

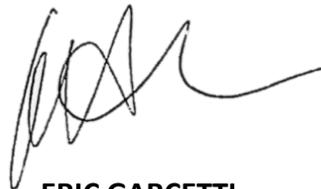
TRANSMITTAL

To: **THE COUNCIL**

Date: **03/03/22**

From: **THE MAYOR**

TRANSMITTED FOR YOUR CONSIDERATION. PLEASE SEE ATTACHED.

A handwritten signature in black ink, appearing to read 'Eric Garcetti', with a long horizontal flourish extending to the right.

(Andre Herndon) for

ERIC GARCETTI
Mayor

CITY OF LOS ANGELES

CALIFORNIA

CAROLYN M. HULL
GENERAL MANAGER



ERIC GARCETTI
MAYOR

**ECONOMIC AND WORKFORCE
DEVELOPMENT DEPARTMENT**

1200 W. 7TH STREET
LOS ANGELES, CA 90017

February 3, 2022

Council File: 13-0934-S2 and
20-0308

Council District: 3

Contact Persons & Phone Numbers:

Vanessa Willis (213) 744-9321

Daysi Hernandez (213) 744-9340

The Honorable Eric Garcetti
Mayor, City of Los Angeles
Room 303, City Hall

Attention: Heleen Ramirez, Legislative Coordinator

TRANSMITTAL: RECOMMENDATION TO ESTABLISH THE CANOGA PARK SHERMAN WAY JOBS AND ECONOMIC DEVELOPMENT INCENTIVE (JEDI) ZONE IN COUNCIL DISTRICT THREE.

The General Manager of the Economic and Workforce Development Department (EWDD) respectfully requests that your Office review and approve this transmittal and forward to the City Council for further consideration.

SUMMARY

The approval of this action will establish a City JEDI zone for a portion of the Sherman Way Business Corridor beginning on the corner of Topanga Canyon Boulevard and Sherman Way, continuing along Sherman Way's business corridor, and ending at Variel Avenue in Council District 3 (CD3), consistent with the approved Jobs and Economic Development Incentive Zones (JEDI Zones) Establishment Policy and Incentive Plan, (JEDI Establishment Policy), as adopted on March 13, 2020, and revised in November 2021 (C.F. 13-0934-S2).

JEDI Zones are defined areas where local economic incentives will be used to enhance existing businesses and attract new businesses and industries that will result in increased economic development and growth in the City of Los Angeles, particularly in communities that have been historically underinvested.

EWDD is responding to a Council Motion (C.F. 20-0308) that directed the department to evaluate two potential JEDI Zones located in CD3. EWDD conducted a baseline evaluation of the proposed JEDI Zones, hereinafter identified as the Reseda node and the Canoga Park

node, in order to provide a description and analysis of the proposed JEDI Zone, assessment of area's economic distress level, and recommendations for the establishment of the JEDI Zone and provision of business incentives to enhance economic development in the corridor through a Business Incentive Plan.

RECOMMENDATIONS

The General Manager of the Economic and Workforce Development Department or designee, respectfully requests that the City Council, subject to the approval of the Mayor as required:

1. DESIGNATE the Canoga Park Sherman Way JEDI Zone, beginning on the corner of Topanga Canyon Boulevard and Sherman Way, continuing along Sherman Way's business corridor, and ending at Variel Avenue.
2. AUTHORIZE EWDD to implement a Business Incentive Plan for the area, as set forth herein, consistent with the adopted JEDI Zone Establishment Policy, including providing permit subsidies of up to \$10,000 for up to twenty (20) businesses within the Canoga Park Sherman Way JEDI Zone, with a total allocation of up to \$200,000 from previously appropriated JEDI Program funds.

FISCAL IMPACT STATEMENT

There is no impact to the General Fund. During the establishment of the JEDI Zone program, the City Council and Mayor authorized the use of \$1,000,000 of former Urban Development Action Grant (UDAG) funds to provide permit fee reductions for businesses located in designated JEDI Zones (C.F. 13-0934-S2).

DISCUSSION

The JEDI Program provides incentives, services, and resources to businesses located within designated JEDI Zones, to promote economic development in generally underinvested areas under economic stress.

CD3, the western-most district, comprises the San Fernando Valley communities of Woodland Hills, Tarzana, Reseda, Winnetka, and Canoga Park. It is home to 4,416 firms and 108,700 private-sector jobs. The average annual wage is \$57,400, falling \$6,900 short of the City average.¹

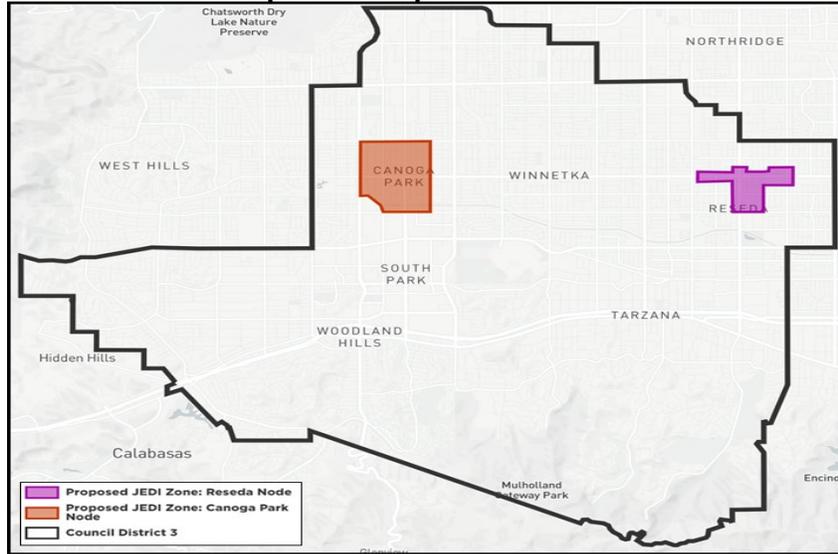
Proposed Locations

As requested by Council Motion 20-0308 (Council Motion), EWDD conducted a baseline evaluation of the two nodes within CD3 proposed for JEDI Zone designation.

The Reseda node and Canoga Park nodes are two separate and distinct neighborhoods. The two areas are separated by a distance greater than 3.5 miles. The Sherman Way Commercial Corridor connects the two areas proposed. Both areas have received focused economic development improvement activities and are looking to position themselves as community cultural destinations for the arts and entertainment. Map 1 below displays the two nodes in relation to the boundaries of Council District 3.

¹ 2018 Los Angeles City Council Districts Economic Report

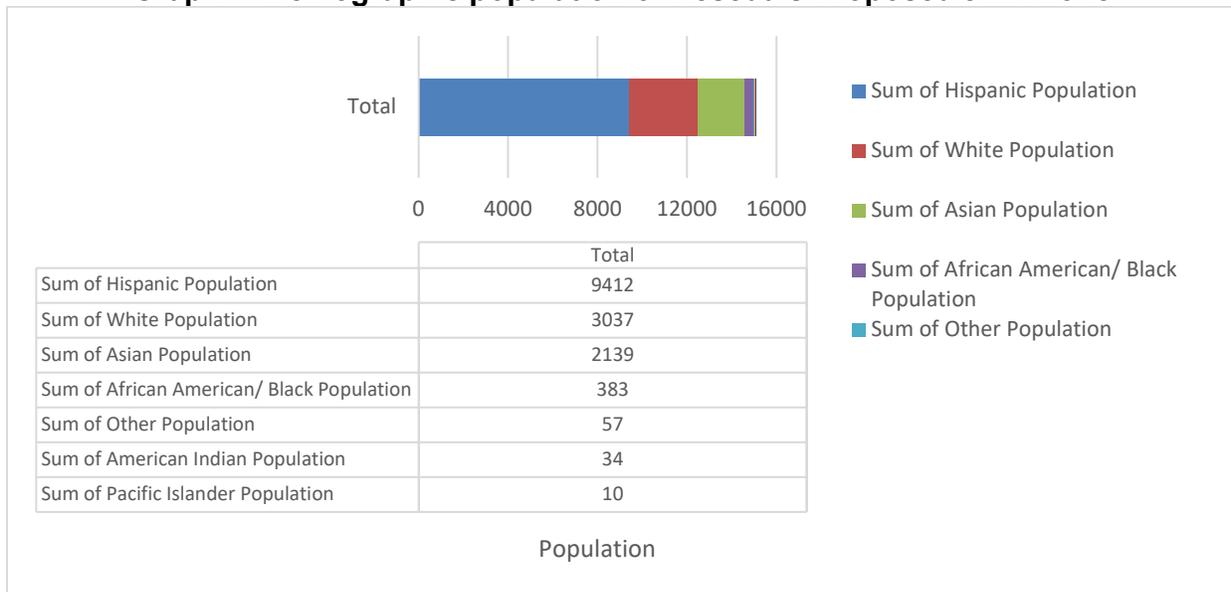
MAP 1- CD3 Map with Proposed JEDI Zone Locations



