

City of Carson, California

# Economic Development Strategic Plan

## **REQUEST FOR PROPOSALS NUMBER: RFP 21-025**

### Economic Development Strategic Plan

Issue Date Optional Pre-Proposal Meeting (Virtual): Prospective Contractor Questions Due: Proposals Due (Electronic Only): 06/17/21 06/24/21 @ 08:30 AM 06/28/21 @ 05:00 PM 07/15/21 @ 05:00 PM

Due to the current COVID-19 pandemic, the City is not accepting walk-in or hand-deliveries of proposals.

#### PROPOSALS MUST BE SUBMITTED ELECTRONICALLY

NO LATE PROPOSALS WILL BE ACCEPTED. Proposals received after the due date and time will not be considered for this project. It is the policy of the City of Carson to reject any proposal that is received late.

**REGISTER AS A VENDOR AND SUBMIT ELECTRONIC PROPOSALS AT:** https://pbsystem.planetbids.com/portal/32461/portal-home

#### **REQUEST FOR PROPOSAL RFP NO. 21-025**

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#### Attachments

- 1. 2013 Economic Development Element
- 2. Buxton Market Overview of Main and Del Amo
- 3. EIFD Boundary Map

#### ADDITIONAL DOCUMENTS AVAILABLE ON PLANETBIDS AS DOWNLOADS

- 1. Affidavit of Non-Federal Lobbyist Requirements
- 2. Debarment and Suspension Certification
- 3. Affidavit of Non-Collusion and Non-discrimination
- 4. Client Reference List
- 5. Contract Services Agreement Template

#### A. SUMMARY

The City of Carson is requesting proposals from potential consultants for development of the City's first Economic Development Strategic Plan that would address a number of the most important issues facing our community. The City seeks to retain the services of a consulting firm, or firms working in partnership, to carry out a comprehensive analysis building on its 2012 Economic Development Element (EDE), attached as Attachment 2. This effort will require close coordination with the City of Carson and other community special interest groups.

One of the initial uses of this Strategic Plan would be to assist the City in making informed decisions in where to make investments from the American Rescue Plan funds granted to it from the recent Federal stimulus bill, particularly in determining prudent infrastructure improvements and in making investments that assist the local business community. Given the urgency in responding to the economic aftermath of the COVID-19 pandemic and the opportunities created by the American Rescue Plan, part of the work program will be to help the City identify some "low hanging fruit," e.g. projects or programs that could be implemented early in the process to create some momentum around the strategic planning effort.

Main objectives of this process are to craft a new Strategic Plan with economic development goals, strategies, implementation steps (tactics), and indicators of success (metrics) that reflect the vast differences in the economic environment as well as the City itself since the initial EDE was adopted in 2012. In addition, the Plan should provide a holistic view of economic development including, but not limited to: development in the industrial areas in the city; changes in commercial, retail, and office development in the past decade; tourism development, entertainment, developing an arts economy and expanding the visitor economy; the role of residential development and housing in the overall economic development of the community; opportunities for workforce development; assessing the small business and entrepreneurship environment in Carson and recommending programs; assessing opportunities for partnerships and joint programs with Cal State Dominguez Hills and other colleges and universities; assessing the challenges and opportunities in creating a "Downtown" Carson; and, an analysis of the City's location and the infrastructure challenges it faces in developing, retaining, and attracting quality businesses in the community.

Ultimately, one of the outcomes of the Strategic Plan will be to have the Consultant assess the City's "brand" and recommend strategies to present a more positive image to the City's residents, visitors and businesses with the goal of demonstrating to the market that the community is a good economic investment opportunity. Presenting alternatives to the City, the benefits and challenges to each, and the economic approaches will be a key in determining the strategic plan. The goal is to catalyze a chain reaction of positive neighborhood-wide and community-wide improvement.

The successful proposer will have specific experience in the preparation and implementation of local and regional economic development strategic plans. The Strategic Plan must also contain an Implementation Plan outlining the timing, anticipated cost and funding source of each Implementation Action, including any early-action items. The selected Consultant will be one that has demonstrated experience in preparation of municipal economic development strategic plans.

The City of Carson reserves the right to make changes in the RFP as it may deem appropriate. Any and all changes in the RFP shall be made by written addendum, which shall be issued to all prospective proposers who have been issued or obtained a copy of the RFP. No oral changes will be permitted. Addenda issued during the proposal process will become a part of the original proposal. All request for proposals must be submitted by the date and time established for the opening of request for proposals. The City of Carson reserves the right to take any action considered to be in the best interest of the City of Carson.

No proposal may be withdrawn for a period of ninety (90) days once proposals have been opened by the Purchasing Manager.

No contract exists on the part of the City until the City Council has made the award and a professional services contract has been fully executed. The award, if made, will take place approximately within ninety (90) calendar days after the scheduled proposal opening date.

The City reserves the right to reject any and all proposals received or any parts therein, and to be the sole judge of the merits of each proposal received.

This RFP does not commit the City of Carson to award a contract or to pay any cost incurred in the preparation of any response to the RFP. All responses to this RFP become the property of the City. At such time a selection is made, all responses submitted become a matter of public record and shall be regarded as such, with the exception of those elements in responses which are defined by the Consultant as business or trade secrets, and marked "Trade Secret," "Confidential," or "Proprietary," or if disclosure is required under the Public Record Act. Any changes to the RFP requirements will be made by addendum.

Unless expressly stated otherwise, documents must be uploaded in PDF format. It is the Proposer's responsibility to ensure their proposal documents are properly and timely uploaded onto the City's online bid management system. Proposals that are missing pages, cannot be opened, etc. may be considered nonresponsive. It is the Proposer's sole responsibility to contact the City's online bid management provider (PlanetBids at 818-992-1771) to resolve any technical issues related to electronic bidding, including (but not limited to) registering as a vendor, updating passwords, updating profiles, uploading/downloading documents, submitting an electronic bid/proposal, etc. All questions or requests for interpretation regarding this RFP solicitation must be submitted online through PlanetBids within the date and time specified. Proposers are not to contact City personnel or Elected Officials with any questions or clarifications concerning this RFP other than through PlanetBids. Any City response for this RFP that is not posted through PlanetBids is unauthorized and will be considered invalid. Proposer is solely responsible for "on time" submission of their electronic bid. The Bid Management System will not accept late bids and no exceptions shall be made. Proposers will receive an e-bid confirmation number with a time stamp from the Bid Management System indicating that their bid was submitted successfully. The City will only receive those bids that were transmitted successfully.

NOTE: E-Bids are sealed and cannot be viewed by the City until the closing date and time. If you need to withdraw your bid, you may do so any time before the bid deadline, by going back into the system and selecting "withdraw".

#### B. PRE-PROPOSAL MEETING/PRESENTATION

Pre-proposal presentation: (Optional)	6/24/21
Pre-proposal meeting time:	8:30AM
Pre-proposal meeting location:	Zoom

https://zoom.us/j/93462384968?pwd=bE4vbzNKc0duZIVMSEE2SnFVd3BxUT09

Meeting ID: 934 6238 4968 Passcode: 250493

One tap mobile +16699006833,,93462384968#,,,,\*250493# US (San Jose) +12532158782,,93462384968#,,,,\*250493# US (Tacoma)

Dial by your location +1 669 900 6833 US (San Jose) +1 253 215 8782 US (Tacoma) +1 346 248 7799 US (Houston) +1 312 626 6799 US (Chicago) +1 929 205 6099 US (New York) +1 301 715 8592 US (Washington DC)

Pre-proposal meetings are held for the purpose of presenting the City's key topics, goals, and objectives for the project. In addition, the meeting will serve to answer proposer questions. The pre-proposal meeting for this RFP is not mandatory and will be conducted by Zoom. There will be a pre-registration process and proposers will be sent a link to the meeting.

C. PROPOSAL SUBMITTAL

The proposals must be submitted electronically only.

Proposals must be submitted electronically on PlanetBids no later than 07/15/21 at 05:00 PM. Please allow sufficient time to prepare and upload your documents into the electronic bid system prior to the deadline, as the system will lock and not allow entry of proposals after the designated deadline. Any technical questions regarding use of PlanetBids must be directed to PlanetBids.

The Proposal must include the following sections, numbered in accordance with the table below. Every Proposal must include the Proposer's name and the City's Request for Proposal No. 21-025.

Consultants shall submit a proposal limited to a maximum of twelve (12) double-sided pages exclusive of cover letter, resumes, and references. The proposal shall be organized in the following format and shall include the information in the below outline:

1. Cover Letter

The cover letter must be signed by an officer of the firm authorized to execute a contract with the City. The primary contact should be identified and phone number, email, and mailing addresses provided.

#### 2. Company Certification and Personnel Verification

A letter on company letterhead stating the person submitting the proposal is authorized to contract on behalf of the prospective contractor. Examples of authorized persons include owner, partner, or corporate officer. Include name, title, address, and contact information. If the proposer is a corporation, the certification should include a statement that the corporation is in good standing with the California Secretary of State.

#### 3. General Qualifications and References

The Consultant shall provide a summary of the Consultant's qualifications, general information about the firm, location of office(s), years in business and areas of expertise. The Consultant shall provide a brief description of projects that involved a similar scope of services. Consultant shall provide an example of a similar study prepared by the firm or proposed team and shall provide a minimum of three (3) references for the firm and any subconsultants, including the names, addresses, email addresses, and telephone numbers of recent clients, preferably other public agencies for which Consultant has done similar work. Include a list of specific projects associated with each reference, date work was performed, cost, and key personnel involved.

