

**SUMMARY REPORT FROM
EMERGENCY NEIGHBORHOOD INPUT SESSION ON CITY BUDGET
OCTOBER 13, 2007**

CENTRAL AREA

General Feedback & Feedback re: Question 1—How to Address Budget Challenges, including Potential Loss of TUT

- Will it create a new tax?
- LAPD & FD need to go through training to reduce lawsuits.
- No other choice? Services will be hurt if we don't put it on the ballot to protect budget.
- The ballot measure issues need to be out in the open, as opposed to Measure R.
- What is the impact of this tax on VOIP, video?
- Need to make up the revenue stream.
- Need a balanced budget presented with honesty and openness.
- Not taxing Internet? Tax on telecommunications aspect, not video.
- Services would need to be unbundled.
- Promote cultural tourism to increase tax revenue.
- Opportunities to tap into cultural draws, tourism, but should be more structured.
- "Piggy-back" income tax (e.g. Maryland) as a way for large cities to be more independent.
- Is there a way to eliminate lawsuits? Impact on general fund and other enterprise funds.
- GM'S are held responsible to reduce lawsuits, workers' comp claims, but it is difficult to do so.
- Give lawsuits budget?
- Salaries? DWP is higher than others. PR firms cost, lawsuits, hired outside firms to fight lawsuits.
- Anybody can sue. New LAPD Chief may help. Video on police cars.
- How much do city employees do to develop solutions to cut cost?
- Should ask employees for cost-cutting solutions, e.g. SEIU 347
- Economic development is not on the City's radar at all. Theaters sit empty, for example.
- Fewer jobs per capita than any other city. Need job development programs
- Can you cap lawsuits?
- There is no permitting process for vendors (street vendors?) Can we tax their products for sale?
- Only 2% spent on Economic Development. Need more jobs. That will equal more services and more city revenue.
- 2001 1% increase in transient occupancy tax could be adopted to increase revenues by %13billion. The 2001 ordinance proposal died after 9/11.
- Postpone reductions of business taxes that are currently scheduled.

- If street vendors are permitted and taxed, who would regulate them? Would it cost more money? Are they a nuisance?
- General Fund spending--2% on Economic Development vs. 42% on Public Safety
- Business tax is low (3%)
- Property tax will likely go down, as will document transfer taxes.
- Taxes are cyclical and sometimes volatile (City Staff comment)
- Procedures could be implemented to help shelter city from lawsuits
- Expanding the parking tax?
- Residential and commercial parking tax to fix streets. Tax on multi-family in-building parking; low cost per spot to spread out the cost.
- City allows less parking than allowed.
- Development has decreased parking spots. It's a noble cause to try to increase public transportation, but city is still over-parked.
- Could there be rules on lawsuits?
- Incentives: London, people have to pay to go into to different zones in their cars; creates incentives to take public transportation.
- \$200 million deficit aside from TUT, plus the structural deficit.
- Should seek to remove businesses from Prop. 13 to pay current market rates. Could be done via a ballot measure.
- LA already has fewer major corporations than many other cities, so Prop. 13 override would cause exodus of businesses, manufacturing, and job base.
- Service and technology jobs will fill gaps, will run cleaner, and pay higher wages.
- Topics we're discussing impact the average person...who wants to lobby for the TUT? How can it be made into a "sexy" topic that will appeal to the average person?
- London system is different because of synchronicity.
- What's the strategy to win TUT? What's the message? Need to protect \$200 million?
- MTA: Is it separate from the City? (Response: It's a County agency)
- Would TUT tax VOIP? No, would tax calling feature, not transmission or access of Internet, but the ability to make the call. Need more information on the technology behind the TUT.
- Need something (printed information) that clearly specifies what will and won't be taxed to discuss in community meetings.
- Are liquor and tobacco currently taxed by City? Can these be raised to make up for shortfalls from TUT?
- Prop. R is still fresh in people's mind as an example; need truth in advertising re: the TUT, so people don't feel mis-led.
- Feel like not getting the proper info about TUT, but something needs to be done to prevent loss of services.
- [Proposed to take a straw poll to support the TUT ballot measure in concept, but no agreement on that. Poll not taken.]

- Feels like the ballot measure is being pushed too quickly with no opportunity to act or seek other solutions.
- Good budgets are made with advanced vision and not on a reactionary basis. The fact that TUT is being put on ballot so hastily, seems to indicate that this is yet another reactionary measure.
- Need to deal with current TUT crisis, but also explore alternatives to reduce future reactionary behavior.
- We're not investing anything and don't have any money to invest. We need to prevent the city from crumbling, need a long-term vision like Robert Moses, but we won't have a chance to invest or develop a vision without the TUT.

