



City of Los Angeles

CITYWIDE ECONOMIC DEVELOPMENT STRATEGY

DRAFT STRATEGY OUTLINE FOR DISCUSSION



City of Los Angeles

CITYWIDE ECONOMIC DEVELOPMENT STRATEGY

Strategy Development Process

In 2017, the City of Los Angeles Economic and Workforce Development Department (“EWDD”) was tasked by the Mayor and City Council with developing the City’s **first formal Economic Development Strategy (the “Strategy”)**. A team led by HR&A Advisors, Inc. was retained to assist in preparing that Strategy.

This work was informed by subsequent roundtable discussions with key stakeholders regarding their economic development needs and Strategy priorities. It was also informed by an online survey, which was widely distributed to residents, businesses and community organizations.

Strategy Overview

The final Strategy will include a summary of the City’s **socio-demographic, economic and industry context** and takeaways from existing conditions and precedents analyses. This context will be followed by a **comprehensive vision statement** and set of **overarching long-term goals**, which are detailed on the following pages, to guide the direction of future policies, ongoing programs, and projects that involve capital investments.

The Strategy then includes a **set of specific actions** for the City to take over the next five years, and a **set of goals and actions targeted to specific areas** and populations of the City that have benefited the least from recent growth.

Strategy Structure

Introduction and Context:

Strategy Overview and Development Process; Summaries of Socioeconomic City Profile, Existing Conditions and Precedents Analysis

Vision and Long-Term Goals

5-Year Implementation Plan

Targeted Area Strategies:

Boyle Heights, East Valley, Harbor Area, Pico-Union/ Westlake, South Los Angeles

Provide Your Feedback!

The following pages include an outline of a preliminary draft of the Strategy for review and discussion. We look forward to hearing your opinions either in person, or via our online survey.

Share your feedback at www.LAEconomicDevelopmentSurvey.com



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DRAFT Vision

This Strategy, as well as related initiatives undertaken by the City, its departments, and proprietary agencies, will be **guided by a vision statement** and a set of **long-term goals** for the City to work toward, which are shown below.

Los Angeles will leverage its position as a gateway to the Pacific Rim and other world markets to grow its economy for the benefit all Angelenos. Building on our unparalleled culture of creativity and leadership in innovation, we will expand our global, national and regional presence by investing in our people, neighborhoods, and industries.

DRAFT Long-Term Goals



Strengthen Los Angeles' Position as a World-Class City



Ensure Growth is Equitably Distributed



Grow the Resilience of Core Industries



Catalyze Emerging and Growing Industries



Support the City's Small Businesses



Create Financial and Economic Security for Disadvantaged Angelenos



Develop World-Class Infrastructure to Support Economic Growth



Enhance the Delivery of Economic Development Services



DRAFT 5-Year Implementation Plan & Actions

To make **meaningful progress toward achieving the City’s progressive vision** for equitable growth and other long-term economic development goals, the Strategy includes a 5-Year Implementation Plan consisting of: (1) recommendations for **strengthening the City’s ability to deliver economic development services**; (2) a set of new and expanded **funding resources**; and (3) 15 **specific actions** to be implemented by various City departments and other entities. The targeted area strategies included later in the Strategy include versions of these actions tailored to local needs.



Actions to Strengthen the City’s Economic Development Delivery System

1.A Strengthened City’s Economic Development Delivery Structure

The Strategy recommends that the City develop a more cohesive, and flexible delivery model:

Creating a **new independent Citywide Economic Development Nonprofit (“CEDN”)**, which could perform transaction-oriented services, manage strategic real estate assets, and assist with strategic planning and policy development, all on behalf of and in coordination with the City;

Allocating **additional resources for EWDD** to fund and consolidate the delivery of certain economic development services and to oversee a contract with the new non-profit; and

Increasing and **formalizing coordination between City departments and proprietary agencies.**

1.B New and Resilient Funding Sources for Economic Development

The Strategy recommends that the City tap into and dedicate a robust and diverse portfolio of funding sources for economic development, including leveraging private funds, pursuing State and Federal funding, and allocating specific sources of City revenue for economic development. Funding sources could include:

City Tools

- “Boomerang Funds”; CRA/LA revenues
- Marijuana Tax
- A New Foreign Buyers Tax
- Ground Lease Revenue
- EIFD, CRIA & JEDI Zones
- A Revolving Loan Fund
- Service Fees
- Economic Development Trust Fund
- Industrial Activities Financing

State/Federal Tools

- CA I-Bank and Financing
- Federal Grants
- Choice Neighborhood Grants
- Cap and Trade
- Community Investment by Insurance Companies
- Resources and Incentives

Private Tools

- Enhanced Small Business Loan Program
- Opportunity Zones
- Credit Enhancement Fund
- Crowdfunding
- Philanthropy and Social Impact Investment



DRAFT 5-Year Implementation Plan & Actions



Actions to Strengthen the Economy of City Communities

2.A Transformative, Industry-Focused Place-Based Initiatives

Catalyzing investment and job creation by leveraging City assets, institutions and engaging the community. Projects could include a Downtown LA “innovation district;” a Boyle Heights biotechnology hub; a Wilmington advanced manufacturing and export hub; a South Los Angeles culture hub; a East San Fernando Valley intensified manufacturing hub; and an LAX world-class, tech-focused aerropolis.

