

MONTEREY PARK ECONOMIC DEVELOPMENT STRATEGIC PLAN



**CITY OF MONTEREY PARK, CA
AUGUST 15, 2024**

THE NATELSON DALE GROUP, INC.

CONTENTS

- INTRODUCTION..... 1**
 - Overview of the Strategic Planning Process 2
 - Participating Stakeholders..... 3
- EXECUTIVE SUMMARY..... 6**
 - EDSP Goals and Scope 6
 - Overview of EDSP Initiatives 8
 - Business Retention/Expansion/Attraction Targets..... 9
 - Targeted Businesses by Theme Category 11
- EDSP FOCUS AREAS (STRATEGIES) 17**
- APPENDIX A: SWOT ASSESSMENT FROM STAKEHOLDERS..... 28**
- APPENDIX B: DEMOGRAPHIC AND ECONOMIC OVERVIEW 32**
 - Census-Based Demographic Profile..... 32
 - Population and Employment Forecasts (SCAG)..... 34
 - Labor Force Data 35
 - Industry Mix 38
 - Taxable Sales Data..... 39
- APPENDIX C: TARGET INDUSTRY/CLUSTER ANALYSIS..... 41**
 - Overview of Employment in Monterey Park 42
 - Existing Important Clusters in Monterey Park and the Larger San Gabriel Valley and L.A. County Regions..... 42
- APPENDIX D: MARKET DEMAND FOR COMMERCIAL AND INDUSTRIAL LAND USES..... 53**

INTRODUCTION

This document provides a strategic framework to guide the City of Monterey Park's economic development policies and programs over the next five years. The Monterey Park Economic Development Strategic Plan ("EDSP") is based on a comprehensive research and stakeholder input process and reflects consensus views on the most promising opportunities and the most pressing challenges facing Monterey Park's economy. While the EDSP places primary emphasis on initiatives that would be pursued by the City, it recognizes that a wide array of public- and private-sector entities have roles in influencing the economic vitality of Monterey Park ("MPK"). In this regard, some of the recommended initiatives would be carried out through partnerships with other entities. Even for those action items in which the City's role is essentially coordination, this function can take many forms and is often critical to solving problems that may not otherwise have a clear constituency or single responsible entity assigned to resolving them.

The recommended strategies recognize that Monterey Park is largely built out and, at this stage of its evolution as a city, has limited land capacity for new development. As such, the industry attraction potentials and real estate demand projections indicated in the technical studies must be interpreted cautiously. While there is theoretical demand to support new development, actual development is likely to be more modest based on land constraints and other market trends (e.g., the global reduction in the brick-and-mortar footprint of retail facilities). The EDSP anticipates that the City's future economic development efforts will focus on "quality over quantity." This focus can include facilitating revitalization and/or reuse of older commercial properties, marketing to support high-value tenant recruitment for vacant commercial and industrial space, and encouraging intensification of tenants with higher densities of high-paying jobs.

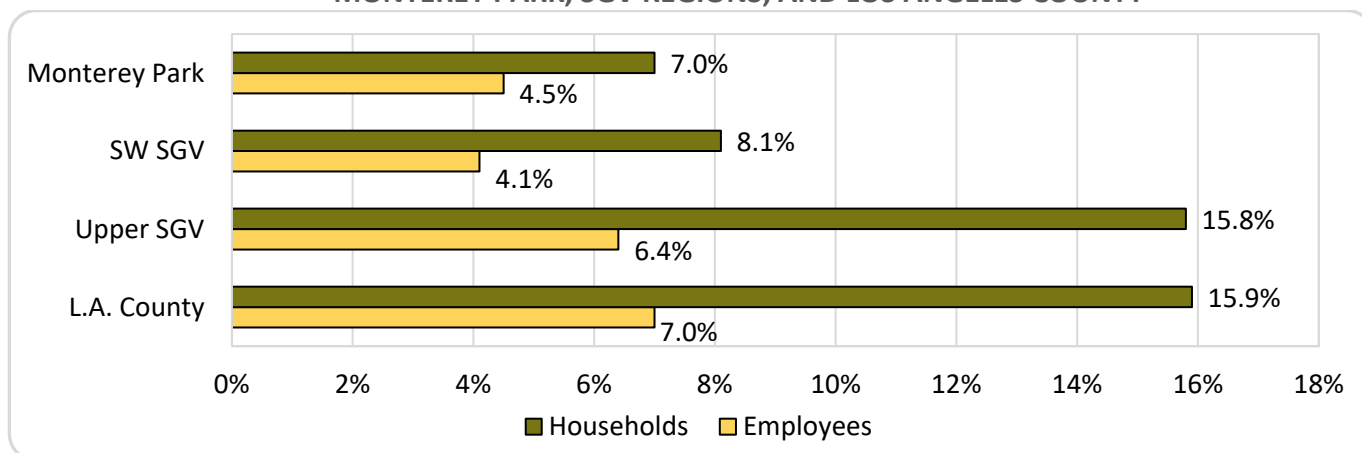
The limited supply of developable land by no means suggests that economic development is a less important City function than it was in years past. In fact, it is arguably a higher priority now. Without proactive economic development programming, the potential for economic stagnation is a real concern. As such, it becomes vitally important to maximize the economic impact of Monterey Park's remaining land resources and to aggressively promote opportunities for redevelopment and infill projects. The EDSP reflects this recommended strategic approach.

OVERVIEW OF THE STRATEGIC PLANNING PROCESS

The recommended policies and program activities are based on an extensive planning process that includes the following components:

- An analysis of Monterey Park’s existing and projected demographic profile provides an understanding of underlying trends that may affect economic growth potentials.
- Direct input from a cross-section of the City’s economic development stakeholders (invited to serve on the EDSP Taskforce) via a series of workshop-style meetings.
- One-on-one interviews with members of the Monterey Park City Council.
- A focused online survey of business owners to help identify challenges and opportunities businesses face.
- Periodic briefings to the City’s Economic Development Advisory Commission (“EDAC”) and Business Improvement District Advisory Commission (“BIDAC”).
- Two community workshops (with Chinese and Spanish translation capacity provided) open to the general public and business community.
- A focused evaluation of the potential to restructure the City’s Business Improvement District (“BID”) as a means of accelerating the revitalization of the Downtown area; this evaluation included a combined study session of BIDAC and EDAC.
- A review of the various public- and private-sector entities involved in different aspects of economic development (or related activities).
- An analysis to identify the industry groups, or “clusters,” that are the most important “engines” of the existing local and regional economies and the industry groups that are likely to offer the most attractive growth potentials in the future.
- A real estate market analysis to identify potential future demand for retail, office, industrial, and hotel development in the City.

HOUSEHOLD AND EMPLOYMENT GROWTH PROJECTIONS PERCENT CHANGE, 2019-2035: MONTEREY PARK, SGV REGIONS, AND LOS ANGELES COUNTY



Source: SCAG 2024 RTP/SCS Growth Projections; TNDG.

PARTICIPATING STAKEHOLDERS

The City of Monterey Park gratefully acknowledges the participation of the following individuals in the preparation of the EDSP:

Members of the Monterey Park City Council

Thomas Wong, Mayor (District 1)

Vinh T. Ngo, Mayor Pro Tem (District 5)

Yvonne Yiu, Council Member (District 2)

Henry Lo, Council Member (District 4)

Jose Sanchez, Council Member (District 3)

Members of Economic Development Advisory Committee (EDAC)

Alexander Fung, Former Chairperson

Dora Leung, Chairperson

Amy Newman

Tomas Wong

Billy Yeung

Members of Business Improvement District Advisory Committee (BIDAC)

Elizabeth Yang, Chairperson

Gene Jeng, Vice Chairperson

Jessy Li

Josephine Louie

Zhen Wu

Participants in EDSP Taskforce

Adrian Lee	Property Owner, Prado Shopping Center
Alex Fung	Chairperson, Economic Development Advisory Commission
Alex Lai	Property Manager, Longo Development
Arian Talehakimi	President, Talehakimi Development Company
Arthur Monreal	Program Manager, LA County America's Job Centers of California
Bo Sivanunsakul	Director, Business, Pacific Asian Consortium in Employment (PACE LA)
Bob Machuca	Senior Advisor, Regional Government Services
Caleb Kwok	CFO, Greater Monterey Park Chamber of Commerce
David Ballou	Sales Executive, CoStar Group
Denise Jaramillo	Superintendent, Alhambra Unified School District
Donald Loewel	Director, SBA Small Business Development Center
Elizabeth Yang	Attorney/Property Owner, Elizabeth Yang Law Offices
Enrique Robles	District Chief of Staff, Office of Congresswoman Judy Chu
Gene Jeng	Business Owner, Martin Florist
Gigi Lee	Field Representative, Office of Congresswoman Judy Chu
Guss Kim	Chief Operating Officer, Like Dreams
Jairi Sanchez	Community Economic Development Coordinator, Build LACCD
Jennifer Tang	District Director, Mike Fong, California State Assembly
John Bwarie	CEO, Alhambra Chamber of Commerce
Jon Lin	Manager, Community Development, Chinatown Service Center
Joseph Lee	Vice President, Commercial Brokerage, Carmichael International Service
Ken Lee	Vice President, Pacific Plaza Premier Development Group
Kendra Madrid	Dean, East Los Angeles College
Kevin Anderson	Chief of Staff, Los Angeles County Department of Economic Opportunity
Leonard Barrales	Regional Manager, Los Angeles County Economic Development Corporation
Lillian Conroe	Senior Permit Specialist, CA Governor's Office Business & Economic Development
Lilly Rocha	Executive Director, Latino Restaurant Association
Linda Lee	Executive Vice President, Kidder Matthews
Luis Portillo	President & CEO, San Gabriel Valley Economic Partnership
Michael Brody	Director, Government Relations, Bank of the West
Michael Hamner	Architect, D. Michael Hamner Architects
Nina Hsu	Realtor, Coldwell Banker George Realty
Pellson Lau	Export Finance Manager, U.S. Small Business Administration (SBA)
Peter Foo	VP of Workforce Development, Los Angeles Area Chamber of Commerce
Peter Ng	CEO, Chinatown Service Center
Ray Jan	CEO/Executive Director, Rosemead Chamber of Commerce
Selina Luong	Property Owner, 540 W. Garvey Avenue
Thomas Riebs	CEO, AXEL
William Lau	President & CEO, Eastern International Bank
Yoonho Cha	E-commerce Manager, Like Dreams



EXECUTIVE SUMMARY

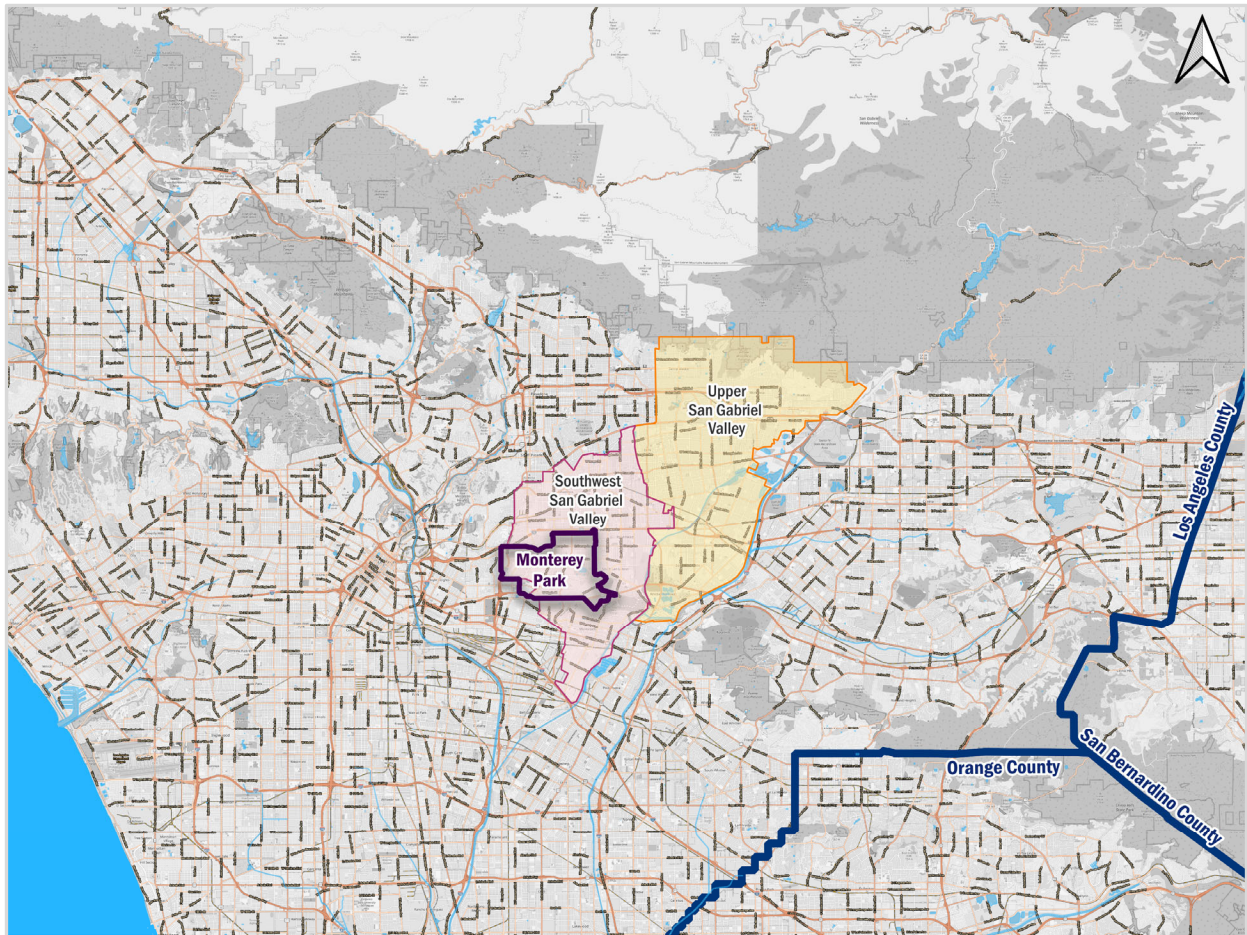
EDSP GOALS AND SCOPE

The EDSP focuses on the following major goals:

- Expand economic opportunities for Monterey Park's resident workforce;
- Nurture a culture of entrepreneurship in Monterey Park;
- Capitalize on Monterey Park's highly strategic location within Greater Los Angeles;
- Reposition Monterey Park as a cultural/entertainment destination within the San Gabriel Valley and the larger Southern California region;
- Leverage Monterey Park's longstanding international connections to expand foreign direct investment and international tourism;
- Revitalize Downtown Monterey Park;
- Attract new investment in Monterey Park's other commercial and industrial areas;
- Strengthen the City's fiscal position by developing a base for strong sales and property tax in the City; and
- Connect the City's business development efforts to climate resilience initiatives (and related state and federal funding sources for R&D/innovation, renewable energy, clean tech, etc.).



