Annual Report 2011

VICA ENSURES THAT THE
SAN FERNANDO VALLEY BUSINESS COMMUNITY
HAS A STRONG AND INFLUENTIAL VOICE
VICA adds new staff members in 2011

This year brought significant change for VICA, marked by two important additions to the VICA staff.

In late March, Doug Arseneault was hired to fill VICA’s open legislative affairs manager position. Prior to joining VICA, he served as executive director for a young professionals advocacy group in Orange County. Originally from the Washington, D.C. metropolitan area, Arseneault moved to California to study American history and political science at Chapman University in Orange, Calif. He has also worked in various positions for Sylvan Learning Center locations in Maryland and California.

Katie Norris joined the VICA team as the administrative assistant near the end of 2011. In her role, Norris is often the first VICA employee members see. She is responsible for greeting those who visit the VICA office, answering phones, managing scheduling, correspondence and providing administrative support for the entire VICA staff. Prior to coming to work for VICA, she was the receptionist for a legal suite.

Despite the difficult economic conditions that persisted this past year, VICA has continued to grow. In fact, the more than 360 members on its roster made 2011 an exceptional year for VICA membership.

VICA’s growing membership is the cornerstone of its successful advocacy efforts. During the past year, VICA tracked more than 250 bills moving through federal, state and local governments. Operating in both a state and city that is notorious for over-regulating business, VICA managed to rack up many victories for employers that you will read about in this report.

Redistricting received a significant amount of our advocacy attention in 2011. A crucial part of the democratic system, the re-drawing of district lines following the census ensures fair representation. VICA fought tirelessly to keep the Valley whole and protect communities of interest.

VICA’s five signature events (State Officeholders Dinner, SFV Business Hall of Fame, Local Officeholders Luncheon, Business Forecast Conference and Annual Meeting) did not disappoint. Business leaders were connected to elected and public officials at these large gatherings, as well as in more personal settings for Newsmaker Connections, VICA After Dark receptions and Leaders Forums.

As VICA’s membership continues to grow, our advocacy efforts will only increase. Our members provide us with the clout we need to change policy at all levels of government. That is why it is so important that you share your policy concerns and business needs with VICA so that we can deliver those messages to our elected officials. With your support, we can continue to make the business voice stronger.

Stuart Waldman
VICA President
VICA is a business advocacy organization and its tireless efforts throughout the year kept the business perspective present and boisterous with local governments, at the State Capitol and in Washington, D.C.

VICA’s primary purpose is business advocacy. In 2011, VICA’s commitment to this goal ensured that the business perspective was heard by local governments, lawmakers at the State Capitol and in Washington, D.C. VICA has a reputation for effectively working with lawmakers and opinion leaders to address the issues that impact the region’s business climate and quality of life.

Ax the Tax campaign launches

In late 2011, VICA announced the re-launch of a campaign to eliminate the City of Los Angeles’ gross receipts tax. After years of championing the idea, the momentum at City Hall finally shifted toward doing away with this burdensome business tax.

VICA saw the opportunity to capitalize on this change after spending years working to eliminate the gross receipts tax. With all the time and energy already invested, VICA plans to be at the forefront when the gross receipts tax finally gets the ax.

VICA rolled out a website (www.axthetaxlosangeles.com) dedicated to eliminating the gross receipts tax where individuals, companies and organizations can sign on to join the ‘Ax the Tax’ Coalition. Coalition partners include the Central City Association and Los Angeles Area Chamber of Commerce.

VICA continues to bring business voice to Sacramento

VICA’s monthly advocacy trips to the State Capitol are critical in ensuring that the voice of the business community is heard by our elected officials. The trips to Sacramento allow VICA staff and members to sit down with lawmakers and discuss the issues that are most important to the business community.

This year, VICA members met with representatives from Gov. Jerry Brown’s office to address VICA-opposed cuts to enterprise zones, redevelopment agencies, higher education and child care that were included in Brown’s budget proposal. Throughout the year, VICA continued to meet with many of California’s elected officials (see the ‘Who met with VICA’ list on pages 4 and 5 of this report) and representatives from legislative offices.

VICA pushed its 11 Legislative Priorities for 2011 (see page 7) during each trip and talked to lawmakers about the need for e-fairness tax collection, small business tax relief, regulatory changes, CEQA reform and film production tax credits. VICA also expressed its support for single sales factor and the Farmers Field project in downtown L.A. Lawmakers were urged to oppose anti-business health care regulations, creating a split roll tax and worker retention legislation.

Destination: D.C. — VICA’s Annual Advocacy Trip to Capitol Hill

In May, more than 40 VICA members joined business leaders from across Los Angeles for an annual trip to Washington, D.C.

The delegation spent three days meeting with elected officials and
department heads to discuss a program to accelerate transportation funding (America Fast Forward), the national export initiative, labor relations and copyright infringement.

