



EL MONTE COMMUNITY BUILDING INITIATIVE Economic Development Feasibility Study

FY 2009-2010 Guidelines

SUBMISSION DEADLINE: 5 P.M., WEDNESDAY, JULY 1, 2009

The California Community Foundation announces the availability of up to \$75,000 for an Economic Development Feasibility Study as part of the El Monte Community Building Initiative (CBI). The study must be completed by March 1, 2010.

Deadline: Applications for the CBI Economic Development Feasibility Study must be mailed/delivered to the foundation and received by **5 p.m. on Wednesday, July 1, 2009.**

The Economic Development Feasibility Study application can be found at: www.calfund.org/CBI.php. For questions about application content and procedures, please contact **Linda Wong** at (213) 413-4130 or lwong@ccf-la.org.

Background

The California Community Foundation has a long-standing commitment to improve the quality of life for residents in Los Angeles County. In July 2007, the foundation launched the Community Building Initiative (CBI) in the City of El Monte as part of its neighborhood revitalization strategy. The CBI is a 10-year effort that seeks to create a stable, vital and livable community by:

- Improving the physical environment, with a focus on expanding housing options, community facilities and public amenities;
- Enhancing resident access to social, educational and cultural services; and
- Increasing community engagement and problem-solving capacity through resident organizing, training and leadership development.

Key to the development of stable, livable neighborhoods is a healthy economy that supports existing businesses, incubates new business ventures, provides quality jobs and adapts to changing market conditions. As part of the CBI, eight community planning workshops were held in three neighborhoods to identify key needs related to El Monte's physical environment, social services infrastructure and opportunities for civic engagement. More than 450 residents participated in these workshops, which were held in the spring of 2008. Resident feedback on these issues was synthesized into project outcomes and strategies. The CBI Advisory Committee (made up of residents, school and city officials, leaders from the nonprofit, business

and civic sectors, and foundation representatives) prioritized the issues. Among the top priorities identified by community stakeholders was the need to increase the availability of sustainable employment opportunities for local residents. To achieve this end, employment pathways must be created that will simultaneously improve the economic prospects of local residents as well as address the needs of area employers.

Earlier this year, the City of El Monte incorporated an economic development element into its general plan update. The main goals of the element are to:

- **Support businesses:** Create and improve the business reasons for locating in El Monte;
- **Expand employment opportunities:** Increase the number and quality of jobs in diverse industries and occupations;
- **Increase local revenues:** Expand economic activity through revitalization efforts that will increase business value, improve sales and generate revenue for the city; and
- **Improve the quality of life:** Increase the diversity and quality of amenities available to residents that will improve the overall quality of life in the city.

It is evident from the CBI priorities and the city's economic development goals that they are closely aligned and mutually support each other. A diverse base of healthy businesses is crucial to creating viable, well-paying jobs for local residents that will enable them to achieve a high quality of life in the community. As such, this feasibility study represents a partnership between the CBI and the city to build a strong foundation for long-term economic growth.

Funding Priorities

The specific areas of focus for this Request for Proposals (RFP) are the **Northwest Industrial District** and **Flair Business Park**, which represent potential areas for site development. However, respondents should also evaluate the possible connectivity between these two parcels and other development sites located inside or outside the redevelopment project areas (see <http://ci.el-monte.ca.us/citygov/redevelopment/cramain.html>).

The 410-acre Northwest Industrial District represents the city's historic manufacturing core. It is also a part of the redevelopment project area established in 1993 by the Redevelopment Agency. In recent years, it has facilitated the development of office buildings, an international business incubator, a foreign trade zone and retail plazas, among others. However, this area is still in transition. The recent economic downturn has caused some manufacturing firms to close down or move out of the city, accelerating a trend that began in the early 1990s with the loss of durable manufacturing and defense-oriented production.

Flair Business Park is currently a commercial and professional business district with office buildings that house government agencies and firms in financial services, international trade and other niche sectors. It is not located within a redevelopment project area, except for a triangular portion in the southern section that is tied to the Downtown El Monte Added Area. Current tenants include Wells Fargo, Cathay Bank, East-West Bank and county offices. In its current configuration, the business park provides employment opportunities for San Gabriel Valley's professional and business services workforce, but it does not generate significant revenues for city government.

The purpose of this study is to help the CBI, the city and their partners in developing a policy framework and business plan for long-term economic growth. Despite the current economic

downturn, there is an opportunity to chart a new course for sustainable business, commercial and industrial development that will diversify the local economy, broaden the tax base and create better jobs for residents. With this end in mind, respondents should incorporate the following elements into their proposals:

1. Develop baseline information and analysis of the city's current economic landscape.

Applicants should identify the existing major industry clusters in the city and provide details about their characteristics and other relevant features. As an illustration, the industries can be analyzed by subsector: manufacturing, for instance, can be broken down into durable and nondurable production; and the major segments within each should be identified (e.g., metalwork for durable and food or furniture manufacturing for nondurable). Some information about the size of the firms should be included; and size can be defined by annual sales, number of employees (e.g., aggregated employment totals for a firm or ranges like 1-10 employees, 11-50, 51-100, etc.) or other relevant characteristics. If available, information should also be provided about the primary business activities of these subsectors. As an illustration, "professional, scientific and technical services" should be further described as geological engineering or architectural services. This level of detail is important, because it provides useful insights into the kinds of business assistance policies and strategies that should be developed or deployed to retain and grow existing firms and the industries in which they operate. This information should also be contextualized with comparative data for the San Gabriel Valley to provide an understanding of how the local economic landscape is similar to or different from the region as a whole.

