
INTRODUCTION

Although Monterey Park is largely built out, with relatively little vacant land available for new large-scale development, many opportunities exist for expanding the existing commercial and employment/technology base. As described in the Land Use Element, private and public redevelopment efforts within identified focus areas will allow new investment and new complementary uses to meet local and regional shopping demands, provide expanded job opportunities, and build the City's tax base.

During the latter decades of the twentieth century, several factors hindered economic development in Monterey Park, including parcel size and configuration, high land costs, and land use restrictions. The City recognized these challenges and undertook a planning effort that resulted in the 1995 *Economic Development Strategy Plan*. The Economic Development Element builds on past City efforts to define its economic objectives and strategies, and to guide and shape important components of Monterey Park's economy consistent with other Elements of the General Plan.

Scope and Content of the Economic Development Element

The Economic Development Element establishes goals and policies to guide City efforts to maintain an economically viable community. In this sense, economically viable means providing a range of housing and employment opportunities that meet the needs of residents and workers alike, that attract families and businesses to create demand for planned land uses, and that establish and fund public service levels to preserve Monterey Park's quality of life.

The Economic Development Element is linked primarily to the Land Use and Housing Elements. Land use policy, in which the City takes an active role in defining development intensity, the balance and mix of land uses, and design guidelines, is fundamental to economic growth and fiscal well being. Land use policy also helps the City plan in advance for the secondary effects of development, including employment growth, infrastructure requirements, and fiscal impacts. Monterey Park's housing policy also is linked to economic development planning in that economic relationships exist between housing types and employment opportunities, as well as between housing densities and the cost to maintain City service levels. With regard to attracting industry and maintaining mobility for corporate activities, Circulation Element policies tie into a sound economic development strategy.

RELATED PLANS AND PROGRAMS

This Element provides the overall framework for decision making that affects economic development in the City. More detailed plans set forth specific strategies for economic development, and establish regulations and standards for focus areas. As discussed in the Land Use Element, specific plans and redevelopment area plans are regulatory documents which work in concert with the General Plan to accomplish the City's goals and policies. Virtually all nonresidential properties in the City lie within a redevelopment project area. Plans and programs specifically focused on economic development are as follows.

Economic Development Strategy Plan

The *Economic Development Strategy Plan* presents a set of strategies and actions to maintain the economic health of Monterey Park. The strategies and actions set forth in the Plan can be grouped according to two major themes: (1) capitalizing on Monterey Park's location and international culture, and (2) maintaining and promoting Monterey Park's amenable family environment that provides activities and cultural opportunities. These core themes provide the basis for taking advantage of economic opportunities and pursuing associated strategies.

To ensure pursuit of economic goals and strategies, the City has established the Economic Development Advisory Committee, or EDAC. The EDAC is responsible for monitoring Strategy Plan implementation, periodically updating the Plan, and serving as a point of contact and resource in the City's economic development efforts.

Commercial Rehabilitation Program

Administered by the City's Economic Development Agency, the commercial rehabilitation program is designed to stimulate investment in business districts, resulting in attractive commercial areas. The program allows business owners to make needed improvements and updates at very low costs. The Agency pays up to 75 percent of the total facade/exterior rehabilitation project; the applicant pays the balance. Commercial rehabilitation projects are expedited through the design approval process. Twenty percent of the grant may be applied toward architectural fees.

Business Outreach and Support Services

The City's Business Outreach Support and Services Center (B.O.S.S.) serves existing and prospective Monterey Park businesses. The B.O.S.S. center facilitates access to capital and other business resources for expansion, property improvement, relocation, and property acquisition.

**Targeted
Marketing Plan**

In 1997, the City launched a targeted marketing plan. It includes telemarketing and direct mail pieces targeted to business-to-business sales in medical equipment, printing, food manufacturing, and office machinery, as well as international trade.

**Chamber of
Commerce**

The Monterey Park Chamber of Commerce takes an active role in the promotion of international trade opportunities in the City. The Chamber has compiled and published a directory of companies involved in international trade, co-sponsored an international trade symposium, and participated in international trade promotion events.



ECONOMIC DEVELOPMENT PLAN

Overview of Objectives

In all cities, an interdependence exists between local economic issues and the overall quality of life. Monterey Park is a mature, medium-sized community dominated by a diverse population of Asian and Hispanic residents. The City is virtually built out and considered primarily a bedroom community, with a limited commercial and industrial base.

Nonetheless, the City continues to entertain new and substantial development projects. As described in the Land Use Element, several focus areas offer potential for promising new development. Of these focus areas, the five critical locations are Corporate Center, the OII and Edison properties, North Atlantic Boulevard, Downtown, and East Garvey. With the exception of East Garvey, the City's Redevelopment Agency has long courted developers – and offered financial assistance – to realize meaningful projects capable of boosting the City's tax base.

Development of entertainment uses in the city will help strengthen the commercial core and attract residents of Monterey Park, as well as residents from neighboring cities. Entertainment uses within the North Atlantic Focus Area will create evening and night-time activity, which in turn attracts complementary uses, all of which generate revenues for the City.

