

Policy Impact  
Examples

Late-Hour Lobbying  
Fails to Halt Critique  
Of Hahn's LAX Plan

By HOWARD FINE  
Staff Reporter

It's not every day that L.A. business leaders are lobbied intensely by the mayor's top-level advisers — certainly not this mayor, who has been widely criticized as not being amenable to business interests.

Then again, the escalating campaign by Mayor James Hahn to renovate Los Angeles International Airport is not just any issue. It has become a centerpiece of the Hahn administration — and with public support rapid at hand, the mayor's people had been counting on support from business.

But last week they came up short. Hahn's failure to win over the 100-member board of the Economic Development Corp. of Los Angeles County represents a serious blow to his \$9 billion LAX proposal and comes just two months after the board of another influential business group, the Valley Industry and Commerce Association, voted against major portions of the airport plan.

The EDC board essentially signed off on a report prepared by one of its committees that was critical of Hahn's airport overhaul, concluding that the plan was too expensive, did little to ensure that LAX would be able to serve a constantly growing air market and did not have enough flexibility to meet ever-changing security and market conditions.

The mayor's plan, the report said, "would radically and irrevocably change the nature of passenger access and air-

LAX: Hahn Fails to Win Over Economic Development Corp.

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port operations and raise difficult questions of passenger convenience, security, cost and flexibility.

Among the disputed elements: construction of a grand transportation center in Manchester Square more than a mile from the airport's central terminal area and demolition of three of the eight existing terminals.

The EDC delayed taking a vote on the report for two weeks as the mayor's office unleashed an intense lobbying campaign that involved Deputy Mayor Troy Edwards, Airport Commission President Ted Sisco and Jim Ritchie, head of long-term planning for Los Angeles World Airports. Edwards, in particular, played a central role in contacting board members individually up until last week's vote.

"Suddenly, we felt like we were the most important group in the mayor's office," said EDC President Leo Harrington. (Business Journal Publisher Matthew Toledo is chairman of the group.)

The sudden attention from City Hall marked a striking turnaround from much of the previous two years, according to EDC members, when the organization sought to have greater input into the development of the airport plan, particularly in the aftermath of the Sept. 11, 2001 terrorist attacks.

"There was one stretch where we didn't hear anything out of the mayor's office for seven months," Harrington said. "We felt frozen out of the process."

To be sure, parts of the airport plan are coming under criticism from other circles, including

community groups in the nearby Westchester area. In addition, a Rand Corp. report last May concluded that the plan would do little to improve security in and around LAX.

Most airlines have expressed concerns about the proposed reconfiguration of the terminals, although United Airlines, which has the biggest presence at LAX, has come out in support of the plan.

Such mixed reaction has made support by the business community all the more important.

"Getting the LAEDC on board is the Good Housekeeping seal of approval on any major economic endeavor in our community," said Richard Lichtenstein, president of Marathon Communications, a lobbying and public affairs firm that has clients doing business at LAX. "It also generates substantial media attention, which can be invaluable in building support down the road."

Viggo Butler, a semi-retired airport consultant who chairs the EDC's Critical Infrastructure Council and was the chief author of the report, said there seemed to be little wiggle-room in the Hahn administration's approach for suggested changes. "We stated our case and they stood their ground," he said. "There wasn't any real give-and-take."

Furthermore, Butler said, Hahn administration officials seemed to imply there would be a price to pay if the EDC did not support the plan.

"A repeated message we got was that if we didn't go along with the plan now, we can't be on the table to change it later," he said.

Edwards flatly denied that any such threat was made.

"We never said that," he said. "We've been

working openly and have solicited opinions from this organization and will continue to do this even if they have opposed portions of the plan. Furthermore, we will continue to do this even after the plan is certified."

Besides taking issue with the Manchester Square grand transportation center and the terminal demolitions, the EDC report makes the following recommendations:

- Creation of a network of remote passenger "by-ways" locations throughout the county, much like the Van Nuys Flyway that's been in operation for the last several years.

