

2012-2013

# ANNUAL REPORT



**LAEDC**

**LOS ANGELES COUNTY**  
ECONOMIC DEVELOPMENT CORPORATION

2012-2013

## STATEMENTS OF FINANCIAL POSITION



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2012-2013 ANNUAL REPORT

YEAR ENDED MARCH 31  
2013 2012**ASSETS**

Cash and cash equivalents	1,853,000	1,077,000
Investments - at fair value	25,058,000	26,175,000
Receivables	638,000	265,000
Property and equipment, net	178,000	194,000
Prepaid expenses and other assets	180,000	150,000
<b>Total assets</b>	<b>27,907,000</b>	<b>27,861,000</b>

**LIABILITIES**

Accounts payable	237,000	317,000
Accrued expenses and other liabilities	1,292,000	966,000
<b>Total liabilities</b>	<b>1,529,000</b>	<b>1,283,000</b>

**NET ASSETS**

Unrestricted	26,020,000	26,253,000
Temporarily restricted	358,000	325,000
<b>Total liabilities and net assets</b>	<b>27,907,000</b>	<b>27,861,000</b>

**CONSOLIDATED STATEMENTS OF ACTIVITIES****Operating revenue and other support**

Government and other grants	1,785,000	2,475,000
Consulting	347,000	477,000
Membership contributions	1,026,000	1,166,000
Sponsored events	535,000	556,000
Contributions	242,000	279,000
Center of Economic Development	427,000	338,000
Other revenue	167,000	157,000
<b>Total operating revenue and other support</b>	<b>4,529,000</b>	<b>5,448,000</b>

**Operating expenses**

Business assistance and development	1,833,000	2,112,000
The Kyser Center for Economic Research	667,000	734,000
Communication	401,000	493,000
Sponsored events	570,000	622,000
Consulting	423,000	427,000
Center of Economic Development	427,000	338,000
International Trade	532,000	785,000
Public policy	500,000	532,000
Strategic relations	334,000	334,000
Executive and administrative	848,000	971,000
<b>Total operating expenses</b>	<b>6,535,000</b>	<b>7,348,000</b>

Change in unrestricted net assets from operations	-2,006,000	-1,900,000
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**Other changes**

Interest and dividend income	45,000	111,000
Net unrealized investments gain (loss)	1,728,000	516,000
Change in unrestricted net assets	-233,000	-1,273,000
Change in temporarily restricted net assets	33,000	-8,000
Net assets - beginning of year	26,578,000	27,859,000
Net assets - end of year	26,378,000	26,578,000

**LIQUID ASSETS**

	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
Cash and cash equivalents	1,853,000	1,077,000	1,531,000	1,285,000	3,088,000
Investment portfolios	25,058,000	26,175,000	26,786,000	25,340,000	19,597,000
Current liabilities	-1,529,000	-1,283,000	-1,309,000	-1,207,000	-1,161,000
<b>Total liquid assets</b>	<b>25,382,000</b>	<b>25,969,000</b>	<b>27,008,000</b>	<b>25,418,000</b>	<b>21,524,000</b>

# LETTER FROM THE CHAIRMAN AND PRESIDENT



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2012-2013 ANNUAL REPORT

On behalf of the Los Angeles County Economic Development Corporation (LAEDC), it is a pleasure to present the Annual Report describing the LAEDC's activities for the fiscal year ending March 31, 2013 (FY 2012-13). We are proud to report that we have successfully achieved a long list of financial and programmatic goals, and through the generous support of our members and partners in education, government and business, the LAEDC was able to further its mission to attract, retain and grow businesses and jobs for Los Angeles County. The LAEDC continues to provide collaborative, innovative and strategic economic development leadership and services throughout Los Angeles County. This past year we have again helped thousands of L.A. County residents meet their basic human need for a job.

## Award-Winning Countywide Business Assistance

LAEDC's free and confidential **Business Assistance Program** continued its highly successful Layoff Aversion Program, which was honored by CALED with its 2012 Economic Development Program Grand Prize Award (pictured on the cover of this report). We are extremely proud of our groundbreaking Layoff Aversion work for both the County and City of Los Angeles helping "at-risk" businesses find solutions to their challenges and avert layoffs. For the Business Assistance Program as a whole, during FY 2012-13, the LAEDC was able to attract or retain 8,457 jobs throughout L.A. County, providing estimated direct wage income of \$469 million and generating millions of dollars in local tax revenues. Truly a ground-up effort, the BAP team achieved these results by conducting 1,784 in-person consultations with businesses. When added to our job totals since the inception of the Business Assistance Program, the LAEDC's efforts have contributed to the attraction, retention, or expansion of more than 186,000 annual jobs in Los Angeles County.

