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CENTRAL CITY ASSOCIATION'S **CHIEFS OF STAFF RECEPTION**

JOIN US IN HONORING THE CHIEFS OF STAFF
OF LOS ANGELES CITY & COUNTY ELECTED OFFICIALS

TUESDAY, JULY 24, 2012
5:30 p.m. - 7:30 p.m.

Takami Restaurant & Elevate Lounge
811 Wilshire Blvd., Suite 2100, Los Angeles (\$7 Valet Parking Available)

INVITATION TO FOLLOW

18th Annual Treasures Gala Celebrates LA's Finest



City Controller Wendy Greuel; Walter Cho, Korean Air; Treasures Honoree Y.H. Cho; Mayor Antonio Villaraigosa; and Heather Cho, Korean Air



Spencer Wolf, Matthew Arnold and Priscilla Liu with Granada Hills Charter High School; Councilmember Mitchell Englander; Sean Wejebe; Hamida Mahmud; and Kymberly Ly; Granada Hills Charter High School



Councilmember Tom LaBonge; CCA President & CEO Carol Schatz; Treasures Honoree Hugh Hefner; and Council President Herb Wesson, Jr.

"Today's honorees are visionaries with notable achievements in their respective fields. They represent among the best that the city of Los Angeles has to offer. Today, we honor them to thank them for their civic engagement, leadership and work within the city."

Carol Schatz, CCA President & CEO

Quick Calendar

JUNE 28

Downtown Housing Market General Membership Meeting
Sheraton Los Angeles Downtown Hotel

JULY 24

Chiefs of Staff Reception
Takami Sushi & Robata Restaurant and Elevate Lounge

CCA presented its 18th Annual Treasures of Los Angeles Awards to a spectacular crowd of Los Angeles' most influential business, civic and community leaders. More than 1,200 people gathered at the **Westin Bonaventure Hotel** as Mayor **Antonio Villaraigosa** kicked off the event, congratulating and thanking the honorees for helping make Los Angeles one of the most dynamic cities in the world.

City Council President **Herb Wesson, Jr.** emceed the ceremony, honoring Los Angeles' most distinguished stars in the arts, business, and entertainment communities. This year, CCA honored **Y.H. Cho**, International Business Titan; **Andrew Meieran**, Downtown Nightlife Pioneer; the **LA**

Galaxy, Soccer Stars and MLS Champions; **Hugh Hefner**, Media Pioneer and Cultural Icon; the **Good News Girls**, Broadcast Journalists Making a Difference; **Marilyn Ziering**, Arts Benefactor and Philanthropist, and the **Granada Hills Charter High School 2012 Academic Decathlon Team**.

"Today's honorees are visionaries with notable achievements in their respective fields. They represent among the best that the city of Los Angeles has to offer. Today, we honor them to thank them for their civic engagement, leadership and work within the city," remarked CCA President & CEO **Carol Schatz**. Our success would not be possible if not for our generous sponsors, including Host Sponsors

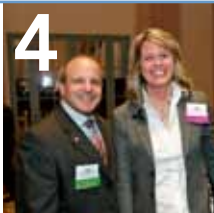
Continued on page 6



2

Inside this Issue

- 2 Expo Line Opening
- 4 General Membership Meetings
- 6 Legislative Updates
- 7 18th Annual Treasures of Los Angeles



4



6



7

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Newsletter

Editor
Lauren Klausen

Contributors
Anne S. Williams
Anh Nguyen
Yeghig Keshishian

Graphic Design
Jason McCabe
holidaydesign.net

Photography
Gary Leonard



Expo Line opening ceremonies on April 28, 2012

LA Mass Transit System Expands with Expo Line Opening

Los Angeles may be the land where car is king; however that notion is slowly changing as the city undergoes the biggest expansion of its rapid transit network in decades. After years of planning and delays, the long-anticipated Expo Line opened its doors on April 28 to much fanfare and celebration from local dignitaries and community stakeholders.

The new line runs 8.6 miles from Downtown’s 7th/Metro Center station to the La Cienega/Jefferson station, with additional stops at USC, Western,

Crenshaw and La Brea Boulevards. In the coming weeks, an additional station at Culver City will open at the intersection of Venice and Robertson Boulevards, and conclude the first phase of the project. Phase two, also currently underway, will extend the line an additional 6.6 miles to Santa Monica. This final phase of the project is targeted to open in 2016.