The trip included breakfast meetings with Senator Dianne Feinstein and former Senator Chris Dodd, and a White House briefing with then-Chief-of-Staff Bill Daley, Senior Advisor Valerie Jarrett and Council of Economic Advisors Chair Austan Goolsbee. The group also met with Senator Barbara Boxer, Majority Leader Harry Reid, Majority Whip Kevin McCarthy, Rep. Spencer Bachus and had lunch with Rep. Brad Sherman.

Some members also took an exclusive Capitol Dome Tour with Sherman. Other meetings attended by VICA members included: Senators Amy Klobuchar, Robert Menendez and Jeanne Shaheen; Representatives Xavier Becerra, Elton Gallegly, Buck McKeon and Linda Sanchez; Energy Secretary Steven Chu and U.S. Housing and Urban Development Secretary Shaun Donavan.

Legislative success

VICA had a successful year of advocacy at the state Capitol, with 22 of 29 key bills decided in its favor—a 75 percent success rate. In a state that is notoriously unfriendly to business, VICA was especially excited to see such an encouraging result for our advocacy efforts.

Gov. Jerry Brown signed the following bills VICA supported:
- **AB 36** (Perea): Conforms state law with the federal Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act by granting employer-provided health coverage and reimbursements to uninsured dependents under 27.
- **Ab 55** (Gatto): Removes the 2012 sunset date for motion picture payroll services companies to serve as the employer of production workers for the purposes of payroll tax reporting and employee benefits of unemployment insurance and state disability insurance.
- **AB 80** (Fong): Moves California’s presidential primary election from February to June, consolidating it with the primary election for statewide offices.
- **AB 208** (Fuentes): Extends the expiration date by two years of any tentative, vesting tentative or parcel map and any legislative, administrative or other state agency approval process of a development project related to the map.
- **AB 427** (John A. Pérez): Authorizes the California Emergency Management Agency to reallocate unused Mass Transit bond proceeds from the Transit System Safety, Security, and Disaster Response Account to shovel-ready renovation projects, including intercity railway systems.
- **AB 900** (Buchanan): Creates expedited judicial review procedures under the California Environmental Quality Act (CEQA) for various types of LEED silver-certified infill site projects.
- **AB 1069** (Fuentes): Extends the California Film Commission annual allocation of tax credits to qualifying motion pictures through July 1, 2015.
- **ABX1 28** (Blumenfield): Adds major Internet-based merchants to the statutory list of retailers considered to be engaged in business in California and required to collect use tax on sales of tangible personal property to California consumers.

WHO MET WITH VICA

**Federal Officeholders**
- Xavier Becerra
- Howard Berman
- Barbara Boxer
- Maria Cantwell
- Dennis Cardoza
- Judy Chu
- David Dreier
- Dianne Feinstein
- Elton Gallegly
- Steny Hoyer
- Mary Landrieu
- Dan Lungren
- Kevin McCarthy
- Tom McClintock
- Howard “Buck” McKeon
- Robert Menendez
- Gary Miller
- Harry Reid
- Laura Richardson
- Dana Rohrabacher
- Lucille Roybal-Allard
- Linda Sanchez
- Adam Schiff
- Jeanne Shaheen
- Brad Sherman
- Jackie Speier
- Debbie Stabenow

**State Officeholders**
- Lou Correa
- Mike Davis
- Kevin de León
- Tim Donnelly
- Bob Dutton
- Mike Eng
- Mike Feuer
- Felipe Fuentes
- Warren Furutani
- Cathleen Galgiani
- Mike Gatto
- Jeff Gorell
- Isadore Hall
- Ed Hernandez
- Roger Hernandez
- Jerome Horton
- Bob Huff
- Dave Jones
- Christine Kehoe
- Steve Knight
- Ricardo Lara
- Mark Leno
- Ted Lieu
- Carol Liu
- Dan Logue
- Bonnie Lowenthal
- Fiona Ma
- Holly J. Mitchell
- Gavin Newsom
- Richard Pan

- Toni Atkins
- Tom Ammiano
- Jim Beall Jr.
- Sam Blakeslee
- Bob Blumenfield
- Steven Bradford
- Jerry Brown
- Julia Brownley
- Betsy Butler
- Charles Calderon
- Ron Calderon
- Gilbert Cedillo
- John Chiang
- Connie Conway
- Steve Knight
- Ron Calderon
- Mike Gatto
- Jeff Gorell
- Isadore Hall
- Ed Hernandez
- Roger Hernandez
- Jerome Horton
- Bob Huff
- Dave Jones
- Christine Kehoe
- Steve Knight
- Ricardo Lara
- Mark Leno
- Ted Lieu
- Carol Liu
- Dan Logue
- Bonnie Lowenthal
- Fiona Ma
- Holly J. Mitchell
- Gavin Newsom
- Richard Pan
• SB 15 (DeSaulnier): Requires biannual state budgets, and revenue and expenditure projections for the three subsequent years.

