



STAFF REPORT

Meeting Date: March 6, 2012
To: Honorable Mayor & City Council
From: Mahdi Aluzri, Assistant City Manager
Megan Roach, Marketing & Economic Sustainability Manager *MR*
Angie Molina, Special Assistant to City Manager *AM*
Subject: Report of Findings and Recommendations from the Small Business Task Force
Attachments: 1. Report

INTRODUCTION

This report provides an overview of the work completed by the Small Business Task Force and their recommended action items to retain and attract small businesses to Beverly Hills.

BACKGROUND

In response to a request by Vice Mayor Brien and Councilmember Gold, the City Council at their July 7, 2011 study session discussed the City's current and prospective efforts and initiatives related to business retention and attraction. The concern is primarily focused on the high retail vacancy the City has experienced in certain commercial areas as a result of the economic downturn.

The City Council discussed current approaches for achieving a robust business attraction and retention program and provided direction on program ideas to consider for small businesses. To spearhead this effort, Mayor Brucker appointed Councilmember Gold as the Chair of a new task force to examine small business assistance opportunities. In general, a small business is one that is independently owned and operated, is organized for profit, and is not dominant in its field.

The mission of the Small Business Task Force is to evaluate what the City can do to retain and attract small businesses in Beverly Hills. Each Councilmember nominated

individual(s) to serve on the Task Force based on their expertise on the subject and their commitment to the business community. Members of the Task Force include:

- Bobbie Greenfield, *Beverly Hills Brownie Company*
- Tom Korey, *First Property Realty*
- Dar Mahboubi, *The Rodeo Collection*
- Jodie Robinson, *Anne Michelle*
- Brian Rosenstein, *Keiler Holdings & Beverly Hills Planning Commissioner*
- Shawn Saeedian, *Beverly Hills Market*
- Tawny Sanders, *Beverly Hills Courier*
- Lee Silver, *Ervin Cohen & Jessup*
- Alex Stettinski, *Beverly Hills Chamber of Commerce*
- Joe Tilem, *Dawson Tilem & Gole & Former Mayor of Beverly Hills*
- Bill Wiley, *CPM®, Director, CBRE, Inc. Two Rodeo Drive & Chairperson, Beverly Hills Conference and Visitors Bureau Board of Directors*
- Mitch Dawson, *Dawson Tilem & Gole*
- Arnold Rosenstein, *New Pacific Realty Corporation*
- Bruce Schulman, *Mercedes Benz of Beverly Hills*

At their initial meeting on September 13, 2011, Councilmember Gold and the Task Force members developed the following objectives to achieve the mission statement and direct their work effort:

- Review current retail and office business vacancy rates in key commercial areas throughout the city;
- Identify existing challenges for keeping small businesses in Beverly Hills and barriers for bringing new small businesses into the city;
- Review best practices of programs for small businesses in other municipalities;
- Develop options based on analysis and assessment of feasible solutions to overcome identified barriers; and
- Provide recommendations, based on the options evaluated, to the City Council, for programs to retain and attract small businesses in Beverly Hills.

DISCUSSION

Over the course of five meetings, the Task Force discussed existing barriers to small business retention and attraction and grouped the barriers into five categories. The Task Force discussed the feasibility of prioritizing areas for order consideration, but ultimately decided that they are all equal. Accordingly, these categories are considered equal in terms of their importance and value to retaining and attracting small businesses.

- **Physical** – improvements to City assets and infrastructure
- **Experience** – enhancing the street level experience for pedestrians and patrons
- **Process** – improvements to the City's permitting and development review process
- **Economics** – exploring financial incentive programs for small businesses
- **Local Preference** – marketing programs that emphasize 'buy local'

After the Task Force identified the barriers and aggregated them by category, staff researched and developed potential solutions to them. These potential solutions were

analyzed and assessed for feasibility from both a fiscal and legal perspective. They were then presented to the Task Force for their review and additional recommendations.

The Task Force identified a total of twenty-one recommendations for possible implementation to retain and attract small businesses in Beverly Hills. The recommendations are included as Attachment No. 1 to this report. Recognizing that these recommendations cannot all be implemented at the same time, a multi-year horizon was suggested based on their feasibility for implementation.

FISCAL IMPACT

For the current fiscal year, the Business Development Program account 0101313 includes \$77,000 to fund new business attraction and retention initiatives. An additional \$77,000 will be available next fiscal year should the City Council approve the same level of funding. In addition, several Task Force recommendations are capital projects and funding for these projects will be proposed as part of the City's five-year Capital Improvement Program, which will be included in the proposed Fiscal Year 2012-2013 budget for City Council consideration, prioritization and adoption.

RECOMMENDATION

It is recommended that the City Council discuss the findings and recommendations from the Small Business Task Force and provide direction as appropriate.



Approved By
Mahdi Aluzri
Assistant City Manager