



# City of Hawthorne, California 2023 Economic Development Strategy



**April 25, 2023**



# **City of Hawthorne, California 2023 Economic Development Strategy**

**April 25, 2023**

## **City Council**

Mayor - Alex Vargas

Mayor ProTem - Angie Reves English

Council Member- Katrina Manning

Council Member - Alex Monyeiro

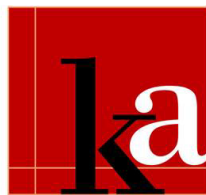
Council Member David Patterson

## **City Staff**

Von Norris, City Manager

Gregg McClain, Interim Planning Director

**Prepared for the City of Hawthorne by**



**kelly associates**  
**Management Group**



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# City of Hawthorne

## 2023 Economic Development Strategy

# I. Introduction and Overview

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Economic development is active participation in the City's economic affairs in ways that promote revenue-producing developments, ensure better odds of success for businesses during periods of hardship, attract new businesses to strengthen the local economy and to improve the quality of life for Hawthorne residents and businesses.

Financing of government services is particularly challenging in California. For a number of reasons, the percentage of the City's municipal services funded through taxes and fees alone diminishes steadily, yet the demand for these services and other obligations continue to grow. Much reliance is placed on outside sources to fund many city programs, but these sources are highly specific in what they will fund, are increasingly competitive, and are somewhat unpredictable due to political machinations in Washington and Sacramento. The demand for services remains high nevertheless, so reductions in staffing or services is not always in the interest of the City. The best solution to improve the finances of the City is to grow revenue without greatly increasing the rate of taxation. The purpose of this Strategy is to establish goals and policies related to economic development with the intent of making the City a great place to do business, increase the rate of success and profitability of our businesses, and improve the revenue to the City that flows from taxes and fees.

The goals and policies contained in the Economic Development Strategy are concerned with both preserving and enhancing the economic success the City is enjoying and developing ways to build a more economically sustainable future. The major issues facing the City are underscored in the following policies that emphasize the need for a professional, organized and unified approach to economic development and to be sensitive to the roles, responsibilities and potential of elected officials, staff and our natural partners in economic development.

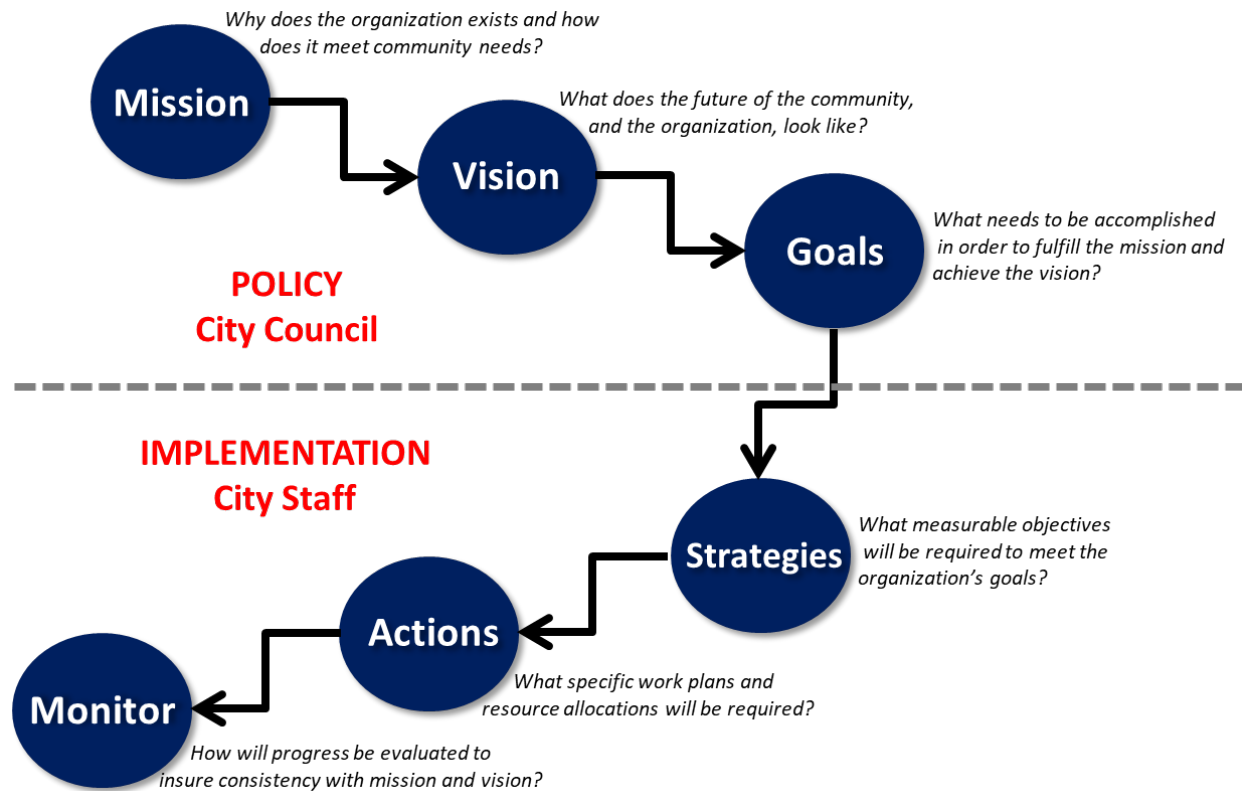
Hawthorne needs new and revitalized commercial development to increase sales tax revenue for municipal funding and to upgrade its physical image. As an older and well-established South Bay community, the City's future development will play a significant role in its efforts to maintain and upgrade the quality of its attractive residential communities.

The City of Hawthorne Economic Development Strategy will:

- 1) Identify the City's major goals;
- 2) Outline specific objectives to achieve the goals;
- 3) Establish metrics to track progress toward achieving the goals.

## Economic Development Strategy Process

The diagram below depicts the process for developing the Economic Development Strategy:



## City Council and City Executive Team Interviews

Interviews using a SWOT (Strengths, Weaknesses, Opportunities and Threats) exercise approach were conducted with each available City Council member.

### City Council

- Mayor Alex Vargas
- Council Member Alex Monteiro
- Council Member Olivia Valentine
- Council Member David Patterson

### Executive Team

Using the same SWOT approach, interviews were also conducted with the following staff members:

- Von Norris-City Manager
- Robert Kim-City Attorney
- Gregg McClain-Interim Planning Director

- Maria Majcherek-Senior Planner
- Chris Palmer-Senior Planner
- Felice Lopez-Finance Director
- Alan Leung-Public Works Director
- Peter Wang-Building and Safety Director
- Erika Lampkin-Human Resources Director
- Gary Tomatani-Police Captain
- Kywana Bowie-Parks and Recreation Manager
- Kimberly Mack-Housing Manager
- Erick Chavez-Cable TV
- Debbie Chantos-Cable TV

## **Community Meeting**

A Community Meeting was held on June 22, 2022 at the Memorial Center to solicit input on the strategic plan. (See Exhibit A for meeting agenda and Exhibit B for a list of attendees and photographs). During this meeting, Interim Planning Director Gregg McClain made a presentation about the City's history and development patterns followed by Finance Director Felice Lopez who provided a financial overview of the City's budget, revenues, expenditures, reserves, property tax dollar breakdown, and other data. (See Appendix C).