#### 4. Key Staff

The Consultant shall identify key staff and include a description of their abilities, qualifications, and experience. Attach resumes of key staff that will be assigned to this project. Include a proposed project management structure and organizational chart. Identify any portion of the scope of work that would be subcontracted. Include firm qualifications (brief) and key personnel, telephone number, email address and contact person for all subcontractors. The City reserves the right to approve or reject all consultants, internal staff performing consulting services, or subconsultants proposed by the Consultant.

#### 5. Project Understanding

Consultant shall describe its understanding of the project and the implications of their recommendations over time. Include information about the City of Carson; its history; residential, commercial, and industrial changes over the years; growth impacts; the vision and mission of the City; and how the City can implement a strategic economic plan.

#### 6. Project Approach and Workplan

Consultant shall describe its detailed work approach and methodology. If deemed appropriate, Consultant shall expand on the scope of work and include those items as Optional Tasks. Optional Tasks would assist in accomplishing the overall objectives of the project, and provide suggestions which might enhance the results or usefulness of the study. Include all deliverables at each stage of the project, assumptions about the

number of meetings needed with City staff and meetings with other stakeholders to complete the Scope of Work. Consultant shall also include a schedule of work.

#### 7. Cost Proposal

The cost proposal shall include all labor costs, overhead costs, subconsultant costs, and an itemized list for direct expenses. Costs must be shown in a matrix format, by task grouping, and show hours per staff member, base labor rates, overhead, and profit rates.

#### 8. Small and Disadvantaged Business Enterprises (SBE/DBEs)

Consultant shall include certified SBE and/or DBE firms as subconsultants, if subconsultants are used. The percentage required is 15%. The Consultant's proposal shall describe the good-faith efforts that were taken to include a certified SBE and/or DBE for completion of one or more tasks associated with the scope of work.

#### 9. Insurance

Consultant shall submit a copy of its existing commercial liability insurance detailing their current level of coverage. Be advised that the selected Consultant shall be required to provide the following insurance coverage prior to the City issuing a Notice to Proceed:

Commercial general liability at least as broad as:

ISO CG 0001 (per occurrence)	1,000,000
(General aggregate)	2,000,000
Commercial auto liability at least as broad as	
ISO CA 0001 (per accident)	1,000,000
Errors and omissions liability (per claim and aggregate)	1,000,000
Workers' compensation statutory	

10. Modification, Changes or Exceptions to the City Contract of Service Agreement Template

Exceptions to the specifications of any proposed items, contract terms and conditions shall be fully described and stated in writing in Contract Service Agreement, Exhibit B.

- 11. Additional Items Required for the Proposal
  - Certification of Insurance
  - Affidavit of Non-Collusion and Non-Discrimination (download from PlanetBids)
  - Federal Lobbyist Requirements (download from PlanetBids)
  - Debarment and Suspension Certificate (download from PlanetBids)

#### D. QUESTIONS AND ADDENDA

All project scope questions must be posted to PlanetBids by the due date listed on the cover page of this Invitation. The City will coordinate responses and post them to PlanetBids 5 days prior to the bid deadline for all interested proposers to review.

The City's PlanetBids portal: <u>https://pbsystem.planetbids.com/portal/32461/portal-home</u>

If discrepancies or omissions are found for this document, the City reserves the right to make such changes as deemed appropriate. Any such changes will be by written addendum, which will be posted to PlanetBids no later than 5 days prior to the proposal deadline. The City reserves the right to extend the proposal deadline.

Type of Question	Contact	Contact Info
1 Those related to the Project	PlanetBids	Post Directly to
		PlanetBids
2 Use of PlanetBids	PlanetBids	(818) 992-1771
3 City's Purchasing Process	Sander Huang, Purchasing	310-830-7600, Ext.
	Manager	1233

Proposers shall not contact other City employees or elected officials during the proposal process.

#### E. PROPOSER QUALIFICATIONS

Proposers who do not meet the minimum qualifications will be disqualified.

Awarded contractor and subcontractors (if applicable) must pay the City's business license tax and submit required insurance documents prior to execution of the contract.

#### F. PROCUREMENT LOCATION AND SCHEDULE

Job location:Citywide and RemotelyJob Work Schedule:To be determined upon contract award

Anticipated Procurement Schedule

1	Award of Contract	09/7/21
2	Contract Execution & Notice to Proceed	09/8/21
3	Begin Engagement	09/9/21
4	Complete Engagement	6/30/22

#### G. OTHER REQUIREMENTS

The City's form contract is required (see Contract Service Agreement). Specific requirements are outlined in the form contract.

Prevailing Wage Required:	No
Performance Bond Required:	Not Applicable

The majority of the work as required herein must be performed by the awarded consultant. The work may not be subcontracted to another consultant unless the subcontractor has been

included in the Proposal, or a substitution has been approved in writing by the City's Contracting Officer in advance of work performed.

## Additional Insurance Requirements (in addition to those in City's Contract Service Agreement)

Consultant shall submit a copy of its existing commercial liability insurance detailing their current level of coverage. Be advised that the selected consultant shall be required to provide the following insurance coverage prior to the City issuing a Notice to Proceed:

Commercial general liability at least as broad as

ISO CG 0001 (per occurrence)	1,000,000
(General aggregate)	2,000,000
Commercial auto liability at least as broad as	
ISO CA 0001 (per accident)	1,000,000
Errors and omissions liability (per claim and aggregate)	1,000,000
Workers' compensation statutory	

#### Additional Items Required for the Proposal

- Affidavit of Non-Collusion and Non-Discrimination (download from PlanetBids)
- Federal Lobbyist Requirements (download from PlanetBids)
- Debarment and Suspension Certificate (download from PlanetBids)

#### H. COST PROPOSAL

Contractors must provide everything necessary at their own expense including, but not limited to labor, materials, and equipment required to perform and complete the required work.

The proposal price must include all necessary labor, materials, and fees to complete the work required by Project Scope and Specifications. Permits, licenses and fees must be obtained at the awarded Contractor's sole expense. Federal taxes must not be included, as the City is exempt from paying federal taxes. However, the City does pay Sales Tax on the purchase of items, which must be included as a separate line within the total proposal price.

The following costs will not be allowed: additional charges such as fuel surcharges and mileage rates, fines, entertainment, advertising, and any costs considered inappropriate for reimbursement from taxpayer money.

#### I. PROPOSAL OPENING, DOCUMENT REVIEW, AND AWARD OF CONTRACT

All proposals will be opened publicly in the Office of the City Clerk on the date and time noted on the Notice of Request for Proposals. Proposals will be considered confidential until a contract recommendation is made to City Council. Proposal documents that are submitted on time and meet the minimum requirements outlined above will be reviewed by City staff, which will make a recommendation to the City Council to either reject all proposals or award a contract. Evaluation criteria will include qualifications, experience, price and past performance; and will be based on guidelines in the City's Municipal Code (CMC §2611(b)(c).)

#### **Consultant Selection Process/Evaluation of Submittals**

The City Council's Ad Hoc Economic Development Subcommittee anticipates holding interviews with respondents prior to a final section of the project Consultant. Such interviews may be conducted in person or by electronic means such as Zoom. The City reserves the right to make such additional investigation as it deems necessary to establish the competence, reputation, and financial stability of any firm submitting a proposal.

The evaluation of the Proposals will be based on the following criteria:

DESCRIPTION	WEIGHT
General Qualifications and References	15%
Key Staff	20%
Project Understanding	30%
Project Approach and Workplan	30%
Cost Proposal	15%
TOTAL	100%

The proposals will be evaluated and ranked by the City based on the percentages listed above in Section C. The selection will be made directly from those who submit a complete proposal. Incomplete proposals will not be reviewed. The City will notify all consultants who submit proposals of the evaluation results upon award of the contract. Top ranked firms will be invited to an interview with City staff and with the City Council's Ad Hoc Economic Development Subcommittee ("Subcommittee") prior to a final section of the project consultant. Such interviews may be conducted in person or by electronic means such as Zoom. The City reserves the right to make such additional investigation as it deems necessary to establish the competence and financial stability of any firm submitting a proposal. The selected firm will enter into agreement with the City based on the attached agreement template (Attachment 1).

No contract exists until the City Council has made the award, and the contract has been fully executed.

The City of Carson reserves the right to reject the proposals, request additional information or take any other action considered to be in the best interest of the City of Carson.

#### APPENDIX A. PURPOSE OF THE ECONOMIC DEVELOPMENT STRATEGIC PLAN

Under the direction of a newly-elected Mayor and City Council members elected to newlyadopted district-based seats, the City Council engaged a consulting firm to facilitate a City Council workshop in the first quarter of 2021 to develop a mission, vision, and strategic priorities for the City. That workshop was conducted in February 2021, followed closely by a separate workshop on governance issues arising from the change from at-large elections to Council districts. The City Council has established its vision and mission statement, as described below:

#### **City Vision**

"Carson: A thriving, diverse, destination city – a great place to live, work and play with an unlimited future."

#### Mission Statement

"To serve and enhance the quality of life of residents and businesses through engagement and the efficient delivery of exceptional services."

