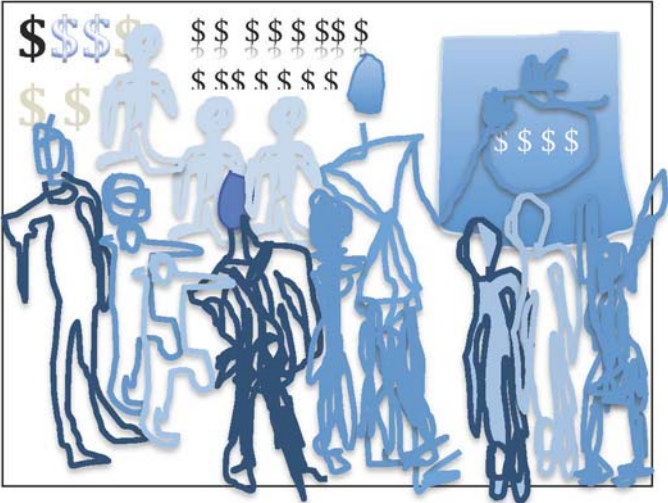


The Neighborhood Council Budget Advocates

White Paper 2019



One Solution

A City Manager

A FAILURE OF LEADERSHIP

One Solution: A City Manager

Last year the Budget Advocates' White Paper asked: Who's In Charge? This year we take a step back and look at the bigger picture, asking:

What is the purpose of a city government?

The Budget Advocates believe (and we strongly suspect that a majority of Angelenos would agree) that our government is supposed to provide the support and services to give everyone living and working in the City a superior quality of life, one worthy of what the Mayor would like to see as the best-run big city in America.

A White Paper is intended to raise red flags and lay out ways to proceed. These few pages are an overview, and a summation of the Budget Advocates' conclusions at the beginning of 2019.

Los Angeles has struggled with outdated tech since the cuts of the 2008 recession. Out of necessity and expediency, many departments have set up their own systems and this plethora of different software means departments can't network over related issues. This has created internal inefficiencies as well as boundless frustration for Angelenos trying to navigate this cyber-maze. It is up to the City's Information Technology Agency (ITA) to bring order to this chaos, not by telling departments what to do but by working with them to efficiently connect everyone.

As well as providing internal communications for the City government and its emergency systems, ITA has a responsibility to update all City systems to interface with each other and with the rapidly-changing technologies of today and to protect the City and those who connect with it from cyber security attacks.

Currently the City's budget is overseen by people who choose not to understand or address the reality of budget deficits. Numbers don't lie but our Mayor and City Council and some of the Departments they oversee conveniently manipulate the numbers to reflect what coincides with their beliefs, perhaps their dreams. This is not sustainable.

The City's financial status reports this year are pessimistic, projecting over-expenditures approaching \$80 million already. This means the City is spending more than was approved for this year's budget even before additional homelessness costs, before emergencies, before costs relating to the teachers' strike, before payouts for lawsuits (which are projected to be twice what is budgeted), before City worker salary increases, and before fully funding the City's pension obligations.

Next year, the City is anticipating a budget gap of \$160 million despite record revenues. This gap is significantly understated because it does not include anticipated raises for the police, firefighters, and civilian workers of over \$100 million. This pushes the budget gap to north of \$250 million.

The City's perhaps overly optimistic four-year outlook projects a budget surplus in 2022-23 of \$100 million. However, this does not reflect the impact of employee raises and benefits over the next four years of an estimated \$340 million. This will result in a budget gap of almost \$250 million.

Furthermore, the City has consistently refused to address its structural deficit, where its expenditures persistently grow faster than its revenues even in times of increased income. Over the next four years, the City is facing a cumulative deficit of almost \$1 billion, or about \$250 million a year.

The Mayor and the City Council have not addressed the City's \$10 billion of deferred maintenance on its streets, sidewalks, parks and their bathrooms, urban forest, streetlights, and the rest of its infrastructure. This would add at least \$250 million a year to the budget shortfall.

The City has not adequately funded its two pension plans to the tune of almost \$9 billion (only 82% funded). This shortfall increases to over \$15 billion (72% funded) if the investment rate of return assumption is lowered to 6.25% from the currently unrealistic 7.25%.

The City's Annual Required Contribution ('ARC') to its pension funds for this year is \$1.2 billion, or around 20% of the General Fund budget. Next year, the ARC will grow by about 10%, significantly more than the anticipated 2% growth in revenues and, using the more realistic 6.25%, the ARC would increase by about \$500-600 million a year to about 30% of the General Fund.

The City has a legal and moral obligation to provide pensions to those who retire; by refusing to come to terms with that truth, our politicians are failing in their fiduciary duty.

The City's Personnel Department was also eviscerated after 2008, ultimately costing the City more money in lost productivity than ever was saved by the cuts. Despite repeated calls to fix clear-cut problems, the Department has not been made whole and continues to be unable to supply other Departments with the qualified personnel needed for them to operate efficiently.

As a result, the City is not only underfunded, it is undermanned.

What is the common thread? A lack of cohesive management. The Mayor and some Council Members and General Managers may *say* that they have everything covered. But it is very clear, even from a cursory look, that *ignoring* the problems do not make them disappear and that any managing at the moment is in *reacting* to problems after the fact, *not* in being proactive and *not* in providing and overseeing a cohesive plan to improve our City.

If the reports that follow seem disjointed, it is because they are. Departments are run as fiefdoms, protected by their General Managers to a greater or lesser extent, a pattern apparently encouraged by our elected officials who can then use this disorganization to hide the extent of the City's indebtedness.

It's not all bad. You will see that there are effective managers with forward-thinking plans and good departments providing excellent services as well as troglodytes stuck in the 20th century, sectors that in promoting well-intentioned concepts are creating problems, and others on the brink of falling apart. But what we do need is some fiscally responsible manager to pull this all together.

This year, the Budget Advocates noted a continuing trend of departments requesting our support to promote items they want included in their budgets. That is NOT our job. We are responsible to encourage policies and services that benefit the people and the neighborhoods, not entrench departmental fiefdoms. Our mandate is to recommend areas where improvements are needed, whether the department agrees with us or not.

A few departments offered solution-oriented fiscal suggestions but many just wanted a larger share of the City's financial pie, clearly hoping the Budget Advocates' support would give these fiscal requests a better chance to survive vetting first by the Mayor's office and then by the Budget and Finance Committee.

City departments exist to serve the people and provide the services we need, not to entrench fiefdoms or build silos. The Budget Advocates call on the departments and the elected leaders of Los Angeles to work together to improve the quality of life for all stakeholders and to ensure we bequeath to future generations a Los Angeles that is safe, livable, well-run, productive and, above all, sustainable.

However, elected officials often make decisions through the prism of being re-elected and/or leaving a legacy. They may be more interested in being liked, both by Angelenos and the entities that funded their elections, than making the difficult choices to address the long-term health of our City.

That is why, AGAIN, the Budget Advocates call for the creation of a hired City Manager position to help them make these hard decisions.

And find answers to the following problems:

- How do we replace our failing infrastructure?
- Where will the City find the billion-with-a-B dollars it will take to repair our cracked and dangerous streets and sidewalks?
- What's the best way or ways to curtail payouts from lawsuits?
- When are we going to address the City's spiraling pension costs?
- How do we work with the unions to ensure workers are protected and paid well WITHOUT bankrupting the City?
- What can be done to remove the root causes of homelessness?
- When are we going to stop paying lip-service to global warming and initiate a comprehensive approach to transportation, trees, profitability, pollution, and all the other interrelated factors?
- Where is the real transparency we need to stop backroom deals and give people unequivocal input into the decisions that affect their well-being?
- In a City known for earthquakes, fires, floods and riots, where are the plans to ramp up our emergency preparedness programs?
-

Once this White Paper is released, the Budget Advocates will develop and release a second White Paper focused on increasing City revenues and fiscal efficiencies, as well as identifying where smart cuts can be made to the City's expenditures. But we don't have the power to implement anything.

Over the past few years while the stock market indices and property values have rocketed back and surpassed their pre-2008 values, the City has managed to go further and further into debt. Now that we are facing a potential Wall Street crash or serious 'correction,' with the ensuing corporate and personal bankruptcies, how can we protect our services, the services the City is supposed to provide?

What we do see is that the money in the City's coffers is constantly being drained by inefficiencies, pet projects, and the failure to enforce what controls actually are in place. To please constituencies, many elected officials pass grand (and not-so-grand) mandates but don't fully fund them. They cook up wonderful schemes to attract business but give away the tax basis that should pay for these incentives. They fail to provide the services needed for stakeholders, which makes moving to Los Angeles unattractive to the qualified workers and businesses we need to build up our economy. Past and

present policies move us further away from a level playing field and entrench a caste system, an embarrassment of 'redlining' most of us choose to ignore.

The Emergency Management Department is grossly underfunded, and its leaders appear to lack the big-picture vision of how to plan for the City's needs in the event of a major disaster. A disaster of any scale would bring down the City's house of cards.

Wake up!

Neighborhood Councils, stakeholders, the Departments, the City Council and the Mayor all need to push together towards:

- Ensuring thorough oversight of all City operations
- Demanding accountability by the City Council for services provided and those that aren't
- Benchmarking the efficiency services provided by the City
- Increasing revenue generation including acting on allocating unused Special Funds
- Maximizing efficiencies within departments and minimizing siloization
- Collaboration and consensus – how departments and the elected officials can relate to each other more effectively using the FUSE report from Laila Aleqresh as an example
- Stopping finger-pointing, the root cause of why are we going nowhere fast
- Answering the question: will we be a gold-medal city at the Olympics or will we be revealed to the world as a city in decay?
- Ending piecemeal patching and focusing on long term infrastructure revitalization
- Confirming the millions we pay in Prop HHH taxes actually tackles the root causes of homelessness and does not simply swell developers' bottom lines
- Augmenting City income by providing seed money and support for departments looking for state and federal funding for specific projects, i.e. job creation, infrastructure, and homelessness solutions
- Removing redlining practices by addressing the underlying causes of the disparities that should not exist in 2018 between have and have-not neighborhoods
- Prohibiting Councilmembers from making commitments for which taxpayers will pay and pay for long after the Councilmembers' terms have ended and they can no longer be held accountable
- Discontinuing the practice of budgeting funds as placeholders, approved to look proactive but existing solely for the Department or City to pull back to cover unfunded expenses

We are specifically concerned about those cuts made during the 2008 economic meltdown in the Personnel, the ITA and other departments, which continue to cause bottlenecks for still *other* departments' functionality and their efficient provision of services. This must be addressed and corrected for the health and future of our City.

