

MOTION ECONOMIC DEVELOPMENT

Small businesses account for 60 to 80 percent of all U.S. jobs and are valuable to the local economy. Where businesses are also locally owned, the revenues and profits generated are likely to be re-invested into the local economy. In this way, small businesses, especially locally owned small businesses, also serve as a stabilizing force during difficult economic times, serving as emergency generators among the engines of the economy.

As Los Angeles's economy continues to recover from the national recession, small businesses have helped power the re-growth of neighborhoods throughout the City. Too often, revived economic conditions can then create a competitive disadvantage for small businesses against large and even multi-national corporations.

It is in the interest of the City to foster the resilience provided by locally owned small businesses and to support the retention of small businesses which have a long history of operation in the City, which are community assets that add to the character of each distinct community in the City.

On July 5, 2016, the City Council approved the establishment of the Los Angeles Small Business Commission (LASBC) to promote, grow and retain small business in the City of Los Angeles. One of the many benefits of such a commission is that it provides a direct and central point of contact for the business community to access resources and information. The City currently provides a number of incentives, including the Small Business Exemption, which provides a tax exemption to businesses with gross receipts of \$100,000 or less. A number of programs are in place through the Economic and Workforce Development Department's BusinessSource Centers to provide training and education to small businesses. Enterprise zones

It is timely to expand the resources available to support the retention and preservation of locally owned small businesses in the City of Los Angeles. Amid the pressures of the national and global economy, new strategies must be explored to assist small locally owned businesses. With a focus on business preservation, these strategies would be complementary to the recently adopted plans of the Ad Hoc Committee on Comprehensive Job Creation.

I THEREFORE MOVE THAT the City Council instruct the CLA, Economic and Workforce Development Department and the Los Angeles Small Business Commission, once it is fully formed, to: 1) report on best practices employed by other cities to support and retain small businesses; 2) conduct a needs assessment survey to determine the resources identified by the Los Angeles small business community to succeed in this economy; 3) inventory the assistance programs already available to small business; and, 4) report on the types of incentives, including land use incentives, that the City can provide to assist with retention and preservation of small businesses and how those incentives can be tailored toward long-established and/or locally owned businesses.

PRESENTED BY Jose Huizar
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SECONDED BY Gil Cedillo

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