



Agenda Report

June 3, 2024

TO: Honorable Mayor and City Council
THROUGH: Economic Development and Technology Committee (February 20, 2024)
FROM: Department of the City Manager
SUBJECT: ACCEPT AND APPROVE THE CITY OF PASADENA ECONOMIC DEVELOPMENT STRATEGIC PLAN

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action is not a “project” pursuant to the California Environmental Quality Act (“CEQA”) and State CEQA Guidelines Sections 15060(c)(3) and 15378, and therefore is not subject to environmental review; and
2. Accept and approve the City of Pasadena Economic Development Strategic Plan.

ECONOMIC DEVELOPMENT AND TECHNOLOGY COMMITTEE

RECOMMENDATION:

On July 18, 2023, the EdTech Committee approved the staff recommendation of selecting the firm, Streetsense CA, LLC (Streetsense) for developing an economic development strategic plan. This action was followed by City Council approval of the selection on July 31, 2023.

On February 20, 2024, following the completion of the Phase 2 Diagnostic (discussed below are details on the plan development phases), Streetsense and EconDev staff presented diagnostic findings, guiding principles and preliminary projects to the EdTech Committee for their review and feedback. Committee members agreed with findings related to the City’s challenges associated with miles of retail street frontage and restrictions on ground floor housing in commercial buildings. They also advocated for a streamlined entitlement process to assist new businesses expressed support for the proposed Plan recommendation to develop a small business incubator. Upon City Council approval, EdTech encouraged staff to present the Plan to various stakeholders and gain buy-in and collaboration that will be needed for Plan implementation. Finally, the Committee encouraged staff to acknowledge the existing challenge of housing

affordability in the completed Plan. Overall, Committee members instructed staff to incorporate their feedback and present the Plan to City Council.

BACKGROUND:

Beginning in August 2023, Streetsense worked closely with staff to convene and engage stakeholders, facilitate discussion around visioning, goal setting, prioritization, leveraging strengths and proactively addressing challenges to foster a thriving local economy. Streetsense provided in depth market analyses, and examinations of existing conditions, undervalued assets, and complex community challenges.

Streetsense, along with staff convened an Advisory Committee of local stakeholders charged with providing collaborative feedback on findings and direction on strategies and recommendations outlined in the Plan. The Committee is comprised of the following members:

- Salvatrice Cummo, Pasadena City College
- Prentice Dadrack, City of Pasadena
- Mike de la Rocha, Tepito Coffee
- Taylor Lenton, Caltech
- Paul Little, Pasadena Chamber of Commerce
- Jason Lyon, Councilmember
- Hilary Norton, California Transportation Commission
- Monique Reaves, Rose Bowl Stadium
- Michael Ross, Pasadena Center Operating Company
- Dianne Russell-Carter, Foothill Workforce Development Board
- Brian Wallace, Playhouse Village Association
- Andy Wilson, Alliance for SoCal Innovation

The Committee met for in-person workshops in September and December 2023 and a virtual convening in May 2024. The Committee discussed and advocated for the following topics and themes to be included in the Plan, among others:

- leverage the City's strengths in technology, healthcare, as a wellness destination and presence of many nonprofit organizations;
- acknowledge challenges in the areas of housing affordability and homelessness;
- Pasadena's tech ecosystem is further advanced in comparison to other cities;
- investments in electric vehicle charging and better connectivity to Pasadena's commercial nodes;
- emphasize the need for streetscape improvements and livable streets as well as improvements and activation in the Civic Center area.

Overall, these Committee discussions and participation, were invaluable to the Plan development process and are reflected in the Plan.

The Plan represents the culmination of a three-phase, eight-month planning process:

- Phase 1: Immersion & Discovery included site visits, fieldwork, stakeholder engagement through focus groups, and interviews with business owners, institutional leaders, City officials, and residents.

- Phase 2: The Diagnostic resulted in a comprehensive analysis that combines qualitative and quantitative research methods to identify district-wide economic development challenges and opportunities in four key areas as follows: the physical environment, the local, regional, and visitor market demand, the business environment, and administrative capacity.
- Phase 3: The Strategic Plan, the final deliverable, is a direct response to the opportunities and challenges identified in the first two phases of work.

Streetsense and staff conducted a series of in-person focus groups and one-on-one interviews with a diverse array of stakeholders to understand Pasadena's strengths and potential challenges. Over fifty individuals across public and nonprofit sectors, the private sector, entrepreneurs, tech industry representatives, real estate professionals, and educational and medical institution stakeholders were engaged.

The recommendations outlined in the Plan are the result of a thorough diagnostic and market analysis that identified gaps and opportunities, which in turn informed a set of projects and initiatives. The Plan puts forth the essential point that economic development requires a cross section of collaboration and partnerships. In several cases recommendations are not for EconDev staff to lead, but rather to facilitate, support, and track over time. The Plan is designed to be both tactical and aspirational, striking a balance between initiatives that can swiftly progress with existing resources and those requiring additional funding. Overall, the recommendations serve as a framework for policy decisions and further stakeholder discussions.

Six Guiding Principles serve as the policy framework that undergird the Plan. While individual projects may evolve as EconDev staff works with partners on implementation, the projects, programs, and policies should continue to be continually measured against their service towards the framework outlined here:

0. Build Systems and Partnerships
 1. Champion Life Sciences and Cultivate a Deep Tech Economic Ecosystem
 2. Reinforce Pasadena as a Regional Destination for Culture and Entertainment
 3. Invest in Local Neighborhoods and Small Businesses
 4. Expand and Streamline Workforce Opportunities
 5. Prioritize Place and Accessibility Investments

The Plan includes a two-page, *Strategies-at-a-Glance* summary. It includes project rubrics detailing project leads, potential partners, funding sources, estimated risk, timeline, costs, and relevant case studies for twenty-seven recommended projects across the six Principles described above.

COUNCIL POLICY CONSIDERATION:

The proposed action is consistent with the City Council's Strategic Plan Goal to maintain fiscal responsibility and stability and support and promote the quality of life and local economy.

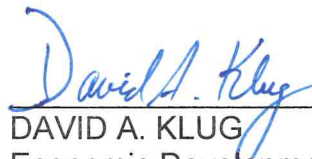
ENVIRONMENTAL ANALYSIS:

The action proposed herein is not subject to the California Environmental Quality Act (CEQA) in accordance with Section 21065 of CEQA and State CEQA Guidelines Sections 15060(c)(3) and 15378. CEQA Guidelines Section 15060(c)(3) excludes from environmental review those activities that are not a “project” as defined in Section 15378. Section 15378’s definition of “project” includes only those actions that have the potential for resulting in either a direct or reasonably foreseeable indirect physical change or reasonably foreseeable indirect physical change in the environment. No direct or reasonably foreseeable indirect physical change in the environment would result.

FISCAL IMPACT:

There is no fiscal impact to the General Fund as a result of this action.

Respectfully submitted,



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