

# Los Angeles Policy Priorities

Land Use  
Workforce Development  
Transportation

Housing  
Gross Receipts Tax

## Industry Impact

According to Biocom's 2019 Economic Impact Report<sup>1</sup>, Los Angeles County's life science cluster employs 91,713 people in five sectors: research, pharmaceuticals, medical devices and diagnostics, bio-renewables, and wholesale and distribution. The County's life science employees support an additional 99,261 jobs for a total countywide impact of 190,974 jobs. These jobs pay an average wage of \$83,449 and generate \$42.5 billion in annual economic activity. Biocom represents more than 1,300 members in California; we focus on initiatives that positively influence the region's life science community in the development and delivery of innovative products that improve health and quality of life.

### LAND USE

In regional markets throughout California, land available for life science development is scarce. Preserving industrial land for manufacturing, research and development (R&D), and distribution is vital to long-term industry stability and growth. We also encourage local governments to identify and incentivize physical areas for life science establishments where appropriate.

In 2019, the Los Angeles County Board of Supervisors passed the Bioscience Overlay Zone, which streamlines the entitlement process for life science companies looking to locate within county unincorporated areas. Local jurisdictions throughout LA County can use this ordinance as a model to encourage industry growth within their territories.

### GROSS RECEIPTS TAX

Gross receipts tax the total amount a company receives from all sources, without subtracting expenses or considering whether the company has a commercialized product. These taxes disproportionately impact companies with low or no profit margins such as small and mid-sized life sciences.

Biocom encourages policy makers to consider lowering or eliminating gross receipts taxes on the life sciences and/or companies that are not yet profitable. We urge local jurisdictions to evaluate the impact of reducing or eliminating business taxes on firms in the Los Angeles area, as these adjustments can encourage industry growth.

### WORKFORCE DEVELOPMENT

Biocom supports a robust talent pipeline to fuel the life science industry in Los Angeles. Biocom sits on the City of Los Angeles Workforce Development Board (LAWDB), to educate and advocate for workforce development efforts that will support our industry. We are involved in the South Bay Workforce Investment Board (SBWIB) and assisted in its creation of the Bio-Flex Pre-Apprenticeship and Apprenticeship Certification Program, offering individuals hands-on experience in life science companies.

Through collaboration with the Los Angeles Economic Development Corporation (LAEDC) and their Bioscience Council, Biocom engages with life science thought leaders and community college representatives to cultivate, recruit, and retain talent specific to the industry's needs in this region.

<sup>1</sup> T. Clower & Associates. 2019 Biocom California Economic Impact Report Databook. San Diego: Biocom, 2019.



## HOUSING

It is common knowledge that there is a housing shortage in the Los Angeles area – the median price of a single-family home is \$550,000. This represents an increase of 10% over the previous year, the largest jump in the state<sup>2</sup>. Biocom supports incentivizing the building of additional middle income housing units via a variety of approaches, including:

- exemption of middle-income housing from new/existing construction fees as appropriate
- increased density around transit hubs
- relaxation of parking and related requirements

## TRANSPORTATION

Transportation is a key element in the quality of life in LA County, impacting the ability of employees to commute from work in a reasonable time as well as the ability of companies to attract the necessary workforce and transport goods and products. Investment in transportation infrastructure is critical for LA's future growth and population needs.

As the life science industry continues to expand its research and development facilities, it is important for government entities to fund the necessary transportation improvement projects. Biocom supports a balanced regional transportation plan that includes both public transit and roadway expansion.

<sup>2</sup> Howley, Kathleen. "California's Median Home Price Jumps 10% to \$615,090." *HousingWire*, 17 Jan. 2020, [www.housingwire.com/articles/californias-median-home-price-jumps-10-to-615090/](http://www.housingwire.com/articles/californias-median-home-price-jumps-10-to-615090/).



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Since its founding in 1995, Biocom has emerged as the most respected association voice for California life sciences in regional government, the State Capitol, and Washington, D.C.

Please direct any questions to

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