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**Final Report**

**Comprehensive Economic Development Strategy (CEDS)  
for the  
Gateway Cities Region**

Prepared for

**Gateway Cities Council of Governments**

Attn.: Gerald Caton, Chair  
Economic Development Working Group

Prepared by

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## **Acknowledgments**

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## **EXECUTIVE SUMMARY**

The USC Center for Economic Development is pleased to support the economic development efforts of the Gateway Cities Council of Governments (GCCOG) through the development of a Comprehensive Economic Development Strategy (CEDS) for submittal to the U.S. Department of Commerce, Economic Development Administration for approval as well as being the guiding document for strategic investments and actions to grow the economy in the region.

The Gateway Cities Region is in need of substantial public and private economic development assistance to stabilize, expand, and diversify its local economy. The region meets the economically distressed area criteria, as outlined by the U.S. Department of Commerce, Economic Development Administration (EDA), and is eligible for federal funding. Efforts must be made to ensure that economic growth benefits are equitably distributed. The Gateway Cities Region has tremendous assets—state-of-the-art infrastructure, human capital, an entrepreneurial base of firms—and presents opportunities for a comprehensive economic development program to successfully build-upon.

The vision and strategies for an improved Gateway Cities Region were developed through an extensive public participation and community outreach process. The outreach process sought stakeholder input from myriad interests present in the fields of economic development and community planning. The process has been iterative, allowing multiple opportunities for input and commentary from various stakeholders including industry, academia, government, and nonprofits. Focus groups were the primary method of community participation supported by regular meetings with GCCOG Economic Development Strategy Working Group. These sessions were held over the course of several months at locations across the Gateway Cities Region.

The Gateway Cities Region exhibits competitive advantage in transportation and logistics, manufacturing, and wholesale trade. We conducted strengths, weaknesses, opportunities, and threat (SWOT) analysis of these industry clusters, reviewed occupational outlook projections, and focused on workforce development issues. Several dozens of economic development and community planning professionals and organizations attended these meetings and shared their knowledge, insights, and experiences.

The Strategic Plan of Action we have presented is responsive to the demographic and socio-economic profile, SWOT analysis, as well as current economic development programs, incentives, and opportunities. The Strategic Plan of Action also details barriers to economic development within the region, offers strategies for job creation, and identifies sites for strategy implementation.

The plan will foster job creation and diversify the economic base of the Gateway Cities Region. The following principles guided the development of the Gateway Cities Region's vision and goals:

1. Seek regional collaboration to address chronic and complex problems that transcend municipal boundaries
  - a. Develop synergies by increasing coordination and reducing duplication of resources
  - b. Pursue innovative public-private partnerships
  - c. Leverage public dollars
2. Target investments in hard and soft infrastructure to reduce disparities in transportation (highways/public transit), education, health care, etc.
3. Enhance focus on education, technical/soft skills training, career pathways for youth and retrain dislocated adult workers
4. Invest in the information and communication technology across industry sectors
5. Capitalize on industry sectors that exhibit regional specialization such as manufacturing, transportation and logistics, wholesale trade, and emerging sector such as health care
6. Streamline processes to retain and attract new businesses
7. Promote entrepreneurship and innovation by facilitating access to capital

## INTRODUCTION

The 2015 Gateway Cities Comprehensive Economic Development Strategy has been developed in response to the U.S. Department of Commerce, Economic Development Administration's (EDA) "Comprehensive Economic Development Strategy (CEDS) Guidelines" document, published January 2015. The effort of the Gateway Cities Region to gain and retain EDA program eligibility is led by the Gateway Cities Council of Governments (GCCOG), a 27-city consortium of local governments in Southeast Los Angeles County. The guidelines outline prerequisites that communities must meet in order to have economic development projects and programs considered for EDA funding.

In this report, we present the 2015 CEDS prepared for the Gateway Cities Region. It is an economic roadmap to strengthen the local and regional economy and enhance quality of life. This document presents the most recent socio-economic trends and identifies economically distressed areas that are eligible for EDA assistance. It also presents a vision, goals and objectives, and discusses strategies to foster economic development and retain jobs in the area. This report identifies economic development strategies that affect the planning and implementation of projects. It is divided into the following four sections:

1. Background
2. Strength, Weakness, Opportunity and Threats (SWOT) Analysis
3. Strategic Plan of Action
4. Performance Measures

### ***1. Background***

This section provides an overview of the Gateway Cities Region including a discussion of the geography, population, demographic and socio-economic indicators, key industries, major infrastructure, quality of life elements and other relevant information. Altogether, these topics provide a description of the Gateway Cities Region today.

### ***2. Strength, Weakness, Opportunity, and Threats (SWOT) Analysis***

This section highlights the main strengths and weaknesses of the Gateway Cities Region, and identifies opportunities and threats. The analysis incorporates focus group feedback from four key industry clusters and education and workforce developers. Focus group participants included public, private, and community based organizations.

### ***3. Strategic Plan of Action***

The plan of action identifies a common vision for the Gateway Cities Region, goals and objectives drafted by the GCCOG Economic Development Strategy Committee to strengthen the regional economy, key projects, and economic development strategies to address the Region's needs and to enhance its competitiveness.

#### ***4. Performance Measures***

In this section, we outline the performance measures that will be used in evaluating the successful development and implementation of the Gateway Cities Region CEDS. Measures include the number and type of jobs created, community impact, and project readiness.

## **BACKGROUND**

### ***Demographic and Socio-Economic Analysis***

Demographic and socio-economic characteristics provide a useful context in which to discuss the potential for economic development in the Gateway Cities Region. In isolation, they are glimpses into the life of the area's residents. In combination and in comparison with Los Angeles County (LA County or County) and State of California (State), they provide a report card on local progress toward more widespread goals.

In determining economic development strategies for the Gateway Cities Region, it is important to know the demographic and socio-economic profile, as well as how the area shapes and is shaped by the demographics of the County and the State.

### **Population**

*The Gateway Cities Region represents about 5% of California's population and 20% of LA County's population.*

The Gateway Cities Region consists of 27 cities and nine unincorporated areas (Exhibit 1). In 2013, the total population for the Gateway Cities Region was 2,072,711 (Exhibit 2). The Gateway Cities Region represents approximately 5.5% of California's population and approximately 20% of the total population for LA County.

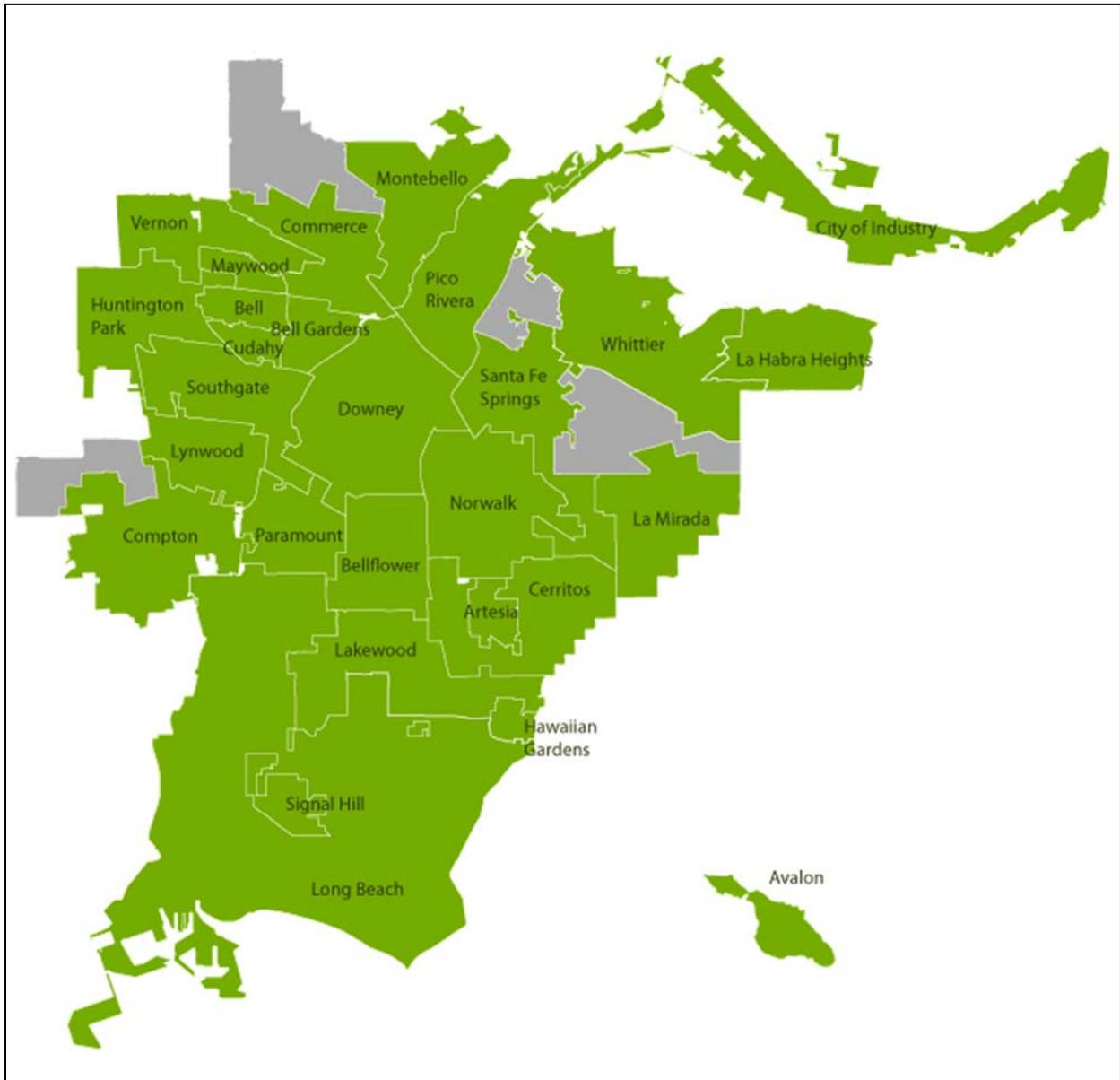
Most of the cities within the Gateway Cities Region have population under 100,000. However, Long Beach far exceeds other cities with well over 450,000 people. Additionally, an aggregate of approximately 336,000 people represent the nine unincorporated areas of the Gateway Cities Region.

### **Population Density**

*The Gateway Cities Region is denser than LA County and California.*

The Gateway Cities Region consists of approximately 244 square miles and is currently home to over two million people. These residents account for 20% of the County's population, but are living on only 6.02% of the County's land area. Collectively, the Gateway Cities Region's population density, with approximately 8,485 people per square mile in 2013, is well above the averages for both California and LA County (Exhibit 2). The Gateway Cities Region is approximately 4 times as dense as LA County and 43 times denser than California. However, density proportions range considerably across cities within the Gateway Cities Region. It ranges from 12.1 persons per square mile in Vernon to 23,382 persons per square mile in Maywood.

**EXHIBIT 1: Map of the Gateway Cities Region**



Source: Gateway Cities Council of Government, <http://www.gatewaycogsiteprospector.org/demographics.html>

**EXHIBIT 2: Population and Density**

<b>Geography</b>	<b>Population</b>	<b>Population Density</b> (persons per square mile)
Gateway Cities Region	2,072,711	8,485
Los Angeles County	9,893,481	2,438
California	37,659,181	242

Source: ACS 2013 5-Year Estimates

**Household Size**

*The Gateway Cities Region has larger household sizes than LA County and California.*

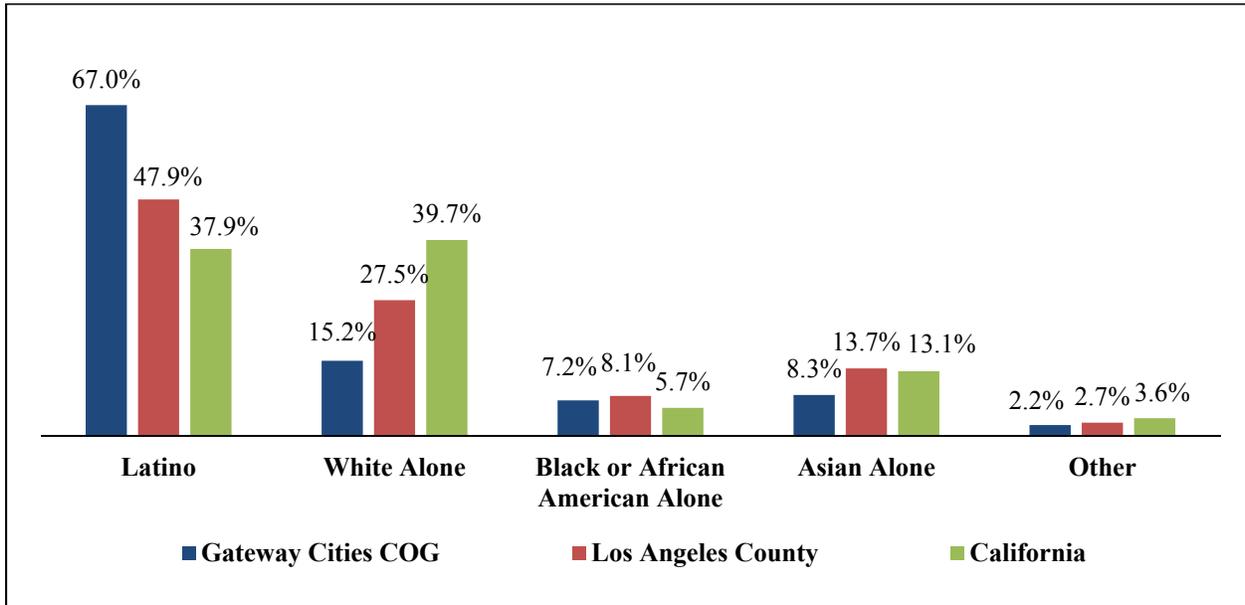
The Gateway Cities Region generally has a larger household size, 3.6 persons per household compared to LA County’s average of 3.0 and California’s average of 2.9 persons per household. Among the cities with the largest households are Lynwood and Maywood with 4.4 persons per household and Bell Gardens and Cudahy with 4.3 persons per household.

**Racial Profile**

*The Gateway Cities Region’s population is predominantly Hispanic.*

The population of the Gateway Cities Region is predominantly Hispanic (67.0%), which is significantly more than LA County’s at 47.9% and 37.9% for California’s (Exhibit 3). The population of Whites, Blacks and Asians in the Gateway Cities Region is 15.2%, 7.2% and 8.3%, respectively. The proportion of White, Blacks and Asians in the Region is lower than County and State levels.

**EXHIBIT 3: Ethnic and Racial Profile**



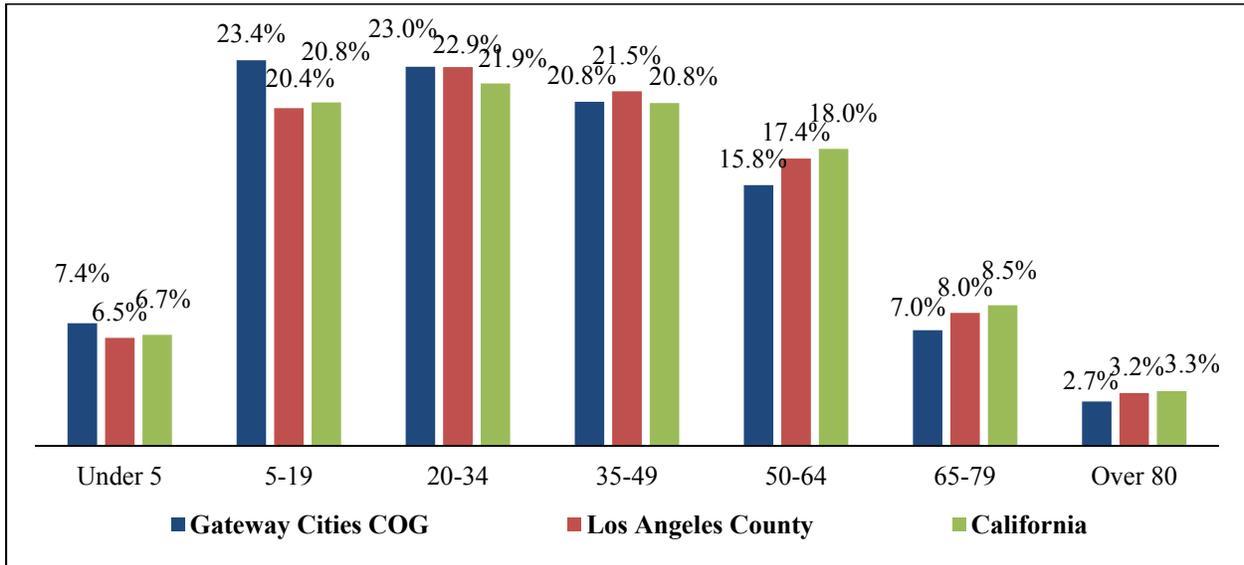
Source: ACS 2013 5-Year Estimates

**Age Distribution**

*The Gateway Cities Region has a relatively younger population than LA County and California.*

Approximately 31% of the Gateway Cities Region is made up of youth under 19 years of age compared to 27% for LA County and 28% for California. The Gateway Cities Region also has a lower proportion of senior citizens, 9.7% compared to 11.2% for the County and 11.8% for the State (Exhibit 4). The traditional working age population between 20 to 64 years represents nearly 60% of the total population in the Gateway Cities Region compared to 61% percent for the County and State. A lower share of seniors combined with a growing youth population portends well for the Gateway Cities Region in terms of reduced age dependency and a growing labor force. However, the success of this emerging labor force is contingent upon good health, education, and employment opportunities.