Feedback re: Question 2—Region-Specific Concerns Related to Budget Challenges

- How will a loss of tax revenue affect the new Gang Czar/Gang Agency? Central has a strong need for prevention programs.
- Central has a shortage of parks and open space.
- We want to open up LAUSD sites on weekends and in evenings to use as park space.
- Park space is important, but it also needs to be cleaner, safer.
- Youth aren't getting good educations. Youth need to be more involved in the community.
- 90,000 youth currently neither employed or in school. This is a crisis that needs to be addressed.
- 40,000 homeless persons in the central area (downtown & Hollywood). Need a plan to address homelessness. Also need a plan specific for homelessness in Hollywood.
- MacArthur park used to worse. (drugs, alcohol.) and wasn't safe for kids. Now cleaned up. More public safety , more activities for kids and adults, because of work done in the community.
- Need more land for parking. (Parking below, parks on top?)
- Need mixed-use housing to address all community needs.
- Business plan and priorities.
- What will be removed (i.e. services cut) if the revenue is lost? What happened to cultural affairs?

Feedback re: Question 3—How Region Will Continue Involvement in Budget Process

- Need to increase NC'S funding and their ability to find local money, raise money, and generate revenue. Need clearer guidelines for what NC'S can and can't do to raise money.
- Healthcare is not addressed? How can NC'S help?
- Quality of life is the issues. Community Budget Day is important, but we also need community visioning programs. For example, the Tenants

Rights Fair in Macarthur NC. This will help determine uniqueness and priorities to the Mayor.

- Need to involve more stakeholders to figure out what's going on and develop solutions. Need to also point to victories, not just what's wrong in the City.

EAST AREA

Feedback re: Question 1—How to Address Budget Challenges, including Potential Loss of TUT

- Need more clarity as to how this situation is occurring, more information.
- Why is this an emergency?
- Look at other taxing processes
- Good idea to update this tax ordinance.
- More community-based oversight to work with Controller's office and assist in audits
- Need more transparency of city funds and spending

Feedback re: Question 2—Region-Specific Concerns Related to Budget Challenges

- Sidewalks, infrastructure
- Homeowners' beautification of private/public properties
- Illegal vendors not getting money to City.
- Support homeowners, make absentee homeowners accountable.
- Health issues
- Help small businesses
- Create NC Economic Development Committee (need Mayor's staff and assistance.)
- Should be taxing energy providers considering the utility companies use a portion of the public infrastructure (e.g. to repair sidewalks.)
- How to get public/government owned to be responsible
- After-school programs

Feedback re: Question 3—How Region Will Continue Involvement in Budget Process

- Engage more communities in this process
- Regional meetings, outreach/newsletters, invite to speak in other organizations
- Protecting tenants
- Have City hold landlords more accountable
- Outreach to: State and Federal representatives
- Hard copies of survey
- DWP rate increases, make sure that consumers are protected
- Help with upcoming census
- Separate or more meetings throughout the region: smaller meetings and individual NC meetings.

HARBOR AREA

Feedback re: Question 1—How to Address Budget Challenges, including Potential Loss of TUT

- What is the difference between the projected and the actual revenues from the DWP funds transfer to the City general fund?
- What is the dollar amount of each special fund and the general fund, and what projects are covered by each?
- Need to know the total projected change in revenue and spending from the prior year.
- Some people do not agree with yet another tax being added (voiced by Northwest San Pedro NC representative.)
- The word tax turns people off.
- Rate-payers are already being taxed too much.
- Need a moratorium on City Council Member wages.
- Page 16 slide in the presentation by the Mayor's office is confusing.
- Any money collected from the movie industry for location shooting should be given to the area in which the movie is being filmed.
- How has the reserve fund changed in the past few years?
- DWP: how much bond funding for deferred maintenance and reliability has been sent to City Council?
- Are there any water monies being sent to General Fund?
- How much money is going to be transferred to General Fund?
- How much are bonds going to cost ratepayers?

Feedback re: Question 2—Region-Specific Concerns Related to Budget Challenges

- There are concerns about the use of budget money for social services, especially from property taxes and for the proposed increase of police officers.
- Concerned with how police officers are currently used.
- We should consider a moratorium on growth and development.

Feedback re: Question 3—How Region Will Continue Involvement in Budget Process

- Get information of the budget results disseminated to the Neighborhood Councils
- Would like to get information earlier.
- Budget process should start in September, with information.
- Need to provide more information that can be used by youth.
- Need to distribute more information on recreation and parks and LAUSD.

NORTH VALLEY *

*We apologize for the inconvenience. Following Budget Day, North Valley meeting notes were accidentally destroyed. Below is an abridged version.

- There were concerns that current bond monies for police and City Services were not used.
- Among their concern of City Services that were going to be cut, they didn't want to see Street Services, Street Paving, DONE and NC funding, DOT services, and Graffiti Removal.
- They suggested working with an existing Emergency Preparedness program and raise funds to cover the budget shortfall.
- They suggested partnering with private organizations to create revenue.