## Nationally-Recognized Economic Research

LAEDC's **Kyser Center for Economic Research** strengthened its reputation for accurate analysis of the regional economy and also produced two major Economic Forecast events, each attended by more than 400 people. The Center also completed two more studies in its groundbreaking "Growing Together" report series on L.A. County's top trading partners, featuring South Korea and Canada. The Kyser Center completed studies on the County's aerospace, entertainment and creative industries, and continues to publish a weekly e-Edge newsletter providing the latest economic news related to L.A. County.

## Widely-Respected Economic and Policy Analysis

The LAEDC's **Economic and Policy Analysis Group** produced a number of critical reports including economic impact analyses and labor market and occupational forecasts that helped shape public policy, inform workforce development strategies, and provide key decision makers with critical information from which to make informed decisions.

## Implementation of the LA County Strategic Plan & Key Strategic Initiatives

The LAEDC continued to make meaningful progress on implementing the 52 strategies contained in the five-year (2010-2014), consensus-driven **Los Angeles County Strategic Plan for Economic Development**, centered on preparing an educated workforce, creating a business-friendly environment, enhancing our quality of life, implementing smart land-use policies, and building 21st century infrastructure.

During FY 2012-13, the **Strategic Initiatives Department** directed the **third year** of the Strategic Plan's implementation. As evidenced by our year-three successes (<http://lacountystrategicplan.com/tag/2012/>), much progress was made during the past fiscal year in terms of executing the Strategic Plan's recommendations. While much has been accomplished, we continue to raise the bar on our ongoing efforts to further support and develop our

County's leading and fast-emerging export-oriented industry clusters, boost the County's global competitiveness and overall economic future, and provide the County's neediest residents and communities with access to higher paying jobs and upward economic mobility.

## Southern California Leadership Council

The Leadership Council, co-located at LAEDC's offices, continues to influence issues of regional significance and ensure that there is a common Southern California voice on major public policies that are critical to economic vitality, job growth, and quality of life.

## Eddy Awards

LAEDC hosted its 17th Annual Eddy Awards<sup>®</sup> Gala to recognize excellence in economic development, and celebrated the contributions of Earvin "Magic" Johnson, NBC Universal, and Caltech. LAEDC also honored the City of Whittier and the City of Duarte with the 2012 Most Business Friendly City Award, drawing attention to the best management practices that are creating jobs and economic vitality in our region.

## World Trade Center Los Angeles-Long Beach

The LAEDC's **World Trade Center** subsidiary continues to provide export assistance and successfully attract foreign direct investment to the Los Angeles region resulting in millions of dollars in export transactions and capital investment, as well as new job creation by foreign flag companies. During the FY, the LAEDC also led successful trade and investment missions to China and Canada, generating a strong interest from companies wishing to locate and invest in Los Angeles County. As successful as this fiscal year proved to be, the groundwork done to set the stage for the coming FY 2013-2014 will be essential to large upcoming investments by overseas companies.

## Significant Impact from Significant Collaboration

We thank you for your continued support of the LAEDC. Together, we provide economic development leadership for the residents and communities of Los Angeles County. Our work would not be possible without the generous support of the Los Angeles County Board of Supervisors and all of our members and other contributors. Beyond the financial generosity, we are humbled by the extraordinary group of civic-minded LAEDC members who are contributing their time, ideas, and energy in support of LAEDC initiatives that make our communities healthier, more vibrant, and economically sustainable places to live and work.

Together, and assisted by the dedicated staff of the LAEDC, we have helped thousands of L.A. County residents secure good jobs to support their families, while also adding considerably to the County's social and community service programs through increased revenues from these additional jobs and businesses. We are extremely proud of what we have accomplished together this fiscal year – and the 30+ years before that – to ensure a brighter future for our County's 10 million residents.

Sincerely,



*CJ Carey*  
Christopher Carey  
2012-2013 Chair



*Bill Allen*  
William C. Allen  
President & CEO





## BUSINESS ASSISTANCE TEAM

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This year, seven LAEDC Regional Managers successfully completed 100 projects, providing business development and technical assistance in helping to attract and retain 8,457 direct jobs for the communities of L.A. County.

