

2016-2020

# Los Angeles County Strategic Plan for Economic Development

*Ensuring a strong, diverse and sustainable economy  
for LA County's residents and communities*





## A Message from the L.A. County Board of Supervisors

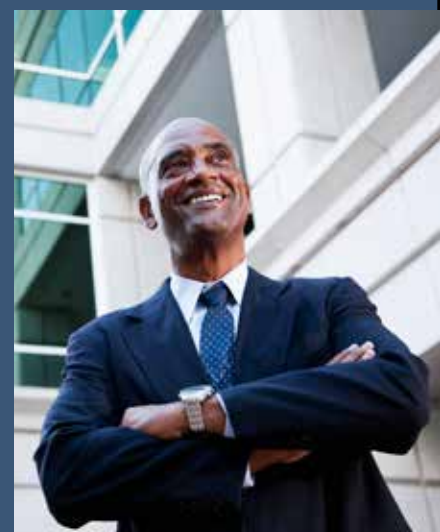
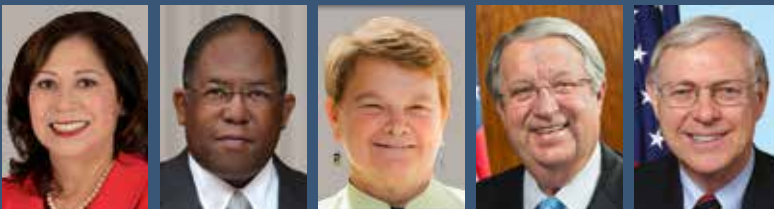
Los Angeles County and its 88 cities have come a long way since the Great Recession, when the first ever *L.A. County Strategic Plan for Economic Development* (2010-2014) was developed with broad consensus as a way to lift ourselves out of those grim economic times. In many ways, the collaborative public process that created the first Strategic Plan helped our public, private, labor, education, nonprofit and environmental leaders focus on shared priorities.

By many measures, the region made considerable progress on the five goals listed in that groundbreaking plan to ensure a strong, diverse and sustainable economy for L.A. County's residents and communities.

Building on this plan's success, the L.A. County Economic Development Corporation (LAEDC) worked through 2015 to identify and build consensus around priorities for the next five years, with vital input from more than 500 stakeholders in L.A. County's diverse communities and regions.

The result is the 2016-2020 *L.A. County Strategic Plan for Economic Development* contained within these pages. This new five-year Strategic Plan serves as a "roadmap" to improve standards of living for L.A. County's 10 million residents by fostering more broadly shared prosperity. This Strategic Plan both emphasizes that economic opportunity emerges through single-minded focus on advancement of our high-skill, technology-intensive industries and underscores the need to systematically connect our disadvantaged communities to that growth every step of the way.

Developing the action plans, measurements of success, and networks needed to fully execute the 100+ strategies contained in this plan will require a multi-pronged effort with broad participation and significant roles for everyone. The plan was developed collaboratively, and implementation requires broad collaboration too. We invite residents and the best and brightest leaders from the most creative organizations to participate and help our great county reach its shared goals.







## Introduction

The Los Angeles region possesses an abundance of human, economic, physical, and research and development assets that provide distinct advantages over other regions. Bursting with globally influential industries and firms, a large and talented workforce, world-leading innovation capacities, and powerful connections to the fastest growing economies on the planet, the Los Angeles region has all the attributes for economic success in this globally connected, innovation-intensive 21st century.

Still, the regional economy—like the global economy—is changing dramatically and at an accelerated pace. Much like the Industrial Revolution, which brought workers off the farms and into manufacturing, the technology revolution of recent decades caused a transition from low-tech, routine production to an information-age economy, where even manufacturing is much less labor-intensive and more technology-driven, and economic rewards are earned by the highly skilled and well educated. This economic transition presents us with an entirely new set and scale of challenges.

Unlike the move from an agricultural economy to a manufacturing-based one 150 years ago, when a worker needed little training to move seamlessly from the field to a factory floor, moving from a production-based economy to an information-age one today requires much higher levels of skills and education. But, it's not just an education and workforce training challenge—there are many considerations that will affect how competitive the Los Angeles region remains in the face of these increasingly complex changes, from different and more flexible physical spaces, urban designs and infrastructure to more focused and tailored public policies and trade programs.

## Our transition to an information-age economy presents new challenges.

These economic transitions and the speed at which they are moving require us to answer the following trillion-dollar questions: “how will our region quickly adapt to take advantage of these changes and foster sustained regional economic prosperity?” and “how do we ensure that this prosperity is distributed equitably, so the economically distressed will also experience higher standards of living and participate in the ‘American Dream’?”

Considerable progress was made during the five-year (2010-2014) implementation of L.A. County’s last *Strategic Plan for Economic Development*, but unresolved challenges still need to be addressed, such as widening income inequality, tepid wage growth, housing unaffordability and structural poverty. More than 500 local leaders and stakeholders, from business, labor, philanthropy, education, early childhood development, non-profit, government and environmental communities collaborated in the public process of developing this *Strategic Plan for Economic Development* to address these questions and challenges.