MAP OF MONTEREY PARK, SOUTHWEST SAN GABRIEL VALLEY, AND UPPER SAN GABRIEL IN SOUTHERN CALIFORNIA



Source: U.S. Census; OpenStreetMap; TNDG.

Whereas these goals largely revolve around attracting and retaining targeted development and business investment, the EDSP recognizes that the strength of the local business/development environment will ultimately depend on Monterey Park's strategic attention to a range of "foundational" conditions such as:

- The City's reputation for business/development friendliness;
- The City's ability to effectively engage the vibrancy of its diverse resident population, business community, and property owners (some of which are not local);
- Land, zoning, and infrastructure capacity;
- Entrepreneurial development resources;
- Education/workforce development systems;
- Placemaking initiatives that leverage Monterey Park's unique culture, locational advantages, and sense of community;
- Overall image (i.e., the way the City is perceived by prospective visitors, developers, and business investors); and
- Quality of life.

OVERVIEW OF EDSP INITIATIVES

The EDSP is organized around nine major focus areas:

Focus Areas	Roles in Securing EDSP Goals and Objectives
1. Marketing/Branding	Make outsiders (prospective visitors/consumers and business/development investors) aware of opportunities in MPK; craft a consistent brand message and visual identity across all marketing channels
2. Development Friendliness	Reduce potential barriers to attracting new development by reviewing entitlement and permitting processes and related fee structures
3. Business Retention/Expansion	Direct outreach to Monterey Park firms to identify and respond to issues that are threats to long-term viability and growth; retain/grow high-paying jobs and increase tax base
4. Placemaking/Strategic Land Use	City-led initiatives to pursue development-driven placemaking in special focus areas; evaluate development potentials of <i>surplus properties</i> of churches, schools, etc.
5. Reinvent Retail	Shore up stronghold centers with support for retail attraction; consider promoting City-sponsored demonstration project(s) as examples of existing shopping center revitalization
6. Talent (Workforce) Retention/Attraction	Coordinate workforce development through linkages to available local and regional partner assets; help residents align with existing and emerging employment/business opportunities
7. Entrepreneurial Development	Mostly serve in a <u>coordination/clearinghouse</u> capacity, drawing on the established programs of regional partners; focus on creating an innovative business environment attractive to prospective entrepreneurs
8. Targeted Industry Attraction	City to take the lead, in-house role in implementing a Monterey Park-specific target industry program
9. International Business Development	Systematic effort to attract foreign investment (e.g., focus on attracting EB-5 investments; partner with overseas realtors)

BUSINESS RETENTION/EXPANSION/ATTRACTION TARGETS

The EDSP target industry analysis (summarized in Appendix B) identifies the industry clusters that are currently growing or declining at three levels of geography: Monterey Park, San Gabriel Valley regions¹, and the larger Los Angeles County region. The regional scale of the analysis recognizes that most Monterey Park residents work at jobs outside the City and, as such, their career prospects are largely tied to the performance of the overall regional economy. To the extent opportunities exist for Monterey Park to attract new jobs within the City itself, these opportunities are also likely be related to economic trends in the larger region.

The target industry analysis identified a total of 18 industry clusters that are of potential interest to Monterey Park as strategic targets. Among the 18 clusters, 11 are recommended as strategic targets in the EDSP. These targets are organized below in two categories:

- **Monterey Park’s existing core strengths.** Strategic approach: retain and expand industry clusters identified as existing core strengths in Monterey Park
- **Regional (San Gabriel Valley and Los Angeles County) clusters.** Strategic approach: tap into dominant regional industry clusters that are not currently well represented in Monterey Park (e.g., Information Technology and Analytical Instruments)

Priority Industry Cluster	Strategic Approach	
	Build on Existing Strength	Tap Into Regional Clusters
1. Local Health Services	✓	
2. Local Hospitality Establishments (includes restaurants)	✓	
3. Education and Knowledge Creation	✓	
4. Communications Equipment and Services	✓	
5. Distribution and Electronic Commerce	✓	
6. Information Technology and Analytical Instruments		✓
7. Business Services		✓
8. Marketing Design and Publishing		✓

¹ San Gabriel Valley regions refer to the two San Gabriel Valley County Census Divisions (CCDs). The CCDs include the Southwest San Gabriel Valley (SW SGV) and Upper San Gabriel Valley (Upper SGV) CCDs. The SW SGV region includes zip codes 90640, 91754, 91755, 91770, 91755, 91766, 91801, and 91803. The Upper SGV region includes zip codes 91006, 91007, 91008, 91010, 91016, 91024, 91706, 91731, 91732, 91733, 91775, and 91780.

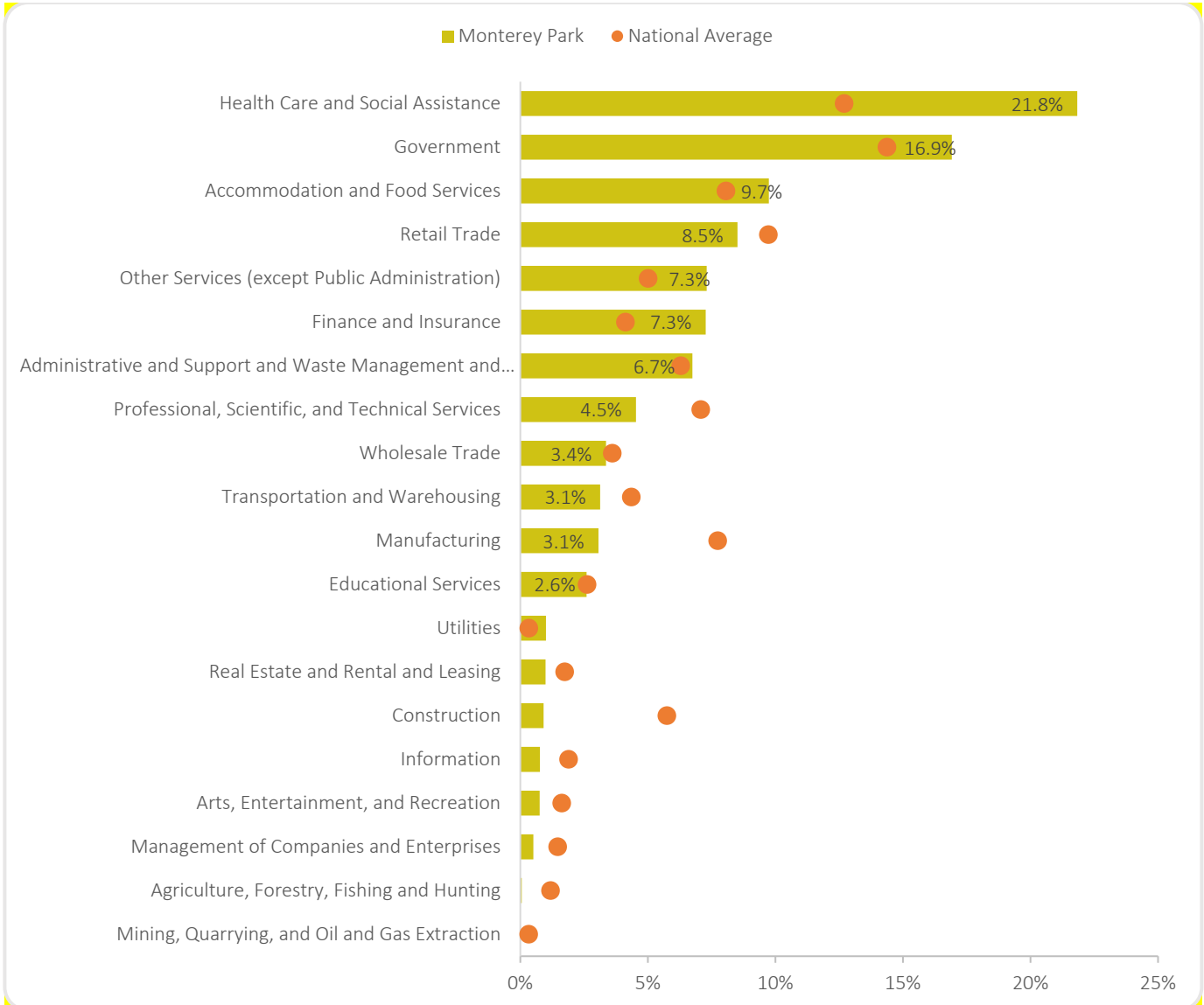
Priority Industry Cluster	Strategic Approach	
	Build on Existing Strength	Tap Into Regional Clusters
9. Performing Arts		✓
10. Video Production and Distribution		✓
11. Biotechnology/Health Sciences*		✓

* Cluster identified in Summit Meeting #1, separate from pre-defined clusters summarized in Appendix C (page 41)

Prioritization of Business Attraction Targets. The “Priority Industry Clusters” listed above include a range of possible business attraction targets that the EDSP process has *preliminarily* determined are feasible from a regional market perspective. That is, they are industries that are expected to grow and create jobs in the greater Southern California region. In some cases, they are industries which are not currently present in MPK but which nevertheless could be reasonable marketing targets for MPK based on the City’s locational and demographic (workforce) strengths. As the City considers implementing a marketing effort for business attraction, further screening these “aspirational” targets can help refine and prioritize the list. ***For near term marketing efforts, the City could consider focusing on existing strengths related to the visitor economy – especially retail/restaurant/entertainment business that can catalyze revitalization of the Downtown and other key commercial districts.***



SHARE OF EMPLOYMENT BY INDUSTRY IN MONTEREY PARK, 2022



Source: Lightcast industry employment data

Targeted Businesses by Theme Category

Based on the priority clusters identified above, the EDSP recommends that the City focus its business retention/expansion/attraction and entrepreneurial development efforts around four broad themes or categories of business activity:

1. Visitor Economy
2. Technology (including IT and Biotech) and Manufacturing
3. Professional/Creative
4. Trade/Distribution (including E-commerce)

As shown on the tables beginning on the next page, each of the four broad categories includes a range of specific industry/business types preliminarily determined to be viable targets for Monterey Park. The table also indicates the potential for each industry group to support the following areas of strategic focus:

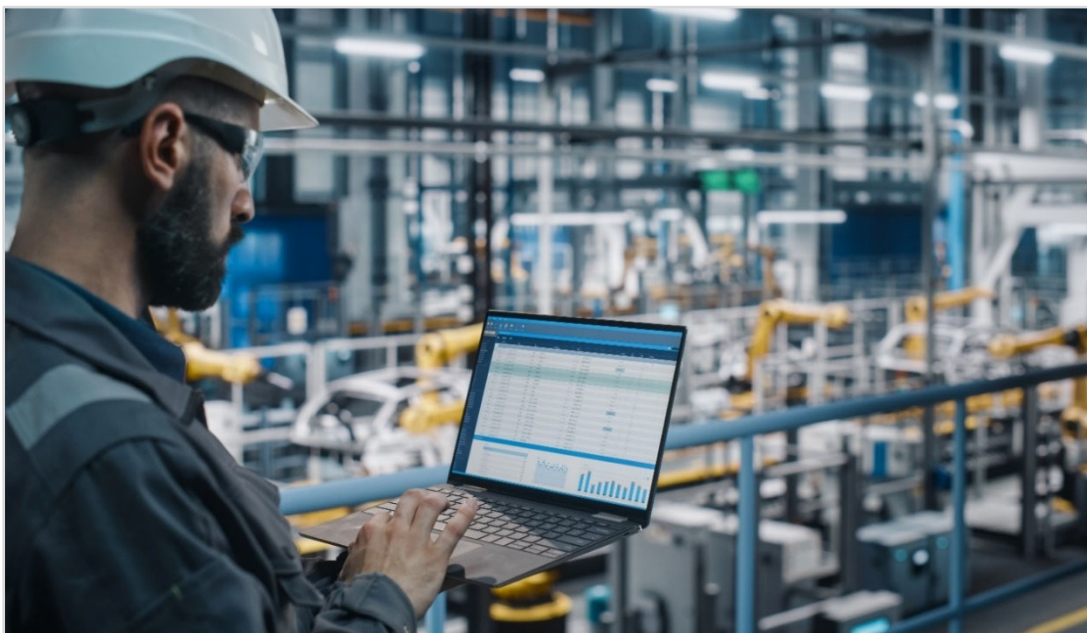
- Technology focus
- Creation of higher paying jobs with career ladders
- Placemaking value