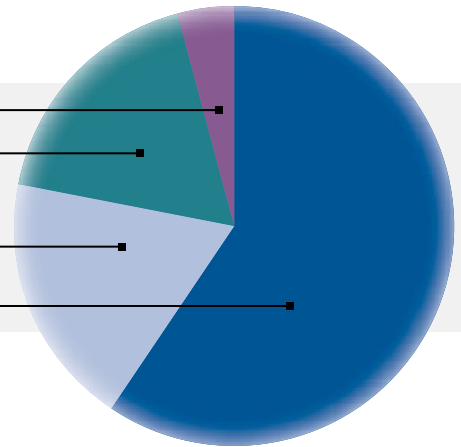
### Project Type

### Job Count

■ Attraction	374
■ Expansion	1,492
■ Relocation	1,573
■ Retention	5,018

### TOTAL

**8,457**

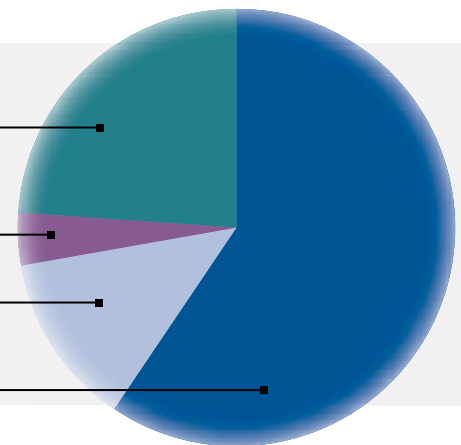


**Direct Wage Income** of the annual salaries for these jobs is estimated at \$469 million (8,457 jobs multiplied by estimated average salary of \$55,461).

**Estimated Fiscal (tax revenue) Benefit:** contribution from state general fund and local sales taxes to L.A. County and local communities from jobs created:

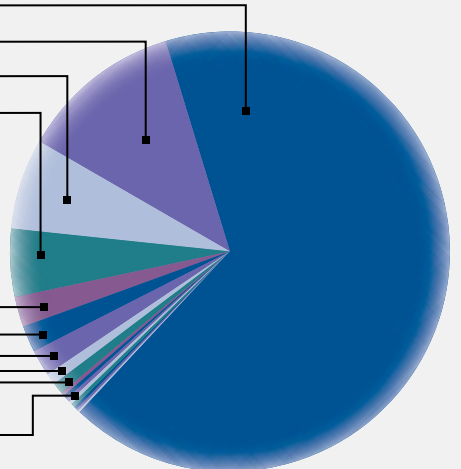
■ Transportation Fund (1% sales tax from taxable purchases)	\$2.1M
■ County of L.A. (.25% sales tax from taxable purchases)	\$352K
■ City Revenue (.75% sales tax from taxable purchases)	\$1.1M
■ From State General Fund (K-12, Community Colleges, Health & Human Services)	\$5.2M

### ESTIMATED FISCAL (TAX REVENUE) BENEFIT: \$8.7M



### JOBS WON BY INDUSTRY

■ Manufacturing	67.10%
■ Call Center	11.82%
■ Business & Professional Services	6.72%
■ Restaurant-Retail-Grocery Stores	4.97%
■ Biomedical-Pharmaceutical	2.32%
■ Apparel	1.95%
■ Warehousing-Wholesale-Distribution-Transportation	1.82%
■ Aerospace	0.85%
■ Automotive-Plastics-Metals	0.77%
■ Media & Entertainment	0.35%
■ Health Spa	0.35%
■ Computers-Peripheral-Electronics	0.28%
■ Communications & Internet	0.22%
■ Recycling	0.15%
■ Education	0.14%
■ Non Profit	0.12%
■ Insurance	0.05%





During the year, the Business Assistance Program (BAP) team retained or attracted **8,457 jobs**, which resulted in approximately **\$469 million in wage income** and significant tax revenue to benefit Los Angeles County.



## HIGHLIGHTS OF BUSINESS ASSISTANCE PROGRAM INCLUDE:

- **81 facility searches for company clients**, highlighting numerous location options in all the regions of the County. Facility searches were made for businesses from many of the key sectors in the Los Angeles County economy, including manufacturing, information, logistics and retail.
- Serviced 10 requests for information from **multinational corporations** in partnership with the California Business Incentive Services and Governor's Office of Business and Economic Development.
- Introduced no-cost business assistance services to firms throughout Los Angeles County through an aggressive **outreach campaign to over 5,700 firms** through emails, phone calls and mailings.
- **Eighty-five public presentations** were made by the Business Assistance Team to businesses, business organizations and community organizations to promote economic development and business assistance in the County.
- Conducted **1,784 in-depth consultations** with individual businesses and tailored detailed action plans for them that outlined specific services and referrals.
- Continued to **partner with and support key economic development organizations**, including the Greater Antelope Valley Economic Alliance, the San Gabriel Valley Economic Development Partnership, the Santa Clarita Valley Economic Development Corporation, and the Valley Economic Alliance.
- Continued to provide direct support for the economic development activities of cities in each region of the County.
- The **Most Business-Friendly City (MBFC) Award in LA County** continued to grow in prestige. Many cities submitted comprehensive applications in FY 2012-13, and the cities of Duarte and Whittier were recognized before over 600 business and civic leaders at the Annual Eddy Awards. A result of this award competition has been an increased awareness by cities of the importance of a business-friendly environment, and we have seen specific actions taken by large and small cities throughout the County to improve their business climate.

