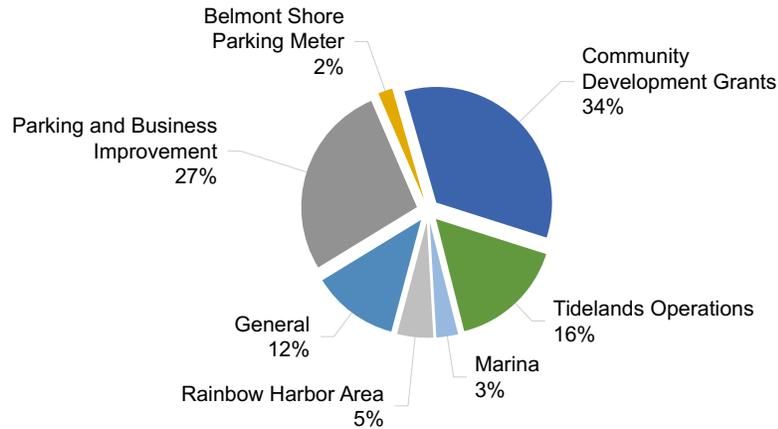
## FY 15 Accomplishments

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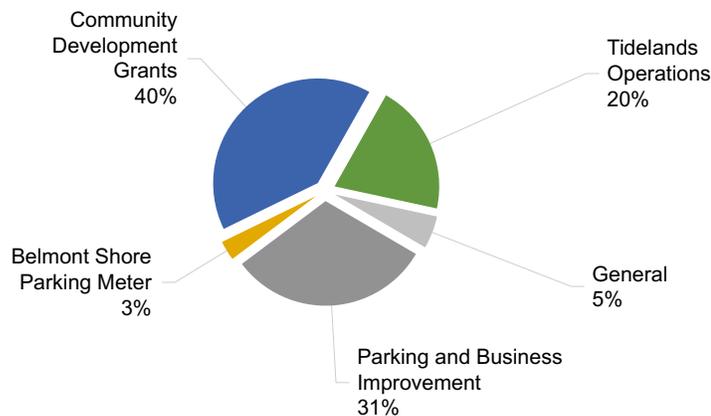
- Received approval to implement a long-range management plan for over 250 parcels in connection with the dissolution of the Redevelopment Agency.
- Land Swap that enabled transformed to The Pike to transform into the Pike Outlets with H&M, Nike and Forever 21.
- Success at Douglas Park with approximately 3,000 jobs with Mercedes Benz, Virgin Galactic, Universal Technical Institute and the creation of a medical office cluster.
- Provided 38 business start-up grants.
- Accomplished annual renewals for all Parking and Business Improvement areas.
- Was awarded more than \$1 million in funding to continue operation of the Harbor WorkSource Center supporting the residents of Wilmington, San Pedro, and the Harbor Gateway communities.
- Pacific Gateway's Youth Opportunity Center assisted more than 900 youth in gaining paid work experience in the public and private sectors.
- Pacific Gateway's Employment Services served over 5,100 people through one-on-one services centered on education and skills, career coaching, job readiness, training access, and job development/ placement.
- Services resulted in placement of over 1,300 adult residents in employment of which 84% were still employed nine months later.
- Completed a sales tax sharing agreement with Hooman Toyota to facilitate the renovation, expansion and relocation of a retail car sales business.
- Completed a sales tax sharing agreement with Worthington Ford to support the cost to rehabilitate and upgrade an on-site freeway advertising message signboard.
- Established a new Uptown Business Improvement District (BID)
- Established a new Mid-Town Business Improvement District (BID)

# FY 16 Budget

## FY 16 Revenues by Fund



## FY 16 Expenditures by Fund



## Fund Impact

Fund	Revenues	Expenditures	Fund Impact
General	3,593,900	1,329,335	2,264,565
Civic Center	—	127,704	(127,704)
Parking and Business Improvement	7,968,757	7,968,757	—
Belmont Shore Parking Meter	701,734	830,879	(129,145)
Community Development Grants	10,143,483	10,199,902	(56,419)
Tideland Operations	4,655,000	5,082,715	(427,715)
Marina	940,000	102,519	837,481
Queen Mary	—	—	—
Rainbow Harbor Area	1,543,000	61,727	1,481,273
<b>Total</b>	<b>29,545,874</b>	<b>25,703,537</b>	<b>3,842,337</b>

