SPONSORS

Clockwise from top left: Economic Markets & Access to Capital panelists Jennifer Post (Thompson Coburn), Paul Rahimian (Parkview Financial), Brent Williams (City National Bank), and Todd J. Walklett (Covington Capital Management). Real Estate panelists Jim Kruse (DPI Retail), James Malone (Colliers International), Laurie Lustig-Bower (CBRE), and Martin Griffiths (KPMG). Tax Reform Update panelists Dean Joaquin (RSM US LLP), Craig Morris (KPMG), David Brand (Armanino), Michael Amato (Lucas Horsfall), and Kenneth Tindal (CBIZ MHM).
HELPING YOUR BUSINESS REACH NEW LEVELS

Today's market is no longer about who you were, it's about who and where you are going to be tomorrow. Equity is now defined through driving innovation, implementing technology roadmaps, navigating a transforming compliance landscape and understanding how to properly transfer wealth. Success requires a partner that has your back, and knowledge combined with creativity to help you blast off above and beyond where you need to be. Armanino is an agile, vested strategic partner that challenges the status quo and generates fearless creative insights which leads to strategic growth. Our strategic thinking and insights address your toughest challenges and take you to new levels in the race to innovation.

armaninollp.com
The Los Angeles Business Journal was excited to host the 2019 Economic Forecast & Trends event at the City Club LA on Tuesday, January 22nd.

The eventful morning featured a pair of lively panel discussions featuring leading experts on the hottest topics on the minds of LA area businesses leaders at the start of this year. It was stimulating look back at what made the headlines in 2018 and deep dive into how the economy might be impacted this coming year.

Our amazing group of panelists and moderators examined the issues as they shared their experiences and predictions for the year to come. The panels this year focused on the hot-button topics of Tax Reform; Real Estate; and Economic Markets & Access to Capital.

Attendees had the opportunity to learn from and engage with some of the region’s leading business minds in the following discussions:

**TAX REFORM UPDATE:**
Moderated by Michael Amerio of Lucas Horsfall, this panel made up of David Erard of Armanino, Dean Joaquin of RSM, Craig Morris of KPMG, and Kenneth Tindall of CBIZ cut to heart of the recent tax reform initiatives and how they are currently and will ultimately impact our businesses in Los Angeles. It's a topic that continues to be on the minds of all business leaders, and the panel explored the latest implications of tax reform and how some industries potentially benefit more than others. The experts also tackled some of the other big questions businesses are asking such as whether or not individual states are conforming to the new tax rules and what the biggest issues are that companies should be concerned with.

**REAL ESTATE:**
Moderated by Jim Kruse of DPI Retail, panelists Martin Griffiths of KPMG, Laurie Lustig-Bower of CBRE and James Malone of Colliers International helped to define 2019’s issues and the outlook for the immediate future of real estate. Issues were discussed with up-to-the-minute expertise, including the group’s thoughts on topics ranging from the continuing growth boom downtown to legislative issues to the latest market trends in this ever evolving category.

**ECONOMIC MARKETS & ACCESS TO CAPITAL:**
Moderated by Jennifer Post of Thompson Coburn LLP, this insightful dialogue with Parkview Financial’s Paul Rahimian, Covington Capital Management’s Todd J. Walklett, and City National Bank’s Brent Williams provided an opportunity for these fiscal thought leaders to share information on a number of helpful factors, such as the evolving diversity of economic markets, growth areas in lending, trends for the availability of (or access to) capital, and the latest on the financial landscape overall.
The people you trust, trust City National.

Top Ranked in Client Referrals*

Gina McAllister
Owner, Fortitude Financial Management
Referred Dustin to City National

Dustin Coney
Owner, Mr. Coney’s Barbershop
Now a client of City National

Call (866) 792-8320 to speak with a Relationship Manager.

Visit cnb.com

*2017 Greenwich Excellence Award for Likelihood to Recommend in the West. Based on interviews conducted by Greenwich Associates in 2017 with more than 30,000 executives at businesses across the country with sales of $1-500 million. City National Bank results are compared to leading competitors on the following question: How likely are you to recommend [bank] to a friend or colleague?
Mike Amerio, Lucas Horsfall’s managing partner, has 27 years of public and private accounting experience in auditing, income tax and business advisory services to privately-held companies in industries such as manufacturing and distribution, construction, insurance brokerages and not-for-profits. He’s the elected treasurer of the city of Sierra Madre and a coach for youth sports. He volunteers time as a board member for the Los Angeles Orphan Asylum and Maryvale. Lucas Horsfall focuses on privately-owned businesses, whose accounting and business needs are far different than those of public companies. Amerio explains: “We are entrepreneurs helping other entrepreneurs.”

David Erard has more than 15 years of experience in the accounting industry, including seven years at the Big Four. He provides consultation on business matters and related tax provisions of partnership/LLC operating agreements, distressed debt matters, REIT tax consulting and compliance matters, net investment income tax considerations, and assists with other complex transactions faced by private equity firms and real estate investors. Erard holds an M.S. in accounting with an emphasis in tax from Brigham Young University and has lectured on several topics at the USC Gould School of Law Tax Institute.

Martin Griffiths, a partner at KPMG LLP, serves as the firm’s West Area Real Funds Tax Leader. He has extensive experience providing both tax consulting and compliance services to some of the top real estate companies in Southern California. Griffiths previously served as chief financial officer of a public REIT and as senior vice president of tax for the largest privately held multifamily real estate company in the U.S. He has assisted with the IPO process of two REITs and a publicly traded C corporation with real estate assets.

