L.A. Mayor Discusses Growth, Transportation in Keynote Address

During his keynote speech, L.A. City Mayor Eric Garcetti discussed Los Angeles’ economic growth and diversity, as well as his commitment to working with the Los Angeles City Council on job creation, a call by VICA that L.A. City Council President Herb Wesson acknowledged over the summer in his creation of an Ad Hoc Jobs Committee, mentioning VICA by name in doing so. Garcetti touted the city’s success in the attraction of a growing tech industry. The mayor also reiterated his commitment to pushing for a rail system to connect the San Fernando Valley to the Westside, which has been a priority of VICA’s Valley on Track transportation coalition. The luncheon was sponsored by The Walt Disney Co.

Economists Predict Steady Rates, Sluggish Growth For Next Year

VICA’s 2015 forecast breakfast featured talk about interest rates and the nation’s sluggish recovery from the Great Recession. Economists expect the modest growth we’ve seen to continue, with the Fed unlikely to raise the interest rate before the end of this calendar year, and not by much, if at all, in 2016, according to Wells Fargo Senior Economist Mark Vitner, who reported on the national picture. Jeffrey Kravetz of US Bank shared the statewide outlook, noting success from the diversity of the state’s economy, but also citing factors behind California’s higher-than-average unemployment rate. Bill Roberts of California State University, Northridge shared local expectations, with a year of “sluggish stability” expected ahead. This year’s economic forecast breakfast was sponsored by CSUN and US Bank.
“Round and Round it Goes...”
Moderated by Steven Kats, V&A Inc.
Panelists: Paul Krekorian, L.A. City Councilmember; Tess Lengyel, Alameda County Transportation Commission; Dan Mitchell, Los Angeles Department of Transportation; Phil Washington, Metro

The panel discussed traffic concerns, and the region’s need for a more balanced transportation system, where, as Washington put it, “the car is not the enemy.” While traffic is the sign of a strong economy, noted Mitchell, officials are still working to make commutes more efficient with fewer cars on the road. While the amount of carpool lanes have increased in the last few ears, carpooling is actually down 20 percent, Mitchell said. Washington also wanted to see the development of more outreach within the community, as well as increased investment from the business community through private-public partnerships.

A 3-Ring Housing Market
Moderated by Leon Pink, Bank of America
Panelists: Ezra Gale, Building Industry Association; Helmi Hisserich, Los Angeles Housing Development Bureau; Stephanie Klasky-Gamer, L.A. Family Housing Corp.; Paul Krueger, M, David Paul & Associates, a Worthe Real Estate Group

The reasons behind California’s short supply of affordable homes — i.e. burdensome regulations and an onerously bureaucratic development process — were the main topics of discussion for the housing panel. This environment is a major contributing factor to the recent declaration of a state of emergency to L.A.’s homelessness emergency, which was also discussed. In order for California to meet demand, state and local regulators must make it easier for developers to increase the supply. A streamlining of the entitlement process was just one of the suggestions mentioned.

The Fantastical... Vanishing Water Act
Moderated by Anthony Williams, The Boeing Company
Panelists: Martin Adams, Los Angeles Department of Water and Power; Andrew Fahlund, California Water Foundation; Madelyn Glickfeld, UCLA IoES Water Resources Group; Brandon Goshi, Metropolitan Water District

Panelists discussed Californians’ evolving attitude toward water as a resource, and how technology is changing delivery and supply. The yearslong drought Californians have been experiencing is reshaping the traditional attitude that “water is cheap, easy and everyone is entitled to it.” While the drought has prompted not only the political will but, perhaps more critically, additional resources necessary to innovate solutions for our water needs, Californians will need to continue to conserve this resource for the foreseeable future. We will need to diversify our water sources, which is another significant challenge facing officials.
**Shake, Rattle and Roll**
Moderated by Beverly Kenworthy, California Apartment Association of Los Angeles
Panelists: Farley Howell, Federal Emergency Management Agency; Paul Smith, Southern California Gas Company

Out of this panel discussion on disaster preparation came an eye-opening statistic from the federal government: About half of all businesses that close due to a natural disaster never reopen, according to Howell, who also estimated that approximately 14 percent of California’s population is truly prepared for an earthquake. Companies need to always be aware of their level of disaster-readiness, and should develop strategies just in case — because it’s more and matter of when and not if in Southern California. To that end the federal government is working on developing technology that will allow detection of an earthquake up to 10-15 seconds before it hits, which could save lives when disaster strikes.