## Summary of Adopted Changes\*

<b>General Fund</b>	<b>Impact on Fund**</b>	<b>Positions</b>
Move the Asset Management Bureau from the Public Works Department. Net zero budget impact citywide.	\$ 1,018,962	8.25
Move the Business Ombudsman from the Development Services Department. Net zero budget impact citywide.	\$ 39,925	1.00
Move the Director of Economic and Property Development from the City Manager's Department. Net zero budget impact citywide.	\$ 136,411	0.54
Move the Workforce Development Bureau from the Human Resources Department. Net zero budget impact citywide.	\$ 238,253	—
<b>Subtotal: General Fund</b>	<b>\$ 1,433,551</b>	<b>9.79</b>

<b>Civic Center Fund</b>	<b>Impact on Fund</b>	<b>Positions</b>
Move the Asset Management Bureau from the Public Works Department. Net zero budget impact citywide.	\$ 126,590	0.05
<b>Subtotal: Civic Center Fund</b>	<b>\$ 126,590</b>	<b>0.05</b>

<b>Parking and Business Improvement Fund</b>	<b>Impact on Fund</b>	<b>Positions</b>
Establish Mid-Town Property and Business Improvement District (MBID) pass-through budget of \$161,501, fully offset by revenue.	\$ —	—
Move the Asset Management Bureau from the Public Works Department. Net zero budget impact citywide.	\$ 7,807,256	—
<b>Subtotal: Parking and Business Improvement Fund</b>	<b>\$ 7,807,256</b>	<b>—</b>

<b>Belmont Shore Parking Meter Fund</b>	<b>Impact on Fund</b>	<b>Positions</b>
Move the Asset Management Bureau from the Public Works Department. Net zero budget impact citywide.	\$ 830,879	—
<b>Subtotal: Belmont Shore Parking Meter Fund</b>	<b>\$ 830,879</b>	<b>—</b>

<b>Community Development Grants Fund</b>	<b>Impact on Fund</b>	<b>Positions</b>
Move the Director of Economic and Property Development from the City Manager's Department	\$ 57,827	0.21
Move the Workforce Development Bureau from the Human Resources Department. Net zero budget impact citywide.	\$ 10,159,144	70.27
<b>Subtotal: Community Development Grants Fund</b>	<b>\$ 10,216,971</b>	<b>70.48</b>

<b>Tidelands Funds (Operations, Queen Mary, Rainbow Harbor Area)</b>	<b>Impact on Fund</b>	<b>Positions</b>
Move the Asset Management Bureau from the Public Works Department. Net zero budget impact citywide. Includes \$69,000 in reduced utilities to fund a portion of the Marine Safety Officer in the Fire Department.	\$ 5,196,652	2.95
<b>Subtotal: Tidelands Funds</b>	<b>\$ 5,196,652</b>	<b>2.95</b>

\* 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 Development Bureau

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**Key Services:**

- |   |  |
|---|--|
| <p><b>1. Leases, Contracts and Acquisitions</b></p> <ul style="list-style-type: none"> <li>• Lease/Contract Negotiations</li> <li>• Amendments/Modifications</li> <li>• Lease/Contract Administration</li> <li>• Acquire Property</li> <li>• Sell Property</li> </ul> <p><b>2. Economic Services</b></p> <ul style="list-style-type: none"> <li>• Inter-Departmental Coordination</li> <li>• Business Outreach</li> </ul> | <p><b>3. Special Projects</b></p> <ul style="list-style-type: none"> <li>• City Mgmt./Assigned Tasks</li> <li>• Council/Assigned Tasks</li> </ul> <p><b>4. Property &amp; Business Improvement Districts (PBID)</b></p> <ul style="list-style-type: none"> <li>• Staff Support</li> <li>• Establishment/Reestablishment</li> <li>• PBID Reporting</li> </ul> |
|---|--|