Another recession will create another go-round of false economies. We need to get the City's budget under control now!

The Budget Advocates have the power to recommend but not to implement. Each resident of Los Angeles has the power of their vote. Use it to make our elected officials listen to reason.

This means that, in addition to a City Manager, we deserve robust and effective Offices of Pension Reform and of Transparency and Accountability, such as were recommended by the 2020 Commission

almost 5 years ago... but not acted upon. Angelenos are not mushrooms to be kept in ignorance – the state in which Los Angeles, along with many in governments across the country and around the world, would like to keep their stakeholders.

We have rights, we have brains, we can no longer ignore what is happening and we need to take action to ensure City Hall works for us, not the other way around.

As you peruse these reports, try to see what elements are honest requests to truly improve services to the communities that make up our City, and what concerns transcend Departments. Which demands are territorial and which are political in nature?

Above all, what problems would best be addressed by a City Manager, a non-political hire with the requisite experience to manage a big city, oversee departments including sweeping out the siloization that impedes their efficient operation, coordinate long term solutions to current problems and proactively ensure decisions are made to best serve the City's needs, address the structural deficit and over-spending, effectively implement transparency and accountability across all departments and Council Districts, and give us the quality of life all Angelenos deserve. And provide departments and stakeholders, creditors and the financial markets, with the assurance the City would continue to run smoothly in the event of investigations for possible ethical and/or fiduciary violations by our elected officials and staff.

These are obligations that the City Administrative Officer cannot do and for which the Controller, as an elected official, should not be responsible. A City Manager is hired to make decisions based on the long term well-being of the City, not to promote re-election, enhance numbers for political ends or serve short term goals.

Elected officials and department heads, please listen to our words and start planning for a better future.

Angelenos, please weigh in with Community Impact Statements through your Neighborhood Council, with calls and e-mails to the Mayor and your City Councilmember, with letters to the editor of local newspapers and online blogging.

People who are interested – be they Neighborhood Council members, ordinary Angelenos, City employees, stakeholders or people with specific passions – are welcome to work with the Budget Advocates in pursuing these concerns.

Respectfully submitted,

The 2018-2019 Budget Advocates

The 2018-2019 Budget Advocates

Jay Handal, West Los Angeles, Co-Chair
Liz Amsden, Historic Highland Park, Co-Chair
John DiGregorio, Panorama City, Vice-Chair, Communication
Barbara Ringuette, Silver Lake, Vice-Chair, Administration
Erick Morales, Mid-City, Secretary
Chelsea McElwee, Zapata King, Assistant Secretary
Howard M. Katchen, Sherman Oaks, Treasurer
Carol Newman, Lake Balboa, Parliamentarian

Connie Acosta, Echo Park
Brian Allen, Granada Hills North
Glenn Bailey, Northridge East
KJ Clark, Empowerment Congress West
Kevin Davis, Foothill Trails District
Carol Derby-David, Park Mesa Heights
Adrienne Nicole Edwards, Olympic Park
Diedra Greenaway, Northridge East
Jeanette Hopp, Van Nuys
James Hornik, Westlake South
Jack Humphreville, Greater Wilshire
Jacqueline Le Kennedy, Bel Air-Beverly Crest
Melanie Labrecque, Northwest San Pedro
Jon Liberman, South Robertson
Jeffrey Mausner, Tarzana
Tony Michaelis, Silver Lake
José Orozco Pelico, Boyle Heights
Brandon Pender, Greater Toluca Lake
Ricardo Ramirez, Sunland-Tujunga
Danielle Sandoval, Harbor City
Patrick Seamans, Ph.D., Mid-City West
Nina (Faalaniga) Smith, Olympic Park
Dr. Princess Sykes, Harbor Gateway North
Jamie Tijerina, Historic Highland Park
Evelyn Valdez, CANN DU
Joanne Yvanek-Garb, West Hills

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LIST OF RECOMMENDATIONS BY CITY DEPARTMENT

311 CALL CENTER

- Work with Departments receiving service requests from 311 on reporting status and completion
- Increase staffing for social media presence and monitoring to inform and respond to concerns and complaints
- Encourage civic engagement through gathering ideas to improve City services, and provide volunteer opportunities and emergency preparedness in conjunction with Department of Neighborhood Empowerment (DONE), LAFD, LAPD, Department of Transportation (DOT), and Emergency Management Department
- Increase engagement with Neighborhood Councils to create “flash mobs” to walk a neighborhood to ALERT Departments of service needs (i.e. submit service requests)

DEPARTMENT OF AGING

- Continue support of the “Good Food Policy” to improve the health and wellbeing of elderly residents, particularly in disadvantaged communities, develop a thriving “Good Food” economy, and strengthen agricultural and environmental stewardship throughout the region
- Continue support of the “older workers employment program” that provides part-time work-based training opportunities at local community service agencies for older adults who have poor employment prospects and are unemployed
- Continue support of caregivers and the need for respite care services
- Support the Department through additional funding for the hiring of additional administrative staff
- Support the hiring of a case worker/social worker for the Department
- Eliminate generic job classification for the Department so that the hiring for the Department can be more sustainable

ANIMAL SERVICES DEPARTMENT

A. Recommendations to Help Achieve and Maintain No-Kill

- Fund the Animal Sterilization Fund in the amount of \$1.1 million, to save the City tens of millions of dollars in the future
- Determine if funding is available to LAAS for spay/neuter and veterinary for dogs and cats of homeless people, from already approved funds for homelessness such as HHH and other sources
- Fund \$250,000 to provide support for foster homes and other programs to deal with the temporary influx of dogs around the 4th of July and influx of cats and dogs during other

periods, so healthy adoptable dogs and cats do not have to be euthanized for lack of kennel space during these periods

- Fund approximately \$100,000 to hire two clerical assistants for the Life Saving Liaisons at the 6 City Shelters (2 clerical assistants for all 6 Life Saving Liaisons)

B. Recommendations to Increase Volunteer Support for the Shelters

- Fund approximately \$100,000 to hire two full-time clerical assistants for the Volunteer Liaisons at the 6 City Shelters (two clerical assistants for all 6 Volunteer Liaisons) and \$25,000 for supplies for the Volunteers at the 6 City Shelters
- Make the position of Director of Volunteer Programs, who oversees all 6 City Shelters, a permanent position
- Fund 12 new Animal Control Technician (ACT) positions to replace the 6 ACTs who are currently acting as the Volunteer Liaisons and the 6 ACTs who are currently acting as the Life Saving Liaisons.

C. Recommendations Regarding Staffing

- Fund positions for a Data Analyst and a Public Information Director, to increase spay/neuters, adoptions, and donations to the Department
- Fund 10 full-time canvassers, who go out into the neighborhoods to make sure dogs are licensed and neutered, for safety purposes and to produce revenue.
- Fund the 8 unfunded Animal Control Officer (ACO) positions, a safety issue.
- The Personnel Department should give priority to and expedite hiring for LAAS positions.

BOARD OF PUBLIC WORKS

- Fund an additional 6 positions for the Gas and Petroleum Management Program
- Provide the Film and Television Office (now in the Public Works Bureaus) up to \$25,000 for outreach
- Continue the cleanup of homeless encampments
- Fund a program manager and attendants for the Mobile Toilet Program for the safety of the homeless and to eliminate takeover of the facilities by gangs
- Provide \$60,000 to \$80,000 for the purchase of E-Bidding program (described below)
- Add a FUSE fellow
- Hire a qualified tree administrator to manage the urban forest
- Hire a risk manager to manage liabilities
- Add 6-10 accounting positions

BUILDING AND SAFETY DEPARTMENT

- Expand the number of inspector positions beyond the current limits to allow for a faster response time to requests
- Continue the use of retirees on temporary contracts as substitute inspectors to offset the potential loss of staff through retirements for a long enough time to pass on their institutional knowledge to the next generation of inspectors

- Continue to support the Targeted Local Hiring Program and Summer Youth Employment Program which provide opportunities for employment for prospective employees
- Encourage an expanded interaction between the Department and local schools with the goal to enhance a course of study which would expand the pool of prospective employment candidates

DEPARTMENT OF CANNABIS REGULATION

- Expedite hiring of 10 unfilled staff positions to process cannabis applications timely
- Transition enforcement from LAPD to Dept. of Cannabis Regulation
- Allocate regular pay to LAPD for enforcement, rather than overtime hours
- Ensure equal enforcement of criminal activity
- Sequester monies within the General Fund to track the fees and fines collected by this Department (see below)
- Allocate a portion of the excess cannabis revenues to Neighborhood Councils where cannabis businesses are located to be used for neighborhood-specific problems
- Create 311 App interface for quickly registering a complaint that will route through existing Department website.
- Fund transparent training programming for authorized license owners and employees, with certificate of completion tracking

OFFICE OF THE CITY ATTORNEY

- Step up efforts to address risk management and liability claims
- Increase educational efforts with City Departments to address potential liability issues
- Recommend to the Mayor and City Council that Departments and their General Managers be penalized for liability payouts arising from their operations
- Continue efforts to determine ways to make the City less of an easy target for litigants
- Expand homelessness programs including HEART (Homelessness Engagement and Response Team) program to trade homeless citations for community service or enrollment in substance abuse, and train Neighborhood Councils on homeless issues
- Work with the City's Information Technology Agency to try to reconcile the City Attorney's technology upgrade with other Departments so that the technology can be shared and made consistent between Departments

OFFICE OF THE CITY CLERK

- Continue developing a 5-year strategic plan
- Support the administration of system innovations of the Contact Portal and provide records for Freedom of Information Act requests
- Support the scanning of all records dating back to 1980
- Continue support of system innovations in house

CONVENTION AND TOURISM (CONVENTION CENTER)

- Develop plans for more hotel rooms, as the limited hotel space is very limiting
- Develop a more specific method of analyzing the benefits to the City of tourism
- Continue to move in the direction of a more campus-like environment