## LAYOFF AVERSION

The BAP team also continued to provide support for the City of Los Angeles's Workforce Investment Board (WIB). This contract, funded by federal dollars, allowed the BAP team to significantly increase our impact with at-risk businesses in the L.A. City WIB region. WIBs have traditionally focused on the "supply" side of workforce development, providing a trained workforce. The Layoff Aversion programs allowed the LAEDC, acting on behalf of the WIBs, to focus on the "demand" side of workforce development - identifying at-risk businesses, conducting needs assessments and developing an action plan of resources and programs to avert layoffs of trained employees.

In addition, we are pleased to note that the LA County Board of Supervisors approved a contract in January of 2013 for our Business Assistance team to initiate an L.A. County Layoff Aversion program. The LAEDC looks forward to continuing and extending the success of the Layoff Aversion program for the businesses throughout L.A. County, to help more companies overcome challenges and prevent job losses wherever possible. The LAEDC initiated its work on this L.A. County contract in March 2013.

## KYSER CENTER FOR ECONOMIC RESEARCH

Named in honor of its Founding Economist, the late Jack Kyser, the Kyser Center's primary goals are to provide the best possible information about the L.A. County economy to help business leaders and government officials make informed decisions, and to help shape media and business perceptions of the region. Through a variety of reports, online communications, and regular contributions in the media, the Kyser Center staff tracked progress in the economy at the county, state, and national level throughout the fiscal year 2012-13.

### Semi-annually published forecasts

- **Economic Forecast & Industry Outlook for 2012-13 and 2013-14.** Each year, an annual forecast is released in February and updated in July at well-attended events.

### Key industry reports

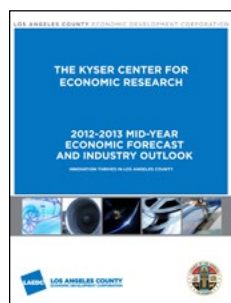
- **The Aerospace Industry in Southern California** documented the key facts and analyzed long-term trends impacting the county's important aerospace and defense industry.
- **The Entertainment Industry and the Los Angeles County Economy** provided a look at the County's most visible industry, and summarized its contribution to the local economy.
- **The Creative Economy of the Los Angeles Region** was prepared by the Kyser Center under the sponsorship of the Otis College of Art and Design. This report documented the many and varied creative activities that exist in Los Angeles and estimated their economic impact.



Dr. Robert Kleinhenz,  
Chief Economist

### International reports

- **The International Trade Outlook, Southern California Region 2012-13** contained detailed information on export and import activity through the ports of Los Angeles and Long Beach and Los Angeles International Airport, and included data about trade flows through the San Francisco and San Diego areas. The report was released in May at the LAEDC's International Trade Outlook event in Long Beach.
- **Growing Together: Korea and Los Angeles County** traced the development and growing partnership between the two over the past several decades. The report highlighted the educational, cultural and network ties between Korea and Los Angeles County, analyzed the Korea-U.S. trade flowing through Los Angeles, and described the direct investments made in Korea by Los Angeles-based business firms and in Los Angeles by Korea-based businesses. The report was released in May at the International Trade Outlook event.
- **Growing Together: Canada and Los Angeles County** traced the development and growing partnership between the two over the past several decades. The report highlighted the educational, cultural and network ties between Canada and Los Angeles County, analyzed the Canada-U.S. trade flowing through Los Angeles, and described the direct investments made in Canada by Los Angeles-based business firms and in Los Angeles by Canadian-based businesses, and was released to coincide with an LAEDC mission to Canada in Fall 2012.



### Regional forecast reports

- **San Gabriel Valley Economic Forecast & Regional Overview** reviewed the economic drivers and key economic indicators of the San Gabriel Valley and provided an employment forecast for the year. The report was released at an April 2012 event sponsored by the San Gabriel Valley Economic Partnership.

### Online reports

- Each week, the e-EDGE email reported the latest trends in key indicators of the state, local, national and international economies. The e-EDGE was distributed to more than 3,700 subscribers with an interest in Los Angeles County.
- The L.A. County Business Scan (updated frequently) tracked the progress of 15 key indicators of the Los Angeles County economy.

### External Communications

- The Kyser Center has become a leading source for economic information about the Los Angeles regional economy. During the fiscal year, Kyser Center staff members responded to 280 media calls, and handled 123 requests for various types of business information. In addition, Kyser Center staff members made 84 presentations to business, government and nonprofit groups.

All Kyser Center forecast and industry reports are available free of charge on the LAEDC's website: [www.laedc.org](http://www.laedc.org).