**FY 16 Funding Source:** General Fund 7%, Civic Center Fund 1%, Parking Area and Business Area Improvement Fund 52%, Belmont Short Parking Meter Fund 5%, Tidelands Operations Fund 33%, Marina Fund 1%, Rainbow Harbor Area Fund <1%, Community Development Grants Fund <1%

Business Development	Actuals FY 14	Adjusted* FY 15	Adopted** FY 16
Revenues	—	—	19,402,391
Expenditures	—	—	15,390,465
FTEs	0.00	0.00	13.00

\* Amounts as published in the FY 16 Proposed Budget released July 2, 2015.

\*\* Amounts exclude all-years carryover.

Note: Prior year information can be found in the City Manager, Development Services, Human Resources, and Public Works Department budgets.

**Narrative:**

The Business Development Bureau includes two divisions. The Property Services Division is responsible for the City’s acquisitions and sale of City-owned assets and provides real estate asset administration functions, which include leasing of privately held property for City-use purposes and City-owned property for private use and development. The Division is also involved in the administration of various ground lease and management agreements including the Queen Mary, Pike at Rainbow Harbor, the Long Beach Convention Center and the Aquarium of the Pacific. The Economic Services Division will provide coordinated support, information and guidance to help steer businesses through City processes and business license requirements. The Division will also manage the small business loan program.

Business Development also provides support for the City’s Business Improvement District (BID) program, assisting community and quasi-public groups in the formation of business improvement associations within defined geographic areas to promote business and economic vitality.

# Workforce Development Bureau

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**Key Services:**

- 1. **Services for Adults**
  - Job Search Assistance
  - Individualized assessments
  - Connection to Training
  - Career Counseling
  - Skill Development Training
  - Outreach
- 2. **Services for Youth**
  - Prepare youth to enter employment/ advanced training
  - Enrollment into Youth Academies
  - Connection to work experience and placement
  - Work readiness certification
  - Programs reconnecting youth back into school / GED attainment
- Outreach
- 3. **Services for Business**
  - Recruitment and Hiring
  - Youth Hiring and Internships
  - Lay-Off Aversion
  - Customized Training
- 4. **Bureau Operations**
  - Contracts and Procurement
  - Accounting Functions
  - Budgeting
  - Department administration
  - Grant Monitoring

**FY 16 Funding Sources:** General Fund 2%, Community Development Grants Fund 98%

Workforce Development	Actuals FY 14	Adjusted* FY 15	Adopted** FY 16
Revenues	—	—	10,143,483
Expenditures	—	—	10,313,072
FTEs	0.00	0.00	70.27

\* Amounts as published in the FY 16 Proposed Budget released July 2, 2015.

\*\* Amounts exclude all-years carryover.

Note: Prior year information can be found in the Human Resources Department budget.

**Narrative:**

In FY 16, Pacific Gateway will continue to provide skill-based employment services to over 3,900 residents, which is correlated to more than 10,800 actual visits. These efforts will be focused on preparation for high growth sectors of vital importance to the regional economy including healthcare, advanced manufacturing, construction, logistics / goods movement, and retail trade. Pacific Gateway will also continue to offer vibrant services and programs providing effective career transition assistance for area youth focused on career exploration, occupational skills training, academic enrichment, industry recognized credential attainment, and preparation for employment, postsecondary education, or advanced training. The Business Assistance Programs will continue to increase employment opportunities for Long Beach residents by promoting layoff aversion strategies, business training strategies, and no-cost human resources assistance. The Business Assistance Team will also be fully engaged in delivering retraining and reemployment assistance to residents impacted by major downsizing or plant closures in the area.