Visitor Economy (regional day visitors and international tourists)	
Targeted Business Types: Hospitality (hotels); Entertainment; Retail/ restaurant; Performing Arts	
Selling Points / Rationale	<p>MPK is long established as one of Southern California’s prominent destinations for Asian cuisine. The success of Monterey Park Marketplace demonstrates MPK’s locational advantages for other types of regional-scale retail businesses; successful mixed-use development on North Atlantic Boulevard (Atlantic Times Square, hotels, retail, movie theater) can potentially be replicated in other parts of MPK.</p> <p>Community stakeholders have expressed interest in diversifying MPK’s retail/restaurant offerings (e.g., to include representation of other ethnic cuisines, while continuing to support the community’s historic strengths).</p> <p>Many MPK residents, businesses, and property owners, which can also potentially be leveraged to promote MPK as a destination for international visitors.</p>
City's Potential Strategic Roles	<p>Public/private initiatives to create a “destination worthy” downtown; incentivizing higher-density mixed-use development in other key locations suitable for becoming community gathering places (with amenities attractive both to residents and visitors); preparation of Specific Plans for these special focus areas; marketing to support MPK’s positioning as a destination (this would include marketing to prospective visitors; outreach to attract interest of the development community in key opportunity sites; and retail/restaurant tenant recruitment efforts).</p>
Areas of Strategic Focus: Placemaking	



Technology and Manufacturing	
Targeted Business Types: Information Technology; Biotech / Health Sciences; Communications Equipment and Services; Aerospace; “Nascent” Southern California Technology Industries (e.g. electric vehicles, virtual reality, robotics, cybersecurity); Data Centers	
Selling Points / Rationale	<p>MPK’s resident workforce includes a sizeable contingent of tech workers (many of whom currently commute to jobs outside MPK). MPK is proximate to internationally significant clusters of technology industries (e.g., biotech in Pasadena, IT in greater San Gabriel Valley, and aerospace in San Fernando Valley).</p> <p>MPK is an established manufacturing location within the largest manufacturing cluster (Greater Los Angeles) in the United States. A dual focus on technology and manufacturing represents an opportunity to cross-leverage two of MPK’s inherent strengths.</p>
City's Potential Strategic Roles	<p>Land use planning (e.g., Specific Plans for special focus areas) to create development capacity and plan for infrastructure essential to targeted technology industries; feasibility studies for specialized concepts (such as a business incubator for biotech startups); marketing/networking within Southern California technology industries (and through commercial/industrial real estate professionals) to promote MPK as a strong location for targeted firms; coordination with education/workforce development system to ensure availability of training/internship programs responsive to the workforce needs of targeted firms.</p>
Areas of Strategic Focus: Technology Focus; Professional Jobs	



Professional/Creative

Targeted Business Types: Local Health Services; Education and Knowledge Creation; Business Services; Marketing, Design, and Publishing; Video Production & Distribution; Music and Sound Recording

<p>Selling Points / Rationale</p>	<p>This group of industries includes a diverse mix of both local-serving and “traded” (i.e., export-oriented) sectors. The specific selling points differ by business type (but all generally contribute to an image of MPK as a creative/professional community):</p> <ul style="list-style-type: none"> • MPK is established as a cluster of healthcare providers that serve a market beyond the City boundaries; this cluster (anchored by Garvey Medical Center) can potentially be leveraged to attract other (complementary) service providers. • The “Education and Knowledge Creation” cluster is strongly anchored by East Los Angeles College (within MPK) and CSULA (just outside MPK). In addition to serving as critical workforce development partners and supporting an overall positive image for MPK, these institutions can potentially be directly leveraged to attract business/development opportunities (e.g., student-oriented housing and retail/restaurant facilities). • Business Services include professional services such as law firms, accounting firms, etc. It is a strong growth cluster throughout the region and can be an important part of the business “ecosystem” as MPK attracts other industries/firms requiring these services. • The other creative activities listed here (e.g., publishing, filmmaking, sound recording) are recommended targets based on MPK’s immediate proximity to the internationally renowned concentration of media/entertainment firms in Hollywood and portions of the San Fernando Valley.
--	--

<p>City's Potential Strategic Roles</p>	<p>Land use planning (e.g., Specific Plans for special focus areas) to create growth capacity for professional/creative industries; marketing/networking within the Greater Los Angeles media/entertainment industry to promote MPK as a potential location for targeted firms; and coordination with local/regional health care industry to nurture expansion opportunities in MPK.</p>
--	--

Areas of Strategic Focus: Professional Jobs

Trade/Distribution	
Targeted Business Types: Import/Export; Distribution and Electronic Commerce	
Selling Points / Rationale	<p>The phenomenal growth of Southern California’s logistics industry over the past decade has largely been fueled by the ongoing growth of international trade flowing through the region’s two major ports (Los Angeles and Long Beach) and the resulting development of supporting distribution industries and infrastructure. The concurrent growth in e-commerce (which accelerated during the Covid-19 pandemic) has also had significant economic impacts (including sales tax revenue) on some Southern California communities. While MPK does not have the land capacity to develop large logistics warehouses, the City could focus on attracting higher-value aspects of trade/distribution (such as e-commerce facilities with the potential to generate sales tax and technology-oriented firms serving the regional logistics industry).</p> <p>A strategic focus on trade/distribution would cross-leverage two of MPK’s core strengths:</p> <ul style="list-style-type: none"> • Close international connections of MPK businesses, property owners and residents • Strategic location within the region and excellent freeway access (710, 60, and 10 freeways) <p>The trade/distribution cluster is also a good fit with the EDSP’s overall focus on technology (robotics, for example, has direct applications in logistics facilities).</p>
City's Potential Strategic Roles	<p>Land use planning to determine capacity (and thereby refine the focus of targeted business types); marketing through the commercial/industrial brokerage community to attract targeted business types; promotion of foreign direct investment (FDI); and providing export assistance services (through partners) to local firms.</p>
Areas of Strategic Focus: Technology Focus	

EDSP FOCUS AREAS (STRATEGIES)

The nine EDSP focus areas (as outlined in the tables beginning on the next page) are intended to provide a “roadmap” to guide activities and programs of the City’s Economic Development Division over approximately the next five years. As such, the Plan is intended to assist the City in aligning its program priorities to match the market opportunities and critical targeted objectives identified during this planning effort. Whereas the EDSP covers an ambitious range of economic development activities, the overall program recommendations reflect the following assumptions:

- Some of the proposed strategies involve activities that the City is already undertaking to some extent or has at least anticipated, so they are not all new commitments;
- New activities/programs would be phased in over several years, and
- Consistent with existing practices, some of the strategies would be carried out in collaboration with various non-City partner organizations (several of which will have participated in the development of this plan)



FOCUS AREA 1: Marketing/Branding

Brief Description of Program

The City will consider an economic development-specific marketing program supporting the following objectives:

- Exposure to targeted industry clusters within the region (to generate leads for business attraction);
- Outreach to the existing MPK business community (to raise awareness of the City’s business assistance resources);
- Outreach to the regional development community (to promote major MPK development/investment opportunities); and
- Specific focus on retail/restaurant tenant attraction, including destination (“entertainment/lifestyle”) businesses.

Potential “Gamechanger” Programs or Projects

Annual outreach to the commercial/industrial development community, such as a luncheon and site tour to promote MPK as a strong location for targeted office/industrial tenant types.



The overall marketing program could be organized around themes unique to MPK (e.g., international connections, food culture, entrepreneurial mindset, strategic location in Greater Los Angeles, etc.).

Key Marketing “Selling Points” Identified in SWOT Analysis:

- ***Strategic location in Los Angeles County***
- ***Established regional destination for ethnic cuisine***
- ***Excellent K-12 schools and higher education (East Los Angeles College and California State University, Los Angeles)***
- ***Cost-competitive business location close to downtown Los Angeles***
- ***Longstanding business connections to international markets***
- ***Premiere business park locations available***
- ***Access to regional public transit system***

FOCUS AREA 2: Development Friendliness

Brief Description of Program

The City will consider systematically reviewing and strengthening key systems/policies relating to interactions with the business and development community. This may involve periodic reviews of entitlement and permitting processes and related fee structures.



Potential “Gamechanger” Programs or Projects

Consider an aggressive development streamlining program (branded and promoted with a name such as “Streamline Monterey Park”).

The suggested review will ensure the Zoning Code (permitted land uses by zone) is aligned with market demand, removing potential obstacles to new development.



FOCUS AREA 3: Business Retention/Expansion

Brief Description of Program

The City may consider a business retention/expansion (BRE) component of the EDSP that would focus on direct outreach to existing MPK firms to identify and systematically respond to issues threatening existing core industries' long-term viability and growth. These concerns might include, for example, the City's level of business friendliness and global market changes impacting local businesses. The BRE effort could include the following objectives:

- Increasing local visibility of the City's economic development program (i.e., raising the business community's awareness of assistance/ resources available);
- Expanding small business assistance (including resources and services provided through partners); and
- Facilitating small business advocacy and networking opportunities within the MPK business community

Potential "Gamechanger" Programs or Projects

- City can consider a branded business outreach initiative supported by an online business survey and/or business visitation program.
- City can explore the formation of a local business alliance to help businesses gain access to valuable resources, networking opportunities, and a stronger voice to advocate for their business needs.



CITY OF MONTEREY PARK

BUSINESS CONNECT



FOCUS AREA 4: Placemaking / Strategic Land Use

Brief Description of Program

Placemaking is an umbrella term that encapsulates all the tools used to create places that transform public spaces to strengthen the connections between people and these places. In layperson’s words, placemaking refers to the creation of “there.” It’s the creation of places where people want to be on a Saturday afternoon or Sunday morning. Most of these places have not come about organically, but rather through strategic investment and curation. This strategy would potentially include an arsenal of placemaking tools – some of which MPK already deploys – that if invested in could reinforce and foster a more cohesive business districts (e.g., a “destination worthy” downtown).

Potential “Gamechanger” Programs or Projects

- Consider generating a Downtown Specific Plan.
- The potential for repositioning (and geographically expanding) Downtown BID with additional funding.
- Consider promoting a catalyst development project on City-owned downtown parking lot.

Some of the key components of an overall placemaking strategy might include:



- Exploring ideas for Downtown repositioning;
- Preparing of Specific Plans to promote revitalization and create development capacity in employment centers;
- Marketing key “opportunity sites” to developers;
- Leveraging City-owned property for development and public facilities (e.g., downtown parking structure);
- Prioritizing implementation of the City’s General Plan, which allows housing and mixed-use projects as development catalysts;
- Expand City’s role in addressing homelessness.
- Consider other ways to attract more people to the downtown, including dedicated bus/bike lanes; widening sidewalks to allow for outdoor dining or business display space; and incentivizing vertical mixed-use development (i.e., housing on top of ground-floor commercial space).

FOCUS AREA 5: Reinvent Retail

Brief Description of Program

This initiative would potentially serve multiple purposes:

- Consider ways to help shopping centers negatively affected by global trends in the retail industries, such as the growth of e-commerce, the decline of certain major retailers, etc.;
- For centers with locational or configuration challenges, consider helping some repurpose underutilized buildings or areas to other uses, such as residential or services, and others create more effective retail space (potentially in a *mixed-use format*);
- Consider a focus on retail/restaurant attraction where local “gaps” exist; and

Potential “Gamechanger” Programs or Projects

Consider supporting the concept of one or more demonstration project(s) (selected through competitive process) for shopping center revitalization and/or repositioning.

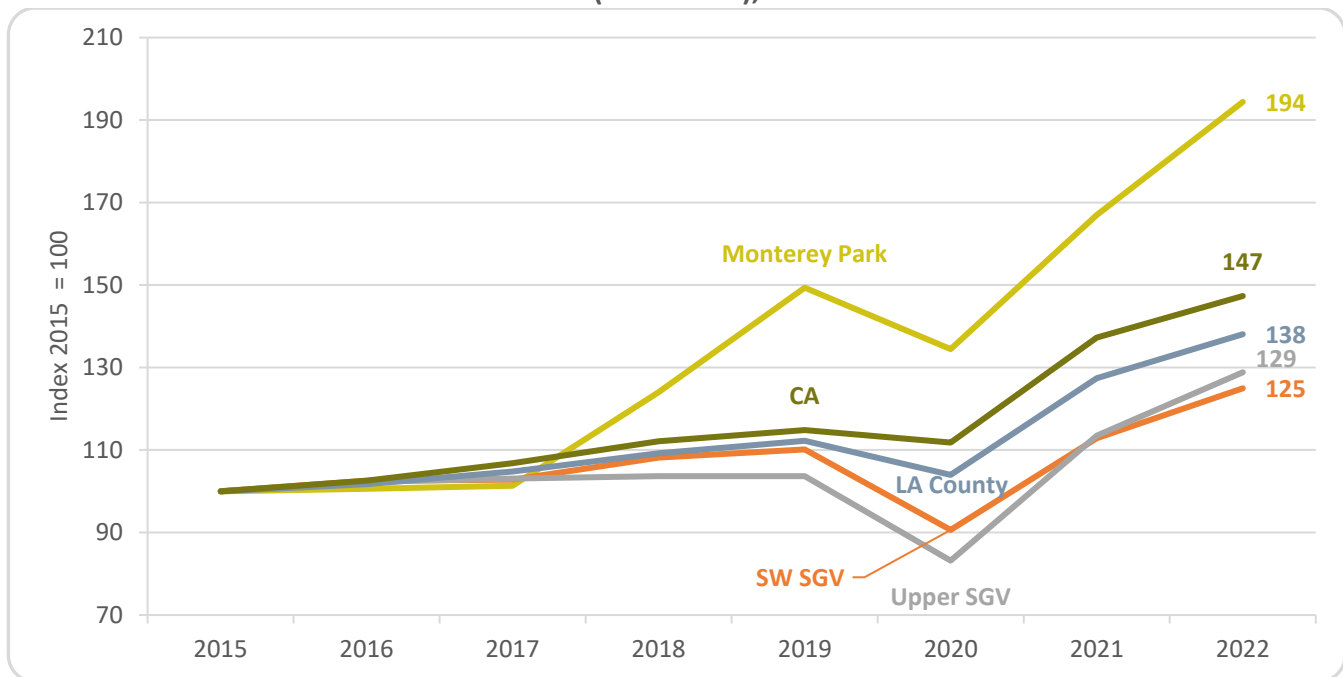
- Identify retail locations where support could potentially be warranted for façade/streetscape improvements.