**EXHIBIT 4: Age Distribution**



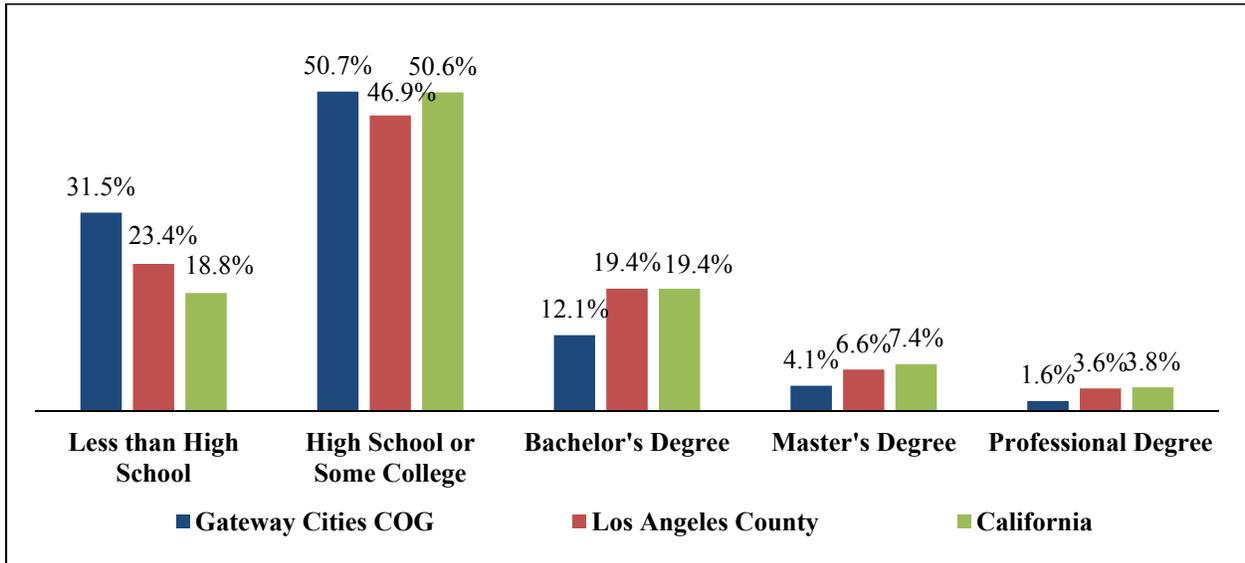
Source: ACS 2013 5-Year Estimates

**Educational Attainment**

*The Gateway Cities Region has lower educational attainment rates than LA County and California.*

Formal educational attainment is an important indicator of employment-related skills and predictor of lifetime earning potential. In the Gateway Cities Region, high school and college degree attainment is lower compared to its counterparts, LA County and California. Approximately one-third of the Gateway Cities population, 25 years and above, attained less than a high school education. Comparatively, 23.4% received less than a high school education in LA County and 18.8% in California (Exhibit 5). Less than one-fifth of the Gateway Cities Region’s population, 25 years and above, received a college degree (Bachelor, Master, or Professional Degree), significantly lower than 29.6% for LA County and 31.6% for California.

**EXHIBIT 5: Educational Attainment (population 25 years and older)**



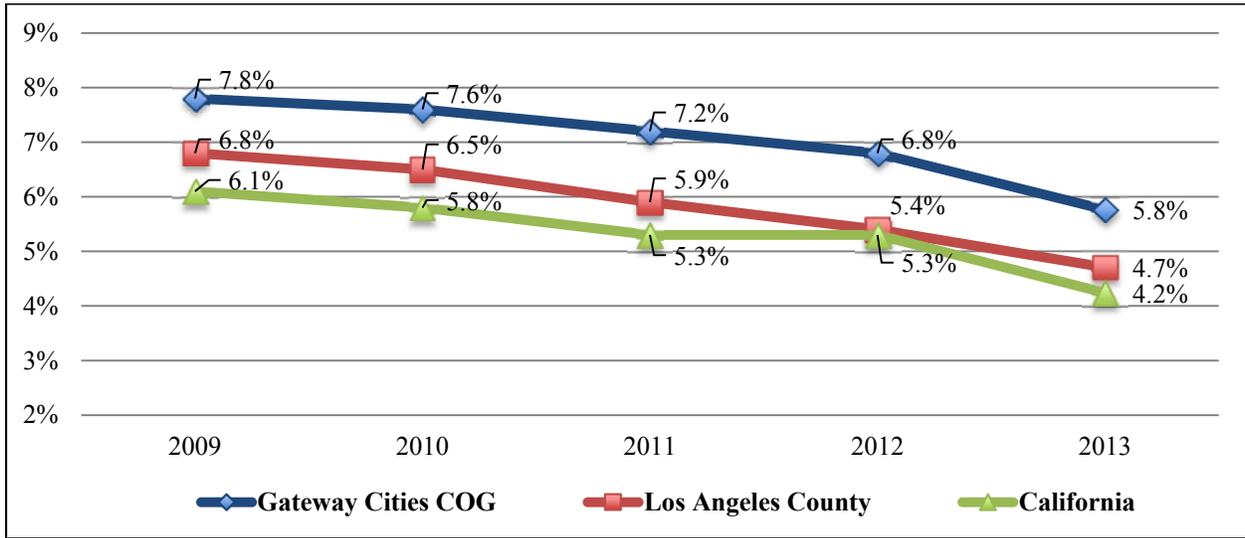
Source: ACS 2013 5-Year Estimates

*The Gateway Cities Region exhibits higher high school dropout rates than LA County and California.*

The high school dropout indicator measures the portion of school-aged population that is not enrolled in high school or were not high school graduates. Though they are declining every year, the Gateway Cities Region has had higher rates of high school dropouts from 2009 to 2013 than both LA County and California (Exhibit 6). Among the cities with the highest dropout rates are: Bell Gardens (11.4%), Bell and Maywood, 10.5% each (see Exhibit 7).

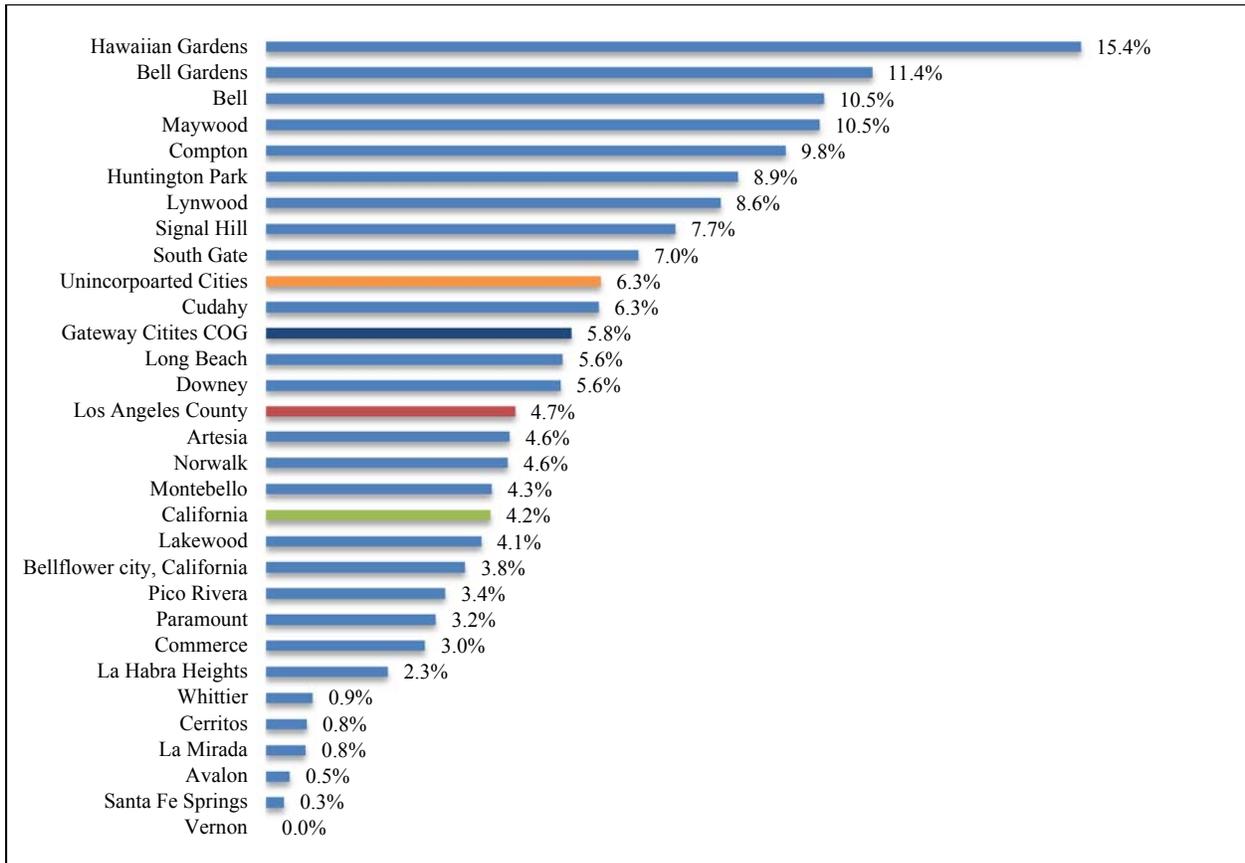
Educational attainment is traditionally regarded as a key to economic prosperity and it has been well established that there is a strong relationship between higher educational attainment, higher income, and higher economic productivity. We review indicators of income in the next section.

### EXHIBIT 6: High School Dropout Rate, 2009-2013



Source: ACS 2009 to 2013, 5-Year Estimates

### EXHIBIT 7: High School Dropout Rate, 2013



Source: ACS 2013 5-Year Estimates

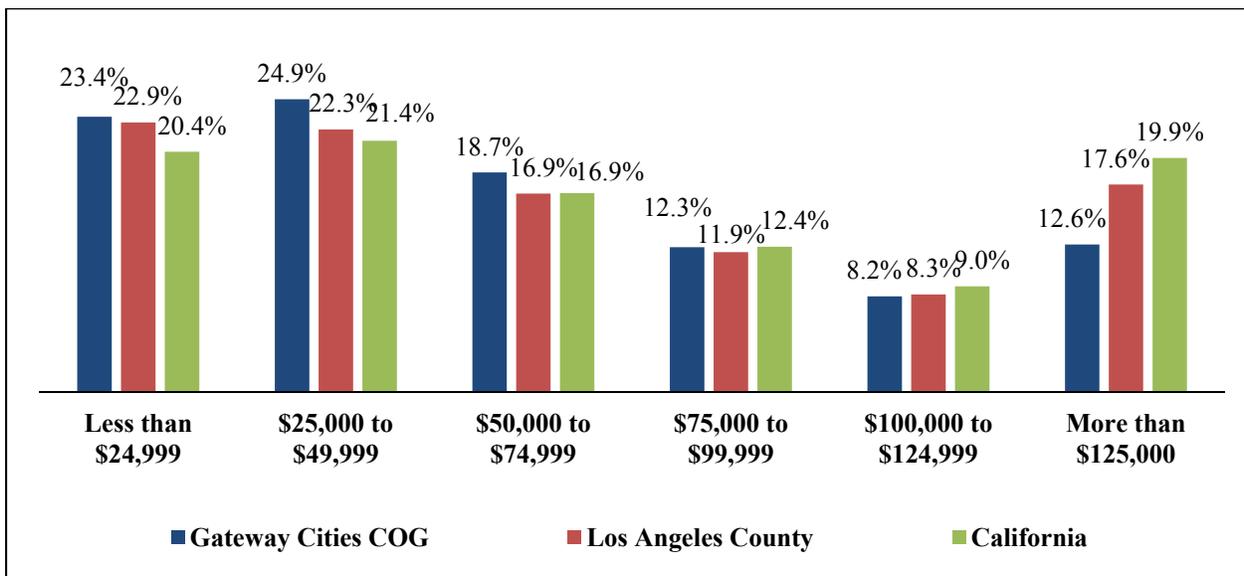
**Household Income**

*The Gateway Cities Region households earn less than LA County and State households.*

Household income is the total aggregate income for each household (includes all income generated by individuals over 15 years old). Exhibit 8 depicts the percent of households within each income category for the Gateway Cities Region, LA County, and California. The Gateway Cities Region has a higher percentage of low-income households compared to the County and the State. Almost 50% of the Gateway Cities Region population earned less than \$50,000 in household income, and about two-thirds of the Gateway Cities Region’s household incomes totaled less than \$75,000. Only 21% of the households earned more than \$100,000 in the Gateway Cities Region compared to 29% households in California.

In 2013, median household income for California was \$61,094 and \$55,909 for LA County. The Gateway Cities Region exhibits a wide range of household incomes from a low of \$32,188 in Vernon, \$35,985 in Bell to a high of \$89,594 in Cerritos, and \$118,871 in La Habra Heights. Twenty of the 27 cities in the Gateway Cities Region had their household income well below the state level. Clearly, there is a huge income disparity between the Gateway Cities Region and California.

**EXHIBIT 8: Household Income**



Source: ACS 2013 5-Year Estimates

The per capita income (PCI) is a key indicator of earnings and used by EDA to determine economic distress and area eligibility for federal funding. While we discuss area eligibility later in the document, it is important to point out that municipalities in the Gateway Cities Region exhibit PCI well below the national and state level. According to 2013 ACS, the national per capita income was \$28,155. Twenty of the 27-cities and unincorporated areas had PCI well

below the national average. It ranged from a low of \$11,632 in Bell Gardens to \$49,672 in La Habra Heights.