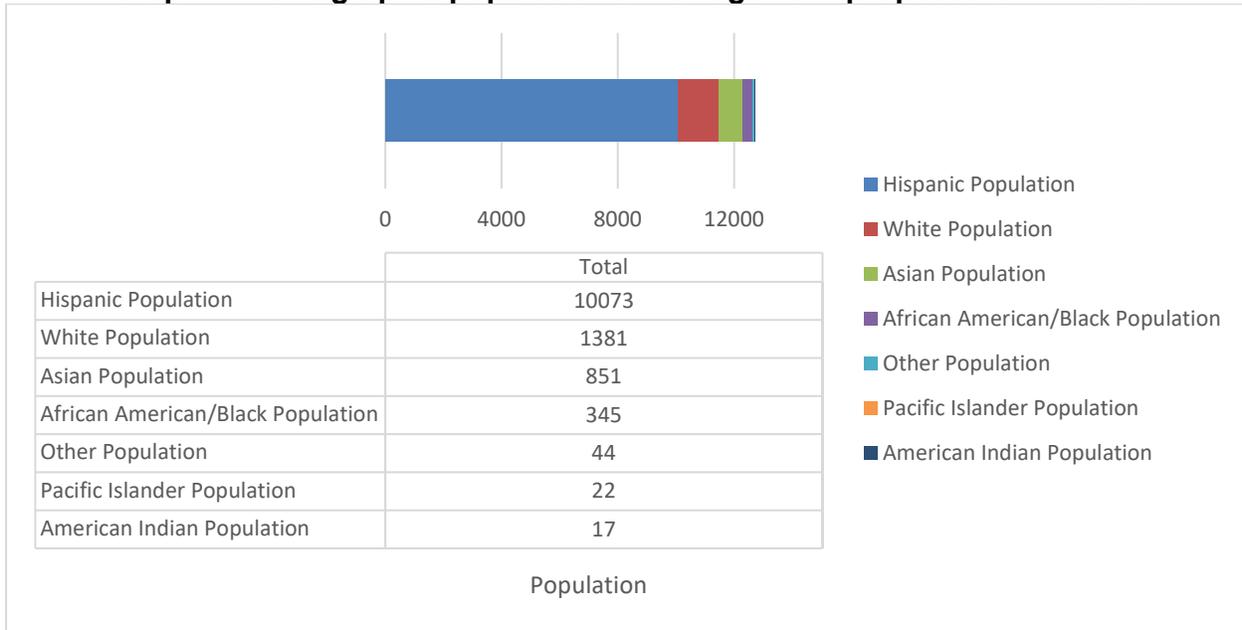
Demographics

Both nodes are within the highly diverse San Fernando Valley region of Los Angeles. San Fernando Valley is 42% Hispanic, 40% White, 11% Asian, and 4% Black. Graphs 1 and 2 contain the population’s ethnic breakdown in the Reseda and Canoga Park nodes.

Graph 1 -Demographic population of Reseda’s Proposed JEDI Zone



Graph 2 -Demographic population of Canoga Park proposed JEDI Zone



Business Environment

Small and medium-sized businesses are contained in both nodes. As of February 21, 2021, there are 1,083 actively registered businesses in the Reseda node. Table 1 displays the highest counted industries within the Reseda node and Map 2 below illustrates the density of the commercial enterprises.

**TABLE 1 –
Active Businesses NAICS Industry Codes Reseda**

NAICS Industry Code	NAICS Primary Description <u>Reseda</u>	Count of Active Businesses
812990	All other personal services	65
811120	Automotive Body, Paint, and Interior Repair and Maintenance	54
561720	Janitorial services	
621111	Offices of physicians (except mental health specialists)	38
722110	Full-service restaurants	34
812113	Nail Salons	12
812112	Beauty Salons	11
812111	Barber Shops	8
	Grand Total (Attachment 1) *	1,083

*List has been truncated due to length.

**MAP 2 –
Active Businesses in Reseda Node**



Canoga Park node is composed of 1,221 businesses actively registered with the Office of Finance as of February 21, 2021. Table 2 displays the industries with the highest count within the Canoga Park node and Map 3 below illustrates the commercial density.

**TABLE 2 –
Active Businesses NAICS Industry Codes Canoga Park**

NAICS Industry Code	NAICS Primary Description <u>Canoga Park</u>	Count of Active Businesses
531100	Lessors of real estate (including mini warehouses & self-storage units)	158
812990	All other personal services	71
561720	Janitorial Services	74
233210	Single Family Housing Construction (1997 NAICS)	45
452000	General merchandise stores	36
561730	Landscape Services	25
532290	Other consumer goods rental	22
238990	All other specialty trade contractors	18

541100	Legal services	13
	Grand Total (Attachment 1) *	1,221

*List has been truncated due to length.

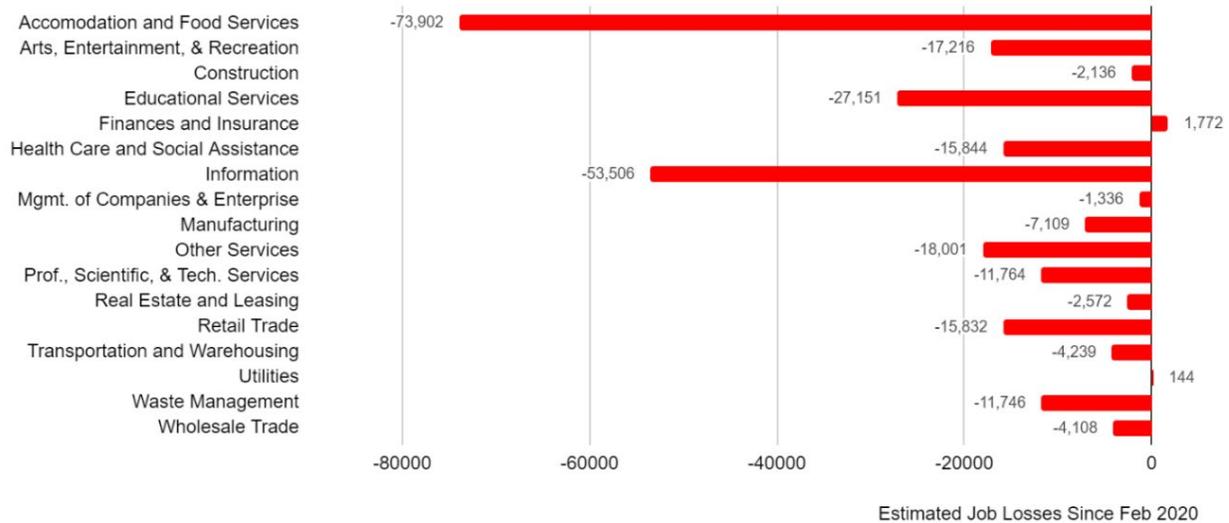
**MAP 3 –
Active Businesses in Canoga Park Node**



COVID-19 Pandemic Impact

As a result of the coronavirus 2019 (COVID-19) health pandemic, local businesses have been facing declining sales, operational challenges, and financial uncertainty. Low-wage service industries and the people of color predominantly employed in them are in the throes of a deep recession that has left other industries, professions, and demographics relatively untouched. Businesses involving close human contact including restaurants, gyms, hair salons, and movie theaters are suffering excessively. According to the LAEDC Pathways for Economic Resiliency Report, it is a trying time for Los Angeles County businesses due to strict closure guidelines and the slow recovery which has limited revenue for an extended period. From March 1, 2020 to August 31, 2020, Yelp reported more temporary and permanent business closures in Los Angeles than any other metropolitan areas in the country with approximately 15,000 total business closures of which approximately 7,500 businesses are permanently closed.

GRAPH 3
Controller's Office Job Losses by Industry
By Industry



Implementation of the JEDI Zone program, targeted to support generally underinvested areas under the most economic stress, can help achieve the goal of revitalizing these distressed local communities and preventing the permanent closures of small and minority-owned businesses.

JEDI Zone Eligibility Analysis

The JEDI Zone Establishment Policy as amended and adopted by Council and Mayor (C.F. 13-0934-S2) (JEDI Policy) recommends the JEDI Zones areas meet one of the following Primary Eligible Criteria:

1. City-established Enhanced Infrastructure Financing District (EIFD) ; or
2. City-established Community Revitalization and Investment Authorities (CRIA); or
3. Within a designated Opportunity Zone; or
4. Focus Area designated by Citywide Economic Development Strategy (CEDS); or
5. Promise Zone Community; or
6. Economic assessment in which five criteria within the secondary needs assessment are met.

The JEDI Policy states that priority will be given to those proposed JEDI Zone areas with the greatest need by evaluating for factors indicating distress in the following Secondary Needs Assessment categories:

1. Qualifies as low and moderate-income (LMI) area as defined by the U.S. Department of Housing and Urban Development (HUD). The area must have at least fifty-one percent (51%) of the residents be LMI persons.
2. An average unemployment rate that is at least three percent (3%) higher than the Citywide average.
3. Deteriorated commercial structures, based on the physical deterioration of

- buildings/improvements; abandonment of properties; chronic high occupancy turnover rates or chronic high vacancy rates in commercial or industrial buildings; significant declines in property values or abnormally low property values relative to other areas in the community; or known or suspected environmental contamination.
4. More than fifty percent (50%) of the buildings in the area are zoned for commercial, retail, or industrial uses.
 5. Contains at least one City priority project, defined at the time the JEDI Zone is created.
 6. Within the boundary of a Community Redevelopment Area that was active at the time of the dissolution of the Community Redevelopment Agency of the City of Los Angeles (CRA/LA).