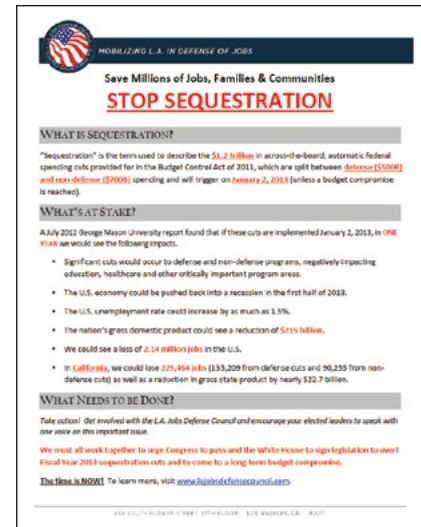


## POLICY & INITIATIVES

During FY 2012/2013, the Policy & Initiatives team continued to operationalize and direct the implementation of Los Angeles County's first-ever, consensus-built Strategic Plan for Economic Development. This fiscal year marked the Plan's third (and half-way through its fourth) year of its five-year implementation and has shaped the direction of the LAEDC's public policy efforts.

This year, the LAEDC continued to work on its 2012-2013 policy goals (developed in FY 2011/2012) that served as the foundation for our activities throughout the year. The goals included Boost Manufacturing, Creative and Export-Oriented Sectors; Fix the Broken Infrastructure Development and Funding Process; and Build More Livable Communities. Each goal included a series of specific policy initiatives along with recommendations for taking action at the local, state and/or federal levels to support the specific initiative.

In this fiscal year, we made meaningful progress on 20 of the Plan's 52 strategies, including for example: understanding and addressing workforce development needs in several emerging industries, such as electric vehicles; creating (and having several cities implement) a revised Model Film Ordinance and Best Practices document to make Los Angeles County cities a more hospitable place for filming; protecting our jobs-producing industrial land base from conversion to population-accommodating uses (such as retail); informing elected officials about the need for the reform of the California Environmental Quality Act (CEQA); enacting regulatory reform and certainty measures; supporting the modernization of Los Angeles International Airport; and creating value propositions for some of our emerging industry sectors, such as bioenergy.



We also held dozens of committee and working group meetings and initiated a new LA Jobs Defense Council to specifically target looming sequestration cuts. These committee and working group meetings leverage the expertise of the LAEDC's 217 public, private and education sector members as well as our elected officials and key partners to help implement the Strategic Plan and to proactively address some of Los Angeles County's most pressing challenges. These groups include: Employment Land, Workforce Development, Green Economy, Business Friendly, World Trade and Infrastructure Committees as well as our working groups for e-Mobility, Aviation, Water, State and Local Policy, and LA Jobs Defense Council. The committees and working groups were attended by more than 530 regional stakeholders over the year.

## MARKETING & COMMUNICATIONS

As part of the LAEDC's effort to promote Los Angeles County and the progress of our programs and activities, the Marketing & Communications Department managed website, social media, email campaigns, and strategically placed news releases and articles in the region's leading newspapers.

We also received substantial and favorable media coverage during the year, appearing in 1,227 articles, blog posts, and broadcast media stories.

Los Angeles Times

KNX 10.70  
NEWSRADIO

CELEBRATING OUR 150th ANNIVERSARY  
The Sacramento Bee



## ECONOMIC AND POLICY ANALYSIS GROUP

**Economic and Policy Analysis Group highlights during the 2012-2013 fiscal year included:**

### ■ Electric Vehicle Workforce Assessment

Commissioned by the Pacific Gateway Workforce Investment Network (PGWIN), LAEDC's Economic and Policy Analysis Group produced *Electric Vehicles: The Market and Its Future Workforce Needs*, an assessment of the market for electric vehicles and the potential needs for training to supply qualified labor for the repair, installation and maintenance of hybrid and electric vehicles and related infrastructure in Los Angeles County.

### ■ Los Angeles International Airport — An Economic Impact Analysis

The Economic and Policy Analysis Group estimated the total employment, labor income and tax revenues associated with the ongoing operations at LAX, including tourism activity brought by the millions of visitors arriving through LAX from around the world.

### ■ City of Los Angeles WIB Layoff Aversion Program — Economic Impact Analysis

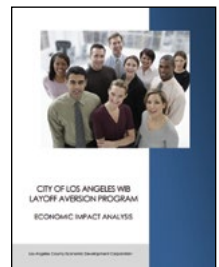
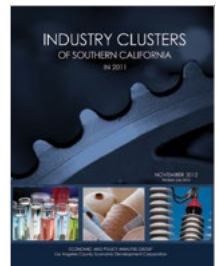
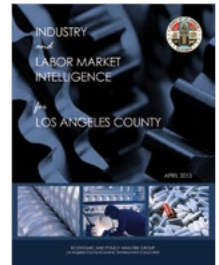
The award-winning Layoff Aversion Program for the Los Angeles City Workforce Investment Board (WIB) was implemented in FY2011 by the Los Angeles County Economic Development Corporation (LAEDC) and its partners, resulting in the retention of 3,872 jobs for at-risk businesses in the City WIB Service Delivery Area (SDA) during the 2012 fiscal year. In this report, the Economic and Policy Analysis Group performs an analysis of the success and overall benefit of the second year of the City of LA WIB Layoff Aversion Program and measures its return on investment.