The attendees were then divided into three groups and a SWOT exercise was conducted. At the conclusion of the Exercise, the results were divided into three separate lists of SWOT comments.

## **City Council Goal Setting Meeting**

The City Council convened a Special Meeting on September 20, 2022. At this meeting there was an introduction by the Facilitator regarding the goal of the meeting and the process to date (See Appendix D for meeting agenda) After reviewing the combined list of Community SWOT comments, the City Council was asked to place colored stickers on the Opportunity list next to their top five goals (See Appendix E).



## City of Hawthorne 2023 Economic Development Strategy

# II. SWOT Exercise

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The most effective strategic planning in the public sector is one that identifies recent social and economic development activities, assesses local and regional trends, examines current growth opportunities, and introduces a series of goals and objectives that the City may pursue on a “go-forward” basis to help remain focused on addressing improvements to the city. In many organizations, this process can be exacerbated by changes in public perceptions and expectations, and fluctuations in local and national economic trends. While strategic planning is intended to lay out a definitive organizational direction over a prescribed period of time, it must nonetheless have the ability to remain flexible in order to adapt to changing conditions.

The City employed a SWOT Analysis in order to provide a mechanism for helping to broaden stakeholder perspectives of future conditions and to establish a baseline of shared values and visions that can then be crafted into adopted Goals and Objectives. During interviews with each available Council member, input was solicited to identify each member’s perceptions of the top strengths, weaknesses, opportunities and threats currently facing Hawthorne. A similar exercise was also conducted with attendees at the Community Meeting held on June 22, 2022.

Based on both the input received from participants and follow-up discussion, a master list of community strengths, weaknesses, opportunities and threats has been developed (see below). Note that many of the Opportunities listed are consistent with one or more of the themes that emerged during the June 22<sup>nd</sup> Community Meeting. These themes are highlighted in red.

### **STRENGTHS**

Participant input identified the following community strengths from which to build the 2023 Economic Development Strategy:

- Experienced staff
- Public Safety
- Location at 105 and 405 freeways
- Good school districts
- Space X
- City airport
- Proximity to "SOFI"
- Close to the beaches
- Hard working city staff
- Good access to city staff
- Good city commissions
- City departments are good at getting grants
- Great community events

- Good infrastructure
- Strong city management team
- At present no fiscal debt
- Council and community open to ideas for economic development
- City is considered hub of aerospace industries
- Lots of small "ethnic" restaurants
- Receive Federal dollars for housing programs

## **WEAKNESSES**

Participants identified the following weaknesses as potential impediments to crafting strategic goals and objectives in the future. While most of these problem areas could be addressed proactively, others (such as regional perception or the Old Mall site) present challenges which may be difficult to overcome.

- Community isn't always aware of community events
- Not enough restaurants
- No entertainment venues
- Need to improve relationship with Chamber of Commerce
- Businesses complain City is not "business friendly"
- Too many projects added to an already long list of City Council priorities
- Regional perception about the "negative" image of the City
- City Council does not have a common vision
- Low city staff morale
- Unable to recruit and retain quality employees
- Inadequate number of staff to do complete staff work
- Building Permit issuances problematic
- No grocery stores in some high population areas
- Too much strip commercial
- Old Mall site, vacant, underutilized and in litigation
- No economic development strategy or point staff person
- Lack of employee growth and development opportunities
- Lack of public open space
- Community Center is in need of major renovation
- Lack of new technology in workplace
- Archaic city codes
- Lack of new housing to foster economic development
- City Council deep involvement with city employees

## **OPPORTUNITIES**

Participants were asked to identify and discuss the various policies, programs, activities, improvements and initiatives in the local and regional environment that are currently available to the community or may become available in the future.

- Use SOFI as an attraction to visit Hawthorne
- Do something with the Mall **(Increase property values, more community involvement)**

- More staff training and development **(Supportive City officials)**
- Improve interdepartmental coordination **(Supportive City officials)**
- Promote more tech industries to locate in Hawthorne **(Small business dev., digital embrace)**
- Create a Development Impact Fee
- Encourage more mixed-use developments **(Lot consolidations, almost walkable downtown)**
- Improve marketing program **(Small business dev., job creation, business ownership, reduce business vacancies)**
- Renovate the Memorial Center **(More recreation outlets)**
- Renovate restrooms and wading pools in parks **(More recreation outlets)**
- Consider "startup centers" in and around the airport **(Small business creation, more quality hotels, job creation, retail opportunities, entertainment, breweries, increase property values, trolley to the Grove)**
- Review opportunities to increase open space **(More recreation outlets)**
- EIFD - Enhanced Infrastructure Financial District **(Increased efforts for grants/funding, increase property values)**
- Review city wide parking fee **(Increased efforts for grants/funding)**
- Make Hawthorne a "Digital City" by reputation! **(Digital embrace, supportive city officials)**
- Restructure business license fees **(Increased efforts for grants/funding)**
- Analyze Cannabis revenue for city programs **(Increase efforts for grants/funding, small business development)**
- Expand the South Bay Fiber Network **(Digital embrace)**
- Encourage residents to use "low speed" vehicles for local trips **(Walkable Downtown District)**
- Review city staffing levels **(Supportive City officials)**
- Create a Grant Writing position - **Increase efforts for grants/funding**
- We must build for tomorrow. We should be community builders, not obstructionist **(Digital embrace, more quality hotels, entertainment, arts, breweries, elementary school aesthetics, walkable downtown, more community involvement, trolley to the Grove, more recreation outlets, elementary school aesthetics, improve high school graduation rates)**
- Updated municipal and zoning codes for the 21st century **(Digital embrace, more quality hotels, entertainment, arts, breweries, elementary school aesthetics, walkable downtown, more community involvement, trolley to the Grove, more recreation outlets, elementary school aesthetics, improve high school graduation rates)**
- Creation of a city position of "Expediter" **(Supportive City officials)**

## **THREATS**

Participants then sought to identify some of the factors in the community that could serve to inhibit the crafting of effective strategies.

- Online retailing
- Nothing for the youth to do
- Continued negative public perception
- Lack of succession planning and management stability
- Retention of quality city staff
- Homeless in city parks
- Lack of policies and procedures

- Many new requests from the city council overload getting other priority assignments completed
- City Council differing priorities
- City budget facing deficits when federal subsidies run out
- Long unaddressed oversupply of strip commercial not sustainable
- Not communicating with Space X, Ring, Amazon and other large businesses
- Cannabis competition from surrounding areas
- Lack of parking for neighborhoods
- Emergency communication plan not complete
- Lack of funds for building maintenance or replacements
- No emergency funds
- 70% of the residents are renters creating a lack of stakeholder interest
- State housing laws and mandates (SB 9 and 10)
- Projects take too much time to process building permits
- Lack of community participation
- Lack of succession planning and loss of institutional knowledge
- Not enough part time staff for summer activities



## City of Hawthorne 2023 Economic Development Strategy

# III. Implementation Plan

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Based upon the prioritized Information, the City Staff and the facilitator developed an Implementation Plan to achieve the completion of the goals (See charts beginning on next page). This plan will be submitted to the City Council at a regularly Scheduled City Council meeting, for review and adoption.