Being the first rail line to carry passengers from the Westside to Downtown Los Angeles, it is expected to carry over 64,000 passengers a day,

making it one of the most heavily-used rail lines in the entire country. CCA has been a strong advocate of this project since its inception, as it will increase travel options, improve the transit experience, and connect important job centers in Los Angeles.



“As a new member of CCA, we’ve already seen the value of being involved in this organization. After months of being stuck in the red tape and bureaucracy of City Hall, one call to CCA changed everything. Their strong relationships and political influence immediately opened doors and got the right people talking to us. CCA is serious about helping businesses such as ours in Los Angeles, and we are grateful for their help.”

Marvin Lotz
President
American Commercial Equities, LLC

CCA Executive Committee Lunches with LA Leadership

U.S. Congressman **Xavier Becerra**, California State Senator **Curren Price**, Los Angeles County Supervisor **Gloria Molina**, and Los Angeles City Councilmember **Paul Koretz** met with CCA's Executive Committee this quarter and focused their comments on one common theme: how to strengthen L.A.'s regional economy.

Councilmember Koretz addressed the committee in February and pledged to make Los Angeles more inviting to investment by introducing broader development reform and reducing costs and inefficiencies in city processes. His creation of a Business Advisory Council will give the business community a platform to air grievances and provide valuable feedback to our elected leaders.

In March, Supervisor Molina emphasized the interplay between the public and private sector economies and discussed how actions in one sector can create a ripple effect in the other. In spite of high joblessness numbers and a huge state deficit, the relative strength of the county's budget has helped stabilize L.A.'s economy.

Senator Price met with the Executive Committee in April and discussed how to sustain California's position in the global economy. In addition to promoting international trade and investment in California, he reaffirmed his support for local public-private

[Continued on page 6](#)



April Executive Committee Meeting at MWD: State Senator Curren Price; CCA President & CEO Carol Schatz; Steve Nissen, NBCUniversal; Gil Ivey, MWD; and David Wright, Plains All American Pipeline



May Executive Committee Meeting at Rivera Restaurant: Patrick Spillane, IDS Real Estate Group; CCA President & CEO Carol Schatz; Congressman Xavier Becerra; Charmaine Atherton, Bank of America; and Martin Caverly, EVOQ Properties

"Responsible Banking" Ordinance Passes with CCA Support

In May, the Los Angeles City Council unanimously adopted the final implementation language for a CCA-supported "Responsible Banking" Ordinance (RBO). The action marks the culmination of a two-year campaign led by CCA to ensure that the city did not pass legislation that would have imposed meaningless – and administratively costly – local regulations on nationally-chartered and regulated financial institutions.

The initial proposal, introduced by Councilmember Alarcon in 2009, would have imposed an additional layer of bureaucracy on banks seeking to do

business with the city. These banks are already heavily regulated, providing nearly 200 reports to over 20 state and federal oversight agencies. At the same time, the city does not have the staff or expertise to process the mountain of information that was initially being requested – much of which is already publicly available. Moreover, the initial legislation would not have prevented a single foreclosure, nor brought relief to a single Angeleno suffering in this lasting economic crisis.

CCA worked closely with the City Administrative Officer, the Treasurer, and the City Council to develop a

reasonable ordinance that balances the desire for transparency and information with the need for businesses to serve customers on a national scale. In the end, our forceful advocacy and ability to move quickly enabled the industry to counter a strong push by the advocates for a far more onerous ordinance.



CCA MEMBER PROFILE

Sauli Danpour

President
Xyvest Holdings, Inc.

Sauli Danpour is the President of Xyvest Holdings, Inc, a privately owned real estate company, established in 1983 and headquartered Downtown. In his role, Sauli is responsible for establishing and maintaining the vision for the company, long-range planning, financial administration, and ensuring that all areas are working in concert to achieve the company objectives, which includes a special emphasis on being involved in the community.

Before Sauli began his career, he had to work himself out of a personal financial setback, in which he found himself homeless and living on the streets of San Francisco. During that time, he never sought government assistance or handouts from family and friends. With some luck and steely determination, he got himself off the streets and founded Xyvest Holdings with \$2,000 in borrowed funds. It was this experience that fueled the vision for community involvement, which includes offering programs for housing assistance for low-income families.

Today, under Sauli's leadership and with the close involvement of brothers Henry and John, the company has redirected its focus and resources to commercial real estate investments. The company owns and operates commercial office buildings throughout Los Angeles.