While most of the City's commercial areas lie within the boundaries of a redevelopment project area, many of the identified areas of focus are primarily built out and are characterized by aging, uninspiring structures situated on small, often narrow lots. With the exception of the Corporate Center and the OII/Edison focus areas, reuse of existing structures or a recycling and upgrading of properties to more intensive uses will characterize most new development.

Challenges the City Faces

Specifically, the City faces several major challenges in its continued economic development efforts:

Fiscal Viability: The City does not share directly in regional sales expansion due to its modest retail sales tax base. The total tax base is a critical component of the City's annual revenue collection, constituting nearly 65 percent of all annual General Fund revenues. Sales and property taxes, the two most important components of the City's tax base, historically have experienced only modest growth. Collectively, these two sources have grown at a rate less than general inflation.

As the City ages, preserving and enhancing the City's existing tax base becomes increasingly important. In order for the City continually to take advantage of increased regional sales activity, it will need to add to and improve its inventory of retail establishments. Given the economic realities in California, each local jurisdiction must maintain its own fiscal viability. This requires a combination of land use policy, attraction of business, and local revenue policy, including taxation. It must be also recognized that long-term fiscal viability requires incremental public and private investment.

Limited Land Area for Development: Monterey Park's land configurations and parcels tend to be small, with very few vacant parcels available. This built-out character limits the City's ability to attract large development projects capable of creating the critical mass necessary to stimulate the local economy. This predicament leaves the City with a narrow range of options for new development. One tool that can be utilized by the City is its ability to acquire properties and consolidate and reconfigure the resulting lots. The City's Redevelopment Agency has utilized this approach.

High Land Costs: The cost for properties in Monterey Park are generally above the average for communities in the region, thereby reducing the City's ability to compete with business centers having less expensive properties. Because of Monterey Park's strategic location, among other factors, land has been purchased at premium rates and has driven up the area's overall land costs. Property owners generally are in positions where they can "sit on" the property until they get a desirable offer for their land. During the 1980s and '90s, this situation was aggravated by land use restrictions that increased development costs.

Plans to Meet These Challenges — The Priorities

The City's economic development goals and policies respond to known challenges and build on the *Economic Opportunities* section of the City's *1995 Economic Development Strategy Plan*, which addressed many of the issues of continuing concern. In the short term, the City has three generalized areas of focus for its economic development efforts:

- (1) To build retail credibility and national credit tenant status in the North Atlantic Boulevard and OII/Edison focus areas.
- (2) To strengthen the City's hotel/meeting center facilities in the Downtown focus area by capitalizing on the City's ethnic identity as a center for the Asian community.
- (3) To create a land use and infrastructure environment in the Monterey Pass Road focus area that will be conducive to future flex-tech and other high-end manufacturing users.

These targeted business development goals primarily pertain to dedicated efforts in specific areas of the City and do not encompass all of the identified focus areas under consideration in the Land Use Element.

Fiscal Balance

Preserving, retaining, and building the City's tax base will allow Monterey Park to continue to provide a high level of public services, and to invest in public improvements that enhance the business environment and overall visual character of the community.



Goals and Policies

Goal 1.0

Maintain an economic base to provide a sound fiscal foundation for the City, as well as quality community facilities and high service levels.

Policy 1.1

Encourage a pattern of development that balances revenue-generating land uses in phase with other uses that demand services.

Policy 1.2

Encourage the growth or relocation of industries that generate local tax and employment advantages.

Policy 1.3

Evaluate fiscal impacts of new development on an ongoing basis, and provide appropriate mitigation strategies for projects with a negative fiscal balance.

Business Attraction and Retention

The City will need to continue to provide incentives to encourage new businesses to locate in Monterey Park, and for existing businesses to expand.



Goals and Policies

Goal 2.0

Attract new businesses to the commercial Focus Areas identified in the Land Use Element.

Policy 2.1

Provide incentives for businesses to locate within appropriate focus areas, including infrastructure investment.

Policy 2.2

Concentrate investment in sectors where growth is forecast in the short- to mid-term. Focus efforts on retail and hospitality uses in the short term and light industrial uses subsequently.

Policy 2.3

Create distinct identities for commercial areas using tools such as infrastructure investment and incentives.

Policy 2.4

Actively market the Focus Areas directly to industry-specific businesses and indirectly through realtors.

Policy 2.5 Establish liaisons with staff people involved in the City's B.O.S.S. program and the Chamber of Commerce to facilitate ongoing business development intelligence and feedback.

Goal 3.0

Draw upon Monterey Park's international culture to attract international businesses.

Policy 3.1 Develop and distribute promotional materials about Monterey Park to attract potential investors.

Policy 3.2 Engage in promotional activities to generate international business contacts and increase networking.

Goal 4.0

Retain existing businesses that provide jobs and tax revenue.

Policy 4.1 Explore the feasibility of providing land acquisition and write-down assistance for business expansion.

Policy 4.2 Assist existing businesses with improvements to buildings exteriors/façades.

Policy 4.3 Provide existing businesses support services and technical assistance that facilitate access to resources.