Dean Joaquin leads RSM’s tax practice in the West Region. He is responsible for oversight operations and results of the tax practice in the 10 RSM offices in the West Region. He has over 20 years of experience in providing federal and state consulting and compliance services to middle market companies in a variety of industries. Joaquin works with companies to implement tax minimization strategies that provide organizational growth and effectiveness while building value for stakeholders. He also focuses on corporate taxation and multi-state taxation issues across a wide range of industries including manufacturing, consumer products, wholesale distribution and professional services.
PRIVATE CONSTRUCTION LENDER
Multi Family | Spec SFR | Mixed Use
Retail | Office | Industrial | Entitled Land

- Broker Protected
- $3M - $100MM
- Western United States

- Rates Start at 8.99% and 1.5 points
- Up to 75% Loan to Cost
- Terms Up to 36 Months

PARKVIEW FINANCIAL | PRIVATE CONSTRUCTION LENDER
11601 WILSHIRE BLVD, SUITE 2100, LOS ANGELES, CA 90025
310.996.8999 | LENDING@PARKVIEWLOAN.COM | WWW.PARKVIEWLOAN.COM
**ECONOMIC FORECAST & TRENDS**

**SPEAKERS & PANELISTS**

**KENNETH TINDALL**
Senior Tax Manager
CBIZ MHM

Ken Tindall is a senior manager in CBIZ’s Los Angeles office and has more than 20 years of experience in public accounting and tax consulting. He provides tax and business consulting services to companies in the manufacturing, real estate, entertainment and professional services industries. His main client focus is in the area of closely held businesses and pass-through entities. Tindall has substantial experience with state and local taxation issues and Research & Experimentation tax credits. His expertise emphasizes business and personal income tax minimization and comprehensive planning for owners and their families. He also has extensive experience representing client tax controversy matters before the Internal Revenue Service, state and local taxing authorities.

**TODD J. WALKLETT**
Managing Director
Covington Capital Management

Todd Walklett is Portfolio Manager, member of the Investment Committee as well as the Board of Directors. He is a Chartered Financial Analyst (CFA) charter holder with over 25 years of portfolio management experience working with wealthy individuals, retirement plans, foundations and endowments. In 1991, Walklett began his investment career in Philadelphia working for SEI Investments where he worked 9 years as Senior Strategist and Head of U.S. Equities. He relocated to Pasadena in 1999 when he joined Provident Investment Counsel as a Senior Vice President; Portfolio Manager and Analyst. In 2005, Walklett joined Live Oak Capital as a Senior Partner and in 2007 he joined Covington Capital Management where he currently works as a Managing Director.

**BRENT WILLIAMS**
Regional Manager
City National Bank

Brent Williams is regional manager of City National Bank’s Los Angeles Commercial Banking division. Based in Los Angeles, he leads a team of commercial bankers who deliver City National’s customized financial solutions to stabilized businesses in Los Angeles, San Fernando Valley, Ventura and Long Beach. Williams has more than 25 years of financial services experience. Prior to joining City National, he worked in a variety of roles at Wells Fargo, most recently as an executive vice president and region head responsible for the Westside of Los Angeles as well as head of the bank’s Southern California Middle Market Technology, Media and Telecom team. Williams earned his master’s degree in business administration from the University of Michigan and his bachelor’s degree from the University of Pittsburgh. Active in the community, he volunteers his time on the boards of directors for Wayfinder Family Services.

**CRAIG MORRIS**
Los Angeles Tax Partner
KPMG

Craig Morris is a tax partner in KPMG’s Los Angeles office. He is a member of the West Area Tax practice with more than 34 years of experience serving as the lead tax partner on many of KPMG’s audit and tax clients. He has worked with both public and privately held companies providing income tax planning for businesses with multi-state operations. He has extensive knowledge in state and local tax planning and restructuring as a result of spending several years in the firm’s state tax practice. His experience also includes income tax compliance and planning for businesses with both multi-state and international operations including mergers and acquisitions.

**JENNIFER POST**
Partner
Thompson Coburn LLP

A partner with Thompson Coburn, Jennifer Post serves as primary outside counsel to a variety of individuals, institutions and companies, including entrepreneurs, venture capital firms and emerging companies, as well as domestic and international public companies. Her practice encompasses all areas of general corporate and securities law, including private placements of equity and debt securities, mergers and acquisitions, and venture capital fund formation. She is a member of Thompson Coburn’s Management Committee and founded the firm’s Blockchain Technology and Digital Currency practice. Her practice encompasses all areas of general corporate and securities law, including private placements of equity and debt securities, mergers and acquisitions, and venture capital fund formation. Post advises her company clients in many aspects of their businesses. She also represents investment entities.

**PAUL RAHIMIAN**
Chief Executive Officer
Parkview Financial

Paul Rahimian currently manages a debt fund that provides construction financing to ground up real estate development projects throughout the Western United States. He founded Parkview Financial in early 2010 and has since originated hundreds of commercial and residential loans, always relying his trademark hands-on management style. Distincted from its competitors by dedicated in-house finance and accounting professionals Parkview is widely recognized as a pioneer in the industry, among the first to offer complete integration of loan origination and servicing. Prior to becoming a leader, Rahimian was a third-generation real estate developer and general contractor. Between 1988 and 2009, he successfully completed over $350 million in commercial and residential projects. His vast expertise and knowledge in the construction and development industry has benefited both Parkview and its borrowers.
We're up to speed, so you can go full speed.

SEE CHALLENGES BEFORE THEY'RE CHALLENGING.

To make confident decisions about the future, middle market leaders need a different kind of advisor. One who starts by understanding where you want to go and then brings the ideas and insights of an experienced global team to help get you there.

Experience the power of being understood. Experience RSM.

rsmus.com
Over the last ten years, we have seen a consistent increase in multifamily development projects and apartment building construction. However, despite an increase in supply, the valuation of multifamily assets still continues to rise. While this is undoubtedly a positive, investors cannot help but wonder: is this a good trend to be tracking? Can this long run of apartment building cap rate compression possibly continue or is its inevitable decline right around the corner?

And while the fear of a market correction may persuade investors to move on to another asset type, we believe that all this anxiety amounts to little more than empty chatter. Multifamily units are still a fantastic investment, and they will continue to increase for many years to come.

The numbers don't lie. Apartment rents have increased consistently for the past nine years, and they show no signs of slowing down. For six out of the past eight years, we have seen a 1% increase in prices year over year, with the remaining two years coming in only slightly under that 1% mark. The cumulative effect of these increases has resulted in a 31% increase in rental prices from January 2011 to today. To put this in dollars and cents, an apartment that once rented for $1,553 is now renting for close to $2,000. That is a staggering, historical increase.

Many factors have led to this increased demand for multifamily assets. Population size continues to grow across the board, which inevitably leads to a shortage of housing options, namely apartment rental units. Though construction rates continue to rise, the demand has well surpassed the supply, leading to a severe imbalance and a shortage of units. It all boils down to Economics 101: the demand has outweighed the supply. The result? Higher rents and more return for investors.

Another consideration that has led to this market shift is an evolving lifestyle for a majority of Americans and various cultural trends. It's quite posh right now to discuss the millennial generation and the impact they've had on the market, but this change has been affected by far more than just one generation. For those that lived through the Great Recession, the thought of owning a home and being solely responsible for a mortgage is utterly daunting. Therefore, the freedom that comes with renting becomes all the more attractive when viewed under the context of the housing crisis. Why stay stuck in a mortgage for 15, 20 or 30 years when you can participate in the market correctly.