The importance of economic development – as it affects the economic health of the City, the quality of life of its residents, and the opportunities available to the residents to live, work and play in the city – was identified as a key priority of the City Council. During the City Council's visioning process in which the above were developed, some of the main priorities Council identified were related to Economic Development, including:

- 1. Economic development
- 2. Make progress on development that provides community benefits in the long term
- 3. Housing

In addition, below are a number of comments the City Council added under each of the three priorities to help direct staff in the implementation of the objectives. They are included here for context but how they will be addressed in the Consultant's scope of work may be different than how they read here:

Under Priority No. 1, "Economic Development," some of the City Council's priorities included:

- Attract new local job-producing businesses that will provide revenue to the City (e.g., high-tech, e-commerce, health care industry)
- Attract businesses providing local amenities to more fully serve our residents (grocery stores, sit-down restaurants)
- Develop a "full service" City in terms of amenities, retail, restaurants, and activities for residents

Under Priority No. 2, "Make Progress on Development Projects," the City Council's comments included:

• Develop mechanism for City to obtain long-term community benefit (parks, buffers with adjacencies, place making features) as part of new developments

- Coordination of economic development projects so they complement and do not conflict; some sort of master plan
- Pick the right partners and right fit for our community
- We have to decide how we want our City to look

Under Priority No. 3, "Housing," City Council's comments included:

- Attract housing for middle income/workforce residents
- Advocate for mobile home reimbursement at market rates
- Mixed-use development, repurpose mall, "work to live"
- New single-family homes
- Variety of housing is important, offer something for each income level
- Include an affordable component
- Transitional housing (identify funding sources)

The Economic Development priorities of Carson are similar to those of most communities – attracting new industries to the community to help create good jobs for the residents and attracting more retail and dining for the quality of life of the residents and to generate sales tax revenue for the City. Underneath each of these priorities, however, are specific elements that arise from the existing land use and development patterns of the City that will make some types of development more acceptable than others.

The effort of "Progress on Development Projects" in Carson is related to the adoption of the City's General Plan (and zoning code) also currently underway, and is focused on finding the "right" type of development for Carson that is accretive and does not detract from the steadily improving aesthetics and quality of life in Carson.

In terms of "Housing," the City Council is generally supportive of development of all types of housing at all income levels, but is trying to balance the need to develop more housing in Carson (for local reasons as well as to satisfy the statewide need) while also protecting the rights of residents who already live here, from displaced mobile home park residents to homeowners in single-family neighborhoods worried about potential densification of single-family neighborhoods arising from the significant changes in State housing law recently enacted by the Legislature. The City seeks professional input on ways to evaluate the tradeoffs when making land use decisions and for a way of articulating the development of additional housing of all types in the City as part of a broader economic development strategy.

Areas of emphasis and importance in this project will include:

- 1. Future Development in the Industrial Areas
- 2. Commercial/Retail/Office Development
- 3. Tourism Development, Arts, Entertainment, and the Visitor Economy
- 4. Residential Development and Housing
- 5. Workforce Development
- 6. Small Business Assistance, Entrepreneurship, and Incentives
- 7. University Partnerships and Programs
- 8. Creation of a "Downtown" Carson
- 9. Location and Infrastructure, including Funding of Truck Routes

#### APPENDIX B. SCOPE OF SERVICE

The Consultant's overall responsibility and scope of work is to prepare an original Strategic Plan containing goals, objectives, implementation plans, and metrics. The Consultant will also provide meeting facilitation services, supporting materials and research, and social media services (in an agreed-upon format) during the public outreach process as necessary. One of the initial uses of this Strategic Plan would be to assist the City in making informed decisions in where to make investments from the American Rescue Plan funds granted to it from the recent Federal stimulus bill, particularly in determining prudent infrastructure improvements and in making investments that assist the local business community. Some of these investments could be made prior to the completion of the strategic planning process.

Main objectives of this process are to craft a new Strategic Plan with economic development goals, strategies, implementation steps (tactics), and indicators of success (metrics) that reflect the vast differences in the economic environment as well as the City itself since the initial EDE was adopted in 2012. The Plan should provide a holistic view of local economic development including, but not limited to: development in the industrial areas in the City; changes in commercial, retail, and office development in the past decade; tourism development, entertainment, the arts economy, and the visitor economy; the role of residential development; the small business and entrepreneurship environment in Carson; opportunities for partnerships and joint programs with Cal State Dominguez Hills and other colleges and universities; the challenges and opportunities in creating a "Downtown" Carson; and, the City's location and the infrastructure challenges it faces in developing, retaining, and attracting quality businesses in the community.

Ultimately, one of the outcomes of the Strategic Plan will be an assessment of the City's "brand" and recommended strategies to present a more positive image to the City's residents, visitors and businesses and help demonstrate the potential of Carson to a wider marketplace with the goal of leading others to consider the community as a good economic investment opportunity. Presenting alternatives to the City, the benefits and challenges to each, and the economic approaches will be a key in determining the strategic plan. The goal is to catalyze a chain reaction of positive neighborhood-wide and community-wide improvement.

The successful proposer will have specific experience in the preparation and implementation of economic development strategic plans. The Strategic Plan must also contain an Implementation Plan outlining the timing, anticipated cost and funding source of each Implementation Action. The selected Consultant will be one that has demonstrated experience in preparation of municipal economic development strategic plans.

The Consultant shall provide professional services to support the following tasks:

#### 1. Economic Development Vision and Strategic Plan – Tasks

#### a. General Study and Analysis

<u>Community Assessment, Workforce and Educational Institution Analysis</u>: Analyze strengths, weaknesses, opportunities and constraints of the local and regional

economy. The review will include social, demographic, economic and physical factors, including, but not limited to, the following:

- 1. Existing and planned infrastructure;
- 2. Residential housing growth and development;
- 3. Existing economic base and competitive advantages;
- 4. Local land and building availability for commercial and industrial growth;
- 5. Comparative analysis of benchmark communities, regional competition and competitive assets;
- 6. Special initiatives for economic growth;
- 7. Local and regional labor characteristics, market trends, employment development resources, and workforce training opportunities.

<u>Cluster, Location Quotient, Target Industry and Operational Analysis</u>: The Consultant will provide a Cluster, Location Quotient, Target Industry and Operational Analysis to include identification of:

- 1. Specific industries and business types that consider strengths, weaknesses, opportunities and threat constraints;
- 2. Needed infrastructure or policy improvements and actions that will accelerate business attraction and recruitment of such development;
- 3. State and federal programs or other programs that will be developed or implemented including, but not limited to, entrepreneurial development, business incubation and strategies for any special new industries;
- 4. Analyze the potential impact to Carson of events in surrounding arts and entertainment venues and tourist attractions in the area; and the impact of events held within the City of Carson, particularly major sporting or entertainment events, and the impact of expanding or incentivizing the development of arts venues or programs in the City;
- 5. Analysis of existing economic development organizations locally, regionally and statewide and make recommendations on key partnerships or other relationships with the City of Carson.

<u>Tax Generation Analysis</u>: Explore the state of retail within the community and provide a business diversification analysis. Describe the best practices in diversifying tax base to bring in other revenue streams to offset the City's low property tax status and unpredictable sales tax collection given the changing dynamic of the retail industry; assess current efforts at traditional sales tax generation (mostly through the development of automotive or retail firms) and make recommendations on how to expand sales tax generation and collection regarding current and future e-commerce businesses located in the industrial areas of the city, including fulfillment centers, industrial point of sale, and others.

#### b. Organizational Assessment

In order to accomplish the objectives of the Economic Development Plan, the Consultant should make recommendations to the City on an organizational structure in its Economic Development Division that would meet the challenges. Such structure should be proposed after considering other economic development departments of comparable cities in areas of overall roles and responsibilities; organizational structure and funding; economic development tools utilized; role of economic development in planning infrastructure expenditures and capital projects; and an appropriate niche role in financially supporting economic development ventures, such as infrastructure development, tax incentives, property acquisition and speculative construction, and construction of special purpose facilities to encourage target businesses/industries.

#### 2. Economic Development Vision and Strategic Plan - Specific Areas of Study

#### a. Development in the Industrial Areas

See "Notes on Industrial Sectors" in Appendix C for a fuller description of the City's objectives in its industrial areas. The Consultant will be expected to analyze the City's existing industrial and warehousing sector and make recommendations for future areas of focus.

#### b. Commercial/Retail/Office Development

The City has a goal of increasing the amount of retail and commercial development in Carson, both to increase the shopping choices for community residents and also to generate sales tax for the City. The Consultant should consider, among other things, the importance of sales tax in the City's budget, and review and analyze the following:

- Status, Challenges and Opportunities for Neighborhood Commercial (land use and economic concerns), especially with regard to land use patterns affecting retail development;
- Grocery and restaurant development and opportunities, particularly with regard to strategies to affect "food deserts" in parts of the community;
- Other gaps in the retail market and retail leakage to surrounding communities;
- Buxton Data, psychographic analysis of Carson market area (Buxton Market Study for the Main and Del Amo site, which contains profiles of the dominant clusters in Carson are provided in Attachment 3);
- South Bay Pavilion and its challenges and opportunities with regard to regional retail competition as well as fractured ownership, retail and ownership bankruptcies, and reciprocal easements and other tenant rights over the site;
- The community acceptance and regulation of fast food drive-thrus, convenience stores, discount/dollar stores, and other controversial retail uses;
- The retail opportunity presented on the Cal Compact Landfill with the stalled Los Angeles Premium Outlets and the Carson Country Mart Projects;
- Hybrid commercial/fulfillment opportunities in existing retail spaces;
- Development of Avalon Boulevard as the Corridor linking CSUDH, Dignity Health Sports Park, Creek at Dominguez Hills, and South Bay Pavilion to the Los Angeles Premium Outlets and the Carson Country Mart and the major residential development in the "Downtown core."
- c. Tourism Development, Arts Development, Entertainment, and the Visitor Economy

The Consultant will analyze existing arts-related and tourism-related events and attractions, listed below, and provide recommendations on how to capitalize on

opportunities these create. The Consultant will analyze and provide an estimated economic impact for events that could be held within the City of Carson, including the following types: concert series, arts festivals, food festivals, sporting events, and community/cultural festivals, and provide recommendations regarding regional marketing efforts and roles. An immediate short-term focus would be to recommend efforts to boost traffic to Carson from Super Bowl LVI, which will take place on February 13, 2022, at SoFi Stadium in nearby Inglewood.

