

CHAPTER 7

Economic Prosperity Element

Introduction

Economic prosperity is a prime indicator of the success and vitality of a community. The structure and strength of the local economy influences a community's physical development and its ability to fund essential services. In today's economy, maintaining a local inventory of well paying jobs and sales tax generating uses is the foundation for sustaining the financial resources needed to provide services and amenities that enrich the quality of life of residents and workers.

It is Pico Rivera's desire to encourage a broad range of employment and entrepreneurial options, and to generate sufficient revenues to pay for the services and facilities desired by the community. While the City cannot control larger market forces and cycles, it will strategically position itself to maximize potential opportunities, foster a climate attractive to business, and ensure responsible use of available fiscal resources.

This element aims at enhancing the Pico Rivera's economic well-being and sustainability. It provides a strategic approach to economic development that reflects the community's unique opportunities and challenges. The intent of this element of the General Plan is to further elevate Pico Rivera as a great place to live, work, and do business.

Economic Context

Pico Rivera's economic base is largely centered on retail and wholesale trade, warehousing and manufacturing, and educational services. Similar to many communities in southern California, the majority of local residents commute outside the City to work.

Pico Rivera's local employment base declined between 1990 and 2010, largely due to the closure of the City's largest employer in 2000, the Northrop Grumman Corporation B-2 Division. The City has largely weathered the economic downturn caused by the plant closure through redevelopment of the 157-acre facility with industrial, research and development, office and retail uses.

Most of the commercial development in the city is located along the major roadways including Whittier Boulevard, Washington Boulevard, Slauson Avenue



Pico Rivera Towne Center



Starbucks in Pico Rivera



Baskin Robbins in
Pico Rivera



Krikorian Theatre in Pico Rivera



Pico Rivera Commerce Center



A Mi Hacienda in Pico Rivera

and Telegraph Road, with smaller concentrations along Beverly Boulevard, Rosemead Boulevard and Durfee Avenue. Most of the city's commercial businesses are located in strip commercial developments. The city's retail centers have been more recently developed and include the Krikorian Theatre Village Walk Complex, Pico Rivera Marketplace, and the Pico Rivera Towne Center. Industrial businesses can be found along Whittier Boulevard, Gregg Road and San Gabriel River Parkway, but the city's largest concentration of industrial businesses are located in the southwest portion of the city, generally located along Paramount Boulevard, Slauson Avenue and Telegraph Road. The major industrial centers include the Pacific Gateway Business Park on Whittier Boulevard and the Pico Rivera Commerce Center and Business Center on Paramount Boulevard.

Many of the city's existing commercial and industrial sites have older design standards that do not meet current market needs, and are located along congested roadways. The city's industrial spaces are typically defined by smaller "floorplates" that are most suitable for local and regional companies.

Economic analyses (see **Appendix F- Economic Prosperity Report**) have indicated that a variety of industries would be interested in locating in the city, including clothing, food, warehousing, distribution, and logistics companies, if better designed and located spaces were available.

Opportunities & Challenges

As described in the Land Use Element, 16 Opportunity Areas have been identified in the city where the potential exists for economic development and community enhancement through the introduction of new uses, intensification, and/or design improvements. Many of these Opportunity Areas are located within or near existing business concentrations. Encouraging business expansion and providing improved access and infrastructure in these areas will further enhance the City's economic growth.

Pico Rivera has a number of attributes that provide opportunities for business. These include:

- Proximity to downtown Los Angeles and other nearby economic centers;
- Good connectivity to highways, adjacent markets, and ports;
- Strong local industrial and skilled labor base;
- Broad range of local businesses that offer diverse employment opportunities;
- Concentrations of top employers in key areas of the city;
- Reasonable housing prices and high home ownership rates;
- Stable local population base;
- Quality community amenities and recreational programs; and

- Possible future Gold Line Light Rail Extension through the city.

At the same time, the City faces challenges to economic growth. These include:

- Limited vacant land for new development;
- Areas with inadequate public infrastructure;
- Congestion on key roadways;
- Retail vacancies and parking deficiencies along key commercial corridors;
- Outdated and poor quality commercial and industrial buildings in some areas;
- Lack of higher end retail and visitor amenities;
- Overcrowded and older housing stock in some areas;
- Lack of local high-paying jobs;
- An aging population and, although increasing, a lower per capita income and educational attainment than some nearby communities;
- A historically less positive image and perception in the region that has been steadily improving;
- Slow projected growth;
- High local sales tax rate; and
- Constrained city finances and staffing.

