

ECONOMIC DEVELOPMENT COMMITTEE REPORT relative to efforts to create a Citywide Economic Development Strategy.

Recommendations for Council action:

1. AUTHORIZE the General Manager, Economic and Workforce Development Department (EWDD), or designee, to prepare a Request for Proposals (RFP) for the selection of a consultant to prepare a Citywide Economic Development Strategy, subject to the review and approval of the City Attorney; and INSTRUCT the EWDD, to report in regard to the progress of said RFP.
2. INSTRUCT the General Manager, EWDD, or designee, with the assistance of other City Departments as appropriate, to:
  - a. Develop the scope of work for the RFP in connection with the Citywide Economic Development Strategy.
  - b. Consider the specific needs of individual communities as part of developing the Citywide Economic Development Strategy.
  - c. Include in the RFP scope of work analysis of:
    - i. Tax policies
    - ii. Job creation and training
    - iii. The City's infrastructure to include housing, educational institutions, healthcare systems, and public space.
    - iv. Analysis of impacts to businesses of all sizes to include micro-businesses.
  - d. Report to the Economic Development Committee prior to submission of the RFP to Council.

Fiscal Impact Statement: The Chief Legislative Analyst (CLA)/City Administrative Officer (CAO) report that there is no fiscal impact.

Community Impact Statement: None submitted.

**(Also referred to the Ad Hoc Committee on Comprehensive Job Creation Plan)**

Summary:

On May 10, 2016, your Committee considered a November 12, 2015 EWDD and April 15, 2016 Joint CLA/CAO reports relative to preparing an RFP for selecting a consultant to assist in creating a Citywide Economic Development Strategy. On April 19, 2016, the Ad Hoc Committee on Comprehensive Job Creation Plan (Ad Hoc) considered the above reports and

recommended approval of the recommendations contained in the Joint CLA/CAO report.

According to the CLA/CAO, on February 24, 2016, Council instructed the CLA and CAO to report on the EWDD's efforts to create and implement a Citywide Economic Development Strategy (Council File No. 13-1090). In response, the CLA/CAO provided a report that provides:

- a. Elements that should be considered in an economic development strategy.
- b. The City's organizational restructuring of economic development activities.
- c. Existing policy and new financing authorities that should be considered in a Citywide Economic Development Strategy.
- d. Recommendations for the EWDD to prepare an RFP for the selection of a contractor to prepare the strategy, work with other departments in defining the RFP's scope of work, and report back to Mayor and Council.

The CLA/CAO noted that the EWDD's role has been shaped by its founding Ordinance and its ability to respond to the City's evolving economic development needs. Within the last four years, the City's economic development efforts have undergone significant restructuring, due in part to the dissolution of the former Community Redevelopment Agency of the City of Los Angeles and the Community Development Department. Given the EWDD's experience in the last three years, this is an ideal time to identify areas that need coordination, restructuring or reinforcement for the department to form a foundation for a Citywide Economic Development Strategy. A multiyear Economic Development Strategy could lay out a clear vision for growth with goals and objectives that the City departments and stakeholders can work toward.

The Economic Development Chapter of the General Plan and new financing tools available to the City to carry out economic development activities should also be considered in the strategy. Funding for consultant costs for the development of a Citywide Economic Development Strategy is available in the Adopted Fiscal Year 2015-16 Unappropriated Balance (UB), Economic Development Initiative. This UB item has a current total of \$ 1.5 million for economic development activities, including strategic planning. The CAO anticipates requesting the balance of the Economic Development Initiative UB funding to be reappropriated for the 2016-17 Fiscal Year in the 2015-16 Year-End Financial Status Report to Council.

After further consideration and having provided an opportunity for public comment, the Committee moved to concur with the Ad Hoc's April 19, 2016 action. Also, the Committee moved to further add Recommendation Nos. 2b-2d with the goal of expanding the RFP's scope of work to insure that individual neighborhoods' needs are considered as part of any economic development plan and that consideration be given to job creation, tax policy, and the development of the City's infrastructure. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

ECONOMIC DEVELOPMENT COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
PRICE:	YES
CEDILLO:	YES
HARRIS-DAWSON:	YES
KREKORIAN:	YES
MARTINEZ:	YES

ARL  
5/10/16

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**