### ■ City of Los Angeles Riverfront Reimagined

The Northeast Los Angeles Riverfront Collaborative Project was a reimagining of economic development opportunities in the communities of northeast Los Angeles using the river as both an amenity and a thematic element. As a partner in this project, the Economic and Policy Analysis Group completed a study of the demographic and socio-economic conditions of the study area and potential employment opportunities for business outreach services in a report entitled *The Path Forward: Economic and Workforce Intelligence for Northeast Los Angeles*.

### ■ Industry and Labor Market Intelligence for Los Angeles County

Funded by the Los Angeles County Workforce Investment Board (WIB), the Economic and Policy Analysis Group provided an in-depth demographic and socio-economic overview of Los Angeles County and developed an industry forecast and overall workforce needs assessment in order to assist the WIB in best directing its efforts at finding employment opportunities for its clients. By forecasting growth of specific occupations, workforce development programs can be aligned with future employment opportunity.



### ■ California Cable and Telecommunications Industry — Economic Impact Analysis

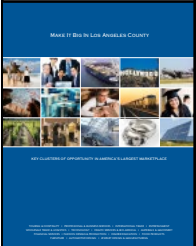
In this report, the Economic and Policy Analysis Group estimated the total contribution of the cable and telecom industry in California, finding the industry supports more than 100,000 jobs with labor income of \$6.7 billion.

### ■ Getty Museum Art Exhibit — An Economic Impact Analysis

In this report, the Economic and Policy Analysis Group estimated the total economic impact of the iconic *Pacific Standard Time: Art in L.A. 1945-1980* event that was staged at more than 60 cultural institutions over a six-month period. The report finds that the event generated \$280 million in economic output and supported almost 2,500 jobs in Southern California with labor income exceeding \$100 million.

### ■ Industry Clusters of Southern California

Following on the inaugural report *Industry Clusters of Los Angeles County 2010*, the Economic and Policy Analysis Group estimated 2011 cluster employment for each of the six counties of the Southern California Association of Governments, providing valuable data on the economic drivers of each individual region, furthering LAEDC's ability to develop industry cluster based strategic initiatives.







## STRATEGIC RELATIONS

During FY 2012-2013, the LAEDC Strategic Relations department continued to identify and build relationships with key stakeholders and leaders in the Los Angeles region and engage them in the mission, activities, and programs of the LAEDC.

The LAEDC Board and membership, comprised of civic leaders and ranking executives of the region's leading public and private organizations, played a critical role again this year through financial support and active participation. We are grateful that LAEDC members are committed to playing a decisive role in shaping the region's economic future.

In a difficult economic climate, we were pleased to achieve cash membership revenues of \$1,026,250.00, and a member retention rate of 85%, and ended the fiscal year with 217 active member companies, cities, educational entities and strategic partners.



LAEDC Members at the Board of Governors Meeting, from Left to Right: Chris Carey, LAEDC Chair and CFO of City National Bank, Jeff Assaf, Senior Managing Director of ICG Advisors, LLC, C.L. Max Nikias the President of University of Southern California, Lloyd Greif the past Chair of LAEDC and President and CEO of Greif & Co., Tom Sayles the Senior Vice President of University of Southern California, and Bill Allen the President and CEO of LAEDC.

We are continually focused on diversifying our member base and strategic partner relationships to be reflective of the geographic, industry, and ethnic diversity which drives L.A. County's economic engine. Doing so ensures our commitment to serve the entire regional population and strengthens our visibility as Southern California's premier economic development organization.

The Strategic Relations department successfully produced the 8th Annual International Trade Outlook, semi-annual Economic Forecast & Industry Outlook and the 17th Annual Eddy Awards\*, with a combined participation of more than 1,800 professionals and received extensive coverage across print, radio, television, international, and internet media.

The Eddy Awards continued our tradition of recognizing individuals and organizations that have made a significant contribution to regional economic development, this year recognizing Earvin "Magic"

Johnson, Caltech and NBC Universal.

In addition, the LAEDC continued to highlight programs and strategies that promote jobs and sustainable economic development in the cities of LA County. The Most Business Friendly City Award went to City of Whittier in the category of population over 60,000, and to City of Duarte in the category of population under 60,000.



Caltech honored with Eddy



Gwynne Shotwell (SpaceX) at LAEDC Economic Forecast

### SOUTHERN CALIFORNIA LEADERSHIP COUNCIL

Founded in 2005, the Southern California Leadership Council was formed to capture the collective strength of Southern California and focus on the issues, policies, projects, and initiatives critical to economic vitality, job growth and quality of life in the Southern California region. The Leadership Council stands as a non-partisan, non-profit, business-led public policy partnership whose membership includes three former California Governors and over two dozen Presidents and CEOs of top Southern California companies and regional agencies. Today, the Council seeks to provide vision, leadership, unity and action on key issues that affect the future of Southern California (from Ventura County to the Mexican Border).