There are five Olympic events to be staged in Carson in the 2028 Los Angeles Olympics, and the City is seeking guidance on which infrastructure and improvements to develop to facilitate the Olympics in Carson (e.g. transit improvements, beautification, housing) that will also offer lasting benefits to the community for many years after the Olympics are over.

The major regional features of the tourism and entertainment economy in the Carson area are:

- Los Angeles Olympics 2028
- Los Angeles World Cup 2026
- Dignity Health Sports Park
- Porsche Experience Center
- Goodyear Blimp
- Cal State University Dominguez Hills
- Creek at Dominguez Hills
- Carson Community Center
- Expansion/Linkages of Local Special Events and Activities at the Carson Community Center
- Hotel Development
- Development of a Regional Convention and Visitors Bureau
- Recreational Potential of the Dominguez Channel (Riverwalk, etc.)
- Bike Paths and connections to wildlife and natural areas, both local and regional

One of the benefits to the City from increased visitor traffic from events and venues would be the increase in hotel demand in the City which may facilitate the development of new hotel inventory. Part of the Strategic Plan should be strategies, including potential incentive programs, to incentivize hotel development in the City. This analysis should include the demand for limited-service hotels, boutique hotels (if any), and full-service hotels and identify potential locations in the City for each.

#### d. Residential Development and Housing

Like the rest of California, the City of Carson is experiencing a shortage of affordable housing. The City has been proactive in building affordable housing and is continually partnering with the private sector for the provision of additional affordable housing units to meet the community's needs. In addition, Carson is seeking to augment its affordable housing options by leveraging the City's funds by securing various grants. The City recently commissioned a consultant to examine the supply of affordable housing and housing development activity in the City to assess the various options available to residents. This section heavily quotes from that report. According to the 2010 Census, there were 26,226 housing units, of which 19,529 (76.8%) were owner-occupied, and 5,903 (23.2%) were occupied by renters. Over 75% of the population, 68,924 people, lived in owner-occupied housing units, and 21,487 people (23.4%) lived in rental housing. The homeowner vacancy rate was 1.3%; the rental vacancy rate was 3.7%. Vacancy rates for affordable units are lower than the City market rate average.

Of the 26,226 housing units, 685 are designated as affordable units. Since 2013, 1,157 housing units, including 268 affordable units, have been constructed within the City at various income levels.

The consultant analyzed the City's Regional Housing Needs Assessment allocations, evaluated existing affordable housing options in the City, and analyzed housing projects in the development pipeline in Carson.

#### **Regional Housing Needs Assessment**

The City of Carson has made significant progress towards its fifth cycle Regional Housing Needs Allocation ("RHNA") through 2019. Since 2013, the City of Carson has partnered with multiple developers for the development of 1,157 residential units, which included 96 very low-income units, 82 low-income units, and 90 moderate-income units. The City must produce 722 housing units to meet its current RHNA allocations. At mid-April 2021, the City is in negotiation with two private developers for over 200 additional affordable units.

Table 2, shown below, demonstrates the progress that local communities in the vicinity of Carson have made toward their RHNA allocations. While the City still has some progress to make, Carson is faring better than many of its neighbors on meeting its RHNA allocations, especially in the very low- and low-income allocations.

Table 2 - 5th Cycle RHNA Progress <sup>1</sup>						
Very Low Low Progress Moderate Above Moderate % C						
City <sup>2</sup>	Progress %	%	Progress %	Progress %	TOTAL	
Hawaiian Gardens	0%	0%	0%	2%	1%	
Torrance	0%	0%	2%	19%	8%	
Redondo Beach	0%	6%	0%	42%	18%	
Long Beach	17%	6%	0%	51%	27%	
Lakewood	10%	0%	1%	72%	33%	
Artesia	0%	0%	0%	122%	52%	
Carson	21%	31%	32%	91%	54%	
Norwalk	2%	10%	55%	101%	54%	
Signal Hill	100%	100%	68%	40%	70%	
Gardena	0%	0%	82%	176%	90%	
Average	15%	15%	24%	72%	41%	

1. Data captures RHNA progress from 2014 to 2018. The City of Carson's RHNA progress is based on the City's 2018 Housing Element Annual Progress Report. All other RHNA progress figures are based on data from HCD.

2. Comparison group of cities are located in South LA County and have RHNA allocations of 100 units or more.

There are nine affordable housing complexes in the City that provide a total of 685 affordable housing units. As mentioned above, the affordable housing complexes

have a very low vacancy rate and often have lengthy waiting lists. Table 3 provides a breakdown of the affordable units throughout the City.

Table 3 - Affordable Rental Housing Unit Inventory <sup>1</sup>							
	Туре	Total Units <sup>2</sup>	Extremely Low (30% AMI)	Very Low (40% - 60% AMI)	Low (60% AMI)	Moderate (80% - 90% AMI)	
Carson City Center	Senior	85	0	42	0	43	
Villagio	Family	147	0	30	117	0	
Carson Terrace	Senior	61	0	15	0	46	
Avalon Courtyard	Senior (62+)	91	0	46	0	45	
Via 425	Family	103	11	48	44	0	
Arbor Green	Family	39	4	22	13	0	
Bella Vita/Sepulveda Senior Housing	Senior	64	7	37	20	0	
Veterans Village	Family	50	5	28	17	0	
Carson Arts Colony	Family	45	9	15	0	21	
Total		685	36	283	211	155	

1. Affordability levels are based on HCD income limits.

2. Excludes manager and staff units.

In addition to the affordable housing units listed above with covenants restricting their rents, there are 272 public housing choice vouchers (Section 8) utilized within the City as of February 2020. The Housing Authority of Los Angeles administers the Section 8 program; however, the waiting list is currently closed to new applicants.

There are 2,324 mobile home spaces within 21 mobile home parks the City. While mobile home park spaces are not always technically deemed as affordable, mobile home parks contribute to the functionally affordable housing supply within the City because their rents are subject to the City of Carson's Mobile Home Rent Control Ordinance.

#### New Housing Units in the Pipeline

Developers in the City are in various phases of the development process for over 1,800 market rate housing units throughout the community. As mentioned above, the City is working with two private developers for the provision of over 200 additional affordable housing units. Imperial Avalon is currently in the entitlement phase, with construction expected to be completed in early 2026. When completed, it will have approximately 83 affordable units and 1130 market rate units.

The Consultant should provide an analysis of the current state of the following, and make recommendations on areas of focus, provide examples of other successful projects in other communities, and identify resources that may be available to incentivize the appropriate development:

- Development of Market-Rate Housing Ownership
- Development of Market-Rate Rental Housing
- Development of Middle-Income and Affordable Housing
- Development of Transitional/Supportive and Affordable Housing
- Preservation and Protection of Mobile-Home Park Residents

#### e. Workforce Analysis/Development

The City of Carson has historically been focused on employment issues in the community, including managing a Jobs Clearinghouse/Career Center (now managed by the SBWIB) for private sector positions, hiring entry level workers through the Transitional Subsidized Employment (TSE) program, and promoting local hiring on major construction projects funded by the City. The Consultant should provide an analysis of the workforce of the community including:

- 1. Analysis of the workforce that is employed by Carson businesses, which may or may not be residents of the community.
- 2. Analysis of the residents of the community who are employed outside Carson.
- 3. Identification of issues that result in Carson businesses' inability to hire residents and residents' inability to be employed in Carson.
- 4. Identification of programs and services that will address the issues identified.
- 5. Identify business categories and types of Small and Disadvantaged businesses currently located in Carson.