The Implementation Plan reflects the following five Strategic Goals:

1. Create an Economic Development Plan for the City
2. Develop Revenue Generating Programs and Adjust Fees
3. Improve Development Processing and Customer Service Operations
4. Update Zoning Code for the 21st Century
5. Develop a Strategy for Major Developments

# CITY OF HAWTHORNE

## FOUR-YEAR ECONOMIC DEVELOPMENT STRATEGIC PLAN

### Goal 1: Create an economic development plan for the City

Objectives	Begin by	Complete by	Assigned to	Status and % Complete
1.1 Make ED part of every City decision. Will include alignment of Capital Improvement Plan (CIP) to ED goals and identify goals and objectives of this plan on CC agenda items.	Jan. 2023	May 2023	All departments	90% accomplished. Set to be fully implimented shortly after approval of this plan by City Council.
1.2 Hire marketing/social media professional to create marketing materials, promote positive stories about the City, and serve as Public Information Officer (PIO) to control negative info.	Jan. 2023	Mar. 2023	CM	100% accomplished Sep. 2022. Ongoing.
1.3 Develop a business support and development collaborative that interfaces directly with existing small and large businesses (support and retention), identifies key sectors (tech, hotels, restaurants) and energetically recruits new businesses in those sectors (attraction), and coordinates resources to assist growing businesses (expansion). Establish partnerships with entities that can work toward City goals and objectives. Create a database of businesses in the City to track interactions.	Jan. 2023	Jun. 2023	CM	100% accomplished Feb. 2023 as the "Business Connect" program. Ongoing.
1.4 Develop plan to attend annual ICSC and other local ED events to seek opportunities to capitalize on area attractions, infrastructure, and City assets, and to market Hawthorne as a favorably situated base for tourist and business travelers. Promote development of community amenities and open space.	Jan. 2023	Jun. 2023	CM	25% accomplished. HdL (city consultant) will advocate for the City in 2023.
1.5 Develop a branding program for the City. This will create a recognizable and relevant brand to the City to be used on media, wayfinding signs, and business cards, etc. Implementation to commence upon completion of program.	Apr. 2023	Jun. 2023	CM	25% accomplished. Marketing and branding specialist engaged Apr. 2023.
1.6 Create an training program that integrates ED and customer service, emphasizing that all City employee actions relate to ED. Encourage working groups to resolve problems and learn from each other. Add ED training to onboarding process for new employees.	Apr. 2023	Sep. 2023	CM/SBWIB/HR	25% accomplished. Additional training planned. New employee onboarding process to incorporate ED to be developed.
1.7 Select a specialist consultant to aggressively pursue grants to support projects aligned with the ED objectives of the City.	Jul. 2023	Sep. 2023	CM/PCD/PW/FD	
1.8 Explore and evaluate the creation of an Enhanced infrastructure Financing District (EIFD). EIFD is a state-created mechanism that works like redevelopment, but is narrowly targeted at infrastructure development within the district.	Jul. 2023	Jun. 2024	CM/FD/PW/PCD	
1.9 Develop a strategy to successfully obtain recognition as a business friendly city. Review past Eddy award winning entries for ideas.	Oct. 2023	Jun. 2024	All departments	

Key: CM= City Manager; SBWIB=Workforce Investment Board; HR=Human Relations; PCD=Planning Community Development; PW=Public Works; FD=Finance; LD=Licensing; BSD=Building Safety; ITS=Information Technology

## Goal 2: Develop revenue generating programs and adjust fees

Objectives	Begin by	Complete by	Assigned to	Status and % Complete
2.1 Complete 2020 fee study review and adopt new master fee resolution for all City fees. Re-evaluate City's Developer Impact Fees and update.	Jan. 2023	Dec. 2023	FD/LD/PCD	10% accomplished.
2.2 Develop cannabis business auditing procedures to start after cannabis businesses are operational. May be accomplished with help from consultants that specialize in TOT, STRs, or business licenses enforcement.	Jan. 2024	Sep. 2024	FD/LD	

## Goal 3: Improve development processing and customer service operations

Objectives	Begin by	Complete by	Assigned to	Status and % Complete
3.1 Develop a "great customer service recognition and incentives program"	Apr. 2023	Dec. 2023	CM	90% accomplished Apr. 2023. Plans to build on and refine Employee of the Month program.
3.2 Hire impartial consultant to review development processes and recommend best practices to improve throughput	Jul. 2023	Oct. 2024	BSD/PCD/LD/PW/ITS	
3.3 Initiate collection and reporting of key performance indicators (KPIs) to be used for training, reporting, forecasting, employee evaluations, and to improve processes.	Oct. 2023	Dec. 2023	CM/BSD/PW/PCD	

## Goal 4: Update zoning code for the 21st century

Objectives	Begin by	Complete by	Assigned to	Status and % Complete
4.1 Secure funding, develop RFP, and execute contract for consultant to reorganize and update zoning code, prepare drafts of new zoning code chapters, and adopt new zoning code.	Apr. 2023	Sep. 2025	PCD	
4.2 Create public outreach program to community stakeholders to seek input and explain possible changes.	Jan. 2024	Jun. 2025	PCD/CTV/CM	

## Goal 5: Develop a strategy for major developments

Objectives	Begin by	Complete by	Assigned to	Status and % Complete
5.1 Create a regular community newsletter or social media program to discuss major developments, inform residents of projects, and announce meetings and public hearings to solicit public input.	Jan. 2023	Mar. 2023	PCD/CM/CTV/ITS	90% accomplished Feb. 2023, but further efforts planned to expand this objective.
5.2 Continue to work toward development of the mall site.	Already begun	Until start of construction	CA/CM/PCD/BSD	
5.3 Continue to support owner of RFK site to remove hospital buildings and develop a project that supports the City's needs.	Already begun	Until start of construction	PCD/BSD	
5.4 Work cooperatively with developers to build and refurbish hotels and restaurants, and create space for target sectors.	Already begun	Continuous	PCD	



# IV. Linking the Economic Development Strategy to the General Plan

The following chart provides a roadmap for understanding how the new Economic Development Strategy ties back to the Economic Development Element of Hawthorne’s General Plan.