Further, developers are currently making decisions wholly based off of fear. Timing the market accurately has always been a problem for developers, but it became all the more difficult following the 2008 crash. Developers became skittish, and it took several years before they allowed themselves to re-enter the game or even consider gathering enough capital to start new projects.

And finally, one of the most recent obstacles to new developments is the rising cost for construction and materials. Land costs, material costs, and labor costs are all increasing at record-breaking levels. Skilled journeymen are becoming harder and harder to find, and contractors are stealing labor from their competitors to keep up. To woo these new workers, contractors offer more pay which results in a never-ending cycle of worker theft, cascading into an enormous increase in labor rates across the board. On top of all these problems, the majority of skilled workers left the industry after the Great Recession of 2008, and there is now far less appeal for new workers to join the labor force.

Together, all of these factors work in concert to lead to an immense shortage of supply. And again, we must return to our economics 101 and consider simple supply and demand variables. After examining these factors, a sophisticated and savvy investor can only conclude that a rise in demand and moderate supply increases will ultimately lead to a healthy ecosystem for their assets. Multifamily will continue to remain strong into the foreseeable future.

Multifamily Development Remains Strong

This burden precludes them from even considering homeowner ownership in the foreseeable future, forcing them to rent and adding further to this increase in demand for multifamily units.

Adding on top of all of these factors is an entire class of retirees from the baby boomer generation who are now electing to downsize into more manageable rental units. Projections predict that the number of Americans over age 65 will double in the next 40 years, increasing from 46 million today to close to 100 million by 2062. Again, the numbers don't lie. The demand is moving at an accelerated rate, and supply needs to kick into high gear to catch up.

This lack of supply is creating in effect a bottleneck for rental rates and pricing. By some estimates, California alone will need at least 180,000 new housing units per year to stabilize value and avoid future rent increases. And again, this supply bottleneck can be explained by a multitude of reasons.

The demand has increased for the past nine years, and they show no signs of slowing down. For six out of the past eight years, we have seen a 1% increase in prices year over year, with the remaining two years coming in only slightly under that 1% mark. The cumulative effect of these increases has resulted in a 31% increase in rental prices from January 2011 to today. To put this in dollars and cents, an apartment that once rented for $1,553 is now renting for close to $2,000. That is a staggering, historical increase.

Many factors have contributed to this increased demand for multifamily assets. Population size continues to grow across the board, which inevitably leads to a shortage of housing options, namely apartment rental units. Though construction rates continue to rise, the demand has well surpassed the supply, leading to a severe imbalance and a shortage of units. It all boils down to Economics 101: the demand has outweighed the supply. The result? Higher rents and more return for investors.

Another consideration that has led to this market shift is an evolving lifestyle for a majority of Americans and various cultural trends. It's quite posh right now to discuss the millennial generation and the impact they've had on the market, but this change has been affected by far more than just one generation. For those that lived through the Great Recession, the thought of owning a home and being solely responsible for a mortgage is utterly daunting. Therefore, the freedom that comes with renting becomes all the more attractive when viewed under the context of the housing crisis. Why stay stuck in a mortgage for 15, 20 or 30 years when you can participate in the market correctly.

Further, developers are currently making decisions wholly based off of fear. Timing the market accurately has always been a problem for developers, but it became all the more difficult following the 2008 crash. Developers became skittish, and it took several years before they allowed themselves to re-enter the game or even consider gathering enough capital to start new projects.

And finally, one of the most recent obstacles to new developments is the rising cost for construction and materials. Land costs, material costs, and labor costs are all increasing at record-breaking levels. Skilled journeymen are becoming harder and harder to find, and contractors are stealing labor from their competitors to keep up. To woo these new workers, contractors offer more pay which results in a never-ending cycle of worker theft, cascading into an enormous increase in labor rates across the board. On top of all these problems, the majority of skilled workers left the industry after the Great Recession of 2008, and there is now far less appeal for new workers to join the labor force.

Together, all of these factors work in concert to lead to an immense shortage of supply. And again, we must return to our economics 101 and consider simple supply and demand variables. After examining these factors, a sophisticated and savvy investor can only conclude that a rise in demand and moderate supply increases will ultimately lead to a healthy ecosystem for their assets. Multifamily will continue to remain strong into the foreseeable future.

National and L.A. County Median Rents

<table>
<thead>
<tr>
<th>National</th>
<th>L.A. County</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>$2,500</td>
<td>$2,442</td>
<td>$1,553</td>
</tr>
</tbody>
</table>

Source: Zillow
Growing pains.
Business gains.

CEOs are driving disruption forward.

In today’s environment, CEOs see opportunities ahead. Discover key insights featured in KPMG’s CEO Survey. To learn more, contact Mark Hutchins, Los Angeles Office Managing Partner at 213-972-4000, or visit KPMG.com/us/CEOoutlook

Anticipate tomorrow. Deliver today.
Labor Shortages Pose Long-Term Challenge for Middle Market

By JOE BRUSUELAS

At 3.7 percent, U.S. unemployment is at its lowest level in 30 years. Jobless claims are near a 50-year low, and the number of employed adults is at an all-time high. This should be good news, and for many households, it is. But for the middle market, these historic numbers are creating significant growth challenges affecting everything from holiday hiring to the retail side, to commercial and residential housing construction, transportation, manufacturing and professional services—you get the picture.

Meanwhile, wage gains have been tepid, to say the least, with workers at the lower end of the income scale only recently beginning to see increases in their paychecks. The lack of a more significant pickup in wages, as unemployment head toward our forecast of 3.5 percent, and possibly lower, is one of the major dilemmas facing policymakers and economists.

So what’s behind this historically tight labor market? Why have wage gains been so stubbornly tepid? And will these hiring and wage challenges end soon? To get a sense of why we believe the tight labor market will persist for much longer than many expect, it helps to put how we arrived at this critical juncture in some perspective; the seeds for today’s tight labor market were planted many, many years ago.

Since the advent of the consumer-driven economy at the end of World War II, the manufacturing sector has gone from employing 32 percent of the labor force in 1947 to less than nine percent of nonfarm workers in 2017. This shift occurred as consumer tastes changed and employment in local manufacturing was replaced by regional, and then global, supply chains.

