

MAYORAL QUESTIONNAIRE RESPONSES

This questionnaire features two sets of questions. The first set requested a video response not to exceed 2 minutes for each response. The second set requested a written response without a word limit. Below are the answers that were provided to us by three candidates.

QUESTIONS FOR VIDEO RESPONSES

*Note: Video responses are limited to 2 minutes per question. All candidates were requested to respond to these questions with 2 minute video responses. Below are the responses we received.

1. The City of Los Angeles is in the midst of an affordability crisis impacting both residential and commercial real estate markets. While there is a need for more commercial development, when a developer buys a site, existing local small businesses are given notices to vacate due to demolition to make way for new construction. This results in local small businesses being displaced from their site and many of them are unable to find a new location in their community due to high asking rents. **What would you as mayor do to ensure these small businesses are not displaced from their communities?**
2. Every day there are reports of sidewalk vendors being harassed and products are confiscated and discarded in the name of public health. We know the pathway to obtain vending permits in the City of Los Angeles is overly complicated and burdensome for many sidewalk vendors. **What path forward do you propose to reduce the barrier to operating for the tens of thousands of vendors operating in the City of Los Angeles?**
3. Many local small businesses are vulnerable to drastic rent hikes and failure to pay can lead to evictions, which contributes to small business displacement. Some of these businesses have been in operation for decades and fulfill an important role in their communities. **Can you share policies you are prepared to introduce to curb commercial rent hikes?**

We received one video response and it was from Mayoral Candidate Gina Viola. You can see the full video below.



(Click on video thumbnail to jump to the video)

QUESTIONS FOR WRITTEN RESPONSES

*Note: We requested written responses from all candidates without any word limit. Below are the responses that we received, with candidate responses in alphabetical order by responder.

1. As mayor what approach would you take to work with local banks in the City of Los Angeles to ensure small businesses have more opportunities to access capital?

**Karen
Bass**

Many small business owners struggle to raise the financial capital they need to launch or expand their business. That challenge is compounded for many minority and women-owned businesses, who have been historically excluded from loan programs. At the height of the COVID-19 pandemic, we saw that reality unfold when many small businesses didn't receive federal PPP loans – simply because they lacked relationships with banks and financial institutions.

That's why as Mayor, I will convene the city's banks and financial institutions to launch a multi-million dollar fund with the sole purpose of providing access to capital for small businesses. These dollars will mean the difference between launching or not, staying open or not, and

they will directly employ Angelenos.

Kevin de León

It is vitally important for small businesses to have easy access to capital. In an era where the cost of everything in Los Angeles has increased dramatically, access to capital is the only way for small business to grow. While I will work with local banks to lower barriers to loans and to encourage micro loans, which can be especially helpful for businesses like street vendors, I believe that the city must take a more active role and start a public bank. New legislation at the state level allows for municipalities to establish public banks, and a Public Bank of Los Angeles would not only be able to offer loans at much lower rates than traditional banks, but— more importantly— it would be able to lend to people who normally have higher barriers to receiving loans. This would include street vendors, formerly incarcerated people, or undocumented immigrants. I have included this proposal in my “Making L.A. Affordable Plan” which we released last month.

2. While new development can spur more economic activity, it can also displace established small businesses such as local grocery stores that serve the communities.

As mayor, what programs or policies can be put in place to ensure small businesses have a fair chance to acquire the space they operate in before it is sold in the open market and/or have an opportunity to return once a large development is completed?

Karen Bass

Small businesses are the backbone of our economy and employ the majority of Angelenos. I firmly believe that the City needs to be aggressive in protecting our small businesses and helping them grow. That includes navigating the impacts of new development.

As Mayor, I will partner with the small business community to thoughtfully think through how we can help small businesses relocate – or return to their original homes at affordable rents. That process will be aided by my Small Business Team that will serve as liaisons for small businesses, as well as the new multi-million dollar fund to mitigate any negative impacts of new development.

Kevin de León

Other cities like San Francisco have established legacy business programs by which legacy businesses receive grants which include a lump sum to landlords on the projected increase in rent for 20 years. If the landlord evicts the legacy business, this grant gets revoked.

Likewise, this could be extended to purchasing a business space, with special preference and financial aid (low interest loans, etc) for legacy businesses, preferably administered by a Los Angeles City Public Bank, though this could also be done through existing city programs. Small, neighborhood businesses are just as much a part of the local landscape as City Hall or the Music Center, and they must be protected.

3. What programs or policies can the City of LA introduce to discourage landlords from neglecting site conditions and/or encourage them to improve site conditions?

Karen Bass

In 1990, I founded an organization called Community Coalition to address addiction, crime, violence, and poverty in South Los Angeles. While there, we spent a great deal of time and energy fighting against blight, and advocating for better conditions throughout our neighborhoods. Together, we transformed dozens of nuisance liquor stores and magnets, which were magnets for crime and drug use, into beneficial community assets, such as laundry mats, grocery stores, and parks.

That's the same commitment I'll bring to the Mayor's Office. As Mayor, I will hold residential and commercial landlords accountable to ensure that they maintain healthy and safe properties. Moreover, I will work with city departments to improve maintenance of commercial corridors, address complaints of illegal dumping, and rectify inconsistent sanitation services in local neighborhoods. I will increase investments to support code enforcement and nuisance abatement at commercial and residential properties that threaten the health and safety of neighborhoods.