The City is especially concerned about the quality of jobs in the community, both those created by its own projects and private sector jobs. In terms of City contracts, the City Charter states that the City shall make "all best efforts to negotiate a City-wide project labor agreement with the Los Angeles/Orange County Building and Construction Trades Council." In February 2020, the City executed a City-wide project labor agreement with the Los Angeles/Orange County Building and Construction Trades Council to cover all City construction projects where the cost to the City is \$125,000 for prime- or multi-trade contracts or \$25,000 or more for specialty contracts. The City is also open to other agreements with the trade unions to increase the quality of jobs in the community and to promote local hiring but has not yet negotiated any. The workforce analysis requested here should consider the following:

- Career Center/South Bay Workforce Investment Board Services
- Job Training Programs
- Local Hire Programs
- Project Labor Agreements/Prevailing Wages
- Trade Union Initiatives
- f. Small Business Assistance, Entrepreneurship, and Incentives

The City needs to stay connected to the local small business community and develop a sustained program of business outreach and assistance which could include the following:

- Loans and Grants
- Technical Assistance
- Small Business Development Corporation (SBDC)
- CSUDH Small Business Incubator

- South Bay Workforce Investment Board (SBWIB)
- Façade Improvement Programs
- Business Improvement Districts (BIDs)

Consultant should provide recommendations related to existing business development efforts, and incentive policies and programs, including:

- 1. Analysis of existing business retention and expansion needs including any infill, redevelopment, "greyfield" and/or "brownfield" sites and recommendations for the development of programs and services to assist and retain existing businesses and to assist existing businesses with growth and training, including façade and commercial improvement programs.
- 2. Review of current incentives policy of regional competitors and suggestions for policies used in targeting preferred industries and businesses; Assess feasibility of incentives for "green" initiatives, advanced technology initiatives, and others.
- 3. Assess incentives for speculative development of particular types of building product such as office, industrial, start-up/co-working, etc.
- 4. Identify approaches to promote mixed-use nodes for appropriate development and the feasibility of mixed-use development in a constrained retail environment.
- 5. Identify approaches and incentives for development specific to urban infill, disadvantaged areas, or other specifically identified target areas.

#### g. University Partnerships and Programs

The City is currently expanding its relationship with California State University Dominguez Hills (CSUDH), located in Carson. Over the past several years the City has had a somewhat contentious relationship with CSUDH, culminating in a litigation challenge the City made against CSUDH's Master Plan, which is described below. Acknowledging that CSUDH is one of the main economic drivers in the community, the City is endeavoring to improve and strengthen its relationship to the university. The changes underway on the campus promise to create community-wide benefits over the next generation. The university features strong and relevant academic programs, dedicated faculty mentors, supportive staff, and attractive campus and student amenities, and is committed to connecting students to an affordable, highquality and transformative education while providing the community with a vital resource for talent, knowledge, skills and leadership needed to thrive.

Additionally, as part of its internal focus on improving the relevance of its offering to students, CSUDH has developed an on-campus Innovation Incubator to improve the opportunities to develop entrepreneurship among the student body, and to be an asset to the community in creating access to the university's resources for local entrepreneurs.

h. Creation of a "Downtown" Carson

Because of the land use patterns that developed over the life of the community and that were in place at the time of incorporation, Carson does not have a traditional

older, walkable downtown. While there has been a significant amount of mixed-use development in the area immediately around City Hall, it will take another 15-20 years of development at the current pace to tie the South Bay Pavilion, the District at South Bay (157 acre landfill project), and all of this development at Carson and Avalon into a coherent, walkable downtown area. As a result, Carson has the outline of a downtown – City Hall and the Community Center, the Doubletree Hotel, the Renaissance at City Center, Veo, and Union South Bay – but not yet a critical mass.

Consultant should provide recommendations related to:

- Integrating the Carson Street Master Plan with development on Avalon north of Carson Street;
- Development of Mixed-Use, Mid-Rise Development on Avalon (Imperial Avalon/Kott Property);
- Displacement Issues relative to vulnerable mobile home parks in this area;
- Linkage of South Bay Pavilion and north of 405 development to this "Downtown";
- Linkage of Cal Compact Landfill Development (Carson Country Mart) to this "Downtown".

#### *i.* Location and Infrastructure

Infrastructure is a priority for the City, but the definition of infrastructure has historically been limited to streets, sidewalks, traffic lights and signals, bridges, and other public facilities. As with the national discussion on infrastructure, the definition of necessary infrastructure for economic development has been expanded to include a number of other facilities including broadband and other telecommunications infrastructure and the improvement of non-park public spaces including plazas and other pedestrian- or gathering spaces.

More recently, the City has turned its attention to its urban forest and has made efforts to increase the number of trees in the city along parkways, in medians, and in parks, in part to reduce the heat island effect and to mitigate greenhouse gases in an effort to combat climate change. The City has had issues with the public acceptance of trees planted by the City in residential areas, and maintaining trees that are already planted, particularly trimming and watering. The urban greening is part of the City's overall sustainability efforts, which also includes reducing water use for irrigation and the management of storm water, which is its own infrastructure obligation under the Clean Water Act and various state laws and has some regional funding through the Safe Clean Water Act in LA County.

In terms of broadband, in 2020 the City entered an agreement with the South Bay Fiber Network to lease a 1.7 mile section of conduit along Carson Street for the installation of backbone fiber optic lines to connect to a regional fiber optic network. Working with the SBCCOG, the City recognizes that there is a broadband deficit in the region and in Carson specifically and that it remains an important ingredient for future economic development.

The City does not operate either municipal water (provided by California Water Company and Golden State Water Company) or sewer (provided by Los Angeles County Sanitation District) service.

#### 3. Economic Development Vision and Strategic Plan - Process-Oriented Tasks

#### a. Community Involvement Plan

Prepare a community and stakeholder involvement and outreach process, facilitated by the Consultant, as an essential part of the Plan. The Consultant will include facilitation techniques, marketing strategies including press outreach, website, and social media efforts to both inform stakeholders and seek their input. Likewise, the Consultant will conduct focus groups, public input meetings and interviews with the following:

- 1. City government elected officials and staff;
- 2. Ad hoc committees and specific City boards and commissions (if applicable);
- 3. Arts and cultural organizations;
- 4. Citizens and landowners;
- 5. Current business owners, developers, realtors, and retail merchants;
- 6. Chamber of Commerce members and other business representatives;
- 7. Education leaders (K-12, higher education, especially LAUSD and CSUDH); and
- 8. Special event organizers and entertainment venue operators.
- b. Meetings

The Consultant will conduct meetings as follows:

- 1. Initial staff meetings for organizational, technical and substantive issues;
- 2. Initial meetings with community representatives to discuss issues of concern;
- 3. Ongoing review and discussion of drafts with City staff;
- 4. Public input meetings to review issues and obtain general direction;
- 5. Presentation of draft plan components to City Council; and
- 6. Presentation of draft plan at public meetings and final adoption.
- c. Implementation Plan

In addition to any items mentioned above that identify strategies, approaches or recommendations, the Consultant will develop an implementation plan to include:

- Incorporate the combined industry-specific strategies into a 10-year comprehensive economic development implementation plan that includes the provision of an immediate course of action and short-term, mid-term, and long-term action plans that include benchmarks, needed resources, timelines, goals, and metrics with realistic and achievable milestones to facilitate the creation of implementation of recommended economic development program(s).
- 2. Assess the fit between resources, business attraction targets and existing employment base;
- 3. Assess independent businesses/start-ups in community;

- 4. Identify general training needed to improve the skills of the local workforce to meet existing and potential employment needs;
- 5. Review the CSUDH 2018 Master Plan and identify other regional educational institutions and vocational programs and strategies to provide ways to include graduates and non-graduates in the local workforce;
- Provide strategies for venturing into new business programs with cost analysis to include in areas such as green development opportunities; start-up business or incubation program; Business District overlays/zones to encourage particular types of development; retail; professional services; research and development; higher education; and trade and distribution;
- 7. Assess and provide strategies for business and industrial park development within City and surrounding areas that may impact Carson's economy, such as marketing existing and planned developments; and identification of potential future needs for locations, and speculative commercial building construction, including discussion of public-private partnership methodologies to achieve same;
- 8. Provide strategies for addressing any infill or redevelopment and any "brownfield" or "greyfield" sites for redevelopment purposes, with attention to aging retail and residential areas and sites with potential constraints. This should include discussion of funding approaches (especially for brownfields properties), public-private partnerships and other means not only to mitigate their effects but also to turn such sites into thriving activity centers;
- Assess feasibility of enhancement of Carson as a convention, meeting and tourism destination; and provide strategies as appropriate for development of required assets such as hotels, convention space, arts venues, and/or regional sports facilities, along with promotional themes and marketing activities to attract targeted industries;
- 10. Provide strategies for funding economic development in Carson.
- 11. Provide a budget and implementation schedule for economic development program(s).

#### d. Final Document Format

The successful Consultant will provide one (1) original and twenty-five (25) copies of both the draft and final version of the Plan in hard copy, in an electronic format acceptable to the City (i.e. both .doc, and .pdf), and web-ready electronic format acceptable to the City. The successful Consultant will create all associated maps in .pdf and in an Arc GIS SHAPEFILE.

#### APPENDIX C. BACKGROUND ON CARSON

Incorporated in 1968, the City of Carson is committed to pursuing, retaining, and promoting quality and sustainable economic development and jobs, at both the local and regional level, through the utilization of the City's many natural resources which include the City's strategic location in the South Bay section of Los Angeles County; its multi-cultural neighborhoods; its 14 parks and a major sports complex; its potential for international trade; the California State University Dominguez Hills campus; and its existing diverse and skilled labor force. Carson encompasses approximately 19 square miles and is located approximately just 15 miles south of downtown Los Angeles.

The City's central location has made it a regional warehousing and logistics powerhouse and continues to make it a strong and viable commercial-retail community. Carson is strategically located adjacent to four major freeways and highways, including I-110, I-405, I-710, and California Route 91 and close to Los Angeles International and Long Beach Airports. A segment of the Alameda Corridor, a 20 mile freight-rail expressway that connects the national rail system and the railyards of downtown Los Angeles with the nearby Port of Los Angeles and the Port of Long Beach, runs through Carson.