The development process began with a scan of the best domestic and global economic development practices around the world. This was followed by a “Business Climate” survey of 1,000 businesses across L.A. County, segmented by size and industry, to assess their challenges and opportunities. And finally, through 26 public input meetings held over six months, Los Angeles County’s next five-year (2016-2020) *Strategic Plan for Economic*

*Development*—much like the first one—was developed to express our region’s shared aspirations, objectives and execution strategies for the purpose of ensuring higher standards of living for all the residents of Los Angeles County. Over the course of these 26 meetings, consensus developed around seven (7) goals:

1. **Invest in our people to provide greater opportunity**
2. **Strengthen our leading export-oriented industry clusters**
3. **Accelerate innovation and entrepreneurship**
4. **Be more business-friendly**
5. **Remove barriers to critical infrastructure development, financing and delivery**
6. **Increase global connectedness**
7. **Build more livable communities**

It is important to bear in mind that this *Strategic Plan for Economic Development* represents the continuation of an ongoing consensus development and shared implementation process, which began in 2010 with the county’s adoption of the first Strategic Plan, to improve L.A. County’s economy. But, this is not the county government’s plan. Rather, **we all have a role to play in the implementation and success of this plan.** Let your public service role be known. Go to: [www.lacountystrategicplan.com](http://www.lacountystrategicplan.com) to find out how to get involved and track our progress.





# Invest in Our People, from Prenatal through Post-Career, to Provide Greater Opportunity

**WHILE THE L.A. REGION IMPROVED** markedly on a number of important top-line educational outcomes from 2010 through the close of 2013, including increasing graduation rates by 6.6 percentage points, the region must continue to make progress in ensuring that L.A. County's youth and adults are educated, prepared and trained for the highly technical, knowledge-based careers of the future. Indeed, with the accelerating transition to more highly innovative industry clusters, the Los Angeles region must bridge the skill gaps between production-based and information age-based skill sets. To drive the economy forward, the region's workforce will require significantly different and higher levels of education and training than ever before.

According to a 2015 Los Angeles County Economic Development Corporation (LAEDC) Business Climate Survey, fifty-nine percent (59%) of C-level executives in L.A. County find it difficult to fill key positions. Since more than half of the businesses surveyed are planning on expanding their operations within the next 24 months, the difficulty of finding top talent is compounding as employers are increasingly struggling to find workers who possess the necessary skills to fill job openings. Unfortunately, this regional skill gap is projected to grow, not dissipate.

By 2025, it is estimated that almost one-third (30%) of all job openings in the State of California will require some form of post-secondary education short of a four-year degree. Yet, more than 23 percent of the County's population of residents aged 25 years and older have not earned a high school diploma (or equivalent) while 20 percent have graduated high school but have no other education. In short, California's education pipeline is not keeping pace with the higher skills and education required by employers. There needs to be a significant increase in the number of individuals with industry-valued,

middle-skill degrees, certificates and credentials. The need for staff development and training services will be especially critical in the Health Care, Information, and Professional, Scientific and Technical Services industry sectors, with 61, 70 and 76 percent, respectively, of businesses in these industries identifying this as a top strategic need within the next year.

To combat the inequality brought on, in part, by the pace of technological innovation, the L.A. region needs to aggressively start human development and education programs earlier in childhood when 90 percent of a young child's brain first develops. Cutting edge brain science and decades of research by Nobel Prize-winning economists convincingly demonstrate the greatest return on education investment is in the early years. We need to sustain our commitment to education from pre-K through high school, ensuring that all of L.A. County's students graduate college- and career-ready. And we need to make post-secondary academic advancement and skills attainment less costly and more seamless, and treat education, job training and upskilling our adult learners as life-long commitments.

**Thoughtful, well-placed investment** in all the dimensions of human development, from pre-K to post-career, **will empower more County residents, especially in the region's economically distressed communities**, reduce their risk for adverse life outcomes, and promote more widely shared prosperity. But regional success also requires collaboration and a commitment towards bridge building efforts, such as the *L.A. Compact*, JPMorgan Chase's *New Skills at Work* initiative and, of course, this 2016-2020 *L.A. County Strategic Plan for Economic Development*.





#### OBJECTIVE ONE

### Build human development support infrastructure to focus on the “whole” child

- A. Conduct landscape and gap analyses to better understand, coordinate and scale existing early childhood programs, and fill resource gaps along the prenatal-through-career continuum
- B. Increase system-wide alignment across early childhood, preK-12, family and community engagement organizations, and governmental agencies, to collaborate on all dimensions of human development: physical and mental health; cognitive development; and social and emotional skills
- C. Integrate programs, such as increased school readiness initiatives with community and government public policy reforms, such as foster care aversion and sentence reform

#### OBJECTIVE TWO

### Establish a strong foundation for future learning and success by improving access to quality early childhood programs and family engagement in each child’s development

- A. Advocate for greater access to affordable child care, high-quality early childhood development, and learning / preschool programs with trained practitioners
- B. Educate expectant mothers and fathers about the importance of prenatal care, developmental screenings and play-based learning, and educate families about available resources
- C. Integrate social and emotional development standards into early child development

#### OBJECTIVE THREE

### Integrate data systems and technology across agencies to improve education and career training outcomes

- A. Introduce new accountability systems to measure program and education effectiveness including child and student learning and development so that we better understand where service providers and schools are struggling, and how to help them continuously improve
- B. Utilize data/analytics to identify students with low attendance or those who are falling behind, and intervene to keep students in school and on track
- C. Integrate up-to-date labor market and occupational data across the workforce systems in developing and resourcing job training programs

people





people





#### OBJECTIVE FOUR

### Re-skill pre-K through 12 education for the information age economy

- A. Provide career path information to students at school and through more school counselors, social media and online platforms
- B. Expand Wi-Fi access in homes, schools and community sites in underserved communities
- C. Employ technology, creative arts and adaptive learning techniques in instruction and development of new courses throughout the preK-grade 12 curriculum, e.g., coding, robotics labs, creative design, and new media

