



**Office of the Mayor
City of Los Angeles**

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Thank you, Joni so much for your kind words. And to Dean Olian, to the faculty and students, to all those who added their voices to this morning's conversation, I want to thank you for taking part in this important conference on the future of Los Angeles. Please give our hosts a hand.

Whenever I come to the Anderson School and hear the forecast, I always leave feeling as if my vision has been corrected. And, believe me, it's not always a painless procedure. Who it was who first called economics "the dismal science?" That description certainly doesn't apply to anyone in this room. On the contrary, in my experience, you economists know how to have a good time.

This morning you've talked about solutions for some of the most difficult -- some say the most intractable -- problems facing our city and region. But I want to open today by saying how fortunate I feel and how fortunate we all should feel to live in a place like LA.

There's no question: we face monumental challenges as a city. But we should never lose sight of how blessed we truly are. If we spend more than our fair share of time stuck in traffic it's because so many people dream of living here. It's because so many people find opportunities in Los Angeles that would be inconceivable anyplace else.

A city like no other in the world. Rich in world-class institutions like UCLA and abundant in the world-class talent they produce. America's undisputed creative capital. The logistical nexus and economic heart of the Pacific Rim.

And we claim home to a truly global city. A thriving community encompassing a dazzling and infinite diversity of human experience and perspective.

As Angelenos, we come from 140 different countries and speak some 224 different languages. We boast the largest concentration of Mexicans living outside of Mexico City. More Nicaraguans living outside of Nicaragua than any other place. More Guatemalans. More Salvadorans.

How many other cities can boast of having a Little Ethiopia, a Little Persia, a Little Armenia and a Little Tokyo? We also have a Chinatown, a Koreatown, a Thai Town, an historic Filipinotown, and let's not forget about Tinsel Town.

Our market is surging with over 420 billion dollars in commerce – the 17th largest economy in the world, larger than the national economies of countries like Taiwan, Belgium, Saudi Arabia, Norway, and Turkey. Our writers and producers are telling the stories and making the music that are defining the culture. Our ports are moving the goods that are moving the national economy.

And, ladies and gentlemen, we should never forget: Los Angeles was an improbable success story. Forty-four settlers on the remote periphery of the Spanish Empire scratching a pueblo out of the dust; constrained by natural resources; unblessed by geography; limited to what human beings could imagine and build. But that's always been the story of our city.

Whenever I think about what it means to be from Los Angeles, what it is to be an Angeleno, I think of my mother. A single mom, she raised four kids. She worked two jobs. She rode the bus nearly every day of her life. And she did it with confidence.

She looked forward to the future secure in the knowledge that -- with hard work -- her dreams for her children would come true in this incredible city where the dreams of so many had come to life before her.

And so, here we are today. We've touched on many issues this morning, all important, all interrelated. But I would submit to you that the defining challenge we face as Angelenos lies in sustaining and maintaining a single mother's confidence.

There are so many statistics that define LA's problems. We have more gang members than any other city. We have fewer police. We have more homeless. We have the third most expensive housing market. But these are all branches of the same tree. And the root consists in this: per capita we have the nation's smallest middle class.

Now, it's important to stress: Los Angeles is not alone. If anything, we are on the leading edge of national trends. In America today we are seeing greater concentrations of wealth at the very top than at any time since the Gilded Age. More and more Americans find themselves working harder and earning less. Half of our people are teetering just months from bankruptcy. And this is a trend that no city, no state, no nation can afford to ignore.

Call it a law of physics: things implode when you lose your middle. The economic ladder ceases to be a ladder at all when there are no rungs connecting the top to the bottom.

And so, I believe our central challenge as a city lies in imagining and building a future where more middle class families can flourish and grow and where more of our people reach the middle class.

First, that means broadening the opportunity base. It means insisting on great public schools. Now, as you know, I believe we've already changed the conversation about school reform in Los Angeles. And as you may have noticed we have some elections coming in May. But whatever the outcome, I want to be absolutely clear: I intend to work hand-in-hand with the new board and with the Superintendent to lead fundamental change in our schools.