Carson has grown from a population of 61,000 in 1968 to over 91,000 in 2010. The estimated population prior to the 2020 Census was about 93,000. Over the years, various annexations have increased the city's physical size to the current 19 square miles. Steady and continued growth has enabled Carson to become a city of regional significance and is the 11<sup>th</sup> largest city in Los Angeles County by assessed valuation. It is adjacent to the communities of Long Beach, Rancho Dominguez, Compton, Gardena, Harbor Gateway, Torrance, Lomita, and Harbor City and Wilmington (City of Los Angeles).

Major commercial shopping centers, such as the South Bay Pavilion at Carson, continue to serve a local and regional population, bringing the convenience of retail, entertainment, and dining in one central location.

Carson was part of a Spanish Land Grant known as Rancho San Pedro deeded to Juan Jose Dominguez over 200 years ago. During the incorporation process, the community was named after George Henry Carson, a member of the Dominguez family. "Dominguez" was a close second to "Carson" as the name of the newly incorporated city. Incorporated as a general law city on February 20, 1968, the City has adopted the motto, "Future Unlimited." Its strategic location and vacant land were part of the reason for that statement of unbridled optimism.

One recent change in the City is that the City Council adopted an electoral district map for its four City Council members (the Mayor is elected at-large) in 2020, in time to be used in the 2020 Council elections.

While Carson is well known as an industrial center with unparalleled access to transportation and the Pacific Rim, it is also a culturally diverse community that is attractive place to live and work. The city has more than 120 acres of park land divided into 12 parks, 2 mini-parks and sports/recreational facilities that include 3 swimming pools, a boxing center, a state-of-the art sports complex and the Carson Community Center. These facilities allow the residents of Carson to enjoy a variety of sports, recreational and cultural programs. The City's K-12 educational needs are mostly served by Los Angeles Unified School District, and the community has 47 church organizations.

A real strength of the City is its ethnic diversity: since its incorporation in 1968, the City has had robust and durable diversity for most of its history, with sizable but stable percentages of African-Americans, Latinos, Filipinos, and Pacific Islanders among others. Carson believes it is a positive model of what is possible in communities this diverse.

Carson looks like the future and feels like the past at the same time. It looks like the future in so many obvious ways: it is a community of color, and the industrial base (the bedrock of this bluecollar community) has shifted from heavy industry to light industry to logistics over the past 50 years. It has been a weak sub-market for office space for the past two decades. Retail businesses are generally either mom-and-pop stores or large national chains – and almost nothing in between. Single family home prices are unaffordable for new families starting out, yet the sales appreciation in Carson is dramatically slower than in nearby beach communities and makes people who already own here feel the community is low-cost. The City is home to a fouryear university (CSUDH) yet a relatively low percentage of its population is in the college-age cohort, in part because the university has very little housing (although has recently finished its first-ever residence hall on campus) and there are so few other rental units of any type in the city for students to live here.

Carson is a city of only 93,000 that lies in 3 school districts and its students attend one of 5 high schools: Carson, Rancho Dominguez, Banning, and Narbonne in LAUSD; and Compton (its own district); plus, on the CSUDH campus is a charter High School that is part of the Long Beach Unified School District. This has resulted in residents associating more with their nearby parks, which often substitutes for school affiliation.

There are some but not many service clubs; there are a handful of arts organizations; and there are a relatively large number of churches.

Carson's location makes logistics such a strong economic contender that it crowds out other industrial/commercial land uses, accelerating the decline of manufacturing in Carson (although the national manufacturing climate and California business regulations play a part, too); the freeways that make Carson so accessible bisect and isolate neighborhoods and contribute noise, traffic, storm water, and air pollution all day long; and heavy trucks pound the City's streets making it difficult and expensive to keep them maintained.

Carson lacks a traditional downtown. The City was incorporated in 1968 by local residents wanting local land use controls because under County regulations it had been allowed to be a dumping ground (literally) and was heavily developed with petroleum uses. There's no Old Town in Carson, not even a tiny one. There is a nascent downtown developing around City Hall, with relatively dense mixed-use projects but it will be another 15-20 years of development at the current pace to tie the South Bay Pavilion, the District at South Bay (157 acre Cal Compact landfill project), and all of the development at Carson and Avalon into a coherent, walkable downtown area.

With respect to employment, the major employers within the City and their respective number of employees as of June 30, 2019 were as follows:

Name of Company	Employment	Percent of Total	Type of Business/Service
Marathon Refining Logistics Services	1,124	2.60%	Refinery
Lakeshore Learning	485	1.12%	Teacher Supply Distributor
See's Candy Shops Inc.	442	1.02%	Candy Distributor
Prime Wheel Corporation**	433	1.00%	Aftermarket/OEM Auto Wheel Manufacturer
Select Staffing	391	0.91%	Employment Search
Mag Aerospace Industries	384	0.89%	Aircraft Parts Manufacturer
Los Angeles Chargers**	375	0.87%	Sports Team
Huck International Inc.	362	0.84%	Aerospace Parts Manufacturer
Yusen Logistics America Inc.	358	0.83%	Distributor Total
Total City Employment	43,189		

\*Tesoro Refining sold its operation to Marathon Petroleum in 2019.

\*\*Prime Wheel moved a significant part of its manufacturing business to Mexico and out of Carson at the end of 2019, while retaining some operations here, so this number is certainly lower.

\*\*The Los Angeles Chargers were slated to begin hosting their NFL games in Inglewood in 2020 and no longer play in Carson. Some of the businesses listed may have been impacted by the stay at home orders, in effect beginning March 19, 2020, and the City cannot guarantee that all of these largest businesses will continue to operate in the City.

Of the largest employers in the section above, only one is a major sales tax producer; the others are generally manufacturing, warehousing or associated with the logistics industry. The City's largest retail sales tax producers are not in the list of largest employers.

#### Carson is a Low Property Tax and Low Utility Users Tax City

During the last decade, the City has faced budget challenges resulting from the impacts of the Great Recession, the State of California's dissolution of local redevelopment agencies, and costs increasing at a faster rate than revenues. While significant, Carson's assessed property values have not increased at the same rate as those of neighboring cities, resulting in slower property tax revenue growth. The former Carson Redevelopment Agency was one of the largest in California and generated \$30 million in tax increment annually that is no longer available for capital improvement projects. As a result, the City adopted deficit budgets for 9 of the last 11 years. In 2020, however, the voters approved Measure K, a 0.75% transaction and use tax measure, which should produce about \$12 million per year for the City and ameliorate its structural deficit to a significant degree.

Prior to the 1950s the County of Los Angeles allowed cities to incorporate as full property tax cities. Carson incorporated in 1968, however, and was required to accept low property tax status in order for the County to agree to city formation. Carson is one of roughly 90 cities in California that received very little or no property tax revenue in the mid-1970s with about 30 of these 90 cities (including Carson) receiving no property tax at all during that time. These cities relied more heavily on other types of revenue like sales tax and business licensing fees. As a result, these cities received "no or low" proportions of the 1% Prop 13 property tax when it was established in the late 1970s. In the late 1980s, however, the state guaranteed these "no and

low" cities a minimum proportion of the property tax by requiring each county to shift a portion of its 1% tax revenue to any cities within the county that received less than 7% of the property taxes collected within the cities' boundaries. As a result, these "no and low" cities receive more property tax revenue than they would have received without this state guarantee. Carson was long able to rely on redevelopment revenues to fund capital costs in the City (which captured property tax increment for local redevelopment purposes) but the State's decision to dissolve redevelopment stripped the City of those revenues, too, and has made it more reliant, like many California cities, on sales tax.

As an example, Carson's share of the statutory 1% property tax rate is 6.7%, meaning that it receives \$670 in property taxes on a \$1,000,000 property tax assessment. By comparison, Torrance's share of property taxes is 13.6% and Long Beach's is 20.45%. The balance of residents' and property owners' taxes fund Los Angeles County services, K-14 school districts, and other special districts. Carson residents pay the same taxes as residents of neighboring cities, but see far less local benefit from those taxes.

Carson also has one of the lowest Utility Users Tax ("UUT") in the region. Although many cities use these two taxes to fund City services, due to the low tax property tax and low UUT rates, Carson's fiscal challenges are amplified. Carson's UUT is at 2% on gas and electric with a cap of \$1,000,000 per taxpayer, a cap relevant only to the largest industrial businesses, and is scheduled to sunset in 2023 unless extended by the voters. The average rate in the region is 5.9%. Also, other cities levy the UUT on all utilities, including cable television and cell phones, while Carson's UUT does not include those. Below is a chart reflecting UUT rates in neighboring cities:

City	Utility Users Tax Rate	City	Utility Users Tax Rate
Carson	2.0%	Carson	2.0%
Compton	10%	Norwalk	5.5%
Bell	10%	Paramount	5.5%
Long Beach	5%	Hermosa Beach	6%
Torrance	6.5%		
Lawndale	5.5%	Bellflower	7%
Redondo Beach	4.75%	Lynwood	9%
Gardena	5%	Inglewood	10%
Downey	5%	LA City	10%
Hawthorne	5%	Seal Beach	11%

#### Property Taxes and the Creation of Enhanced Infrastructure Financing Districts

One of the factors when considering the development of property tax-generating uses to pay for future City budget obligations is that the City has recently established an Enhanced Infrastructure Financing District ("EIFD"), a tax increment-based financing tool for the City to finance future infrastructure projects. EIFDs are most effective when other taxing entities join the EIFD. On November 24, 2020, L.A. County adopted the Resolution of Intention ("ROI") to participate in the Carson EIFD as part of the approval for the Creek at Dominguez Hills. Formation is nearing completion in the June-July timeframe. The County has agreed to match the City's contribution on a dollar-for-dollar basis, doubling the future revenues into the EIFD, with the condition that 20% of the total revenue be set aside for affordable housing, and that the

first \$10 million in revenue fund improvements in the Creek at Dominguez Hills project, described below

An EIFD Boundary Map is provided in Attachment 4. While the EIFD is a positive development in terms of financing future capital improvements, especially with the participation of the County, it does it at the expense of increasing property tax growth into the City's general coffers.