Related Findings from SWOT Analysis:

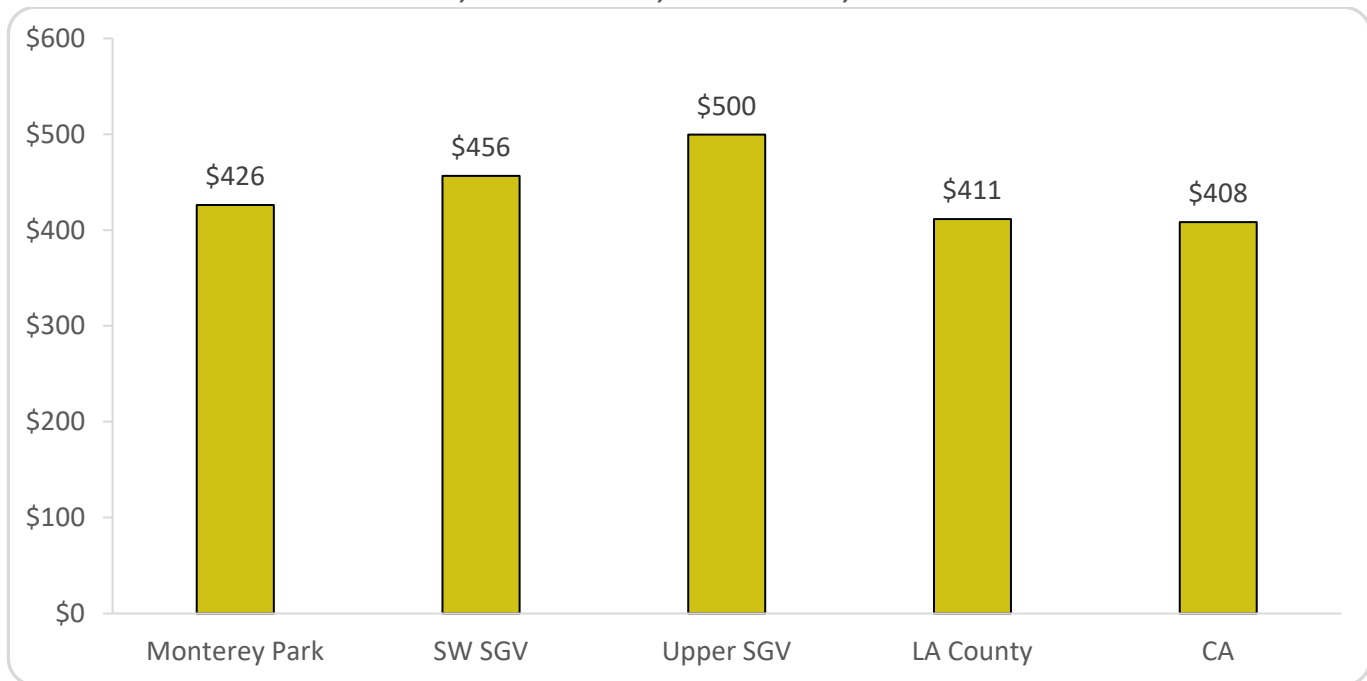
- **Leakage of resident retail/restaurant spending (current weakness that can be reversed with new facilities)**
- **Opportunity: Revitalize/redevelop older commercial centers**
- **Opportunity: Leverage success of Monterey Park Marketplace to attract additional regional-scale retail**
- **Opportunity: Incorporate arts/entertainment into retail centers**
- **Globally, retail industry is retrenching rather than expanding (potential threat)**

TAXABLE RETAIL SALES TRENDS (2015-2022), MONTEREY PARK AND LARGER REGIONS



Source: CDFTA; TNDG

TAXABLE RETAIL SALES PER \$1,000 IN AGGREGATE HOUSEHOLD INCOME (2022), MONTEREY PARK, SGV REGIONS, L.A. COUNTY, AND CALIFORNIA



Source: CDFTA; U.S. Census Bureau; TNDG.

FOCUS AREA 6: Talent (Workforce) Retention/Attraction

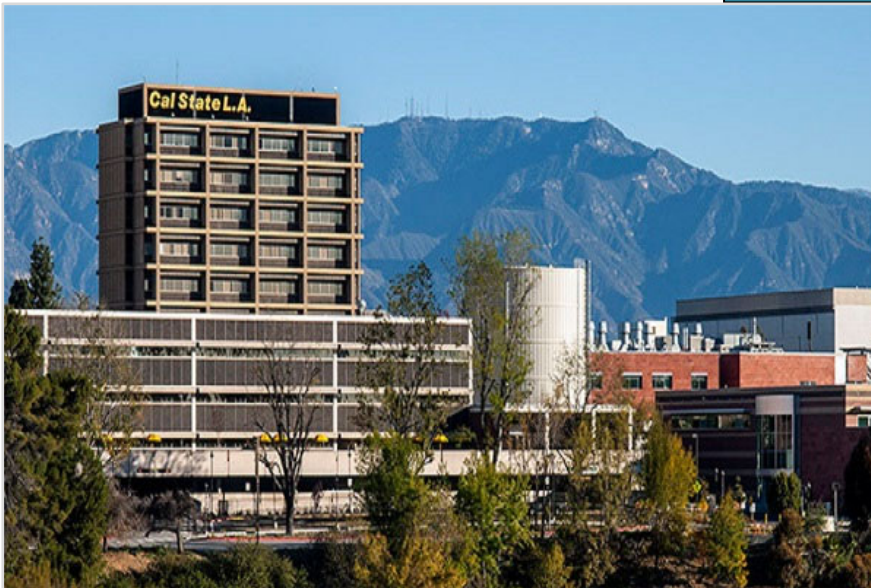
Brief Description of Initiative

This Focus Area is concerned with considering options for retaining and attracting a qualified workforce, through the following possible action themes:

- Leverage East Los Angeles College programs and proximity to California State University, Los Angeles (providing a pool of future well-educated workers);
- Leverage resident skilled workers who currently commute to jobs outside MPK (potential workforce for future firms/ industries);

Potential “Gamechanger” Programs or Projects

Consider promoting MPK as an off-campus housing option for CSULA students (which could mean focusing these development opportunities in specific areas to concentrate potential economic benefits).



- Align Library's Career Center programs with EDSP target industries; and
- Develop more quality-of-life enhancements (e.g. entertainment/gathering areas) attractive to younger residents.

FOCUS AREA 7: Entrepreneurial Development***Brief Description of Initiative***

The City, through a consortium approach (primarily promoting services and resources available through partner organizations), may consider ways to foster and support entrepreneurial activities. This effort could include, for example, focusing on positioning MPK as a strong location for startups in target industries/clusters (see Focus Area 8). In addition, the City could consider the concept of promoting a culture of entrepreneurship among MPK's residents employed in technology industries.

Potential "Gamechanger" Programs or Projects

Consider convening a MPK Tech Forum (public/ private consortium focused on networking within regional technology industries).



FOCUS AREA 8: Targeted Industry Attraction

Brief Description of Program

Within MPK's limiting remaining land/ development capacity (and opportunities for re-tenanting/repurposing existing underutilized buildings), the City can consider focusing its business development efforts on market-feasible industries/clusters (see list of possible targets in the preceding section of the EDSP) with the highest potential to:



- Create/retain high-paying jobs;
- Increase tax base; and
- Contribute to sense of place.

Potential “Gamechanger” Programs or Projects

Consider conducting a feasibility study (competitive assessment) and business plan for potential incubator focused on biotech startups (which may also relate to Focus Area 7, Entrepreneurial Development).



FOCUS AREA 9: International Business Development

Brief Description of Program

This Focus Area could include one or a combination of the following components:

- Consider attracting foreign direct investment (FDI) to the City, leveraging existing international connections in MPK, with possible use of Federal EB-5 program;

Potential “Gamechanger” Programs or Projects

Consider establishing a Monterey Park International Business Office (City-convened consortium to promote international business opportunities in MPK).



- Consider designating target industries focused on import/export of goods, including existing and new businesses to MPK; and
- Consider leveraging the City’s “international character,” including positioning MPK as a regional destination for international tourists.



APPENDIX A: SWOT ASSESSMENT FROM STAKEHOLDERS

The technical studies and stakeholder input provided the basis for identifying important strength-weakness-opportunity-threat (“SWOT”) factors affecting Monterey Park’s economic development potential. The most significant SWOT issues are on the table on the next two pages.



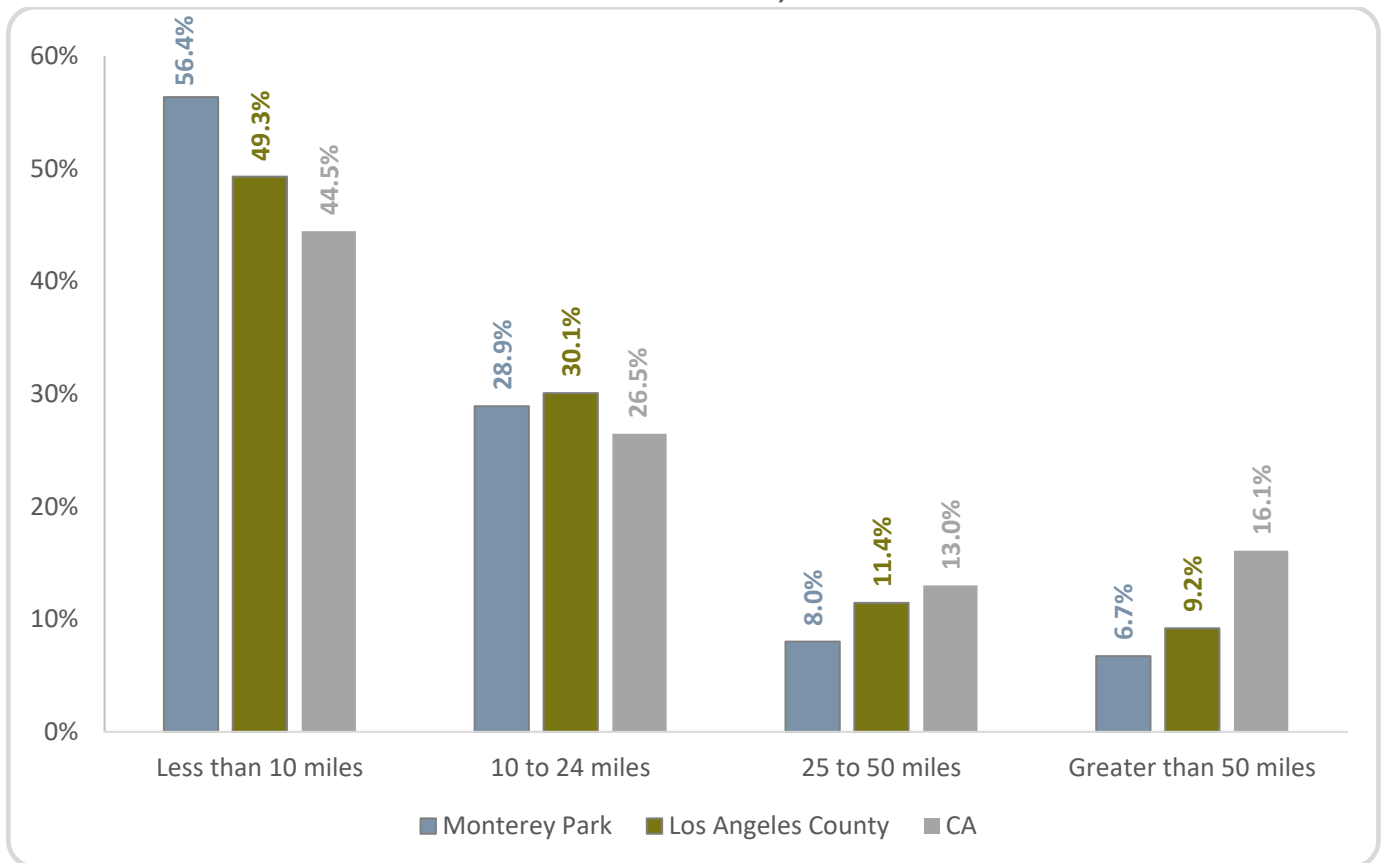
SWOT SUMMARY FOR MONTEREY PARK ECONOMIC DEVELOPMENT STRATEGIC PLAN

Strengths	Weaknesses
<ul style="list-style-type: none"> • Strategic location within the dynamic greater Los Angeles market (Monterey Park has excellent freeway access to the region, close proximity to Downtown Los Angeles) • Cost-competitive business location (compared to Los Angeles) • Ethnic/cultural diversity (which has long been leveraged to attract new residents and foreign investment) • Regional destination for Asian cuisine/restaurants (and ethnic retail stores) • Excellent K-12 schools and higher education – East Los Angeles College (ELAC) and California State University, Los Angeles (CSULA) • Strong sense of community and other smaller-town attributes, including accessible/responsive City government (City Council members committed to economic development) • Very safe community • Relatively affordable housing (compared to other Los Angeles area communities) • Free (un-metered) parking on public streets; private office buildings also have ample parking provided at no charge, per City ordinance) • Several high-profile business parks 	<ul style="list-style-type: none"> • No walkable downtown core (community is highly car-dependent) • Other major commercial areas/centers are currently underperforming • "Leakage" of resident retail/restaurant spending to neighboring cities with more trendy shopping/dining offerings) • Housing affordability is a challenge; City can take additional proactive measures to support more affordable housing. • Potential community opposition to new growth/development • Limited industrial building space (and existing buildings are generally small and outdated) to accommodate business expansion/attraction • Lack of housing capacity to attract large numbers of new residents (i.e., workforce) • Zoning and land use policies are out of sync with current market demand (general perception that the City's land use policies are too restrictive) • Relatively low household income levels (limits attractiveness to retail/restaurant businesses) • Lack of overall identity to people outside Monterey Park (external lack of awareness of Monterey Park) • Lack of clear attraction for regional/international visitors • Developers and business owners express concerns with the timing of the City's approval and permitting processes • Reflecting the tight (post-pandemic) job market, the City is currently experiencing challenges filling vacancies

SWOT SUMMARY FOR MONTEREY PARK ECONOMIC DEVELOPMENT STRATEGIC PLAN

Opportunities	Threats
<ul style="list-style-type: none"> • Position Monterey Park as an international tourism destination; attract additional hotels • Increase housing densities to create development opportunities and more affordable housing • Attract additional high-wage employment opportunities for skilled residents who currently commute to jobs outside Monterey Park • Revitalize/redevelop older retail centers and commercial corridors to better align with contemporary market trends • Leverage the success of Monterey Park Marketplace (Costco-anchored center developed in 2018) to attract additional regional-scale retail businesses • Incorporate arts/entertainment into retail centers • Expand e-commerce businesses (potential sales tax generator) • Garfield Medical Center can potentially be a catalyst for expanding healthcare sector • Expand (City-led) focus on entrepreneurial development (including promotion of tech startups), which is a "natural fit" for Monterey Park's skilled resident population • Create a traditional downtown core • Repurpose under-utilized City-owned land for economic development • Systematic effort to attract foreign investment (e.g., focus on attracting E-5 investments; partner with overseas realtors) • Target attraction of high-value industries from the larger region • Attract targeted firms from higher-cost business locations within the greater Los Angeles area • Collaborate with area educational institutions (CSULA, ELAC, and K-12 school districts) • Expand City involvement with regional infrastructure planning (to ensure that MPK gets a "fair share) of investment in transportation and utility infrastructure) 	<ul style="list-style-type: none"> • The retail industry (globally) is retrenching rather than expanding, making it difficult to revitalize older shopping centers with high vacancy rates • Homeless population is a major issue (requiring multi-jurisdictional, integrated approaches to effectively address) • Potential lack of engagement of property owners in commercial areas needing reinvestment (including absentee owners, in some cases overseas)

TRAVEL DISTANCES (MILE RANGES) TO WORK: MONTEREY PARK, L.A. COUNTY, AND CALIFORNIA, 2021



Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics (LEHD) program. Accessed at <https://onthemap.ces.census.gov>.