SOUTH AREA

Feedback re: Question 1—How to Address Budget Challenges, including Potential Loss of TUT

- Question: What is the difference between 9% and 10% in dollars for the City?
- What are the steps if the ballot measure does not pass?
- What about the strong oppositions?
- Will we really have a deficit if the pool of people paying is greater?
- How do they come up with the \$270 million dollars? What's in the calculation?
- How will it affect broadband customers?
- What do the percentages mean in dollar terms?
- Are there any studies if the entire amount is lost?
- What will we do if we lose it?
- What will the average user pay and what calculations will be used?
- What will happen to the increase of the trash fee? What will the allocation be?
- When will the City find out about the TUT? Will it be both the lawsuit and the ballot measure or either/or?
- Will there be a life line for families that can't afford dial-up?
- In a budget crisis, will City Departments have to streamline and or be consolidated?
- Has the City considered monitoring overtime?
- What will happen to DONE budget? Today's presentation felt like an attack on NC'S.
- There should be salary cut-backs for City Council members. Why do they get a raise? LAUSD had a cut back for a budget crisis, why not the City?
- If you want Neighborhood Council representatives to do a number one job, you need to pay them a stipend.
- How do we better prepare Neighborhood Councils regarding workforce issues and taxes?

Feedback re: Question 2—Region-Specific Concerns Related to Budget Challenges

- How do we provide more jobs and training?
- It's a ripple effect regarding community development and development of the local work force and preparation for youth.
- Need information about crime for the budget discussion.
- Community needs education, parent involvement, city-school relations,
- Can the NC'S be notified to work with the director of gangs?
- Should go back to a traditional school year.
- Need greater family engagement
- Bridges program should be re-organized with paid staff.
- Who should be dealing with the parents? They are causing the generational problems.
- School safety, safe passages is a priority.
- Should end school suspensions. Children should be in school at all times.
- Recreational areas are needed with adequate supervision. Can be done with joint use projects.
- More money for safe passages.
- We need to recognize that 40% of the LAUSD is in foster care and have greater understanding of a child's background.
- More monitoring for foster care.
- Stop attacking parents. We all are responsible role models.
- Parent education classes are part of the solution.
- Needs parks with supervised activities.
- Need living wage jobs.
- Need real community development
- Need youth involvement.

Feedback re: Question 3—How Region Will Continue Involvement in Budget Process

- Education for the community is key to improved budget decision. The community will be more likely to participate if they have the information.
- This region should work jointly on after-school programs, supplementing some programs that have been cut in schools.
- Re: Transportation, the Expo line may pose a safety hazard in proximity to schools or directly on the route. Consider taking portions of the Expo line underground.
- Need to disseminate information to people that live along the Expo line route.
- Should set up student "peer councils" in every school along with the PTSA.
- Also the PTSA'S should have the involvement of city, county, MTA, and other government agencies.

SOUTH VALLEY

General Feedback

- Dan Wiseman: City needs to create awareness and educate stakeholders on the impact of the loss of the TUT.
- Tarzana NC (AL)—Emergency situation with loss of TUT. Need awareness of TUT impact. Ballot measure education needed in advance.
- Reseda NC, Garth—City needs to demonstrate accountability for the City budget by providing feedback, updates, and audits.
- Winnetka NC (JJ)—Timeline is unreasonable for NC'S. Process of us meeting every month is unrealistic. The fee increases are not going to the appropriate city services.
- Several members of the group questioned the legality of putting the TUT as a ballot measure.
- Van Nuys Resident—There is currently a lack of awareness of the TUT. A clear explanation of the TUT is needed.
- Tarzana NC rep—Timing of DWP rate increase and the TUT measure at the same time, makes it difficult.
- Woodland Hills, (Judith)—Not enough education to educate stakeholders substantiate the potential loss of city services.
- S. Valley Stakeholder (Jeff)—No accountability in city
- Sherman Oaks NC (Tom)—S. Valley does not get its fair share of city services. Audit current fiscal accountability. Awareness of budget.
- S. Valley Stakeholder (Sharon Brewer)—The handout of “worst case scenario” needs to be revised.
- Greater Toluca Lake (Williams)—Show results of tax increase; programs that are not working.