DEPARTMENT ON DISABILITY

- Update and expand the Citywide 2000 ADA Self Evaluation and Transition Plan, which is the most important and urgent priority for the Department on Disability (DOD)
- For the Transition Plan, hire a full-time in-house or contracted State-Certified Access Specialist (CAsp) and external CAsp experts
- Fund an efficient case and project management software solution, principally for the Transition Plan and the CAsps
- Continue funding and updating the mandated Title II [see note 1] training for all City departments
- Continue and increase funding for both HIV/AIDS Policy and Planning and HIV/AIDS Prevention Contracts
- Continue funding the Title III [see note 2] program which helps small businesses become accessible using low cost ADA consulting and tax incentives, and expand the program to include mediation and initiatives for the gig economy.
- Relaunch the accessible parking zone program
- Hire a full-time staff member to assist as the point person in unified disabled homelessness response as a part of the CORE (Community Outreach, Referrals and Education) Division of DOD, along with the Mayor's Office and Unified Homelessness Response Center (UHRC)
- Fund public service outreach to people with disabilities about the 2020 Census
- Partner with the Recreation and Parks Department to expand accessible recreation and sports as well as adaptive programming in advance of the 2028 Olympics and Paralympics
- Hire an administrative clerk to handle customer service
- Expand Video Remote Interpreting (VRI) to as many public counters as possible

DEPARTMENT OF ECONOMIC & WORKFORCE DEVELOPMENT

- Allocate funding for a citywide public service campaign to inform citizens about Workforce Centers and how they specialize in different job offerings by industry and/ or trade
- Create an analysis of Workforce Centers on the website as a quick information guide to job seekers
- Allocate funds for 2 non-exempt positions for Neighborhood Council liaisons
- Revamp "Employment at EWDD" site to include real time positions
- Maintain existing Department key performance measures for 2018-2019 Fiscal Year

- Seek a grant with focus on employing US black, African black, and citizens of Latinx heritage who are currently underrepresented in the private sector
- Create an annual or biennial Workforce Center review with some key performance measurements to ensure “contractors” are identifying emerging businesses and/or industries in order to develop and offer new training for those emerging business markets
- For transparency, create a dashboard on the website (even if it is a drill down to the existing Controller Dashboard) detailing analytics tracking key performance measures with actual job placements

EMERGENCY MANAGEMENT DEPARTMENT

- Improve this Department’s functionality by substantially increasing its operational budget, since this crucial Department is currently undersized and underfunded
- Continue to replace and update agency servers, software, and fulfilling equipment
- Provide funding for electrical work and updating security systems
- Fund long term community preparedness efforts so that all stakeholders can be well informed and prepared in case of an emergency
- Fund outreach efforts on promoting Notify LA, printing of informational material in multiple languages to be disseminated throughout the City and Neighborhood Councils, and a specific individual to focus on marketing efforts
- Provide specific staff to assist in developing emergency resiliency plans for all 90+ Neighborhood Councils reflecting their individual needs
- Provide sufficient fully-functioning and properly equipped vehicles for the Department’s sole use so they are able to respond quickly in the event of an emergency

BUREAU OF ENGINEERING

- Provide incentives through contract negotiations to improve competitiveness in hiring and retention of engineers and architects vis-à-vis the public and private sectors
- Press on toward total automation of the Bureau’s information systems
- Urge/compel elected officials to select appropriate locations for Bridge Home sites to shelter homeless individuals
- Add 6 to 8 positions to design and deliver new and expanded projects including one position to accelerate construction on the Purple Line, 3 to 5 positions to double DOT’s Automated Traffic Signal Program, and both a construction manager and administrative person for the Civic Center Program (as discussed below)

ETHICS COMMISSION

The Budget Advocates support the following requests of the Commission:

- Fully funding 3 education positions including all ancillary costs
- Fully funding 2 project assistants to handle entry level audit and investigative duties as well as helping with clerical responsibilities
- Fully funding 1 additional auditor including all ancillary costs
- Funding to promote key personnel in order to retain their services and institutional knowledge

- Increasing the Department’s overhead budget to \$60,000

In addition, the Budget Advocates strongly recommend that the City take the following measures to enhance the Commission’s budget and its ability to enforce its mandate:

- Through ordinance or Charter Amendment, making the changes necessary to allocate sufficient funds from the Matching Funds Trust Fund to cover administrative costs so that ongoing audits, claims and other staff obligations can be maintained during election periods
- Requiring every Council District to set up and maintain a page on their websites clearly showing detail of all monies received and expended in connection with the Councilmembers’ discretionary funds, to increase transparency and aid the City Attorney and Commission in addressing inappropriate uses, if any
- Charging back costs of investigation, litigation and settlements to the departments and Council Districts involved, as an incentive to improve their internal oversight
- Setting appropriate penalties to ensure all departments report malfeasance to the Ethics Commission and City Attorney upon discovery, rather than waiting on internal investigation

OFFICE OF FINANCE

- Prioritize how to use Special Funds (should they be consolidated as a reserve and/or repurposed to other critical needs)
- Increase efforts to ensure auditing and collection of the appropriate amount of cannabis fees and taxes, and determine how to control and handle collections from the cash-rich cannabis industry

FIRE DEPARTMENT

- Fund and promptly complete a Standards of Cover Report¹ to establish Department benchmarks and ensure that resources are allocated efficiently and effectively
- Establish performance metrics which link incident activity with costs by fire station to help evaluate overall utilization of Department resources
- Evaluate EMS (Emergency Medical Services) non-transport reimbursement options including Advanced Provider Response Unit (APRU) reimbursement options
- Assess 3rd party EMS reimbursement administrator performance
- Use the federal SAFER (Staffing for Adequate Fire and Emergency Response) grant and matching funds to restore staffing in Wilmington’s Fire Station 38
- Fund the Department’s request for two additional Fast Response Vehicles (FRVs) to improve response times and service

¹ A Standards of Cover Report is defined by the Commission on Fire Accreditation International as “those adopted written policies and procedures that determine the distribution, concentration and reliability of fixed and mobile response forces for fire, emergency medical services, hazardous materials and other technical responses.” It is through this document that resource benchmarks can be established and there can be a more objective evaluation of cost effectiveness and performance outcomes.

- Conduct an analysis of the use of overtime pay (\$197 million, 29% of total Department budget) to confirm that using this approach to cover staffing shortages is the most efficient and effective method for the City
- Eliminate the Deferred Retirement Option Plan (DROP) for firefighters²

GENERAL SERVICES DEPARTMENT

- Continue to restore staffing, services, and funding to better support the 40 City Departments and Bureaus to ensure they are operating to their full capacity
- Develop a retention plan to keep staff as employees in high demand positions in the Department
- Increase staff for preventive maintenance of equipment to avoid the expense for equipment replacement
- Accelerate replacement of the 50% of equipment beyond life cycle Citywide
- Assure sufficient funds to bring the Building Management System on line by April 2019 as the next step in integration of data systems across City Departments.

DEPARTMENT OF HOUSING & COMMUNITY INVESTMENT

- Complete a gap analysis that will compare the number of households within an income range to the number of affordable homes available, including City-owned excess properties that can be converted into affordable and/or low income housing
- Complete a cost burden analysis that focuses on severely cost-burdened households and is reflective of the percentage of income paid for housing by income range
- Increase the number of staff utilized for oversight of LASHA to ensure compliance of policy and procedure as it relates to Measure H and Proposition HHH³
- Adopt or update a housing plan with local dollars and HHH funding dedicated to affordable housing financing and strategies to increase the future local funding commitment

INFORMATION TECHNOLOGY AGENCY

- Prioritize maintenance and upgrading of the City's communication infrastructure especially, but not exclusively, for the Fire and Police Departments, to guarantee public safety in the event of a disaster
- Prioritize working with, monitoring, upgrading and linking internet systems across all City Departments

² The impetus for the DROP program was only for the LAPD to retain experienced personnel, and there is no evidence that the Department was having trouble retaining experienced personnel. The program has documented fraud and abuse claims (Los Angeles Times, 4/15/18 and 8/24/18 and subsequent articles)

³ Proposition HHH is a \$1.2 billion bond to build approximately 10,000 units of supportive housing in the City of Los Angeles. Measure H, adopted by the County, increased the sales tax by a quarter-cent in order to generate an estimated \$355 million per year for 10 years to fund a variety of programs to combat homelessness.

- Ensure that cyber security protections are implemented, monitored and upgraded in technology throughout the City
- Help the City and relevant departments determine what is needed to consolidate and upgrade the City's payroll systems to ensure efficiency and security

LIBRARY DEPARTMENT

- Provide sufficient security to assure that libraries are a safe and welcoming space
- Plan for and identify funds for building improvements to accommodate changes in technology and replace aging computer equipment
- Develop a 10-20 year Master Plan to sort out the Department's commitment to the community
- Partner with Green and Sustainability Committees of Neighborhood Councils on the Library's Citizen Science Project.

DEPARTMENT OF NEIGHBORHOOD EMPOWERMENT

- Increase the number of DONE's Neighborhood Empower Administrators (NEA) positions by at least five which will bring the NEA ratio per Neighborhood Council coverage from the current one-to-eight closer to a desirable one-to-five
- Live stream Neighborhood Council training sessions and enhance DONE's website with an on-demand training videos library to include Neighborhood Council instructional and all board member mandatory trainings
- Provide for DONE civic engagement support staff positions to provide education to City departments and bureaus, to assist them in working with Neighborhood Councils and stakeholders, and to create and maintain a civic engagement educational data base
- Create a special fund to collect unspent neighborhood council funds at fiscal year-end and use funds to provide neighborhood councils with ancillary services and support such as translation, interpretation, child care.