• SB 220 (Price): Increases the dependent child eligibility to 26 years of age on group life insurance, so that policy terms comply with the Federal Patient Protection and Affordable Care Act of 2010.

• SB 292 (Padilla): Establishes expedited judicial review procedures under CEQA for the proposed downtown Los Angeles Farmers’ Field football stadium and convention center project.

• SB 619 (Fuller): Exempts flight instructors and flight schools from regulation by the Bureau of Private Postsecondary Education (BPPE), if the instructor or school does not require upfront payment of tuition or fees, and does not require students to enter into a contract of indebtedness.

Brown vetoed the following bills opposed by VICA:

• AB 38 (Bradford): Creates a Banking Development District Program that would encourage the establishment of banking branches in underserved communities, and provides incentives to the branches located in banking development districts.

• AB 165 (Lara): Expands current educational system audits to prevent the assessment of student fees for educational materials and activities, even if they become necessary for schools to maintain a standard of excellence.

• AB 584 (Fong): Requires physicians who authorize medical treatment, for purposes of workers’ compensation utilization review, to be licensed by California law.

• AB 1155 (Alejo): Creates duplicative protections against discrimination based on genetic factors in determining employer liability for a worker’s permanent disability.

• AB 1203 (Mendoza): Expands the Meyers-Milias-Brown Act governing paid leaves of absences for classified school and local public agency employee union representatives, including allowances for union conferences, Public Employment Relations Board hearings and other related union activities.

• SB 104 (Steinberg): Permits agricultural employees to select their labor representatives through a “majority signup election” process, in which they submit a petition to the employer accompanied by representation cards signed by a majority of the proposed bargaining unit.

• SB 364 (Yes): Imposes penalties on businesses for claiming state tax incentives for a year in which they reduced staff by greater than 10 percent.

• SB 508 (Wolk): Requires that any bill establishing a personal or corporate tax credit must include a sunset rule of 10 years and goals for early termination.

• SB 568 (Lowenthal): Prohibits a food vendor from dispensing prepared food in a polystyrene foam container.

One bill, SB 14 (Wolk) was vetoed by Gov. Brown. However, he has announced that he plans to issue an executive order that will require state departments to implement performance-based budgeting practices, a VICA-supported approach to public budgeting.

A handful of VICA-supported bills were vetoed by the Governor:

AB 91 (Portantino), AB 306 (Gatto) and AB 696 (Hueso). Only four pieces of legislation opposed by VICA received the Governor’s signature: AB 22 (Mendoza), AB 169 (Torres), AB 183 (Ma) and SB 459 (Corbett).
VICA IN ACTION

Enterprise Zones
Helped save tax incentives for businesses by successfully fighting against Gov. Jerry Brown’s efforts to eliminate enterprise zones in California.

Entertainment
Encouraged more film, television and commercial production in the state of California by sponsoring a bill that extended the State Film Production Tax credit. The credit creates $3 in jobs for every $1 invested.

Worked to increase protection for the recording arts industry by helping pass a bill that enables the authorities to identify CD plants responsible for pressing fraudulent recordings.

Fiscal Responsibility
Led a four-year battle to create a “Collections Sheriff” in the City of Los Angeles—an office to help recover $540 million owed to the city in fines, fees and taxes.

Worked to create and fund the Office of Economic Impact in Los Angeles to issue reports about the economic consequences of city proposals and ordinances.

Helped pass legislation (SB 15) that requires the Governor to issue revenue and expenditure estimates for three upcoming years and a five-year infrastructure plan as part of the annual budget.

Healthcare
Defeated a bill (AB 52) that would impose burdensome regulations on all health care plan and carrier premiums. The legislation failed to address the root causes of high insurance costs and would have limited patient access to care.

Land Use
Worked to update and improve the City of Los Angeles’ 64-year-old zoning code by strengthening the findings included in the code and making it easier to understand.

Took steps toward CEQA reform by helping pass legislation that would grant Farmers Field, and other major construction projects, the right to expedite legal challenges.

Labor
Defeated state “card-check” legislation that would have provided an alternative to the secret ballot, allowing unions to form if a majority of workers signed petition cards.

Defeated a bill that would require employers to provide paid sick leave benefits to part-time employees.

Forced the L.A. City Council to conduct an economic and legal analysis before moving forward with an ordinance that would require hotels that lay-off employees for construction and remodeling projects to recall all workers previously employed when the hotel reopens.

Defeated a bill that would have created an additional burden for local businesses by raising the minimum wage and tying annual increases to the California Consumer Price Index (CCPI).

Redistricting
Lead a coalition to ensure that Congressional and Legislative redistricting kept San Fernando Valley communities intact and maximized Valley representation by creating more Valley-majority districts.

Transportation
Worked for passage of the America’s Fast Forward initiative. The proposal expedites Measure R transit projects, delivering them in 10 years rather than the original 30-year schedule.