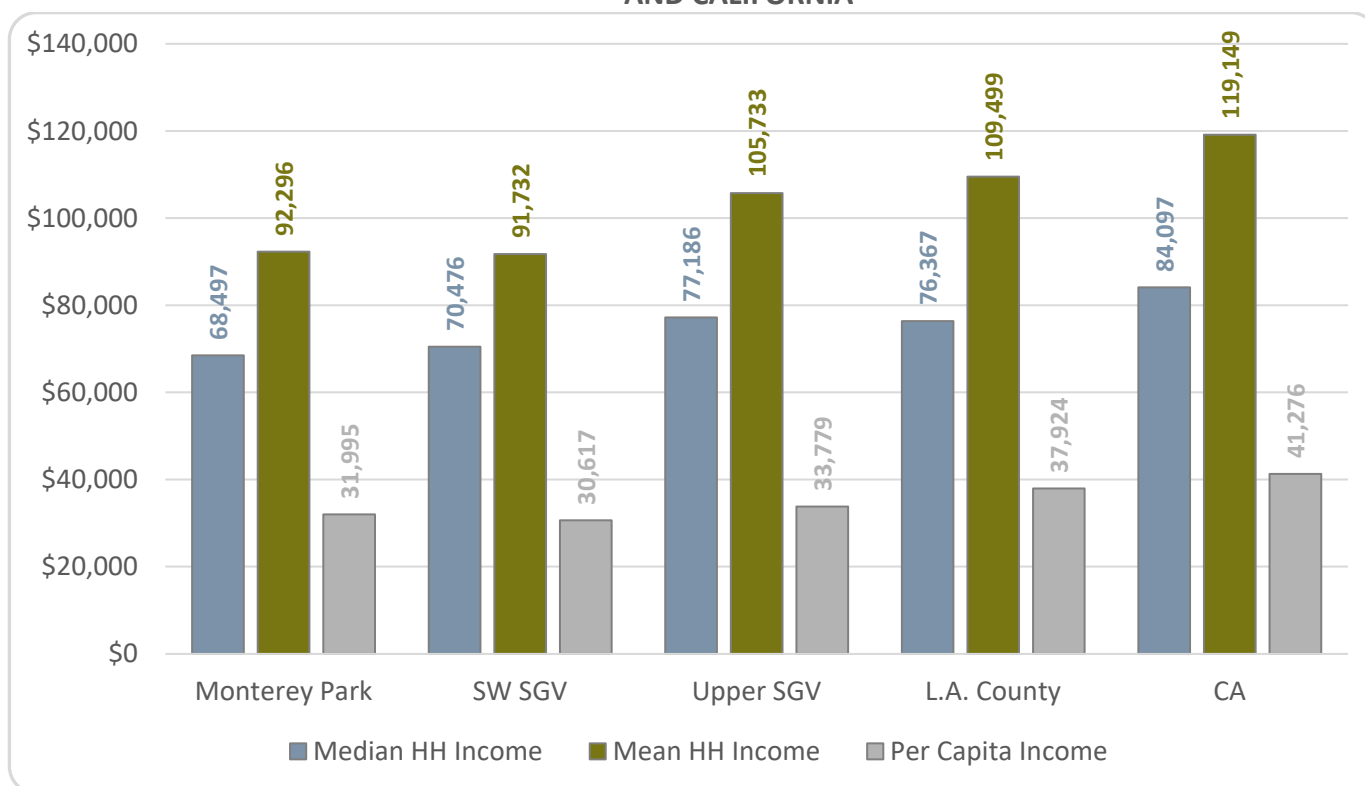
APPENDIX B: DEMOGRAPHIC AND ECONOMIC OVERVIEW

Census-Based Demographic Profile

The following data are from the U.S. Census Bureau, American Community Survey (ACS) 5-year estimates (2017-2021). Data are provided for primarily the City of Monterey Park, the San Gabriel Valley², Los Angeles County, and the State of California.

Household and Per Capita Income Levels. Figure 1 provides a summary of income and labor force-related data from the ACS. In terms of household income ranges, Monterey Park's largest share of households (17.6%) by income category occurs in the \$50,000 to \$74,999 range. Median household income in Monterey Park (\$68,497) is lower than the median in all of the reference geographies. Similarly, Monterey Park's average (as distinct from the median) household income level (\$92,296) is also notably lower than the Upper SGV, the County, and the State.

FIGURE 1. CENSUS DATA ON INCOME LEVELS – MONTEREY PARK, SGV REGIONS, L.A. COUNTY AND CALIFORNIA



Source: U.S. Census Bureau, 2017-2021 American Community Survey 5-Year Estimates; TNDG.

² The San Gabriel Valley is made up of two Census County Divisions (CCDs) the Southwest San Gabriel Valley (SW SGV) and Upper San Gabriel Valley (Upper SGV).

Table 1 provides a summary of educational attainment levels from the ACS. The table shows that Monterey Park performs relatively well regarding educational attainment relative to the benchmark regions for certain variables. For the 18 to 24 years age category, the City has the highest share of the population (15.3%) with a bachelor's degree or higher. The same finding applies to the 25 years and over age category: about 23% of the City is in the bachelor's degree or higher category, above the shares in the benchmark regions. On the other hand, however, the City has the highest share of the population (25 years and over) with less than a 9th-grade education (14.0%).

TABLE 1. CENSUS DATA ON EDUCATIONAL ATTAINMENT – MONTEREY PARK, SGV REGIONS, L.A. COUNTY, AND CALIFORNIA

Census Variable	Monterey Park	SW SGV	UPPER SGV	LA. COUNTY	CA
Education	%				
Educational Attainment - Population 18 to 24 Years					
Less Than High School Graduate	7.3	8.4	11.1	10.5	10.0
High School Graduate (Includes Equivalency)	30.1	28.2	33.3	29.1	32.1
Some College or Associate's Degree	47.3	48.3	42.8	47.8	46.1
Bachelor's Degree or Higher	15.3	15.1	12.9	12.7	11.8
Educational Attainment - Population 25 Years and Over					
Less Than 9th Grade	14.0	13.9	13.0	11.7	8.7
9th to 12th Grade, No Diploma	7.0	8.7	8.3	8.2	7.1
High School Graduate (Includes Equivalency)	23.0	23.4	22.3	20.4	20.4
Some College, No Degree	15.1	16.1	16.5	18.6	20.5
Associate's Degree	7.3	7.4	6.9	7.0	8.0
Bachelor's Degree	23.0	21.4	21.8	22.1	21.9
Graduate or Professional Degree	10.6	9.0	11.2	11.9	13.4

Source: U.S. Census Bureau, 2017-2021 American Community Survey 5-Year Estimates; TNDG.

Population and Employment Forecasts (SCAG)

Table 2 below shows the most recent Southern California Association (SCAG) demographic and employment forecasts for the City of Monterey Park, SGV regions (available cities), and Los Angeles County. The table shows absolute and percentage growth rate projections (households and employment) for the 2019-2035 and 2035-2050 periods. These projections are from SCAG’s 2024 RTP/SCS (“Connect SoCal 2024”) locally reviewed growth projections.

The table shows that Monterey Park’s households are projected to grow relatively slower over the first 16-year period (2019-2035), with the City projected to add just over 1,400 households during this period. In relative terms, the City is projected to increase at about 44% of the Upper SGV and the entire County. The City’s households are projected to grow slightly below the rate of the SW SGV. For the 2035-2050 period, the City’s households are projected to grow slightly below the rate of the two SGV areas but well below the County’s growth rate.

Monterey Park is projected to add just over 1,200 employees over the first 16-year period (2019-2035), which is well below the employee growth rate in the Upper SGV area and the entire County. For the 2035-2050 period, Monterey Park is projected to add about 224 employees, a growth rate similar to the SW SGV area and the entire County.

TABLE 2. SCAG REGIONAL GROWTH PROJECTIONS: MONTEREY PARK, SGV REGIONS, AND LOS ANGELES COUNTY (2019-35 AND 2035-50)

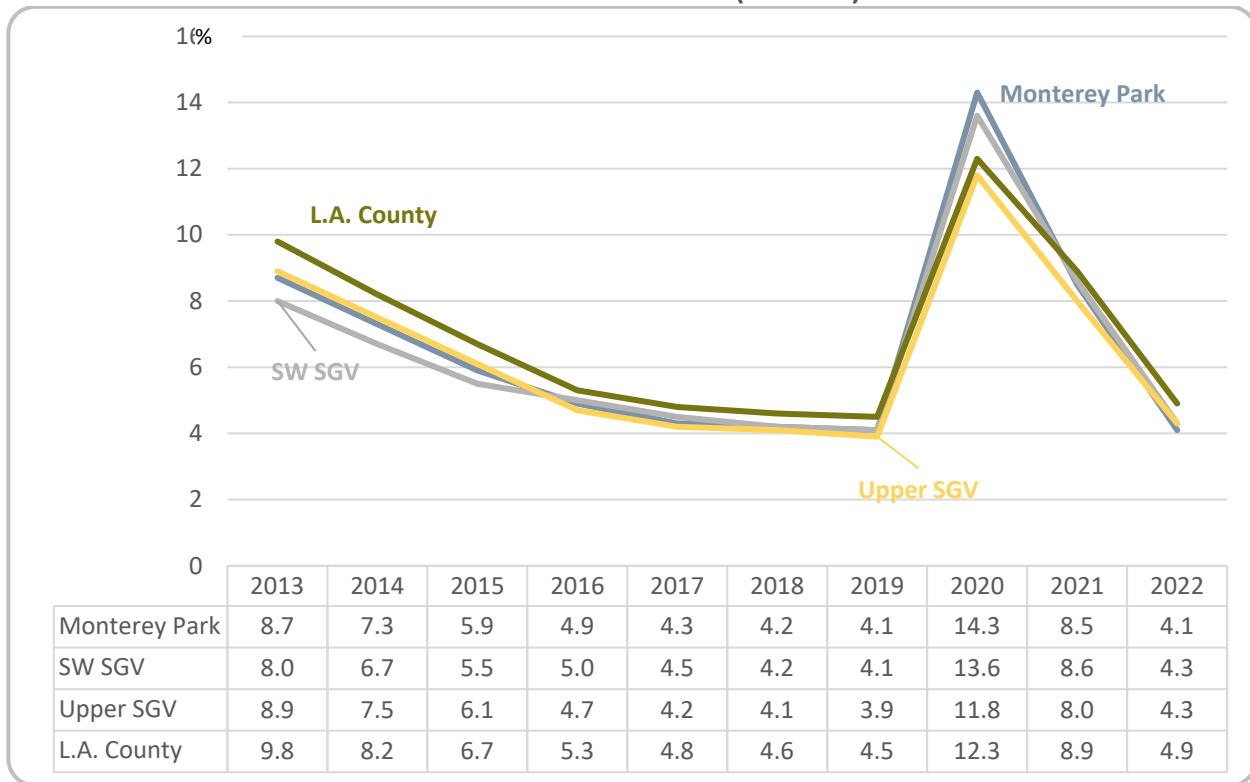
Area	2019-35		2035-50	
	# Change	% Change	# Change	% Change
Households				
Monterey Park	1,442	7.0%	599	2.7%
SW SGV	7,890	8.1%	2,968	2.8%
Upper SGV	11,755	15.8%	2,765	3.2%
L.A. County	540,291	15.9%	205,784	5.2%
Employees				
Monterey Park	1,221	4.5%	224	0.8%
SW SGV	5,232	4.1%	1,028	0.8%
Upper SGV	6,429	6.4%	2,058	1.9%
L.A. County	354,698	7.0%	46,557	0.9%

Source: SCAG 2024 RTP/SCS Growth Projections; TNDG.