## Strategic Plan Objectives that Implement Hawthorne's Economic Development Element Goals and Policies

EDE GOALS AND POLICIES	Strategic Plan Objectives				
	For Goal 1: Economic Development	For Goal 2: Develop Revenue	For Goal 3: Customer Service	For Goal 4: Update Zoning Code	For Goal 5: Major Developments
<b>1.0 Economic Promotion</b>					
1.1 Business Promotion	1.1, 1.3, 1.9				
1.2 Available Tools	1.4, 1.5, 1.8		3.2, 3.5	4.1	5.1
1.3 Revitalization	1.8				5.2, 5.3, 5.4
<b>2.0 Strategic Planning</b>					
2.1 Strategy Development	1.4				
2.2 Prioritizing Sectors	1.3	2.2			
2.3 Workflow Progress	1.6	2.2	3.2, 3.3		
2.4 Sector Strategies	1.3				5.4
2.5 Regional Strategies	1.3				
2.6 ED Partnerships	1.2, 1.3, 1.6				
2.7 Elected Officials Role	1.3				
<b>3.0 Customer Service</b>					
3.1 Engagement	1.4				
3.2 Accountability			3.1, 3.3		
3.3 Relationship Management			3.5	4.2	5.1, 5.2, 5.3
3.4 Service Partnerships	1.6		3.2	4.2	
3.5 Business Consultations	1.4				5.4
3.6 Streamlining			3.4		
3.7 Dedicated Staff	1.2				
<b>4.0 Staff Training</b>					
4.1 Operations Manual	1.6				
4.2 Sales Training	1.6				
4.3 Communications Training	1.6				
4.4 Customer Service Training	1.6				
4.5 Onboarding Process	1.6				
4.6 Staff Development Plan	1.6		3.3		
4.7 Continued Training	1.6		3.3		
4.8 Information Sharing	1.6		3.3		

## Strategic Plan Objectives that Implement Hawthorne's Economic Development Element Goals and Policies

**EDE GOALS AND POLICIES**

Strategic Plan Objectives				
For Goal 1: Economic Development	For Goal 2: Develop Revenue	For Goal 3: Customer Service	For Goal 4: Update Zoning Code	For Goal 5: Major Developments

**5.0 Marketing**

5.1 Outreach Plan	1.2, 1.3, 1.4			4.2	5.1
5.2 Business Database	1.3				
5.3 Web Presence	1.2, 1.5			4.2	5.1
5.4 Relationship Management	1.3				
5.5 Communication Materials	1.2, 1.5, 1.9			4.2	5.1
5.6 Specific Plans	1.4				
7.2 Fees Review		2.1		4.1	

**8.0 Assets and Infrastructure**

8.1 Airport Asset	1.4				
8.2 Increase Open Space	1.4				
8.3 Utilities	1.4				
8.4 Develop Special Districts	1.8				
8.5 Outside Funding Sources	1.7				

**9.0 Partnerships**

9.1 Strategic Partnerships	1.3, 1.4, 1.9				
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## City of Hawthorne 2023 Economic Development Strategy

# V. Economic Development Element

The following are the Goals and Policies incorporated into the 2015 Hawthorne Economic Development Element.

**GOAL 1: The City will promote, assist and contribute to a sound local economy, which attracts investment, increases the tax base, creates employment opportunities for Hawthorne residents and generates public revenues.**

POLICY 1.1: The promotion of businesses that generate positive economic benefits to the community, including generating tax revenue, job creation and enhancing the quality of life for residents and visitors shall be encouraged and assisted.

POLICY 1.2: Any tools available to attract new businesses that create quality jobs, generate revenue, or enhance the quality of life for residents, those employed with the City, and visitors to the City shall be considered.

POLICY 1.3: Revitalization of declining commercial and industrial areas through new development, rehabilitation and other means that may be available shall be considered and, if deemed advantageous, implemented.

**GOAL 2: The City of Hawthorne will have an Economic Development Strategic Plan (EDSP) that will: 1) Identify the City's objectives related to business retention; expansion and attraction; 2) Outline specific programs and tools to achieve the objectives; and 3) Establish metrics to track progress toward achieving the objectives.**

Policy 2.1: Through the EDSP, develop specific strategies for retaining and growing businesses in Hawthorne as well as attracting new businesses to the City.

Policy 2.2: Through the EDSP, define market segments of businesses that are a priority/focus. Review and update annually.

Policy 2.3: Develop detailed workflow processes for business retention, expansion, and attraction.

Policy 2.4: The City shall become increasingly involved in sector strategies or workforce development activities in the South Bay region that are relevant to business sectors or objectives of the City.

Policy 2.5: The City will increase its involvement in regional strategies with other business-facing organizations, including but not limited to the South Bay Cities Council of Governments, the Los Angeles County Economic Development Corporation, and California Association of Local Economic Development.

Policy 2.6: The City will work with partners to help market our business services. Partners could include, among others, the South Bay Workforce Investment Board, local school districts and the

community college district, small business development centers, and the Chamber of Commerce.

Policy 2.7: Elected officials should individually leverage their positions to create new partnerships and introductions with new businesses.

**GOAL 3: The City will develop and implement a customer service strategy for all City staff that interface with businesses.**

Policy 3.1 : Specific calls to action to engage businesses shall be defined in a customer service strategy.

Policy 3.2: Goals for staff that directly interface with businesses shall be established. Staff members that directly interface with businesses shall be held accountable for their goals.

Policy 3.3: The City shall acquire or develop a customer relationship management tool to manage contacts with businesses.

Policy 3.4: As an organization and as individual members of the organization, the City shall develop partnerships with organizations offering a range of business services that fall outside our expertise.

Policy 3.5: The City shall develop a standard set of probing questions for new prospective business consultations.

Policy 3.6: A procedure to avoid duplication of effort among staff that directly interface with businesses shall be implemented.

Policy 3.7: At least one staff member shall be dedicated to work exclusively with business and/or industry.

**GOAL 4: The City will develop a robust program of staff training to support economic development initiatives.**

Policy 4.1: An operations manual for staff that directly interface with businesses shall be created.

Policy 4.2: A training regime in sales shall be developed and implemented for business-facing staff.

Policy 4.3: A training regime in communications shall be developed and implemented for business-facing staff.

Policy 4.4: A training regime in customer service sales shall be developed and implemented for business-facing staff.

Policy 4.5: An onboarding process for new business-facing staff shall be developed and implemented.

Policy 4.6: A professional development plan for business-facing staff shall be developed and implemented. Train-the-Trainer models for professional development opportunities should be utilized.

Policy 4.7: A program of quarterly training to improve the skills of our business-facing staff shall, to the extent feasible, be developed and implemented.

Policy 4.8: The City shall develop a way for business-facing staff to collect and share information about best practices.

**GOAL 5: The City will further develop outreach and marketing programs aimed toward business retention and growth and projecting a positive image of the community.**

Policy 5.1: The City shall develop an outreach and social media plan that proactively engages business and/or industry.

Policy 5.2: The City shall develop and maintain a database of our businesses that can be used for marketing.

Policy 5.3: A section of the City's website shall be developed to target business and/or industry and will include opt-in features to leave contact information as well as to obtain updates and information from the City. The City should use business quotes and testimonials, collected through the web site, to build third-party credibility.

Policy 5.4: The City staff shall adopt or develop a dedicated customer-relationship management tool.

Policy 5.5: The City shall continue to develop dedicated communications materials for business services.

Policy 5.6: The City will promote its various specific plans.

**GOAL 6: The City will collect relevant data and use it to monitor progress toward achieving goals.**

Policy 6.1: The City shall gather and analyze business retention and engagement data to evaluate trends.

Policy 6.2: The City shall define success metrics to measure specific calls to action for businesses and develop a scorecard that measures the results of our work with the business community.

Policy 6.3: The City shall use a technology tool that automates business services reports to measure outcomes.

GOAL 7: The City will streamline and automate processes that result in better delivery of services, improved access to information, or improved efficiency in operations.

Policy 7 .1: The City shall apply technology to application and permitting processes, fee collection, and other forms of interaction between the public and City services.

Policy 7 .2: Fees for services and applications shall be reviewed to ensure that they are simple to understand, reasonable, and competitive in cases where that is appropriate to achieve City goals.