**Downtown as
Local-Serving
Mixed Use District**

Downtown Monterey Park is the historic heart of the community. On weekends, Downtown thrives as local residents and residents from surrounding San Gabriel Valley cities shop at the ethnic specialty shops. As discussed in the Land Use Element, Downtown's economic future lies in increasing the diversity of uses within the district and attracting residential uses to create weekday activity and weekend evening/night-time use, as well as active outdoor use areas such as plazas and sidewalk dining.

A level of demand exists for local hotel services not captured by the City. Extended stay and meeting room/banquet facilities are needed to accommodate local and community users apart from the business hotel atmosphere provided within the Corporate Center area. Downtown hotel facilities will capitalize on the existing ethnic commercial infrastructure in the district and provide a catalyst for additional business and residential development which serves a community focus.



Goals and Policies

Goal 5.0

Establish Downtown as a local-serving mixed use district.

Policy 5.1

Take advantage of Monterey Park's identification with the **Policy 5.2**

local Asian community to establish a local-serving, small-to-medium scale hotel in Downtown.

Pursue additional specialty retail and restaurant businesses that will complement existing medical office and future hotel uses.

Policy 5.3 Provide zoning incentives that encourage cohesive mixed-use development projects.

Policy 5.4 Pursue mixed-use, high-density residential projects within Downtown.

Policy 5.5 Develop marketing and promotional campaign to publicize Downtown as a distinct district within the community.

Policy 5.6 Pursue development of a Downtown Master Plan that combines a strategic marketing plan with a physical and functional vision for Downtown, as described in the Land Use Element.

Technology Center at Monterey Pass Road



The Land Use Element identifies the Monterey Pass Road Focus Area as a center for new emerging technology businesses. This business activity will create new skilled job opportunities and establish a cohesive industrial center.

Goals and Policies

Goal 6.0

Establish Monterey Pass Road as a desired location for new light industrial, technology-oriented firms.

Policy 6.1 Use Redevelopment Agency actions as appropriate to attract and accommodate new businesses seeking to locate within the Monterey Pass Road technology corridor.

Policy 6.2 Consider limited use of amortization provisions in the zoning ordinance to eliminate businesses incompatible with long-term land use objectives for Monterey Pass Road.

Discount/Volume Retail Center



The transformation of an old landfill and underutilized Southern California Edison properties adjacent to the Pomona Freeway into a major retail center represents a key economic goal. Discount and volume retail uses draw shoppers from outside the City into Monterey Park to spend tax dollars.

Goals and Policies

Goal 7.0

Create a major regional-serving commercial center north and south of Potrero Grande Drive, north of the Pomona Freeway.

Policy 7.1

Work with the City of good access to the OII/Edison area via the Pomona Freeway.
Montebello to ensure

Policy 7.2 Encourage development of retail businesses within the OII/Edison area which serve a regional market and maximize tax revenue potential.

Policy 7.3 Work closely with Southern California Edison to create a reuse plan for all OII Edison properties, including those leased to the San Gabriel Nursery, that optimizes potential for retail commercial and complementary development.

Policy 7.4 Pursue public infrastructure improvements that will support and facilitate redevelopment of the OII/Edison area.

Policy 7.5 Work with Caltrans to enhance the appearance of Pomona Freeway frontage bordering the OII/Edison area.

North Atlantic as a Retail/ Entertainment Gateway

Land use policy provides for a diverse mix of entertainment, retail, and residential uses at the North Atlantic Boulevard gateway into the City, with commercial intensities higher than those developed historically.



Goals and Policies

Goal 8.0

Establish the North Atlantic area as focal point for diverse retail and entertainment development.

Policy 8.1 To the extent that it is compatible with the City's financial policy objectives, pursue the development of entertainment-related uses in the area to act as an anchor for additional corridor improvement.

Policy 8.2 Pursue additional specialty retail and restaurant businesses that will complement new development.

Policy 8.3 Provide zoning incentives that encourage cohesive mixed-use development projects.

Policy 8.4 Pursue the construction of public parking facilities to serve new developments within the subarea and the adjacent Downtown district.

Job Creation for Monterey Park Residents

A population base that has skilled, well-paying jobs strengthens the City's overall economic health. Residents can then spend money locally, gain pride in local businesses and employers, and invest in the community using private resources.



Goals and Policies

Goal 9.0

Increase the number of local Monterey Park residents employed by local and new businesses attracted to the City.

Policy 9.1

Partner with the Chamber of Commerce and East Los Angeles Community College to identify job skill needs and provide training to meet those needs.

Policy 9.2

Work with local and regional job training agencies and organizations to place residents in programs that can improve their job skills.

Government Efficiency and Leadership

Many of the economic development goals set forth in this Element require the resolve of City leaders to authorize expenditure of public monies as a catalyst to private investment, as well as the commitment of the City staff to accomplish community goals and programs efficiently and expeditiously.



Goals and Policies

Goal 10.0

Achieve overall government efficiency to improve the environment for economic growth and community enhancement.

Policy 10.1

Streamline administrative review process that affect economic development activity.

Policy 10.2

Review and update plans which affect economic development on a regular basis.

Policy 10.3

Conduct public forums with political leaders, community members, and business leaders to support an on-going dialogue regarding the City's long-range economic development plans.