#### OBJECTIVE FIVE

### Improve high school graduation, college matriculation, and postsecondary attainment rates

- A. Provide ongoing professional development and/or other incentives to address teacher pipeline issues and attract highly qualified and fully prepared teachers into underserved communities and in high need areas such as STEAM subjects, bilingual and special education
- B. Institute restorative justice (e.g., fewer suspensions and expulsions) initiatives and expand efforts to target young adults who are disconnected from school and work
- C. Better integrate immigrants into the workforce by expanding adult ESL (“English as a Second Language”) programs and bi-literacy efforts
- D. Expose more minority students to computer science and other STEM disciplines through boot camps, apprenticeship and internship programs, role- and peer-model networks, labor-management training programs
- E. Expand innovative educational alignment initiatives (e.g., Long Beach College Promise, L.A. Compact) that connect preK-12 to post-secondary institutions, helping high school students focus on college and career planning before graduation
- F. Institute more after-school activities, implement longer computer lab hours, and support additional after-school mentoring and tutoring
- G. Identify models of high-quality, collaborative, inclusive, engaging and innovative schools and extend their best practices throughout all districts and schools

#### OBJECTIVE SIX

### Link all levels of education to regional industry demand to upskill the workforce

- A. Tie workforce development activities to economic development goals, sharing metrics across economic development, education and workforce systems and ensuring there is sector alignment between the county’s seven Workforce Development Boards, so that they are using the same industry definitions and targeting the same key industries
- B. Integrate workplace learning into community college, technical and four-year college curricula, through vehicles such as expanded internship and apprenticeship programs
- C. Offer more career development and placement programs, in addition to on-the-job training and education for veterans, youth, retirees and those re-entering the workforce; develop targeted programs to aid career transitions and upskill incumbent workers for the technology-intensive jobs in the information age
- D. Make college courses more relevant and specialized to match industry trends (e.g., IT for healthcare workers) and implement reforms to improve the relevance, access, outreach and effectiveness of trade and career technical education programs and policies, including sector-specific labs on school district campuses

# 2

## Strengthen Our Leading Export-Oriented Industry Clusters

**WHEN SEEKING TO INCREASE OVERALL PROSPERITY**, and thus raise standards of living for Los Angeles County residents, in a more innovation-intensive, but less job-dense economy, the first question to ask is: “Where will we find the well-paying jobs of tomorrow?” The second question then becomes: “How can we—as an economic region—create more of these jobs while also ensuring that more of our residents are able to access these jobs?”

For answers to these questions, we must look to the regionally competitive, growing and export-oriented industries, which are comprised of small-, medium- and large-sized businesses.

This is new to this version of the five-year *L.A. County Strategic Plan for Economic Development*. But for good reason, since current evidence suggests that focused industry cluster development can unleash incredible growth potential when used as an approach that cuts across the traditional fields and tools of economic and workforce development, helping to enhance their effectiveness. Businesses (large and small) in traded or export-oriented industry clusters, by definition, sell goods and services beyond the region in which they are located. They produce a reinforcing cycle of job creation, wage growth, investment and economic prosperity. As concentrations of businesses, support services, suppliers and competitors grow, they generate better products and improved processes, and attract skilled workers, becoming even more competitive and gaining market share.

Businesses in traded industries also drive the local service economy, triggering ripple effects that are felt across our local businesses (in terms of jobs, wages and tax revenues), offering the best chance for bringing greater prosperity to more residents and raising standards of living across more of our communities. Such positive effects are accelerated when a region’s capacity building activities are directed towards supporting these industries.

Only by understanding a cluster’s economic value, regional strength, and regional asset (and gap) profile can we shape and direct sector-specific growth strategies. This means that a regional plan for economic development cannot simply support a “one-size-fits-all” pro-business strategy. Our limited public dollars and resources are most wisely invested when efforts are focused, and so the L.A. County Board of Supervisors has recognized the power of focusing on key traded industry clusters, such as the Biosciences industry, as a key tenet of its program to advance an economic development across the county.

With this in mind, regional economic development capacity-building should focus on the Los Angeles region’s prominent traded industry clusters, which today include:

- **Advanced Transportation & Clean Vehicles and Fuels**
- **Aerospace & Defense**
- **Biopharmaceuticals, Medical Devices & Health Services**
- **Education & Knowledge Creation**
- **Entertainment & Digital Media**
- **Fashion & Apparel**
- **Hospitality & Tourism**
- **Info-tech & Analytical Instruments**
- **Marketing, Design & On-line Publishing**
- **Trade & Logistics**







#### OBJECTIVE ONE

**Align regional economic, networking and physical assets to build capacity in key clusters**

- A. Develop new physical spaces and renovate existing ones to support research, incubation, shared use, development and production in key traded clusters
- B. Form sector-based partnerships between community and four-year colleges, as well as regional workforce system partners, such as Workforce Development Boards and labor union apprenticeship and labor management training programs, to train and place talent in key clusters
- C. Identify industry trends, and perform asset and gap analyses to guide capacity building, and fill gaps along the value chain, from research to design to build to export, in leading and emerging industry clusters and sectors
- D. Attract top scientists, who can generate a strong base of scientific knowledge in key disciplines and accelerate technology transfer out of research and academic settings to companies within key sectors