Labor Force Data

Figure 2, on the following page, provides annual average unemployment rate estimates for Monterey Park, the SGV regions (selected cities³), and L.A. County for the 10-year period from 2013 to 2022. As shown in the Figure below, during the later years of the recovery from the Great Recession (between 2014 and 2019), Monterey Park’s unemployment rates remained lower than those in L.A. County. As shown in the figure, all geographies experienced a similar trend in unemployment rates during this period. Due to the coronavirus pandemic, all evaluated geographies experienced a significant increase in unemployment rates, with Monterey Park experiencing the most significant increase (10.2 percentage points between 2019 and 2020). However, by 2022, the unemployment rate in Monterey Park had fallen all the way back to 2019 levels, with the City experiencing the lowest unemployment rate (4.1%) compared to all geographies.

FIGURE 2. UNEMPLOYMENT RATE ESTIMATES: MONTEREY PARK, SGV REGIONS, AND L.A. COUNTY (2013-22)



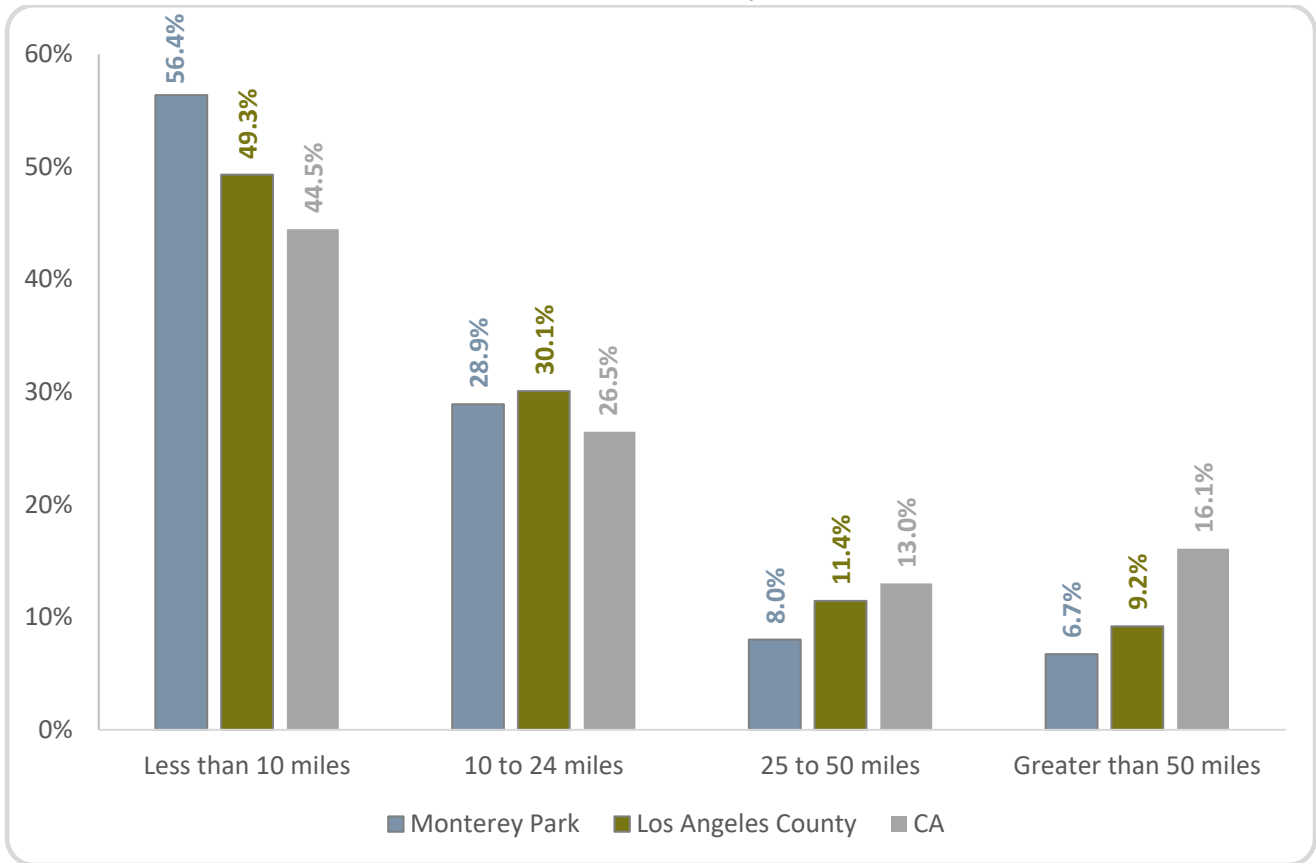
Source: Bureau of Labor Statistics (BLS), Local Area Unemployment Statistics (LAUS) program; TNDG.

³ The LAUS provides data the city and county levels of geography. Thus, the SW and Upper SGV regions are based on cities that are located in these two regions. The SW SGV includes the following cities: San Gabriel, Alhambra, Monterey Park, Montebello, and Rosemead. The upper SGV includes the following cities: Temple City, Arcadia, Monrovia, and El Monte.

Figure 3, on the following page, provides travel distance ranges to work for the City's labor force relative to regional and state benchmarks. Monterey Park's resident labor force tends to have shorter-distance commutes relative to the overall labor force in L.A. County and in the State. For example, Monterey Park has the largest share (56.4%) of residents who travel less than 10 miles to work. In addition, the City has the smallest shares (8.0%) of residents that have commute distances from 25 to 50 miles (8.0%) and greater than 50 miles (6.7%).



FIGURE 3. TRAVEL DISTANCES (MILE RANGES) TO WORK: MONTEREY PARK, L.A. COUNTY, AND CALIFORNIA, 2021

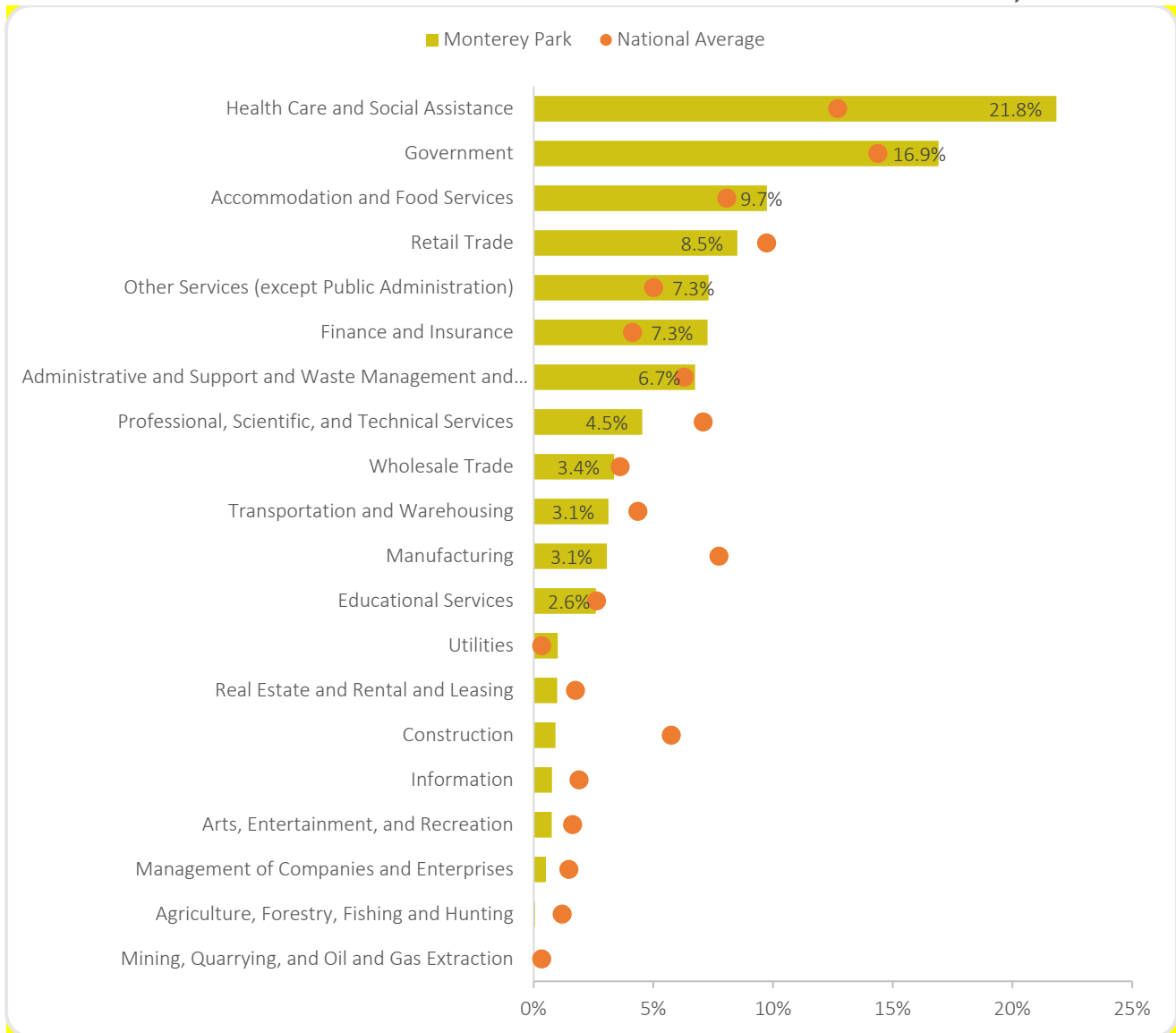


Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics (LEHD) program. Accessed at <https://onthemap.ces.census.gov>.

Industry Mix

Along with the labor force measures presented in the previous section, this section provides industry employment data for the City of Monterey Park compared to the U.S. Figure 4 provides the share of employment by industry for Monterey Park-based jobs in 2022 and the corresponding share in the U.S. The major industry groupings correspond to 2-digit NAICS⁴ codes industries. In terms of concentration of industry employment, Monterey Park is heavily represented in the Health Care and Social Assistance, Government, and Accommodation and Food Services, which account for close to one-half (48.5%) of total employment in the City.

FIGURE 4. SHARE OF EMPLOYMENT BY INDUSTRY IN MONTEREY PARK, 2022



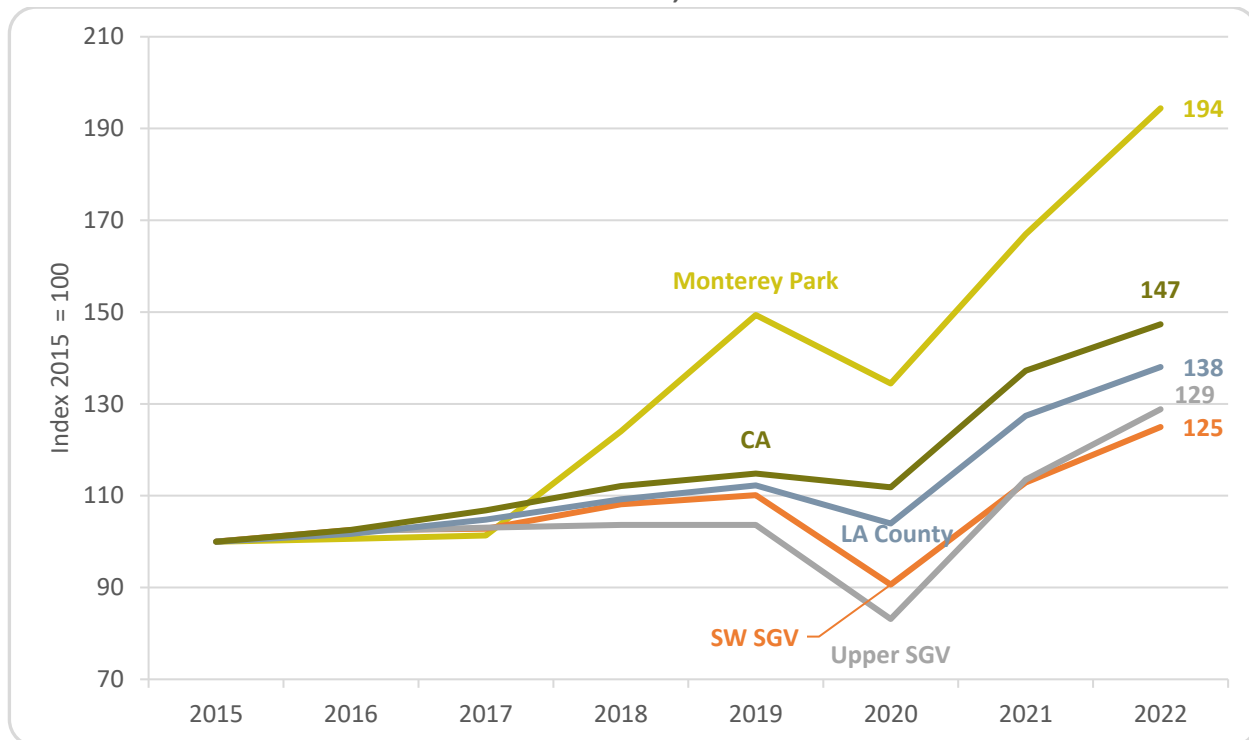
Source: Lightcast industry employment data

⁴ NAICS = North American Industry Classification System.

Taxable Sales Data

Figure 5 compares Monterey Park's taxable retail sales performance relative to the SGV regions (available cities), Los Angeles County, and California. The figure normalizes the base year sales data (2015 = 100) to provide relevant comparisons among the individual geographies for the 7-year period between 2015 and 2022. The 2022-year value of 194 for Monterey Park implies that Monterey Park's taxable retail sales in 2022 were 194% of the 2015 level (i.e., sales increased by 94% between 2015 and 2022), the most significant increase compared to all benchmark regions.