The above opportunities and challenges can both support and hinder Pico Rivera's future economic development. In response, the City will be strategic, collaborative, innovative, and flexible to capitalize on the opportunities that are presented.

Goals, Policies, and Implementation Actions

Strategic Approach

Goal 7.1

A strategic approach to economic growth that responds to changes in the market and achieves measurable success.

Policy 7.1-1 Economic Development Strategy. Maintain an economic development strategy to grow business, employment, and income in Pico Rivera that emphasizes:

- Enabling a diverse range of business activities, including skilled labor and technology-focused manufacturing; warehousing and logistics; and professional/technical, educational, medical/health, and financial services.
- Assisting existing Pico Rivera businesses to prosper and remain in the community as they grow.

- Encouraging new businesses that are a good match for the community's skilled labor pool to relocate to Pico Rivera.
- Partnering with the El Rancho Unified School District, Rio Hondo Community College, Chamber of Commerce and local business community to provide for workforce training to meet the needs of current and future local businesses.
- Maintaining quality development and an image as a successful community.
- Ensuring that the infrastructure needed to support successful businesses is available.
- Maintaining a supportive and cost effective environment in which to do business.
- Maximizing access to a variety of funding programs for local economic development.
- Responsible and sustainable fiscal governance of the community.
- Los Angeles County Economic Development Corporation's five key components for economic development success which includes an educated workforce, business-friendly environment, attractive quality of life, smart land use and 21st century infrastructure.

Policy 7.1-2 Partnerships. Partner with the Los Angeles County Economic Development Corporation (LAEDC), Southeast Area Social Services Funding Authority (SASSFA), U.S. Small Business Administration, Chamber of Commerce, other business organizations, neighboring cities, and regional agencies to strengthen strategic alliances, leverage resources, and enhance the City's economic and business development efforts.

Policy 7.1-3 City Support. Provide dedicated City staffing, resources, and training to support economic development activities and business assistance programs.

Policy 7.1-4 Communication. Maintain regular communication with local and regional business leaders and economic development organizations to discuss trends, identify future opportunities for growth and associated needs, and share information regarding the City's economic development programs and activities.

Implementation Program for Policy 7.1-4:

- *Periodically survey the business community for evaluation of City services and improvement suggestions.*

Policy 7.1-5 Performance Review. Review local performance benchmarks for economic growth, and adjust strategies and programs as needed to enhance success and align with resource availability.

Implementation Program for Policy 7.1-5:

- *Establish and annually review specific metrics to measure Pico Rivera's progress in meeting its economic goals. These metrics should address:*
 - *Local employment by sector*
 - *Jobs-to-housing ratio*
 - *Number of employed residents*
 - *Unemployment rate*
 - *Median income*

- *Number of business licenses by business type*
- *Sales tax revenue*
- *Success stories of local public investment and economic development policies and programs*

Policy 7.1-6 Economic Development Priorities. Provide priority for access to economic development resources to (1) existing businesses seeking to expand within Pico Rivera, (2) businesses seeking to relocate to Pico Rivera, and (3) retention of existing businesses to help them to access:

- Capital markets through the use of tax-exempt industrial development bonds and taxable bonds.
- Below-market rate interest rate business loans through revolving loan programs (e.g., CDBG, SBA, CDIF).
- County economic development programs aimed at lowering labor costs.
- County, state and federal agencies that can supplement the City's economic activities such as the Los Angeles County Economic Development Corporation.

Existing Businesses

Goal 7.2

A prosperous base of warehousing and manufacturing, retail and commercial service, office-based, and professional businesses, enhancing economic opportunities, local employment, and municipal revenues.

Policy 7.2-1 Retention and Growth. Place a high priority on the retention and growth of existing and local startup businesses.

Policy 7.2-2 Marketing. Partner with local businesses and the Chamber of Commerce on joint marketing and advertising campaigns to promote business, community events, buy local programs, and local business-to-business sales.