Taxation
Continuing to lead the effort for business tax reform in the City of Los Angeles by working with Mayor Antonio Villaraigosa and the City Council to eliminate the gross receipts tax.

Defeated a bill that would institute a split roll tax that would reclassify business properties and subject them to higher property taxes than similarly-valued residential properties.

Advocated for a series of business tax reforms, including a tax holiday for new companies, that will help make Los Angeles friendly to business, and attract and retain companies.

Defeated legislation (SB 364) that would have imposed penalties on businesses for claiming tax incentives during years when staff reductions occur.
This year marked a new tradition for VICA, the creation of a list of the public policy issues to receive special attention from the organization during the year. This new practice began with the release of VICA’s 11 Legislative Priorities for 2011.

In 2011 VICA pledged to:

1. Lead the effort for business tax reform in the City of Los Angeles, including the elimination of business tax.
2. Lead the effort to streamline the City of Los Angeles land use permitting process including supporting the city assigning a single point of contact for each project above a particular threshold.
3. Work to expand the State Film Production Tax credit to encourage more production in the state of California for films, TV and commercial production. This will create $3 in jobs for every $1 invested.
4. Lead the effort to ensure that the San Fernando Valley is engaged in the redistricting process and pledge that the goal of maximizing the number of districts that are either wholly within the Valley or in which the Valley is the most influential voter bloc is achieved.
5. Lead the endeavor to reinstate the flexible work week by allowing employees to work 40 hours during a given week instead of the current 8-hour workday.
6. Request that Governor Brown issue an executive order to create a moratorium on any new regulations that are not revenue neutral, and thus, create a financial burden on the state, its citizens and business.
7. Play an active role in assisting with the planning process for the $1 billion in funding for 405 Corridor Mass Transit project through the Sepulveda Pass (part of 30/10 plan).
8. Lead an effort to promote development and encourage job creation through improving the California Environmental Quality Act (CEQA) process by adding timetables to the permitting process.
9. Take the lead in examining options to ease traffic on the 101/Ventura freeway by widening the freeway.
10. Lead in pushing for the reinstatement of a Metro Valley Transit Zone that would foster a greater connection between Metro and the community it serves in the San Fernando Valley and to improve the quality of service to Metro constituents.
11. Continue to take the lead in the creation of a collections sheriff as single point of contact for billings and collections within the City of Los Angeles.
Every 10 years, following the U.S. Census, new voting districts are determined to ensure fair and proper representation.

Initiatives passed by California voters took the power to re-draw districts away from politicians and put it in the hands of the people. The Citizens Redistricting Commission was created when voters passed Prop. 11 in 2008, and the commission’s reach was extended to redraw Congressional districts in November 2010 with the passage of Prop. 20.

VICA saw this as an important opportunity to give the Valley a stronger voice in state and national politics. As part of its advocacy efforts VICA developed Redistricting Principles, created the San Fernando Valley Redistricting Coalition (www.wearesfv.com) and testified at numerous public hearings.

In the end, VICA’s tireless efforts paid off when the California Redistricting Commission voted in support of final maps that kept the San Fernando Valley mostly intact and protected communities of interest. Previous districts carved the Valley into seven Assembly districts with just three having a majority of Valley residents and five Senate districts with just one Valley-majority seat. The new lines give the Valley five Assembly seats with four incorporating a majority of Valley voters, and of the three Senate districts, two have a Valley majority. The Valley and VICA were clear winners in the process. The new maps will ensure better representation and the Valley communities were kept largely intact.

Communities of Interest report

As part of VICA’s ongoing efforts to ensure that the San Fernando Valley receives commensurate and satisfactory representation, it released a Communities of Interest Analysis for the Valley.

The report confirmed what VICA already knew: the Valley is a unique and diverse region with obvious physical barriers that separate it from the City of Los Angeles and other surrounding communities. It provides explicit geographic, demographic and socioeconomic information about the San Fernando Valley and its residents. The data found in the report clearly supports VICA’s position for the Valley’s treatment as a separate community of interest. This information was presented to the Citizens Redistricting Commission.

A history of the Valley, boundaries, topography, information about neighborhood councils and transportation networks are also contained in the report. The analysis was conducted and prepared for VICA by Regan M. Maas, Ph.D. from The Center for Geographical Studies at California State University, Northridge.
Redistricting Principles

As part of its redistricting efforts, VICA laid out a set of principles to guide redistricting. These tenets served as recommendations to the Citizens Redistricting Commission.

The principles included:

• The San Fernando Valley is a geographical area roughly bounded by the Santa Susana Mountains to the north and west, Mulholland Drive to the south, and the San Gabriel Mountains to the east. It lies wholly within Los Angeles County and includes the cities of: Burbank, Calabasas, Glendale, Hidden Hills and San Fernando, as well as the Valley portion of the City of Los Angeles.