#### OBJECTIVE TWO

**Provide technical assistance support to businesses, from startups to established firms, in key clusters**

- A. Provide on-the-ground technical assistance and transactional “matchmaking” with: financiers; talent developers; procurement specialists; law, investor relations and accounting firms; partnering and acquisition advisors; and other specialty advising services, and introduce industry-specific online “connectories” of public, private and nonprofit resources
- B. Launch regional industry-specific purchasing groups to provide negotiated discounts based on the group’s collective buying power, as well as offer other contracting and quality assurance services

#### OBJECTIVE THREE

**Promote a legislative, regulatory and policy environment that supports key clusters**

- A. Advocate for tax, legal, permit and regulatory regimes beneficial to key traded clusters, and oppose local, state and federal legislation that would harm key traded clusters
- B. Modernize land use regulations, along with entitlement and permitting processes, that disproportionately disadvantage key regional traded clusters
- C. Provide targeted incentives, including government procurement preferences, that support key traded industry clusters



#### OBJECTIVE FOUR

**Market and globally promote regional strength in key clusters, and proactively attract new “anchor” entrants from other states and nations**

- A. Release regular industry-specific updates and publications highlighting the region’s comparative advantages in key clusters
- B. Lead industry-specific trade missions to target countries with comparative strengths in key industries
- C. Attract major industry and industry-focused investment banking conferences to L.A.; have an L.A. presence at major global industry conferences; and conduct by invitation on-site tours of promising local companies with the venture capital and investment banking communities

#### OBJECTIVE FIVE

**Promote convergence opportunities within, between and across key clusters**

- A. Convene “cluster conferences” across industry verticals to provide firm-to-firm networking, business development opportunities and events around common issues, such as: capital access; supply chain management and procurement; intellectual property protection; trade and accessing new markets; and marketing and investor relations
- B. Develop communal R&D hubs, training facilities, shared production (manufacturing) areas and digital co-working spaces to boost convergence between fast-emerging growth sectors, such as; biomedical and information technology; multimodal transportation and autonomy; digital and security

**Grow the industries that will produce well-paying jobs.**

# industries







# 3

## Accelerate Innovation and Entrepreneurship

**INNOVATION**, especially when combined with entrepreneurship, kick-starts a cycle of increased productivity, output and reinvestment, which **fuels greater economic growth**. This ultimately improves standards of living for residents and communities. Innovation as an economic development priority is no longer optional but is the differentiating factor in the success of countries and regions. Technological advancement has always been an essential ingredient of regional economic growth and wealth creation, but the speed of advancement has accelerated in the modern information age.

University-led research and development expenditures at L.A. County's three world-leading research universities, Caltech, UCLA and USC, remained relatively flat from 2010 to 2013, however venture capital investment in the Los Angeles region continued to show an upward trend post-recession. But, although venture capital is a critical ingredient for the commercialization of inventions, an array of other inputs is required to accelerate innovation.

For region-wide innovation to happen and take hold across industries in L.A. County, there must be organizational networks that connect the region's economic, physical, networking, R&D and other assets. This will promote risk-taking, basic and applied research, cluster development, talent development and attraction, and convergence across broad disciplines to adapt, recombine or create completely new products, services, processes and technologies. Additionally, L.A. County must do a much better job at telling and sharing its excitingly diverse, rapidly growing and remarkable "innovation" story. Remember, highly-talented and innovative people like to live among other highly-talented and innovative people.

### OBJECTIVE ONE

#### Support a culture of entrepreneurship, invention and start-ups

- A. Conduct landscape and gap analyses, to identify innovation-related assets, and diagnose and fill gaps
- B. Increase access to affordable shared spaces for research, lab (wet and dry), design and co-working, to assist entrepreneurs, inventors and makers.
- C. Champion startup resource aggregators, such as "socalTECH" and "Builtin-LosAngeles", to activate more open-ended "matchmaking" among innovators, establish mentorship programs to help entrepreneurs advance, and collect and share more resources and data on start-ups and support services providers
- D. Leverage our strengths in gender and ethnic diversity in entrepreneurship throughout the entire county







#### OBJECTIVE TWO

### Promote and market the Los Angeles region as a key innovation destination for entrepreneurs, talent, start-ups, and anchor companies

- A. Grow “LA Innovation Week” into a global brand, similar to “Art Basel”, “New York Fashion Week” and “South by Southwest” to help brand the L.A. region’s specializations, globally market the region’s “innovative” culture and promote its success
- B. Market the region to global entrepreneurs and talent, and target “anchor” companies located outside of the Southern California region, especially those that are within innovative disciplines of key traded industry clusters

#### OBJECTIVE THREE

### Stimulate research and development (R&D)

- A. Develop underutilized publicly-owned land parcels around key physical assets to spur applied research, development and commercialization activities in key innovation growth areas, such as: biosciences near teaching and research hospitals
- B. Mobilize regional political support to better protect intellectual property rights at home and abroad, and secure major federal grants and other opportunities that support L.A. County’s innovation infrastructure, such as centers of excellence in key disciplines
- C. Forge partnerships between researchers and industry, and nurture global applied research joint ventures between L.A. County-based institutions and key international partner-institutions