During the same period, the service sector has more than doubled its share of the labor force from 19 percent of 1947 nonfarm payrolls to 49 percent today. Government employment has averaged about 16 percent of the workforce, drifting slightly lower since 1975. The finance and construction sectors have also been relatively stable, each averaging about five percent of nonfarm payrolls.

The current U.S. political landscape is a reminder that for many American workers, the major story of the post-World War II era has not necessarily been the cultural shifts that society has undergone, but rather how sound investment decisions have resulted in a long-term hollowing out of the U.S. industrial sector. Employment in nondurable goods manufacturing has been trending lower since 1975. Employment in durable goods manufacturing settled to house 5.3 percent of the workforce, while nondurable goods manufacturing has stabilized at 3.2 percent. It is also worth noting that while U.S. manufacturers of durable goods have always employed more workers than those of nondurable goods, a bump up in durable goods manufacturing employment coincided with increased demand for electronic products during the technology boom of the 1990s. Employment in nondurable goods manufacturing has been trending lower since that time.

Ideally, rather than trying to stuff the toothpaste back in the tube, domestic manufacturers could further transition from produce low-cost goods, using the economies of Japan and Germany as a model for continued growth and the health. WAGES, SUPPLY AND DEMAND FOR LABOR

From a macroeconomic perspective, access to a broader array of lower-cost goods has helped boost overall standards of living and the U.S. economy as a whole. On a human level, however, it has left many workers (formerly employed in the industry), and the regions and towns overly dependent on it, with reduced job prospects and more challenging local economies. By the 1980s, instead of guaranteed pension plans and lifetime health care, workers were left to fend for themselves as the industry began to flee union-friendly regions for right-to-work states, in pursuit of cheaper labor.

Employers also began to outsource tasks not considered direct inputs to production (e.g., janitorial services, janitorial tasks) that could be easily replicated by lower-cost service providers. Even direct inputs began to be outsourced to lower-cost providers, which not only limited demand for local labor, but also likely contributed to the reduction in research and development and the decline in production efficiencies that would eventually allow foreign manufacturers to overtake domestic production.

As illustrated below, the period from 1981 to 1985 saw a sharp drop in hourly wages as the increased supply of low-cost labor led to “take it or leave it employment opportunities” and then to low-wage wage growth thereafter. The global labor market had indeed taken hold in the new political environment.

Note that in recent years, hourly wage growth is once again moving higher, but remains at historically low rates of less than three percent per year. This implies that household income gains will just barely be enough to cover rising prices if inflation were to remain at the Fed’s current two percent inflation target. Furthermore, the discontent that has dominated the post-crisis recovery era seems likely to linger unless industry and policymakers come up with a solution.

While all other industries have employed fewer workers over the past 17 to 18 years, it is ironic that the industries that have increased their share of manufacturing employment are those that use steel or aluminum, including transportation equipment, fabricated metal and machinery. The imposition of tariffs on the main inputs to production in those industries would threaten their ability to continue providing employment, further damaging the manufacturing sector of the economy.
BORN TO SERVE PRIVATELY-OWNED COMPANIES

Our Story

Lucas Horsfall has grown as its clients have grown over the years, focused on privately-owned companies from the very beginning. The major event in the firm’s ascent was the 1997 merger of two prominent Pasadena-area accounting firms focused on family-owned businesses, Lucas & Company, (1957) and Horsfall, Murphy and Pindroh (1984). Other mergers and acquisitions followed, always in the service of private companies.

In 2016 the firm streamlined its name to Lucas Horsfall, and in 2017 opened an office in the Inland Empire. In 2018, a presence in Orange County was added. Also in 2018 Lucas Horsfall merged in the San Fernando Valley firm of Charles, Blank & Karp.

Our Client’s Stories

Throughout the decades Lucas Horsfall’s focus has been on privately-held companies and caring for the individuals behind those businesses. We are entrepreneurs serving other entrepreneurs.

The bond between Lucas Horsfall and the successful private company often extends for generations. It typically begins as a young, fast-growing company outgrows the small accounting firm it started with and takes advantage of Lucas Horsfall’s multi-generation experience with successful private companies of every size. The bond continues, a generation or more, with succession planning or a merger/acquisition solution to complete its life cycle.

100 E Corson Street, Ste 200, Pasadena, CA 91103 Phone: 626-744-5100
The Port of Long Beach is indeed embarking on what is shaping up to be a monumental year. Moderate cargo growth is anticipated through 2019 as the nation’s second-busiest seaport achieves major milestones on projects that will bolster economic development, increase reliability of service and improve air quality for decades to come. International trade touches the lives of everybody. It impacts what products we can buy, what they will cost, who will make them, and where they are made.

“The Board of Harbor Commissioners endeavors to ensure that the Port serves Long Beach and the nation as a major pipeline for imports and exports,” said Tracy Egoscue, President of the Long Beach Board of Harbor Commissioners. “We do this while being a good neighbor and operating the Port in a green and sustainable manner.”

“With our many projects, we’re planting the seeds so this region thrives, and so Long Beach remains a great place to live and work,” said Mario Cordero, Executive Director of the Port of Long Beach. “We’re modernizing to keep the Port competitive, to attract cargo and generate jobs.”

Following record-breaking cargo volume at the Port in 2018, container growth in 2019 may continue. The growth is expected to be moderate given the ongoing uncertainty posed by the trade war between the United States and China. China accounts for nearly 70 percent of the imports coming into Long Beach and 40 percent of the exports.

“Count us among the optimists,” Cordero said. “With so much at stake on both sides of the Pacific, we believe the United States and China can resolve their differences and keep our respective economies growing.”

Long-term prospects remain bright for the Port, which supports more than 100,000 jobs in Southern California and about 1.4 million jobs nationally.

A return to the waterfront in 2019. container growth in 2019 may continue. The growth is expected to be moderate given the ongoing uncertainty posed by the trade war between the United States and China. China accounts for nearly 70 percent of the imports coming into Long Beach and 40 percent of the exports.

“Count us among the optimists,” Cordero said. “With so much at stake on both sides of the Pacific, we believe the United States and China can resolve their differences and keep our respective economies growing.”

Long-term prospects remain bright for the Port, which supports more than 100,000 jobs in Southern California and about 1.4 million jobs nationally.

A return to the waterfront is anticipated this summer, when the Port moves into its new Civic Center headquarters in downtown Long Beach. Located next door to the new Long Beach City Hall and a new library, the Port Administration Building will be an extremely accessible, highly attractive showcase of government services.