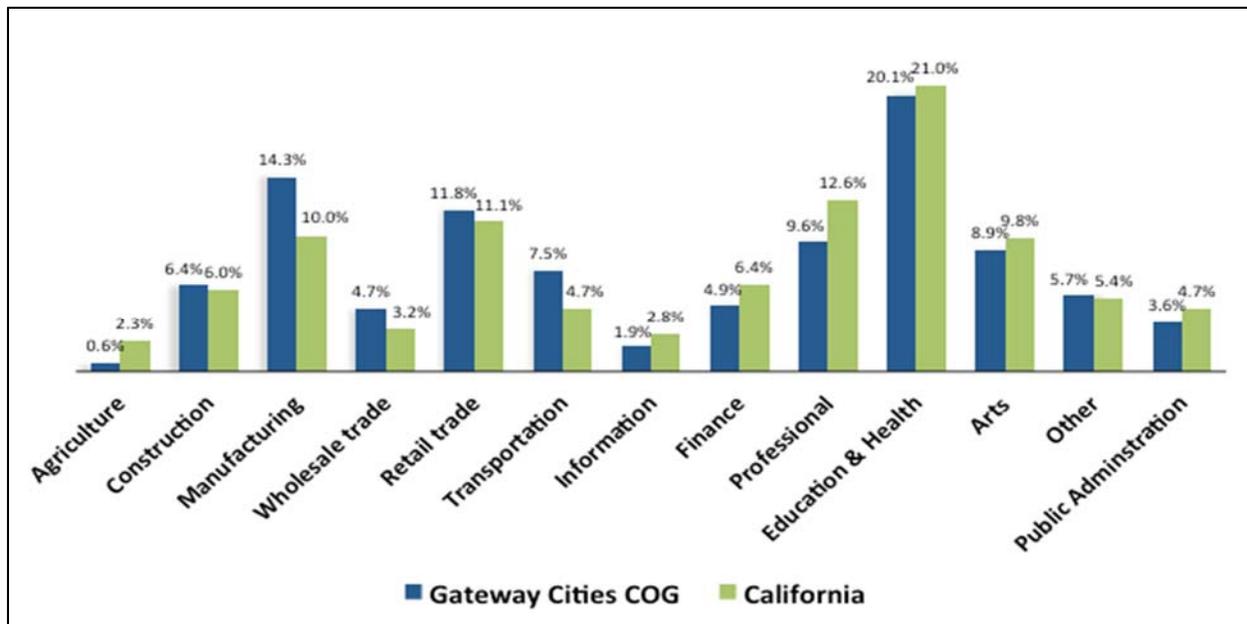
**Employment and Occupation Profile**

*Employment in the Gateway Cities is more blue collar than white collar compared to California.*

The Region’s labor force is employed in a mix of white collar, blue collar, and service sector occupations. More than half of the jobs are in service sector industries with education and health services accounting for one-fifth of all jobs (Exhibit 9). The other leading industry sectors of employment are manufacturing (14.3%), retail trade (11.8%), transportation (7.5%), construction (6.4%), and wholesale trade (4.7%). These blue collar jobs draw synergies from exports/imports at the Long Beach and Los Angeles Ports, state-of-the-art transportation and logistics infrastructure, and a base of manufacturing firms in the region.

The proportion of manufacturing, transportation, wholesale trade, retail trade, and construction jobs in the Region is higher than California. Conversely, employment in white collar jobs - information (1.9%), finance (4.9%), arts (8.9%), and professional services (9.6%) - is lower than statewide averages. The overall low educational attainment level in the Gateway Cities Region translates into lower proportion of white collar jobs that are critically needed to succeed in an increasingly information- and knowledge-dependent globalizing economy.

**EXHIBIT 9: Employment by Industry, 2013**

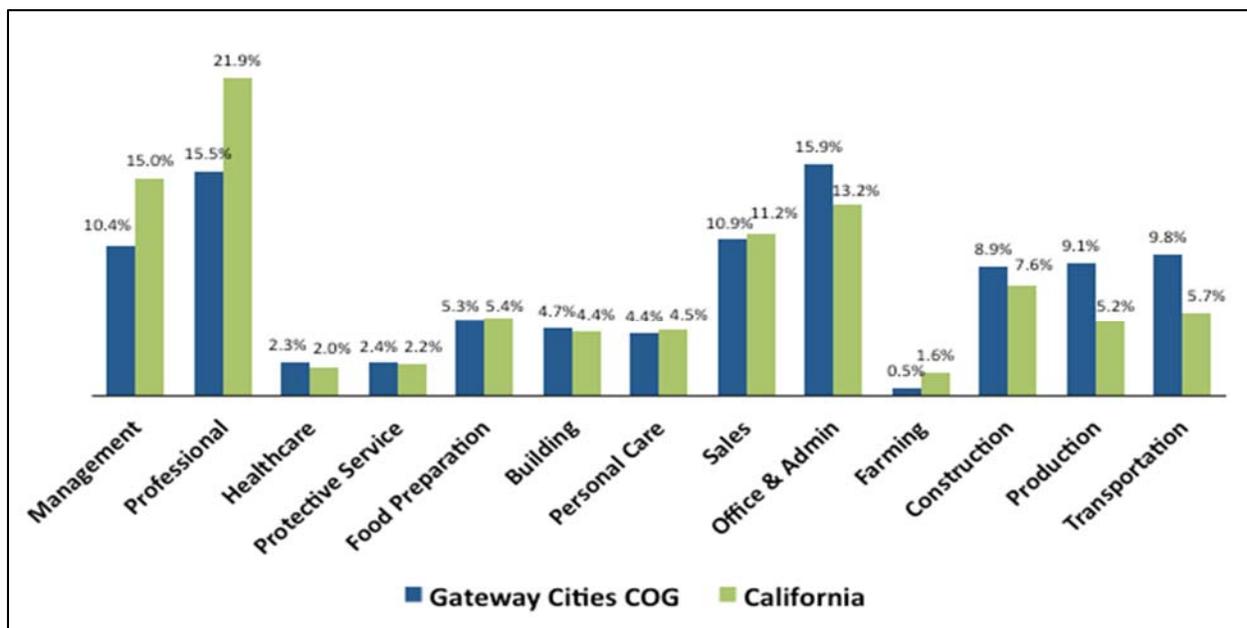


Source: ACS 2013 5-Year Estimates

The leading category of occupations in the Region are office and administration (15.9%) followed by professional (15.5%), sales (10.9%), management (10.4%), transportation (9.8%), production (9.1%), and construction (8.9%).

The proportion of people employed in construction, production, transportation, and office and administration occupations was higher in the Gateway Cities Region compared to the state (Exhibit 10). In contrast, the proportion of people employed in management and professional occupations was significantly lower than California. It appears that the low education attainment level, in general, might also contribute to proportionately fewer management and professional occupations compared to the state.

**EXHIBIT 10: Jobs by Occupations, 2013**



Source: ACS 2013 5-Year Estimates

**Location Quotient Analysis**

*The Gateway Cities Region has a higher concentration of employment in manufacturing, wholesale trade, and transportation industries and a lower concentration of employment in the information, finance, and professional industries than the State.*

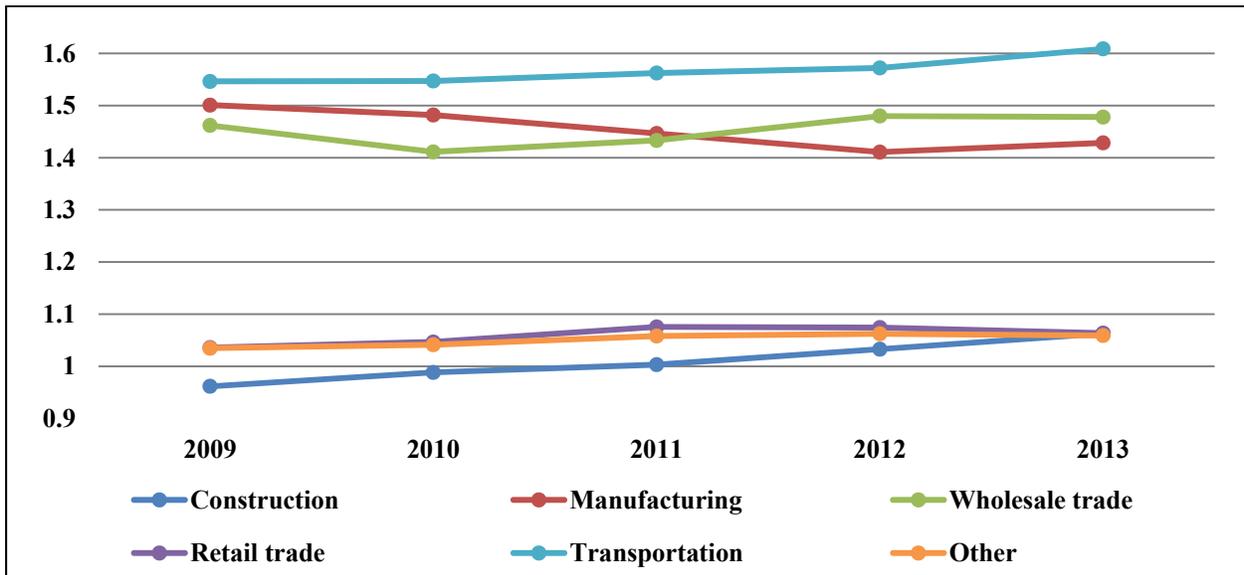
The location quotient is a technique to assess a region’s specialization in an industry. The industrial composition of a regional economy such as Gateway Cities Region can be better understood by comparing the regional industrial structure with the state or the nation as a whole rather than examining the regional economy in isolation.

Employment location quotient is the ratio of the percentage of local employment in a particular industry to the comparable percentage in a benchmark area such as county, state or the nation.

The location quotient is calculated by dividing the region’s percent or share of employment for a particular industry by that of the state. If the location quotient is one, employment is proportional. If it is greater than one, the region has a higher concentration of employment relative to the state and therefore the industry is potentially exporting; if it is less than one, employment is less concentrated and is therefore mainly serving local needs. The more the location quotient exceeds one, the greater the concentration relative to the benchmark economy. Relative competitive advantages, industry clustering, or educational attainment can account for the differences.

The Gateway Cities Region has a specialization in manufacturing, wholesale trade, and transportation industries with location quotients greater than 1.4 (Exhibit 11). This concentration is largely due to the historic and diversified manufacturing base, an export/import driven economy through the San Pedro ports, and workforce employed in the transportation and logistics industry. The location quotient trend shows employment concentration increasing in transportation and wholesale trade between 2009 and 2013, while manufacturing shows some decline. Construction, retail trade, and other industries exhibit a gradual increase though their location quotient is marginally higher than one.

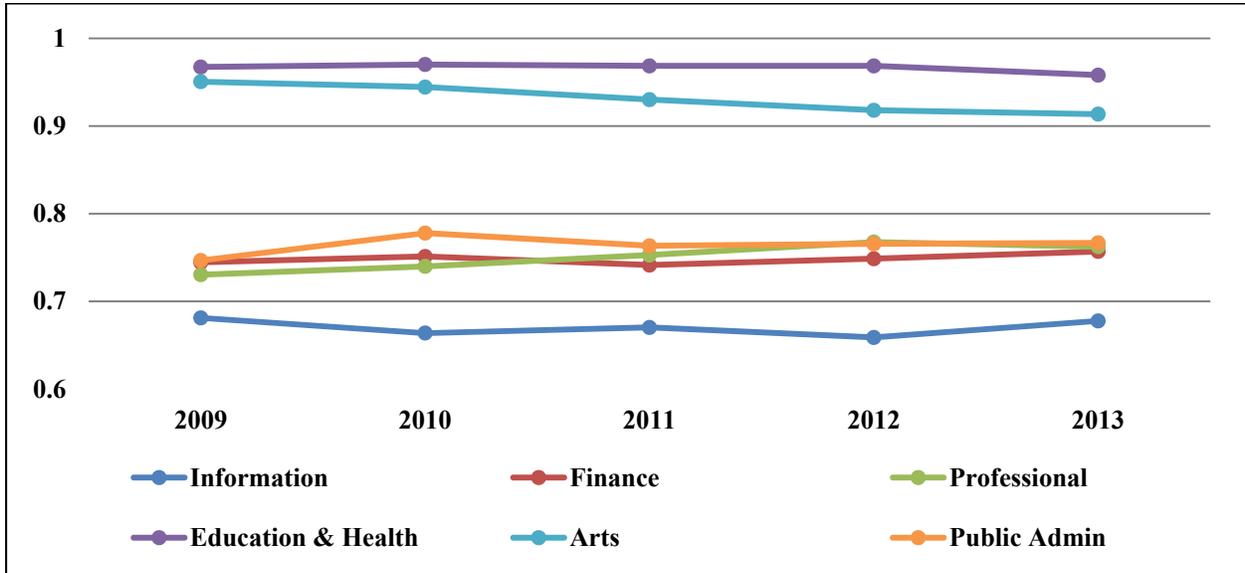
**EXHIBIT 11: Location Quotient - High Concentration Industries**



Source: ACS 2009-2013 5-Year Estimates

As shown in Exhibit 12, employment location quotient for the Gateway Cities Region was less than one for information, finance, professional, education and health, arts, and public administration. The high dropout rate combined with an overall low education attainment rate contributes to less concentration of employment in the information, finance, and professional services. Clearly, strategies must be developed to train and provide requisite skills to the emerging labor force and retool the existing labor force to participate in industries that are critical for success in the innovation based economy of 21<sup>st</sup> century.

**EXHIBIT 12: Location Quotient - Low Concentration Industries**



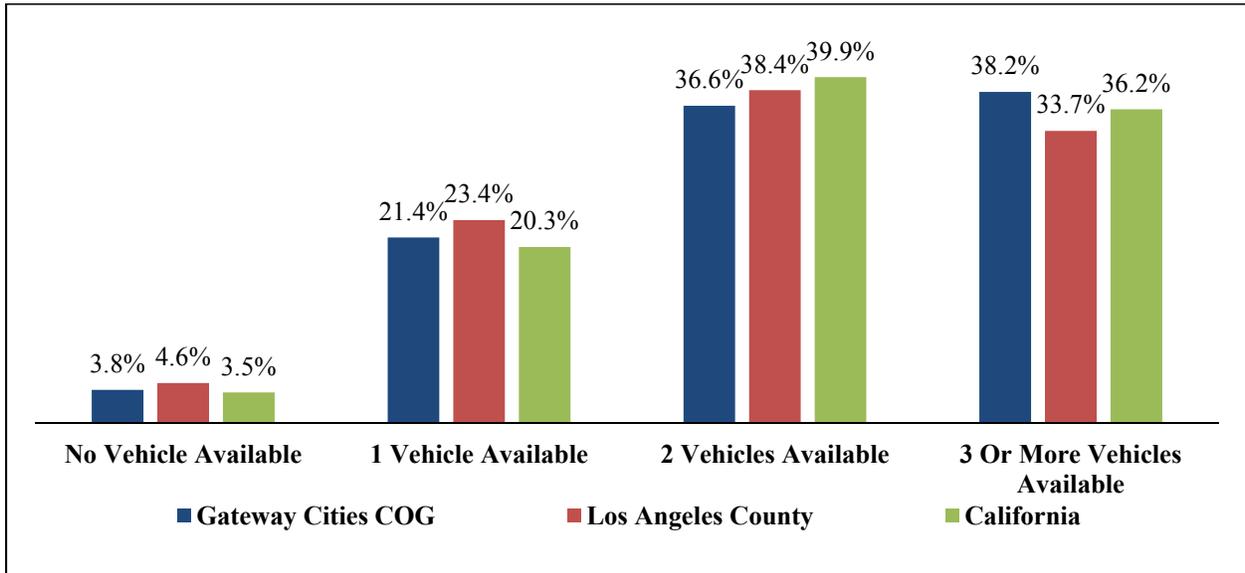
Source: ACS 2009-2013 5-Year Estimates

**Vehicle Availability and Means of Transportation**

*Gateway Cities Region workers drive to work more than workers in LA County and California.*

Fewer households in the Gateway Cities Region had no vehicle available when compared to the County. The proportion of households with one or two vehicles available in the Region is less than the County average. However, 38.2% of the households in the Region had three or more vehicles available, significantly higher than the County average of 33.7% (Exhibit 13). Although lower household incomes are strongly correlated with fewer vehicles per household, other factors such as the size of the household and transit availability affect vehicle ownership.