#### OBJECTIVE FOUR

### Foster capital access for development and commercialization

- A. Use public procurement strategically (e.g., “reverse pitch”) to help direct and drive regional innovation needed to support early-stage/small business growth
- B. Stimulate innovation and entrepreneurship to address environmental challenges in a way that also foment the development of new locally-consumed, but export-oriented, industries, such as water conservation technology
- C. Launch innovation brokers that actively connect researchers and entrepreneurs to existing networks of seed-, early- and development-stage capital providers



innovation

**IT IS WELL ACCEPTED** that it is important to be welcoming to businesses. Even so, business “friendliness” or “unfriendliness” is not something that can be easily measured. Instead, “business friendliness” is grounded on a collection of business climate elements, ranging from tax rates and talent availability to regulatory complexity and ease of permitting, which are almost entirely based on the perceptions and experiences of the entities most directly affected—namely, businesses themselves and their owners.

From 2010 to 2014, L.A. County improved on a few metrics that favor business productivity and opportunity, including a 63 percent increase in the number of cities in L.A. County with an Economic Development Element as part of their respective General Plans. The region’s positive, but measured, progress on “business friendliness” was further supported when comparing results from two independent, LAEDC-commissioned Business Climate Surveys (in 2007 and 2015). However, businesses still gave the region low marks in terms of “maintaining a low tax and fee structure on businesses” in the 2015 survey. In addition, when rating different subsets of government, the State of California ranked the least business friendly, followed by the County of L.A., and then the firm’s own city or community.

According to the 2015 Business Climate Survey, the top five things that businesses claimed would be helpful for them to grow over the next three years were as follows:

1. Access to qualified job applicants
2. Research on the local labor market and salary survey information
3. Training for existing employees
4. Transportation solutions
5. Permit and entitlement assistance

The most effective business-friendly policies that cities can undertake are also the least costly: make businesses feel that they are valued with improved business-facing customer service, more regular engagement, and more accountability, transparency and reliability in rulemaking and in general dealings with businesses.

## OBJECTIVE ONE

### Make economic development and business friendliness explicit priorities

- A. Educate local and state officials on the value of private sector businesses as generators of output, jobs and tax revenue, and encourage government officials to conduct economic impact assessments on regulations prior to adoption and after implementation
- B. Engage businesses regularly in the design, and administration of business-facing services, conduct regular site visits with businesses to be more responsive to their needs, and establish a uniform business prospect handling process that increases retention and recruitment efforts
- C. Develop and implement an analytically-based economic development element as part of a General Plan with benchmarks, performance measures, responsible parties and regular reviews
- D. Use reliable data, business satisfaction surveys and international benchmarking to inform the design of economic development programs and services

business





#### OBJECTIVE TWO

### Embrace local coordination but a regional focus, approach and collaboration in economic development activities

- A. Engage in healthy intra-regional competition, but adopt a “no raid” policy to avoid rivalries that pit one community against another, as well as mobilize around region-wide collaborative efforts to secure major federal and state projects, and build more effective working relationships between local, regional and state economic development practitioners
- B. Coordinate and support effective marketing activities across the region, branding L.A. locally and globally, and highlighting its most business-friendly cities using a “LEED”-type rating for business-friendly cities based on an array of factors in addition to the cost of doing business

#### OBJECTIVE THREE

### Cut red tape and keep costs of doing business competitive with other regions

- A. Provide easily accessible, online information regarding tax and other incentives, site selection services and procurement opportunities
- B. Provide businesses with certain fee waivers, especially small businesses that support well-paying jobs, as well as adopt strategies to help employers balance the costs and benefits of increases in minimum wages
- C. Establish clear and consistent taxation, regulation and code enforcement policies; provide timely and easy-to-follow permit, entitlement, and online business license approval processing; and offer zoning confirmation letters, development flow charts with timelines and costs, 24/7 online project status tracking, and parallel processing of permits

#### OBJECTIVE FOUR

### Implement industry-targeted incentives, special zones and other programs for key industries

- A. Establish one-stop centers for technical, financial and regulatory assistance for small businesses, leveraging technical and financial support from the private sector
- B. Adapt antiquated gross receipts tax structures to the modern economy
- C. Adopt model ordinances and best practices for key industries
- D. Institute façade improvement programs to remove blight and improve commercial and industrial building appearances by assisting businesses and commercial/industrial property owners



# 5

## Remove Barriers to Critical Infrastructure Development, Financing and Delivery

**GLOBALLY COMPETITIVE REGIONS** must have the “hard” physical infrastructure necessary for a modern economy and increased productivity. The physical infrastructure needed to move people, goods, information, energy, water and waste in an affordable, reliable, environmentally sustainable and secure way includes all modes of transportation, including (highways, bridges, tunnels, mass transit); utilities, including dry utilities (electricity, communication, data, waste management/recycle) and wet utilities (water, waste water, storm water); and goods movement (seaports, airports, rail).

L.A. County is a global economic leader due in large part to the foresight and leadership displayed in building the world’s most advanced physical infrastructure systems more than half a century ago. And between 2010 and 2014, L.A. County made strides in terms of new infrastructure development. In particular, the region secured federal loans to accelerate transit projects under Metro’s “30/10” program, including adding 8.6 rail miles and 10 new stations. A \$7 billion capital improvement program at Los Angeles International Airport brought us a state-of-the-art international terminal, and regional utilities invested in renewable energy to achieve record-breaking reductions in greenhouse gas and other noxious emissions.