Policy 7.2-3 Retrofit and Reuse. Establish retrofit and reuse programs and tools to modernize, upgrade, and intensify the use of older commercial and industrial buildings and sites to be more competitive in the region, with particular focus on:

- Older commercial centers along Whittier Boulevard, Beverly Boulevard, Slauson Avenue, Telegraph Road and Durfee Avenue; and
- Older industrial areas in the northeastern and southwestern portions of the City.

Policy 7.2-4 Commercial Center Revitalization and Expansion. Facilitate revitalizing and improving commercial centers at key locations in the city.

- Accommodate new retail and other uses within the shopping center at the southwest corner of Rosemead Boulevard and Mines Avenue that take advantage of the site's strategic location adjacent to Smith Park, and reinforce the function of the park, community center, and adjacent library as a major community gathering place.
- Facilitate consolidation of the commercial parcel at the southeast corner of Rosemead Boulevard and Beverly Boulevard with existing commercial centers

to the south to provide for a larger commercial site capable of supporting development of grocery store at that location.

- Provide for conversion of outdated and marginal industrial uses within the Durfee Avenue corridor area with high-density residential uses that will expand the support base for existing and future small businesses along Durfee Avenue.

Policy 7.2-5 Off-Street Parking. Within locations such as the north side of Whittier Boulevard and along Durfee Avenue, assist in business development by facilitating off-street parking solutions, such as shared parking and municipal parking lots, for commercial uses that have limited areas available for parking.

Policy 7.2-6 Signage. Provide for improved signage to commercial areas and other key amenities and destinations in the city.

Policy 7.2-7 Big Box Retail. Continually study market trends and implement policies and ordinances, such as adaptive reuse, and adopt contingency plans to assist in the possible vacancies of big box retailers.

New Businesses & Employment

Goal 7.3

New businesses and jobs that will continue to grow and diversify Pico Rivera's economy and reduce the need for residents to travel outside the City for services and employment.

Policy 7.3-1 High-Wage Jobs. Target the attraction of a diversity of new businesses and employers with an emphasis on high-growth industries that create permanent, higher wage jobs to help raise the City's median income level.

Policy 7.3-2 Emerging Industries. Work with businesses, real estate and development interests, and economic development and planning organizations to identify emerging industries and businesses, determine siting and other needs, and encourage the creation of complementary industry clusters.

Implementation Program for Policies 7.3-1 and 7.3-2:

- *Work with the real estate community to maintain a current listing of properties for sale and for lease for the development and expansion of employment- and revenue-generating uses.*

Policy 7.3-3 Commercial Uses. Identify and proactively recruit new high-quality commercial uses, specialty stores, and sit-down restaurants that expand the diversity of retail and service offerings, increase the generation of sales tax, and enhance visitor amenities.

Implementation Program for Policy 7.3-3.

- *Prepare a retail leakage study to identify retail and other local-serving commercial opportunities, along with related growth in household demand for such uses.*

Policy 7.3-4 Industrial Base. Diversify the City's industrial base and facilitate investment in the City's industrial areas to attract research and development, business incubators, manufacturers, transportation and logistics companies, services, and other emerging industries.

Policy 7.3-5 Local-Serving Businesses. Facilitate the ability of local residents to open and expand businesses within the community, and encourage location and expansion of businesses within Pico Rivera and serve the local needs of Pico Rivera's unique community culture.

Implementation Programs for Policy 7.3-5:

- Give appropriate priority to local residents and locally owned businesses when implementing economic development programs.
- Give appropriate priority to businesses serving the local needs of Pico Rivera's unique community culture.

Policy 7.3-6 Intensification. Facilitate higher-intensity employment-generating and mixed-use development at key locations in the city.

