ECONOMIC DEVELOPMENT COMMITTEE MINUTES

Wednesday, September 11, 2019
Start Time: 9:00 a.m.
DLBA Conference Room
100 West Broadway, Suite 120 Long Beach, CA 90802

Voting Present: Sam Pierzina, Jill Harris, Ingrid Martin, Walid Nasserdeen, Seyed Jalali
Voting Absent: Sheva Hosseinzadeh, Daniel Tapia, Erin Booker, Justin Wolske
DLBA Staff: Austin Metoyer, Mo Mills, Cherisse Evans
Guests: Amy Stock-EVA, Goli Ameri-Startitup

1. CALL TO ORDER & INTRODUCTIONS – Sam Pierzina, Vice Chair
   Meeting called to order at 9:07 AM.

2. ACTION ITEM: Approve minutes from August 14, 2019 Economic Development Committee Meeting.
   1st: Harris. 2nd: Jalali. None opposed, no abstentions. Motion carries.

3. CHAIRPERSON’S REPORT – Sam Pierzina, Vice Chair
   a. Startitup Progress Update Presentation – Goli Ameri, Founder
      • Started as a mobile app to connect small and medium businesses with advisors. 80% of starting business fail after 18 months. Of those that survive, half shut their doors after 5 years. Only 30% survive after ten years.
      • The benefits of the app are:
        o Advisors, peer groups, all chat-based
        o App is specific to Long Beach, goes step-by-step through the process of launching a business.
        o Self-assessment and development opportunities
        o Business plan
        o Local and national market intelligence
        o Funding source
      • Startitup is a KIVA trustee. Has worked with the Long Beach Economic Development Department.
      • Looking to hire paid advisors. Part of DTLB business association.
      • Subscribers pay $40 a month. One hour of advisor and unlimited messages.
      • SBDC (Small Business Development Center) is currently acting as advisors.
      • Monthly meetings with local entrepreneurs help gather feedback about the app. Also, they have conducted surveys to compare theirs to other apps.
      • Will be starting a relationship with LBCC. Bakersfield College will be introducing this app as part of their entrepreneur course.
      • Can be used with people who already have a business started and want to go back and focus on steps they missed.
      • Last year, the city sponsored 100 spots to use the app free of charge
Typical subscription length is 4-6 months. One year is the maximum. Established businesses need to find value to continue to use the app. There will be premium subscriptions offered with added value as well.

b. Review of Committee Goals (Slide 4 presented):

1) Suggestion: Keep this goal for next year but focus on one step of the approval/permitting process and find ways to help small businesses.

2) The motivation was initially based on the potential for the Vons space to be available and with new ownership, a new and exciting project could emerge. May bring this back as a goal for next year.

3) This goal was the committee’s main focus and where the most time was spent. Metoyer recently got confirmation of a $50,000 ($30,000 for first year and $20,000 for the second year) from Farmers and Merchants for both programs. Will see if they might consider a three-year $90,000. They only have $50,000 this year to commit too. The hope is that they can commit to another $40,000 for next year to complete a three-year sponsorship. Next year’s committee will need to keep a focus on continuing this effort.

4) Suggestion: For next year, the committee could focus on a creating a marketing tool, one-page for commercial office space.

Other Suggestions:
- For next year, break down goals into tasks that are easier to track progress and achieve.
- Some goals are part of a larger strategy, requiring more than a year to develop and the work can/should continue into the following year.

4. Staff Report – Austin Metoyer, Economic Development & Policy Manager

a. Economic Development Dashboard Review (Slide 5 presented).

b. Update on Vacant Commercial Property Fee & Inclusionary Housing Policy Discussion (Slide 6 presented).

Vacant Commercial Property Fee

As a follow up from the last committee meeting:

- On August 27 at the Economic Development Commission Meeting, DLBA presented the feedback received from this committee as well as COBA and the DLBA survey that was conducted.

- Need to determine what the key drivers for long term vacant property are and what would a policy need to include to address these concerns? City Council has requested more time to research and determine the needs as well as if the current policies would serve as a solution to these issues. Most likely a third party will do the research, none has been identified yet. DLBA will also help provide information and research.

- DLBA will not be taking a formal stance at this time, as it is currently in an investigative stage and DLBA’s role will be to help facilitate and provide additional research. If/when there is a proposed policy, DLBA may take a stance.
Inclusionary Housing Policy

• KMA, a consulting firm hired by the city, presented their findings at the August 22 Planning Commission meeting which outlined two submarkets within the city:
  o **Submarket 1** (focused on the Midtown and Downtown) would require an Inclusionary Housing Policy for all new development that includes a specific percentage of affordable housing.
  o **Submarket 2** (the remainder of Long Beach) would include an incentive-based program to produce more housing with an inclusionary/affordable component.

• The difference in approach is because over the last ten years, Downtown and Midtown have had the most development, while Submarket 2 has mostly been single family homes, very little new development.
• There will be a study session and then the policy will go back to Planning Commission, with staff recommendations. DLBA and partners will conduct surveys and as well as gather feedback and research in order to position an argument for the best policies, before it goes back to Planning Commission in late October.
• Once the results have been reviewed, DLBA will take a formal stance.

5. Old Business
6. New Business
   • Plan end of year Happy Hour for committee, find a day and time.
7. Public Comment (Three minutes on all non-agenda items)
8. Adjournment
   Meeting adjourned at 9:56 AM.