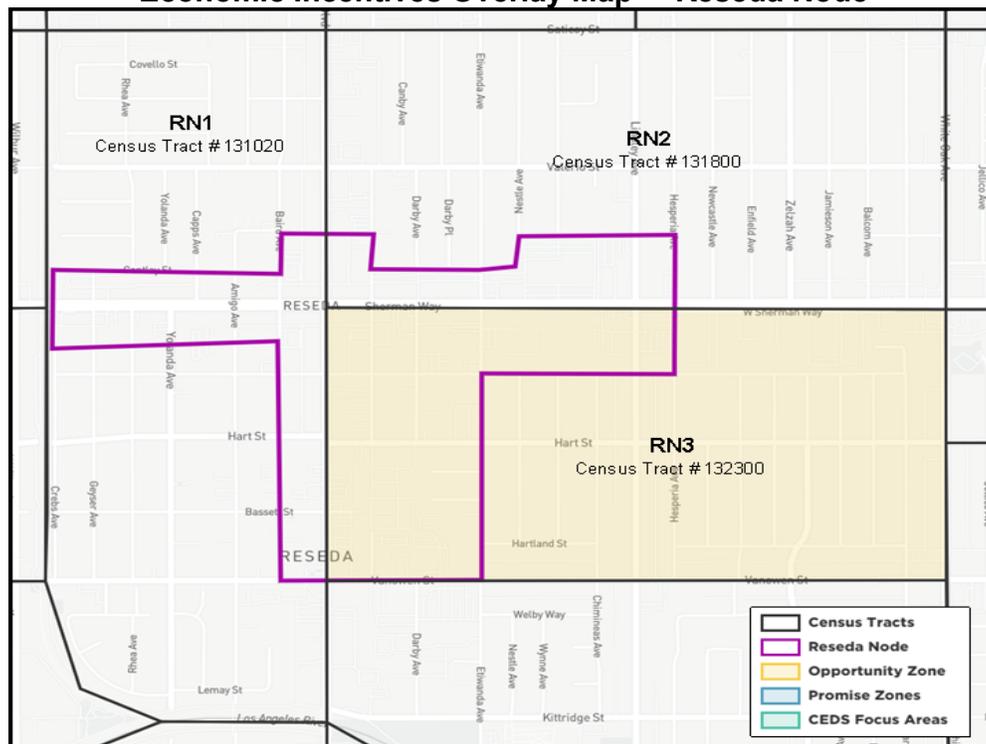
Primary Qualifying Criteria

The JEDI Zone Establishment Policy requires for proposed areas to satisfy one of six (6) primary eligibility criteria to qualify for a baseline evaluation to be designated as a JEDI Zone.

Reseda Node:

The proposed Reseda node is partially within a Federally designated Opportunity Zone. Using an economic incentive overlay map, EWDD verified that only one census tract of the three census tracts within the Reseda Node’s proposed area is designated as an Opportunity Zone. As indicated in Map 4, only one Census Tract # 132300 (RN3) is eligible to be further evaluated in the Secondary Needs Assessment.

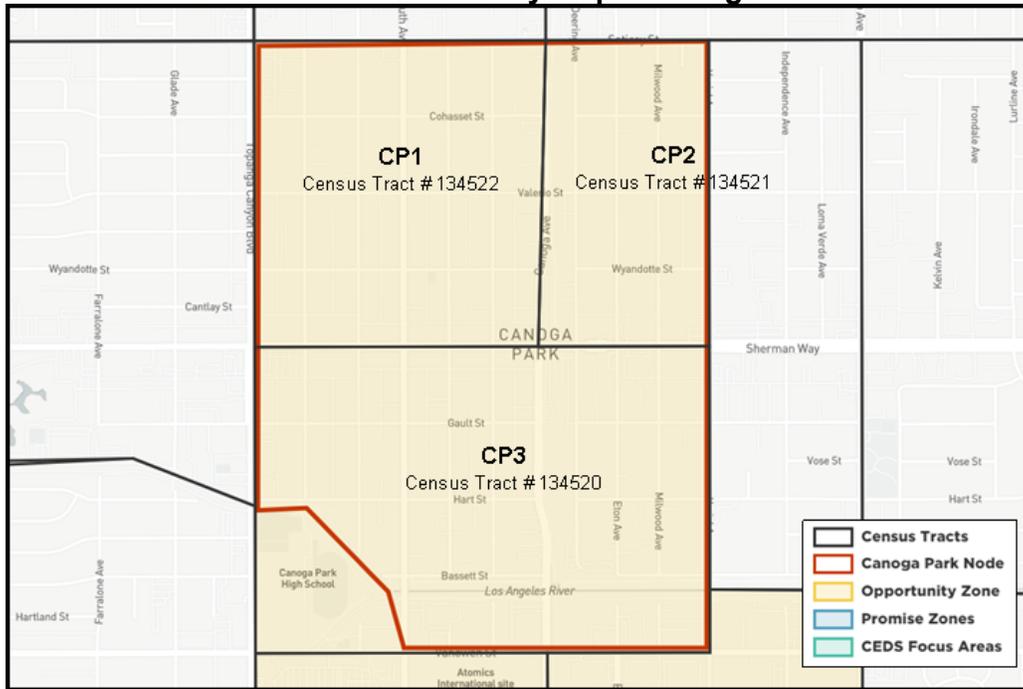
**MAP 4 –
Economic Incentives Overlay Map – Reseda Node**



Canoga Park Node:

The proposed Canoga Park Node JEDI Zone is located within Federally designated Opportunity Zones and fulfils the primary qualifying criterion for the area’s nomination as a JEDI Zone. Refer to Map 5 - Economic Incentives Overlay Map, below, which illustrates the location of the proposed Canoga Park JEDI Zone within the Opportunity Zone. As indicated in Map 5, all three census tracts (CP1, CP2, CP3) are eligible to be further evaluated in the Secondary Needs Assessment.

**MAP 5 –
Economic Incentives Overlay Map – Canoga Park Node**



**TABLE 3 –
Summary of Primary Qualifying Criteria**

Primary Qualifying Criteria	Reseda Node	Canoga Park Node
City-established EIFD District	Not applicable	Not Applicable
City-established CRIA District	Not Applicable	Not Applicable
Within a designated Opportunity Zone	Partial Area Meets Criteria	Meets Criteria
Focus Area designated by Citywide Economic Development Strategy	Does not meet	Does not meet
Promise Zone Community	Does not meet	Does not meet
Economic assessment establishing five criteria in the secondary needs assessment.	Does not meet	Does not meet

The census tracts listed in Table 4, have met the primary qualifying criteria and can be further evaluated in the Secondary Needs Assessment.

**TABLE 4 –
Census Tract Eligible for JEDI Zone Evaluation**

Reseda Node	Canoga Park Node
RN 3 – Census Tract 132300	CP 1 – Census Tract 134522
	CP 2 – Census Tract 134521
	CP 3 – Census Tract 134520

Secondary Needs Assessment

The Secondary Needs Assessment is an analysis of additional measures that indicate an economically distressed area and assigns priority to a proposed JEDI Zone. To deliver targeted, place-based services and small business support to proposed JEDI Zone areas demonstrating the greatest need, the following Secondary Needs Assessment criteria are evaluated to determine highest priority within the determined eligible JEDI Zone.

1. Unemployment
2. Low- and Moderate-Income Area
3. Blight
4. Commercial Industrial and Retail Usage
5. Within an Identified City Priority Project
6. Within a Former Community Redevelopment Agency Project Area

Unemployment:

A proposed JEDI Zone must demonstrate that the area has an average unemployment rate that is 3% higher than the average Citywide unemployment rate. EWDD obtained unemployment figures that can be averaged over period of time providing a methodology to measure unemployment over a historical time period. This methodology allows for a sustained and persistent basis for a designation of need.

For the Citywide average rate, California State Employment Development Department (EDD) 2019 annual average was applied.

The source of the unemployment rate for council district and smaller granularity is the U.S. Census American Community Survey 5-year report, currently ending in 2019. This data is updated annually each December. This unemployment rate source can be apportioned to the City, Council District, and smaller granularity, providing for a comparison within the census tracts and census block groups comprising the eligible area. Table 5 displays the average unemployment rate in the City, Reseda node, and Canoga Park node.

**TABLE 5 –
Average Unemployment Rates 2015-2019**

	Unemployment Rate Area
	4.5% Unemployment Rate for City of Los Angeles, CA
	3.1% Unemployment Rate for Reseda Node
	5.3% Unemployment Rate for Canoga Park Node

Sources: EDD 2019 Average Unemployment Rate; US Census ACS 5-year, ending 2019

The proposed nodes do **not** meet the criteria of an average unemployment rate that is at least 3% higher than the City-wide average. Unemployment in Los Angeles City was at 10.6% as of December 2020. There is no recent data available for the Council District or smaller granularity. EWDD will continue to work to secure more current unemployment rates that can be apportioned to census tracts and block groups. The Reseda Node and Canoga Park Node **do not meet** the unemployment rate criterion of at least 3% higher than the average City-wide rate.