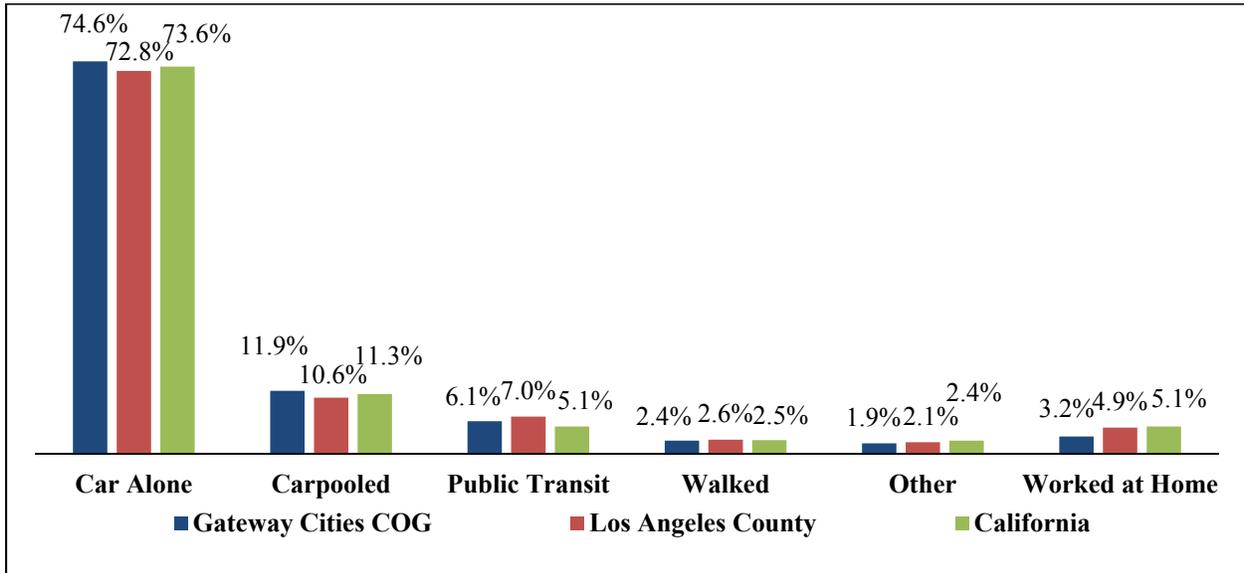
**EXHIBIT 13: Vehicle Availability**



Source: ACS 2013 5-Year Estimates

Commute to work pattern for the Region’s workers is different from the County. In 2013, approximately 87% of the working population over 16 years of age in the Gateway Cities Region reported to either driving alone or carpooling, compared to 83% in LA County and 85% in California (Exhibit 14). The proportion of workers taking public transportation to work was lower in the Gateway Cities Region, 6.1%, compared to 7.0% for the County. Similarly, the proportion of workers walking to work in the Region is lower than the County or the State. It is interesting to note that fewer people worked at home in the Gateway Cities Region compared to both the County and the State (5% each).

**EXHIBIT 14: Means of Transportation to Work**



Source: ACS 2013 5-Year Estimates

**Housing Tenure**

*There is a higher proportion of renter-occupied households in the Gateway Cities Region than the State.*

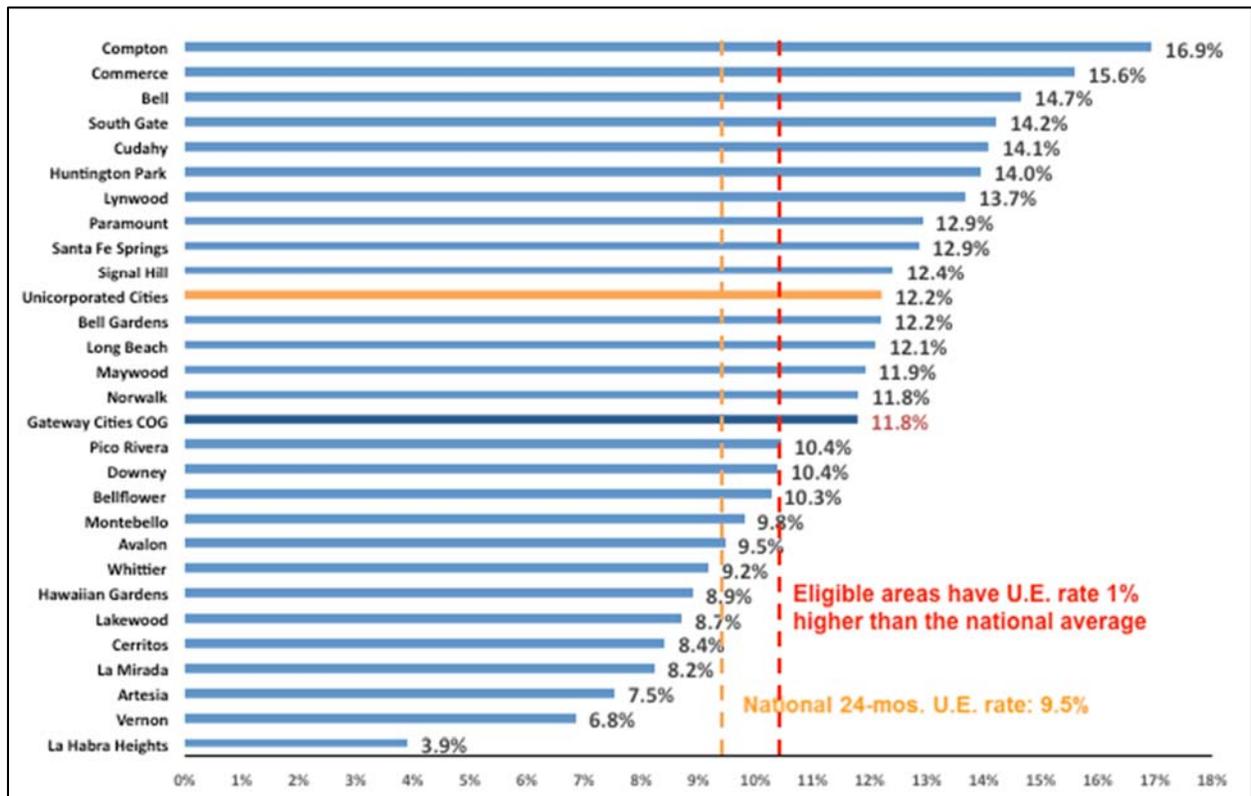
Housing tenure includes both owner occupied and renter occupied housing. There is a higher proportion of renter occupied households in the Gateway Cities Region, 51.8%, compared to 44.7% for the state. Fifteen of the 27 cities and unincorporated areas had more than 50% renter-occupied housing. However, there is a wide variation in the Region; Cudahy had 83.1% renter-occupied households compared to only 3.6% in La Habra Heights.

**EDA Eligibility**

Two basic factors define economic distress and eligibility of an area for EDA assistance—low per capita income and high unemployment. **The Gateway Cities Region is eligible for EDA funding based on both low per capita income and high unemployment rate criteria.**

**Unemployment Rate:** Eligible areas for the most recent 24-month period have an average unemployment rate at least one percentage point greater than the national average unemployment rate. According to the 2012 and 2013 ACS, the 24-month average unemployment rate for the nation was 9.5%. Areas with unemployment rate greater than 10.5%, i.e. one-percentage point more than 9.5% qualify for EDA assistance. The Gateway Cities Region had an unemployment rate of 11.8% making it eligible for EDA funding (Exhibit 15). Fourteen of the 27 cities and the unincorporated areas have unemployment rate above 10.5%.

**EXHIBIT 15: EDA Eligibility Based on Unemployment Rate**

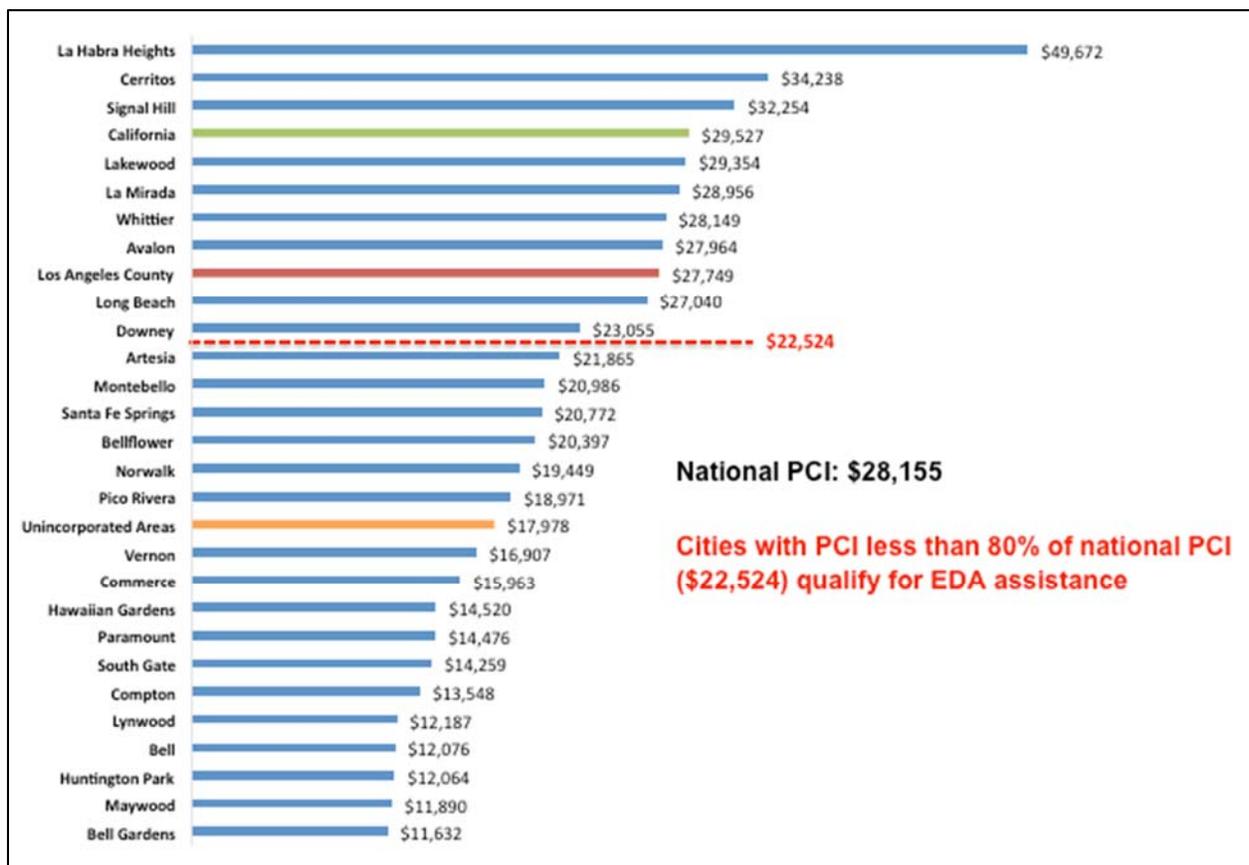


Source: ACS 2012-2013, 5-Year Estimates

**Per Capita Income (PCI):** To be determined eligible for EDA funding, an area must have PCI of 80% or less than the national average. We rely on 2013 ACS for determining area eligibility based on per capita income. According to the 2013 ACS, the national PCI was \$28,155. Thus the 80% or less criterion establishes a threshold of \$22,524 as the maximum PCI for an area to qualify for assistance from EDA. 17 cities and unincorporated county areas qualify for EDA assistance according to the PCI threshold (Exhibit 16).

Based on both per capita income and unemployment criteria, the Gateway Cities Region is eligible for EDA funding.

**EXHIBIT 16: EDA Eligibility Based on Per Capita Income**



Source: 2013 ACS, 5-Year Estimates

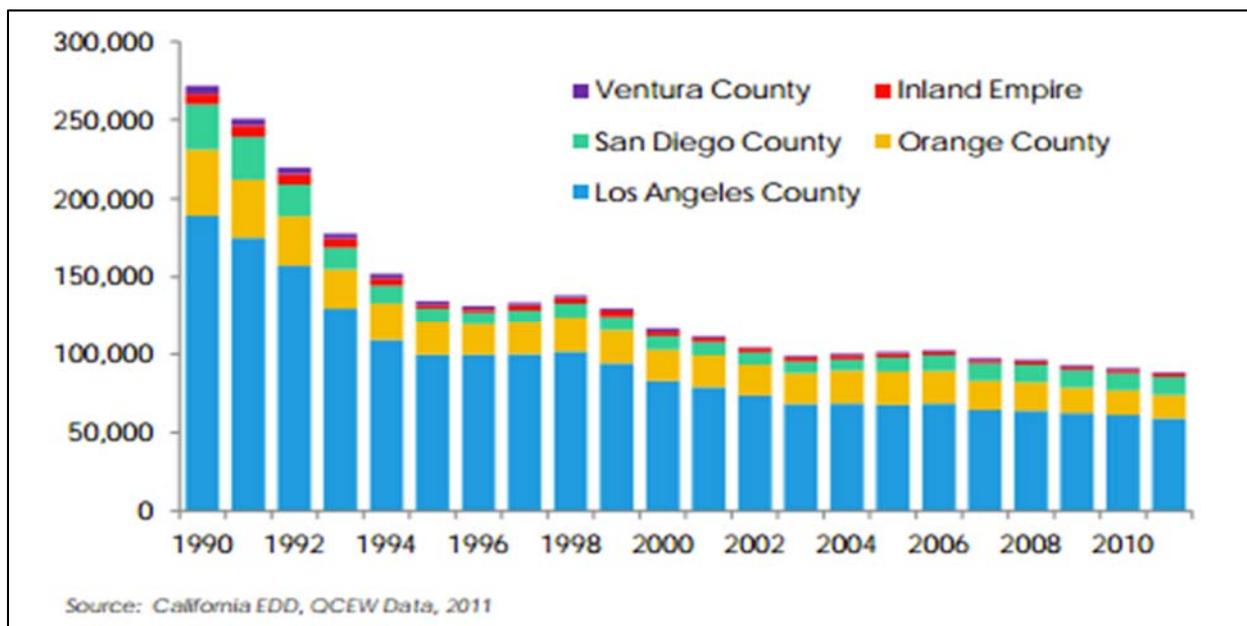
**Economic Development Assets & Resources**

***Aerospace Manufacturing and Trade***

Gateway Cities Region is home to a significant share of the aerospace and defense industry businesses. The aerospace industry is comprised of companies that manufacture aircraft (civil and military), missiles, satellites and other space vehicles and the companies that manufacture and distribute parts and components. Buyers of these products include private industry, the military and government space administrations. The aerospace industry is essential to the national and Southern California economies because it provides a significant number of high-skilled, high-paying jobs. Data published by the U.S. Department of Commerce show that U.S. aerospace manufacturers are internationally competitive accounting for the highest trade surplus of all U.S. manufacturing industries.

In 1933, all of the airplane factories in Southern California employed approximately 1,000 people combined. By November 1943, that number had risen to 280,300 workers. In 1987, California accounted for one in four aerospace jobs nationally, and in Los Angeles County, the share was one in ten. The aerospace industry employed nearly 272,000 workers in 1990, but had shed nearly 142,000 jobs—over half of its workforce—by 2000. While total U.S. aerospace employment declined by 40% between 1990 and 2000, California experienced an even steeper decline, losing 57% of its aerospace workforce. Following the attacks of September 11, military spending soared and aerospace firms with a defense component booked record profits. As Exhibit 17 demonstrates, over the last 20 years, Los Angeles County has seen its aerospace manufacturing workforce shrink by nearly two-thirds or by almost 130,000 jobs.

**EXHIBIT 17: Southern California Aerospace Employment**



Today, some final assembly of aircrafts still takes place in Southern California, notably the Northrop Grumman Global Hawk unmanned vehicle. However, the shutdown of Boeing C-17 Globemaster production facility located in Long Beach this year has resulted in the dislocation of as many as 3,000 defense workers.

Based on just this one industry sector, the value of California's aerospace shipments in 2010 was \$27.5 billion with a value-added component of \$19.4 billion or 9.8% of California's total gross product of \$1.9 trillion. Southern California's share was approximately \$22.1 billion with the value-added component equated to approximately \$15.6 billion or 8.8% of the state's total gross product in 2010. Boeing and Airbus reportedly have enough orders on their books to keep production lines humming through the next six to seven years. This is good news for the large number of subcontractors in Southern California who produce parts for these two giants of commercial aviation, especially as Boeing ramps up production of the 787 and 747-8 aircraft.

Additionally, global air traffic is expected to increase at an annual rate of 4.9% over the next 20 years, a considerably faster pace than global GDP growth projections.

Domestic purchases for military aircrafts are expected to decline in the coming years, but it is not yet clear how far defense spending will fall. The uncertainty is putting enormous pressure on the region's defense-related aerospace companies. Although exploration and research are important, the market for space vehicles will continue to be driven by demand for satellites and launch services in the near- to mid-term. Federal budget cuts will be the main challenge facing the region's space vehicle manufacturers.