- Expansion of the Green Lane into LAX.
- Locating the ground transportation center nearer the airport, possibly in the current Lot C location.

- Modernization of the Bradley International Terminal, including gates that accommodate larger aircraft that are expected to come on line in the next five years.

Edwards takes issue with the EDC recommendations.

"What you have here are two distinctly different visions of what the role of LAX should be," Edwards said. "The LAEDC simply disagrees with the mayor that it's unfair for the communities surrounding LAX to bear the burden of the region's entire aviation needs. What's more, their counter-proposals would increase traffic and emissions in those communities, especially in Westchester."

Indeed, the bickering over details points to a fundamental disagreement over how much LAX should be allowed to grow in the coming decades.

The EDC has long favored an airport that can expand with marketplace demand. "The

region must not cap its future with a "no-growth plan for LAX," the report states.

But in his 2001 campaign for mayor, Hahn pledged to El Segundo, Westchester and Inglewood officials that he would cap LAX at 78 million annual passengers a year, about 40 percent above current levels. Since he took office, Hahn has tentatively clung to that cap.

"The LAEDC starts and ends with the fact that they don't want this 78 million passenger cap," said Harvey Englander, senior vice president with the L.A. office of the MWW Group, a public affairs firm. Englander represents the city of El Segundo, which has long pressed for just such a cap on LAX growth.

EDC officials say a cap on LAX growth would be detrimental to the regional economy.

"Every study indicates that the highest propensity travelers in the L.A. region are on the Westside, near LAX. If you put a cap on with no plan to accommodate these frequent travelers, you will start changing people's travel patterns and see a reduction in economic activity," Butler said.

Yet even if an agreement had been reached on the cap issue, Butler said, the EDC would still have had major concerns with the Hahn plan. "We've been looking at airport for more than four years now and there are many problems with the Hahn proposal, starting with the immense cost," he said.

The plan is set to go before the Airport Commission and the City Council sometime next year. Even with these approvals, construction is not set to begin on the plan until 2003 at the earliest, full build-out would take another dozen years.

Media  
Communications

Public  
Education




WEATHER: Mostly sunny  
 High: 63-65  
 Low: 32-55  
 Air quality: Moderate

THURSDAY, JANUARY 20, 2005

'It's wrong-way L.A.'

Study slams local leaders, offers plan for economic revival

By Gregory J. Wilcox  
Staff Writer

In a scathing rebuke of political leadership in the greater Los Angeles area, a think tank on Wednesday outlined a sweeping plan to turn around and strengthen the five-county region's economy and boost the fortunes of the middle class.

The report titled "Recapturing the Dream: A Winning Strategy for the L.A. Region" harshly criticized the local government agencies, especially the city of Los Angeles, and suggested elected and appointed officials need an attitude overhaul. It cited a long list of developments that have taken Los Angeles from being "the ultimate expression of expansive American capitalism" to a region burdened with serious urban problems of traffic, pollution, a widening gap between rich and poor and dysfunctional educational and political systems.

"Concerns (among local leaders) about the environment and social justice are considered far more important than sustaining job growth and business creation," the report said.

"Los Angeles-area leadership, especially the city of Los Angeles, is indifferent if not hostile to business activity."

The report for the Los Angeles-based think tank, the Center for the Study of the Economy and the City, is available at [www.csecc.com](http://www.csecc.com).

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Heat wave

Mayor pushes bond on housing

\$500 million urged to help buy homes

By Rick Orlov  
Staff Writer

With housing costs soaring



CALIFORNIA CHAMBER of COMMERCE

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"The Los Angeles County Economic Development Corporation says that Proposition 72 will impose an annual health care tax of \$5,718 per employee for employers of 200 or more employees. With the exception of employers of less than 20 employees, smaller employers will be taxed \$2,276 per employee."

"We must stop this attack on California's economy. We must defeat Proposition 72. We must act now!"

Sincerely,  
Allan Zarembeg  
President

Advocacy