



ACCESS **L.A.**

**CITY HALL**

Oct. 22, 2009

## GETTING DOWN TO BUSINESS

### Challenges

At least

**\$2.3 Billion**

L.A. City unfunded pension liability  
(LACERS Actuarial Report - July 2008)

**12.6%**

L.A. County unemployment rate  
(August 2009)

Los Angeles is ranked in the

**Top 10 most expensive U.S. cities to do business**

(2009 Kosmont-Rose Institute Cost of Doing Business Survey)

Port of L.A. container traffic is

**down 19%** from 2008

(Port of Los Angeles - August 2009)

**\$ 1 Billion**

Estimated L.A. City budget deficit in FY 2010

### Opportunities

**\$135 Billion**

in federal stimulus funding is available to state and local governments

Los Angeles is poised to become the

**Clean Tech Capital of the United States**

through innovative initiatives like the *CleanTech Los Angeles* multi-institutional collaboration including the L.A. Area Chamber, City of Los Angeles, Cal Tech, University of California, Los Angeles, University of Southern California, Jet Propulsion Laboratory, Community Redevelopment Agency of the City of Los Angeles, Los Angeles Business Council and Los Angeles County Economic Development Corporation

**42,000 jobs over 20 years**

can be created through a proposed feed-in tariff L.A. City solar plan

**\$40 Billion**

is available through voter-approved Measure R (2008), which will fund much-needed transportation projects in L.A. County

As the

**nation's small business capital,**

L.A. businesses can lead the economic recovery through their innovation and entrepreneurship

**\$10-13 Billion**

has been allotted to modernize Los Angeles International Airport (LAX)

# GETTING DOWN

## City of Los Angeles Economic Recovery Checklist



Creating jobs and ensuring long-term prosperity in the City of Los Angeles requires a renewed commitment to improving our business climate. The severe recession, together with increased competition from other cities, makes this the perfect time to address the greatest economic challenges facing Los Angeles.

The Los Angeles Area Chamber of Commerce identified 16 policy goals as top priorities. Our commitment is to work with all stakeholders — city officials, fellow business groups, labor, environmental, nonprofit and neighborhood organizations — to collaborate on these complex issues.

**Let's get down to business.**

### RECOVER >>>>>>>>>

- Appoint City Federal Stimulus Czar**  
Billions of federal stimulus dollars are still unallocated. Appoint a well-qualified czar to oversee all federal stimulus investment efforts and bring greater focus and better coordination to this vital, time-sensitive opportunity.
- Enact Citywide Multimedia Tax Exemption**  
Incentivize film production in L.A. by expanding the City's limited gross receipts tax exemption for multimedia companies to all qualified businesses citywide. Passing the City Council motion is an important near-term step to help retain production in L.A. in advance of a larger tax reform effort.
- Expand Successful HIRE LA's Youth Program**  
Provide job and career opportunities for L.A.'s most at-risk young people. The successful HIRE LA's Youth program targets young adults between the ages of 16-24 and provides access to local, private sector employment for full-time and part-time work. This program is operated in partnership with the L.A. Area Chamber.

### REFORM >>>>>>>>>

- Business Tax & Licensing Reform**  
Begin a new, comprehensive review of the gross receipts tax to spur job creation and improve the city's competitiveness. *(For detailed recommendations, refer to the L.A. Area Chamber's L.A. City Business Tax & Licensing Reform Principles on opposite flap.)*

- Require Economic Impact Analysis**  
Require that every City motion to enact new regulations or impose new costs on city businesses undergoes a nonpartisan, independent analysis. This analysis should determine the projected costs to affected businesses and to the city's overall economic competitiveness.
- Reform City Pension System**  
Immediate reforms are critical to avoiding a municipal bankruptcy, preserving city services and protecting both taxpayers and city employees. Establish a blue ribbon taskforce to recommend structural improvements to the public employee pension system.
- Complete Planning Code Update**  
Streamline and update the entitlement process through strategic code reform measures and a streamlined permit process to create more jobs and workforce housing.
  - ▶ Implement the full 12-2 program by the end of 2009
  - ▶ Complete taskforce work to reform planning code, including:
    - Eliminate unnecessary discretionary approvals
    - Synchronize the expiration period for multiple entitlements to the entitlement with the longest life
    - Promote quality and innovative development by updating the Planned Unit Development ordinance (PUD) – also known as Residential Planned Development Districts – to include mixed-use, multi-family residential and nonresidential projects

# TO BUSINESS

## **Pass a Sensible City Billboard Policy**

Approve a citywide sign ordinance that protects residential neighborhoods while recognizing that a business without a sign is a sign of no business.

- ▶ Work with stakeholders to develop a compromise that eliminates illegal billboards and establishes appropriate citywide billboard locations
- ▶ Postpone any changes to onsite sign regulations until after code enforcement has been implemented
- ▶ Improve code enforcement of all illegal signs throughout the city by implementing a reasonable sign fee program

## **Explore Potential DWP Ratepayer Advocate Position**

As the Los Angeles Department of Water & Power (LADWP) works to meet renewable energy goals, the city must be vigilant to support infrastructure investment while safeguarding ratepayers from unnecessary rate increases. Explore best practices and feasibility for the potential creation of an independent ratepayer advocate to facilitate oversight.

## **Upgrade Water & Power Infrastructure**

Upgrading our outdated water and electrical lines is critical for business operations. Fast-track DWP infrastructure improvements while ensuring proper financial and project oversight for ratepayers.

## **Establish Ordinance Review Commission**

Establish a "Little Hoover"-style commission to evaluate existing city ordinances in order to identify outdated or unnecessarily burdensome mandates of job creators.