Under the leadership of the Leadership Council's Co-Chairs, Governor Pete Wilson and Joseph E. Drew, an assertive public policy agenda was set for 2013. The Council's Work Plan included fourteen specific issues categorized in five focus areas:

1. Water Reliability
2. Goods Movement Solutions
3. Business Retention and Attraction Strategies
4. Climate Change Strategies
5. Energy Solutions

In addition, several issues were monitored throughout the year including the implementation of the Affordable Care Act in California; the preservation of the region's passenger cruise industry; and various regional planning activities.

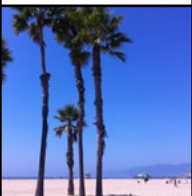
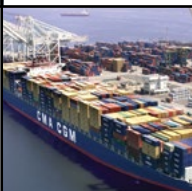
2013 was a year of positive progress on numerous fronts. Governors Deukmejian, Wilson and Davis called for meaningful CEQA reform which helped elevate the issue and validate the call for reform. A three Governors authored opinion-editorial, "Preserve CEQA's goals. End its abuses", published in the Sacramento Bee, had a lasting impact throughout the year as many reporters and editors referenced the article. Many of the public policy issues the Leadership Council engaged in were advanced. New rules governing regulatory rulemaking in California were adopted - rules that facilitate the preparation of economic analyses of major regulations in a rational and consistent way. AB 1257, the Natural Gas Act, which calls for a state strategy to maximize the benefits of natural gas to the environment and the economy, and AB 327, a bill that will modernize and improve electricity rate structures in California, were adopted by the legislature. The Leadership Council also helped elevate the workforce development issues associated with our region's low educational attainment levels, low median income levels, and high poverty rates.

The Council co-sponsored the California Air Resources Board's Haagen-Smit Symposium which was convened to develop a sustainable freight strategy in a way that would grow the economy and meet sustainability goals. The Leadership Council also convened a group of high level business leaders to provide input to CARB as the strategy is developed. In addition, Leadership Council also convened a series of high level business leader meetings with Barry Wallerstein, Executive Officer of the South Coast Air Quality Management District (SCAQMD), the purpose of which is to develop a more consistent and ongoing collaboration and partnership between the business community and the air district in order to achieve greater balance in SCAQMD planning and rulemaking activities.

In 2013, the Leadership Council continued to be a leading voice for California competitiveness, authoring opinion-editorials and blogs, building coalitions and providing briefings to community and government leaders regarding the need to expand California's Film and Television Tax Credit program; to incentivize imports and exports; to improve the condition and performance of the goods movement system; to fix the Delta and provide a conveyance to deliver water to the region; and to highlight the importance of the military in California to the economy and national defense, as examples of policies necessary to maintain our state's competitiveness.

Based on the continuing strong working relationship between the Leadership Council and SCAG, the two organizations partnered for both the 3rd Annual Southern California Economic Summit held in December 2012 and for the 2013 Sacramento Legislative Reception and meetings, held in March 2013.

Operationally, the Leadership Council has expanded its data base, updated the redesigned website, intensified third-party outreach; and added several business leaders to the Board of Directors. The continuation of operational improvements and effective policy efforts through the 2012-2013 fiscal year has strengthened the Leadership Council and made 2013 a year of achievement. The Leadership Council looks forward to the public policy challenges that lie ahead and is committed to undertaking the sustained effort needed to resolve pressing issues that impact the economic vitality of Southern California and our state.



## OTHER PROGRAMS AND LAEDC SUBSIDIARIES



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2012-2013 ANNUAL REPORT



WORLD TRADE CENTER  
LOS ANGELES - LONG BEACH

During the year, our **World Trade Center (WTC LA-LB)** continued to expand export activity from our region and attract foreign direct investment into Los Angeles County. Our team held substantive consultations with 313 companies which resulted in \$2.5 million in export actions, \$12.7 million in capital investment, and 256 jobs attracted or retained by foreign companies in L.A. County. Based on the estimates of the LAEDC Economic Policy Analysis Group (EPAG), the WTC LA-LB's combined trade and foreign direct investment (FDI) wins will result in 359 jobs and \$990,000 in county tax revenues.

In addition, we conducted two successful trade and investment missions led by the LAEDC CEO and President, Bill Allen. The first mission was to Canada in September-October 2012. The delegation (which included WTC LA-LB Chair Les Gold of Mitchell, Silberberg & Knupp and representatives of USC, HSBC Bank, Moss Adams, Aerovironment, COM DEV USA and SNR Denton) visited Toronto and Montreal, generating 59 foreign investment leads and 12 companies that have expressed an interest in expanding to Los Angeles County.