• The new process for redistricting legislative, Board of Equalization and Congressional districts is a public process, and VICA must engage in this process in order to advance our membership’s goals and improve representation in the San Fernando Valley.

• VICA supports the creation of districts that maximize the connection that legislators have with the San Fernando Valley.

• Our community is best served by redistricting that maximizes the number of districts that are either wholly within the Valley or in which the Valley is the most influential voter bloc.

• If it is necessary to merge Valley seats with areas outside of the Valley, the highest priority to be maintained is that a majority of voters are within the San Fernando Valley and protect like communities of interest.

• VICA’s goals for redistricting are non-partisan and are only to be shaped by the interest of maximizing representation and advancing goals of Valley businesses and residents.

• All recognized communities should be kept together as part of compact and contiguous districts which shall recognize geographic features and natural boundaries.

• All districts should be numbered sequentially from the north to south.

• Two Assembly district seats should be within a state Senate district.
SPONSORS & SUPPORTERS

VICA thanks the following members for their outstanding support in 2011

President's Circle

Premier Partners

Platinum Members

Gold Members

- AT&T
- California State University, Northridge
- Cerrell Associates, Inc.
- Clay Lacy Aviation
- Jackson Shrub Supply
- Ralphs Grocery Company
- Time Warner Cable
- The Walt Disney Company

Silver Members

- ACS, A Xerox Company
- AEG
- Anthem Blue Cross
- BNSF Railway Company
- Bobrick Washroom Equipment, Inc.
- Community Financial Services Association
- Englander, Knabe & Allen
- Fresh & Easy Neighborhood Market
- Home Depot
- Latham & Watkins
- Lewitt, Hackman, Shapiro, Marshall & Harlan
- Loeb & Loeb, LLP
- Metro
- Metropolitan Water District
- New Horizons
- Northridge Hospital Medical Center
- Paul, Hastings, Janofsky & Walker LLP
- Plastic Food Service Packing Group
- Republic Services
- Shangri La Construction
- Southern California Edison
- Valley Presbyterian Hospital
- Van Nuys Airport
- Waste Management Inc.
- Westfield Corporation, Inc.

Bronze Members

- The Afriat Consulting Group, Inc.
- Alston & Bird LLP
- Americas United Bank
- Armbruster Goldsmith & Delvac, LLP
- Bank of America
- Business Life Magazine
- California Medical Association
- CBS Outdoor
- Chevron Products Company
- City of Hope
- D’Cache’ Restaurant
- First California Bank
- Granada Hills Charter High School
- Habitat for Humanity
- Hilton Universal City and Towers
- ITT Technical Institute
- Kirsch, Kohn & Bridge LLP
- Los Angeles Marriott, Burbank Airport
- Los Angeles Valley College
- Mayer Brown LLP
- Morton’s The Steakhouse
- Northrop Grumman Corp., Navigation Systems Division
- Pacific Western Bank
- Playa Vista
- Quallion LLC
- Sheraton Universal Hotel
- Sony Pictures Entertainment
- Specialty Merchandise Corporation
- Stay Green Inc.
- The Tech Consultants, LLC
- Trammell Crow Company
- UCLA Governmental & Community Relations
- UltraGlass, Inc.
- Union Bank of California
- USI of Southern California Insurance Services, Inc.
- Verizon
- Vulcan Materials Company
- Western Bagel Baking Corporation
EVENTS

VICA events drew record crowds in 2011 and continued to connect members with candidates, business leaders and officeholders.

State Officeholders Dinner
February 25
PRESENTED BY: NBCUNIVERSAL
Seventeen state elected officials joined more than 200 VICA members for VICA’s State Officeholders Dinner. This year, lawmakers were introduced to the Wheel of Questions. The wheel determined what each officeholder was asked and questions ranged from personal stories and lawmaking insight, to possible alternative career paths and important public policy issues that impact businesses.

VICA thanks the following state officeholders who attended:

CONTROLLER
John Chiang

SENATORS
• Kevin de León
• Carol Liu
• Alex Padilla

ASSEMBLYMEMBERS
• Bob Blumenfield
• Julia Brownley
• Betsy Butler
• Tim Donnelly
• Mike Feuer
• Cathleen Galgiani
• Fran Pavley
• Tony Strickland
• Mike Gatto
• Jeff Gorell
• Anthony Portantino
• Bob Wieckowski
• Das Williams

San Fernando Valley Business Hall of Fame
June 9
PRESENTED BY: THOMAS PROPERTIES GROUP AND WELLS FARGO
The San Fernando Valley Business Hall of Fame was created by VICA to recognize significant contributions to the Valley community. Inductees include individuals, businesses and other community leaders that have been responsible for the continued success and economic vitality of the San Fernando Valley. The event was emceed by NBC4 Weathercaster Fritz Coleman.