PENSION PLANS –LOS ANGELES CITY EMPLOYEE RETIREMENT SYSTEM (LACERS)--LOS ANGELES FIRE AND POLICE PENSION PLAN (LAFPP)

Recommendations to City Hall

- Recognize that the \$15 billion unfunded pension liability is the most significant financial issue facing the City of Los Angeles, and take immediate action to address the \$15 billion liability
- Proactively address the lower returns on invested assets
- Appoint trustees who have relevant experience and who understand that their exclusive duty is to the plan, its participants, and beneficiaries
- Follow up on LA 2020 Commission's recommendation to establish an Independent Committee to review and analyze pension obligations and to make recommendations to fully fund pensions
- Release February 2016 report by the City Administrative Officer to the EERC (Executive Employees Relations Committee) on the LAFPP's Deferred Retirement Option Plan

- Lower the investment rate assumption to 6.25% over the next four years
- Reduce amortization period to 15 years, consistent with actuarial standards
- Review the Cost of Living Adjustments v. inflation
- Rely on up to date mortality assumptions (generational mortality)
- Develop a plan to buy down on the unfunded liability (see Palo Alto plan)
- Increase employee contributions to reduce the unfunded liability
- Permit employees to opt out of LACERS or LAFPP and participate in a defined contribution or a hybrid plan
- Adopt a policy of outreach, education, and transparency

Recommendations to LACERS and LAFPP

- Maintain the existing management teams for these well-run operations
- Improve outreach to all Angelenos, including through Neighborhood Councils
- Improve transparency by hosting annual symposiums
- Prepare historical 10-year statistical spread sheet which may be accessed online in a downloadable format
- Research purchasing an in-house actuarial system
- Project future contributions using lower investment rate assumptions
- Develop and implement stress testing to assess pension risks
- Analyze investment management fees, including private equity management fees
- Allow for hiring flexibility, especially for IT, accounting, and benefit specialists
- Benchmark investments, administration and operations for service improvements
- LACERS, LAFPP, and LADWP's WPERP staff to meet on a regular basis to discuss and share best practices

PERSONNEL DEPARTMENT

Recommendations To The Department

- Address and resolve the bottleneck issue experienced by multiple departments who have to work through the Personnel Department to fill needed positions
- Continue expansion of Anytime-Anywhere Remote Testing program for recruits, which provides job applicants with the ability to take tests online via physical locations provided by the Department
- Continue success of new Local Hire Program, which focuses on hiring students and individuals within a 5-mile radius of the Department's location in Downtown LA
- To assure a safe workplace, encourage use of new MyVoiceLA tool, an online tool allowing employees to report misconduct or harassment anonymously without retaliation
- Provide ample time and resources for first responders to prepare for Olympics
- Provide more training for supervisors and management to reduce turnover and claims
- Ensure success of new Alternative Dispute Resolution Programs with unions
- Focus on incentivizing long-term employment offering more flexibility, i.e. telecommuting

Recommendations To The Mayor And City Council

- Fund \$100,000 needed for civilian recruitment
- To the extent adequate funding is not provided, chargebacks should be invoiced to Departments requesting Personnel to assist with civilian recruitment
- Reinstate prior year's funding of \$55,000 for training to assist in reducing worker's compensation claims and settlements
- Fund additional resources for management training to improve supervisory skills, increase employee retention and reduce claims

DEPARTMENT OF CITY PLANNING

General Recommendations

- Utilize the Department's appropriations to fund two dedicated personnel staff in the Personnel Department to expedite filling open Planning positions
- Re-assess with the City Administrative Officer whether the recently implemented 15-step salary structure is the most appropriate to motivate employee retention
- Assure sufficient time is allotted and staffing is adequate so that stakeholders and Neighborhood Councils have ample opportunity to review and provide comment on detailed individualized community characteristics of Community Plans
- Utilize Short Term Rental Trust Funds for sufficient positions to implement and rigorously enforce short-term rental regulations in coordination with relevant City Departments
- Ensure new programs such as the Restaurant Beverage Program or changes to existing programs charge sufficient fees to cover their administration costs including factoring the cost of non-applicant appeals into application fees charged original applicants
- Ensure all new programs such as the Restaurant Beverage Program or changes to existing programs enhance, rather than reduce, opportunities for site-specific comment from stakeholders and Neighborhood Councils, and that current notifications and appeals processes continue in place and require a public hearing

Recommendations Related To Housing

- Create incentives and new zoning if necessary, for cost effective, innovative housing such as repurposed shipping containers, small homes, and communal living buildings
- Consider repurposing underutilized City buildings for housing/shelter uses
- Create policy establishing a centralized City registry funded by development fees to assure affordable units under covenants are rented according to established City guidelines
- Ensure an effective ongoing process of verification that affordable units under covenants are rented to qualified low income renters
- Create policy in conjunction with the Housing + Community Investment Department (HCID) to address enforcement of previously unenforced and future affordable housing covenants

POLICE DEPARTMENT

- Fund 58 civilian staff for phase one replacement and Public Records Act retrieval (1)
- Fund 54 additional sworn personnel for the HOPE unit (2)
- Fund \$43.5 million additional overtime dollars (3)
- Fully fund the opening of the Harbor Jail (4)
- Fully fund 26 new property officers (4)
- Form and fund a dedicated personnel department (5)
- Form and fund a cannabis investigation division (6)
- Review and fund an overhaul of the LAPD IT systems (7)
- Allow LAPD management to manage its annual budget independently of the City Council (8)
- Fully fund 2,500 additional sworn officers to a total of 12,500 (9)

LOS ANGELES POLICE PROTECTIVE LEAGUE (LAPPL)

- Fund 58 civilian staff for phase one replacement and Public Records Act retrieval (1)
- Fund 54 additional sworn personnel for the HOPE unit (2)
- Fund \$43.5 million additional overtime dollars (3)
- Fully fund the opening of the Harbor Jail (4)
- Fully fund 26 new property officers (4)
- Form and fund a dedicated personnel department (5)
- Form and fund a cannabis investigation division (6)
- Review and fund an overhaul of the LAPD IT systems (7)
- Allow LAPD management to manage its annual budget independently of the City Council (8)
- Fully fund 2,500 additional sworn officers to a total of 12,500 (9)
- Fully fund civilian hiring to its proper level
- Fully fund overtime to its proper level
- Obtain a transparent budget from the City
- Expand the Risk Management Health Program to the entire LAPD work force

DEPARTMENT OF RECREATION AND PARKS

- Upgrade, modernize, and provide for the future improvement of pools and recreation facilities throughout the City
- Offer more robust subsidized fitness programs and classes for both children and adults throughout the city
- Keep pools open all year round in the City
- Expand the SwimLA program to offer year round competitive aquatics throughout the City
- Increase the number of park rangers in the City
- Open more park ranger stations throughout the City
- Clarify LAPD and park ranger responsibilities and assure that they are being met by the appropriate City entity

- Increase the number of maintenance staff to perform the necessary maintenance of park bathrooms and facilities

BUREAU OF SANITATION

Administration/ Financial Concerns/ Homelessness

- Support most effective payment collection approach
- Continue to provide the City Council with five-year forecasts for Special Fund projects underlining the long term savings from these investments
- Continue their Roadshow, and work through police Senior Lead Officers (SLOs), Neighborhood Councils, ads on trucks, etc. to educate public on issues
- Continue to explore internships through EWDD and colleges
- Continue to work on liability reduction
- Strongly support the Bureau's request for 4 administrative clerks to sustain the efforts of the HOPE (Homeless Outreach Proactive Engagement) Teams and Clean Streets teams
- Engage with the City's Homeless Strategies effort and other programs to anticipate and mitigate problems with homeless encampments, couch-surfers and people living in cars and trailers

BUREAU OF SANITATION

Solid Waste and RecycLA

- Aggressively pursue a shift to smaller black bins with reduced charges to encourage waste reduction driven by consumers
- Incentivize RecycLA franchisees to, upon request, provide green waste bins at no charge to their customers
- Pressure the City Attorney to use recordings from the pilot camera surveillance program to aggressively pursue and fine those guilty of illegal dumping
- Support request for more drivers to expand bulky item pick up
- Coordinate with multi-person buildings for end of month (renter move-outs) pick-ups

BUREAU OF SANITATION

Stormwater/ Green and Sustainability Issues

- Promote the development of local recycling plants and markets
- Ensure green waste bins for RecycLA customers at no cost as requested
- Explore other markets for green waste
- Pursue education of businesses, condo associations, consumers
- Continue to address organics recycling
- Work with LADWP on smart landscaping
- Expand smart approach to disposal by working with BIDs (Business Improvement Districts)
- Reduce the Southland's reliance on imported water by expanding water capture and recycling and increasing effective water conservation by residents, businesses and the City

- Continue to build sustainability and resilience in the face of climate change, economic swings and potential natural and manmade disasters

BUREAU OF STREET LIGHTING

- Create a position for a FUSE Fellow to work on the 5-year Smart City strategic plan
- Hire at least 1 dedicated crew to replace stolen copper wiring
- Create new job classifications to replace employees due to turnover and retirement
- Hire 10 new field staff positions
- Hire a new Senior Analyst to manage co-locations

BUREAU OF STREET SERVICES

- Make data available to the public broken down by project, documenting dollars spent, services provided, performance metrics and project schedules (existing and future) drilled down by Council District (CD), Neighborhood Council (NC) area and street
- Support budget requests to enhance and expand BSS planning efforts
- Support budget requests to improve and enhance the electronic data available on the BSS website
- Implement audit recommendations presented in the Controller's 2014 Report: "LA Street: The Road to the Future" and, specifically, analyze performance and associated costs for each component of the pavement preservation program
- Establish a Neighborhood Council Street Service Advisory Committee
- Increase funding for City tree management and maintenance
- Develop a comprehensive risk and liability reduction strategy
- Implement small area sidewalk repairs rather than wait for entire street funding which incorporates ADA curb changes
- Implement an alley repair program

DEPARTMENT OF TRANSPORTATION

The Committee did not make any recommendations.

311 CALL CENTER
Date of Meeting: October 31, 2018

ATTENDEES

Department: Jeanne Holm, Assistant General Manager, Deputy Chief Information Officer, Senior Technology Advisor to the Mayor, Donna Arrechea, 311 Director

Budget Advocates: Howard M. Katchen, Tony Michaelis

RECOMMENDATIONS

- Work with Departments receiving service requests from 311 on reporting status and completion
- Increase staffing for social media presence and monitoring to inform and respond to concerns and complaints
- Encourage civic engagement through gathering ideas to improve City services, and provide volunteer opportunities and emergency preparedness in conjunction with Department of Neighborhood Empowerment (DONE), LAFD, LAPD, Department of Transportation (DOT), and Emergency Management Department
- Increase engagement with Neighborhood Councils to create “flash mobs” to walk a neighborhood to ALERT Departments of service needs (i.e. submit service requests)

DISCUSSION

The 311 Department call center, mobile app and social media provide a conduit to City services and a constructive way to communicate with a variety of City Departments and Bureaus. By accessing 311 by phone, website, mobile app or social media, residents can get information about City services, submit service requests and be directed to other City and County resources.