I don't care what data you accept: together, we can't accept a status quo where between one-third and one-half of our children will never wear a cap and gown. Good schools are the ladder and lifeline of economic mobility. And we have to do more. We have to insist on state and federal policies to support cities, like universal pre-k, like full funding for No Child, like investments in college savings and Lifetime Learning Accounts.

Next, we need to plan a future Los Angeles where middle class families can afford to live. I realize that our history hasn't exactly been synonymous with the phrase "smart growth," but, dare I say it, our future needs to be.

Even with the slowdown and the crisis in sub-prime mortgages, we are in a situation today where the demand for housing is greatly outstripping the supply. At present values, just 12 percent of Los Angeles County residents can afford a median priced home. Ladies and gentlemen, we face a dim and divided future as a nation if we allow the defining dream of home ownership to become a privilege of just the affluent.

We need to build more housing, both affordable and market-rate. We need to build smart. We need to build in areas -- like in our downtown core -- that we've traditionally overlooked. We need to strategically target resources in neglected neighborhoods like South Los Angeles. We need to put housing where the transit is. We need to imagine and build 24-hour communities where people can live, shop and commute to their jobs without spending the equivalent of two entire work weeks a year stuck in traffic.

Imagine a future downtown where you can walk along Spring Street from 1st to 8th at 11 PM and find restaurants, newsstands, markets, and residents -- a place that's alive both day and night.

That means connecting our people to jobs with a public transportation system truly worthy of a world-class city. Our plan includes taking the Exposition Line to Santa Monica, connecting LAX to the Green Line, expanding light rail to East LA and the San Gabriel Valley, and developing a long range north-south project in the San Fernando Valley. And we need to take the Wilshire subway all the way to the ocean.

Now, there's no sugarcoating it: these are big ticket items. We won't get there overnight. We are going to need to find ways to expand funding for transit. And we are fighting every day for our fair share of dollars in Washington and Sacramento.

Ladies and gentlemen, we also need to imagine a future in which Los Angeles is the cleanest and greenest big city in America. I know this may sound audacious coming from the mayor of a town better known for smog and sprawl. But this is where the future lies.

This is why we're leading an initiative to plant a million new trees around the city. It's why we're working on long-range plans to bring life back to the LA River—transforming this vital waterway from a concrete drainage ditch into an “emerald necklace” that reconnects our neighborhoods and our people. It's why we're reducing our carbon footprint by requiring the Department of Water and Power to get 20 percent of its energy from clean and renewable sources by 2010.

So, I'll tell you about the future I see for Los Angeles. I see Los Angeles as the city where the world comes together; the financial and logistical bridge linking Asia and the Americas; the nerve center connecting investors with the import/export markets of China, Korea, Mexico, Japan, and beyond. We're expanding our already-strong logistics sector and building on the enormous potential of our leading seaports and airports.

We're daring to be the center of cutting-edge technology. In LA, we are blessed with some of the greatest research universities in the entire world. We are supporting UCLA and USC in staking our city's claim in the fields of stem cell research, nanotechnology, and biotechnology.

We're supporting the growth of emerging sectors like new media with the vision of transforming LA into a “Digital City” where the technology and entertainment industries converge. We want to make LA the undisputed North American capital of Spanish language media and entertainment.

And we're supporting traditional industries like film and television that have represented the heartbeat of our economy for a century. I've made filming on city property free. And we are pursuing a broader strategy to keep this vital industry in LA for the century to come.

I want people to know: Los Angeles is the city where the world comes together. It is the “Venice of the Twenty-First Century.” A preeminent global capital linking the manufacturing powers of the East, to the growing economies of the South; linking the world together.

And we're doing that not just by promoting the movement and production of goods; not just because we have the busiest ports; not just because we have the best-trained people; not just by leading in the manufacture of ideas and culture. But by recognizing that our diversity is our competitive advantage.

And by doing what Angelenos have always done. Seeing the future in our imaginations, and building it.

Thank you all.