2011 Inductees
• Gene Autry
• Clay Lacy Aviation
• Facey Medical Group
• Sheraton Universal Hotel
• Sierra Canyon School

Assemblymembers Mike Feuer and Jeff Gorell speak with Steve Nissen of NBCUniversal (center)

L.A. City Controller Wendy Greuel and Clay Lacy (Clay Lacy Aviation)
Local Officeholders Luncheon

August 18
PRESENTED BY: JP MORGAN CHASE & CO.

Elected officials from Los Angeles County, the City of Los Angeles and surrounding cities, and local boards of education joined VICA members for the annual Local Officeholders Luncheon. This year set a record for attendance by local officials, with 25 officeholders showing up to discuss transportation, film and television production, redevelopment and various local ordinances.

Los Angeles County
ASSessor
• John Noguez

SUPERVISORS
• Michael Antonovich
• Zev Yaroslavsky

City of Los Angeles
MAYOR
• Antonio Villaraigosa

CONTROLLER
• Wendy Greuel

CITY ATTORNEY
• Carmen Trutanich

COUNCILMEMBERS
• Richard Alarcón
• Mitchell Englander
• Jose Huizar
• Paul Koretz

City of Agoura Hills
COUNCILMEMBER
• William Koehler

City of Calabasas
MAYOR
• James Bozajian

COUNCILMEMBER
• Fred Gaines

City of Glendale
COUNCILMEMBER
• Ara Najarian

City of San Fernando
MAYOR
• Mario Hernandez

City of Santa Clarita
MAYOR
• Marsha McLean

L.A. Community College District
TRUSTEE
• Nancy Pearlman

L.A. Unified School District
SUPERINTENDENT
• John Deasy

BOARD MEMBERS
• Tamar Galatzan
• Nury Martinez
• Steve Zimmer

Business Forecast Conference
October 28
PRESENTED BY: WELLS FARGO AND WOODBURY UNIVERSITY

National Retail Federation President & CEO Matthew Shay said that despite the recent years of economic struggle, he still remains hopeful that the economy can be turned around. During the luncheon portion of VICA’s 23rd Annual Business Forecast Conference, Shay said that we need only to look to the past to see signs of hope and overcoming obstacles.

Shay used the illustration of Steve Jobs’ return to Apple in the late 1990s, noting that at the time the company was on the verge of collapse. He said that Jobs used innovative ideas for new products to bring the company back, not just to solvency, but to unprecedented success. Shay added that this type of innovation and creativity is what will bring back our economy.

Expert economists all agreed that it would take time to see significant improvements in our current economic climate during the breakfast forecast panel. Gary Schlossberg (Wells Capital Management) said that jobs were beginning to trickle back to the United States, but it takes time for businesses to make adjustments to the new economic realities.

Representatives from JP Morgan Chase & Co. with L.A. City Councilmember Mitchell Englander (center)

Don St. Clair (Woodbury University), National Retail Federation President & CEO Matthew Shay and Marla Razzaghipour (Wells Fargo)
John Blank (Kyser Center for Economic Research of the Los Angeles Economic Development Corp.) pointed out the many advantages California has to attract business, demonstrating that California boasts high-wage and skilled jobs. He also noted that California is number one in access to capital, with 50 percent of venture capital in the United States coming from the state.

William Roberts (San Fernando Valley Economic Research Center at CSU, Northridge) said that housing is an important factor to consider on the local level, noting that the L.A. area is so overbuilt that it will take time for the population to catch up. He also noted that California is number one in access to capital in the United States coming from the state.

Panelist Will Aldrich (SurveyMonkey)
The Pursuit of Capital

Banking and finance insiders shared tips with business owners about how to get access to capital. Expert panelists told attendees that banks do have money to lend, but that it is important to build a relationship with your bank before you begin seeking a loan. The group also stressed the necessity of having all paperwork, including tax documents and financial reports, in order. Euhoé A. Park from the U.S. Small Business Administration’s L.A. District Office said that businesses must be prepared to make a strong case for why a financial institution should invest. Additional panelists included: Troy Bosch (Bank of America), Daniel J. Lykken (Commercial Banking Group for US Bank) and Dennis Santiago (Institutional Risk Analytics). The panel was moderated by California Assemblymember Felipe Fuentes, who serves on the Assembly’s Banking & Finance Committee. The panel was sponsored by US Bank and USI of Southern California Insurance Services, Inc. The track sponsor was Clear Channel Outdoor.

Measure R We There Yet?

Transportation experts addressed several questions about mobility in the Los Angeles region, ranging from lessons from the 405 closure to the viability of bike lanes. Panelists explored how the management of what has become known as “Carmageddon” can be used as a model to reduce traffic throughout the city. The panel also discussed the most effective ways congestion pricing could be used in Los Angeles and identified opportunities to capitalize on public-private partnerships. Dario Frommer (California Transportation Commission) moderated the panel that included Joseph Aiello (Meridiam Infrastructure North America), Jon Graff (Reason Foundation), Metro CEO Art T. Leahy and L.A. County Supervisor Zev Yaroslavsky. The panel was sponsored by Kaiser Permanente and Metro served as the track sponsor.