Unfortunately, average commute times continued to increase between 2010 and 2014, and infrastructure systems constructed many decades ago are now badly in need of repair or replacement. In addition, the capacity of many of these systems has not kept pace with the growing demand. There is some uncertainty as to whether the region’s existing infrastructure can even sustain today’s economy, much less its future growth.

The process by which regional stakeholders develop, finance and deliver new infrastructure improvements or replace existing infrastructure, is also badly in need of repair. Without structural fixes to this system, the region will be unable to deliver key projects to support population growth, add needed capacity, and serve the needs of the industry clusters that will lead future growth.

### OBJECTIVE ONE

#### **Maintain physical infrastructure in good repair and ensure its resilience to disaster**

- A. Conduct analysis to determine the adequacy of currently planned infrastructure repair, maintenance and improvements, as well as to assess the ability of infrastructure to withstand potential stresses such as earthquakes, climate change and terrorism
- B. Use technology to more effectively and affordably deliver public services, such as water distribution and electricity usage, and to better monitor, asset manage, and anticipate breakdowns and replace, where necessary, the county’s aging infrastructure, especially water infrastructure (now nearing or past the end of its lifecycle)
- C. Develop a long-term capital plan for infrastructure repair, maintenance, and earthquake resilience upgrades
- D. Create a mechanism for regional agencies across jurisdictions to coordinate overlapping infrastructure needs and respond regionally to natural or other disasters







#### OBJECTIVE TWO

### Account for regional economic trends in infrastructure development

- A. Analyze needs of L.A. County's future economy as a factor when prioritizing infrastructure development projects
- B. Aggressively lobby for the region's fair share of federal and state infrastructure-related dollars, such as cap-and-trade expenditure allocations
- C. Provide universal access to "best in world" high-speed Internet access
- D. Develop the systems to support new innovations in multimodal transportation, autonomous vehicles and clean fuel technologies

#### OBJECTIVE THREE

### Improve infrastructure finance, entitlement and construction processes

- A. Create a county-wide database of infrastructure needs and planned investments; and more intelligently integrate regional infrastructure investments, including new Joint Powers Authorities, so that different jurisdictions and agencies can work together where feasible to plan, leverage investment, fund, and maintain projects and systems that meet the benefits, goals and conditions of one another
- B. Institute permit reform at the state, regional and local levels and advocate for simultaneous local-state-federal environmental analysis
- C. Modernize the California Environmental Quality Act (CEQA) to preserve the dual intents of the law—environmental protection and public participation—while limiting abuses of CEQA that have hindered responsible improvements that benefit the economy and environment, and impose strict deadlines on CEQA review to reduce uncertainty and lower costs
- D. Conduct an independent assessment as to whether the two-thirds supermajority vote requirement for local bonds needs reform

#### OBJECTIVE FOUR

### Operationalize innovative financing, delivery and post-construction management models

- A. Expand design-build infrastructure development models, where the design and construction services are contracted to a single entity, and pilot more design/build/operate models, where a public entity solicits a single bid for the design, construction and operation of a project
- B. Create an enabling legal framework and incentive structure to increase private sector participation, performance-based contracting, and other creative infrastructure financing, delivery and LEAN development structures
- C. Engage non-traditional, non-bank financial intermediaries and private asset management firms for development capital, as well as the European Union banks and EB-5 immigrant investor programs
- D. Launch a regional infrastructure bank and advocate for a California Qualified Infrastructure Bond Program (similar to the very successful Build America Bond Program) to help finance critical infrastructure projects by subsidizing interest payments paid to bondholders



# infrastructure

**LOS ANGELES IS A GLOBAL HUB**, uniquely positioned to accommodate the growing commerce among the world's economies. L.A. County's diverse set of industry clusters, along with its geographic connections to Asia and Latin America, give our region a competitive advantage over other regions and provide the framework for the region's export and foreign direct investment (FDI) strategies.

In many ways, our region's economic future is intrinsically tied to our interaction with international partners. Exports from the L.A. Customs District showed a clear upward trend between 2010 and 2014; which is good news, since exports and FDI increase regional productivity and prosperity by bringing new capital into the region. But as other regions have begun to realize the prosperity generated by export-oriented businesses and inbound investment, competition has become increasingly fierce. Other global regions are working hard to create environments that are attractive to the same businesses and investments that Los Angeles seeks. In fact, in recent years export-oriented firms that have long called Los Angeles home have chosen to relocate to other cities, states and countries.

In order to preserve and cultivate our competitive advantage, the region must better leverage its regional advantages by further nurturing export industries, opening new foreign markets, increasing the number of export-ready firms, and actively seeking additional foreign direct investment. The Los Angeles region must continue to increase its global connectedness in ways that will **attract inbound investment and facilitate two-way trade**.