2. Conduct an analysis of the city's business and economic strengths, weaknesses, opportunities and threats (SWOT).

This SWOT analysis should include an assessment of the city's current business and economic assets and liabilities, including, but not limited to: its current manufacturing and commercial facilities (e.g., whether existing buildings, loading docks, etc. need to be retrofitted or "greened" and whether some industrial parcels can be converted into other productive commercial or retail uses); access to rail and other transportation corridors; access to suppliers and customers; access to local and regional markets; and access to capital. The analysis should be informed by primary and secondary data sources, such as interviews with a representative sampling of existing manufacturers and businesses in the target areas and other parts of the city, as well as relevant business and economic research reports.

3. Identify business, industrial and commercial development opportunities.

Results from the baseline findings of the city's current economic landscape and the SWOT analysis should be used to determine the feasibility of attracting certain industries to El Monte. For example, does the city have the ingredients (i.e., public policies, financial and other incentives, facilities, etc.) to become a center for Pacific Rim-related international trade and finance? Is there a critical mass of such businesses already in or near the city to make this a viable business attraction/economic development strategy? If food products manufacturing is a major economic presence in El Monte, is the Northwest Industrial District an attractive site for potential food manufacturers? Is it feasible to consider the development of a "green technology" sector that includes both manufacturing and professional services? How can the city take advantage of federal stimulus dollars under the American Recovery and Reinvestment Act to spur economic development? (See <http://www.ci.el-monte.ca.us/pdf/ARRA.pdf> for information about the city's applications for federal, state and other funds.)

In analyzing these potential business, industrial and commercial development opportunities, applicants should include in their feasibility analysis: (a) a working definition of the particular industry and its key components (e.g., a description of the potential manufacturing and supplier base, related professional and technical support, financial and legal services needed to support a particular industry); (b) a description of the policies, incentives, capital or infrastructure improvements or business/hospitality services needed to attract them to the city and an estimate of their associated costs; (c) an overview of job creation potential, based on the major occupational categories in these industries, and the skill sets associated with those job categories; and (d) an analysis of whether local education and job training programs are available and accessible to city residents to qualify for jobs in these industries. This would entail a summary of existing high school, community college and four-year university career technical education and other job training programs to assess whether they are preparing residents for current and future job opportunities.

The feasibility analysis should focus on Flair Business Park and the Northwest Industrial District as potential areas for site development. However, respondents should also discuss the possible strategic links between these parcels and other areas targeted for development, such as: the El Monte Transit Village project (<http://www.elmontetransitvillage.com>), which seeks to expand the regional bus and Metrolink train center into a major transit-oriented development; downtown El Monte, which is slated for revitalization; the Foreign Trade Zone operated by the Titan Group; and a state enterprise zone application that the city recently submitted. In addition, the feasibility analysis should evaluate the potential for public/private partnerships and identify possible developers with expertise and interest in these kinds of projects.

4. Identify current barriers to business, industrial and commercial expansion and attraction; discuss the policies needed to overcome the barriers; and assess their potential costs and benefits.

Task # 3 described above relates to an assessment of the policies, practices, and incentives needed to attract specific industry clusters to the city. Task # 4 is designed to evaluate current city policies and practices with regard to land use, zoning, permitting requirements and financial assistance that affect both business retention and business expansion efforts. To determine what barriers exist, respondents should interview a representative sample of manufacturers and businesses in the Northwest Industrial District and Flair Park to understand their needs, the challenges they face and the services they require to remain viable in the city. Among the range of policy options that might be changed or developed, there should be a cost/benefit analysis of their potential effectiveness. For example, the city recently submitted an application to participate in the state's Enterprise Zone program. If this application is successful, respondents should discuss how this program can be effectively utilized.

Respondents should submit a final narrative report with an executive summary. The report should contain relevant economic data and/or charts, as well as the findings and recommendations from the tasks outlined above. In addressing specific business retention and attraction strategies or policy changes that need to be implemented, the report should also include estimated costs, such as those associated with site development. Up to \$75,000 is available for the study, which must be **completed by March 1, 2010**. Notification of the grant award will be sent no later than mid-October 2009.

Eligibility

Grants will be awarded to organizations with demonstrated experience and expertise in this kind of business and economic development analysis.

To be eligible for a grant, applicants **must** meet the following criteria:

- Be a nonprofit organization with tax-exempt status under Section 501(c)(3) of the Internal Revenue Code and not classified as a private foundation; or designate a nonprofit organization as the fiscal agent for the grant funds.
- The organization must operate so that it does not discriminate in the hiring of staff or provide services on the basis of race, religion, gender, sexual orientation, age, national origin or disability.
- The proposed project must start after notification of the grant award and be completed by March 1, 2010.

Grant funds may **not** be used for the following:

- General operating support
- Annual campaigns, sponsoring conferences or special events
- Endowments
- Existing obligations or to replenish resources used to pay such expenses
- Purchase of equipment, unless it is an integral part of an eligible project
- Sectarian proposes (i.e., programs that promote or require a religious doctrine)
- Re-granting programs that would grant our dollars to others

Application Procedures

Application forms and materials must be completed and delivered to the California Community Foundation's office by **5 p.m. on Wednesday, July 1, 2009**, with no exceptions. The foundation will only accept **hard copy** submissions. The application form can be downloaded from the foundation's Web site at: www.calfund.org/CBI.php.

Please mail or deliver **five sets** of the completed applications to the following address by **5 p.m. on Wednesday, July 1, 2009**, with no exceptions:

**California Community Foundation
Attn: Linda Wong
445 South Figueroa St., Suite 3400
Los Angeles, CA 90071**