## **Advocate for LAX Modernization Pilot Project**

Support Los Angeles World Airports' efforts to help fund the multi-billion Los Angeles International Airport (LAX) terminal modernization through a federal passenger facility charge (PFC) pilot program. If approved by Congress, the program will allow LAX to raise revenue by establishing and directly collecting increased PFC fees from passengers without passing the burden along to airlines.

## **Actively Support Comprehensive State Water Solution**

Ensuring continued water delivery to Los Angeles requires an immediate, comprehensive solution to the Sacramento-San Joaquin Delta's chronic water supply and environmental problems. Local stakeholders, including the City of Los Angeles and L.A. Area Chamber, must collaborate to urge our state lawmakers to pass a legislative package by the end of 2009.

## **Implement Highest Impact Traffic Reduction Recommendations**

Support key policies that are proven to mitigate traffic and keep Angelenos moving, including:

- ▶ Improve traffic signal timing
- ▶ Create a network of paired one-way streets through congested corridors
- ▶ Restrict curb parking and implement variable meter rates during peak rush hours
- ▶ Incentivize employers to offer ridesharing, public transit and other traffic reduction options
- ▶ Support high-occupancy toll lanes on local freeways

## **Support Competitive Feed-in Tariff Solar Program**

Ensure that a robust, competitive feed-in tariff solar program is part of the LADWP effort to expand solar power in Los Angeles. Feed-in tariff is a proven public-private partnership that incentivizes users to install renewable energy and then sell excess renewable power back to the utility. LADWP should institute a competitive feed-in tariff that is fair to ratepayers, and incentivizes businesses to develop and install solar photovoltaic systems as a competitive business strategy.

## REVITALIZE >>>>>>>

## **Stop Anti-competitive Port Policies**

Implement green-growth policies at the Port of Los Angeles in partnership with the port's customers and suppliers. Process the backlog of environmental impact reports (EIR) for pending projects. Discontinue city lobbying to change federal law, which is opposed by the goods movement industry and is an incentive for port-related businesses to move operations to other ports around the county.



## L.A. City Business Tax & Licensing Reform Principles

The L.A. Area Chamber applauds the efforts being discussed by the City Council and Mayor to improve the business tax code and make it easier for businesses to interact with City Hall. By working collaboratively, the City and the business community can enact new strategies to hasten economic recovery, spur long-term job creation and improve the City's overall business climate. The Chamber supports the following actions:



- ▶ Form a new Business Tax Advisory Committee comprised of the most engaged, results-oriented tax experts and business leaders. Include selection criteria to ensure that appointees represent a broad range of industries; understand how to attract emerging industries; understand how to evaluate potential economic impacts; and who have a working knowledge of the existing tax structure.
- ▶ Make it easier for businesses to learn about city services, apply for necessary licenses and pay fees and taxes. The majority of business complaints focus on incomplete answers or assistance when interacting with City Hall. Providing time-sensitive, first-rate customer service to local job creators is one of the best ways to attract and retain businesses.
- ▶ Enact clear guidelines for how a business is classified under the tax code and under what circumstances a reclassification may occur. Also, address the problem of backdated reclassification to ensure greater certainty and a fair process for business.
- ▶ Develop better criteria for determining which businesses are audited by the city. Business owners report being the subject of routine tax audits by the city despite being in regular compliance. The audit process is time consuming, expensive and a disincentive to do business in Los Angeles.

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### Title



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### Bronze

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## VOTE FOR CHRISTINE ESSEL FOR L.A. CITY COUNCIL DISTRICT 2

The L.A. Jobs Political Action Committee (PAC), sponsored by the Los Angeles Area Chamber of Commerce, endorses Essel in the Dec. 8 runoff election.

**SAVE THE DATE:**  
March 15-17, 2010  
Southern California  
on the Hill –  
Access Washington, D.C.  
★★★★★



Los Angeles Area  
Chamber of Commerce

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# ACCESS L.A. CITY HALL



## LOS ANGELES RESOURCES

LOS ANGELES ELECTED OFFICIALS	PHONE	FAX	EMAIL
Mayor Antonio Villaraigosa	213.978.0600	213.978.0657	mayor@lacity.org
Controller Wendy Greuel	213.978.7200	213.978.7211	controller.greuel@lacity.org
City Attorney Carmen Trutanich	213.978.8100	213.978.8312	ctrutanich@lacity.org
CITY COUNCIL MEMBERS			
Ed Reyes, District 1: Room 410	213.473.7001	213.485.8907	councilmember.reyes@lacity.org
OPEN, District 2			councildistrict2@lacity.org
Dennis Zine, District 3: Room 450	213.473.7003	213.485.8988	councilmember.zine@lacity.org
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Jan Perry, District 9: Room 420	213.473.7009	213.473.5946	jan.perry@lacity.org
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Greig Smith, District 12: Room 405	213.473.7012	213.473.6925	councilmember.smith@lacity.org
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Jose Huizar, District 14: Room 465	213.473.7014	213.847.0680	councilmember.huizar@lacity.org
Janice Hahn, District 15: Room 435	213.473.7015	213.626.5431	councilmember.hahn@lacity.org

EMERGENCY CONTACT INFORMATION	PHONE
Non-Emergency Police	877.275.5273
Park-Related Emergencies	323.913.7390
Water Services	800.342.5397
Power Service	800.342.5397
Gas Service	800.427.2200
Traffic Signals	213.580.1177
Road Closures (CALTRANS)	800.427.7623
Street Lights	800.996.2489
American Red Cross	213.739.5200
Animal Services	888.452.7381
Building Inspection	888.524.2845
Sewer/Storm Drain Problems	800.773.2489
Trees Down/Debris Removal	800.996.2489

RESOURCES	WEB SITE
California Economic Development Lending	www.cedli.com
One Stop L.A. City Portal	business.lacity.org
SBA Loans	www.sba.gov/services/financialassistance