Southern California's and Gateway Cities advantages to attract and maintain high-tech aerospace activities include availability of skilled labor, a rich infrastructure of test fields, universities and other educational and research centers, and the existence of a strong electronics industry. New market opportunities and improved industry efficiency are enhancing the state's ability to compete in the commercial space arena and commercial applications of defense products. California could strengthen the competitiveness of its aerospace industry and its ability to retain and attract aerospace jobs by creating more favorable business conditions for the industry.<sup>1</sup>

### ***Manufacturing***

With two-thirds of the State's manufacturing employment, Southern California employs more than 814,000 manufacturing workers, accounting for 8.6% of all employment. Considering the Gateway Cities Region's location quotient of 1.4 and 1.5 in manufacturing between 2009 and 2013, this industry is highly concentrated. Manufacturing in Southern California is very diverse; it accounts for low technology manufacturing industries in fashion and food to high technology manufacturing in aerospace parts and instrumentation, computer and electronic components, and medical devices. This diversity in manufacturing is a major strength and an opportunity for

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<sup>1</sup> Kyser Center for Economic Research. The Aerospace Industry in Southern California. Rep. Los Angeles Economic Development Corporation, Aug. 2012. Web.

growth, nevertheless the sector faces major challenges including and not limited to intense competition for outsourcing, a lack of pipeline of skilled workers, and high cost of doing business resulting from stringent environmental and permitting standards.<sup>2</sup>

### ***Port of Long Beach***

The Port of Long Beach is the second-busiest seaport in the nation with trade valued annually at more than \$140 billion. Each year, the Port handles more than 6.8 million 20-foot container units (TEUs). That is 2,000 vessel calls with approximately 82.3 million metric tons of cargo valued at \$180 billion. The Port's loaded containers account for approximately one-third of cargo moving through all California ports, a quarter moving through all West Coast ports, and nearly a fifth moving through all U.S. ports.

The Port accounts for approximately 30,000 jobs (about one in eight) in Long Beach, 316,000 jobs (or one in 22) in the five-county Southern California region, and 1.4 million jobs throughout the U.S. which are related to Long Beach generated trade. The Long Beach/Los Angeles ports collect more than \$5 billion in U.S. Customs revenues per year. About \$4.9 billion a year are generated in local, state and general federal taxes from Port-related trade. Annually, more than \$47 billion is made in direct and indirect business sales and \$14.5 billion in trade-related wages.

East Asian trade accounts for more than 90% of the shipments through the Port. Top trading partners by tonnage are: China, South Korea, Japan, Hong Kong, Taiwan, Vietnam, Iraq, Australia, Ecuador and Indonesia. Top imports include crude oil, electronics, plastics, furniture, and clothing. Top exports include petroleum coke, petroleum bulk, chemicals, waste paper, and foods.<sup>3</sup>

### ***Alameda Corridor***

The Alameda Corridor is a 20-mile-long rail cargo expressway linking the ports of Long Beach and Los Angeles to the transcontinental rail network near downtown Los Angeles. The Corridor has helped to reduce traffic congestion, truck trips, air emissions and delays at railroad crossings. Additionally, the Alameda Corridor has improved safety for motorists on the road by focusing rail traffic on one line.<sup>4</sup> Located within the Alameda Corridor are Interstates 710, 10, and 60 freeways, which are the direct paths of travel for the container trucks from the Ports to the rest of the nation. Other major infrastructure include the Burlington Northern Santa Fe's (BNSF) rail yard located in the City of Vernon; the Union Pacific Railroad which switches cars in the City of Commerce; the intermodal transfer facility in Long Beach, Boeing; and the Long Beach Airport also located in the City of Long Beach.

Between 2010 and 2035, total goods movement by most modes (truck, railroad, ship,) is forecasted to grow in the Southern California region. During the same period, cargo volume is

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<sup>2</sup> Institute for Applied Economics. California's Manufacturing Industries: Employment and Competitiveness in the 21<sup>st</sup> Century. Rep. Los Angeles Economic Development Corporation, June 2014. Web.

<sup>3</sup> "Facts at a Glance." Port of Long Beach. Port of Long Beach, Web. Mar. 2015.

<sup>4</sup> "FAQ." ACTA. Alameda Corridor Transportation Authority, 2015. Web.

expected to triple reaching 43 million containers and truck volumes will increase along major corridors, in some cases double from 2008 baselines.<sup>5</sup>

Presently, the 710 is undergoing a pavement rehabilitation project.<sup>6</sup> Additionally, the 605, the 405 and the 91 are being analyzed for alternatives to mitigate congestion hot spots. Improvement projects could include more general purpose lanes, intersection enhancements, and ramp configurations.<sup>7</sup> Future projects along the Alameda Corridor include railway, freeway, and air transportation facility improvements. Projects include: West Thenard Track Connection Phase 2, SR-47 Expressway, and Cerritos Channel Rail Bridge.<sup>8</sup>

### ***Los Angeles International Airport and John Wayne Airport***

The Los Angeles International Airport (LAX) and John Wayne Airport (SNA) are the two international airports that serve the Gateway Cities Region. LAX is the second busiest airport in the United States and fifth busiest in the world.<sup>9</sup> It handles both air passengers and a sizable percent of the Region's air cargo. By 2035, LAX is projected to accommodate 78.9 million passengers and 3,647 thousand tons of cargo. The John Wayne Airport also handles both air passengers and cargo and is projected to accommodate 10.8 million passengers and 46,000 tons of cargo by 2035.<sup>10</sup>

### ***Long Beach Airport***

Long Beach Airport is located in the Gateway Cities Region is a source of regional jobs and generates billions of dollars for the regional economy. Currently, the airport is under capacity constraints agreements which inhibit its ability to expand to meet future demands. However, these agreements will expire in the 2015-2020 period and the decision about future constraints will influence the airport's capacity and forecasts. Conservatively, Long Beach Airport is projected to serve 4.2 million passengers and handle 94,000 tons of cargo by 2035.<sup>11</sup>

### ***High Speed Rail***

The California High Speed Rail Authority has partnered with numerous regional stakeholders including the Gateway Cities COG for the implementation of the California high speed rail. This rail will connect the state through a North-South rail line, more specifically the San Francisco area to the Los Angeles Basin in its initial phase. In connecting the state, this rail line will create jobs, generate economic development and lead to investments in regional and local rail lines.<sup>12</sup>

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<sup>5</sup> Regional Transportation Plan 2012-2035. Rep. Southern California Association of Governments, Apr. 2012. Web.

<sup>6</sup> "Long Beach Freeway (Interstate 710) Pavement Rehabilitation Project." California Department of Transportation. State of California, 2007. Web.

<sup>7</sup> "I-605 Congestion Hot Spots Project." METRO. METRO, 2015. Web.

<sup>8</sup> USC Metrans Transportation Center and USC Keston Institute for Infrastructure. The Alameda Corridor: A White Paper. Rep. USC Davidson Conference Center, Feb. 2014. Web.

<sup>9</sup> "About LA International Airport." Welcome to LAX. Los Angeles World Airports, 2015. Web.

<sup>10</sup> Regional Transportation Plan 2012-2035. Rep. Southern California Association of Governments, Apr. 2012. Web.

<sup>11</sup> Regional Transportation Plan 2012-2035. Rep. Southern California Association of Governments, Apr. 2012. Web.

<sup>12</sup> "Investing in the Future." Gateway Cities COG Property Site Selector. Gateway Cities, 2013.

## **Quality of Life**

Quality of life represents all the features of the shared environment that contribute to people's satisfaction about where they live. Features evaluated here are health profiles, a measure of health outcomes and behavior; air quality, a measure of environmental quality; and opportunities for higher education.

### *Health Profile*

The Gateway Cities Region makes up a large section of Service Planning Area (SPA) 7 which is also known as the East Los Angeles region. According to the California Health Interview Survey, 2012-13, SPA 7 has less access and utilization of health care services. Roughly one-fifth of the population has no usual source of care compared to 16.8% for California. Additionally, SPA 7 has a higher proportion of uninsured and population dependent on Medi-Cal and a lower proportion of people with job-based health care than California.

Some SPA 7 behaviors reported include lower proportions of regular walking in the past week, smoking, and binge drinking. Populations in SPA 7 also had a higher proportion of people consuming one or more sodas a day. Additionally, SPA 7 has poorer health outcomes than California. About a quarter reported having fair or poor health compared to 19.6% for California. There were also higher proportions of people diagnosed with diabetes, obesity, high blood pressure, and asthma than the State. Food insecurity and Limited English proficiency were also significantly higher in SPA 7 than California.<sup>13</sup>

The Gateway Cities Region is home to more than 100 medical facilities that cater to people and pets. Among the facilities are: several Memorial Care Health System Hospitals; several Kaiser Permanente Hospitals; the Veterans Affairs Long Beach Healthcare System; and numerous VCA Animal hospitals. The Region is also in proximity to facilities such as City of Hope National Medical Center-Comprehensive Cancer Center in Duarte; and Cedars Sinai Medical Center and Ronald Reagan UCLA Medical Center in Los Angeles. The medical industry is a key industry in the Gateway Cities Region and only expected to grow as the population increases and working age individuals enter the workforce. Additionally, due to the implementation of the Affordable Health Care Act, the Region can expect to see job growth in healthcare and healthcare support occupations.<sup>14</sup>

### *Air Quality*

The Gateway Cities Region's dominant manufacturing and transportation infrastructure results in harmful emissions which have the potential to cause cancer and pose other non-cancer chronic and acute health risks. Historically, the Gateway Cities Region has suffered from poor air quality. Several initiatives have been put in place to mitigate pollution and reduce health risks according to the Gateway Cities Air Quality and Health Risk Assessment, Final Report 2013.

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<sup>13</sup> California Health Interview Survey, 2012-2013 Health Profiles-SPA 7: East Los Angeles. Rep. N.p.: UCLA Center for Health Policy Research, n.d. Print.

<sup>14</sup> "Medical Facilities and Healthcare." Gateway Cities COG Property Site Selector. Gateway Cities, 2013.

The report states that most of the Gateway Cities Region will be within attainment of the National Ambient Air Quality Standards (NAAQS) in all emission pollutants by 2035. This can be attributed to diesel vehicle emission reduction programs and the I-710 zero emission freight corridor initiatives. As a result, the average lifetime cancer risk is expected to decrease by 68%, and the non-cancer acute sensitivity risk is expected to decrease for the entire Gateway Cities Region. The remaining risks will be borne disproportionately by working-class minority populations living in close proximity to freeway interchanges and/or manufacturing establishments.<sup>15</sup>

### ***Opportunities for Higher Education***

The Gateway Cities Region hosts a variety of higher education institutions that support undergraduate, graduate, technical education and training opportunities. The Region has numerous universities that contribute to bachelor through doctoral education in a variety of academic and professional areas: Biola University in La Mirada; California State University, Los Angeles; California State University, Long Beach in the City of Long Beach; the Southern California University of Health Sciences in Whittier; and Whittier College.

The Gateway Cities Region also hosts several community colleges which support technical training and transitional education: Cerritos College; El Camino College Compton Center; East Los Angeles College; Long Beach City College; and Rio Hondo College.

### **Occupational Outlook**

The economy of the Gateway Cities Region is intimately tied with LA County with the Region home to one-fifth of LA County's population. The 2012-2022 Occupational Employment Projections by the California Employment Development Department forecast job growth in diverse industry sectors for Los Angeles County. Employment in LA County is projected to increase from 4,322,900 in 2012 to 4,876,600 in 2022, an increase of 12.8% or 553,700 jobs.<sup>16</sup> Assuming a fair share of jobs for the Gateway Cities Region, consistent with the population share, the Gateway Cities Region should get one-fifth or 110,740 of LA County jobs.

Exhibit 18 shows LA County and the Region's fair share occupational outlook for three key industries: healthcare, manufacturing, and logistics. In addition, we identify top three occupations and their projected growth within each industry sector. Assuming the fair share principle, the Region can expect an increase of more than 11,000 jobs in the healthcare industry by 2022. In manufacturing, more than 700 jobs will be added to the A&E industry while the production industry as a whole will decrease by more than 3,000 jobs. Lastly, logistics industry is projected to increase by more than 6,000 jobs.

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<sup>15</sup> ICF International. The Gateway Cities Air Quality Action Plan Air Quality and Health Risk Assessment Final Report. Rep. N.p.: Gateway Cities Council of Governments Los Angeles County Metropolitan Transportation Authority (Metro), 2013. Print.

<sup>16</sup> 2012-2022 Occupational Employment Projections for Los Angeles County, California Employment Development Department, Labor Market Information Division, Dec. 2014.

**Exhibit 18: 2012-2022 Gateway Cities Region Occupational Outlook**

	<b>Los Angeles County Projected Employment</b> (numeric change 2012-2022)	<b>Gateway Cities Region Projected Employment*</b> (*fair share defined as 20% of LA County job projections)
<b>HEALTHCARE</b>		
<b>Healthcare Practitioners and Technical Occupations</b>	<b>35,540</b>	<b>7,108</b>
• Health Diagnosing and Treating Practitioners	18,560	3,712
• Health Technologists and Technicians	16,230	3,246
• Registered Nurses	9,730	1,946
<b>Healthcare Support Occupations</b>	<b>19,530</b>	<b>3,906</b>
• Nursing, Psychiatric, and Home Health Aides	10,440	2,088
• Other Healthcare Support Occupations	8,130	1,626
• Nursing Assistants	5,930	1,186
<b>MANUFACTURING</b>		
<b>Architecture and Engineering Occupations</b>	<b>3,580</b>	<b>716</b>
• Engineers	2,550	510
• Civil Engineers	1,300	260
• Architects, Surveyors, and Cartographers	880	176
<b>Production</b>	<b>-16,170</b>	<b>-3,234</b>
• Food Processing Workers	2,080	416
• Butchers and Meat Cutters	870	174
• Laundry and Dry-Cleaning Workers	730	146
<b>LOGISTICS</b>		
<b>Transportation and Material Moving Occupations</b>	<b>34,440</b>	<b>6,888</b>
• Material Moving Workers	18,510	3,702
• Laborers and Freight, Stock, and Material Movers, Hand	11,790	2,358
• Motor Vehicle Operators	10,870	2,174

Source: 2012-2022 Occupational Employment Projections for Los Angeles County, California Employment Development Department, Labor Market Information Division, Dec. 2014.

Note: We have identified only top three occupations with the highest projected job growth within the industry cluster. Hence, figures do not add up.

## **STRENGTH, WEAKNESS, OPPORTUNITY & THREAT ANALYSIS**

The EDA Comprehensive Economic Development Strategy Guidelines outline that a Strength Weakness, Opportunity and Threat (SWOT) Analysis must be completed to comprehensively understand the region. To analyze the strengths, weaknesses, opportunities and threats, the USC Center for Economic Development in partnership with the GCCOG Economic Development Strategy Committee conducted focus groups in the following key areas: Education and Workforce Development, Transportation, Medical/Healthcare, Manufacturing, and Logistics and Trade. Five cities within the Region hosted the meetings and invited government officials, industry representatives, and other key stakeholders.

**The following is a summary of the SWOT analyses for the Gateway Cities Region:**

### *Strengths*

1. **PRIME LOCATION** - Located in Southern California - Southeastern Los Angeles County - the Region is quite literally the gateway to the rest of the United States for the Pacific Rim, East Asia, and Central and South America.
2. **MARKET ACCESS** - Because of its strategic location, the Region has access to both domestic and international markets, and many key industries are able to partake in international trade.
3. **HISTORIC INDUSTRIES** – Gateway Cities has historically been a base for manufacturing, wholesale trade, transportation, warehousing and utilities and it continues to have a competitive advantage in these industries.
4. **ESTABLISHED RESOURCES** – Gateway Cities is served by three Workforce Development Boards: LA County, SELACO, and Pacific Gateway, which support the development of career pathways through training, employment and skills development in the Region.
5. **EXISTING INFRASTRUCTURE** – The existing infrastructure is robust in the form of ports, airports, freeways, freight corridors, and industrial land making it easier for business to establish a base for operation in the area.
6. **ETHNICALLY DIVERSE** – The ethnic diversity of Gateway Cities Region is an asset. Hispanics constitute the largest share of this ethnic mix. The ethnic diversity creates opportunities to tap domestic and international markets for goods, products, and services.
7. **YOUNG POPULATION** - The Region has younger population than LA County and California and comparatively lower proportion of seniors. Foreseeably, there is a growing labor force and less burden for senior citizen services.
8. **HIGH DENSITY** – The Gateway Cities Region has higher population density compared to the County and State. Even though the median household income is lower for the Region compared to the County and State, the higher density translates into large aggregate income for the region – a good predictor of economic vitality – that makes the Region attractive for new investments.