In March 2013, the WTC LA-LB organized a China Business Trip to



Shenzhen and Guangzhou, where we attracted 111 attendees to our

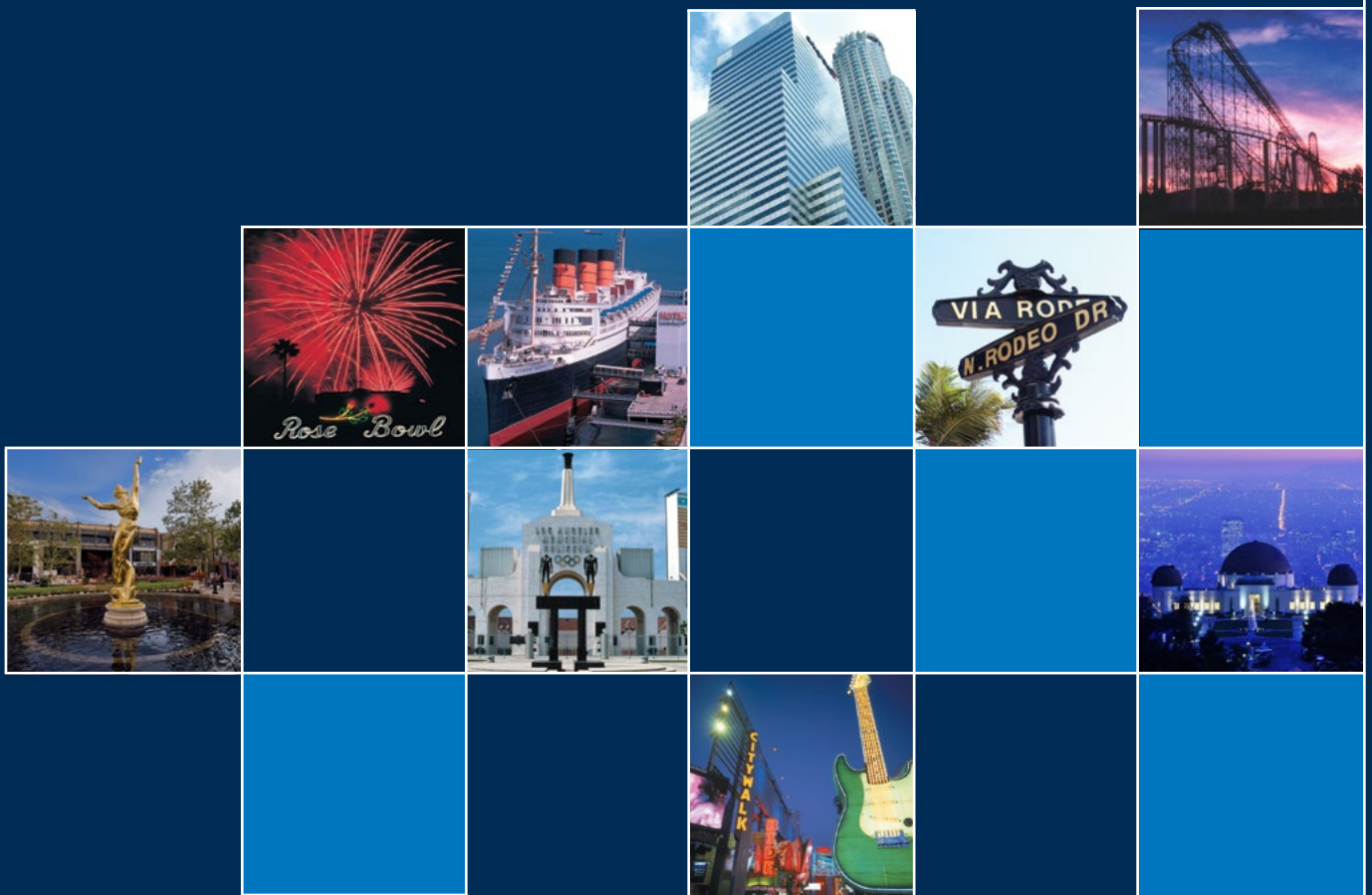
investment conferences. Delegation members (including representatives from Mitchell, Silberberg & Knupp, East West Bank, Price Waterhouse Coopers, and USC) met high level officials from many Shenzhen and Guangzhou based firms, including BYD Limited, a company seeking to create e-bus manufacturing jobs in L.A. County, and China Wireless Technologies, a company seeking to provide its competitive Coolpad smart phones for the US market. During the trip, WTC LA-LB was honored to be recognized with an award from the U.S. Ambassador to China, for its commitment to strengthening bilateral investment relations between the U.S. and China.



and Wuhan in March 2013. The WTC LA-LB met with 100 companies during the Roadshow and solidified relationships with American Consulates in all three cities.







LOS ANGELES COUNTY ECONOMIC DEVELOPMENT CORPORATION  
 444 SOUTH FLOWER STREET 37<sup>TH</sup> FLOOR LOS ANGELES CA 90071  
 1.888.4LAEDC1 [www.LAEDC.org](http://www.LAEDC.org)