#### Tax Revenues from Oil Refineries and Oil Related Facilities

Carson's voters approved a ¼ of one-percent Oil Industry Business License Tax on the gross receipts of businesses in Carson that operate any facility where petroleum products are blended, mixed, processed or refined and/or any facility that stores petroleum products. Revenue studies that were completed prior to the voters considering the tax measure estimated that the City would receive up to \$24 million annually in new tax revenues. Instead, the City has received about \$5 million annually from businesses subject to the business license tax.

#### NOTES ON ECONOMIC SECTORS

#### Industrial Development

#### Warehousing and Logistics

As the region's economy shifted away from heavy manufacturing, Carson's industrial base has increasingly moved to support "goods movement" or warehousing and distribution facilities. Located in close proximity to the nation's largest port complexes, Carson has both benefited and received impacts from logistics land uses. There are several thousand truck parking spaces in Carson from its large container facilities alone and a large number of warehousing and logistics facilities. There are over 53,000 truck trips per day in Carson.

In assessing the cost-benefit ratio of these industries, impacts on streets and roads have to be considered. The City completed a pavement management study in January of 2017 which concluded that the City has \$92 million in deferred road maintenance costs. The impact of large trucks is a major part of this cost. Studies of pavement damage caused by trucks indicate that a single truck trip is equivalent to 10,000 automobile trips in terms of pavement damage. This study is currently being updated and should be available in June/July 2021.

This \$92 million equates to the need to invest \$9 million annually into the City's streets and highways to prevent further deterioration and pavement failure. Of this \$9 million, over \$6 million needs to be invested annually on projects to improve the City's major arterials streets, truck routes and local industrial roads. The City currently invests \$1.5 million annually in its road repair program, with the primary source as State Gas Tax revenues including SB-1. SB-1 has resulted in an additional \$1.3 million annually in new funding available for street repair and improvement programs. Even adding LA County Metro's Measure R and M (county transportation-related sales taxes) local return revenues leaves the City with a funding shortfall of \$6 million annually necessary to keep its streets from further deterioration and failure.

Nevertheless, there are two major issues that Carson faces as a direct result of the logistics industry and the need to secure ongoing revenues for street and highway repairs. First, State gas tax revenues are distributed to the cities based on their population. This "per capita" revenue distribution formula fails to recognize that cities with large industrial and "goods"

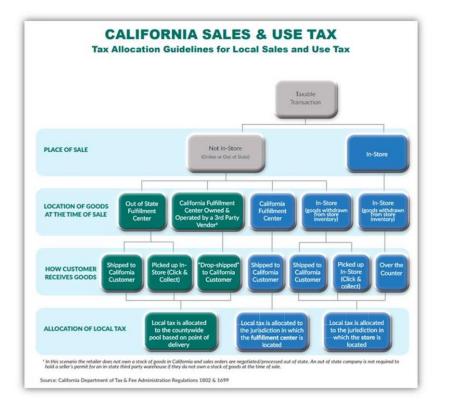
movement" land use sectors shoulder greater maintenance burdens than cities that are more residential in their land uses and with less damage to their streets and highways due to lack of truck trips. The second issue is that Carson cannot depend on State grants for maintenance, since grants specifically exclude cities from apply for funding for routine street maintenance projects.

Without further continuing major investments in its street maintenance program, the pavement management study reveals that Carson's streets and highways will begin to fail in less than seven years. Some industrial streets are already failing. The costs to reconstruct failing streets will simply be unaffordable. Maintaining streets before they need total reconstruction is the most cost-effective way to manage any city's street repairs.

In terms of maintaining residential streets, the City generally relies on slurry sealing. Ideally, streets would be sealed on a 7-10 year cycle, but recent analysis has shown the cycle to effectively be more like 15-20 years, which will require additional annual resources to clear the backlog and reduce the cycle to the preferred 7-10 years.

This background is included to suggest to proposers to consider industrial development carefully for Carson. The Location Quotient and other objective metrics may indicate that the City has a natural competitive advantage over other communities in warehousing, logistics, and other goods movement business, but the citizenry is well aware and wary of the hidden costs of such development that are externalized into other parts of the community.

On the other hand, the City Council has expressed an interest in fulfillment centers and in incentivizing existing industrial businesses to develop point-of-sale activities to generate local sales taxes. These activities may- or may not produce less truck traffic but would at least generate local revenue to mitigate some of the impacts. The Council is aware that such an effort may involve navigating the arcane California sales tax law in terms of allocation to a local community vs. the county pool, etc. and other laws that affect the negotiating of sales tax incentive agreements. The promise of a facility being a "fulfillment center" vs. a distribution center does not guarantee the local taxability of its transactions, as shown in the graphic below.



#### Petroleum

Similarly, the City has major infrastructure related to the petroleum industry, including two refineries (Marathon and Phillips 66), a major distribution terminal (Shell), and other ancillary and related industries including drilling operations, pipeline operators (Kinder Morgan), chemical plants, and petrochemical plants and miles of petroleum pipelines under its streets. Oil has been a cyclical industry over the past several decades as the industry announced it has reached "peak oil" several years ago and alternative transportation technologies grow in acceptance, and the City expects that both investment and employment in these legacy industries will decline over the next few decades but will be replaced with other greener opportunities, even by the same companies.

#### Manufacturing and Aerospace

A legacy industry in the South Bay that may have new life is the aerospace industry. On April 8, 2021, the United States Space Force announced its new Space Systems Command (SSC) will officially re-designate the Space and Missile Systems Center (SMC) at Los Angeles Air Force Base, California, as SSC headquarters in summer, 2021.

The establishment of SSC will elevate the current responsibilities of SMC to that of a U.S. Space Force Field Command. SSC will be responsible for developing, acquiring, equipping, fielding, and sustaining resilient space capabilities. SSC will also provide strategic oversight of USSF science and technology activities. The move could be a boon for Southern California's aerospace industry and a validation of the state's role in developing the technology needed to facilitate space travel. The site will be an anchor for thousands of jobs, many in the South Bay.

Additionally, the aerospace firm has recently announced a major expansion into nearby Long Beach, increasing its footprint in South LA County.

One company noted in the list of largest Carson employers is Huck International, an aerospace manufacturer that produces a number of machine components. Another such military and aerospace contractor with a presence in Carson is Ducommun Incorporated, a manufacturing company that supplies products, engineering and support services to the global aerospace and defense industry. Founded in 1849, Ducommun is recognized as the oldest business in California and today manufactures structural and electronic components and sub-assemblies for a wide range of commercial, military and space platforms including the Boeing 737 NG and 777 airliners, the C-17 heavy lift cargo jet, the Apache, Chinook and Black Hawk helicopters, the Space Shuttle, International Space Station and Mars Rover.

Other local aerospace manufacturers include, among others, for example, Centron Industries, Inc., designers and manufacturers of electro-mechanical systems and equipment including amplifiers, power supplies and multiprocessing DSP boards, and circuit cards assemblies; Vimex Incorporated, performing CNC machining prototype and tooling aircraft assemblies, sub-assemblies and parts manufacturing; Hydroform USA Incorporated, manufacturers of sheet metal and extruded parts for aerospace, military and commercial airframe applications; Cardic Machine Products, Inc., manufacturer of small- to large turned and milled products; and LPJ Aerospace LLC, manufacturer of aerospace components and small assemblies.

#### Media Companies

Another area for Carson to consider would be whether the opportunity for movie and television studios and other media companies should exist in Carson and to what degree, and to provide a description of the infrastructure needs necessary for a leap into that media-heavy industry, such as gigabit broadband availability. It could be that studio rents could be high enough to compete with logistics rents, or the City could look at incentives to attract such businesses to Carson.

Carson is within the Hollywood "30 Mile Studio Zone" but is in closer proximity to a number of media companies already located on the West Side of Los Angeles or in the South Bay, including the Manhattan Beach Studios and media businesses moving into El Segundo from the Silicon Beach or from Playa Vista just to the north. There are a number of media companies already located in Carson, such as Thunder Studios, which produces television shows, commercials, and has an e-sports presence, too. CSUDH is one of the few universities in Southern California developing an esports program and constructing facilities for it.

#### **Commercial Development**

#### South Bay Pavilion

Originally built in 1973, South Bay Pavilion at Carson (SBP), is Carson's largest retail mall. With 924,272 of existing square of feet of gross leasable area, SBP is anchored by Target, J.C. Penney, and IKEA. Over the past decade, changes in the retail landscape have driven changes at SBP, too, with the former Sears store being subdivided into a Ross Dress for Less and Burlington Coat Factory and one other retail space, and the former Sears Auto Center divided into four quick-serve restaurants. In 2015, Cinemark opened a multiplex cinema in the mall, while the former J.C. Penney Auto Center was redeveloped into a Harbor Freight. Any new

owner will be challenged with revitalizing the mall while contending with REAs and parking covenants in favor of their major tenants, subdivided ownership of the site, and the bankruptcy of J.C. Penney.