Feedback re: Question 1—How to Address Budget Challenges, including Potential Loss of TUT

- Positive of the TUT: Tax is across the board; no specific group is targeted by the tax.
- Suggestion: Public awareness/ anti-ATT
- Suggestion: Emergency preparedness outreach to generate revenue by selling emergency preparedness kits. (public/private partnership)

Feedback re: Question 2—Region-Specific Concerns Related to Budget Challenges

- Accountability of government to deliver, how monies will be spent, e.g. bonds, police.
- Existing funds don't get touched (Police funds)
- Public Safety (Emergency preparedness, CERT, police funds)
- Don't cut street repair
- Don't cut funding to DONE & NC'S
- Don't cut services through “3-1-1”, graffiti and office of Community Beautification
- Sidewalk 50/50

- Gang intervention and prevention
- Traffic. Development equals increase in traffic and increase in strain on city resources
- Programs for aging
- Homeless programs

Feedback re: Question 3—How Region Will Continue Involvement in Budget Process

- Utilize the Youth Council to attend community and NC meetings
- Partnership with LAUSD
- Utilize NC websites for survey and links to Council Office
- Increase NC funds
- Partnership with private organizations.

WEST AREA

General Feedback

- City should try to do user-friendly graphics like on SIM CITY. Should use SIM CITY as a model. Get Electronic Arts to do the graphics and post it on web.
- There should also be simulations of where street paving and construction are on the web.
- The budget should be broken out by area/region, so we can see what gets spent in our area and what taxes are generated from our area. We don't want to see it on a citywide basis anymore.
- City should look at what MUST do with budget, not what it would like to do with budget.
- NC expertise should be utilized.
- Knowledge is power.
- Budget information is online; use it.
- Opportunity for input is available to even ordinary folks.
- NC's know what is and is not working re: budget priorities.
- Controller's office information should be available online.
- Citywide perspectives on budget.
- CBO'S are knowledgeable about budget resources.
- City needs to make public the actual revenue and expenditures information, rather than just budget information. i.e. exactly how each dollar is spent by the City.
- The \$50,000 given to each NC is included in the figures for the Department of Neighborhood Empowerment budget.
- The budget will be impacted if NC'S are sub-divided into smaller areas.
- Also want to see exactly how reserves are used. Where reserve money goes and how much is reserved.
- Mar Vista—405 construction creates a traffic nightmare. Funding transportation projects and pipelines creates more problems.
- Transportation funds are primarily federal and state.
- 1.5 billion dollars being transferred in to General Fund.

- Southern California not getting fair share of state and federal funds.
- NC'S should convene regionally to discuss transportation.
- STOP LAX EXPANSION—traffic.
- Palms—need to maintain graffiti reduction programs. We want public works to focus on graffiti.
- Hiring freezes disproportionately affect high turnover departments.
- Increase NC funding from \$50,000 to \$100,000
- Create performance goals for departments. Let public evaluate department performance.
- Show how tax breaks to developers impact the City budget.
- Show what comes out of the general fund for the Expo line.
- What does city spend its discretionary funds on?

Feedback re: DWP Issues

- No comparison to private sector jobs when setting salaries, but cost of living is taken into account.
- In past, DWP and other departments' salaries were linked.
- Was changed because employees were dissatisfied with salaries and union representation and formed a new union.
- DWP workers have mandatory overtime, none for engineers in general.
- Local 118 is a construction-based union.
- Pension profit/loss and transfer to City.
- DWP full pension after 30 years.
- Is DWP pension fund fully funded?
- Turn over to DWP retirees.
- Looking at age is adequate, instead of years of service.

Feedback re: Question 1—How to Address Budget Challenges, including Potential Loss of TUT

- Ballot measure to voters- 9% tax would still be a shortfall. Why not 10% on the ballot?
- Reduction of tax appeals to voters
- Evaluate keeping it at 10%
- After Council approval, city staff cannot advocate, but factual information and pros and cons can.
- 9% is assessed on larger tax base. Would bring in more than current TUT.
- DWP staff over-paid compared to private firms.
- What's the fall back if TUT fails?
- What cuts are contemplated?
- Should cut discretionary services.
- Not cut Police & Fire
- Can emergency designation on ballot lead to challenges? Is the emergency status even valid?
- What about cuts/efficiencies, and what would the impacts of them be?
- What about taxes for web-based technologies?

- Won't city find another tax to take place of TUT?
- There's opposition. Companies will advertise that costs to consumers will be 10% lower without the tax.
- City could reduce TUT to just 4% and still get the same amount of revenue.
- Fix land lines now and cell phone later.
- Because of Prop. 218, CA can't just change taxes the way that other states can.
- City Attorney has changed opinion; sees the tax issue as a threat
- City should de-fund the City Attorney's office
- Unanimously, the participants in the West LA discussion thought the tax should go on the ballot.
- To get this measure on the ballot, need a simple majority of City Council vote.
- City should de-fund City Council and Mayor.

Feedback re: Question 3—How Region Will Continue Involvement in Budget Process

THERE WAS CONSENSUS IN THE WEST LA DISCUSSION ON THE FOLLOWING:

- 1) Written materials should be created for budget process, not just a survey.
- 2) There should be a raffle for people who fill out the survey to meet with the Mayor in the Mayor's budget meeting.
- 3) TUT should be placed on the ballot.