The Department receives approximately 150,000 contacts per month, with about 35% from web and mobile apps. The Department is beginning to further develop and expand its social media presence through Twitter, Facebook and other applications. In the last budget period, the Department was able to expand hours from 8:00 a.m. to 5:00 p.m. Monday through Friday to Monday through Friday, 7:00 a.m. to 7:00 p.m. and Saturday and Sunday 8:00 a.m. to 5:00 p.m. After-hours calls are directed to other Departments such as Sanitation and the LADWP which have expanded hours.

There is only one Information Technology Agency (ITA) performance metric listed for 311, which is percentage of calls answered, currently at 90%. The Mayor’s Performance Dashboard, Open Data Portal and the 311 website are other performance data sources, but there is limited data to track service requests and outcomes. The Directors indicated that they are working with the existing Departments using 311 to improve service request tracking. The 311 Director is affiliated with several national organizations (ICMI, AGCCP) which provide opportunities for benchmarking and shared best practices with other municipalities’ 311 operations.

The Department is expanding outreach through a phase two project which will add Recreation and Parks, DOT, and Animal Services to the platform. The project was requested in October 2018, and buildout is not expected until March 2019 due to limited resources.

The Department is reviewing multiple technology upgrades including interactive voice response (IVR), artificial intelligence (AI) and texting. In addition, the Department is transitioning from existing programming software to new sources such as Salesforce, Oracle and Microsoft, which are easier to manage and modify.

Personnel retention is an ongoing issue for 311. The Call Center staff recently lost 15% of its staff to the LADWP which opened 100 positions and has a higher base salary. The Department is considering telecommuting as a job retention tool and also a better staffing model for emergencies without loss of management oversight based on real time monitoring of all activity online. The Department is also considering adding pay steps and job classification levels to remain competitive.

The Department utilizes part time staff to deal with demand surges in calls, such as Monday mornings. The Department participates in the Youth Internship Program, which employ students from various colleges for selected periods of time (e.g. a semester) to work on specific projects. Currently the Department has a Cal State LA student working on social media and PSAs. In addition, ITA has hired a number of former Department interns over the years.

The Department has partnered with neighborhood groups to create “flash mobs”. The project is designed to do a specific area walkabout and then submit service requests (e.g. through the app while doing the walkabout). Neighborhood Councils should consider partnering with 311 on this initiative.

The Department is able to provide assistance to non-English speaking callers through onsite staff and translation services. Requests for foreign language assistance are only about 100 per month.

The Department wants to expand social media monitoring with the goal of informing and responding to concerns and complaints proactively before the frustration level escalates. Call Center wait time in the last few months has been, for most calls, less than 2 minutes. The goal has been under 3 minutes which is usually the longest time most people wait to get a call answered before abandoning the call.

CONCLUSION

The Department is a valuable City asset, the primary point of contact to many City Departments for service requests and other information. Increasing staff to expand 311’s social media presence and ability to anticipate and proactively respond to service needs will decrease complaints and improve end user experience and satisfaction.

DEPARTMENT OF AGING

Date of Meeting: October 22, 2018

ATTENDEES

Department Personnel: James Don, Assistant General Manager

Budget Advocate: Diedra M. Greenaway, MS/MBA

RECOMMENDATIONS

- Continue support of the “Good Food Policy” to improve the health and wellbeing of elderly residents, particularly in disadvantaged communities, develop a thriving “Good Food” economy, and strengthen agricultural and environmental stewardship throughout the region
- Continue support of the “older workers employment program” that provides part-time work-based training opportunities at local community service agencies for older adults who have poor employment prospects and are unemployed
- Continue support of caregivers and the need for respite care services
- Support the Department through additional funding for the hiring of additional administrative staff
- Support the hiring of a case worker/social worker for the Department
- Eliminate generic job classification for the Department so that the hiring for the Department can be more sustainable

DISCUSSION

Overview

The Department has addressed/implemented/achieved the following items since the Budget Advocates’ meeting with the Department last year:

- Relationship with the County of Los Angeles
- Creation of a caregivers’ support task force in response to seniors missing due to dementia and/or Alzheimer’s
- Tracking bracelets registered with the Sheriff’s Department
- Gerontology training for the Department staff
- Incorporation of the Good Food Policy
- Additional City funding

Seniors are not only living longer, but they also represent great diversity in needs and interests. Unprecedented growth is projected in all service-providing industries, and almost limitless opportunity exists for the development and delivery of new products and services for the elderly. An elderly person needs to feel safe, remain close to other people and believe that his or her life continues to be meaningful.

The Department’s services support the lowest income, most frail and oldest among the fast-growing senior population to maintain independence, improve wellness, and maximize

functional capacity and improve overall quality of life. Chronic conditions are the leading cause of death and disability in the US, and treating those with multiple conditions, as is the case with 70% of older adults, costs up to seven times as much as treating those who only have one chronic condition.

Issues

Demographic changes

- By 2020, the County's age-50-or-older population is expected to increase by 27% and the population age 65 or older by 43%.
- Life expectancy increased in Los Angeles from 75.8 years in 1991 to 81.5 years in 2011, with mortality rates declining 18% compared to 13% for the nation overall.
- The worker-to-retiree ratio in Los Angeles is projected to change dramatically from 5.2 workers per retiree in 2018 to just 2.9 workers for each retiree in 2036, raising questions about the financial security of future generations.
- Population projections from the California Department of Finance also indicate that the City population will grow older in the coming decades. The trend is for the greatest growth to occur in the oldest age groups.

Health impact

- More than 20% of Los Angeles older adults rate their health as fair or poor. On average, they experience poor mental or physical health for six days each month. Poor health strains the resources of our institutions, from hospitals to social service agencies to families.

CONCLUSION – THE FUTURE OF AGING IN LOS ANGELES

What will the older population of Los Angeles look like in the coming decades? Current projections from the California Department of Finance show that the size of the population age 50 or older will grow by nearly 40% in the next two decades.

Comparing the populations age 50–64 with those aged 65 or older reveals some critical differences when considering factors for healthy aging. One of the most striking is household income. Not surprisingly, considering the traditional transition from work to retirement at age 65, the median household income is between 28% and 42% less for the older group (age 65 or older).

Ongoing inventories and careful community health needs assessments are needed for community mobilization to support comprehensive care implementation to improve services for older adults, such as integrating social services into senior centered safety-nets. More than ever, community reports that can inform planning are needed, especially when they include the voices of older adults, provide guidance on placement, access, and availability of community assets, and help major agencies optimize the health and social services environment.

ANIMAL SERVICES DEPARTMENT (LAAS)

Date of Meeting: November 2, 2018

ATTENDEES

Department: Brenda Barnette, General Manager; Tammy Watson, Assistant General Manager; Melissa Webber, Assistant General Manager of Lifesaving; Catherine Garcia, Financial Manager, Los Angeles Animal Services Department.

Budget Advocates: Melanie Labrecque, Jeffrey Mausner

RECOMMENDATIONS

A. Recommendations to Help Achieve and Maintain No-Kill

- Fund the Animal Sterilization Fund in the amount of \$1.1 million, to save the City tens of millions of dollars in the future
- Determine if funding is available to LAAS for spay/neuter and veterinary for dogs and cats of homeless people, from already approved funds for homelessness such as HHH and other sources
- Fund \$250,000 to provide support for foster homes and other programs to deal with the temporary influx of dogs around the 4th of July and influx of cats and dogs during other periods, so healthy adoptable dogs and cats do not have to be euthanized for lack of kennel space during these periods
- Fund approximately \$100,000 to hire two clerical assistants for the Life Saving Liaisons at the 6 City Shelters (2 clerical assistants for all 6 Life Saving Liaisons)

B. Recommendations to Increase Volunteer Support for the Shelters

- Fund approximately \$100,000 to hire two full-time clerical assistants for the Volunteer Liaisons at the 6 City Shelters (two clerical assistants for all 6 Volunteer Liaisons) and \$25,000 for supplies for the Volunteers at the 6 City Shelters
- Make the position of Director of Volunteer Programs, who oversees all 6 City Shelters, a permanent position
- Fund 12 new Animal Control Technician (ACT) positions to replace the 6 ACTs who are currently acting as the Volunteer Liaisons and the 6 ACTs who are currently acting as the Life Saving Liaisons.

C. Recommendations Regarding Staffing

- Fund positions for a Data Analyst and a Public Information Director, to increase spay/neuters, adoptions, and donations to the Department
- Fund 10 full-time canvassers, who go out into the neighborhoods to make sure dogs are licensed and neutered, for safety purposes and to produce revenue.
- Fund the 8 unfunded Animal Control Officer (ACO) positions, a safety issue.
- The Personnel Department should give priority to and expedite hiring for LAAS positions.

DISCUSSION

The Animal Services budget is approximately \$24.5 million, out of an approximately \$9.8 billion City budget. This comes to about one-quarter of one percent of the budget to care for all of the animals in the City, including those in the six City animal shelters.

No-Kill Recommendations

Both the Mayor and the City Council have made the achievement and maintenance of No-Kill a high priority for the City. For an example, see Council File 17-0170. No healthy adoptable animals should be killed in our City shelters, for lack of kennel space. In order to achieve that goal, the budget for the Animal Services Department should be modestly increased to include the items above.

Regarding the recommendations to help achieve and maintain No-Kill, spay/neuter is the key to reaching and maintaining No-Kill. Spay/neuter also saves the City a tremendous amount of money in the long run. It is much cheaper to spay/neuter dogs, cats, and rabbits than it is to care for the generations of offspring of those animals at the City shelters and ultimately have to put them to death when the shelters run out of space for them.

Prior to 2015, \$1.1 million was transferred annually from the General Fund to the Animal Sterilization Fund. This was decreased to \$500,000 in 2015-16, and then no transfer was made in 2016-17 and 2017-18. The Animal Sterilization Fund was about to run out of money, which would have eliminated spay/neuter services for low-income pet owners, until the City Council provided \$850,000 in May 2018.

The full annual transfer of \$1.1 million from the General Fund to the Animal Sterilization Fund should be reinstated.