“We’re proud to be part of the downtown renaissance,” Cordero said. “It’s exciting to see our offices bringing more jobs back to the downtown area.”

The downtown skyline is being further redefined by the replacement for the Gerald Desmond Bridge, which rises more than 200 feet over the Port’s Bock Channel. Standing 515 feet tall, the bridge’s twin concrete towers are already the tallest points in Long Beach.

About 15 percent of America’s imports will be hauled by trucks crossing the cable-stayed span, known as the “bridge to everywhere.”

When it opens to traffic by the end of 2019, the new bridge will be higher to allow additional clearance for some of the world’s largest and most efficient cargo ships. The bridge will also be wider to ease the flow of cars and trucks.

Nearby, the Long Beach Container Terminal at Middle Harbor is entering the final phase of its construction. Here, the OOCL Malaysia is docked at the terminal in December 2018.

The ONE Competence is docked at the Port of Long Beach’s International Transportation Service terminal at Pier G. Moderate cargo growth is forecast for the nation’s second-busiest seaport in 2019.

The Port’s new headquarters, center, is part of a new downtown Civic Center along with a new City Hall and Main Library. Port staff are expected to return to the waterfront in summer 2019.

The Port is further preparing for the future with plans to spend about $1 billion for rail projects over the next decade.

The centerpiece of that plan is the Port B On-Dock Rail Support Facility, which will give the Port additional room to assemble longer trains to move goods more efficiently, limit truck traffic and reduce environmental impacts. Construction is scheduled to start in 2022, with the entire $870 million project completed by 2032.

Each train eliminates the need for up to 750 truck trips, which speeds the flow of goods across the country while reducing traffic on local roadways.

“The Port is a leader in environmental sustainability, infrastructure investments and community engagement,” Egoscue said. “We have a fiduciary responsibility to see that the Port’s funds are used properly and reinvested wisely in the best projects.”

For more information, visit polb.com.
Real Estate Deals Gone Wrong: A Look at the Issues

By JEFF BROWN

When faced with litigation stemming from real estate deals gone wrong, oftentimes disputes focus on three key issues: enforceability of liquidated damage provisions, letters of intent and whether representations and warranties survive the close of escrow and can be used to limit the time within which claims may be made. This article briefly discusses each.

LIQUIDATED DAMAGES

Liquidated damages can provide parties added incentive to perform all types of contracts, including commercial real estate contracts. But are they enforceable in California? The short answer is that they’re presumed to be enforceable as long as they are not a penalty.

A liquidated damages provision is not invalid merely because it’s intended to encourage a party to perform so long as it represents a reasonable attempt to anticipate the losses to be suffered. If, however, the sole purpose of a liquidated damages provision is to coerce compliance with the contract and not to compensate the innocent party for damages resulting from the breach, the provision is a penalty and not enforceable. No matter what you call it, the court will analyze the range of actual damages that the parties could have anticipated would flow from a breach. The amount set as liquidated damages must represent the result of a reasonable endeavor by the parties to estimate a fair average compensation for any loss that may be sustained. When reviewing liquidated damages provisions, courts generally examine all the circumstances existing at the time of the making of the contract.

What about specific performance? A liquidated damages provision does not necessarily preclude the remedy of specific performance. Parties should be careful as to whether they wish to have the liquidated damages be the “sole remedy” or just the substitute for damages.

LETTERS OF INTENT

Business people like to use LOIs to tie up a deal. On the other hand, they don’t want to be bound by them if they want to walk away. As one court explained, “Not infrequently, the negotiations that follow the execution of a letter of intent break down, prompting the disappoint- ed party to sue on the theory that the preliminary document is binding.”

How do the courts decide whether LOIs are enforceable? First, subjective belief doesn’t mean anything. Instead, look at the language of the LOI. Does the LOI state that there will be no binding contract unless and until the parties sign a formal written contract? That type of provision has a better chance of allowing the parties to walk away than an LOI that says the parties intended to “reduce the informal writing to a more formal one.” In the latter case, the court may find that there was still an enforceable agreement, even though the parties wanted to make it prettier and longer later on. If you want to avoid enforcement, use protection, like a disclaimer. What if the parties want some of the LOI to be enforceable, even if there is no final overall agreement? That is generally allowable; the parties may agree that there is no enforceable purchase and sale agreement or lease agreement until they have executed a formal, written agreement, but still use the LOI to enforce certain rights and duties that flow from their negotiation process, such as confidentiality/non-disclosure, non-circumvention, and exclusive negotiation.

Real estate parties must be careful in drafting LOIs if they want to avoid having a judge later hold that instead of a precursor to an agreement, the LOI became an enforceable agreement.

REPRESENTATIONS AND WARRANTIES

Representations and warranties serve as a safety net for the seller and buyer. If, prior to closing, either the seller or buyer discovers that a representation or warranty made by the other party is not true, they can back out of the deal. In real estate transactions, the usual approach is for the seller to agree to no representations and warranties, and sell the Property “as is.” However, as one court held, “[i]t is well settled that where a principal is under a positive duty to make a disclosure, he cannot escape liability for his failure to do so by relying on a provision in the agreement of sale that there are no other representations except those therein expressed.” How long do the reps and warranties live? Absent a “survival clause,” they have no independent existence. Unless the parties agree to a survival clause — extending the representations and warranties past the closing date — the breaching party cannot be sued for damages past-closing for their later discovered breaches.

Language stating only that the representations and warranties “shall survive” for a specified duration operates solely to extend their life past the closing date. Here, again, drafters must be careful to add language if they wish to shorten or lengthen the time within which a claim can be made based upon breaches of the representa- tions and warranties.

Jeff Brown is a Partner with Thompson Coburn LLP.

ACCOUNTING | TAX | ADVISORY
www.cbiz.com | www.mhmcpa.com
Tel: 310.268.2000
Contact: Nick Pyzow at npyzow@cbiz.com

We are one of the leading providers of tax, audit and advisory services to Southern California’s real estate, entertainment, manufacturing, and technology and life sciences industries. We take pride in the role we play as a trusted advisor to our clients. With six offices in Southern California and two in Northern California, we provide our clients with timely, personalized local support and unique industry-specific insights that can help guide their business.

Ranked by Accounting Today, INSIDE Public Accounting and Public Accounting Report as one of the Top Ten accounting providers nationwide, we have the depth of resources ready and available to address any client need that may arise.