Kevin de León

Every Angeleno has the right to live and work in safe, clean spaces. Much of the neglect that we see is from absentee, out of state landlords, although local landlords are certainly not immune. One of the best tools that we have in the City is code enforcement, though we do not currently have enough enforcement officers to monitor the amount of complaints that come in, and often violations around tenants are not treated with the same weight as businesses. As a city we need to be hiring more inspectors and creating swifter penalty assessments as a deterrent against neglect, especially for violations that are health

related like mold, shoddy electrical wiring or other fire hazards, or insects/rodents.

4. COVID-19 exposed the need to rethink how we support existing small business owners and develop pathways to help small businesses flourish. In LA County the Board of Supervisors is exploring pilot programs such as community land trust and land banking for residential properties. There is a need for similar pilot programs in the City for commercial properties. **Can you share what innovative economic development pilot programs you feel are needed and/or are exploring?**

**Karen
Bass**

In addition to the new fund for access to capital described earlier, I will create a Small Business Team in the Mayor's Office to serve as an advocate for, and liaison to, L.A.'s small business community. They will work hand-in-hand with small business owners to help get their new ventures off the ground and continue to grow. They will also work directly with small businesses shuttered by the COVID-19 pandemic to help them open their doors again.

The team will work to streamline city regulations to encourage and assist business growth, while leading the effort to attract and sustain small and medium-sized businesses. They will also offer technical assistance around real estate, business financing and loan programs, marketing and other services.

We also need to make it simpler for minority, disadvantaged, LGBT, women and veteran-owned businesses to do business with the City of L.A. I will streamline the process – and expand eligibility – for small and minority-owned businesses to receive certification with the city, and I will partner with community organizations to assist small businesses through the process. I know that certification doesn't mean much if small businesses never win city bids. That's why I will explore innovative techniques – like unbundling city contracts – to ensure that more small businesses have a shot at winning the bid. I will also hire Procurement Navigators who will be dedicated to helping small businesses – as well as minority and women-owned businesses – navigate the city's procurement process.

I support the community land trusts pilots and will also lead the creation of a new Real Estate division to strategically manage L.A.'s extensive real estate portfolio. Too often, city-owned assets and land are underutilized or sit vacant for years. I will recruit the best and brightest minds in real estate to leverage our existing assets. Paired with smart land use planning, this strategic approach can help us build

new housing, parks and community infrastructure – while simultaneously driving revenue to our city budget.

Kevin de León

Small business owners that I have spoken to consistently tell me that fees and taxes in the City, as well as permitting, make doing business cumbersome. I have called for a re-evaluation of the gross receipts tax and transferring to a tiered gross receipts tax so that small businesses will get a break. I also believe that the city can reward businesses who do right by their employees. To that end, I have proposed reducing and eliminating taxes and fees on businesses in the city that pay their hourly workers a higher (above minimum) wage. As I spoke about earlier, I believe that we can open up capital to more small business owners– specifically people with higher barriers to traditional banking loans– by creating a Los Angeles City Public Bank. Lastly, although this is not specific to small business, it is imperative to increase home ownership to help build generational wealth. I have called for supercharging the City’s very depleted first time homebuyer’s fund to open up home ownership to more Angelenos.

5. Covid has ravaged small businesses across Los Angeles. Many commercial tenants have been burdened by rent debt that they cannot pay back due to the sales decline and fluctuation over the last two years. Further, with existing programs, there were multiple barriers to access for many small businesses, such as burdensome documentation requirements, language barriers, and technological barriers. **What are you going to do to provide relief to commercial tenants who owe back rent from the last two years in a way that is culturally competent and accessible?**

Karen Bass

The COVID-19 pandemic, and the economic crisis it caused, have devastated our communities. The last two years have exacerbated income inequality, and they have taken a major toll on small business owners, including many of your members.

I was proud to help pass significant relief measures like the PPP program, and as Chair of the Congressional Black Caucus, I brought together the other ethnic caucuses to deliver billions of dollars to help communities of color that were disproportionately impacted by COVID recover.

I know there is more work to do. Many small businesses continue to struggle, and many have been forced to change their operations or shut their doors completely because of the COVID crisis.

I am committed to leveraging my current position as a Member of Congress to ensure that future federal relief funds support small business owners. And as Mayor, I will ensure that new state funding is dedicated to the creation of a Small Business Recovery Fund, targeting resources to assist small businesses impacted by the pandemic pay rent, get back on their feet, and thrive.

Kevin de León

As Councilmember, I have worked to protect both residents and merchants from the economic harms of this pandemic. In Placita Olvera we provided merchants with rent relief and reduced rent (we could do this because it is City property), and we have continued to do so while this pandemic is ongoing. Unfortunately, for many commercial tenants, the language and technological barriers to receiving aid were too much. That's why I introduced a motion to expand the city's capacity to provide in-language communication. In a city where over 185 different languages are spoken at home, there is no reason that the city should not be communicating with people in their preferred language. We also recognize how hard this period has been for property owners, which is why when the City dispersion of rent relief became bogged down, I worked with advocacy groups to get renter/landlord relief funds administered from the state level where that money could get out to landlords more quickly. I want to use state and federal funds to continue to do that for commercial tenants and landlords.