After many years in which thousands of animals were killed in the City shelters for lack of space, the City has finally achieved No-Kill for dogs. (Over a 90% live save rate is considered No-Kill; the 10% consists of animals who are too sick or injured to be saved, or too aggressive to be adopted.) This is a monumental achievement, for which Animal Services, the City Council, the Mayor, and the entire City can be very proud. But this will be jeopardized if the Animal Sterilization Fund is depleted. Decreasing the numbers of dogs and cats who are born is the basis for maintaining No-Kill. If spays/neuters decrease, in a few years, the shelters will be killing dogs and cats again for lack of space.

Housing and killing those animals will cost the City much more than the additional funds for the Animal Sterilization Fund. Furthermore, it will be highly embarrassing for the City to have achieved No-Kill for dogs, and then lose that status simply because of lack of funding for spay/neuter. (The City has not yet achieved No-Kill for cats because of the injunction against Trap, Neuter, Return (TNR). TNR is the program for controlling feral cats by trapping them, neutering them, and returning them to the place where they were trapped, to live out their lives but not produce additional offspring. Organizations that want to round up and exterminate feral cats have obtained an injunction against the City participating in TNR. The City is currently working to overturn the injunction.)

Regarding the \$250,000 recommendation, around the 4th of July (June-August) each year, the City Shelters become over-crowded with dogs. Dogs are very fearful of fireworks and many run away when they hear them. Many of these runaway dogs end up in the City shelters. Though

most of these dogs are reunited with their owners within several weeks, overcrowding in shelters, even temporarily, may cause other dogs to be put down due to lack of space.

This \$250,000 fund would be used to support fosters and other programs so that dogs would not have to be killed to make space. It would also be used for kitten and cat fosters when there is overcrowding during other times of the year. This fund could also be used if necessary for the influx of dogs and cats during emergencies, such as the recent fires.

Regarding the Animal Care Technician (ACT) recommendations, over the past year, each of the 6 City shelters has designated an ACT to serve as the Life Saving Liaison for that shelter. These Life Saving Liaisons work to increase placements with private rescue organizations, increase fosters and, ultimately, increase adoptions. These positions are essential to achieving and maintaining No-Kill and should be made permanent full-time positions. Six ACTs should be hired to replace the ACTs serving as Life Saving Liaisons. There is a shortage of ACTs at all of the shelters – patrons often have to wait to adopt animals, the front desk is unmanned because ACTs are doing other tasks, and there is other work that volunteers cannot perform that goes undone because there are not enough ACTs to supervise. Two full-time clerical assistants should also be hired to assist the 6 Life Saving Liaisons with social media outreach for the animals and other tasks.

Volunteer Recommendations

LAAS volunteers provide thousands of hours of free work to the Department. Without the volunteers, it would cost the City millions of dollars more to run the animal shelters. The volunteers greatly improve the quality of life of the animals in the shelters, taking them for walks, providing training, bringing dogs into play groups, caring for the animals, and assisting with adoptions. Because of the shortage of ACTs, the animals would receive very little of this care if it weren't for the volunteers. Increased numbers of volunteers and efficient utilization of volunteers has markedly improved over the last year, with the hiring of the Director of Volunteer Programs and a Volunteer Liaison at each shelter. However, there are still many people who would like to become volunteers, and volunteers are dropping out and/or not completing training. The City and the animals are still losing out on thousands of free volunteer hours. At some point, hiring a second Volunteer Liaison at each shelter might be considered, but at this time, two full-time clerical assistants should be hired for the 6 Volunteer Liaisons. This would free the Liaisons from some of the paperwork, so they could spend more time working directly with the volunteers. If this results in an additional 25 volunteers at each shelter, the cost is negligible compared to the benefit. Anything that increases the number of volunteers or volunteer hours provides an exponential benefit of free labor to the City and improvement of quality of life for the animals.

The Volunteer Liaison positions are essential to attracting, maintaining, and training volunteers; these positions should be made permanent full-time positions. Six additional ACTs should be hired to replace the ACTs serving as Volunteer Liaisons. As noted above, there is a shortage of ACTs at all of the shelters.

An additional \$25,000 should be funded for supplies for the volunteers. Currently, the volunteers buy their own supplies such as leashes, gloves, treats for the animals, etc.

The position of Director of Volunteer Programs, who oversees all 6 City shelters, should be changed from Resolution Position Authority (a position funded in the budget and approved for

filling by a Council resolution; the need for the position is expected to be temporary) to Regular Position Authority (a position funded in the budget and approved for filling by ordinance; the need for this position is permanent), to make the position permanent. The Director of Volunteer Programs has done an excellent job of supervising the Volunteer Liaisons, helping to computerize data entry about the animals coming from the volunteers, and working to get and maintain more volunteers.

Staffing Recommendations

A Data Analyst and Public Information Director are positions that would contribute to No-Kill and general Department operations. In particular, a Public Information Director should be hired to increase spay/neuter, adoptions, and donations to the Department. A Data Analyst should be hired to support statistics for No-Kill, WoofStat (the LAAS database that shows the fate of animals taken in by the shelters), and other statistics.

Ten full-time Canvasser positions should be funded. Canvassers go out into the neighborhoods to make sure dogs are licensed and neutered. These Canvassers will be a revenue producer for the City, as well as contributing to No-Kill and public safety.

Funding should be provided for the 8 unfunded Animal Control Officer (ACO) positions. The County has more than twice as many ACOs as the City, even though it serves fewer people. The shortage of City ACOs greatly affects dealing with stray animals, injured animals, wildlife, animal abusers, and other matters. This is a public safety matter.

The Personnel Department should give priority to and expedite hiring for LAAS positions. The Department has been unable to fill some authorized positions.

CONCLUSION

The above items are necessary to humanely and properly care for the animals of our City and to achieve and maintain No-Kill. They will result in only a slight increase to a budget that is about a quarter of a percent of the City budget.

Possible sources of revenue and cost savings:

- Fully fund the Animal Sterilization Fund; this will save the City tens of millions of dollars in the future.
- Increase donations through the hiring of a Public Information Director.
- Produce a weekly commercial television show about the exploits of Animal Control Officers (ACOs), and caring for and getting animals adopted.
- Increase collections of licensing fees through hiring canvassers.

BOARD OF PUBLIC WORKS

Date of Meeting: November 1, 2018

ATTENDEES

Department: Kevin James, President of the Board; Fernando Campos, Executive Director; Raoul Mendoza, Assistant Executive Director

Budget Advocates: Joanne M. Yvanek-Garb, Tony Michaelis, Nina Smith

RECOMMENDATIONS

- Fund an additional 6 positions for the Gas and Petroleum Management Program
- Provide the Film and Television Office (now in the Public Works Bureaus) up to \$25,000 for outreach
- Continue the cleanup of homeless encampments
- Fund a program manager and attendants for the Mobile Toilet Program for the safety of the homeless and to eliminate takeover of the facilities by gangs
- Provide \$60,000 to \$80,000 for the purchase of E-Bidding program (described below)
- Add a FUSE fellow
- Hire a qualified tree administrator to manage the urban forest
- Hire a risk manager to manage liabilities
- Add 6-10 accounting positions

DISCUSSIONS AND ISSUES

The Board of Public Works is a full-time commission and is responsible for the design, construction, renovations and operations of public projects. The Board oversees Street Services, Street Lighting, Sanitation, Engineering, Contract Administration, Beautification, Gas and Petroleum Management, Filming and Television, and Urban Forestry.

Gas and Petroleum Management was added several years ago and needs 6 positions to operate more efficiently and to work with the surrounding communities and provide adequate communications. The leak at the Aliso Canyon gas storage facility proved that this Department needs to be adequately funded.

The Mayor has added the Office of Film and Television to the Public Works Bureau. A Manager or Coordinator for this office is necessary to do outreach and communicate with the Neighborhood Councils and to oversee event fees. This will eliminate confusion and complaints from the neighbors in areas where there is a high volume of filming.

Bidding for public works contracts is very paper intensive and is subject to errors and missing information. Many contracts are not awarded to qualified bidders due to these errors and omissions. Putting the bidding process online would make the process easier, cheaper, and more efficient, and would create a smoother process for the implementation of E-Bonding and E-payments. Doing the process electronically would save substantial time and effort and create better relationships with City contractors.

The request for a FUSE Fellow is currently sitting in the Public Works and Gang Reduction Committee. The addition of this position would increase efficiencies and highlight duplication of efforts and lack of oversight.

The City needs tree management City-wide, including a tree administrator who has the necessary skill set including sources of funds, as well as knowledge of trees that can be planted in the City. The City also needs a strategic plan and urban forest management plan as well as a tree inventory. However, to date the City's Personnel Department has not yet developed a plan to find the right person and develop a new classification for this position.

The tree planting guarantee fee needs to be upgraded. Developer permits require increased fees to maintain trees removed for up to 3 years. In the past, a developer would drop a tree at the nursery for \$200 where the trees would not do well or survive. This new program will require them to maintain the trees for up to 3 years.

Regarding liability management, the Department needs a risk manager. There are too many areas where potential City liability is a concern.

The City needs to fund an emergency management coordinator position. For now, Bureau President James fills that role. The City could recoup significant funds from FEMA, the State of California, and other governmental entities if the City had the proper documentation. This \$100,000 position would pay for itself under these circumstances.

The Bureau needs 6-10 accounting positions to properly maintain staff (i.e. retirements) and manage new programs (e.g. Measure M, Measure HHH, Sewer Fund). Public Works currently pays out about \$2.2 million a day for contracts and work done, but there is a 10% penalty if invoices are not paid in 30 days. These positions would make sure new programs are not delayed or funds lost due to payment penalties.

BUILDING AND SAFETY DEPARTMENT

ATTENDEES

Department: Steve Ongele, Assistant General Manager

Budget Advocates: Kevin Davis, Carol Derby-David

RECOMMENDATIONS

- Expand the number of inspector positions beyond the current limits to allow for a faster response time to requests
- Continue the use of retirees on temporary contracts as substitute inspectors to offset the potential loss of staff through retirements for a long enough time to pass on their institutional knowledge to the next generation of inspectors
- Continue to support the Targeted Local Hiring Program and Summer Youth Employment Program which provide opportunities for employment for prospective employees
- Encourage an expanded interaction between the Department and local schools with the goal to enhance a course of study which would expand the pool of prospective employment candidates

DISCUSSION

Overview

The Building and Safety Department (“The Department”) deals with issuing permits and code enforcement for all structures in the City. It has two sources of funding:

- The Enterprise Fund – comprised of fees collected for services related to issuance of building permits.
- The General Fund – pays for code enforcement services and collects imposed fines and penalties.