MHM (Mayer Hoffman McCann P.C.) is an independent CPA firm that provides audit, review and attest services, and works closely with CBIZ, a business consulting, tax and financial services provider. CBIZ and MHM are members of Kreston International Limited, a global network of independent accounting firms.
LOS ANGELES BUSINESS JOURNAL – CUSTOM CONTENT

ECONOMIC
Forecast & Trends

Tax Law Changes You’ll be Using First in 2019

By MIKE AMERIO

The calendar has turned to 2019 and it’s the first time to use the provisions passed in 2017 to apply to taxes in 2018. Here are reminders about some of the provisions of the Tax Cuts and Jobs Act required for the 2018 returns now being prepared.

Tax Rates for Individuals changed. Consult a chart for the new percentages. Incremental tax savings on each $1M is $26,000. Capital gains and qualified-dividend rates are unchanged at 20%.

Tax Rates for C. Corporations are now simplified. Instead of eight brackets, from under $5,000,000, the rate is now 21% across the board.

Business bonus depreciation for the adjusted basis of qualified property used to be 50%. Now it’s 100%. “Use property” did not qualify in the past. Now it does. Qualified improvement property used to be eligible. Now it isn’t.

Business Section 179 deduction can expense $1M before phase-out (was $550k). Dollar-for-dollar phase-out after total purchases exceeding $2.5M (was $2M) fully phased-out at $3.5M (was $2.5M). The definition of eligible expenditures such as roofs, HVACs, fire protection and carpet, etc., used in residential rentals and expensive personal property such as furniture, appliances, etc., is eliminated. The service industry exclusion back is allowed except in limited circumstances.

Business: Section 199 domestic production activities deduction (DPAD). The old law allowed a 9% deduction on the taxpayer’s “qualified production activities income” and it was limited to 50% of the W-2 wages paid by the taxpayer in the calendar year. The new law eliminates all of that.

Business/Individual: 199A Deduction (20% pass-thru deduction). New for 2018 and forward: 20% deduction against Qualified Business Income QBI, REIT dividends and FTP income. This deduction does not apply to income from “specified service trades or business” (SSTB) when taxable income is or above the phaseout ceiling. SSTB includes accounting, law, health, consulting brokerage services, investment management and trading (engineering and architectural services are excluded).

The old law limited “Specified Service Trades or Businesses, and included accounting, law, health, consulting brokerage services, investment management and trading. The new law includes engineering and architectural services. Banking, insurance, financing and leasing may also qualify for the 20% deduction.

Business: Cash Method of Accounting. Now available if the average gross receipts do not exceed $25M (was $5 M) for the past three years. The $1M threshold for businesses with inventories is eliminated. The service industry exclusion still applies.

Business: Accounting for long-term contracts. Now the percentage-of-completion method is required if the average gross receipts exceeds $25M (was $10M) in past three years.

Business: 263a capitalization. If the average gross receipts do not exceed $25M (was $10M) for the preceding three years, they are fully exempt from the UNICAP rules.

Business: Limit on interest expense deduction. All businesses are subject to a limitation of a deduction for net interest expenses in excess of 30% of the business’s “adjusted taxable income.” Adjusted business taxable income is a business taxable income computed without regard to business interest expense, business interest income, net operating losses (NOLs), qualified business income deduction, depreciation, amortization and depletion. Any interest amounts limited under this rule would be carried forward indefinitely. Businesses with average gross receipts of $25M or less for the preceding three years would be exempt from these limitation rules.

Individual: Net operating losses (NOL). The current year NOLs of $500k or less (20% for others) can be used to offset all current year income, but any excess is carried forward indefinitely. Businesses with average gross receipts of $25M or less for the preceding three years would be exempt from these limitation rules.

Individual: Alternative minimum tax (AMT). The AMT exemption amount jumps from $86,200 to $109,400. Since the state income tax deduction is essentially eliminated, it is unlikely to be an AMT tax.

Business: Corporate alternative minimum tax. The AMT credit is refundable and can offset regular tax liability in an amount equal to 50% (100% for tax years beginning in 2021) of the excess of the minimum tax credit for the tax year over the amount of the credit allowable for the year against regular liability.

Mike Amerio is Managing Partner with Lucas Horsfall.
By KENNETH TINDALL

Four Ways Tax Reform Will Affect 2019

The tax reform law known as the Tax Cuts and Jobs Act (TCJA) brings significant changes for 2018 individual and business tax filings. Businesses are still processing the effects of the TCJA in 2019, particularly its potential ramifications on long-term planning. Below are four particularly important TCJA provisions for 2019.

PASS-THROUGH ENTITY DEDUCTIONS

The tax deduction for pass-through entities provides a business owner up to a 20 percent deduction against qualified business income (QBI) received from a qualified business. The deduction requires an evaluation of the nature of business activities and the sources of income from the business. Specified service trades or businesses, such as consulting, financial services, and athletics are generally excluded. QBI must be generated domestically, and excludes investment income. The deduction is subject to several limitations, one of which is the lesser of 50 percent of W-2 wages plus 2.5 percent of elective deferrals and deferred compensation (including bonuses, stock compensation arrangements), or 25 percent of W-2 wages plus 2.5 percent of qualified property.

The IRS published proposed regulations to clarify many ambiguities inherent in the provisions, but questions remain. One involves how the deduction applies to partner compensation that is received for non-partner capacity work. Another involves whether ineligible businesses can still take advantage of the deduction by implementing other strategies, such as funding retirement plans. Businesses will need to work with their tax advisors to ensure their pass-through entity deductions are calculated appropriately.

LIMITATION ON BUSINESS INTEREST

The TCJA modified Section 163(j) of the Internal Revenue Code by capping the amount of business interest a taxpayer can deduct. The new limitation is equal to the sum of business interest income plus 30 percent of adjusted taxable income (essentially tax-basis EBITDA before 2023, or tax-basis EBIT thereafter). Businesses carry forward unused business interest indefinitely. Certain types of businesses, including auto dealers, have exclusions from the limitation. Real estate, construction, and other real property businesses can elect out of the limitation, but they must depreciate their real property using slower ADS rules, which also disqualifies them for the TCJA’s enhanced bonus depreciation provisions. Fortunately, any business with average gross receipts for the prior three tax years under $25 million is exempt from the limitation.