2.B Neighborhood & Corridor Revitalization Toolkit & Pilot Projects

Revitalizing neighborhoods through targeted capital investments, small business support, and incentives to support and preserve affordability, in parallel with Action 2.C. Projects would be piloted in commercial corridors in each of the five targeted areas.

2.C Commercial Affordability Toolkit

Developing strategies to maintain commercial affordability for small businesses to ensure stability in changing neighborhoods.

2.D Updated Industrial Land Preservation Policies

Continuing support of job-producing land uses by re-evaluating the City’s industrial land preservation policy. The assessment should focus on the policy’s results, particularly job retention and opportunities to intensify employment density.

2.E Integration of Physical Planning Efforts & Economic Development Objectives

Leveraging Community Plan updates to pursue equitable growth opportunities by ensuring that land use regulations create opportunities that are aligned with Citywide economic development objectives.

2.F Consolidation of Strategic Asset Management Functions

Implementing a cohesive asset management strategy that maximizes the economic and public benefit potential of surplus City assets.



DRAFT 5-Year Implementation Plan & Actions



Actions to Empower City Residents

3.A Economic Empowerment

Supporting the financial empowerment of disadvantaged Angelenos through a multi-faceted approach to remove barriers to workforce participation, educate workers on employment and asset-building opportunities, and support working families.

3.B Expanded Workforce Participation for Underrepresented Groups

Working in close partnership with current Workforce Development Board efforts to engage and incentivize private-sector organizations, and to utilize the City's procurement process to increase workforce diversity.

3.C Equity-Building through Affordable Housing

Promoting wealth creation and community stabilization by dedicating a portion of affordable housing funds to the production and preservation of for-sale affordable housing units for moderate-income households.

3.D Limits to Predatory Lending

Protecting at-risk populations from predatory lending by enacting significant restrictions on payday, high-interest installment and car title loans. This would be coordinated with efforts by L.A. County, which is currently evaluating the impact of this form of lending on residents.

3.E Equitable Olympics Legacy Planning

Leveraging the 2028 Olympic Games to deliver an array of benefits to Los Angeles businesses and residents, focusing on small business support and apprenticeship and skill-building opportunities, as well as community mobility and connectivity.



DRAFT 5-Year Implementation Plan & Actions



Actions to Strengthen City Businesses and Industries

4.A Resources for Underrepresented Entrepreneurs

Increasing City resources for underrepresented entrepreneurs and utilizing partnership opportunities to engage and incentivize private-sector organizations to expand workforce diversity, especially in growth industries.

4.B Streamlined City Services and Supporting Core Industries

Supporting economic growth by expanding initiatives to increase regulatory transparency and clarity for businesses in core industries. Also increasing civic collaboration for key industries and expanding resources for human capital development.

4.C Marketing of the City and Support for Business Expansion

Growing the City's position as a world leader through strengthened partnerships and trade networks, supporting global expansion for local businesses, and expanding marketing initiatives.

4.D Responses to Disruptive Technologies

Assisting businesses and workers to respond to and take advantage of rapid economic and technological changes and disruptive new technologies, while also attracting innovators.



DRAFT Targeted Area Strategies

Boyle Heights

Long-Term Goals

Ensure new growth is equitably distributed
Create wealth and economic security
Grow resilience of area industries; support small businesses
Catalyze emerging industries in the area (i.e. Biotech)

East Valley

Long-Term Goals

Grow resilience of area manufacturing industries
Create financial security for residents in the face of change
Diversify economic base by attracting new industries

Harbor Area

Long-Term Goals

Strengthen regional/global partnerships and trade
Grow resiliency of the logistics base; catalyze a blue/green innovation cluster
Leverage infrastructure investments to enable growth

Pico-Union/Westlake

Long-Term Goals

Create wealth and increase financial security
Invest in equitable access to jobs and opportunity
Support small businesses in light of affordability pressures

South Los Angeles

Long-Term Goals

Ensure equitable benefits from regional growth; create wealth and economic security for residents
Protect and grow small businesses
Leverage culture and entertainment strengths

Actions

- BH.1 Boyle Heights “Biotechnology Hub”**
- BH.2 Expansion of Cesar Chavez “Great Street” Initiative**
- BH.3 Economic Empowerment**

Actions

- EV.1 Intensified Manufacturing and Job Hub in Sun Valley**
- EV.2 Corridor Revitalization**

Actions

- HA.1 “Clean and Green” Logistics and Transportation Hub**
- HA.2 San Pedro Corridor Revitalization**
- HA.3 Export Industry Support**

Actions

- P-U/W.1 Corridor Revitalization and Small Business Support**
- P-U/W.2 Economic Empowerment**

Actions

- SLA.1 Corridor Revitalization; Culture and Entertainment Hub**
- SLA.2 Business Resources/Job Opportunities**
- SLA.3 Affordable Housing for Wealth Creation**