Low- and Moderate-Income Area:

As specified in the JEDI Zone establishment policy, proposed areas where 51% or more of the residents are Low and Moderate Income (LMI) persons, as defined by the U.S. Department of Housing and Urban Development (HUD), qualify as an economically distressed area and meet the secondary needs assessment benchmark. HUD defines Low- and Moderate-Income categories as:

- Low Income: 50% or less of Area Median Income
- Moderate Income: Between 50% to 80% of Area Median Income

HUD designates an area as low to moderate income when at least fifty-one (51%) of the area households are low to moderate income. All Census Tract Blocks that comprise the proposed JEDI Zones are low to moderate income.

EWDD compared LMI rates within the four census tracts comprising the eligible area to determine priority within the eligible zone.

**TABLE 6 –
Percentage of Low Moderate Residents by Census Tract**

	NODE	CENSUS TRACT	LOW MOD PERCENTAGE
	RESEDA	(RN3) 132300	71.77%
CANOGA PARK	(CP1) 134521	88.38%	
	(CP2) 134522	80.37%	
	(CP3) 134520	81.46%	

Each census tract **meets** the distress benchmark of 51% or more residents are LMI persons. The percentage of LMI residents in the census tracts in the Canoga Park node are higher than the percentage of the census tract in the Reseda node.

Blight:

Blight is a secondary needs assessment criteria and is the visible and physical decline of a property or neighborhood as evidenced by the presence of deteriorated commercial structures and buildings/improvements; abandonment of properties; chronic high occupancy turnover rates or chronic high vacancy rates in commercial or industrial buildings; significant declines in property values or abnormally low property values relative to other areas in the community; or, known or suspected environmental contamination.

EWDD staff conducted a site visit. Refer to Attachment 2 – Site Visit Photos.

The physical structures in the Reseda node are in good condition. The area is pedestrian

friendly, and businesses benefit from the ease of walkability from the residential structures in adjoining block groups. The commercial corridor located on Sherman Way between Lindley and Wilbur Avenues has undergone street and sidewalk improvement as part of the Great Streets Planning Initiative. The streets and sidewalks are welcoming and safe for people to walk, bike, and roll. Additionally, a facade improvement project benefiting storefronts and many other initiatives to support commercial activity and development have been initiated. It is EWDD's finding that Reseda node 3 **does not meet** the distress criterion of blight.

The Canoga Park node's abandoned properties and industrial uses make the area less visually appealing and therefore less walkable. The structures, businesses, and public signage within census tracts CP1 and CP2 are in safe and good condition. It is EWDD's finding that CP1 and CP2 are **not** blighted areas. CP3's physical condition was found to contain buildings to have deferred maintenance and moderate deterioration. Facade improvement is highly recommended for the area on Canoga Avenue, starting at Gault Street to Bassett Street. It is EWDD finding that CP3 is a blighted area and **meets** the blight criterion.

Commercial Industrial and Retail Usage:

The JEDI Zone program is a place-based economic development program designed to assist businesses, boost job creation and encourage investment in distressed commercial, industrial and retail areas. For an area to be designated as a JEDI Zone, a secondary needs assessment to determine if the proposed Zone contains 50% or more commercial, industrial and retail uses must be supported.

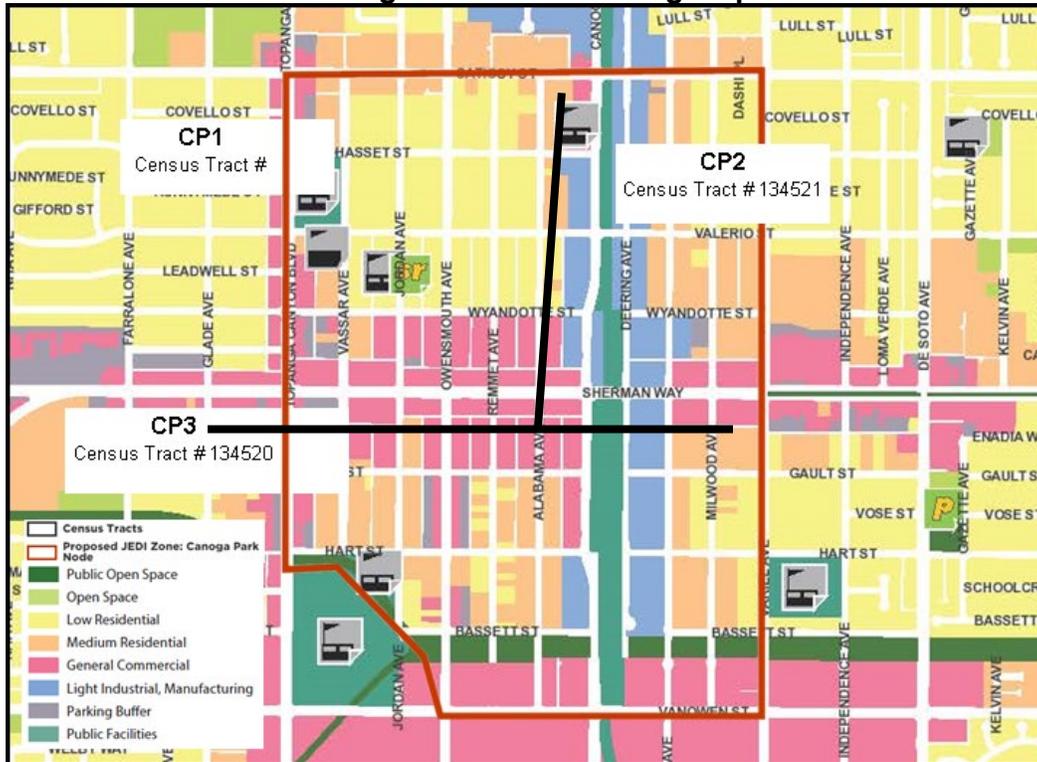
Map 6 below shows the zoning codes for the buildings in the Reseda node proposed JEDI Zone. Reseda node 3, outlined in black, has very few residential-use only buildings which are represented by yellow and orange. It is EWDD's finding that Reseda node 3 **meets** the criteria.

**MAP 6 –
Reseda Node Zoning Map**



Map 7 below shows the zoning codes for the buildings in the Canoga Park node proposed JEDI Zone. CP1 and CP2 contain more than 50% residential and mixed-use properties. It is EWDD finding that CP1 and CP2 **do not meet** the criteria. CP3 is prodigiously commercial and industrial. It is EWDD's finding that CP3 **meets** the criteria.

**MAP 7 –
Canoga Park Node Zoning Map**



Identified City Priority Project:

A proposed JEDI Zone must contain at least one City priority project to meet the secondary needs assessment criteria identified in the JEDI Zone Establishment policy. The proposed zone contains several priority projects.

Priority Project within the Reseda Node

1. Reseda Theatre at 18443 Sherman Way, Reseda CA 91335
2. Reseda Town Center and Ice-Skating Rink to be located on two parcels at 18121 Sherman Way, Reseda, CA 91335 and 18210 Sherman Way, Reseda, CA 91335

Priority Project within the Canoga Park Node

1. Canoga Park Cultural Arts District Initiative at 7222 Remmet Avenue, Canoga Park, CA 91303
2. Madrid Theatre at 21622 Sherman Way, Canoga Park, CA 91303

Former Community Redevelopment Area:

A proposed JEDI Zone must also be within the boundaries of a former Community

Redevelopment Project Area that was active at the time of the dissolution of the Community Redevelopment Agency of the City of Los Angeles (CRA/LA) to meet the criteria under the JEDI Zone Establishment Policy.

The Reseda/Canoga Park Redevelopment Project Area for portions of CD3 was established by the CRA/LA to facilitate the repair, restoration, demolition and/or replacement of property or areas damaged as a result of the January 17, 1994, Northridge Earthquake. The plan targeted historic core central business districts with an effective period lasting twenty years. The Reseda/Canoga Park Redevelopment Project Area was active at the time of the dissolution of the CRA/LA February 1, 2012. It is EWDD’s finding that RN3, CN1, CN2, and CN3 **meet** the criteria.

The two nodes are within the boundary of the Reseda/Canoga Park Redevelopment Project Area. Map 8 reflects the established Reseda/Canoga Park Redevelopment Project Area boundaries in blue and the proposed JEDI Zones in red and displays that the entirety of the Reseda node is in the Reseda/Canoga Park Redevelopment Project Area and only part of the Canoga Park node is in the referenced Community Redevelopment Area.