- In the San Gabriel River Parkway corridor, encourage higher intensity light industrial uses to replace the existing low-intensity industrial uses.
- At the intersection of San Gabriel River Parkway and Beverly Boulevard, work with the Los Angeles County Department of Public Works to relocate their existing maintenance yard to a more suitable location, converting the site for mixed-use development. Provide for the conversion of the existing mini-warehouse facilities in the northeast and southeast quadrants of the intersection to a multistory office or light industrial uses.
- On the north side of Beverly Boulevard, east of the 605 Freeway, provide for consolidation of the two existing industrial uses into higher-intensity mixed use or light industrial development.
- At the northeast corner of Paramount Boulevard and Slauson Avenue, provide for replacement of the existing "swap meet" site with a mixed-use or light industrial development.
- At the Montebello Bus Lines Transit Center, work with Montebello Bus Lines to identify and secure a feasible site for relocation of the existing transfer station that provides improved connectivity to retail businesses. Potential locations include the Rosemead Boulevard/Washington Boulevard intersection (particularly if the Gold Line light rail is extended to that location).

Implementation Program for Policy 7.3-6:

- Develop and offer incentives for developing and intensifying employment-generating uses such as expedited processing, reduced fees, and assistance with needed infrastructure.

Policy 7.3-7 Industrial Land Use. Retain adequate manufacturing and industrial land use base, in particular near key transportation corridors such as I-605 and I-5, to support emerging industrial sectors.

Policy 7.3-8 Health Care Services. Encourage provision of primary and specialized health care services within Pico Rivera to increase and diversify employment opportunities.

Implementation Program for Policy 7.3-8:

- Develop and offer incentives for developing health care uses such as expedited processing and reduced fees.

Additional policies regarding land use can be found in the Land Use Element

Policy 7.3-9 Office Development. Encourage office development within Pico Rivera to increase and diversify employment opportunities.

Implementation Program for Policies 7.3-8 and 7.3-9:

- *Consider implementation of lease agreements as an incentive for the development of new health and office development. Such agreements could include subsidies of rental rates to enhance the economic feasibility of financing development, while increasing the economic attractiveness of the projects for new and expanding businesses.*

Policy 7.3-10 Bicentennial Park Campground and the Sports Arena. Encourage revitalization of the Bicentennial Park Campground and Sports Arena area to capitalize on the natural amenities and resources of the area, such as trail and tour guides, campgrounds, equestrian uses, and nature and open space preserves and create an economic development driver for the community.

Implementation Program for Policy 7.3-10:

- *Aggressively pursue federal and state funding and grants for targeted recreational and habitat restoration, recognizing the great value these assets offer in drawing residents, businesses, and visitors to the community.*

Policy 7.3-11 Small Business. Support projects and programs by local banks, the U.S. Small Business Administration, nonprofit organizations, and colleges and universities to create business incubators, microfinance programs and other means to encourage small business development in the city.

Policy 7.3-12 Senior Services. Attract affordable extended-care housing for seniors to the community, providing for a continuum of senior housing and care ranging from active adult communities to assisted living and skilled nursing care centers.

Policy 7.3-13 Workplace Alternatives. Promote the establishment of workplace alternatives, including home occupations and telecommuting to reduce peak hour congestion, including permitting home occupations in all residential districts.

Policy 7.3-14 Business Incubators. Encourage the development of technology incubators to promote entrepreneurship and support start-up companies.

Policy 7.3-15 Manufacturing Movement. Support the Manufacturing Movement which prioritizes policies to increase exports, Research & Design investments for sustainable smart manufacturing systems, entrepreneurs' access to U.S. public capital markets to grow new companies, programs for 21st century training programs and reduce regulatory and structural costs that create jobs.

Policy 7.3-16 Film Industry. Continually support the California Film Commission's "film friendly" initiatives, review and update the City's film friendly ordinance to generate local revenue, bolster local businesses, provide temporary jobs for local residents and to attract, retain and grow the Motion Pictures/Video Industry in the region.

Workforce Development

Goal 7.4

An educated and highly skilled workforce that is well matched to existing and targeted industries.

Policy 7.4-1 Training and Education. Collaborate with the El Rancho Unified School District, Rio Hondo Community College, trade organizations, the Chamber of Commerce, and other workforce development partners to expand local job training, skills-matching, and continuing education programs, providing quality, life-long learning opportunities that can train a highly skilled local labor force.

Policy 7.4-2 Adult Education. Support professional development and continuing education programs so that working adults can expand their skills and embrace lifelong learning.

Policy 7.4-3 Youth Skills. Promote partnerships between local businesses and educational institutions that work with youths to provide internships, in target industries, training for life skills, and job readiness.