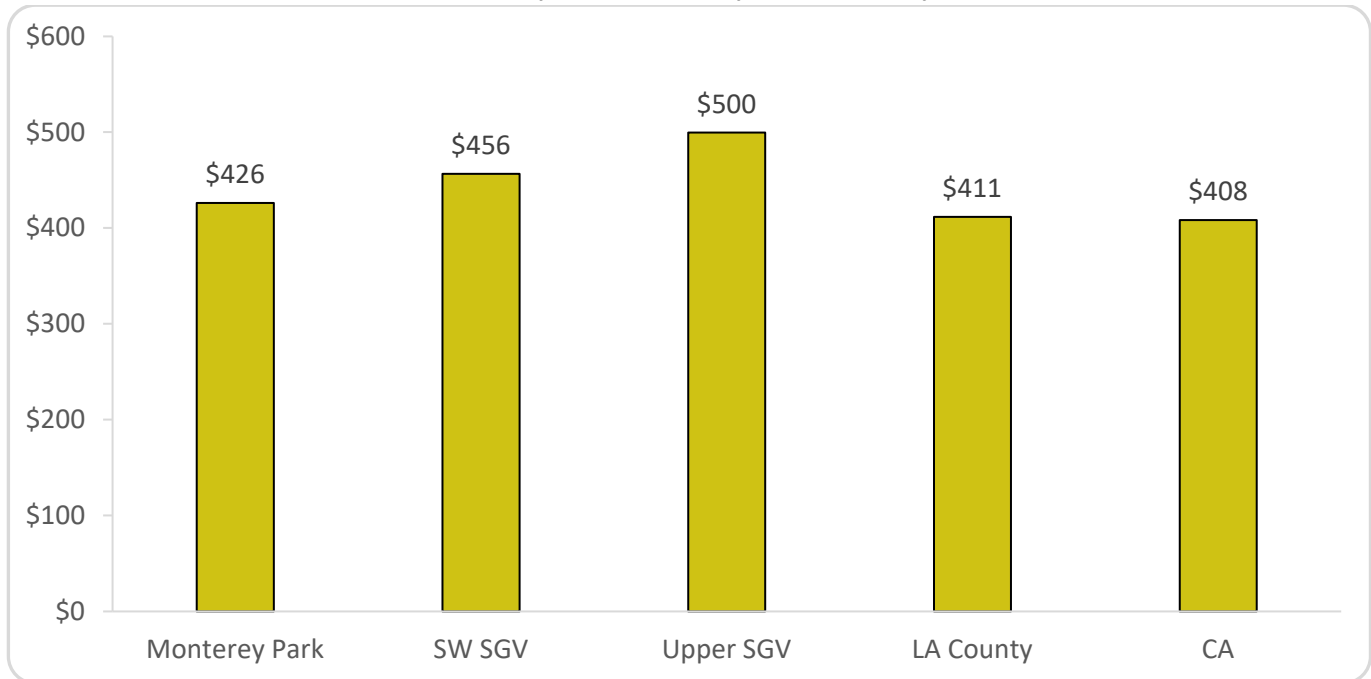
FIGURE 5. TAXABLE RETAIL SALES TRENDS (2015-2022), MONTEREY PARK, SGV REGIONS, L.A. COUNTY, AND CALIFORNIA



Source: CDFTA; TNDG

The data also show Monterey Park slightly underperforms the SGV regions on one important taxable sales metric. Figure 6, on the following page, shows taxable sales per \$1,000 in aggregate household income for the same geographies in 2022. At \$426 per \$1,000 in aggregate household income, Monterey Park is below the SGV regions but above the reference County and State figures.

FIGURE 6. TAXABLE RETAIL SALES PER \$1,000 IN AGGREGATE HOUSEHOLD INCOME (2022), MONTEREY PARK, SGV REGIONS, L.A. COUNTY, AND CALIFORNIA



Source: CDFTA; U.S. Census Bureau; TNDG.



APPENDIX C: TARGET INDUSTRY/CLUSTER ANALYSIS

This section summarizes industry growth/retraction trends in Monterey Park, comparing the local economy's recent and longer-term performance to regional and national benchmarks. The study breaks down the local economy in terms of industry "clusters." Clusters are groups of interrelated industry sectors whose growth potentials within a region tend to be closely aligned. The tendency of individual industries to co-locate in clusters reflects linkages through supply-chain relationships, as well as commonalities in terms of workforce requirements and infrastructure needs.

The clusters analyzed in this study are based on definitions (i.e., industry groupings) from the U.S. Cluster Mapping Project (Cluster Mapping Project), an economic development initiative led by Harvard Business School's Institute for Strategy and Competitiveness.

By the North American Industry Classification System (NAICS), the U.S. economy includes a total of approximately 1,100 individual industry sectors. The U.S. Cluster Mapping Project assigns each of these sectors to unique clusters, based on linkages through supply-chain relationships and commonalities in terms of workforce requirements and infrastructure needs. Nationally, the Cluster Mapping Project recognizes a total of 67 clusters, with 16 classified as "local" clusters and 51 classified as "traded" clusters.

Whereas local and traded clusters are both critically important components of a balanced economy, they have distinct roles and characteristics, and these distinctions can be helpful in terms of planning economic development programs. Some of these distinctions are summarized as follows:

- **Local clusters** typically form the core of a region's economy; they primarily provide goods and services for the local (resident) population. They tend to account for the majority of jobs in a region (in the case of Monterey Park, local clusters represent about 70% of total jobs), and support a high quality of life by ensuring the availability of a diverse range of goods and services. In Monterey Park, important local clusters include *Local Community and Civic Organizations* and *Local Hospitality Services*. These clusters account for one-fourth (25%) of Monterey Park's total jobs.
- **Traded clusters** are "export-oriented" in the sense that they include industries that are engaged in producing goods and services for end customers outside the region. Traded clusters account for about 30% of the jobs in Monterey Park and are especially important from an economic development perspective, given that they tend to have higher wages and higher "multiplier impacts" than local clusters. That is, they have a strong potential to inject new dollars into the local economy and thereby serve as "drivers" for broader economic growth. In Monterey Park, important traded clusters include *Education and Knowledge Creation* and *Insurance Services*. These two clusters account for about 55% of Monterey Park's total jobs in traded clusters.

Overview of Employment in Monterey Park

Total current (2022) employment in the Monterey Park area (“Monterey Park”) is estimated at 34,151 jobs⁵. Of this total, 33,612 jobs are in industries that are included in either a “local” or “traded” cluster (as further defined below); the remaining 539 jobs are in miscellaneous industries not associated with specific clusters. The local clusters currently represent a total of 24,012 jobs in Monterey Park, while the traded clusters account for 9,599 jobs.

Existing Important Clusters in Monterey Park and the Larger San Gabriel Valley and L.A. County Regions

Table 3 lists all traded clusters that had 50 or more jobs in Monterey Park in 2022 and provides the following information about each listed cluster:

- Total number of jobs in Monterey Park in 2022 (the latest full year for which data are available).
- Location quotient (compared to U.S. benchmark) in 2022. The location quotient (LQ) measures how concentrated/important an industry cluster is in a region compared to national benchmarks. An LQ value greater than 1.0 indicates that a cluster is more concentrated in the region than it is nationally. This is generally regarded as an indication that the region has a comparative advantage relative to a particular cluster, although (especially for local clusters) an LQ below 1.0 can indicate a potential growth opportunity.
- Average annual wage for jobs in Monterey Park⁶
- Change in the number of jobs for the most recent 10-year period, 2012-2022

Table 4 provides the same data for local clusters that had more than 800 jobs in Monterey Park in 2023. Tables 5 to 10 provide comparable data for the immediately surrounding San Gabriel Valley Census County Division (CCDs) and Los Angeles County⁷. See Tables 5 to 10 for jobs thresholds for these larger benchmark reference regions.

Tables 11 and 12 summarize cluster job growth/retraction performance in Monterey Park, the SW SGV and Upper SGV regions, and Los Angeles County compared to national trends. This part of the study is based on a “shift-share” analysis for each cluster that estimates an “expected” job change based on national trends. If Monterey Park (or benchmark region) has higher job growth (or experiences less severe job losses) compared to the expected change, it indicates that the local area (Monterey Park or benchmark

⁵ All employment data used in this analysis are from EMSI – a private data/modeling firm nationally regarded for its ability to provide detailed (6-digit NAICS code) industry employment estimates for small areas of geography (zip codes). For purposes of this analysis, the Monterey Park area is defined by zip codes 91754 and 91755.

⁶ Wage data are for jobs (not residents) based in the Monterey Park area.

⁷ The San Gabriel Valley CCDs include the Southwest San Gabriel Valley (SW SGV) and Upper San Gabriel Valley (Upper SGV) CCDs. The SW SGV region includes zip codes 90640, 91754, 91755, 91770, 91755, 91766, 91801, and 91803. The Upper SGV region includes zip codes 91006, 91007, 91008, 91010, 91016, 91024, 91706, 91731, 91732, 91733, 91775, and 91780.

region) has performed better than national trends. Conversely, if Monterey Park/benchmark region has less job growth (or experiences more severe job losses) compared to the expected change, it indicates that the specific region has performed worse than national trends.

TABLE 3. SUMMARY CHARACTERISTICS AND TRENDS, MONTEREY PARK'S LARGEST TRADED CLUSTERS (LIST INCLUDES ALL CLUSTERS WITH MORE THAN 50 JOBS IN 2022)

Traded Cluster	Jobs	LQ	County LQ*	Avg Ann Wage (\$)	10-Yr Job Change
Education and Knowledge Creation	3,735	2.7	1.0	77,068	1,396
Insurance Services	1,515	4.9	0.5	133,549	-115
Business Services	989	0.4	0.9	124,773	-610
Distribution and Electronic Commerce	942	0.7	0.9	85,740	94
Hospitality and Tourism	305	0.5	0.8	51,773	-345
Marketing, Design, and Publishing	247	0.7	2.1	46,455	-119
Transportation and Logistics	243	0.5	1.2	80,834	119
Food Processing and Manufacturing	224	0.9	0.8	82,994	41
Aerospace Vehicles and Defense	214	1.7	2.7	149,167	161
Financial Services	207	0.5	0.7	174,292	-464
Performing Arts	177	1.3	3.9	97,327	-38
Printing Services	145	1.7	1.0	60,377	-109
Video Production and Distribution	77	1.0	12.9	137,586	14
Electric Power Generation and Transmission	71	2.1	0.8	218,832	43
Recreational and Small Electric Goods	59	1.4	1.2	157,566	-4
Furniture	59	0.7	1.0	58,649	26

Note: LQ = Location Quotient; 10-year job change is from 2012 to 2022. *County LQ provided for comparison purposes.

Source: U.S. Cluster Mapping Project; EMSI; The Natelson Dale Group, Inc. (TNDG).

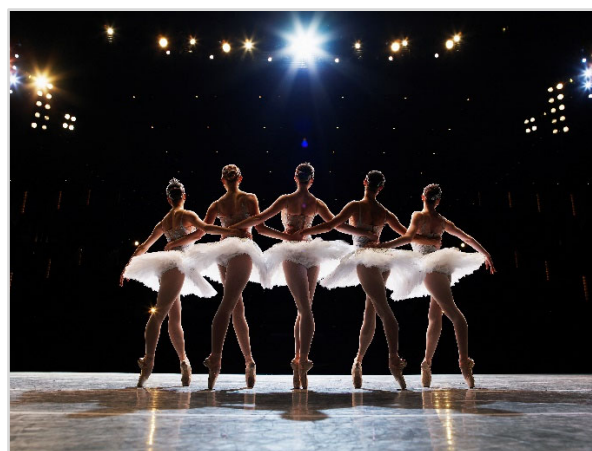


TABLE 4. SUMMARY CHARACTERISTICS AND TRENDS, MONTEREY PARK’S LARGEST LOCAL CLUSTERS (LIST INCLUDES ALL CLUSTERS WITH MORE THAN 800 JOBS IN 2023)

Local Cluster	Jobs	LQ	County LQ*	Avg Ann Wage (\$)	10-Yr Job Change
Local Community and Civic Organizations	5,123	4.2	1.9	30,292	3,815
Local Hospitality Establishments	3,322	1.2	1.1	37,996	182
Local Health Services	2,860	0.8	0.9	82,286	-1,311
Local Commercial Services	2,770	1.3	1.2	68,312	-468
Local Personal Services (Non-Medical)	1,332	1.5	1.2	38,192	369
Local Government	996	0.9	1.0	151,142	654
Local Education and Training	993	0.5	0.9	85,523	584
Local Food and Beverage Processing and Distrib,	990	1.1	1.0	51,162	-133
Local Real Estate, Construction, and Development	952	0.4	0.8	76,189	6
Local Logistical Services	804	1.3	1.1	55,258	562

*Note: LQ = Location Quotient; 10-year job change is from 2012 to 2022. *County LQ provided for comparison purposes.*

Source: U.S. Cluster Mapping Project; EMSI; The Natelson Dale Group, Inc. (TNDG).



**TABLE 5. SUMMARY CHARACTERISTICS AND TRENDS, SW SGV'S LARGEST TRADED CLUSTERS
(LIST INCLUDES ALL CLUSTERS W/ MORE THAN 400 JOBS IN 2022)**

Traded Cluster	Jobs	LQ	County LQ*	Avg Ann Wage (\$)	10-Yr Job Change
Business Services	6,358	0.7	0.9	136,880	-2,302
Distribution and Electronic Commerce	5,245	0.9	0.9	85,631	-33
Education and Knowledge Creation	4,832	0.8	1.0	74,082	1,453
Insurance Services	2,366	1.8	0.5	132,485	-183
Apparel	1,720	15.2	5.9	67,352	-974
Transportation and Logistics	1,328	0.7	1.2	80,437	197
Hospitality and Tourism	1,119	0.4	0.8	61,820	-1,093
Marketing, Design, and Publishing	988	0.6	2.1	63,434	-214
Electric Power Generation and Transmission	930	6.5	0.8	208,022	-262
Financial Services	929	0.5	0.7	205,443	-1,008
Food Processing and Manufacturing	673	0.6	0.8	83,242	-94
Communications Equipment and Services	628	2.5	1.3	106,598	-175
Performing Arts	505	0.9	3.9	71,471	8
Construction Products and Services	482	0.5	0.5	104,384	-283
Printing Services	443	1.3	1.0	59,324	-154
Furniture	441	1.3	1.0	59,661	245
Production Technology and Heavy Machinery	420	0.5	0.4	101,284	187

Note: LQ = Location Quotient; 10-year job change is from 2012 to 2022. *County LQ provided for comparison purposes.