Issues

The current real estate market along with the new initiatives to create affordable housing and permanent supportive housing continue to have a major impact on Department operations.

The Department’s General Fund budget for code enforcement services funds the investigative and code violation complaints. The challenges that the Department has had with staffing have begun to ease with recent hiring. Use of the Targeted Local Hiring Program along with recent civil service testing has allowed the Department to fill most of the clerical positions that were vacant in previous years.

The Department is also in the process of hiring nine new inspectors which will allow it to stay more on top of its tasks, but even with these new hires currently being brought on board, it would be some time before these employees have enough experience to function on their own. The Department has been supplementing its workforce by re-hiring experienced retired inspectors for 120-day contracts. But the number of retirees willing and able to come back has been largely tapped.

However, the hiring of additional inspectors would allow the Department to be able to respond to requests for service more quickly in the long term. The Department continues to seek recruits by reaching out to local schools and community events.

While the Department continues to upgrade both hardware and software, funding for these improvements comes strictly from the Enterprise Fund and is based on the fees collected each year. Because of this, Ongele stated it would be improper to ask for money from the General Fund for these uses.

CONCLUSION

The primary focus of the Department continues to be on finding the next generation of inspectors to carry on the work of this incredibly important Department. Los Angeles is undergoing development at an incredible rate, and if the Department can leverage the knowledge of the legacy employees before they retire, the new hires' training will be unparalleled with the wisdom and on-the-job insight the current inspectors could pass down.

DEPARTMENT OF CANNABIS REGULATION

Date of Meeting: October 4, 2018

ATTENDEES

Department: Cat Packer, Executive Director; Jason Killeen, Executive Assistant Director

Budget Advocates: KJ Clark, James Hornik

RECOMMENDATIONS

- Expedite hiring of 10 unfilled staff positions to process cannabis applications timely
- Transition enforcement from LAPD to Dept. of Cannabis Regulation
- Allocate regular pay to LAPD for enforcement, rather than overtime hours
- Ensure equal enforcement of criminal activity
- Sequester monies within the General Fund to track the fees and fines collected by this Department (see below)
- Allocate a portion of the excess cannabis revenues to Neighborhood Councils where cannabis businesses are located to be used for neighborhood-specific problems
- Create 311 App interface for quickly registering a complaint that will route through existing Department website.
- Fund transparent training programming for authorized license owners and employees, with certificate of completion tracking

DISCUSSION

Overview

The Los Angeles Department of Cannabis Regulation is responsible for administering rules and regulations adopted by the City Council for licensed commercial cannabis businesses within the City. The administration, auditing, inspection and regulation of regulatory compliance of licensed cannabis-related businesses is done in partnership with the Cannabis Regulation Commission with support services from the LAPD and LADWP.

For the fiscal year 2017-18, the budget for this Department was \$789,796 from the General Fund, and the licensing fees collected through the first window of licensing were \$4,579,282. For the fiscal year 2018-19, the budget for this Department is \$4,212,168, and licensing fees collected to date through the completion of the second window of licensing fees are \$8,103,135. Fees collected may need to support the fiscal budget through June 2020 if applications are pending at the close of fiscal year 2019. Currently there is no efficient way to track revenues collected vs. expenditures from one fiscal year to another. The Committee recommends that cannabis revenues and expenditures be sequestered to make this more transparent.

The Department has met its key performance measures in terms of number of licenses issued, and has exceeded revenue generated from licensing fees from the first window of licensing. For fiscal year 2017-18 the target number of licenses was 200, and the actual was 179. For fiscal year 2018-19, the Department projected issuing 500 licenses, and the actual to date is 344. The window dates for the third licensing window have not been publicly announced by the Department.

Issues

Personnel

This is a major challenge for this Department. Because this is still a fledgling department, hiring must be made a priority. The City can review applicants from other City Departments while looking externally, but it takes 227 days on average for a candidate to move from the civil service exam to the certified list of candidates. In San Diego, this takes 58 days, and in San Jose, 40 days. Although a 227-day turnaround may save money during an economic downturn, the City has to reduce this turnaround time significantly to staff this Department, which is currently functioning at 50% of the staff it should have.

Enforcement

For 2018-19, LAPD has been allocated approximately \$2 million from the Department's existing sworn overtime allocation for marijuana enforcement. Because the Department of Cannabis is half staffed this money is being paid for by empty staff positions. The goal is for the Cannabis Department to have its own enforcement officers. While LAPD is filling this void in terms of manpower, this should be at the regular rate of pay, not overtime.

Social Justice

"Social Justice" was built into the original licensing process. Once licenses are capped, how Social Justice continues to be maintained by this Department will be an ongoing theme. Engagement of Neighborhood Councils will be key in this space in addition to allocating training and capital venture dollars to communities that were significantly impacted by the "war on drugs." Training for licensed operators and job training to meet all of the requirements imposed by law and regulation for people who may seek employment in the cannabis industry must be longer term Departmental goals. Oaksterdam University (an online training program for the industry) is an example of longer term educational goals.

State Compliance

State mandates supersede City mandates. Due to recent changes in legislation including Proposition 64 and AB 2020, the Cannabis Department must allow time for state regulations to be announced before City regulations.

Sequestering funds

The Budget Advocates recommend establishing two sequestered funds to be held within General Fund to create transparency in revenue collection. Additionally, 5% of excess cannabis revenues should be distributed to Neighborhood Councils annually in August of each year for community improvement and/or cannabis job-related industry training. Cannabis taxes should also be tracked in the General Fund and should be transparent when collected and re-distributed.

H.E.R.E

The H.E.R.E. program is mentioned here as a way to address concerns of quality of life and safety:

- Health (treatment centers, mental health programs, veteran support, other drug facilities)
- Education (facts about cannabis/ effects; medicinal usage; careers)
- Regulation (compliance, applications, social equity, Neighborhood Councils)
- Enforcement (Police/ CID, Building and Safety, LADWP, and other agencies to close illegal businesses and support legal operators)

CONCLUSION

Staffing this Department must be made a priority. Tracking of fees/ fines/ permits should be as transparent as possible utilizing sequestered funds. To the extent allowed by state law, the Department should expedite the third licensing window for non-social equity applicants. The Department should also adapt H.E.R.E. programming with the following language: “Neighborhood Councils that host cannabis operations within their boundaries will receive apportioned share of 5% of Excess Cannabis Revenue (after Department costs are covered) in August of every year, to use the funds for community improvement, and or cannabis job training purposes.”

OFFICE OF THE CITY ATTORNEY

Date of Meeting: September 12, 2018

ATTENDEES

Department: Jennifer Roth Krieger, Special Assistant, Budget and Special Projects

Budget Advocates: Carol L. Newman, Brandon Pender

RECOMMENDATIONS

- Step up efforts to address risk management and liability claims
- Increase educational efforts with City Departments to address potential liability issues
- Recommend to the Mayor and City Council that Departments and their General Managers be penalized for liability payouts arising from their operations
- Continue efforts to determine ways to make the City less of an easy target for litigants
- Expand homelessness programs including HEART (Homelessness Engagement and Response Team) program to trade homeless citations for community service or enrollment in substance abuse, and train Neighborhood Councils on homeless issues
- Work with the City's Information Technology Agency to try to reconcile the City Attorney's technology upgrade with other Departments so that the technology can be shared and made consistent between Departments

DISCUSSION

Overview

The City Attorney acts as legal advisor to the City, prosecutes all misdemeanor offenses occurring within the City, and defends the City in civil litigation. In addition, the City Attorney initiates a variety of affirmative litigation, including actions to protect consumers and abate nuisances in Los Angeles' neighborhoods. The Office includes four branches: Municipal Law; Civil Litigation; Proprietary; and Criminal and Special Litigation.

Issues

1. Introduction

The Budget Advocates appreciate the opportunity to work with the City Attorney's office to support the legal goals of the City. This year, the Budget Advocates were pleased to meet with Jennifer Roth Krieger, a former Deputy Mayor under Mayor Riordan, who in that capacity had been responsible for the entire City budget, but who is now working for the City Attorney's office as a Special Assistant, Budget and Special Projects.

In FY 2018-19, the City Attorney's adopted budget is approximately \$137.6 million, an increase of more than \$5 million from the previous fiscal year, primarily for salaries. The great majority of the City Attorney's funds come from the General Fund. In FY 2018-19, the office's litigation expense account has been increased by \$250,000.00 "for anticipated increases in litigation

expenses due to a greater number of cases filed against the City, expanded complexity and exposure of cases, a rise in the cost of litigation services, and less reliance on the use of outside counsel.”

2. Risk Management

In previous years’ meetings with the City Attorney’s office, the Budget Advocates had emphasized their focus on risk management and trying to reduce the City’s liability payouts. At last year’s meeting, the City Attorney’s office took the position that the primary responsibility for addressing risk management was with the CAO’s office rather than the City Attorney or any other Department. The Budget Advocates were concerned that these critically important goals – risk management and reducing liability payouts by the City – were being impeded by siloization: City Departments failing to work together to address issues of importance to the City.

However, this year, the City Attorney’s office reported that City Attorney Mike Feuer has spearheaded an emphasis on risk management, and that this emphasis has been successful. The office has grown its operation dramatically in terms of data, systems, and protocol, and has done a lot of work with Councilmember Krekorian, the CAO’s office, and the other City Departments. This was welcome news, as the Budget Advocates believe that no single office within the City is potentially better positioned to address liability issues than the City Attorney. The office has been seeking increases in its budget for risk management staffing, and this year the increase was partially granted.

The number one liability driver in the City is dangerous condition cases, including such conditions as potholes, bike lanes, and sidewalk problems. Admittedly, over the years there has been a dramatic uptick in payouts stemming from past problems. In fiscal year 2017-18, the City considered floating a bond to cover such payouts, but has not yet done so. The City Attorney is aiming for a reduction in the number of new dangerous condition cases, as well as all other types of cases brought against the City. In order to reduce, if not eliminate, these dangerous conditions, cooperation will need to be established among City Departments. Parameters should be set for measuring progress in fixing the City’s infrastructure.