**Emptying the Clown Car**
Moderated by Steve Nissen, Comcast NBCUniversal
Panelists: Mariel Garza, Los Angeles Times; Matt Klink, Klink Campaigns; John Myers, KQED

The uniqueness that is Sacramento’s political environment was the central theme of this panel discussion, with the pundits and politicos agreeing that many insiders enjoy the way “the game” is played, which is part of the difficulty in seeking effective regulatory change to benefit businesses. One of the more interesting figures mentioned was regarding Senate Bill 350. The petroleum mandate, which VICA successfully fought to have removed from the law, would have required California to have about 13 million electric vehicles on the road by 2030. The Charge Ahead California initiative currently sees a goal of 1.5 million electric cars on the road as feasible by 2023. The disconnect between Los Angeles and Sacramento continues to trouble the local and state economy. One of the suggested fixes discussed was a part-time Legislature, which might encourage more pragmatic solutions from lawmakers.

**Clearing the Confusion**
Moderated by Frank Mottek, KNX 1070 Newsradio
Panelists: Benjamin Brus, Los Angeles Economic Development Corp.; Joel Fox, Fox & Hounds; Peter Ruiz, Arizona Commerce Authority; Charles Swenson, University of Southern California

California has a tremendously diverse economy, and the impressive talent pool one would expect in such an environment, but the cost of doing business, whether it’s in the form of lost time due to red tape or unique cost such as the gross receipts tax, continues to hamper the state’s ability to innovate and grow. “The trends are getting worse, not better,” according to Swenson. While California has traditionally been a leader in environmental standards, it also needs to spur technology through incentives for growth. Additionally, the cost of living dissuades many from moving to California, despite the state’s many desirable qualities. The climbing individual tax rates, which are the highest in the country, are a significant part of the problem, Swenson said.
The Show Must Go On
Moderated by Patti MacJennett,
Los Angeles Tourism and Convention Board
Panelists: Rich Best, Live Nation; Rick Mueller, AEG Live, North America; Tom Penn, Los Angeles Football Club, Thor Steingraber, CSUN Valley Performing Arts Center

The discussion on the future of live entertainment focused on a number of topics, including venues in Los Angeles, why the city isn’t a host to one of the major music festivals and what are the factors that drive Angelenos into the city’s stadiums, theaters and attractions. Part of building a successful event is building a relationship with an audience — Penn discussed the process from the nascent stages with the soccer club he’s bringing to Los Angeles in 2017, and Mueller discussed how that helps AEG sell out the Coachella music festival within hours of tickets going on sale, despite the event having zero dollars in its advertising budget. How social media and technology are shaping expectations and delivery were also topics of conversation.

“Extra, Extra, Read All About it”
Moderated by VICA Chair Coby King, High Point Strategies
Panelists: Edgar Aguirre, Southern California Public Radio; Jessica Davis, Los Angeles Daily News; Jason Schaff, Santa Clarita Valley Signal

The news industry has undergone dramatic changes in the past few years, but the panel agreed that there will always be a consumer demand for information about what’s going on, and the Fourth Estate will continue to play a vital role in shaping people’s opinions about where they live. However, that role is increasingly challenged by the citizen journalist, blogger, commenter, etc., so much so that the audience is shaping news delivery in uncharted ways. Content, reliability and trust play important roles in this relationship, as well as news outlets’ ability to evolve in the marketplace to be able to meet the changing demand — and, as some noted, the growing need to be able to do more with less.

VICA thanks its sponsors, exhibitors, advertisers and attendees for another successful Business Forecast Conference

Jim Rogers (Aerojet Rocketdyne), Richard Trogman (Kaiser Permanente), Dianne Harrison (CSUN), Leon Pink (Bank of America), Jill Banks Barad (representing LADWP), Steve Nissen (Comcast NBCUniversal), L.A. City Mayor Eric Garcetti, Coby King (High Point Strategies), Marla Clemow (Wells Fargo), Lisa Pitney (The Walt Disney Company) and Brad Rosenheim (Rosenheim & Associates)