Source: U.S. Cluster Mapping Project; EMSI; The Natelson Dale Group, Inc. (TNDG).

TABLE 6. SUMMARY CHARACTERISTICS AND TRENDS, SW SGV'S LARGEST LOCAL CLUSTERS (LIST INCLUDES ALL CLUSTERS WITH MORE THAN 4,000 JOBS IN 2022)

Local Cluster	Jobs	LQ	County LQ*	Avg Ann Wage (\$)	10-Yr Job Change
Local Community and Civic Organizations	24,110	4.7	1.9	27,892	19,036
Local Hospitality Establishments	15,515	1.4	1.1	36,728	2,258
Local Health Services	10,463	0.7	0.9	84,218	-5,710
Local Commercial Services	6,890	0.8	1.2	71,897	-1,256
Local Education and Training	6,831	0.9	0.9	74,059	1,581
Local Government	6,478	1.4	1.0	151,142	2,642
Local Food and Beverage Processing and Distribution	6,339	1.6	1.0	48,323	14
Local Personal Services (Non-Medical)	5,679	1.6	1.2	40,092	480
Local Real Estate, Construction, and Development	5,350	0.5	0.8	80,723	568
Local Retailing of Clothing and General Merchandise	4,677	1.2	0.9	48,723	235
Local Motor Vehicle Products and Services	4,621	1.1	0.9	69,540	142

Note: LQ = Location Quotient; 10-year job change is from 2012 to 2022. *County LQ provided for comparison purposes.

Source: U.S. Cluster Mapping Project; EMSI; The Natelson Dale Group, Inc. (TNDG).

**TABLE 7. SUMMARY CHARACTERISTICS AND TRENDS, UPPER SGV'S LARGEST TRADED CLUSTERS
(LIST INCLUDES ALL CLUSTERS W/ MORE THAN 600 JOBS IN 2022)**

Traded Cluster	Jobs	LQ	County LQ*	Avg Ann Wage	10-Yr Job Change
Distribution and Electronic Commerce	10,116	1.3	0.9	92,098	661
Business Services	7,701	0.6	0.9	135,009	-789
Information Technology and Analytical Instruments	2,869	1.7	0.7	91,172	866
Education and Knowledge Creation	2,222	0.3	1.0	92,875	756
Marketing, Design, and Publishing	2,177	1.1	2.1	80,838	-139
Hospitality and Tourism	1,898	0.6	0.8	137,051	-1,196
Food Processing and Manufacturing	1,309	0.9	0.8	75,413	-866
Transportation and Logistics	1,140	0.5	1.2	83,341	-43
Performing Arts	1,070	1.5	3.9	196,409	403
Insurance Services	958	0.6	0.5	135,527	-208
Plastics	933	1.2	0.5	100,565	31
Metalworking Technology	932	1.9	0.9	78,752	-277
Financial Services	889	0.4	0.7	242,852	-935
Furniture	851	1.9	1.0	61,798	-442
Lighting and Electrical Equipment	749	2.1	0.6	101,343	39
Printing Services	678	1.5	1.0	64,387	-287
Textile Manufacturing	675	3.3	1.2	63,109	-177

Note: LQ = Location Quotient; 10-year job change is from 2012 to 2022. *County LQ provided for comparison purposes.

Source: U.S. Cluster Mapping Project; EMSI; The Natelson Dale Group, Inc. (TNDG).

**TABLE 8. SUMMARY CHARACTERISTICS AND TRENDS, UPPER SGV'S LARGEST LOCAL CLUSTERS
(LIST INCLUDES ALL CLUSTERS W/ MORE THAN 5,000 JOBS IN 2022)**

Local Cluster	Jobs	LQ	County LQ*	Avg Ann Wage (\$)	10-Yr Job Change
Local Health Services	27,248	1.3	0.9	90,694	4,595
Local Hospitality Establishments	13,150	0.9	1.1	35,760	1,740
Local Real Estate, Construction, and Development	12,909	0.9	0.8	77,227	1,804
Local Community and Civic Organizations	12,525	1.9	1.9	32,374	6,799
Local Commercial Services	9,910	0.9	1.2	63,504	1,359
Local Education and Training	9,681	1.0	0.9	80,045	2,684
Local Food and Beverage Processing and Distribution	8,348	1.7	1.0	55,974	-507
Local Government	7,689	1.3	1.0	151,142	2,358
Local Logistical Services	6,047	1.8	1.1	53,564	2,248
Local Personal Services (Non-Medical)	5,791	1.2	1.2	39,298	-288
Local Retailing of Clothing and General Merchandise	5,168	1.0	0.9	47,934	-433

*Note: LQ = Location Quotient; 10-year job change is from 2012 to 2022. *County LQ provided for comparison purposes.*

Source: U.S. Cluster Mapping Project; EMSI; The Natelson Dale Group, Inc. (TNDG).

TABLE 9. SUMMARY CHARACTERISTICS AND TRENDS, LA COUNTY'S LARGEST TRADED CLUSTERS
(LIST INCLUDES ALL CLUSTERS W/ MORE THAN 2,000 JOBS IN 2022)

Traded Cluster	Jobs	LQ	Avg Ann Wage (\$)	10-Yr Job Change
Business Services	97,433	1.13	177,954	650
Education and Knowledge Creation	72,609	1.40	132,052	8,779
Distribution and Electronic Commerce	55,558	0.80	99,621	1,881
Information Technology and Analytical Instruments	32,965	2.60	183,296	11,721
Automotive	27,855	3.42	128,564	24,176
Hospitality and Tourism	14,177	0.57	57,259	-1,473
Marketing, Design, and Publishing	14,160	0.92	122,141	-530
Food Processing and Manufacturing	10,828	1.09	86,996	2,411
Insurance Services	10,710	0.90	167,235	3,453
Transportation and Logistics	9,844	0.55	102,230	2,315
Financial Services	9,597	0.57	184,298	-3,874
Performing Arts	7,972	1.37	43,519	2,012
Medical Devices	7,255	2.46	180,576	2,516
Construction Products and Services	4,674	0.62	146,227	968
Production Technology and Heavy Machinery	4,192	0.54	126,394	808
Communications Equipment and Services	4,172	1.01	171,572	-2,480
Water Transportation	4,075	1.65	170,875	652
Oil and Gas Production and Transportation	3,380	0.78	265,257	-2,888
Lighting and Electrical Equipment	3,172	1.19	159,106	1,272
Biopharmaceuticals	3,071	1.15	199,460	-1
Video Production and Distribution	2,649	0.97	176,061	-290
Metalworking Technology	2,598	0.74	101,811	669
Plastics	2,330	0.45	86,250	328
Printing Services	2,206	0.71	79,057	-789

Note: LQ = Location Quotient; 10-year job change is from 2012 to 2022.

Source: U.S. Cluster Mapping Project; EMSI; The Natelson Dale Group, Inc. (TNDG).

**TABLE 10. SUMMARY CHARACTERISTICS AND TRENDS, LA COUNTY'S LARGEST LOCAL CLUSTERS
(LIST INCLUDES ALL CLUSTERS W/ MORE THAN 100,000 JOBS IN 2022)**

Local Cluster	Jobs	LQ	Avg Ann Wage (\$)	10-Yr Job Change
Local Health Services	563,781	0.9	92,535	88,012
Local Hospitality Establishments	477,802	1.1	35,974	83,826
Local Commercial Services	417,615	1.2	81,838	46,243
Local Community and Civic Organizations	378,416	1.9	35,151	205,454
Local Real Estate, Construction, and Development	341,391	0.8	84,777	59,006
Local Education and Training	281,384	0.9	81,492	30,914
Local Government	194,761	1.0	151,142	4,091
Local Personal Services (Non-Medical)	180,081	1.2	41,413	-8,616
Local Food and Beverage Processing and Distribution	157,057	1.0	51,186	-3,327
Local Motor Vehicle Products and Services	146,115	0.9	66,164	-3,285
Local Retailing of Clothing and General Merchandise	144,443	0.9	48,338	-7,894
Local Household Goods and Services	117,753	1.4	42,978	-8,740

Note: LQ = Location Quotient; 10-year job change is from 2012 to 2022.

Source: U.S. Cluster Mapping Project; EMSI; The Natelson Dale Group, Inc. (TNDG).

TABLE 11. JOB GROWTH/RETRACTION PERFORMANCE COMPARED TO NATIONAL TRENDS FOR LARGEST TRADED CLUSTERS, MONTEREY PARK, SGV REGIONS, AND L.A. COUNTY

2012-22 Growth Performance Based on Shift Share Analysis				
Traded Cluster	Monterey Park	SW SGV	UPPER SGV	L.A. COUNTY
Aerospace Vehicles and Defense	+	+	+	+
Apparel	-	-	-	-
Business Services	-	-	-	-
Communications Equipment and Services	+	+	+	+
Construction Products and Services	-	-	-	+
Distribution and Electronic Commerce	-	-	-	-
Education and Knowledge Creation	+	+	+	+
Electric Power Generation and Transmission	+	-	+	+
Financial Services	-	-	-	-
Food Processing and Manufacturing	-	-	-	-
Furniture	+	+	-	-
Hospitality and Tourism	-	-	+	+
Information Technology and Analytical Instruments	-	-	+	+
Insurance Services	-	-	-	-
Lighting and Electrical Equipment	+	+	-	-
Marketing, Design, and Publishing	-	-	-	-
Metalworking Technology	-	-	-	-
Performing Arts	-	-	+	+
Plastics	-	-	-	-
Printing Services	-	-	-	-
Production Technology and Heavy Machinery	-	+	-	-
Recreational and Small Electric Goods	-	-	-	-
Textile Manufacturing	N/A	+	-	-
Transportation and Logistics	+	+	-	+
Video Production and Distribution	-	+	+	-
Water Transportation	-	-	+	+

Note: "+" = growth performance better than expected; "-" = worse than expected.

Source: U.S. Cluster Mapping Project; EMSI; The Natelson Dale Group, Inc. (TNDG).

TABLE 12. JOB GROWTH/RETRACTION PERFORMANCE COMPARED TO NATIONAL TRENDS FOR LARGEST LOCAL CLUSTERS, MONTEREY PARK, SGV REGIONS, AND L.A. COUNTY

2012-22 Growth Performance Based on Shift Share Analysis				
Local Cluster	Monterey Park	SW SGV	UPPER SGV	L.A. COUNTY
Local Community and Civic Organizations	+	+	+	+
Local Hospitality Establishments	-	+	+	+
Local Health Services	-	-	+	+
Local Commercial Services	-	-	+	-
Local Personal Services (Non-Medical)	+	-	-	-
Local Government	+	+	+	+
Local Education and Training	+	+	+	+
Local Food and Beverage Processing and Distribution	-	-	-	-
Local Real Estate, Construction, and Development	-	-	-	-
Local Logistical Services	+	+	+	+
Local Retailing of Clothing and General Merchandise	+	+	-	+
Local Motor Vehicle Products and Services	+	-	-	-
Local Household Goods and Services	+	-	-	-

Note: "+" = growth performance better than expected; "-" = worse than expected.

Source: U.S. Cluster Mapping Project; EMSI; The Natelson Dale Group, Inc. (TNDG).

APPENDIX D: MARKET DEMAND FOR COMMERCIAL AND INDUSTRIAL LAND USES

As part of the EDSP process, TNDG completed a real estate market analysis to provide 22-year forecasts of demand for new retail, office, and industrial space in Monterey Park (with buildout year projections for 2045). Table 13, below, provides an abbreviated summary of the market analysis (which is more fully documented in a separate report).

TABLE 13. SUMMARY OF POTENTIAL DEVELOPMENT OPPORTUNITIES IN MONTEREY PARK

Land Use	Existing Inventory/ Vacancy Rate	Potential Future (22-year) Demand in Monterey Park	Nature of Projected Development Opportunities
Retail	<p>Monterey Park 1,300,000 SF (6.8% vacant)</p> <p>Western SGV 27,660,000 SF (3.2% vacant)</p>	553,000 SF	<ul style="list-style-type: none"> Projected demand is premised on recapture of a portion of existing “leakage” of resident retail spending to neighboring cities. Significant amount of future City demand likely to be absorbed by proposed retail developments (e.g., future phases of Monterey Park Market Place)
Office	<p>Monterey Park 2,900,000 SF (16.2% vacant)</p> <p>San Gabriel Valley 36,300,000 SF (6.5% vacant)</p>	165,000 SF – 298,000 SF	<ul style="list-style-type: none"> In the larger Los Angeles region, office demand has been significantly impacted by the pandemic-related increase in remote work. The overall office vacancy rate in the County stands at 15.4% Although Monterey Park’s vacancy rate is in line with the overall County rate, it’s about 2.5 times the vacancy rate in the SGV submarket
Industrial	<p>Monterey Park 1,800,000 SF (3.9% vacant)</p> <p>San Gabriel Valley 190,000,000 SF (4.1% vacant)</p>	102,000 SF – 203,000 SF	<ul style="list-style-type: none"> The San Gabriel Valley is a major player in the industrial real estate market, with the region account for about 20% of the total inventory in the L.A. County Market. Employment projections show SGV Industrial demand to increase by about 10.2 million SF over the study period; this analysis assumes City of Monterey Park could capture 1-2% of the total).
Hotel	Monterey Park Region	264 – 302 Rooms	<ul style="list-style-type: none"> Monterey Park region projected to generated demand for 754 new hotel rooms over forecast period

Land Use	Existing Inventory/ Vacancy Rate	Potential Future (22-year) Demand in Monterey Park	Nature of Projected Development Opportunities
	Room Supply – 759,200 (69.7% Occupancy) <u>Los Angeles East</u> Room Supply – 4,380,097 (67.0% occupancy)		<ul style="list-style-type: none"> City of Monterey Park is projected to account for 35% to 40% of regional demand.

SF = square feet

Room Supply = number of rooms in a set of hotels multiplied by number of days in a calendar year

Source: The Natelson Dale Group, Inc. (TNDG); CoStar; Smith Travel Research