Daniel Gehman, Harley Ellis Devereaux; Roy Willis, Newhall Land; and Roy Reel, Harley Ellis Devereaux



Eric Bender, Downtown Properties and Bob Braun, Jeffer Mangels



Doyle McDonald, Hearst Corporation and Paula Stamp, PCL Construction



Matt Goulet, Kosmont Companies and Fred Muir, Rose & Kindel/Grayling

March General Membership Meeting



Anita Gabrielian, AT&T; Shalom Tinsley, Kyoto Grand Hotel; and Mauricio Soto, Total Support Clinic



Steve Rolland, Universal Protection Service; Sara Soudani, Lawyers Title Company and Tyler Izen, Los Angeles Police Protective League



Jim Amone, Latham & Watkins; Michelle Hickey and Fernando Villa, Pircher, Nichols & Meeks

Los Angeles' Road to Economic Recovery



CCA President & CEO Carol Schatz; Tyler Izen, L.A. Police Protective League; Councilmember Paul Krekorian; Gerry Miller, Chief Legislative Officer; and Miguel Santana, City Administrative Officer

Each year, CCA organizes a membership meeting focused solely on the city budget, to provide Los Angeles' most prominent business leaders with

an opportunity to engage with their local leaders on important budget priorities. In March, the city's top budget officials gathered to discuss the city's structural

deficit, as part of a broader conversation on what steps it needs to take to keep afloat while the economy recovers.

The panel, moderated by CCA President & CEO **Carol Schatz**, included the Chair of the City Council's powerful Budget & Finance Committee, the Honorable **Paul Krekorian**; Chief Legislative Analyst **Gerry Miller**; City Administrative Officer **Miguel Santana**; and President of the Los Angeles Police Protective League, **Tyler Izen**.

"We are going to be a fundamentally different city in the next few years than what we want to be... We will have to cut services deeply," remarked Councilmember Krekorian.

Considering the city's substantial economic challenges, CAO Santana also stated that there needs to be compromise between businesses, city leaders and residents to achieve fiscal solvency in both the short- and long-term. To highlight the city's leadership on

this front, Chief Legislative Analyst Miller shared that the city has significantly reduced its staff: since the 2007/2008 budget year, the city's workforce has shrunk by 13%, or about 5,000 employees.

In spite of the anemic state of Los Angeles' economic recovery, the panelists noted that the city is no longer in a state of economic recession. However, when the city will emerge from its management crisis will depend on the political will of its leaders to make concessions and tough choices.

CCA

New Members and First Quarter Renewing Members

NEW EXECUTIVE MEMBERS

American Commercial Equities
 EVOQ Properties
 Los Angeles Community College District
 Rising Realty Partners
 Willis Insurance Services

NEW BUSINESS ADVOCACY MEMBERS

AHBE Landscape Architects
 Angel City Brewery
 Caruso Affiliated
 Century West Partners
 Driver Urban
 HOK
 Innovative Dining Group
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 Mercury Public Affairs
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 TRG Real Estate Services

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 Barker Pacific Group
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 California Community Foundation

California Hospital Medical Center
 Capital Foresight
 Cartifact
 CDG Interior Design & Architecture
 Chevron Products Company
 Chrysalis Enterprises
 CIM Group
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 City National Bank
 Colliers International
 Consensus
 Daily Grill
 De La Rosa & Co.
 Delson Investments Company
 Englander Knabe & Allen
 FIDM
 Film L.A.
 Flux Business Solutions
 Fresh & Easy Neighborhood Market
 Gensler
 Gibson Transportation Consulting
 Gilmore & Associates
 Golden Boy Enterprises
 Haworth
 Hines
 Holland & Knight
 Homeier & Law
 Horizon Consumer Science
 Howard Building Corporation
 IDS Real Estate Group
 Jeffer Mangels Butler & Mitchell
 Jones Lang LaSalle
 JPMorgan Chase
 Ketchum YMCA
 King's Seafood Company
 LA Fashion District BID
 Lawyers Title Company
 Lee Andrews Group
 Lend Lease (US) Construction
 Leo A Daly
 Loeb & Loeb
 Los Angeles Neighborhood Initiative
 Los Angeles Orthopaedic Hospital Foundation
 Los Angeles United Investment Company
 M & Y Management
 Manpower