**GOAL 8: The City will identify key strategic assets and exploit them for economic development and, where necessary, safeguard these assets appropriately.**

Policy 8.1: The City shall work closely with the management of the Hawthorne Airport, pilots and regulatory agencies to ensure that negative impacts to the airport and its operations are avoided while simultaneously developing plans for economic development in the vicinity.

Policy 8.2: To enhance the quality of life in the City, which is an important marketing asset for business attraction, the City shall develop a plan to create publicly accessible and useable open space throughout the city, but most especially in areas where open space is scarce or non-existent.

Policy 8.3: The City shall work closely with utility providers where appropriate to ensure that services are maintained at a high standard, which is a valuable marketing asset for business

attraction as well as essential to ensure existing businesses stay. Additionally, where appropriate, the City shall explore alternative distribution and technologies that will improve the level of service, cost, and reliability.

Policy 8.4: The City shall continue to develop special districts and use these to guide development and economic activity to better the whole community. These districts shall include, but not be limited to, zones, overlay zones, specific plans, districts (such as for business improvement), and the like.

Policy 8.5: The City shall continue to work closely with funding and regulatory agencies that support our infrastructure. City departments shall continue to work cooperatively to ensure that improvements to the infrastructure are kept apace of wear and tear as well as technological advances.

**GOAL 9: The City will identify key strategic partners and develop mutually beneficial relationships around issues of economic development.**

Policy 9.1: The City shall work closely with key strategic partners to augment and enhance services available to businesses. The Economic Development Strategic Plan will identify specific programs and ways that each partner assist the City in business retention, expansion and attraction and set forth programs and plans to move toward these goals in a cooperative manner. (List of possible partners not reproduced here).



**City of Hawthorne**  
**2023 Economic Development Strategy**

**APPENDIX A**  
**COMMUNITY MEETING AGENDA,**  
**PARTICIPANTS LIST AND EVENT**  
**PHOTOS**



City of Hawthorne

## **Economic Development Strategy Community Meeting**

June 22, 2022 6:00 pm. Memorial Center

### **Agenda:**

- Opening Comments- Von
- Goal of the meeting-Bill
- Self- introductions
- Presentations: What is Hawthorne-Gregg- City's Financial Position (Felice)
- SWOT exercise-individual first, group summary second.
- Presentations by table
- Summary and next actions
- Thank you



## Economic Development Strategy Community Meeting

June 22, 2022 6:00 pm. Memorial Center

### Attendees and Event Photos

- Ryan Richard
- Richard F. Huhn
- Dr. Donnisha Sanford
- Pastor David McNeil
- Brian Markarian
- Juan Ortiz
- Gordon Mego
- Ruby Cohens
- Ruben Sanchez
- Lely Fernandez
- Jasmine Esquivias
- Michael Downes
- Harvey Beesen
- Tony Reynoso
- Yahia Liban
- Rula Alshanableh