Too Green to Fail?

A diverse group of panelists discussed the viability and future of green jobs. The way of defining green jobs was called into question by the panelists with little agreement from the group about a definition. Alex Fay (Quallion) said that as the new sector grows the definition will evolve and expects all jobs to include a green component, just as all jobs now use computers but are not necessarily considered technology jobs. Alejandro Islas (Eco-Safe Systems USA Inc.) also saw problems with the definition of green jobs, but noted that his company’s growth in the green sector was not indicative of the entire emerging industry. Regulation and its hindrance of green jobs was also discussed. Rhiannon Bailard (Pepperdine University) moderated the panel that also included Felicito Cajayan (Los Angeles Community College District) and Dr. John Husing (Economics & Politics Inc.). The panel was sponsored by Republic Services and Metro served as the track sponsor.

Matchmaker, Matchmaker, Find Me a Job

Panelists on the employment panel found a disconnect between what
higher education is teaching and the job market’s needs, agreeing that more on-the-job experience is necessary to properly develop the workforce. This discussion emphasized the need for employers and educators to work together in order to ensure their goals are aligned. Gregg Irish, executive director of the City of Los Angeles Workforce Investment Board, said there are simply not enough jobs to meet employment demands. Cynthia Kawa (New Horizons) moderated the panel that also included: Lennie Ciufo (Los Angeles Valley College), Janelle Etchepare (Manpower) and Dana Martin (ITT Technical Institute). Manpower and New Horizons served as panel sponsors, and Providence Health & Services was the track sponsor.

Last One Out, Get the Lights

California has a reputation for being unfriendly to business and continues to lose companies to neighboring states. The Last One Out, Get the Lights panel addressed this issue from the perspective of a local business, representative from a competing state, and California state and local officials. Regulatory burdens and difficult permitting processes are hurting business growth in the state. Panel moderator and California State Senator Tony Strickland noted that Carl’s Jr. is not opening new franchises in California because it takes two years to do so, compared to three months in Texas. The panel included: Don Alecock (REM Eyewear), Austin Beutner (Mayoral Candidate for the City of Los Angeles) and Sugar Land, Texas Mayor James A. Thompson. Panel sponsors included AT&T and Boeing, with Providence Health & Services serving as the track sponsor.

Annual Meeting

December 15

VICA’s 62nd Annual Meeting honored exceptional VICA members, installed a new board of directors and named David Adelman (Greenberg & Bass LLP) as the new board chair.

LAUSD Superintendent Dr. John Deasy provided the keynote address, laying out his progressive plan to improve public education in Los Angeles during the luncheon. The proposal includes an unprecedented contract that holds teachers accountable for student success. The teachers’ union approved the contract just a few hours after Deasy spoke to VICA.

In addition to Deasy’s speech, VICA presented awards to some of the Valley’s notable business leaders. Kevin Tamaki (AT&T) received the 19th Annual Harmon Ballin Community Service Award and Jan Sobel (Boys & Girls Club of West Valley) was the recipient of the 6th Annual President’s Award. The 33rd Robert E. Gibson Corporate Award of Excellence was presented to Woodbury University.

VICA elected and installed its 2012 board of directors and officers at the meeting.

The luncheon was presented by Pratt & Whitney Rocketdyne and the San Fernando Valley Business Journal. It was held at the Burbank Airport Marriott. Attendees brought toys to donate to Child Care Resource Center.
Leaders Forums
Leaders Forums provide VICA members with the opportunity to hear from noted public figures and ask questions. In its third year, the series offered an exciting group of state and federal elected officials. California Treasurer Bill Lockyer and Insurance Commissioner Dave Jones each headlined a Leaders Forum during the year. VICA members also received a visit from U.S. Senator Debbie Stabenow (Michigan) who discussed her work helping to revitalize the nation’s auto industry and other economic issues.

VICA After Dark
VICA After Dark is a regular evening reception designed to give VICA members and guests the opportunity to hear updates about policies and legislation impacting the business community from a featured opinion leader. The cocktail party setting creates an informal atmosphere for members to meet and interact with other prominent business leaders from the community. In 2011, receptions were held featuring: L.A. City Controller Wendy Greuel, and Councilmembers Mitchell Englander, Eric Garcetti, Paul Krekorian and Tom LaBonge.