## Financial Summary by Category

	Actual FY 14	Adopted* FY 15	Adjusted** FY 15	Adopted* FY 16
<b>Revenues:</b>				
Property Taxes	—	—	—	—
Other Taxes	—	—	—	7,968,757
Franchise Fees	—	—	—	—
Licenses and Permits	—	—	—	12,000
Fines and Forfeitures	—	—	—	—
Use of Money & Property	—	—	—	11,415,634
Revenue from Other Agencies	—	—	—	9,785,506
Charges for Services	—	—	—	—
Other Revenues	—	—	—	357,976
Interfund Services - Charges	—	—	—	6,000
Intrafund Services - General Fund Charges	—	—	—	—
Harbor & Water P/R Rev Trsfs	—	—	—	—
Other Financing Sources	—	—	—	—
Operating Transfers	—	—	—	—
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Total Revenues	—	—	—	29,545,874
<b>Expenditures:</b>				
Salaries, Wages and Benefits	—	—	—	8,967,602
Overtime	—	—	—	—
Materials, Supplies and Services	—	—	—	16,730,460
Internal Support	—	—	—	(246,648)
Capital Purchases	—	—	—	—
Debt Service	—	—	—	252,122
Transfers to Other Funds	—	—	—	—
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Total Expenditures	—	—	—	25,703,537
<b>Personnel (Full-time Equivalent)</b>	—	—	—	83.27

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

\*\* Amounts as published in the FY 16 Proposed Budget released July 2, 2015.

## Personnel Summary

Classification	FY 14 Adopt FTE	FY 15 Adopt FTE	FY 16 Adopt FTE	FY 15 Adopted Budget	FY 16 Adopted Budget
Accountant III	—	—	1.00	—	67,173
Accounting Clerk II	—	—	1.00	—	38,535
Accounting Clerk III	—	—	1.00	—	41,478
Administrative Analyst III	—	—	3.00	—	272,816
Administrative Analyst I-NC	—	—	1.00	—	65,257
Administrative Analyst II-NC	—	—	2.00	—	133,142
Administrative Intern	—	—	8.76	—	318,863
Assistant Director-Workforce	—	—	1.00	—	110,000
CD Specialist I	—	—	4.00	—	235,579
CD Specialist II	—	—	2.00	—	119,904
CD Specialist III	—	—	16.51	—	1,254,723
CD Specialist IV	—	—	3.00	—	228,210
CD Specialist V	—	—	7.00	—	604,306
CD Technician I	—	—	1.00	—	40,443
CD Technician II	—	—	1.00	—	43,550
CD Technician III	—	—	1.00	—	54,904
CD Technician IV	—	—	2.00	—	117,004
Clerk Typist II	—	—	1.00	—	44,737
Clerk Typist III	—	—	5.00	—	232,612
Community Information Specialist II	—	—	1.00	—	42,436
Development Project Manager II	—	—	1.00	—	84,205
Development Project Manager III	—	—	2.00	—	188,529
Director-Economic and Property Development	—	—	1.00	—	204,181
Exec Director-Reg Wrkfrc Invest Brd	—	—	1.00	—	148,782
Manager-Property Services	—	—	1.00	—	152,564
Real Estate Officer	—	—	1.00	—	133,659
Real Estate Project Coordinator II	—	—	1.00	—	93,285
Real Estate Project Coordinator III	—	—	3.00	—	294,657
Real Estate Technician II	—	—	1.00	—	56,256
Redevelopment Project Officer	—	—	1.00	—	117,799
Secretary	—	—	2.00	—	104,496
Special Project Officer	—	—	1.00	—	121,263
Senior Accountant	—	—	1.00	—	90,939
Workforce Development Officer	—	—	3.00	—	302,634
<b>Subtotal Salaries</b>	-----	-----	<b>83.27</b>	-----	<b>6,158,922</b>
<b>Overtime</b>	—	—	—	—	—
<b>Fringe Benefits</b>	—	—	—	—	2,886,056
<b>Administrative Overhead</b>	—	—	—	—	116,910
<b>Attrition/Salary Savings</b>	—	—	—	—	—
<b>Expenditure Transfers</b>	—	—	—	—	(194,286)
<b>Total</b>	-----	-----	<b>83.27</b>	-----	<b>8,967,602</b>