## OBJECTIVE ONE

### Attract and retain high quality foreign direct investment (FDI)

- A. Conduct an FDI study for the region to get a true understanding of the impact of international investment to the Los Angeles regional economy, and obtain feedback from current foreign investors on how to retain and secure more investments from abroad
- B. Conduct a "needs assessment" to identify the industries and companies the region should attract and work with private/public sector organizations to identify, target and recruit foreign companies
- C. Encourage public/private partnerships to fund and execute region-wide FDI attraction programs
- D. Use regional EB-5 investment centers to attract greater foreign investment for local job creation

global







#### OBJECTIVE TWO

### Coordinate existing trade services in the region

- A. Create a trade services collective with regional trade and investment assistance service organizations to pool resources, attract foreign firms, coordinate trade and investment services, and establish a centralized physical or virtual (web-based) location where these services could be accessed easily
- B. Educate more businesses about “how to export” and provide assistance services in an effort to increase the number of export-ready small, medium and large businesses
- C. Increase awareness and utilization of existing funding mechanisms such as the State Trade and Export Promotion (STEP) Grants and the Market Development Coordinator Program from the Department of Commerce as a way to increase export opportunities

#### OBJECTIVE THREE

### Coordinate international trade mission and delegation system

- A. Create a centralized intake and vetting system for international delegations visiting the L.A. region as a way of streamlining services offered by regional partners
- B. Provide matchmaking and networking opportunities between local and international businesses
- C. Coordinate recruitment of local companies for trade missions with regional partners across different sectors to increase export opportunities
- D. Establish Memoranda of Understanding (MOU) agreements with key consulates and foreign trade offices to help local businesses and trade organizations to identify potential business, industry and government partners abroad

#### OBJECTIVE FOUR

### Establish a marketing/promotion program for L.A. County

- A. Create a five-year plan outlining how the region can target selected domestic/international trade shows that focus on targeted industry clusters to attract FDI and increase exports. Use trade conferences in L.A. County as showcase opportunities to international investors and buyers
- B. Create a database of regional services, public assets, and best practices of foreign investments in the L.A. region to help market Los Angeles County as a prime location for FDI and international trade
- C. Market the region’s cultural diversity to attract and retain international students and enterprises

**Exports and FDI increase regional prosperity.**



## HIGH RATES OF LONG-TERM UNEMPLOYMENT

devastate local communities, induce a variety of individual behavioral changes, alter social networks, and lower the standards of well-being for the long-term unemployed and their families. Long-term unemployment and underemployment can cause a breakdown of traditional family arrangements, increased use and dependence on public assistance, and high crime.

By beginning with job creation and addressing other regional and state challenges, such as affordable housing, environmental sustainability and justice, and incarceration rates, communities can impact not only income inequality and intergenerational poverty, but improve overall livability in real terms.

A precondition for building more livable communities is having enough jobs for residents. The good news is that L.A. County created more than 335,000 jobs from January 2010 through the close of 2014. Unfortunately, the region still has an unacceptably high poverty rate, which stood at 17.8 percent in 2014. And, with more than 1.3 million residents who live in over 300 census tracts are deemed “severely economically distressed,” with poverty rates of at least 20 percent and unemployment rates 1.5 times the national average), L.A. County still has too many communities that suffer from severe joblessness. The negative causal relationship between joblessness and individual and community wellness is clear. Unfortunately, L.A. County leads in two metrics that need to be addressed: L.A. County is in the top one percent (1%) of all counties in the nation in terms of income inequality and in the top four percent (4%) of all U.S. metropolitan areas in terms of being economically segregated.

## OBJECTIVE ONE

### Invest in basic community infrastructure

- A. Employ targeted incentives to encourage developers to build housing for all income levels, including discounted and/or expedited permitting for qualifying projects and energy saving technologies to lower energy costs
- B. Make it a priority in land use planning activities to protect, revitalize and expand “jobs-producing” commercial and production-based parcels
- C. Improve overall safety and disaster emergency response and resiliency, including small business emergency risk management and post-hazard resiliency
- D. Pilot social impact bonding programs that bring more economic development activities to low-income communities
- E. Coordinate regional transit approaches with local infrastructure improvements that enable active transportation, e.g., good sidewalks, bike paths, live-work-recreation density, and proximity to transit options, to reduce congestion, taking ideas from “complete streets” concepts where possible



livable





#### OBJECTIVE TWO

### Advance physical and mental wellness for individual residents

- A. Address homelessness by providing supportive services, such as mental health and job training services, along with housing initiatives
- B. Eliminate “food deserts” by embracing high-tech vertical farming techniques that inhabit vacant buildings in underserved urban areas
- C. Increase the number of doctors and nurses per 1,000 residents in underserved communities, improve access to preventative healthcare
- D. Expand mental health promotion, prevention, treatment and recovery programs, as well as drug treatment and recovery programs

#### OBJECTIVE THREE

### Enhance social, environmental and community wellness

- A. Carry out environmental sustainability actions that support environmental and economic co-benefits, and integrate regional investments with local decision-making on land use, housing, transportation, infrastructure, energy and environmental practices
- B. Build more community centers in economically distressed communities that combine an array of support services, such as financial literacy, tax preparation and community banking, throughout L.A. County’s underserved communities
- C. Combat labor and other code violations consistently and fund enforcement adequately
- D. Provide support services to ex-offenders leaving prison and ensure their successful reintegration into society





**Thanks** to the hundreds of participants  
in the 26 public input sessions, who made this strategic plan possible.











## The Implementation Process

*Collaboratively developed, collectively implemented*

This Strategic Plan is ambitious, and for good reason. An unprecedented economic transition is underway, and we all need to row together to navigate the changing tide. Together, we, in the broader L.A. County community, have the “know-how” to make meaningful progress on the seven goals of this plan, improving standards of living for more of our neighbors and resulting in more widely shared prosperity. However, it will clearly require shared responsibility, added capacity and coordinated action by many organizations and individuals, inside and outside of government.