**City of Hawthorne**  
**2023 Economic Development Strategy**

**APPENDIX B**  
**FINANCIAL EXHIBITS**



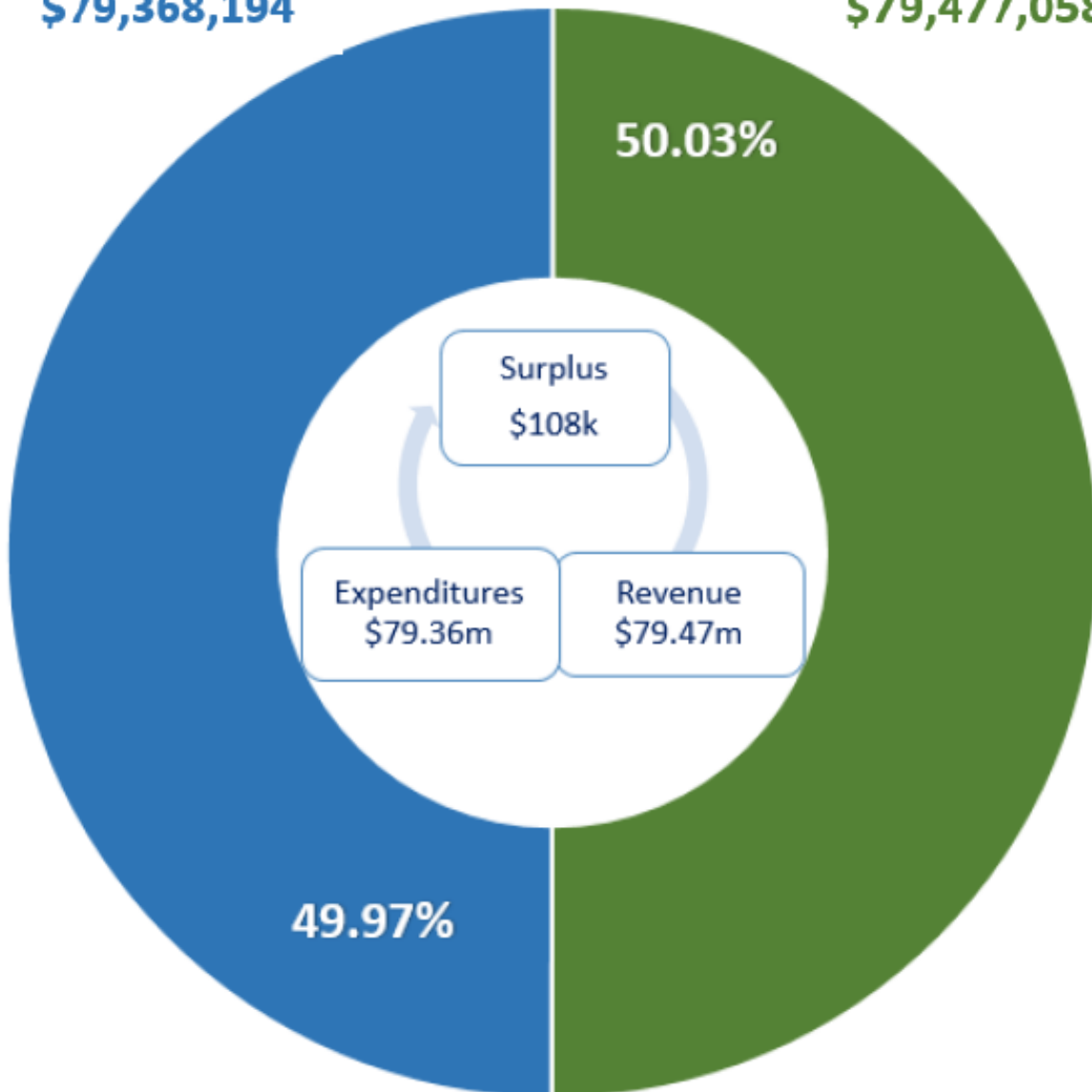
# City of Hawthorne



## GENERAL FUND BUDGET SUMMARY FISCAL YEAR 2021-2022 REVENUE & EXPENDITURES

■ Expenditures  
\$79,368,194

■ Revenue  
\$79,477,058

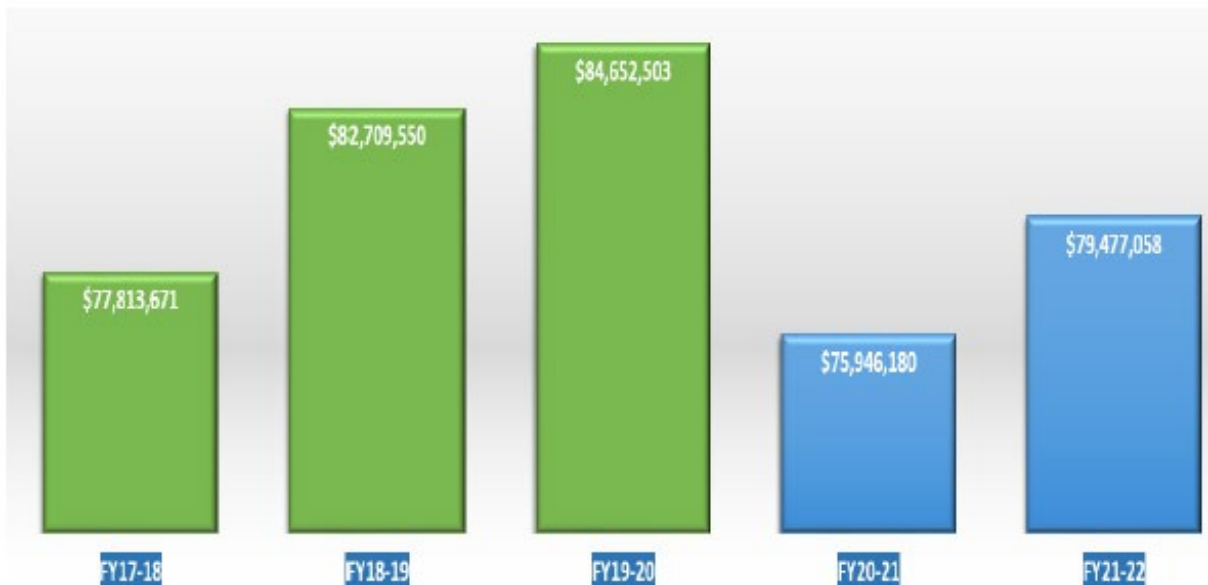




# City of Hawthorne



## City of Hawthorne General Fund Revenue Last Five Fiscal Years

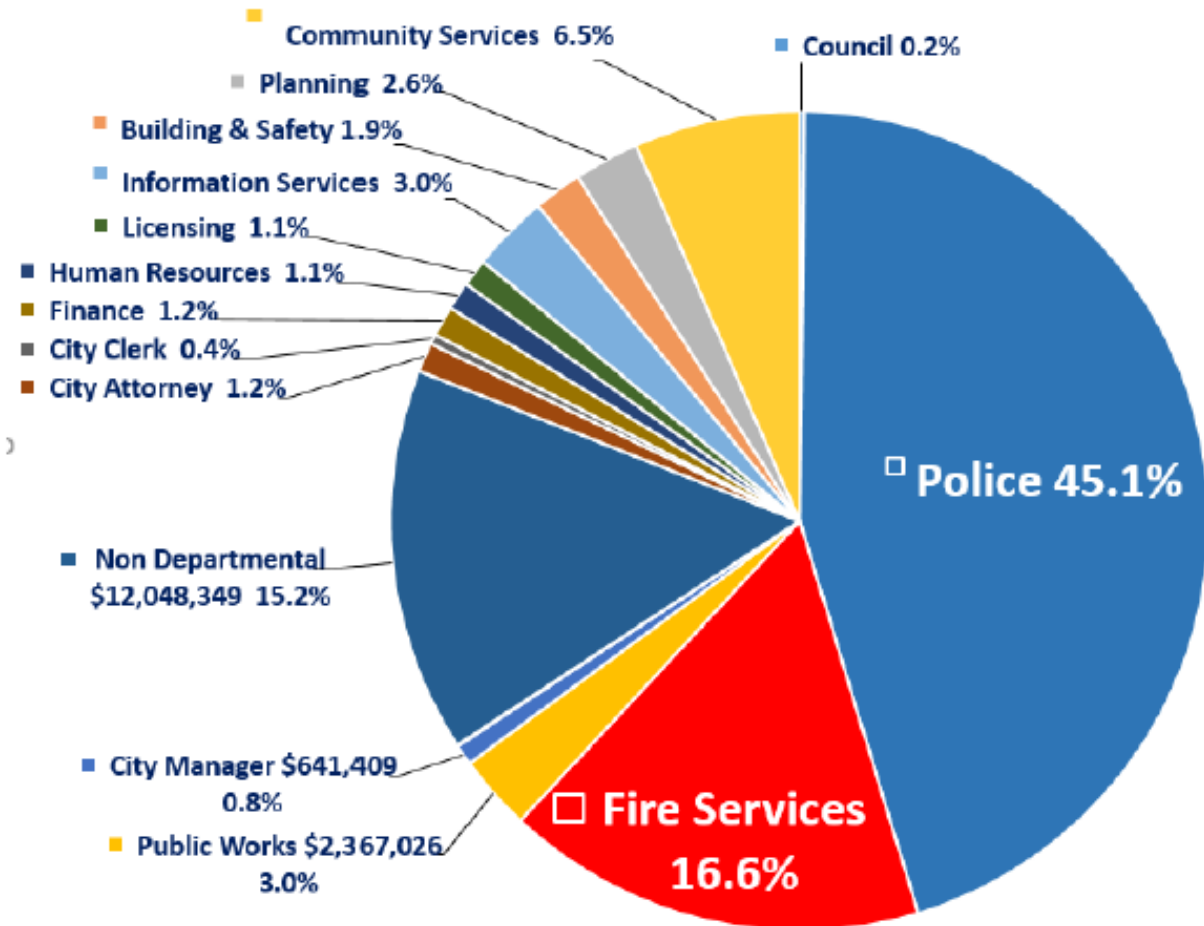