### *Weaknesses*

1. **POLITICAL FRAGMENTATION** – One of the major challenges in the Gateway Cities Region is political fragmentation; it is an amalgamation of 27-cities and unincorporated

areas of Southeast Los Angeles County. These jurisdictions compete with each other for scarce resources with a focus on improving their own municipality. While they seek efficiency and effective results for their individual municipality, often by not working together it can lead to suboptimal regional outcomes.

2. **LOW EDUCATIONAL ATTAINMENT** - The Gateway Cities Region has low educational attainment levels, roughly one-third of the population has less than a high school education and less than 20% have college or professional degrees. The labor force, although large, is relatively less educated and is employed in low-skilled and low-paying jobs. Lower paying jobs imply lower disposable income levels for the households. This not only affects the living standards of the labor force, but also prevents higher end retailers or service providers from locating in the area. Low student academic performance and degree completion levels creates a labor force that is unprepared for the job market, less competitive in the global market, and limited to low-skilled and low-paying jobs. Such an environment inhibits new business investment in industries that require higher-skills and higher-paying jobs. Consequently, there is a high concentration of poverty and unemployment that creates poor living conditions and stress on local social services.
3. **LAG IN WHITE COLLAR JOBS** - Low education attainment levels have led to proportionally fewer white collar jobs—professional, information technology, and management jobs—in the Gateway Cities Region compared to the County and State. White collar jobs are critical to succeeding in an increasingly knowledge-dependent and globalizing economy.
4. **LOW INCOME LEVELS** – The low educational attainment level combined with disproportionately higher service sector jobs that typically earn significantly lower than white collar jobs leads to lower household income levels. About 70% of the population makes under \$75,000 in the Gateway Cities Region with nearly one-quarter earning less than \$25,000.
5. **BROWNFIELDS** – As a historic center for manufacturing in Southeast Los Angeles County, the Gateway Cities Region has a legacy of dysfunctional land use in the form of brownfield sites. These brownfield sites present infill development opportunities as the Gateway Cities Region is substantially built-out.
6. **LIMITED PUBLIC TRANSIT** – Public transit ridership is low in the Gateway Cities Region. Service is limited and the existing system does not adequately serve the transit dependent population. Transit infrastructure must be expanded to address the diverse needs of a growing workforce and aging population.
7. **LACK OF DESIGN COHERENCE** – The image of Gateway Cities Region does not present a coherent image and many communities within the region lack legibility and a sense of identity which might impede attracting new businesses and investments.

### *Opportunities*

1. **MAXIMIZE INTERNATIONAL TRADE** – International trade is a major driver of economic development in the Gateway Cities Region. The region should continue to build on its strengths of exports/imports and diversify its products and export markets.
2. **SUPPORT EMERGING INDUSTRIES** – The Gateway Cities Region has a competitive advantage in key industries including manufacturing, aerospace and defense, wholesale trade, and transportation. In order to maintain its competitiveness, the Region must

strengthen existing industrial base and its supply chain, and support emerging industries such as advance manufacturing, precision machining, and 3-D printing through investments in infrastructure, R&D, workforce training, and creating a business climate that is conducive to innovation. The historical affiliation with manufacturing and a good infrastructure base are sustainable through the region's well-developed multi-modal transportation system consisting of freeways, airports, and railways which support the demand to move goods and people quickly and efficiently. It should be noted, however, that the state of infrastructure (hard and soft infrastructure improvements) is currently deficient in the Region and only through strategic and comprehensive investments to upgrade, improve, and modernize this existing public infrastructure will this "historical affiliation" be sustained.

3. **ENTREPRENEURSHIP** – Small business is the backbone of Los Angeles County economy. The Region's ethnic mix and diversity and links to its diaspora opens up markets for goods and services at home and abroad. The Gateway Cities Region has an opportunity to assist entrepreneurs enter the market place and help expand small and medium sized businesses.
4. **HUMAN CAPITAL** - Within the Gateway Cities Region is a large and growing labor force available to support industrial, business, and economic growth. The region's large and growing population base and density equate to significant collective purchasing power and business opportunities for a variety of goods and services. Great numbers of small businesses in the region compete based on innovation, quality, and ideas. It is imperative that the Gateway Cities Region develop a skilled and trained labor force to take advantage of the new jobs and business opportunities of the 21st century.
5. **LINK LAND USE AND TRANSIT** – The Gateway Cities Region is served by a variety of public transit including Metro, Metro RAPID, Metrolink, and Amtrak service. In spite of the transportation service, there remains a weak connection between the existing land use and transit as evidenced by low transit ridership. The land use transportation connection can be strengthened by integrating moderate to higher density mixed use developments at transit nodes along commercial corridors. City policies can provide density bonuses in transit rich areas. These policies can reduce overall development costs and stimulate new development. While land assembly can be challenging especially in built out communities, mechanisms such as transfer of development rights and location efficient mortgages can be explored to jump start development in transit dependent communities. Such a strategy of transit-oriented development (TOD) or transit-corridor development (TCD) can reduce jobs-housing imbalance, alleviate congestion on the arterials, reduce pollution, and promote a pedestrian friendly environment. Moreover, adding density on the corridors is politically expedient and less likely to be the subject of "Not-In-My-Back-Yard" (NIMBY) sentiment. The redevelopment of underutilized commercial corridors in the Gateway Cities Region with diverse uses, both commercial and residential, is a genuine opportunity for long-term economic revitalization.
6. **ECONOMIC DEVELOPMENT NETWORK**: The Gateway Cities Region has many stakeholders involved in community and economic development. Some of these stakeholders have a history of collaboration, while others represent opportunities for future cooperation in economic development efforts. Several key stakeholders are discussed below; however, this list is in no way inclusive of the many organizations that are making a difference throughout the region.

- **Public Sector:** Public sector partners include federal, state, and local government agencies that play a major role in financing programs and legislating policies that affect economic development. These agencies include and are not limited to the U.S. Department of Commerce, Economic Development Administration, U.S. Department of Housing and Urban Development, U.S. Department of Transportation, Environmental Protection Agency, and the Small Business Administration. They can aid by introducing legislation, and tax abatements and incentives that create a healthy environment for businesses and residents.
- **Private Sector (both for-profit and non-profit):** Many private sector organizations, both for-profit and non-profit, are involved in a wide range of economic activities in the region. Their activities range from planning to financing and implementation of economic development programs and projects. Key partners include churches, neighborhood groups, utility companies, educational institutions, chambers of commerce, private sector development organizations, non-profit organizations, banks, and real estate developers.
- **Public-Private Partnerships (PPPs):** Innovative public-private partnerships are a key to local economic development. Cities can play a major role in fostering partnerships with private developers to stimulate development in economically distressed areas. The PPPs can be instrumental in leveraging private investments, facilitating public infrastructure improvements, and developing catalytic projects that revitalize redevelopment project areas. Another form of public-private partnership is the CEDS Economic Development Strategy Committee for the Gateway Cities Region. The primary objective in forming the committee was to begin a process for developing economic development strategies representing the diverse interests and objectives of public and private stakeholders in the region. The CEDS Committee is comprised of a mix of officials from local government, businesspersons, the SELACO and LA County Workforce Boards, community development corporation leaders, and private sector representatives.

### *Threats*

1. **GROWING INEQUITIES** – There is a growing gap between the rich and the poor in the region. The recent Great Recession exacerbated these conditions with many minority communities, especially Black and Latino, exhibiting chronic poverty and high unemployment rates. The growing divide between the have and the have-nots does not bode well for the region and can manifest spatially through ghettoization and can lead to civic disengagement and disillusionment.
2. **HEALTH RISKS** – Historically, the Gateway Cities Region has suffered from poor air quality due to “old” manufacturing and proximity to transportation corridors such as the 710, 91, and 605 freeways which have intensified use due to goods movement. These factors have the potential to cause cancer and other non-cancer chronic and acute health risks. Several initiatives are currently underway to mitigate pollution and reduce health risks to bring the Region within attainment of NAAQS in all emission pollutants by 2035.
3. **HOMELESSNESS** – Rising housing costs, uneven economic recovery, gentrification, and reduced spending on affordable housing has fueled homelessness. There were 44,359 individuals homeless in Los Angeles County according to the homeless census

conducted by the Los Angeles Homeless Services Authority in January 2015. Homelessness has increased by 12% since 2013. The Service Planning Area (SPA) experiencing the largest increase in Los Angeles County was SPA 7 - East LA County from 2,429 in 2013 to 3,571 in 2015, an increase of 47.0%.<sup>17</sup> It should be noted that SPA 7 covers most and not all of the cities in the Gateway Cities Region. Clearly efforts must be coordinated to address the full spectrum of homelessness growing rapidly in the Gateway Cities Region from serving those currently experiencing homelessness to supporting diversion and prevention.

### **Focus Group Meetings - SWOT Analysis**

Public participation and input is a key to the CEDS process. The Gateway Cities COG reached out to public and private stakeholders and hosted five meetings in the region. These meetings focused on the following topics:

- Education/Workforce Development
- Transportation
- Medical/Health Care
- Manufacturing
- Logistics and Trade

Summaries of the SWOT analyses for each session are presented in the next section.

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<sup>17</sup> 2015 Greater Los Angeles Homeless Count, Los Angeles Homeless Services Authority, May 11, 2015.

**Education/Workforce Development**

<p><i>Strengths</i></p> <ol style="list-style-type: none"> <li>1. COLLABORATION - Existing collaboration efforts between high schools, community colleges, and universities (e.g. Long Beach Promise)</li> <li>2. PARTNERSHIPS – Workforce Development Boards provide resources and connections to optimize workforce development</li> <li>3. CURRICULUM - Common Core Standards curriculum to develop soft-skills in students</li> <li>4. TRAINING - Technical training programs for local industries at different educational levels (i.e. Linked Learning, Career Pathway Trust, and machinist training in high school)</li> </ol>	<p><i>Weaknesses</i></p> <ol style="list-style-type: none"> <li>1. MARKETING - Lack of jobs and educational resources marketing</li> <li>2. EMPLOYEE MOTIVATION - Lack of motivation among workforce to pursue career in manufacturing or logistics as these jobs might not be considered lucrative or “sexy” compared to tech jobs</li> <li>3. TRAINING DISCONNECT – Disconnect between skills taught and employer needs and invariably a lag between what the industry demands and what is taught in the educational institutions</li> <li>4. SOFT SKILLS – Training in soft skills, a key attribute for performing successfully in work environment, is not provided by high schools or community colleges</li> </ol>
<p><i>Opportunities</i></p> <ol style="list-style-type: none"> <li>1. CAREER EXPOSURE - Encourage exposure to careers through more internship and apprenticeship programs in technical trades</li> <li>2. REPLICATE BEST PRACTICES - Replicate best practices such as Long Beach Promise and encourage high school/community college dual enrollment programs</li> <li>3. MARKETING - Market local career opportunities and link students’ learning to future careers</li> <li>4. CURRICULUM – Allow employers to co-design and customize the curriculum</li> </ol>	<p><i>Threats</i></p> <ol style="list-style-type: none"> <li>1. POOR QUALITY EDUCATION - Pockets of poor quality K-12 education limits economic futures</li> <li>2. LOW EDUCATION LEVELS - Low educational attainment levels limit job options for the labor force</li> <li>3. SUCCESSION - Retirement of baby boomer generation leaves knowledge gap in local businesses. At the same time, delay in retirement due to economic uncertainty prevents promotions and job opportunities for others</li> <li>4. FIRMS LEAVING - Region is losing manufacturing employer opportunities, existing manufacturing industry does not feel wanted and will either outsource or move to low-cost/wage location</li> </ol>

**Transportation**

<p><i>Strengths</i></p> <ol style="list-style-type: none"> <li>1. FISCAL AND POLITICAL SUPPORT - There is fiscal and political support for public transportation as local jurisdictions are increasingly seeing the value of this mode</li> <li>2. GRANTS – Federal and State funding is available through TIGER grants and cap &amp; trade. Though funding is available it has been reduced for Propositions A &amp; C</li> <li>3. CLEAN EMISSION TECHNOLOGIES - Public transportation providers are investing and promoting clean emission technologies initiatives and systems (i.e. Foothill Transit, Long Beach Transit, Metro)</li> <li>4. EXISTING INFRASTRUCTURE - There is substantial and expansive infrastructure (i.e. seaports, airports, and rail) that provides access to industries and jobs in the region</li> </ol>	<p><i>Weaknesses</i></p> <ol style="list-style-type: none"> <li>1. LAND USE/TRANSIT DISCONNECT - There is a disconnect between transit and job centers, this leads to missed opportunities in economic development</li> <li>2. LACK OF TRANSIT SERVICE - Outdated and lack of transit service – frequency and geographic coverage - underserves riders</li> <li>3. LINKAGES – There is a general lack of “first and last mile” infrastructure to encourage walking and bicycling</li> <li>4. MYOPIA - Cities are often focused inside their boundaries when a regional focus would serve their residents better</li> </ol>
<p><i>Opportunities</i></p> <ol style="list-style-type: none"> <li>1. INCENTIVIZE DENSITY - Plan for and incentivize higher density developments in concert with public transit infrastructure – “If you build it, they will come”</li> <li>2. REGIONAL COLLABORATION - Encourage regional collaboration to achieve needed projects and reduce overlapping services</li> <li>3. INCENTIVIZE USE OF PUBLIC TRANSIT - Institute transit vouchers (instead of Dial-A-Ride) to encourage choice riders</li> <li>4. CONNECTIVITY - Plan for “first and last mile” trips in the beginning of the process for better utilization of the network</li> <li>5. INNOVATIVE TECHNOLOGIES - Deploy innovative real time technology to improve effectiveness, efficiency, and user experience</li> </ol>	<p><i>Threats</i></p> <ol style="list-style-type: none"> <li>1. SAFETY - Crime and lack of safety reduce pedestrian and cyclist activity</li> <li>2. MISDIRECTED FUNDING - Too many Measure R tax dollars collected in the Gateway Cities Region flow to projects outside the region</li> <li>3. LACK OF ECONOMIC CENTER - Lack of economic centers makes the region a less desirable candidate for future projects</li> </ol>

**Medical/Health Care**

<p><i>Strengths</i></p> <ol style="list-style-type: none"> <li>1. <b>ATTAINABLE JOBS</b> - Jobs requiring a wide range of skill-sets and education levels are available</li> <li>2. <b>CAREER MOBILITY</b> – The health care industry provides a career ladder, an employee can grow professionally and increase earning level</li> <li>3. <b>BENEFITS</b> – The industry provides benefits as early as entry-level positions</li> <li>4. <b>EXISTING PARTNERSHIPS</b> – The medical/health care industry has alliances with universities and community colleges for clinical placement</li> </ol>	<p><i>Weaknesses</i></p> <ol style="list-style-type: none"> <li>1. <b>SCHEDULING</b> - Moving employees into management positions with traditional work schedules can pose challenges for employees who have children or other responsibilities</li> <li>2. <b>INCOME INCONSISTENCY</b> - Inconsistency in income and work schedule due to fluctuation of patients and workload</li> <li>3. <b>LACK OF SPECIALTY NURSES</b> – There is a surplus of nurses but lack of experienced specialty nurses such as ER/ICU nurses who are in great demand</li> </ol>
<p><i>Opportunities</i></p> <ol style="list-style-type: none"> <li>1. <b>PROJECTED JOB GROWTH</b> – LA County is expecting a job growth of 17.2% in healthcare practitioner and technical occupations between 2012 and 2020. The region has one-fifth of the County’s population and if it gets its fair share, it can expect 7,100 new jobs. Most of the occupations in demand will not require four-year degrees</li> <li>2. <b>CAREER READINESS PROGRAMS</b> - Partner with institutions for internships, mentorship, and apprenticeships programs.</li> <li>3. <b>HEALTH AMBASSADORS</b>: New jobs are needed as Community Health Ambassadors to assist patients with the health care process in light of the Affordable Care Act</li> <li>4. <b>MEDICAL TERMINOLOGY</b> - Introduce medical terminology in high school and adult education curriculums and expose students/adults to careers in health</li> </ol>	<p><i>Threats</i></p> <ol style="list-style-type: none"> <li>1. <b>INSTITUTIONAL SHIFTS</b> - The Affordable Health Care Act is causing institutional shifts resulting in hospital closings and mergers and acquisitions</li> <li>2. <b>CHANGES IN INSURANCE</b> - New insurance paradigm requires team-based care; a lack of insurance adversely affects patients and can lead to inefficiency for doctors</li> <li>3. <b>NEW PATIENTS</b> - Large numbers of new patients have no experience in accessing medical care especially under the Affordable Care Act</li> </ol>