Implementation Program for Policies 7.4-2 and 7.4-3:

- *Undertake a survey of local businesses and workforce development agencies to determine high priority job training needs to provide focus for local training programs on those needs.*

Policy 7.4-4 Technical Colleges. Support the development of technical colleges and training institutions that build job skills commensurate with the growth of the community's economic base.

Policy 7.4-5 Veteran Training. Support programs and apply for local, county, state and federal grants to assist in reintegrating Veterans into meaningful employment within the labor force.

Community Image

Goal 7.5

A community that looks successful and is attractive to existing and potential businesses and employees.

Policy 7.5-1 Livable Community. In conjunction with the Chamber of Commerce and other organizations, promote Pico Rivera's unique character and lifestyle as a means of attracting and retaining higher-income, college-educated professionals to the community along with the businesses they manage.

Policy 7.5-2 Business Climate. In conjunction with the Chamber of Commerce and other organizations, promote Pico Rivera as a highly livable community and an excellent place to do business, stressing its advantages (e.g., location close to downtown Los Angeles, skilled workforce, involved community).

Implementation Programs for Policy 7.5-2:

- *Maintain economic information and development opportunities on the City's website and create interactive links with the real estate brokerage and development industry.*

- *Publicize positive images of Pico Rivera through placement of articles in the local and regional media and business and trade journals.*

Policy 7.5-3 Arts and Culture. Partner with community and business organizations to support arts and cultural activities and facilities in Pico Rivera.

Policy 7.5-4 Design Standards. Maintain design standards that ensure consistency and quality of architecture, site design, landscaping, and signage in commercial and industrial projects without making the cost of doing business in Pico Rivera prohibitive.

Implementation Programs for Policy 7.5-4:

- *Assist in enhancing existing building façades on commercial and residential buildings.*
- *Implement a well-designed way-finding program combining signage, public art, and urban design improvements to identify shopping areas; emphasize community landmarks, such as the community center and Sports Arena; and assist visitors in finding their way around the community.*

Policy 7.5-5 Reduce Conflicts. Maintain appropriate performance standards for industrial uses in close proximity to residential uses to reduce conflicts between residential and industrial uses.

Implementation Program for Policy 7.5-5:

- *Develop and implement performance standards for industrial uses in close proximity to residential uses to eliminate conflicts. These could take the form of:*
 - *Standards for buffers between industrial and residential uses.*
 - *Performance standards to be applied to all industrial uses, with special standards for impacts to residential uses.*
 - *Special land use designations/zoning for industrial uses adjacent to residential neighborhoods.*

Policy 7.5-6 Enforcement. Provide consistent enforcement of City codes to promote property maintenance.

Policy 7.5-7 Diverse Housing. As a means of helping local businesses attract the best possible employees, provide for a diverse mix of quality housing options for various age groups, income levels, and household sizes to attract and retain educated and skilled workers, allowing them to remain within the community and at their place of employment as their housing needs change over time.

Provision of Infrastructure

Goal 7.6

Adequate infrastructure to support existing businesses and industries and desired expansion of the community's business sector.

Policy 7.6.1 Infrastructure Investment. Improve public infrastructure in commercial and employment-generating areas.

- Provide telecommunication enhancements, such as development of a city-wide fiber optic network, and modify building regulations as needed to ensure

that development will be designed to meet the needs of future communication technologies, ensuring that Pico Rivera is properly positioned to participate fully in the new global economy.

- Develop improved traffic signal coordination along major commercial and truck routes, including Rosemead Boulevard, Washington Boulevard, Slauson Avenue, and Telegraph Road.

Implementation Programs for Policy 7.6-1:

- Pursue available state, federal, and other funding sources to support the planning, improvement, and maintenance of utility and roadway infrastructure.
- Modify the City building code to require new structures to be equipped with a fiber-optics interface and copper cabling throughout.
- Incorporate needed improvements into the City's Capital Improvement Plan.

Policy 7.6-2 Development Agreements. Enter into development agreements, as appropriate, to secure the participation of new development in needed infrastructure improvements and funding programs beyond that which can be required by the City to mitigate project impacts.

Cost of Doing Business

Goal 7.7

A cost effective and supportive environment in which to do business.