Maria's Italian Kitchen
 Mayer Brown
 McMurray Stern
 Mendocino Farms/Casa
 Michael Antonio Commercial
 Millennium Biltmore Hotel
 Morley Builders
 NBCUniversal
 Omni Los Angeles Hotel
 PacifiCORE Tenant Advisory
 Penwal Industries
 Perkins + Will
 Pircher, Nichols & Meeks
 Playa Vista Capital Company
 Portofino Cucina Italiana
 Ralphs Grocery Company
 Regent Theatre DTLA
 Related California
 Rose & Kindel
 Roy's Restaurant
 Shammass Group
 Sheraton Los Angeles Downtown Hotel
 SHM Partners
 Skid Row Housing Trust
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 Symphony Development
 The City Market of Los Angeles
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 Van Wagner Communications
 Venice Investments
 Verizon
 Vons
 Walmart Stores
 Westin Bonaventure Hotel & Suites
 Xyvest Holdings



CITY HALL SPOTLIGHT

Marisol Espinoza
 Deputy Controller for Community Affairs - Office of Los Angeles City Controller

Marisol Espinoza manages Community Affairs for Los Angeles City Controller Wendy Greuel. In this capacity, Marisol serves as the liaison between the Controller's office and various stakeholder groups throughout Los Angeles, including neighborhood councils, chambers of commerce, and non-profit organizations.

Marisol brings nearly 10 years of experience to her position. Prior to joining Controller Greuel's office, Marisol worked for six years in various capacities for Councilmember Zine, including serving as his Senior Policy and Economic Development Advisor as well as his District Director. In her roles, she managed long term projects, community improvement funds and strategic planning initiatives for the Councilmember.

Prior to her work with the City, she served as a Field Representative to Assembly Speaker Emeritus Robert Hertzberg, where she represented the Speaker in the West San Fernando Valley and in the Latino community.

Marisol holds a Master's in Public Administration from Columbia University's School of International and Public Affairs and a Bachelor's Degree in Communications Studies and Spanish Literature from UCLA.

2012 Economic Forecast: Year of the Tax



Larry Kosmont, Kosmont Companies

Larry Kosmont, President & CEO of **Kosmont Companies**, presented his 2012 economic projections for the state of California and the city of Los Angeles at February's General Membership Meeting. Audience members at the **Los Angeles Marriott Downtown Hotel** were given a firsthand look at some

of the economic projections for 2012, including an overview of the Governor's budget and his proposed \$7B in revenue and tax increases.

Chief among Kosmont's concerns for 2012 are the overall statewide unemployment numbers and present

pension obligations. While home prices and sales are expected to stabilize, foreclosures and vacancies will limit job growth in 2012. Consequently, tax increases will be looked to as a means of addressing the state's budget deficit, leading Kosmont to declare 2012 as the "Year of the Tax."

However, Downtown Los Angeles, with its central location and popularity among a wide cross-section of people, will offer new opportunities for continued growth- especially in the areas of public-private partnerships, transit-oriented development and urban infill. Although Kosmont reported that new policy models will eventually need to be implemented to sustain this growth long-term, and fill the gap that the Community Redevelopment Agency once filled, he called Downtown Los Angeles a "sure thing" that has achieved critical mass and momentum.

LEGISLATIVE UPDATES

Waste Hauling & Recycling: Exclusive Franchise

The city of Los Angeles is considering moving to an “exclusive franchise” system for trash removal at all commercial properties and many multi-family properties in Los Angeles. The proposal would divide the city into 11 regions – or “wastesheds” – and grant an exclusive franchise in each.

The stated policy objective is to enable greater control over waste haulers, in light of increased environmental mandates to improve recycling and diversion rates, and reduce truck traffic on city streets. However, we believe these policy objectives can be met by moving to a non-exclusive franchise where customers can negotiate their own rates.

CCA and a broad coalition of business interests feel strongly that the move uses an environmental smokescreen to hide an organized campaign by labor interests seeking to more easily unionize the industry. Therefore, CCA is pushing for greater understanding, economic impact analysis, and public dialogue about this issue, which affects every business in the city, indefinitely.

LADWP Proposed Water & Power Rate Increases

A set of proposed water and power rate increases will be considered by the Los Angeles City Council process this summer, which will significantly impact both residents and businesses throughout the city.

In order to meet strict legal mandates and upgrade service reliability for its customers, LADWP is looking to increase commercial power rates by approximately 11% and commercial water rates by approximately 5% in the next two years. With LADWP’s power system infrastructure aging rapidly, the agency is looking to accelerate repair and replacement, which unfortunately cannot be completed without rate action this year.