Newsmaker Connections
VICA’s Newsmaker Connections offer members the unique opportunity to sit down and discuss relevant public policy issues with elected officials and public administrators. This event offers attendees the freedom to ask questions and receive immediate responses from community leaders about the topics most important to businesses. Newsmaker Connections in 2011 featured Los Angeles Community Redevelopment Agency CEO Christine Essel, who discussed the threats to eliminate redevelopment agencies across the state. Los Angeles Department of Water and Power General Manager Ron Nichols met with VICA members to present his plans to make needed water and power infrastructure improvements and the increased rates that would accompany those updates. California Assemblymember Bob Blumenfield stopped by VICA to talk about the state’s budget deficit and possible solutions.
## 2011 FINANCIAL SUMMARY

### Revenue

<table>
<thead>
<tr>
<th>Events</th>
<th>JAN-DEC '11</th>
<th>'11 Budget</th>
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<tbody>
<tr>
<td>After Dark</td>
<td>20,012.50</td>
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<td>Annual Meeting</td>
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<td>DC Trip</td>
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<td>Newsmaker Connections</td>
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<tr>
<td>Sacramento</td>
<td>3,380.61</td>
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<td>State Dinner</td>
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<td>VICA Business Trips</td>
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<td>Voluntary Donations</td>
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<td>Membership Dues - Other</td>
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<td>Other Revenue - Other</td>
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<td><strong>Total Other Revenue</strong></td>
<td><strong>15,459.18</strong></td>
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**Total Revenue**                             | **985,558.07** | **826,300.00** |

### Expense

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<td>Sacramento</td>
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<td>Gifts/Plaques-NonEvent</td>
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<tr>
<td><strong>Total Operational Expenses</strong></td>
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<td><strong>606,350.00</strong></td>
</tr>
</tbody>
</table>

**Total Expense**                             | **869,606.20** | **826,300.00** |

Net Income                                   | 115,951.87   | -          |
VICA is also regularly asked to recommend its members as sources for stories about a wide range of topics and policy issues that impact business and commerce.

VICA's social media presence continues to grow as its ‘likes’ on Facebook approach 800 (a more than 100 user increase) and its Twitter page boasts more than 570 followers (a spike of more than 200 followers from 2010).

VICA in the News — Best of 2011

San Francisco Chronicle

**Jan. 19** | E-fairness tax levels the playing field for California businesses

VICA supports Nancy Skinner’s e-fairness legislation, also known as AB 153. The bill would require online retailers, such as Amazon.com, to collect and remit California sales tax. A current tax loophole gives out-of-state companies an advantage over brick-and-mortar California businesses.

**Feb. 25** | Brown wins business support for budget proposal

VICA put its support behind Gov. Jerry Brown’s proposal to allow voters to weigh in on his plan to extend taxes. However, VICA stopped short of endorsing the tax extensions themselves.

Mar. 1 | Republican plan for CA’s business mess

VICA joined CA Assemblymember Don Wagner (R) for a conversation on KCRW’s Which Way, L.A.? to discuss California’s budget mess and possible solutions. VICA backed putting tax extensions on the ballot, but not the actual extensions.

Apr. 18 | City’s proposal for waste haulers may result in higher fees

VICA does not support the new city proposal to set up a franchise system for waste haulers. The system will not only force dozens of waste haulers out of business if they do not win a franchise, but also lead to higher trash collection bills. “The city is putting itself in jeopardy of creating monopolies that will lead to higher trash costs,” said VICA President Stuart Waldman.

Los Angeles Business Journal

**Jun. 29** | AB 52 will limit health care

The CA Legislature is currently considering AB 52, which will decrease patient access to physicians, reduce the number of available doctors and limit the time doctors can spend with each patient. The Valley Industry and Commerce Association opposes AB 52 and understands the harm this measure will cause to patients.

Los Angeles Times

**Aug. 6** | Redistricting proposals would split the Valley

Two L.A. County Supervisors have introduced redistricting proposals that would cut the Valley into multiple districts. “The San Fernando Valley would be splitting its community into two if the new district were created. When politicians don’t live in your area...you’re not being represented as best as you could,” said VICA President Stuart Waldman.

**Jul. 14** | Final push to alert drivers about 405 closure

VICA participated in a news conference with city and county officials to alert drivers about the 405 closure, referred to as Carmageddon, for the weekend of July 16-17. The 405 shut down for 53 hours. VICA compiled a list of discounts and deals from local businesses to encourage residents to stay local and avoid the 405 during Carmageddon.
Sept. 8 | City Controller Greuel releases report card for city depts
VICA joined L.A. City Controller Greuel for a news conference to release her report of audits completed over the past two years. Greuel said the score card will help track the success of city departments following the audits.

Oct. 29 | Economists predict slow economic recovery
Economists at VICA’s annual Business Forecast Conference told attendees that the economic recovery process would be slow moving. All agreed that it would take time to see significant improvements in our current economic climate, and that growth would be between 2.5 and 3 percent over the next year.

Dec. 5 | Local Update: Ax the tax
VICA commended the city councilmembers who have supported the BTAC proposal to phase-out the gross receipts tax and urges their colleagues to join the call to “ax the tax.”

During 2011, VICA was quoted or mentioned in excess of 360 times by more than 80 media outlets—including television, print, radio and online.