The IRS published proposed regulations that partly address how consolidated groups should apply the limitation, and further define the types of income and expense treated as interest and therefore subject to the limitation calculation. Businesses will continue to work through the nuances of the limitation in 2019.

ACCOUNTING METHOD CHANGES

The TCJA created an “Earlier Of” test for tax purposes that radically changes the timing of revenue recognition for income tax. After 2017, taxpayers will recognize revenue at the earlier of the time when they would be required to recognize revenue under the historical “all events” test, or the time when the revenue is recognized in an applicable financial statement. This is important in 2019 because private companies must adopt new revenue recognition rules for financial reporting that generally result in faster revenue recognition. The TCJA’s Earlier Of test will likely require an acceleration of revenue recognition for income tax purposes at that time.

As private companies adopt the new revenue recognition standards for financial reporting, they may also consider changing their tax method of accounting to conform with most of the new principles. Regardless of this consideration, all businesses must change their tax method of accounting to adopt the Earlier Of test. Separately, the TCJA permits businesses with average gross receipts under $25 million to use the cash method of accounting, regardless of whether the business has inventory. Such businesses are also no longer required to use uniform capitalization rules.

ENTITY SELECTION

The TCJA significantly lowered the corporate tax rate, and in some instances, the 21 percent rate may entice companies to restructure from “pass-through” treatment. Large pass-throughs that are ineligible for the pass-through deduction may be particularly interested. If your company wants to evaluate its entity structure, it should work with a tax advisor. Tax rates should not be the sole determinant in your decision. Other considerations include effective tax rates, exit timelines, prospects for low changes, and stock compensation arrangements.

WATCH OUT FOR MORE GUIDANCE

Additional guidance from the IRS is expected as the year progresses. The rushed TCJA legislation left a lot of questions for the business and tax community, and time will tell the full impact that it will have.

Kenneth Tindall is a Senior Manager in the Los Angeles office of CBIZ and MHM. He specializes in tax and business consulting services to companies in the manufacturing, real estate, entertainment and professional services industries.
Opportunity Zones to Change the L.A. Landscape

By THOMAS GALVIN and CAITLIN MATTESON

The 2017 Tax Cuts and Jobs Act promises immense implications for commercial real estate investment over the next decade, particularly in Los Angeles County. Having created a national community investment program that seeks to connect private capital with underinvested communities called “Opportunity Zones,” the program applies to significant swaths of the County’s urban fabric, encouraging long-term investment in areas considered “distressed” by offering permanent exclusion from capital gains taxation for investments held for 10 years.

With U.S. investors currently holding more than $6 trillion in unrealized capital gains, the draw for investors lies in the opportunity to boost returns by transitioning funds from other asset classes and placing them into real estate and businesses in these special economic areas.

One caveat to the opportunity fund program is that capital must remain tied up within these opportunity zones for at least five years to see any deferment of capital gains, and permanent exclusion of capital gains is only possible after a decade, meaning investors must think carefully about where to place their funds to retain property value.

While the program is national in scope with opportunity zones occurring in all 50 states, certain areas are more likely to attract capital than others. In examining the potential for future investment, consider those areas where investors are currently placing their capital. Los Angeles, for example, is second only to Manhattan in terms of attracting capital for real estate investment, a trend that is likely to continue, especially for investors seeking capital gains exclusion under the opportunity zone program.

In 2018, Los Angeles County saw transactions for commercial real estate total more than $24 billion, which broke down to $8 billion invested in multifamily (33%), $6 billion in both office (23%) and retail (25%) and $4 billion in industrial (17%). Of that total investment in 2018, only about $4.2 billion (18%) was for properties within the boundaries of opportunity zones. Much of that, about $1.8 billion, went into multifamily assets, followed by $1.2 billion for industrial product. Such robust investment activity stems from the fact that Los Angeles County is a core real estate market capable of providing stable returns due to above-average rent appreciation coupled with low vacancy rates.

One common misconception is that opportunity zones, which tend to be made up of lower density census tracts near the urban core, are in impoverished and blighted neighborhoods. But the truth is that one in nine L.A. County residents already resides within an opportunity zone. This number is likely to increase as the economic development aspect of the program runs its course. To date, 68 housing projects comprising some 4,200 units are under construction within these opportunity zones, and another 230 multifamily projects have been proposed, bringing with them the promise of much-needed supply in an underserved housing market.

The opportunity zone program will likely accelerate such investment and development within these underserved areas of Los Angeles County by altering the incentives that drive private equity investors and smaller developers. Meanwhile regulatory uncertainty surrounding the evolving opportunity zone program has put pension funds and larger institutional investment firms on the sidelines, with most of the early interest coming from smaller investment companies and retail investors seeking to minimize taxes.

Larger institutional investors may still benefit from this program by purchasing assets and developing projects that were already in the pipeline and capitalizing on future price appreciation due to opportunity zone investment. Though while it is possible to benefit by purchasing assets early outside of the opportunity zone fund requirement, capital placed outside of authorized funds would still be subject to taxable gains and would come without the ten-year hold requirement.

Some businesses will face downsides to this new program. Sin businesses, for example, such as casinos and strip clubs, are ineligible for the program. Likewise, some residents and existing businesses in these zones will undoubtedly be displaced by rising rents and land values. This would lead, in turn, to a changing makeup of existing land usage, with lower density multifamily and industrial users most likely to be negatively impacted.

The concept of opportunity zones remains new to many investors still trying to wrap their arms around the exact implications. It is not clear how the effect of opportunity zones will improve living standards of people located in economically distressed communities. What is clear is that real estate investors will continue to favor investment into Los Angeles County as a haven for placing capital and an option for smaller private equity and retail investors to eliminate taxes on capital gains.

Thomas Galvin and Caitlin Matteson perform regional research for Colliers International. Learn more at colliers.com/GreaterLosAngeles.

A Global Gateway

A new landmark bridge, the world’s greenest cargo terminal, cleaner air and water, and unmatched customer service. Plus a new Civic Center complex in the heart of a thriving downtown. We’re building the Green Port of the Future.

www.POLB.com
Los Angeles County Economy Averaged 5,000 Job Additions Per Month in 2018

The last year’s statistics are anything to go by, 2019 looks good in terms of increasing employment levels for Los Angeles county. Civilian employment increased by 6,000 to 4,932,000 in December 2018. The civilian labor force increased by 10,000 over the month to 5,179,000 in December 2018. All of these figures are seasonally adjusted. The California seasonally adjusted unemployment rate was 4.2 percent in December 2018, 4.1 percent in November 2018, and 4.5 percent a year ago in December 2017. Between November 2018 and December 2018, total nonfarm employment in Los Angeles County increased by 7,300 jobs to reach 4,577,300.