# City of Hawthorne



## General Fund Expenditures by Department FY 21-22 \$79,368,194

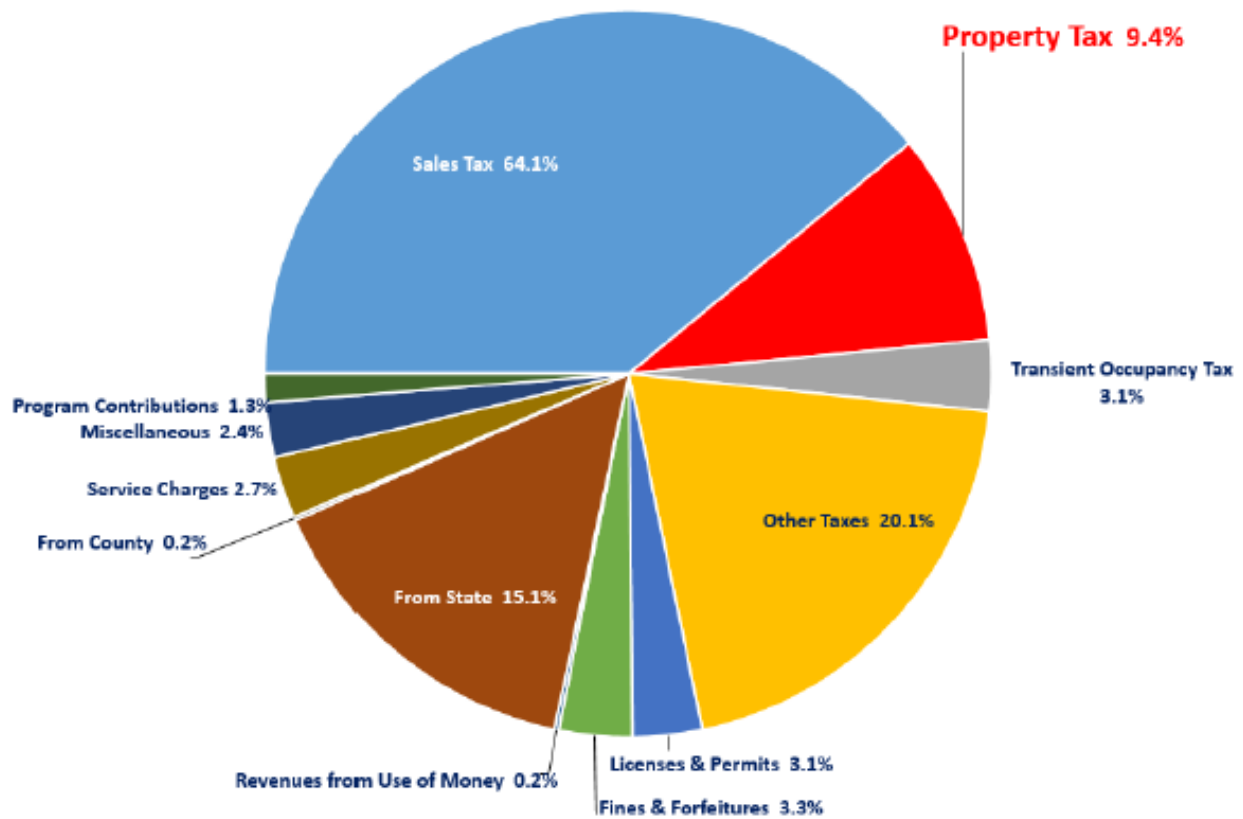




# City of Hawthorne



## General Fund Revenue FY21-22 \$79,477,058



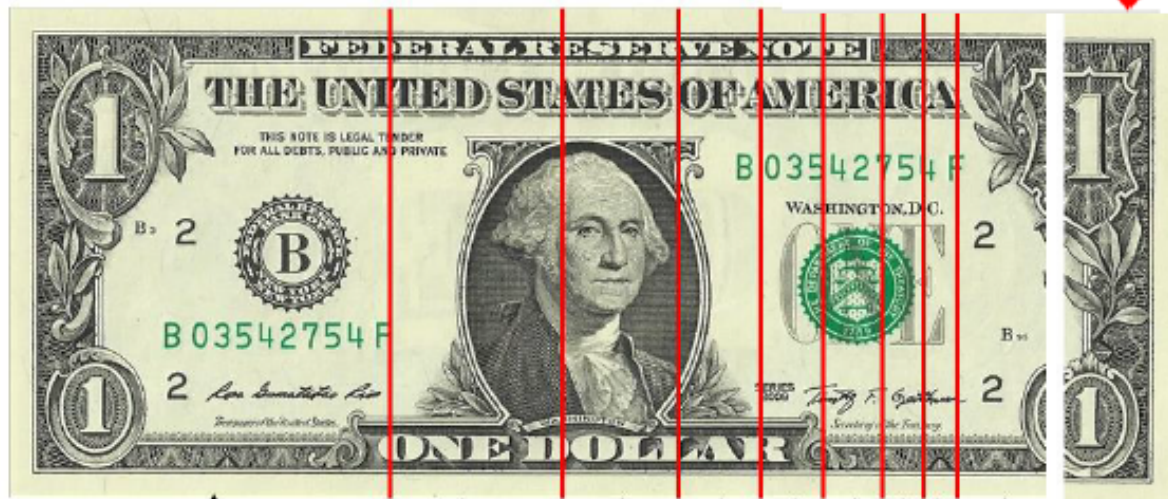


# City of Hawthorne



## PROPERTY TAX DOLLAR BREAKDOWN

City of Hawthorne's share (9.48%)



Los Angeles County

Educational Aug. Fund Impound

Centinela Valley Union High School District

Educational Revenue Aug. Fund

Hawthorne School District

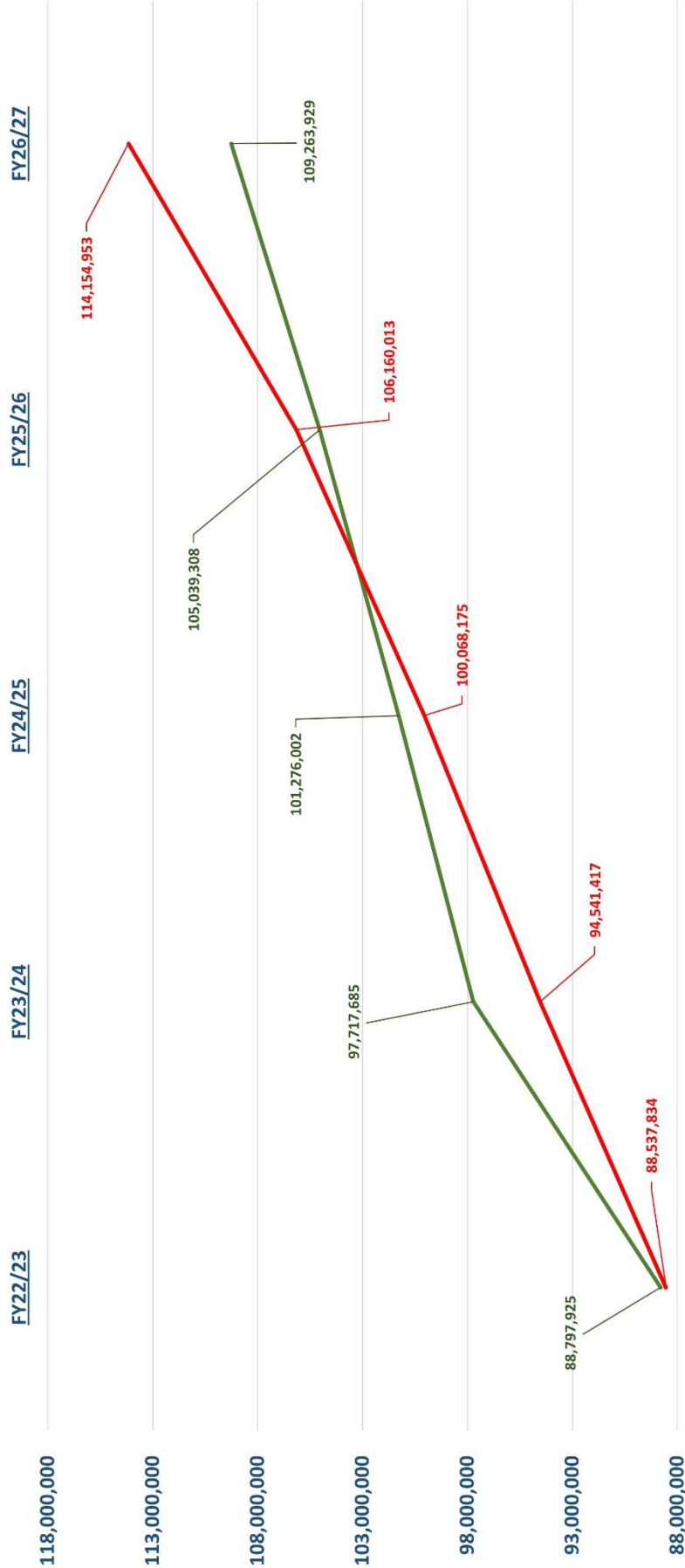
Centinela Valley High-Elementary School Fund