**Manufacturing**

<p><i>Strengths</i></p> <ol style="list-style-type: none"> <li>1. PROXIMITY TO PORTS - The region is connected to San Pedro ports—exports/imports driver—and is a center of manufacturing</li> <li>2. MARKET ADAPTABILITY – Manufacturing industry is highly adaptable to changing product demands</li> <li>3. CLIENTELE – Manufacturing provides local and international clientele with high quality customer service</li> </ol>	<p><i>Weaknesses</i></p> <ol style="list-style-type: none"> <li>1. INSUFFICIENT EMPLOYEES - Insufficient numbers of multi-skilled and versatile employees</li> <li>2. LACK OF SOFT-SKILLS - Potential employees often lack soft skills such as punctuality, effective communication, and working as a team player</li> <li>3. OVER-REGULATION - Too many stringent regulations and procedures burden the industry</li> <li>4. TRAINING GAPS – Lukewarm response by educators when employers make curriculum recommendations</li> </ol>
<p><i>Opportunities</i></p> <ol style="list-style-type: none"> <li>1. PROJECTED JOB GROWTH – LA County is expecting a 5.2% growth in Architecture and Engineering (A&amp;E) jobs and an 8.5% growth in food processing between 2012 and 2020. Assuming the fair share methodology, this could result in 700 A&amp;E jobs for the Gateway Cities Region Most of these jobs will require at least four-year degrees</li> <li>2. CAREER EXPOSURE - Starting kids in manufacturing careers through internships and subsidizing continuing education</li> <li>3. CURRICULUM DEVELOPMENT - Connect manufacturers with the educators to develop better training curricula</li> <li>4. UPDATE EQUIPMENT - Obtain state-of-the-art equipment to prepare students for future</li> <li>5. BRANDING - Create “Made in California” or “Made in Gateway Cities” branding in partnership with California Manufacturing Technology Consulting (CMTc). Capitalize on the “Made in USA” movement</li> </ol>	<p><i>Threats</i></p> <ol style="list-style-type: none"> <li>1. JOB DECLINE - Production occupations, in general, are expected to decrease in the next decade due to increased technology and higher labor productivity</li> <li>2. COLLEGE FOCUS - Young adults are focused on college, not manufacturing jobs (potentially due to stigma associated with the industry)</li> <li>3. TENURE - Unions/apprenticeships reward employees on tenure rather than merit which can lead to low performance results</li> <li>4. COMPETITION - High customer service demands with strong competition from abroad especially low cost and low wage countries</li> </ol>

**Logistics and Trade**

<p><i>Strengths</i></p> <ol style="list-style-type: none"> <li>1. PORT GROWTH - Ports are growing and will continue to keep growing for at least two to three more decades; they can pay their fair share of costs related to economic development in the Region</li> <li>2. MARKET STRENGTH – The Region is strong with a strong domestic market and a skilled workforce</li> <li>3. PARTNERSHIP - Ports collaborate with regional agencies to build inner port infrastructure to respond to market demands for trade and transportation</li> </ol>	<p><i>Weaknesses</i></p> <ol style="list-style-type: none"> <li>1. INFRASTRUCTURE DEVELOPMENT - Infrastructure development/projects outside of the ports cannot keep up with expanding capacity at ports which can lead to bottlenecks and inefficiencies</li> <li>2. SHORTAGE OF APPLICANTS - Logistics industry has the lowest skill/education threshold for jobs, yet there is a shortage of qualified applicants</li> </ol>
<p><i>Opportunities</i></p> <ol style="list-style-type: none"> <li>1. MARKETING - Promote a range of job opportunities by emphasizing the role such jobs can play in supporting the movement of goods needed to sustain the region</li> </ol>	<p><i>Threats</i></p> <ol style="list-style-type: none"> <li>1. UNCERTAINTY - Unpredictable industry changes could impact port operations and have an adverse impact on the job market</li> </ol>

## STRATEGIC ACTION PLAN

In the following section, we outline the vision, goals and objectives, strategies, and identify priority projects in the Gateway Cities Region which would lead to job creation, business development, a diversified economic base, and improve the quality of life of its residents.

### **Vision**

The Gateway Cities will work together to strengthen the economic prosperity and enhance the quality of life of the residents of the southeast region by challenging the region's public sector leadership to invest in the untapped potential of residents and businesses to thrive.

### **Goals and Objectives**

The following goals outline how the Gateway Cities Region proposes to promote economic development in the region. The strategies that follow are consistent with the Los Angeles Economic Development (LAEDC) Strategic Plan for Economic Development 2010-2014<sup>18</sup> and the Southern California Association of Government (SCAG) Regional Action Plan on Poverty 2014.<sup>19</sup>

### **Goal 1: Reduce unemployment and underemployment within the region through creation of a broad range of jobs.**

#### *Strategy: Industry cluster development*

- a. Capitalize on industry sectors that exhibit regional specialization such as manufacturing, transportation and logistics, wholesale trade, and emerging sector such as health care
  - i. Leverage work done by the Workforce Development Board that have strategic plans addressing industry sector strategies and involve critical partners like the Department of Rehabilitation, TANF/Welfare to Work, Adult Education, and the Employment Development Department (EDD)
  - ii. Develop sector-specific value propositions and strategies to attract firms and new investments in the region
- b. Create a more supportive infrastructure and network to access capital and encourage entrepreneurship
  - i. Develop a regionally based and web-enabled comprehensive resource guide to provide information to small businesses about incentives, technical assistance, loans and grants, creative financing, and programs such as New Market Tax Credits
- c. Launch a marketing campaign of the key industries in the region to give the Gateway Cities Region a strong identity

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<sup>18</sup> Los Angeles Economic Development Corporation. Los Angeles County Strategic Plan for Economic Development. Rep. 2014

<sup>19</sup> <http://economy.scag.ca.gov/Economy%20site%20document%20library/RegionalActionPlanonPoverty.pdf>

- i. Help retain and attract industry and its supply chain to further strengthen the competitive industry clusters
- ii. Develop a branding campaign to perpetually market careers to the workforce who may not necessarily realize the types of jobs available in the immediate area

**Goal 2: Strengthen the labor force within the region by:**

- **Pursuing the commitment of local school boards to increase the awareness of available jobs and career paths at local high schools.**
- **Collaborating with educational institutions to address needs of Gateway Cities' employers.**

*Strategy: Workforce development*

- a. Enhance focus on K-12 education and expose youth to career pathways at an early stage of education
  - i. Collaborate with local Workforce Boards to develop career awareness programs for middle- and high-school students in different industry sectors. For example, SELACO has partnered with Cerritos College and the school district to coordinate student visits to manufacturing companies for first hand exposure
  - ii. Improve K-12 education by partnering with California Education Department to focus on low-performing schools and tie curricula to career pathways
  - iii. Access funds from the California Career Pathway Trust to continue and expand the program.
- b. Institute technical and soft skills training, especially as a component of education
  - i. Integrate workforce training and education at the college level that will lead to higher-value jobs
  - ii. Develop, expand, and upgrade skills of the existing workforce
  - iii. Close the skills gap between community college education and needed workforce skills through the “Doing What Matters for Jobs and the Economy Initiative”
- c. Increase training, internship, apprenticeship, and externship opportunities
  - i. Expand customized sector-based programs for training by developing partnerships between industry and community colleges/universities. Additionally, optimize collaboration with Workforce Boards which are already involved in career pathways efforts in the health industry by addressing the needs of health care case managers.
  - ii. Expand apprenticeship opportunities, mentor-mentee, and job shadowing programs
  - iii. Develop teacher externships that connect the classroom with the workplace and bring awareness of the current industry/occupation environment through direct experience. It allows connections to be made between classroom content, learning styles, and the workplace.
  - iv. Develop certificate and especially non-certificate programs to adequately respond to industry needs in a timely fashion

- d. Retrain dislocated adult workers
  - i. Provide training and skills enhancement programs to workers who have been laid off
- e. Map assets to identify work currently conducted by local Workforce Boards and other organizations that can support Gateway Cities efforts to enhance training, employment, and skills development in the region

**Goal 3: Make land use processes and permitting consistent with best management practices across the region to attract investment within our business sectors.**

*Strategy: Bring certainty and streamline development processes*

- a. Streamline processes to retain, attract, and grow new businesses
  - i. Adopt reasonable and predictable processes for land development
  - ii. Develop, adopt, and implement incentives to recycle obsolete industrial land: greyfields and brownfields
  - iii. Make better use of public sector real estate assets for jobs-producing projects
  - iv. Undertake serious regulatory reform to streamline permitting process that reduces uncertainty in the development process

**Goal 4: Develop and pursue action plans for infrastructure of regional importance.**

*Strategy: Develop and maintain infrastructure*

- a. Target investments that reduce disparities in infrastructure. Infrastructure comprises two main components: ‘hard’ physical infrastructure incorporating roads, rail, water, sewerage and drainage systems, and energy and telecommunications networks; and ‘soft’ infrastructure of social, cultural and community facilities and capacity that enhance the quality of life and encourage industry and business development.
  - i. Seek innovative public-private partnerships in implementing hard and soft infrastructure investments for both new development, operations, and maintenance
  - ii. Advocate for fair share of public infrastructure funding from SCAG, state, and federal funding sources
  - iii. Utilize the 2016-2040 Regional Transportation Plan/Sustainable Communities Strategy as a major job creation engine that provides public works jobs to the region’s residents
  - iv. Invest cap-and-trade funds in disadvantaged communities of the Gateway Cities Region to reduce greenhouse gas (GHG) emissions in accordance with state goals
  - v. Improve mobility options, increase public transit investments, and reduce traffic congestion

**Goal 5: Collaborate to increase federal, state, and grant dollars invested in the Gateway Cities on projects of regional importance for job creation.**

*Strategy: Regional partnerships*

- a. Seek regional collaboration to address chronic and complex problems that transcend municipal boundaries
  - i. Balance local and regional interests for infrastructure development. Take advantage of Gateway Cities COG as a vehicle to pursue collaborative projects, leverage funding for projects of regional significance, and conduct joint marketing of regional assets
  - ii. Develop a Regional Job Blueprint in which research is conducted to identify in-demand jobs and employees are prepared through education, training and networking for the workforce
- b. Create healthy, vibrant and strong communities in a comprehensive way
  - i. Remove obstacles and create incentives for construction of a wide range of housing types, including development around transit nodes, infill, and mixed uses
  - ii. Use smart growth principles and strategies to reduce development costs and increase tax base
  - iii. Pursue regional collaboration to: (a) avoid cannibalization of scarce resources and a race to the bottom, and (b) raise standards of the quality of development

**Goal 6: Support efforts to establish economic development tools to strengthen local economic development efforts, including but not limited to job creation, affordable housing, sustainable development, and quality of life enhancements within the Gateway Cities.**

- a. Work in partnership with the Workforce Boards to further enhance regional plan that supports economic growth and income mobility.
- b. Consider adopting the following options for economic development in a post-redevelopment era:
  - i. General fund allocations
  - ii. Enhanced infrastructure finance districts
  - iii. Federal/state grants and loan guarantees
  - iv. Value capture from entitlements
  - v. Tax credits

**PRIORITY PROJECTS**

#	Project Name	City	Project Description	Jobs Created	Total Cost	Funding Sources	Project Date
1	Artesia Boulevard Corridor Specific Plan - Implementation	Artesia	Development – Plan has been approved, pending development. Economic revitalization, and create a lively center of activity for the City.	~500	\$50 million	City of Artesia General Fund (\$150,000 to prepare the specific plan)	Pending development funding.
2	City of Artesia Downtown Pioneer Boulevard Improvement Project	Artesia	Development - Creating a historic livable community through strategies of downtown revitalization.	TBD	TBD	TBD	TBD
3	Development of Mixed-use/Housing Opportunity Overlay Zone	Artesia	Overlay Zone - Pioneer Boulevard Overlay Zone will allow potential developers to invest and development along the corridor by granting higher development density and mixed-use project.	1,000s	\$150,000	City of Artesia General Fund (Approx. \$150,000)	2015 - 2016
4	Downtown Specific Plan/TOD Sites/Eco-Rapid Transit Artesia Station	Artesia	Development - Development of TOD mixed-use, in-fill project that will stimulate economy along entire project corridor.	10,000s	\$300 million	Successor’s Agency ROPS (bond) \$1.9 million, Measure R, future Measure R2, seeking additional grants, and potential P3 involvement	2015 - 2025
5	Historic District Recreation Area	Artesia	Development - The Historical District Recreation Area (HDRA) project aims at developing the area into open recreation space for the community to utilize to bike, walk, exercise and play.	20	\$1.5 million	LAC 2014 Grant (\$300,000), unspent bond funds, and seeking additional grants.	Pending additional bond funds.
6	Cerritos Town Center - East (Mixed-Use/Transit-Oriented Development)	Cerritos	Development - The City of Cerritos is proposing to develop a mixed-use/transit oriented development comprised of uses that promote sustainable and walkable communities for the purpose of providing an improved quality of life for persons choosing to work, reside and recreate in the subject area.	TBD	TBD	Private-public partnerships, the acquisition of Federal, State, and Regional grant funds (Transportation, Infrastructure, and Economic Development) as well as private investment).	Pending, upon receipt of funding ~5 years.

**PRIORITY PROJECTS**

#	Project Name	City	Project Description	Jobs Created	Total Cost	Funding Sources	Project Date
7	Los Cerritos Center Mixed-Use Transit Oriented Development Project	Cerritos	Development - The City of Cerritos is proposing to develop a transit oriented, mixed-use development with a mix of uses and a pedestrian friendly environment in order to reuse under-utilized, large parking lots areas and older commercial buildings located at the Los Cerritos Center.	TBD	TBD	Private-public partnerships, the acquisition of Federal, State, and Regional grant funds (Transportation, Infrastructure, Economic Development), and through developer and investor funds.	Pending, upon receipt of funding ~2 years.
8	Cerritos Towne Center Mixed-Use Development Project	Cerritos	Development - The City of Cerritos is proposing to develop a transit oriented, mixed-use development with a mix of uses and a pedestrian friendly environment in order to revitalize the existing retail section of the Cerritos Towne Center, of which has experienced an increase in retail vacancies due to the saturation of commercial uses in the immediate area.	TBD	TBD	Private-public partnerships, the acquisition of Federal, State, and Regional grant funds (Transportation, Infrastructure, Economic Development), and through developer and investor funds.	Pending, upon receipt of funding ~2 years.
9	Green Zones	Commerce	A Working Group was convened to discuss and develop sustainable land use recommendations. An Action Plan was adopted setting forth those recommendations, including the creation of specific plans in certain areas to help create economic activity. The plan also calls for the creation of a business liaison to serve as a conduit between City Hall and the business community, and it aims address concerns with the proximity of hazardous sources to sensitive land uses.	TBD	TBD	TBD	TBD

**PRIORITY PROJECTS**

#	Project Name	City	Project Description	Jobs Created	Total Cost	Funding Sources	Project Date
10	Zoning Ordinance Update - SIC Codes	Commerce	An update to the City's Zoning Ordinance to address the classification of permitted uses in the City's manufacturing zones. The current use of SIC Codes is outdated and difficult to administer. The update will provide a system that is clear and user friendly.	TBD	TBD	TBD	2016
11	Washington Boulevard - Mixed Use & Parking	Commerce	The boulevard is in the process of being widened from two lanes to three in each direction. The widening and reconstruction presents opportunities to create mixed-use development and new parking areas for businesses and residents. The mixed-use component would be created through a specific plan for the area.	TBD	TBD	TBD	Widening currently underway.
12	26th Street Metrolink Station Improvement Project	Commerce	The existing station was built in 1993 and no major improvements have been performed to the station since its construction. Improvements will address ADA requirements, energy conservation, and other to make the station easier to locate and more appealing to users and potential users.	TBD	\$497,428	City of Commerce	TBD
13	Local Street Circulation Improvement Project	Commerce	Development and construction of improvements to the local street circulation system in the northeasterly quadrant of the City.	TBD	\$35 million	City of Commerce	Within the next 5 years.
14	Housing Opportunity Overlay	Commerce	To accommodate the City's RHNA allocation, the City identified a Housing Opportunity Overlay (HOO) area (44.3 acres) to facilitate and encourage the development of residential uses and allow for opportunities for mixed-use.	TBD	TBD	TBD	TBD