#### Cal Compact Landfill Site

The Carson Reclamation Authority, a public body, owns a 157 acre former landfill site right on the 405 Freeway in Carson where a high-quality, state of the art, fashion outlet and retail center of up to 711,500 square feet was proposed and where worked commenced in 2018. It is on a portion of the Site called the Cell 2 Surface Lot. Because the entire 157 acre site is a contaminated landfill, the cost to develop the Project on Cell 2 would greatly exceed the cost to develop the Project on an uncontaminated parcel of native soil, and therefore development of the Project on the Cell 2 Surface Lot was financially infeasible without substantial financial participation by the Reclamation Authority.

The site had previously been designed, approved and entitled for a development known as The Boulevards at South Bay, which was designed to create a unique and vibrant center for Carson. Plans were to develop the site with a central entertainment complex (including destination theaters, a live music venue, restaurants, outdoor cafes and a large outdoor promenade area) and up to 400 for-rent residential units, 1,150 for-sale residential units, 300 hotel rooms, and total retail space of about 1.25 million square feet.

Additionally, in September 2019 the Reclamation Authority issued an RFQ seeking a developer to undertake a project on the remaining portion of the landfill ("Remainder Cells"). The RFQ required the developers to bear the responsibility for all the project costs – vertical, horizontal, and remediation -- and fund and perform all remediation work on the Remainder Cells including the investigation of the environmental conditions, testing, and the development of the remediation plan.

Following the RFQ, the Reclamation Authority Board selected a proposed project on the Remainder Cells which included a signature community gathering space with food and beverage facilities, a dog park, playground space, an outdoor concert stage, and other entertainment uses, called the Carson Country Mart, alongside an industrial/fulfillment/logistics center located along the back of the Remainder Cells, and approved agreements with the Developer in December 2020.

#### Tourism/Visitor Economy

The South Bay's picturesque beaches, pleasant coastal climate, top-rated schools, and thriving business community make it an ideal place to live and work. Featuring more than 23 miles of coastline, the South Bay is home to several well-known stretches of beach and small craft harbors. In addition to attractions located in Carson, such as the Porsche Experience Center and the AEG-owned Dignity Health Sports Park, other attractions include SoFi Stadium in Inglewood (home of the Los Angeles Rams and Chargers), the Del Amo Fashion Plaza, South Coast Botanic Garden on the Palos Verdes Peninsula, and the Goodyear Blimp. The South Bay boasts world-famous beaches and several renowned resorts including the world-class Terranea Resort, and 13 golf courses. Local features in Carson include:

#### Dignity Health Sports Park

The Dignity Health Sports Park, owned by AEG, is a 125-acre state-of-the-art athletic facility featuring stadiums for soccer, tennis, track & field, cycling, lacrosse, rugby, volleyball, baseball, softball, and basketball among other sports. Designated as an official U.S. Olympic Training

Site, the Dignity Health Sports Park is the nation's most complete training facility for Olympic, amateur, and professional athletes. The stadium is home to Major League Soccer's LA Galaxy, as well as the US Soccer Federation's (USSF) national team training headquarters and the location of the United States Tennis Association's (USTA) USA High Performance National Training Center. The development is also designated as an official training site for USA Cycling and USA Track & Field. The Dignity Health Sports Park features a 27,000-seat soccer stadium, 8,000-seat track & field facility, and a 2,450-seat velodrome featured in the 1984 Olympics. Since its opening in 2003, the Dignity Health Sports Park has hosted some of the finest national and international competitions in the world and will be a location for several events in the 2028 Summer Olympics.

#### Porsche Experience Center

Opened in 2016, the Porsche Experience Center sits on a 53-acre site just off the 405 freeway near its intersection with the 110 freeway in Carson. The facility is the second of its kind in the country and only the fifth in the world, and features a test track, a driving skills course, driving simulators, an athletic center, a restaurant, and a Porsche showroom. The project created 300 jobs in the area, and helps establish Carson as a tourist destination for car enthusiasts.

#### Congresswoman Juanita Millender-McDonald Community Center

The Center is located within the City's Civic Center Plaza at 801 East Carson Street in Carson. The Community Center is a 73,000 square foot facility utilized as a meeting center for community and business sponsored events, trade shows, seminars, weddings and banquets. The Community Center offers 40,000 square feet of flexible meeting space including a 12,000 square foot ballroom, 27 rooms accommodating 12 to 1,500 guests and state-of-the-art conference equipment.

#### Creek at Dominguez Hills Development

The Victoria Golf Course has been proposed for a comprehensive redevelopment, with approximately ninety-four (94) acres proposed as a major new commercial development consisting of approximately 532,500 square feet of new building space, including a multi-use indoor sports complex, indoor skydiving facility, enhanced driving range experience, marketplace, clubhouse, recreation and dining center, restaurants, (alternatively, a specialty grocery store may be developed in place of some of the restaurant uses), and a sports wellness center. The Project would also provide zip lining facilities, a community park, open space areas, a putting green, and a jogging path.

#### California State University-Dominguez Hills (CSUDH)

The City of Carson and CSUDH are working to improve the collaboration between both entities and create a meaningful town-gown relationship. This effort will feature, among other efforts, a task force created with representation of both City and University personnel (up to five professional staff members each, preferably managers or department heads) and which will meet quarterly, with its primary focus to discuss and implement mutually beneficial projects, programs and initiatives.

The City leadership and CSUDH also agree to meet more frequently to further collaborate and mutual projects and to be able to update the Mayor and City Council on progress. Through

these efforts, the City and CSUDH will remain committed to their collective promise to work together as partners for the greater good of the region.

CSUDH has been recognized as one of the most affordable and accessible university campuses in the state and nation. CSUDH consistently ranks among the most ethnically diverse campuses in the country and is nationally recognized for academic excellence. The university's rankings continue to improve in each accreditation cycle. Among its recent honors for academics, value, and affordability are:

- 8th in Lowest Student Debt Load among Regional Universities-West U.S. News & World Report (2020)
- 11th (public schools) and 24th (overall) in Lowest Student Loan Debt LendEDU (2020)
- 14th in Best Bang for the Buck Universities-West Washington Monthly (2020)
- 41st in Best Value Colleges CollegeConsensus.com (2021)
- 49th in Best Public Colleges Money (2020)
- 75th in Best Colleges in America, Ranked by Value *Money* (2020)
- 2nd Lowest Overall Net Cost "100 Most Affordable Universities in America" BestValueSchools.com (2017)
- 10th in the Social Mobility Index CollegeNet (2020)
- 14th in Campuses with the Best Return on Investment Business Insider (2020)
- 15th in Best Graduate Schools by Salary Score GradReports.com (2021)
- 17th in Top Performers in Social Mobility among Regional Universities-West U.S. News & World Report (2020)
- 4th (California), 18th (nationally) in the Overall Mobility Index *The Equality Opportunity Project* (2017)
- 1st among California public universities in granting degrees to African Americans *Diverse: Issues in Higher Education* (2019)
- 4th in Economic Diversity among Regional Universities-West– U.S. News & World Report (2020)
- 25th in Top 100 Schools for Hispanic Students (Bachelor's) *Hispanic Outlook in Higher Education* (2020)
- 35th-highest enrollment of Hispanic Students in the nation *Hispanic Outlook in Higher Education* (2020)
- 47th in the nation in granting bachelor's degrees to minority students *Diverse: Issues in Higher Education* (2020)
- 54th in Top 100 Schools for Hispanic Students (Master's) *Hispanic Outlook in Higher Education* (2020)
- 1st in Best Online Master of Science in Nursing Degree Programs; 2nd in Best Online MSN Nurse Practitioner Degree Programs Intelligent.com (2020)
- 2nd in Best Master's Degree in Negotiation and Conflict Management Intelligent.com (2020)
- 4th in Best Online Master's in Radiation Sciences BestHealthDegrees.com (2020)
- 10th in Best Undergraduate Teaching for Regional Universities-West
  - U.S. News & World Report (2020)
- 14th in 20 Best Bachelor's in Journalism CollegeRank.com (2020)
- 26th in Top Public Schools for Regional Universities-West U.S. News & World Report (2020)

- 27th in Best Public Colleges; 80th in Best Colleges CollegeConsensus.com (2021)
- 58th in Best Regional Universities-West U.S. News & World Report (2020)

CSUDH is also ranked among the most economically diverse universities in the West offering bachelor's and master's degrees as scored by the percentage of undergraduates receiving federal Pell grants, considered a gauge for how many low-income undergraduates there are on a given campus.

The university is taking seriously its obligations to its students, faculty, staff, and the community at large by upgrading its campus facilities to bring on new academic buildings and construct housing of all types. In late 2019, the Cal State Board of Trustees approved the CSUDH 2018 Master Plan. Within the Master Plan is The University Village, an urban design concept that integrates the academic core and the student residential community with a neighborhood of retail and business communities and residential apartments to create a live/work/play environment with connections to the University's mission and purpose. Part of it is a privately-financed and developed mixed-use project on 76.5 acres that includes high-quality rental housing for faculty, staff and community members; retail development; and business park development, developed as a public-private partnership which could be constructed over a period of years. Student Residence Halls and Student Apartments are part of the University Village, but are not currently envisioned as part of the P3 land development.