**MAP 8 –
Reseda/Canoga Park Redevelopment Area Project Area**

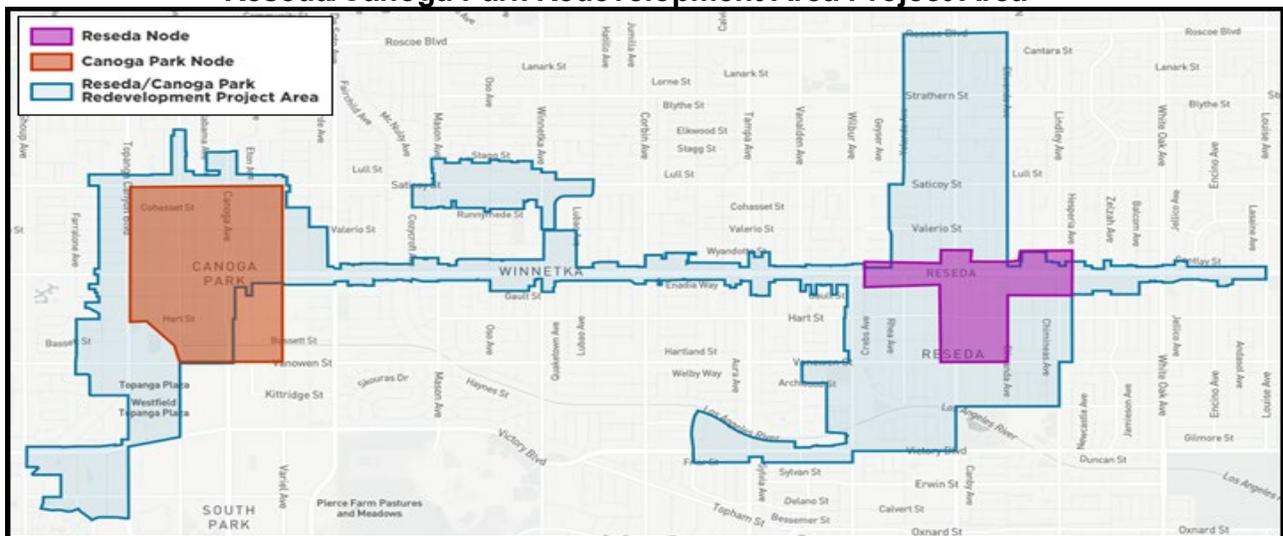


Table 7 provides a Summary of the Secondary Needs Assessment Qualifications for the proposed JEDI Zone areas, indicating which criteria is either met or not met in the proposed area.

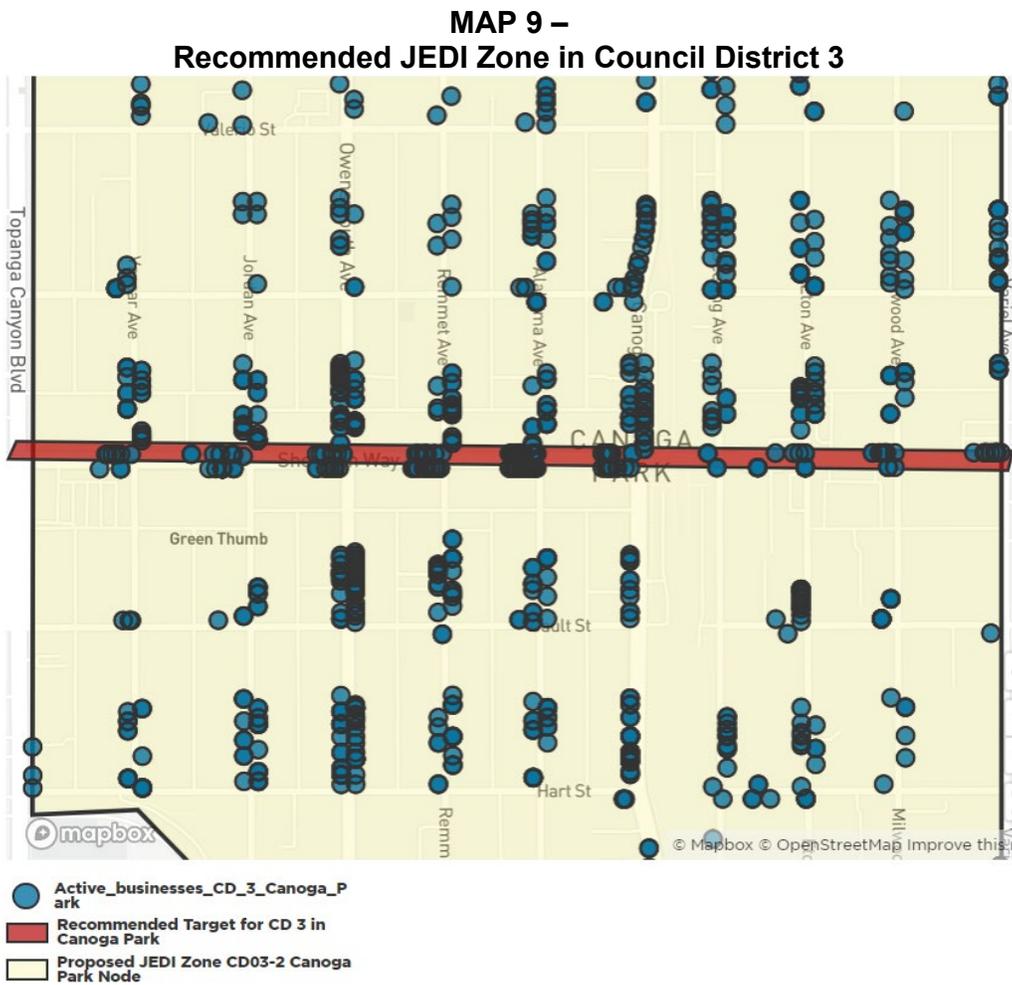
**TABLE 7 –
Summary of Secondary Needs Assessment**

Secondary Needs Criteria	Reseda Node 3 # 132300	Canoga Park 1 # 134522	Canoga Park 2 # 134521	Canoga Park 3 # 134520
Unemployment Non-seasonal unemployment rate that is at least 3% higher than the Citywide rate.	Does not meet criteria			
Low and Moderate Income Qualifies as low and moderate-income (LMI) area as defined by the HUD. An area where at least 51% of the residents are LMI persons.	Meets Criteria	Meets Criteria	Meets Criteria	Meets Criteria
Blight Deteriorated commercial or residential structures, based on the physical deterioration of buildings/improvements; abandonment of properties; chronic high occupancy turnover rates or chronic high vacancy rates in commercial or industrial buildings; significant declines in property values or abnormally low property values relative to other areas in the community; or known or suspected environmental contamination, as evaluated by EWDD.	Does not meet criteria	Does not meet criteria	Does not meet criteria	Meets criteria
Commercial Industrial and Retail Usage The area is more than 50% commercial, retail, or industrial uses.	Meets criteria	Does not meet criteria	Does not meet criteria	Meets criteria
Contains an Identified City Priority Project Contains at least one City priority project, defined at the time the JEDI Zone is created which can be identified as part of an adopted community plan.	Meets criteria	Meets criteria	Meets criteria	Meets criteria
Former Community Redevelopment Area Within the boundary of a Community Development Plan Area that was active at the time of the dissolution of the Community Redevelopment Agency	Meets criteria	Meets criteria	Meets criteria	Meets Criteria

Recommended JEDI Zone Boundaries

EWDD's evaluation of the area's needs determined that all census tracts in the proposed JEDI Zones met the criteria of underserved community in one or more areas. The JEDI Zone policies' intent is to identify priority within a qualified area by greatest need. To expend City resources in a coordinated economic development delivery system, each JEDI Zone designated area is imagined containing 20 - 50 businesses. The Nodes evaluated in Reseda and Canoga Park are too large and contain too many businesses to be impactful.

The area scoring highest in the benchmarks indicating distress is Canoga Park's CP3 node, beginning on the Southeast corner of Topanga Canyon Boulevard and Sherman Way, continuing along Sherman Way's business corridor, and ending at Variel Avenue, as defined in Map 9.



Business Incentive Plan

The proposed Canoga Park Sherman Way JEDI Zone has met the baseline and secondary needs assessment criteria outlined in the JEDI Zone Establishment Policy. EWDD recommends approval of the requested Sherman Way Corridor JEDI Zone area and, if the JEDI Zone is adopted, EWDD will provide the JEDI Zone area businesses with an overview of the available benefits, conduct a business assessment, and organize the information and services to determine those most valuable to each stakeholder. EWDD will determine the

most effective methods to implement the incentives and enhanced services, including publications and interactive communication technologies. Based on the area economic distress analysis, individual business assessments, and the demonstrated needs, the following, but not limited to, incentives and enhanced services will be offered within the proposed Canoga Park Sherman Way JEDI Zone area:

1. **Priority Support Program** – one-on-one business consultation, promote and assist with access to City Programs for businesses, and provide a customized package of incentives and services to help businesses reach their goals.
2. **Business Development Support** – case management and coordination between businesses and City departments during all phases of development, including entitlement, permitting, and construction, if applicable.
3. **Fee Reductions for Development Permits** – provide up to \$10,000.00 in expediting and/or permitting fees incurred through the development permitting process for eligible projects. Subsidy can be used for either City Planning Department or Department of Building and Safety fees not to exceed \$10,000.00 per project.
4. **Façade Improvement Program** – provide funds to improve the exterior appearance of eligible businesses to make them more inviting to walk and shop and assist with business retention. Business must meet eligibility criteria under CDBG funding regulations.
5. **Employer’s Connection** – Provide compensation to employer during staff training, if eligible.
6. **Compliance Assistance** – Facilitate resources to help businesses maintain compliance with land use and building and safety codes and regulations.
7. **Access to Capital** – Connect businesses with lenders that are actively seeking to invest and bring funding opportunities to the City and JEDI Zone area.
8. **Loan Program Fee and Interest Reduction** – Reduce interest rate and fees of Microloan program products, extend payment schedule, and offer loan restructuring to assist with business operations and retention, if permitted under CDBG regulations.

