



Los Angeles Area
Chamber of Commerce

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NEWS RELEASE

**THE LOS ANGELES AREA CHAMBER OF COMMERCE
COMMITTS TO KEEPING THE CITY TOGETHER**

The Los Angeles Area Chamber of Commerce announced today that it opposes secession, believing that breaking the city into two, three or four smaller cities is not good for business. The Chamber's Board of Directors overwhelmingly voted to oppose the bids by the San Fernando Valley, Hollywood and San Pedro to secede from the City of Los Angeles.

The announcement was made today at a Chamber member business in Woodland Hills by Chamber President & CEO Rusty Hammer, who was joined by Los Angeles Mayor Jim Hahn and prominent business leaders.

The Chamber cites four critical reasons for opposing the break-up of Los Angeles:

- Secession will create additional government bureaucracy and increase the cost of doing business;
- Secession impairs the city's ability to create regional solutions to problems due to parochialism;
- Secession will dilute the city's political clout when lobbying on major infrastructure issues;
- And, secession will cause too many uncertainties for business decision makers.

"The LA Area Chamber has a rich and long history representing the business community," Hammer said. "For more than 100 years, the organization has worked to foster business growth and contribute to a business climate that promotes prosperity. We can best promote prosperity by keeping Los Angeles whole, while at the same time work to address the legitimate concerns of those supporting secession."

The Chamber represents 1,200 businesses and these companies employ 800,000 citizens.

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Secession will increase the cost of doing business by increasing the number of jurisdictions business people have to interact with when running their companies. Additional government bureaucracy is not good for business and secession does not result in making government more efficient nor does it streamline government as suggested by those in favor of secession.

Los Angeles County needs to address serious infrastructure concerns, yet breaking up the City does not address these concerns and instead works against those of us who have regional solutions on our agendas. The Chamber believes secession impairs our ability to create regional solutions to problems due to parochialism. Developing regional strategies is not accomplished by breaking communities into small clusters.

The City's political clout would be diluted when lobbying on major infrastructure issues such as water, transportation and housing. When Los Angeles competes for scarce Federal and State funds, we believe our case is stronger as the second largest City in the Country, rather than the proposed smaller cities. Policy makers cannot ignore the numbers Los Angeles brings to the table.

Business people don't make business decisions based on uncertainty and there is an enormous amount of uncertainty weaved into breaking up the City. Our business members want to know where their resources will come from, what tax structure will be implemented and what will it cost them – secession does not address these concerns.

The Los Angeles Area Chamber of Commerce is committed to keeping Los Angeles together. Our Board of Directors believe business is better represented and served by addressing the concerns of all Angelenos, rather than separating our joint assets and shared goals to build a prosperous and healthy Los Angeles.

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The Los Angeles Area Chamber of Commerce, with 1,200 members, represents the interests of the business community. Founded in 1888, the Chamber promotes a prosperous economy and quality of life in the Los Angeles region. The Los Angeles Area Chamber of Commerce gratefully acknowledges the support of The Diamond Club members: Bank of America; ChevronTexaco Corporation; Compaq Computer Corporation; Los Angeles Times; SBC Pacific Bell; Southern California Edison; The Gas Company, a Sempra Energy utility; and Wells Fargo.