**PRIORITY PROJECTS**

#	Project Name	City	Project Description	Jobs Created	Total Cost	Funding Sources	Project Date
15	Economic Development Study along Imperial Highway: east of Old River Road and west of Woodruff Avenue	Downey	Economic Development Study	2,000 along corridor	\$50,000 - \$100,000	General Fund, State and Federal Grants.	2015 - 2016
16	Artesia Boulevard Complete Street Master Plan (City of Long Beach)	Long Beach	Capital improvement project addressing congestion of regional arterial, and conducting alternative transportation infrastructure improvements to create economic revitalization.	Locally – 100s; and, Regionally – 1,000s	\$12 million	General Fund; Gas Tax; Prop A & C; CDBG; LACMTA Call for Projects 2015 Award (RSTI); State and Federal Grants; and, development impact fees.	2015 - 2024
17	Long Beach – 9 <sup>th</sup> Council District Former Redevelopment Properties	Long Beach	Development of four (4) formerly redevelopment properties in accordance with the City’s Long Range Property Management Plan (LRPMP).	TBD	TBD	N/A	TBD
18	Innovation Hub @ 309 Pine	Long Beach	Development of the <i>first of many</i> regional Innovation Hubs throughout the city and Gateway Cities. The purpose of the Innovation Hub @ 309 Pine is to create a <i>physical space in the city’s downtown</i> , where the City, local colleges and universities, industry, entrepreneurs, and workforce meet; that will lead to job creation, business development, innovation, and diversification of the regional economy. Innovation hub would help the Gateway Cities remain a competitive place for industry and employment. Innovation is central to discovering new and better ways to compete and bring solutions to market.	1,200 business owners trained/yr; 100 new small businesses licensed/yr; 300 new jobs/year	\$900,000	<ul style="list-style-type: none"> <li>• City of Long Beach (Innovation Fund) ;</li> <li>• Pacific Gateway Workforce Investment Network (PGWIN);</li> <li>• Long Beach Community College District (LBCC);</li> <li>• Small Business Development Center (SBDC);</li> <li>• Small Business Administration (SBA); and,</li> <li>• Innovate! SoCal (LBCC Innovation Fund)</li> </ul>	TBD

**PRIORITY PROJECTS**

#	Project Name	City	Project Description	Jobs Created	Total Cost	Funding Sources	Project Date
19	The Shoemaker Bridge Replacement Project	Long Beach	Bridge is located at I-710 and Los Angeles River. Reconstruction would provide a highway facility that meets current structural and geometric design standards, and support long-term ecological balance.	TBD	\$19 million	Metro (approved \$5.5 million) City (pursuing additional funds)	2016 – 2018/2019
20	Long Beach Civic Center Project	Long Beach	Development of a LEED Platinum civic center that includes a new City Hall, Port of Long Beach headquarters, public library, two mid-rise residential buildings, a mixed-use high-rise, and a redesign of historic Lincoln Park.	3,700 jobs	\$500 million	N/A	2008-2019
21	Lynwood Linear Park	Lynwood	Development – multi-benefit project that will be a hub connectivity in the Lower Los Angeles River Watershed.	~200		\$4,949,957 from Prop 84 State Park Grant Funds	2015-2019
22	Lynwood Transit Area Strategic Plan	Lynwood	Plan – Develop Strategic Plan that provides policy direction and guidance to develop the Long Beach Transit Oriented Development area of Lynwood.	1,000s		\$800,000 from LACMTA grant funds	
23	Whittier Boulevard Corridor Specific Plan	Montebello	Rezoning study including market study, drafting of new zoning standards, and CEQA review.	1,000	\$200,000	EDA/SCAG/DTSC Brownfields/AQMD/ARB	Pending, 12 – 18 months upon receipt of funds.
24	Telegraph Road Rezoning-Freeway Oriented Commercial Zone	Montebello	Rezoning study including market study, drafting of new zoning standards, and CEQA review.	1,000	\$200,000	EDA/SCAG/DTSC Brownfields	Pending, 12 – 18 months upon receipt of funds.

**PRIORITY PROJECTS**

#	Project Name	City	Project Description	Jobs Created	Total Cost	Funding Sources	Project Date
25	Whittier Narrows Park and Open Space Master Plan	Montebello	Identify, prioritize and implement various improvement projects.	Construction jobs	\$225,000	US Army COE/EDA/SCAG/RWQ CB/AQMD/ARB	Pending, 24 months upon receipt of funding
26	Norwalk First-Start Center	Norwalk	Norwalk proposes to focus on raising <i>demand</i> for goods and services to spur economic development. Greater demand creates new business opportunities, and springs forward the cycle of more jobs, higher household incomes, greater household stability, and a better quality of life.	240/year	\$5 million	Potentially Economic Development Administration, State of California Cap and Trade, City of Norwalk Taxable Bond Proceeds	2016 - 2017
27	Former California Youth Authority Facility	Norwalk	Redevelopment - The City hopes to pair the site with a university or other post-secondary institution seeking a main campus or satellite campus	TBD	TBD	TBD	TBD
28	Metropolitan State Hospital	Norwalk	Redevelopment - With the potential regional transportation benefits of the Green Line Extension and establishment of a High Speed Rail Station, the City of Norwalk could become a significant hub that connects LAX to the entire State of California. The existing Metropolitan State Hospital sits within walking distance of this potential transportation hub, and offers an opportunity for mixed-use redevelopment.	TBD	TBD	TBD	TBD
29	Former United States Defense Fuel Supply Point/Tank Farm	Norwalk	Development - Establishment of a research and development facility, high tech related use, or a unique manufacturing facility has the potential of producing substantial employment opportunities for the entire region.	TBD	TBD	TBD	TBD

**PRIORITY PROJECTS**

#	Project Name	City	Project Description	Jobs Created	Total Cost	Funding Sources	Project Date
30	San Antonio Village	Norwalk	Zoning - The City hopes to create a business zone that is highly conducive to small enterprise and entrepreneurship, including opportunities for veteran entrepreneurs.	TBD	TBD	TBD	TBD
31	Norwalk Business Growth Loan Program	Norwalk	Construction of a "First Start" building, in which SELACO will be the primary lease holder, to house various agencies that will provide linkage to education, vocational training, and entrepreneurship training, as well as job placement services. The City will collaborate with the Cerritos College Foundation to create the Norwalk Business Growth Loan Program and other specialized services and programs to stimulate economic growth and create jobs.	120-180 jobs	TBA	TBA	Existing program, pending funding for expansion
32	Street widening and utility undergrounding for Garfield Avenue in the City of Paramount	Paramount	Redevelopment - The project will include the design of the overall project, utility undergrounding, right of way acquisition and construction of the improvements.	248	\$20 million	I-710 Early Action funds; CA. Cap and Trade funds; Los Angeles MTA Call for Projects	2016 - 2019
33	Pico Rivera Priority Project No. 1 - Pico Rivera Sports Arena	Pico Rivera	Renovation - Full renovation of the existing arena and upgrades to the surrounding facility converting the space to a recreational development to potentially include soccer, camping, equestrian and other uses.	100	\$5 - \$25 million	Public/Private Resources	2017
34	Pico Rivera Priority Project No. 2 – Paramount Blvd and Slauson Avenue	Pico Rivera	Zoning and Development - Light industrial, residential and/or retail development that stimulates tax revenue and reduces blight.	100 - 300	\$50 - \$100 million	Private/Public	2015 - 2016

**PRIORITY PROJECTS**

#	Project Name	City	Project Description	Jobs Created	Total Cost	Funding Sources	Project Date
35	Pico Rivera Priority Project No. 3 – South of Beverly Boulevard, west of Interstate 605	Pico Rivera	Development - Potential retail commercial or industrial use that stimulates tax revenue and reduces blight.	100 - 300	\$25 - \$100 million	Private	Pending
36	Signal Hill Environmental Improvements	Signal Hill	Environmental Improvements - Environmental Site Assessments, oil well testing, soil management plan, potential removal of impacted soils.	300 - 350	\$15.65 million	\$450,000 from the City's General Fund.	Pending, upon receipt of funding 1 – 3 years.
37	South Gate Urban Orchard Project	South Gate	Development - A multi-faceted project that will create local and regional river-front recreation opportunities, that expand on planned regional trail and open space assets	TBD	TBD	TBD	TBD
38	South Gate Regional Bikeways Connectivity Program	South Gate	Development - Construct new bicycle and pedestrian facilities that are currently non-existent or deficient along several roadways within the City.	25 – 50	\$5 million	Potential: Active Transpiration Program (ATP)Grant, Measure R, Local Funding	2015 - 2019
39	Firestone Boulevard Corridor Regional Capacity Improvement Project	South Gate	Project will increase travel lanes from 2 to 3 lanes in both directions for approximately 3 miles along Firestone Boulevard to reduce congestion and increase safety.	25 to 50 jobs	\$21 million	Metro Call for Projects; Metro Prop C – Local Return; I-710 Corridor Measure R; Los Angeles Unified School District; Developer Fees; and Local Funds	2015 - 2017
40	Orangeline Development Authority/Eco-Rapid Transit Project South Gate/Cudahy Station and Urban Village	South Gate	Passenger Rail Transit Station will primarily serve the cities of South Gate and Cudahy, along with a couple of the surrounding communities. Station will be located amongst a mixed-use development project.	TBD	\$4 billion	La Metro; Federal Government/TBD	TBD

**PRIORITY PROJECTS**

#	Project Name	City	Project Description	Jobs Created	Total Cost	Funding Sources	Project Date
41	East Los Angeles College/South Gate-Firestone Education Center	South Gate	<p>A Community College Satellite Campus for up to 9,500 Students.</p> <p>The new campus project is proposed on a site that formerly housed the Firestone Tire and Rubber. The new campus will replace an existing five (5) acre, 51,000 SF/5,000 student facility across the street. Approximately one million square feet of existing improvements will demolished and replaced with a new approximate 100,000 square foot, three (3) story/50 foot tall, single building campus, adjoining plazas and surface parking area for approximately 1,700 automobiles.</p>	TBD	\$50 million	Measure J Bond	2015 – 2018/2019
42	Uptown Whittier Specific Plan	Whittier	Development - New urbanist- type specific plan that will allow densification of existing historic central business district area. Plan calls for the development of parking structures, residential, and commercial space on existing City-owned surface parking lots.	100s	Up to \$500 million for residential and \$130 million for commercial	Private funding from developers, Business Improvement Districts, former Redevelopment Agency bond funds, value of existing land holdings.	2008- 2028
43	Whittier Boulevard Specific Plan	Whittier	Development - The specific plan established six distinct zoning districts that would accommodate up to 3,780,000 square feet of retail uses, 1, 240,000 square feet of office uses, 1,680,000 square feet of medical related uses, 1,740,000 square feet of light industrial development, 200,000 square feet of automotive related uses, and 1,490 residential units.	1,000s	TBD	Private funding by developers, some public funding for infrastructure improvements.	2025

**PRIORITY PROJECTS**

#	Project Name	City	Project Description	Jobs Created	Total Cost	Funding Sources	Project Date
44	METRO Goldline Eastside Transit Corridor Phase 2 - Study	Whittier and Commerce, Montebello, Pico Rivera, Santa Fe Springs, and unincorporated portions of LA County.	Improve mobility in the region by connecting communities east of the regional transit system. One alternative includes the identification of a north-south connection to Washington Bl. that removes the elevated track option on Garfield Ave.	1,000s	TBD	Federal and regional transportation funds	Pending, upon receipt of funding ~1.5 years for study and 2035 for implementation
45	Lincoln Specific Plan	Whittier	Redevelopment – Redevelopment of a currently vacant prison facility. The Project proposes to establish a maximum allowable development within the Specific Plan area boundaries of 750 dwelling units (DU) and 208,350 square feet of commercial land uses (including adaptive reuse of some historic structures associated with the site’s prior use as a correctional facility).	100s	TBD	Private	2015 - 2020
46	Whittier Greenway Trail Extension	Whittier	7.3-mile Class I bikeway connecting LA County trail system at San Gabriel River Trail to Orange County system at OC Loop.	TBD	\$25 million	Federal, state, regional, and local transportation and parks funds	2015 - 2017

## EVALUATION FRAMEWORK

### Performance Measures

The following describes performance measures and the criteria used to guide the program and project selection portion of the CEDS. Since EDA investments are very competitive, projects and programs will be evaluated based on the extent to which they meet and/or maximize the following criteria.

- **Market Based:** Are the proposed investments market based? How will the investment stimulate the private economy?
- **Proactive Investments:** Are the proposed investments proactive in nature and scope?
- **Economic Changes/Diversification:** Do the proposed investments look beyond the immediate horizon, anticipate economic changes, and diversify the local and regional economy?
- **Private capital investment:** Are investments maximizing private capital investment? (Discuss search for other funding and explain necessity for EDA investment.)
- **Success Anticipated:** What is the probability of success?
  - **Matching Funds:** Level of local, state, and private matching funds.
  - **Local Political Capital:** High degree of commitment of local political “capital” by elected officials.
  - **Human Resources:** Commitment of human resources talent to project outcomes.
- **Jobs Created/Wealth:** Will the proposed investment create an environment where higher paying jobs are created? (Describe types of jobs created, and how federal investment increases the wealth of the workforce.)
- **Return on Taxpayer Investment:** Does the proposed investment maximize return on taxpayer investment? (Results from investment anticipated; describe benefits to local economy and tax base.)

The following CEDS rating instrument outlines performance measures and will assist the Gateway Cities COG CEDS Committee in evaluating potential projects and applicants for funding. The set of criteria will also assist in evaluating performance of the project post-EDA funding and how the investment fulfills the goals and objectives for the Region.

**CEDS Performance Measures / Project Rating Instrument**

<b>CRITERIA</b>	<b>MEASUREMENT</b>	<b>SUGGESTED RATING</b>
<b>JOB CREATION</b>		
1. Number of long-term jobs created	1-9 10-24 >25	1-3 4-6 7-9
2. Quality of job created appropriateness to community	Retail, Finance, Education, Services, Health Care, Manufacturing & High Tech	1-9
3. Pay scale of jobs	Minimum Wage, Living Wage, Skilled and Professional	1-9
<b>COMMUNITY IMPACT</b>		
4. Unemployment rate in project area	<6% 6-9% >9%	1-3 4-6 7-9
5. Per Capita Income (PCI) in project area	71% - 80% of national PCI 61% - 70% of national PCI <50% - 60% of national PCI	1-3 4-6 7-9
6. Community benefit	<ul style="list-style-type: none"> <li>- Creation of new jobs</li> <li>- Welfare to work</li> <li>- Family-wage and higher pay (high value jobs)</li> <li>- Local hiring</li> <li>- Creation of new business opportunities in the project area</li> <li>- Improve quality of life</li> <li>- Increase the tax base</li> </ul>	1-9
7. Groups and organizations endorsing the project	Cash contributions In-kind contributions	1-9

<b>CRITERIA</b>	<b>MEASUREMENT</b>	<b>SUGGESTED RATING</b>
JOB CREATION 8. Employment plan	- Comprehensiveness of employment plan (e.g., plan for local hiring, coordination with local/regional/employment/training organizations, outreach, etc.)	1-5
PROJECT READINESS & INVESTMENT		
9. Current status of proposed project	Conceptual Planning and design Ready to construct (Consider site control, relocation, environmental issues, time frame relative to grant year and if financing has been secured)	1-3 4-6 7-9
10. Other funding sources	25% private investment 26-40% >40%	1-3 4-6 7-9
11. Capacity of operator during construction and as a going concern	- Experience (number and size of other projects and how successful were they?) - Financial strength	1-9
12. Bonus	- Overall quality of the project - Innovation and creativity - Coordination with other projects in region - Secondary impacts - Other	1-9
TOTAL POINTS POSSIBLE		100
TOTAL POINTS FOR THIS PROJECT		

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