Next Steps

Upon approval of the JEDI Zone designation by City Council and Mayor, a coordinated and branded campaign to promote the package of targeted incentives to stakeholders in the JEDI Zone will be launched by EWDD. The JEDI Zone branded campaign will include publications, visualizations, and presentations where appropriate. EWDD will conduct outreach in the JEDI Zones to assess businesses needs and will also conduct biennial performance reports to review the activities and benefits resulting from the JEDI Zone Program.

Biennial Performance Reports

EWDD will report to City Council and Mayor on the JEDI Zone’s progress and performance.

The report will include a summary of activity in a designated area and a determination of whether adjustments to the JEDI Zone Program are needed.

5th Year Impact Report

At the conclusion of the five-year designation, EWDD will conduct an assessment of the JEDI Zone detailing the impact to the area, including the following:

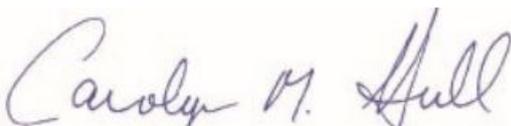
- Number of new and relocating businesses in zone.
- Number of pre-existing businesses participating in JEDI Incentives.
- The overall percent of businesses helped within JEDI Zone.
- Number of new jobs created as a result of JEDI incentives.
- Number of businesses retained
- Number of businesses that received capital
- The amount of new investment and capital placed in the JEDI Zone

At the conclusion of the five-year designation of the Canoga Park Sherman Way Corridor JEDI Zone, EWDD, in consultation with the Council Office, will have the option to submit to City Council and Mayor a recommendation for the renewal of the JEDI Zone designation for an additional 5 years. The maximum duration of a JEDI Zone designation will be 10 years.

CONCLUSION

The coronavirus health pandemic has shed light on the financial fragility of many small businesses and the significant economic impact they have experienced, particularly in areas that were underinvested prior to the pandemic. As with any financial crisis, business viability and success are often dependent upon external resources, assistance, and factors beyond the control of the company. The City and EWDD should continue to identify and target small businesses in the City's most vulnerable communities for investment and assistance to retain and grow as well as recruit new businesses to create jobs and promote community development.

The JEDI Zone designation can serve as a vehicle to provide new or revamped programs to address the gap in geographically targeted services in distressed areas. The Canoga Park neighborhood has faced historical and interrelated economic and social challenges. Amid a health pandemic that has disproportionately affected Latino or Hispanic, Black, and Indigenous Americans, lower-wage workers, and small businesses, there is a vital need to ensure this area's recovery advances racial equity and equal opportunity to business development. The Canoga Park Sherman Way Corridor JEDI Zone can improve job growth, and positively affect business attraction, retention, and expansion.



CAROLYN M. HULL
General Manager

CH:FJ:DH:JDR:vw

Attachments

NAICS Industry Code	NAICS Primary Description	Count of Active Businesses
531100	Lessors of real estate (including mini warehouses & self-storage units)	158
561720	Janitorial services	74
812990	All other personal services	71
233210	Single Family Housing Construction (1997 NAICS)	45
452000	General merchandise stores	36
811110	Automotive mechanical & electrical repair & maintenance	33
561730	Landscaping services	25
453990	All other miscellaneous store retailers (including tobacco, candle, & trophy shops)	22
532290	Other consumer goods rental	22
454390	Other direct selling establishments (including door-to-door retailing, frozen food plan providers, party plan merchandisers, & coffee-break service providers)	21
238990	All other specialty trade contractors	19
812113	Nail salons	16
235110	Plumbing, Heating, and Air-Conditioning Contractors (1997 NAICS)	16
621610	Home health care services	15
424990	Other miscellaneous nondurable goods	14
722110	Full-service restaurants	14
541990	All other professional, scientific, & technical services	14
812112	Beauty salons	14
611000	Educational services (including schools, colleges, & universities)	13
621111	Offices of physicians (except mental health specialists)	13
531310	Real estate property managers	13
541100	Legal services	13
812111	Barber shops	12
561790	Other services to buildings & dwellings	11
441300	Automotive parts, accessories, & tire stores	11
811190	Other automotive repair & maintenance (including oil change & lubrication shops & car washes)	11
561500	Travel arrangement & reservation services	11
561300	Employment services	10
541600	Management, scientific, & technical consulting services	9

NAICS Industry Code	NAICS Primary Description	Count of Active Businesses
235210	Painting and Wall Covering Contractors (1997 NAICS)	8
999999	Unclassified establishments (unable to classify)	8
423100	Motor vehicle & motor vehicle parts & supplies	8
541219	Other accounting services	8
235310	Electrical Contractors (1997 NAICS)	8
423990	Other miscellaneous durable goods	8
624410	Child day care services	8
423600	Electrical & electronic goods	8
541400	Specialized design services (including interior, industrial, graphic, & fashion design)	8
722211	Limited-service eating places	7
339900	Other miscellaneous mfg.	7
446120	Cosmetics, beauty supplies, & perfume stores	7
541213	Tax preparation services	7
561110	Office administrative services	7
444190	Other building materials dealers	6
624100	Individual & family services	6
524210	Insurance agencies & brokerages	6
453310	Used merchandise stores	6
811490	Other personal & household goods repair & maintenance	6
488000	Support activities for transportation (including motor vehicle towing)	6
813000	Religious, grantmaking, civic, professional, & similar organizations	5
315000	Apparel mfg.	5
492000	Couriers & messengers	5
722300	Special food services (including food service contractors & caterers)	5
235510	Carpentry Contractors (1997 NAICS)	5
541510	Computer systems design & related services	5
518210	Data processing, hosting, & related services	5
541320	Landscape architecture services	5
441120	Used car dealers	5
812190	Other personal care services (including diet & weight reducing centers)	5
311900	Other food mfg. (including coffee, tea, flavoring, & seasonings)	5

NAICS Industry Code	NAICS Primary Description	Count of Active Businesses
711510	Independent artists, writers, & performers	5
711300	Promoters of performing arts, sports, & similar events	5
448150	Clothing accessories stores	5
541920	Photographic services	4
442110	Furniture stores	4
444120	Paint & wallpaper stores	4
541330	Engineering services	4
621310	Offices of chiropractors	4
561410	Document preparation services	4
811410	Home & garden equipment & appliance repair & maintenance	4
888888	Medical Marijuana Collective	4
442200	Home furnishings stores	4
451110	Sporting goods stores	4
811120	Automotive body, paint, interior, & glass repair	4
621399	Offices of all other miscellaneous health practitioners	4
323100	Printing & related support activities	4
115210	Support activities for animal production (including farriers)	4
561740	Carpet & upholstery cleaning services	4
621340	Offices of physical, occupational & speech therapists, & audiologists	4
811310	Commercial & industrial machinery & equipment (except automotive & electronic) repair & maintenance	4
444130	Hardware stores	4
541800	Advertising & related services	4
424400	Grocery & related products	3
531390	Other activities related to real estate	3
812910	Pet care (except veterinary) services	3
561600	Investigation & security services	3
424930	Flower, nursery stock, & florists' supplies	3
522200	Nondepository credit intermediation (including sales financing & consumer lending)	3
423700	Hardware, & plumbing & heating equipment & supplies	3
453210	Office supplies & stationery stores	3

NAICS Industry Code	NAICS Primary Description	Count of Active Businesses
311800	Bakeries & tortilla mfg.	3
448310	Jewelry stores	3
235920	Glass and Glazing Contractors (1997 NAICS)	3
812310	Coin-operated laundries & drycleaners	2
621210	Offices of dentists	2
512100	Motion picture & video industries (except video rental)	2
624200	Community food & housing, & emergency & other relief services	2
811210	Electronic & precision equipment repair & maintenance	2
451220	Prerecorded tape, compact disc, & record stores	2
425110	Business to business electronic markets	2
531210	Offices of real estate agents & brokers	2
424300	Apparel, piece goods, & notions	2
448190	Other Clothing Stores	2
423910	Sporting & recreational goods & supplies	2
561710	Exterminating & pest control services	2
423500	Metal & mineral (except petroleum)	2
447100	Gasoline stations (including convenience stores with gas)	2
311300	Sugar & confectionery product mfg.	2
445290	Home furnishings stores	2
424940	Tobacco & tobacco products	2
443120	Computer & software stores	2
493100	Warehousing & storage (except leases of mini warehouses & self-storage units)	2
443112	Radio, television, & other electronics stores	2
424100	Paper & paper products	2
443111	Household appliance stores	2
423940	Jewelry, watch, precious stone, & precious metals	2
238290	Other building equipment contractors	2
423800	Machinery, equipment, & supplies	2
235420	Drywall, Plastering, Acoustical, and Insulation Contractors (1997 NAICS)	2
484110	General freight trucking, local	2
517000	Telecommunications	2