El Camino Community College District

Los Angeles County Library

- Co. Sanitation District No. 5 Operating
- LA County Flood Control Maintenance
- County School Service Fund-Hawthorne
- LA County Fire Ftw.
- Childrens Instl. Tuition Fund
- LA County Flood Dr. Imp. District Maint.
- County School Services
- Developed Center Handicaped Minor-Hawthorne
- LA County West Vector Control Dist.
- Wtr. Replenishment Dist. Of So. Cal.
- LA County Accum. Cap. Outlay

CITY OF HAWTHORNE  
 FORECASTED REVENUES & EXPENSES





**City of Hawthorne**  
**2023 Economic Development Strategy**

**APPENDIX C**  
**CITY COUNCIL GOAL SETTING MEETING**  
**AGENDA**

# CITY COUNCIL SPECIAL MEETING – SEPTEMBER 20, 2022

## Meeting Notice

Alex Vargas, Mayor  
L. David Patterson, Mayor Pro Tem  
Alex Monteiro, Councilmember  
Angie Reyes English, Councilmember  
Olivia Valentine, Councilmember



Paul Jimenez, City Clerk  
Gregory Fallon, City Treasurer

**CITY OF HAWTHORNE  
CITY COUNCIL SPECIAL MEETING  
AGENDA FOR SEPTEMBER 20, 2022 6:30 PM  
MEMORIAL CENTER VENUS ROOM  
3901 W. EL SEGUNDO BLVD., HAWTHORNE,  
CALIFORNIA**

**CALL TO ORDER**

**PLEDGE OF ALLEGIANCE**

**ROLL CALL**

**ORAL COMMUNICATIONS**

**ORAL COMMUNICATION INSTRUCTIONS**

PURSUANT TO GOVERNMENT CODE SECTION 54954.3 THE PUBLIC SHOULD DIRECTLY ADDRESS THE LEGISLATIVE BODY CONCERNING ITEMS THAT HAVE BEEN DESCRIBED IN THE NOTICE OF SPECIAL MEETING

**STUDY SESSION**

1. Strategic Studies for Economic Development by William R. Kelly, President/CEO of Kelly Associates Management Group

**ADJOURNMENT**

**CERTIFICATION**

STATE OF CALIFORNIA )  
COUNTY OF LOS ANGELES ) SS  
CITY OF HAWTHORNE )

I, **DIANA CUCALON**, Deputy City Clerk for the City of Hawthorne, certify that a true and correct copy of the foregoing City Council Meeting Agenda was posted not less than 24 hours before the City Council Meeting to be held on **Tuesday, September 20, 2022**.

Handwritten signature of Diana Cucalon in cursive.

**DIANA CUCALON, HAWTHORNE DEPUTY CITY CLERK**



City of Hawthorne

## **Economic Development Goal Setting Meeting**

September 20, 2022 6:30 pm. Memorial Center

### **Agenda:**

Goal of the Meeting

Communication Review

City Financial Projections

Review of SWOT Exercise Results

- City Council/Staff Comments
- Community Meeting Comments

Establish Goals/by Priority

Summary and Next Actions



## MISSION STATEMENT

The mission of the City of Hawthorne is to preserve, protect and enhance the quality of life for those who live and work in our community by providing the highest quality services while utilizing fiscal responsibility.

## CORE VALUES

**ACCOUNTABILITY** - Decisions are made to advance the success of the city as a whole, with attention to efficiency and effectiveness, while accepting responsibility for the results of those decisions.

**INNOVATION** - We promote flexibility while encouraging new and creative ideas to meet the changing needs in our community. \_

**INTEGRITY** - We are committed to the highest standards of moral and ethical principles, truthfulness, and fairness in all that we do.

**RESPECT** - We treat the public and our co-workers with courtesy and dignity. We value individual contributions while at the same time embracing diversity; thus fulfilling our motto, "City of Good Neighbors".

**PROFESSIONALISM** - We exhibit consistent, responsive, professional conduct demonstrating our dedication to public service.



**City of Hawthorne**  
**2023 Economic Development Strategy**

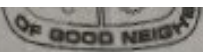
**APPENDIX D**  
**CITY COUNCIL PRIORITIZATION OF**  
**SWOT OPPORTUNITIES**



City of Hawthorne  
City Council and Staff  
SWOT Exercise Responses

Opportunities:

1. Use SOFI as an attraction to visit Hawthorne ●● 2
2. Do something with the Mall – **increase property values, more community involvement** ●●● 3
3. More staff training and development- **supportive City officials** ● 1
4. Improve interdepartmental coordination- **supportive City officials**
5. Promote more tech industries to locate in Hawthorne – **small business dev., digital embrace** ●● 2
6. Create a Development Impact Fee
7. Encourage more mixed use developments – **lot consolidations, almost walkable downtown**
8. Improve marketing program – **small business dev., job creation, business ownership, reduce business vacancies** ●●● 3
9. Renovate the Memorial Center – **more recreation outlets**
10. Renovate restrooms and wading pools in parks – **more recreation outlets**
11. Consider “startup centers” in and around the airport – **small business creation, more quality hotels, job creation, retail opportunities, entertainment, breweries, increase property values, trolley to the Grove** ● 1
12. Review opportunities to increase open space – **more recreation outlets**
13. EIFD - Enhanced Infrastructure Financial District – **increased efforts for grants/funding, increase property values** ●● 2



## SWOT Exercise Responses

### Opportunities (cont.):

14. Review city wide parking fee – **increase efforts for grants/funding**
15. Make Hawthorne a “Digital City” by reputation! – **digital embrace, supportive city officials** ●● ?
16. Restructure business license fees – **increase efforts for grants/funding** ● |
17. Analyze Cannabis revenue for city programs – **increase efforts for grants/funding, small business development**
18. Expand the Southbay Fiber Network – **digital embrace**
19. Encourage residents to use “low speed” vehicles for local trips – **walkable Downtown District**
20. Review city staffing levels – **supportive city officials** ●● ?
21. Create a Grant Writing position – **Increase efforts for grants/funding**
22. We must build for tomorrow. We should be community builders, not obstructionist – **digital embrace, more quality hotels, entertainment, arts, breweries, elementary school aesthetics, walkable downtown, more community involvement, trolley to the Grove, more recreation outlets, elementary school aesthetics, improve high school graduation rates** ●● ?
23. Updated municipal and zoning codes for the 21<sup>st</sup> century – **ditto above** ●●●● ?
24. Creation of a city position of “Expediter” – **supportive city of**