Policy 7.7-1 Customer Service. Promote and strengthen a high level of customer service in City government.

Implementation Program for Policy 7.7-1:

- Assign a City staff member to serve as a project ombudsman to guide businesses through City processes efficiently from start to finish.

Policy 7.7-2 Development Review Process. Maintain a development review process that is conducive to establishing new businesses and expanding existing businesses within Pico Rivera.

- Provide excellent customer service to retail businesses and developers of employment-generating projects by focusing on solving problems and providing certainty in the development review process.
- Streamline the development review process so that it works effectively and efficiently for the applicant and the public through:
 - Explicit statements of City expectations
 - Early identification of issues
 - Consistent application of community policy
 - An emphasis on expedited problem solving
 - Ensuring that detailed regulations facilitate and do not hinder the achievement of community objectives

Policy 7.7-3 Fee Competitiveness. Maintain development fees, user charges, special assessments, and taxes so as to ensure that they do not unreasonably

burden new business formation and expansion of existing businesses, and also maintain financial competitiveness with other cities in the region.

Implementation Program for Policy 7.7-3:

- *Periodically evaluate the City's development fees, user charges, special assessments, and taxes in comparison of those of communities in the region with which Pico Rivera competes for economic development.*

Policy 7.7-4 Incentives. Provide fiscally prudent local incentives, such as fee deferrals, expedited processing, assistance in assembling parcels, modified development standards, development density/intensity bonuses, and infrastructure assistance, to attract and support business development and expansion within the community.

- Focus business attraction and expansion efforts on sales tax-generating uses, employment-intensive industrial uses requiring skilled labor, and office-based employment that will enhance the local economy.
- Actively seek larger retail businesses the City lacks, such as home furnishing and appliance stores, and (in the northern portion of the city) an American-style supermarket.
- Encourage multi-tenant business park uses along the San Gabriel River Parkway.
- Promote service industries with sit-down restaurants as ancillary uses.
- Conduct outreach to City vendors or suppliers to attract new businesses to Pico Rivera.

Policy 7.7-5 Public Property. Strategically use vacant and underutilized public properties to encourage business expansion and attract new businesses.

Funding Programs

Goal 7.8

Adequate funding for economic development activities and related improvement programs in a post-redevelopment era.

Policy 7.8-1 Funding Sources. Pursue and develop alternative funding sources for economic development planning and programs, including grants, loans, and partnerships with federal, state and regional agencies and organizations.

Policy 7.8-2 Financing Districts. Explore the use of assessment districts, community facilities districts, business improvement districts and infrastructure financing districts that are mutually desirable to property owners, businesses, and the City.

Policy 7.8-3 Public/Private Partnerships. Support public/private partnerships and other efforts to fund and implement key projects that meet the City's economic development goals.

Policy 7.8-4 Comprehensive Economic Development Strategy. Develop a Comprehensive Economic Development Strategy (CEDS) and specifically pursue U.S. Economic Development Administration funds.

City Fiscal Management

Goal 7.9

Sustainable fiscal governance that strengthens the City's ability to meet public service demands.

Policy 7.9-1 Financial Standards. Apply prudent financial standards and controls to balance projected City revenues with public services costs, including reserves and replacement funds.

Policy 7.9-2 Point of Sale. Continually work with HDL Companies, the City's sales tax consultant, to review office, business park, and industrial development, and seek opportunities for the designation of these uses within the city as "point of sale."

Implementation Program for Policy 7.9-2:

- *Develop and offer incentives to office-based and industrial businesses that designate their Pico Rivera facility as "point of sale" for sales tax generation. Such incentives could include expedited processing, reduced fees, special business license rates, and assistance with needed infrastructure.*

Policy 7.9-3 Service Delivery. Continue to increase efficiencies in providing public services, and apply a range of financing approaches to develop, maintain, and operate such services.

Policy 7.9-4 General Plan Priorities. Link the provision of services and construction of capital improvements with General Plan priorities as part of the Capital Improvement Program and annual budget process.

Policy 7.9-5 Fiscal Impact Analysis. Evaluate the fiscal impacts of any development project requesting public funding, infrastructure participation, or revenue sharing.

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