Other year-end key employment statistics reported by the Labor Market Employment Division of the State of California’s Employment Development Department include:

- Of the seven sectors that gained over the month, trade, transportation and utilities led, adding 8,400 jobs with subsector gains in transportation and warehousing (up 3,600), retail trade (up 3,400), and wholesale trade (up 1,500).
- Educational and health services expanded by 4,600, gains were comprised entirely of health care and social services (up 4,200) and counterbalanced with a 100 job loss in educational services.
- Construction (down 4,200) declined the most of the four industry sectors that experienced employment decline. Over 70 percent of construction losses were found in specialty trade contractors (down 3,000).
- Motion picture and sound recording lost 3,500 jobs over the month, driving employment decline in the information sector (down 3,300). Between December 2017 and December 2018, nonfarm employment in Los Angeles County increased by 60,000 or 1.3 percent.
- Leisure and hospitality (up 24,400) led the eight industry sectors adding over the year. Accommodation and food services achieved record high employment (472,000), adding 16,000 jobs. Arts, entertainment and recreation also expanded, posting 7,800 job additions.
- Professional and business services rose by 16,400 with job increases in administrative and support and waste services (up 9,000), professional, scientific, and technical services (up 7,100), and management of companies and enterprises (up 300).
- Jobs in educational and health services increased by 15,000 over the year. Gains in health care and social assistance (up 16,200) drove up the sector employment levels, but a reduction of 760 jobs in educational services offset the overall gain.
- Government (down 3,200) had the greatest job loss among the declining sectors. Losses occurred at all three levels of government, local (down 2,500), federal (down 600), and state (down 100).

For information on this article was provided by the Labor Market Employment Division of the State of California’s Employment Development Department. Learn more at labormarketinfo.edd.ca.gov.

Businesses Anticipate Continued Growth in 2019

91% of businesses plan to maintain or increase capital spending

Most small and midsize U.S. businesses have a positive outlook for the domestic economy and expect their business to continue growing this year, according to the annual JPMorgan Chase ‘Business Leaders Outlook’ report released earlier this month. They’re most optimistic about their own prospects, as the economic expansion stretches to a full decade and they’ve had a full year to digest the corporate tax cut. In all, 84% of midsize businesses and 74% of small businesses are optimistic about their company performance.

“Businesses are being more cautious as they focus their growth plans on what they can control,” said Jim Glassman, senior economist at JPMorgan Chase. “They’re investing back into their business and preparing for disruptive forces like emerging technologies.”

The majority of businesses - 73% of midsize ones and 55% of small – remain optimistic about the national economy, though that’s down 16 points and 8 points from a year ago, respectively.

“Businesses remain optimistic about the global outlook, but are more cautious than they were last year because of trade tensions, uncertainty around tariffs and where we are in the economic cycle,” Glassman said.

Just 39% of midsize businesses and 38% of small businesses are optimistic about the global economic outlook for 2019, down 30 points and 13 points, respectively.

INVESTING FOR GROWTH

Nearly all businesses - 95% of small and midsize companies - plan to maintain or increase their capital expenditures. That’s because 81% of midsize companies expect their revenues/sales to increase in 2019 and 74% expect higher profits. Among small businesses, 60% expect revenues/sales growth and 58% expect to see higher profits.

HELP WANTED

Two-thirds (66%) of midsize companies plan to hire more full-time personnel and 92% plan to increase compensation in the next year. Small businesses are more conservative: Just over one-third (36%) plan to add full-timers and 81% will increase compensation.

GOOD HELP HARD TO FIND

Midsize businesses rank the limited supply of talent as their #1 challenge, and it’s become more challenging over the last few years. More than half (54%) of midsize businesses report being very or extremely concerned. Small businesses are concerned but to a lesser degree: 28% are very or extremely concerned about potential challenges due to a limited supply of candidates.

TAKING ON TECHNOLOGY

Company leaders are already preparing to face disruptive technology changes and challenges: 75% of midsize companies and 52% of small ones have taken actions such as:

- Designated in-house person/team for identifying threats and opportunities
- Developed proactive counter measures
- Collected additional data for analysis
- Created a contingency plan
- Implemented regular firewall testing

Disruptive technology is defined by the survey as one that displaces an established technology and shakes up the industry or is a ground-breaking product or service that creates a completely new industry.

JPMorgan Chase’s Business Leaders Outlook survey was conducted online from November 8 to 16, 2018 for small businesses (annual revenues between $100,000 to $20 million) and from November 8 to 21, 2018 for middle market companies ($20 million to $500 million).

In total, 1,817 small and midsize business leaders in various industries across the U.S. participated in the survey. For year-over-year trends, current data is compared to data collected in the first quarter of previous years. The results of this online survey are within statistical parameters for validity, and the error rate is plus or minus 2.5% for the small business findings and plus or minus 3.56% for the midsize business findings, both at the 95% confidence level.

JPMorgan Chase & Co. is a leading global financial services firm with assets of $2.6 trillion and operations worldwide. The Firm is a leader in investment banking, financial services for consumers and small businesses, commercial banking, financial transaction processing, and asset management. A component of the Dow Jones Industrial Average, JPMorgan Chase & Co. serves millions of customers in the United States and many of the world’s most prominent corporate, institutional and government clients under its J.P. Morgan and Chase brands. Information about JPMorgan Chase & Co. is available at jpmorgan chase.com.
ECONOMIC
Forecast & Trends

AT THE EVENT
1 Economic Markets & Access to Capital panelists Jennifer Post (Thompson Coburn), Paul Rahimian (Parkview Financial), Brent Williams (City National Bank) and Todd J. Walklett (Covington Capital Management).
2 Attendee Monisha Coelho (Adli Law Group).
3 Event attendees.
4 Gold sponsor attendees (City National Bank).
5 Michael Chang and Rodrigo Gonzalez (DEODAGE Corporation).
6 Event attendees.
7 Attendee Maria Salinas (LA Area Chamber of Commerce).
8 Attendees Ronna Lubash (Pacific Western Bank) John Merille (White Oak Commercial Finance).
9 Gold sponsor Kenneth Tindall (CBIZ MHM) with Marcos Serpas (Canoga Park WorkSource Center).