The proposal is expected to be heard by the Los Angeles Board of Water & Power Commissioners this summer

Plastic Single-Use Bag Ban

The city of Los Angeles is moving forward with a proposal to ban single-use plastic bags at grocery stores and other select retailers that have food/grocery for sale. The City Council voted 13-1 to begin the four-month environmental review process for the ban, with Councilmember Bernard Parks casting the dissenting vote. After the environmental review is complete, the City Attorney’s Office will begin drafting language for the implementation ordinance. If the proposal is ultimately approved, larger stores will have six months to completely phase-out plastic bags and smaller stores will have 12 months to comply. One year after the ban is in place, retailers will be required to charge 10 cents per paper bag.

Earlier this year, City Council’s Energy & Environment Committee considered a dual ban of both single-use plastic and paper bags, which CCA strenuously opposed. We believe a plastic-only ban is a more reasonable policy alternative that achieves significant environmental goals without leaving customers with limited options.

Business Tax Reform: Gross Receipts Tax

City Council’s Jobs & Business Development Committee is currently considering a new recommendation from the Business Tax Advisory Committee which, if adopted, would phase out the city’s gross receipts tax over a 15-year period. The gross receipts tax has historically been an important source of local revenue for the city, generating approximately \$425 million annually. However, the city of Los Angeles employs an existing gross receipts tax that is 9.5% higher than the county average, effectively dissuading new businesses from relocating to the city. CCA supports efforts to eliminate this extremely burdensome tax, as it discourages business from locating or growing here, thereby hampering the city’s efforts to expand its business and tax base and ultimately increase overall tax revenues.

CCA Treasures

Continued from page 1

AC Martin, AEG, Bank of America, and Wells Fargo; Presenting Sponsors **Brookfield Office Properties** and **U.S. Bank;** and Sapphire Sponsors **AT&T, BBCN Bank, The Edison, Clifton’s Brookdale, EVOQ Properties, Greenberg Traurig, LLP, Korean Air, LBA Realty, Los Angeles Downtown News, and Rising Realty Partners.** Also, CCA extends a special thanks to our events management company, **Simply Mumtaz Events,** for planning this great event.

Executive Committee Lunches

Continued from page 3

partnerships, recognizing that the city of Los Angeles is in dire need of jobs.

In May, Congressman Becerra focused his remarks on tax reform and transportation infrastructure as catalysts for continued economic growth and development. Although Congressman Becerra does not imagine any large-scale tax reform package in the near future, he is soliciting advice from business about how to reform both the corporate and individual tax code.

Many thanks to our Executive Committee Hosts: **Millennium Biltmore Hotel, FIDM, MWD, and Rivera Restaurant,** for their gracious hospitality.

CCA would like to thank our Premier Members for their commitment to our organization and the City.





Council President Herb Wesson, Jr.; Treasures Honoree Andrew Meieran; and Councilmember Jose Huizar



Gene Hale, G and C Corporation; Chris Martin, AC Martin; and Antonio Manning, JPMorgan Chase



Brian Ulf, Cushman Realty; LAPD Chief Charlie Beck; and LAFD Chief Brian Cummings



Councilmember Dennis Zine and Michelle Hahn, Grainger



Treasures Honoree Christine Devine and Wendy Burch, Good News Foundation; Shera Bechard, Playboy's Miss November 2010; Treasures Honoree Hugh Hefner; and Treasures Honorees Pat Harvey, Dorothy Lucey, and Ana Garcia, Good News Foundation



Shiraz Tangri, Alston + Bird and Jon Blanchard, ACE Hotels



Ben Wong and Alex Pugh with Southern California Edison



Treasures Honorees LA Galaxy with LA Galaxy Vice President Chris Klein; LA Galaxy players Bryan Jordan and Sean Franklin; LA Galaxy General Manager/Head Coach Bruce Arena; Council President Herb Wesson, Jr.; and LA Galaxy players Omar Gonzalez, Mike Magee and Landon Donovan



Scott Naso and Brady Metcalfe, Universal Protection Service



Kent Smith, Fashion District BID; Alex Moradi, ICO Development; and Hamid Behdad, Central City Development Group



Council President Herb Wesson, Jr.; Tim Leiweke, AEG; and Mayor Antonio Villaraigosa



Treasures Honoree Marilyn Ziering and Council President Herb Wesson, Jr.