

# MOTION ECONOMIC DEVELOPMENT

## LOS ANGELES LEGACY BUSINESSES

Los Angeles, like many other metropolitan cities, is having an affordability crisis. More and more people are finding themselves priced out, with rents going up annually, sometimes by more than 10%. And it's not just residential buildings that are affected, but commercial space as well.

Small businesses are failing at record numbers because they can't keep up with the rising costs. Businesses that have been an anchor in Los Angeles neighborhoods are having to close their doors.

Some cities have recognized this problem and taken action: Buenos Aires, Barcelona, London, and now San Francisco, have all created Legacy Business Programs.

In San Francisco, local elected officials are able to nominate businesses who have been in operation for thirty years or more to become a "Legacy Business" and be eligible for an annual grant of \$500 per employee. It also allows for property owners who extend ten year leases to Legacy Business tenants, an annual \$4.50 per square foot grant. These grants are capped for Legacy Business at \$50,000 per year, and building owners at \$22,500. The program costs the City \$3 million per year to operate.

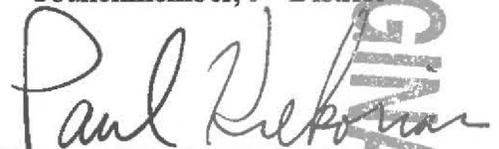
Given that Los Angeles is home to a number of businesses who would be considered legacies in our City, who helped shape Los Angeles and make it the City that it is today, and who could benefit from assistance to ensure that their doors remain open for future generations to come, the Council should explore the creation of its own Legacy Business Program.

I THEREFORE MOVE, that the Los Angeles City Council instruct the Economic and Workforce Development Department, with assistance of the Chief Legislative Analyst and Chief Administrative Officer, to report to the Economic Development Committee with an analysis of San Francisco's Legacy Business Program, and similar programs in other cities, including recommendations on how to implement a Legacy Business Program here in Los Angeles.

PRESENTED BY:

  
CURREN D. PRICE, JR.  
Councilmember, 9<sup>th</sup> District

SECONDED BY:



ORIGINAL

JUL 03 2019