### Measuring Success

Many metrics for success have been identified, and as the implementation period begins in January 2016, a more detailed set of metrics will be identified so that we can benchmark our future progress. If you have data or metrics available to contribute or can assist in this process, your help is requested via an email to [StrategicPlan@LAEDC.org](mailto:StrategicPlan@LAEDC.org). The LAEDC’s L.A. County Strategic Plan team, along with designated goal champions and relevant participants, will review and report on the progress made at the end of each calendar year, highlighting milestones and progress made against established benchmarks.

### Request a Speaker or Webinar

If your organization wants to hear more about the Strategic Plan and its implementation to support the process, LAEDC can coordinate a speaker. Contact [StrategicPlan@LAEDC.org](mailto:StrategicPlan@LAEDC.org)

### Endorse the Strategic Plan and Engage Your Elected Officials

For an effective effort, we need to spread the word about the Strategic Plan. Ask public, nonprofit, community, labor, faith-based, education, business or other stakeholders to advance the strategies and tactics developed in support of this vital work. As more people engage, more will be accomplished. Use the endorsement forms, shareable links and resources at [www.LACountyStrategicPlan.com](http://www.LACountyStrategicPlan.com)

Go to [www.lacountystrategicplan.com](http://www.lacountystrategicplan.com) to **ENDORSE**, *advocate* and **implement** this plan for our future.



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ECONOMIC DEVELOPMENT CORPORATION

444 S. Flower Street, 37th Floor  
Los Angeles, CA 90071

[www.LAEDC.org](http://www.LAEDC.org)  
213.622.4300  
fax 213.622.7100



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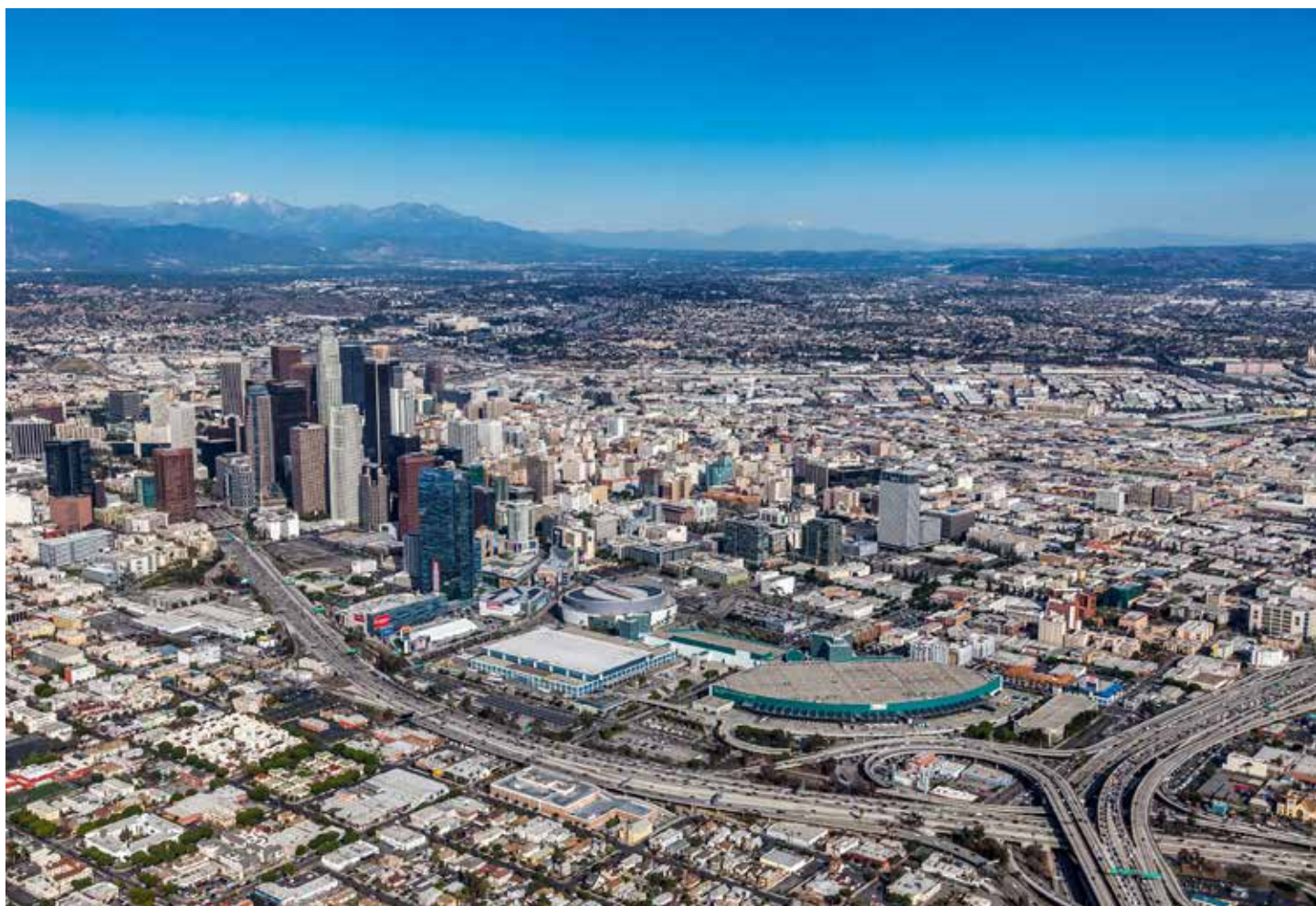


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