NAICS Industry Code	NAICS Primary Description	Count of Active Businesses
423400	Professional & commercial equipment & supplies	2
441229	All other motor vehicle dealers	2
454111	Electronic shopping	2
541211	Offices of certified public accountants	2
812930	Parking lots & garages	2
441110	New car dealers	2
541214	Payroll services	2
532100	Automotive equipment rental & leasing	2
115310	Support activities for forestry	2
621330	Offices of mental health practitioners (except physicians)	2
711210	Spectator sports (including professional sports clubs & racetrack operations)	2
541310	Architectural services	1
446190	Other health & personal care stores	1
325900	Other chemical products & preparation mfg.	1
561440	Collection agencies	1
541700	Scientific research & development services	1
519100	Other information services (including news syndicates and libraries)	1
334000	Computer & electronic product mfg.	1
621900	Other ambulatory health care services (including ambulance services, blood, & organ banks)	1
314000	Textile product mills	1
454112	Electronic auctions	1
485300	Taxi & limousine service	1
812320	Drycleaning & laundry services (except coin-operated) (including laundry & drycleaning drop-off & pickup sites)	1
234910	Water, Sewer, and Pipeline Construction (1997 NAICS)	1
523900	Other financial investment activities (including investment advice)	1
336000	Transportation equipment mfg.	1
453930	Manufacture (mobile) home dealers	1
331000	Primary metal mfg.	1
453920	Art dealers	1

NAICS Industry Code	NAICS Primary Description	Count of Active Businesses
532400	Commercial & industrial machinery & equipment rental & leasing	1
441221	Motorcycle dealers	1
485410	School & employee bus transportation	1
453910	Pet & pet supplies stores	1
541340	Drafting services	1
621510	Medical & diagnostic laboratories	1
235520	Floor Laying and Other Floor Contractors (1997 NAICS)	1
425120	Wholesale trade agents & brokers	1
532210	Consumer electronics & appliances rental	1
453220	Gift, novelty, & souvenir stores	1
233310	Manufacturing and Industrial Building Construction (1997 NAICS)	1
711410	Agents & managers for artists, athletes, entertainers, & other public figures	1
337000	Furniture & related product mfg.	1
512200	Sound recording industries	1
335000	Electrical equipment, appliance, & component mfg.	1
453110	Florists	1
333000	Machinery mfg.	1
621400	Outpatient care centers	1
326000	Plastics & rubber products mfg.	1
523110	Investment bankers & securities dealers	1
324100	Petroleum & coal products mfg.	1
451211	Book stores	1
448110	Men's clothing stores	1
451140	Musical instrument & supplies stores	1
561420	Telephone call centers (including telephone answering services & telemarketing bureaus)	1
451120	Hobby, toy, & game stores	1
311400	Fruit & vegetable preserving & speciality food mfg.	1
423920	Toy & hobby goods & supplies	1
561900	Other support services (including packaging & labeling services, & convention & trade show organizers)	1
812210	Funeral homes & funeral services	1

NAICS Industry Code	NAICS Primary Description	Count of Active Businesses
238110	Poured concrete foundation & structure contractors	1
522300	Activities related to credit intermediation (including loan brokers)	1
235610	Roofing, Siding, and Sheet Metal Contractors (1997 NAICS)	1
448210	Shoe stores	1
541910	Market research & public opinion polling	1
561210	Facilities support (management) services	1
811420	Reupholstery & furniture repair	1
524290	Other insurance related activities	1
444200	Lawn & garden equipment & supplies stores	1
448120	Women's clothing stores	1
233320	Commercial and Institutional Building Construction (1997 NAICS)	1
423200	Furniture & home furnishing	1
561490	Other business support services (including repossession services, court reporting, & stenotype services)	1
811430	Footwear & leather goods repair	1
562000	Waste management & remediation services	1
561430	Business service centers (including private mail centers & copy shops)	1
445100	Grocery stores (including supermarkets & convenience stores without gas)	1
Grand Total		1221

**JEDI Zone Evaluation
Active Business Listing**

**COUNCIL DISTRICT 3
RESEDA NODE**

ATTACHMENT 1

NAICS Industry Code	NAICS Primary Description	Count of Active Businesses
531100	Lessors of real estate (including mini warehouses & self-storage units)	84
812990	All other personal services	58
621111	Offices of physicians (except mental health specialists)	37
561720	Janitorial services	30
722110	Full-service restaurants	27
452000	General merchandise stores	27
621610	Home health care services	24
811110	Automotive mechanical & electrical repair & maintenance	23
233210	Single Family Housing Construction (1997 NAICS)	22
611000	Educational services (including schools, colleges, & universities)	19
453990	All other miscellaneous store retailers (including tobacco, candle, & trophy shops)	18
541219	Other accounting services	13
532290	Other consumer goods rental	13
524210	Insurance agencies & brokerages	12
561500	Travel arrangement & reservation services	12
811120	Automotive body, paint, interior, & glass repair	12
561300	Employment services	12
541600	Management, scientific, & technical consulting services	12
541213	Tax preparation services	11
541990	All other professional, scientific, & technical services	11
812113	Nail salons	10
424990	Other miscellaneous nondurable goods	10
621400	Outpatient care centers	9
812112	Beauty salons	9
812111	Barber shops	9
443112	Radio, television, & other electronics stores	9
238990	All other specialty trade contractors	8
441300	Automotive parts, accessories, & tire stores	8
811190	Other automotive repair & maintenance (including oil change & lubrication shops & car washes)	8
541100	Legal services	8
531210	Offices of real estate agents & brokers	8
423100	Motor vehicle & motor vehicle parts & supplies	7
624410	Child day care services	7
423990	Other miscellaneous durable goods	7
446110	Pharmacies & drug stores	7
454390	Other direct selling establishments (including door-to-door retailing, frozen food plan providers, party plan merchandisers, & coffee-break service provid	7
442110	Furniture stores	7
621340	Offices of physical, occupational & speech therapists, & audiologists	6
423400	Professional & commercial equipment & supplies	6

**JEDI Zone Evaluation
Active Business Listing**

**COUNCIL DISTRICT 3
RESEDA NODE**

ATTACHMENT 1

NAICS Industry Code	NAICS Primary Description	Count of Active Businesses
711510	Independent artists, writers, & performers	6
561110	Office administrative services	6
621210	Offices of dentists	6
488000	Support activities for transportation (including motor vehicle towing)	5
441120	Used car dealers	5
713900	Other amusement & recreation services (including golf courses, skiing facilities, marinas, fitness centers, bowling centers, skating rinks, miniature golf co	5
561790	Other services to buildings & dwellings	5
812310	Coin-operated laundries & drycleaners	5
423940	Jewelry, watch, precious stone, & precious metals	5
235310	Electrical Contractors (1997 NAICS)	5
541400	Specialized design services (including interior, industrial, graphic, & fashion design)	5
722300	Special food services (including food service contractors & caterers)	5
561600	Investigation & security services	5
441229	All other motor vehicle dealers	5
448150	Clothing accessories stores	5
621900	Other ambulatory health care services (including ambulance services, blood, & organ banks)	5
561730	Landscaping services	5
811490	Other personal & household goods repair & maintenance	4
311400	Fruit & vegetable preserving & speciality food mfg.	4
451110	Sporting goods stores	4
323100	Printing & related support activities	4
811210	Electronic & precision equipment repair & maintenance	4
446130	Optical goods stores	4
445100	Grocery stores (including supermarkets & convenience stores without gas)	4
423800	Machinery, equipment, & supplies	4
235110	Plumbing, Heating, and Air-Conditioning Contractors (1997 NAICS)	4
424920	Books, periodicals, & newspapers	4
531390	Other activities related to real estate	4
541800	Advertising & related services	4
339900	Other miscellaneous mfg.	4
233220	Multifamily Housing Construction (1997 NAICS)	3
424940	Tobacco & tobacco products	3
311900	Other food mfg. (including coffee, tea, flavoring, & seasonings)	3
541920	Photographic services	3
812320	Drycleaning & laundry services (except coin-operated) (including laundry & drycleaning drop-off & pickup sites)	3
442200	Home furnishings stores	3
451211	Book stores	3
454111	Electronic shopping	3
444190	Other building materials dealers	3

