



**For Immediate Release**

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## **Central City Association Opposes LA City Ordinance Prohibiting Big Box Superstores**

**Los Angeles (February 13, 2004)** – The Central City Association (CCA) of Los Angeles has taken a stand to oppose a City Council proposal that would prohibit “big box superstores” from locating in the City of Los Angeles.

CCA, representing more than 450 Los Angeles businesses, trade associations and non-profit organizations and over 250,000 jobs in LA County, considers the proposed LA City Council ordinance overly broad, an unnecessary interference in the marketplace and an inappropriate use of government power to regulate commerce in “Economic Assistance Zones”.

“The blanket prohibition of this proposal is potentially harmful to the concept of a truly competitive marketplace in our city,” said Carol Schatz, President and CEO of CCA. “The City’s proposed prohibition of superstores is meant to blunt competition in the grocery/supermarket arena. It appears to target one company and is driven by the cause of striking supermarket unions.”

CCA believes that legitimate concerns about the impact superstores may have on individual neighborhoods would most appropriately be addressed by strengthening the mechanisms in existing city law that address issues such as design and the economic impact of big box stores on neighborhoods. .

CCA is also concerned that the irregular legislative process being contemplated for the proposed ordinance would not provide sufficient opportunity for a careful evaluation of the proposal's impacts and for private sector and other input. CCA believes an ordinance of this nature should receive open and extensive review through public hearings before the Planning Commission and relevant City Council committees before being scheduled for full City Council consideration.

The proposed ordinance defines a superstore as a big-box retail establishment of 100,000 square feet or greater, with 10% of the floor area dedicated to the sale of non-taxable goods or groceries.

The ordinance would prohibit big box superstores from locating in "Economic Assistance Zones" (EAZ's), plus a one-mile buffer zone surrounding them, in the City of Los Angeles. City EAZs include CRA redevelopment areas and state and federal empowerment and enterprise zones. These areas, together with one-mile surrounding buffer zones, account for the vast majority of commercial land in the City of Los Angeles, including all of Downtown Los Angeles.

The City Council has been grappling with the idea of superstores 2000 when former LA City Council Member Jackie Goldberg, with the support of the United Food and Commercial Workers (UFCW), attempted to ban these stores from locating in Los Angeles. These efforts were rejected due to several legal and policy reasons. Instead, the Los Angeles City Council in 2001 enacted an ordinance regulating all large retail stores of 100,000 square feet or more by allowing their location in certain commercial areas, complying with specific design guidelines, and insisting that they do not create "material adverse impacts on the surrounding community, including commercial uses therein."

In 2003, the LA City Council, again at the urging of the UFCW, initiated a new effort to regulate superstores. The City Council's Housing, Community and Economic Development Committee ultimately instructed the City Attorney to draft an ordinance that, as initially proposed in 2000, would ban superstores from locating in the EAZs.

Although CCA opposes the sweeping nature of the proposed ordinance, CCA's members recognize Downtown LA's unique retail mix and supports strengthening the

mechanisms in the existing ordinance that address design and economic impacts of big box stores on neighborhoods and communities particularly in the Historic Core and Fashion Districts of Downtown Los Angeles.

“Clearly, the impact of a big box superstore on Downtown is unknown and potentially detrimental,” said Ms Schatz. “However, due to the lack of public review through the public hearings process, these concerns will be silenced.”

**About the Central City Association**

Central City Association is an 80-year-old business advocacy organization representing more than 450 businesses, trade associations and non-profits employing over 250,000 people in Los Angeles County. CCA is the leading architect for revitalization in Downtown Los Angeles and is L.A.'s premiere business advocacy leader shaping public policy on a broad range of issues.

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