NAICS Industry Code	NAICS Primary Description	Count of Active Businesses
493100	Warehousing & storage (except leases of mini warehouses & self-storage units)	3
453220	Gift, novelty, & souvenir stores	3
621310	Offices of chiropractors	3
888888	Medical Marijuana Collective	3
621510	Medical & diagnostic laboratories	3
235210	Painting and Wall Covering Contractors (1997 NAICS)	2
541320	Landscape architecture services	2
561740	Carpet & upholstery cleaning services	2
443120	Computer & software stores	2
541510	Computer systems design & related services	2
448120	Women's clothing stores	2
722211	Limited-service eating places	2
621330	Offices of mental health practitioners (except physicians)	2
425120	Wholesale trade agents & brokers	2
524290	Other insurance related activities	2
541380	Testing laboratories	2
621399	Offices of all other miscellaneous health practitioners	2
337000	Furniture & related product mfg.	2
311800	Bakeries & tortilla mfg.	2
492000	Couriers & messengers	2
561430	Business service centers (including private mail centers & copy shops)	2
334000	Computer & electronic product mfg.	2
423200	Furniture & home furnishing	2
233320	Commercial and Institutional Building Construction (1997 NAICS)	2
999999	Unclassified establishments (unable to classify)	2
335000	Electrical equipment, appliance, & component mfg.	2
623000	Nursing & residential care facilities	2
541340	Drafting services	2
624100	Individual & family services	2
541940	Veterinary services	2
484200	Specialized freight trucking (including household moving vans)	2
522300	Activities related to credit intermediation (including loan brokers)	2
711300	Promoters of performing arts, sports, & similar events	2
523900	Other financial investment activities (including investment advice)	2
532100	Automotive equipment rental & leasing	2
424210	Drugs & druggists' sundries	2
512200	Sound recording industries	2
339110	Medical equipment & supplies mfg.	1
812910	Pet care (except veterinary) services	1

**JEDI Zone Evaluation
Active Business Listing**

**COUNCIL DISTRICT 3
RESEDA NODE**

ATTACHMENT 1

NAICS Industry Code	NAICS Primary Description	Count of Active Businesses
811310	Commercial & industrial machinery & equipment (except automotive & electronic) repair & maintenance	1
561210	Facilities support (management) services	1
711100	Performing arts companies	1
423600	Electrical & electronic goods	1
424930	Flower, nursery stock, & florists' supplies	1
454210	Vending machine operators	1
238340	Tile & terrazzo contractors	1
561440	Collection agencies	1
325900	Other chemical products & preparation mfg.	1
211110	Oil & gas extraction	1
711410	Agents & managers for artists, athletes, entertainers, & other public figures	1
484110	General freight trucking, local	1
541211	Offices of certified public accountants	1
423920	Toy & hobby goods & supplies	1
541330	Engineering services	1
443111	Household appliance stores	1
451130	Sewing, needlework, & piece goods stores	1
235420	Drywall, Plastering, Acoustical, and Insulation Contractors (1997 NAICS)	1
453210	Office supplies & stationery stores	1
336000	Transportation equipment mfg.	1
453310	Used merchandise stores	1
561900	Other support services (including packaging & labeling services, & convention & trade show organizers)	1
446190	Other health & personal care stores	1
115210	Support activities for animal production (including farriers)	1
447100	Gasoline stations (including convenience stores with gas)	1
517000	Telecommunications	1
532230	Video tape & disc rental	1
518210	Data processing, hosting, & related services	1
448130	Children's & infants' clothing stores	1
522100	Depository credit intermediation (including commercial banking, savings institutions, & credit unions)	1
448140	Family clothing stores	1
522200	Nondepository credit intermediation (including sales financing & consumer lending)	1
448210	Shoe stores	1
444130	Hardware stores	1
235520	Floor Laying and Other Floor Contractors (1997 NAICS)	1
523120	Securities brokers	1
811410	Home & garden equipment & appliance repair & maintenance	1
235510	Carpentry Contractors (1997 NAICS)	1
315000	Apparel mfg.	1

**JEDI Zone Evaluation
Active Business Listing**

**COUNCIL DISTRICT 3
RESEDA NODE**

ATTACHMENT 1

NAICS Industry Code	NAICS Primary Description	Count of Active Businesses
424300	Apparel, piece goods, & notions	1
453110	Florists	1
445310	Beer, wine & liquor stores	1
541910	Market research & public opinion polling	1
424500	Farm product raw materials	1
423300	Lumber & other construction materials	1
622000	Hospitals	1
453910	Pet & pet supplies stores	1
424800	Beer, wine, & distilled alcoholic beverage	1
531310	Real estate property managers	1
Grand Total		924

Proposed JEDI Zone Council District 3- Reseda Node

Visual Evaluation

Façade Improvement

Updating and unifying the appearance of these store fronts would further encourage more foot traffic and for businesses to relocate to the area.



Façade Improvement

Façade improvement will provide storefronts with unity and congruence.

Adding visible and identifiable signage will increase the areas appeal for new businesses.



Vacancies

Throughout the proposed JEDI Zone, there are a number of vacancies which can be attributed to many factors including the lack of foot traffic in the proposed JEDI Zone. With more inviting atmospheres foot traffic will increase and encourage new or relocating business owners to set up in the proposed area.

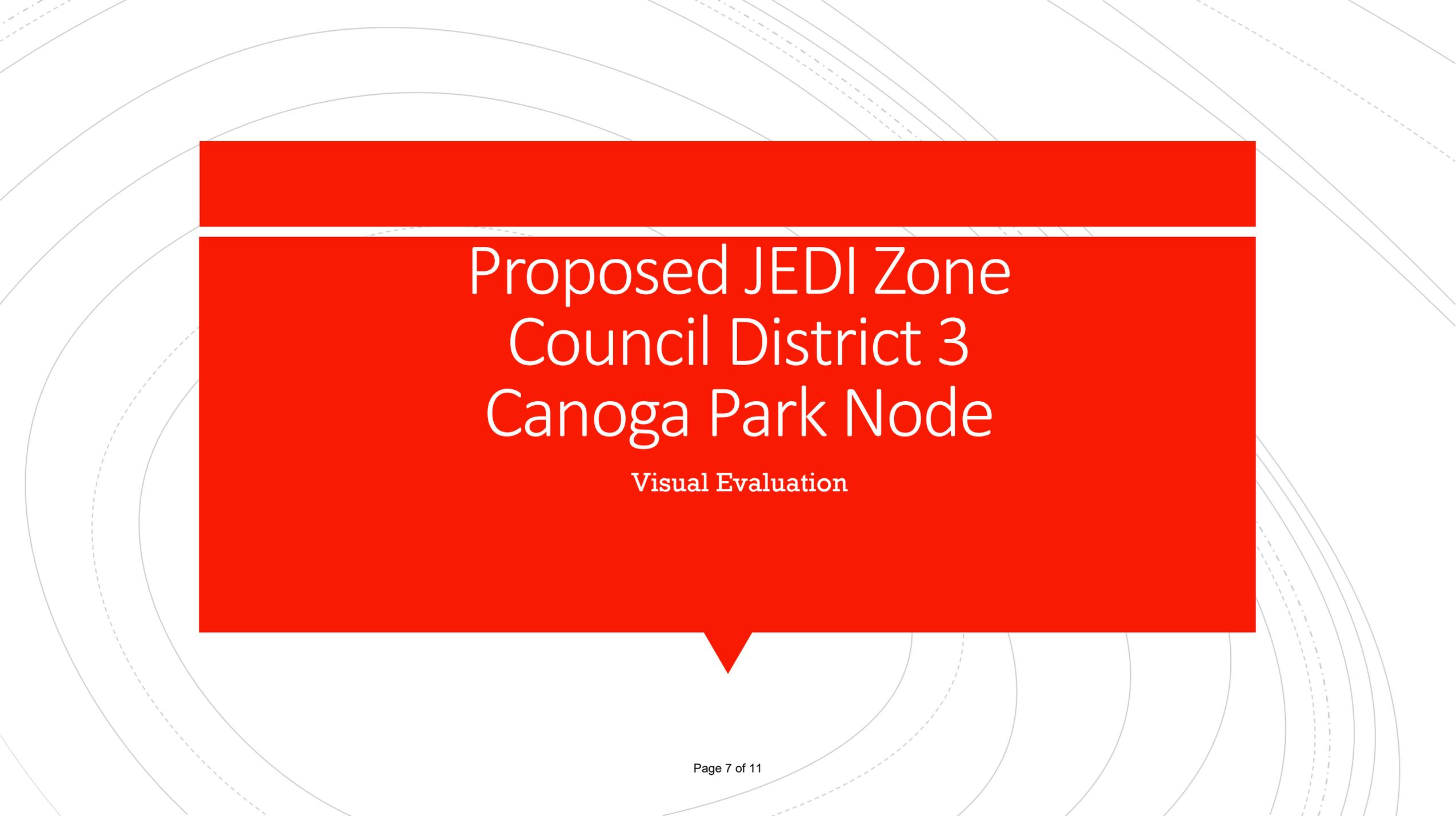




Special Projects



- **Along Sherman Way at the east end of this proposed JEDI Zone there is ample space on the sidewalks for Al Fresco dining. With improvements made to the planters in terms of the amounts of shrubbery invested to those areas there will be a very inviting atmosphere for consumers which will in turn increase foot traffic in the area dramatically.**

The background features a series of concentric circles in light gray, some solid and some dashed, creating a ripple effect. A large red arrow points downwards from the bottom center of the main text box.

Proposed JEDI Zone Council District 3 Canoga Park Node

Visual Evaluation

Façade Improvement

There are numerous structures that may benefit from façade improvement.

Façade improvement will provide storefronts with unity and congruence.



Façade Improvement

Updating and unifying the appearance of these store fronts would further encourage more foot traffic and for businesses to relocate to these areas.



Vacancies

Throughout the proposed JEDI Zone there are a number of vacancies which can be attributed to many factors including the lack of foot traffic in the proposed JEDI Zone.