The City Attorney hired the City’s first risk manager, Kelli Porter, who is professionalizing the risk management operation. The City Attorney has tasked its litigators with helping to develop proactive action plans, instead of just being in defensive mode. Ms. Porter is pulling together general managers of the various City Departments which have suffered the largest payouts, and is having regular ongoing communication with them. She is working on improved communication regarding the City infrastructure. She has served as facilitator for a more unified response. Corrective Action Reports are now required as a part of City litigation, starting two years ago.

Ms. Porter has convened a Risk Management Steering Committee with the major Departments. There is much greater interest citywide in dealing with these problems. The Mayor’s office has been using risk management to make budget determinations. The City Attorney has some leverage in these determinations.

The LAPD now has a significant risk management operation with an outstanding risk manager, a former Deputy Mayor. In past years, the LAPD has been one of the primary sources of litigation payouts, both to outside claimants and to its own employees claiming harassment, discrimination, etc. The Fire Department, another big driver of claims, also now has a dedicated risk manager and is taking those claims more seriously. The City Attorney is working closely with both of those Departments.

There has been a significant downward trend in liability in the LAPD, as well as in employment. In concert with the Personnel Department, the City Attorney has done a lot of training and now has an employment lawyer attached to each Department to try to anticipate claims before they occur. Fewer new cases are being filed.

In the past two years, the City Attorney has put a litigation management system in place that allows more accurate reporting of the numbers. It is too early to see results.

The Budget Advocates recommend, and have recommended in the past, that Departments be penalized for liability payouts caused by their wrongdoing, negligence, or mismanagement, by having the payouts subtracted from their budgets. It is the Budget Advocates' understanding that the County of Los Angeles does that. However, the City Attorney's office does not believe it has the authority to make such a recommendation, which would be within the purview of the Mayor, CAO, or City Council. Nevertheless, the Budget Advocates still urge the City Attorney's office to voice its support of such a change, which would give the Departments much more "skin in the game" to stop runaway payouts. The City Attorney has attempted to track with more transparency the payouts for each Department, and supports dramatically improved transparency in tracking those numbers. The City Attorney also supports holding the General Managers of the Departments accountable in some fashion for payouts arising from their Departments.

The City is an easy target, and its litigation load is heavy. A lot of ways to try to make the City less of an easy target have been explored and will continue to be explored. The Budget Advocates recommend that the City Attorney continue to try to determine ways to make the City less of an easy target for litigants.

3. Homelessness Programs

The City Attorney has the HEART (Homeless Engagement and Response Team) program which tries to positively impact homelessness by forgiving citations issued to the homeless and trading the citations for community service or enrollment in substance abuse programs. That program is due to expand. The Neighborhood Prosecutors support what is going on in the community and also try to make a positive impact locally. The City Attorney has a homeless coordinator and is still evaluating its needs. One of the ways to make a difference would be to educate Neighborhood Councils on homeless issues so that the stakeholders understand what can and can't be done under the law as it currently exists.

4. Cannabis

The City Attorney has a lot of lawsuits, both civil and criminal, pending against illegal cannabis businesses and has obtained staff to handle them, but staffing needs may need to be revisited.

5. Technology

The City Attorney is planning a big technology upgrade in the 2019-20 fiscal year, with the most up-to-date technology. The Budget Advocates recommend working with the City's Information Technology Agency to try to reconcile the technology upgrade with other Departments so that the technology can be shared and made consistent between Departments.

6. Staffing

The office will be seeking additional staff.

CONCLUSION

The City Attorney's office is headed in the right direction to expand and direct risk management efforts along with the CAO and other City Departments which appear to be finally addressing the City's liability payouts. The City Attorney should be one of the leaders in this effort, to coordinate and educate the Departments. Additionally, the City Attorney should be a leader in recommending that Departments and their General Managers be held responsible in some fashion for liability payouts arising from their operations, as that approach appears to be working for the County of Los Angeles. The City Attorney should also continue its efforts to try to determine how to make the City less of an easy target for litigants, and expand its homeless programs and educate Neighborhood Councils on homeless issues so that the Neighborhood Councils can be a resource to their stakeholders on those issues.

OFFICE OF THE CITY CLERK

Date of Meeting: October 11, 2018

ATTENDEES

Department: Petty Santos, Ruben Viramontes

Budget Advocates: Joanne M. Yvanek-Garb, Carol Derby-David, Brian Allen

RECOMMENDATIONS

- Continue developing a 5-year strategic plan
- Support the administration of system innovations of the Contact Portal and provide records for Freedom of Information Act requests
- Support the scanning of all records dating back to 1980
- Continue support of system innovations in house

OVERVIEW

The City Clerk maintains a record of all City Council proceedings; maintains the official City records and archives; provides fiscal, administrative and personnel services to the Council and the Mayor; and provides staff assistance to the Council Committees. The City Clerk maintains the agendas for all City Council meetings and the meetings of Council Committees to ensure the proper posting in accordance with the Brown Act.

Programs in support of the Mayor and the City Councils' economic development initiatives are promoted and facilitated by the City Clerk. The City Clerk is also responsible for administration of the City's Business Improvement Districts.

All City departments' record-retention management services are handled through the City Clerk. They also record and receive all claims filed against the City. Additionally, the City Clerk handles all funding for the Neighborhood Councils and their requests for payments plus the administration of the City Council's discretionary funds. All records dating back to 1980 are in process of being scanned and maintained.

The City Clerk is now responsible for the Neighborhood Council funding programs and for NC elections. These elections are separate from the City elections. There are now 99 Neighborhood Councils in the city.

CONVENTION AND TOURISM (CONVENTION CENTER)

Date of Meeting: November 5, 2018

ATTENDEES

Department: Doan Liu, Executive Director; Donna Irving, Management Analyst
Budget Advocate: Brian Allen

RECOMMENDATIONS

- Develop plans for more hotel rooms, as the limited hotel space is very limiting
- Develop a more specific method of analyzing the benefits to the City of tourism
- Continue to move in the direction of a more campus-like environment

DISCUSSION

Operations

There have been solid improvements in the oversight of the LA Tourism and Convention Board, as with the facility management company, AEG. While the Department's main activity is to oversee the two operations, facility management and convention and tourism, they do so with a very lean staff. Facility operations are mainly conducted with outside contracted individuals, as a result of which the Department is primarily focused on oversight.

The Department's focus is on bringing in better and more consistent shows. The ability to keep the facility full is their main goal.

Given that the Department is successful, the cost to the City is minimal. With additional room availability the value to the City would be a positive cash flow to the City.

Concerns Discussed

With limited room availability, the shows that can be brought in are also limited. Given the sheer size of the City and traffic congestion, the challenges are greater than they should be. Similarly, tourism suffers due to the limited availability of rooms.

Homelessness is another concern. Tourists are confronted by the homeless, which affects the quality of their experience.

Cities both near and far compete for conventions. With a never-ending effort to provide the resources to draw conventions, each city will take advantage of the lack of space availability when facility upgrading is being pursued.

General Comment

Convention Center operations are improving, but the need to stay on top of the customers' needs continues to be a moving target. Based on the current information there is still much to be done

to provide the environment that will lead to steady growth in the future. Though facility maintenance and operations are well in hand, the ability to generate growth is still limited due to the accommodations. Tourism's full impact on the City is not fully understood, as the ability to determine its total value is not being captured with confidence. Additionally, difficulties in transportation around the City may affect tourists' ability to pursue the opportunities the City provides.

DEPARTMENT ON DISABILITY

Date of meeting: November 1, 2018

ATTENDEES

Department: Stephen David Simon, Executive Director; Sergio Samayoa, Administrative Division; Geoffrey Straniere, Disability Access and Services Division; Ricky Rosales, AIDS Coordinator's Office; and Lourdes Sinibaldi, Community Outreach, Referrals and Education Division

Budget Advocate: Patrick Seamans

RECOMMENDATIONS

- Update and expand the Citywide 2000 ADA Self Evaluation and Transition Plan, which is the most important and urgent priority for the Department on Disability (DOD)
- For the Transition Plan, hire a full-time in-house or contracted State-Certified Access Specialist (CASp) and external CASp experts
- Fund an efficient case and project management software solution, principally for the Transition Plan and the CASps
- Continue funding and updating the mandated Title II [see note 1] training for all City departments
- Continue and increase funding for both HIV/AIDS Policy and Planning and HIV/AIDS Prevention Contracts
- Continue funding the Title III [see note 2] program which helps small businesses become accessible using low cost ADA consulting and tax incentives, and expand the program to include mediation and initiatives for the gig economy.
- Relaunch the accessible parking zone program
- Hire a full-time staff member to assist as the point person in unified disabled homelessness response as a part of the CORE (Community Outreach, Referrals and Education) Division of DOD, along with the Mayor's Office and Unified Homelessness Response Center (UHRC)
- Fund public service outreach to people with disabilities about the 2020 Census
- Partner with the Recreation and Parks Department to expand accessible recreation and sports as well as adaptive programming in advance of the 2028 Olympics and Paralympics
- Hire an administrative clerk to handle customer service
- Expand Video Remote Interpreting (VRI) to as many public counters as possible

DISCUSSION

Overview

The DOD serves an estimated 21% of the City's population with a current staff of 24 full time and two part-time as-needed positions. Its total budget allocates 56% to salaries and about 37%

to contractual services for the provision of auxiliary aids and services and AIDS prevention contracts. The DOD has three divisions (not including the Administrative Division): Community Outreach, Referrals and Education; AIDS Coordinator's Office; and Disability Accessibility and Services. The DOD needs internal organizational restructuring for better efficiency and results.

Issues

“The ADA and Section 504 require the City to perform a self-evaluation survey and develop a compliance plan (called a transition plan), identifying those programs, services and activities that need to be brought into compliance with Federal disability laws. The City's last transition plan was finalized in 2000. Since then, City facilities have been remodeled and departments have been reorganized. In addition, the ADA has been amended and new regulatory requirements have been put in place. A new transition plan is needed.” Mayor Villaraigosa's Executive Directive No. 26 issue date: December 21, 2012. The new transition plan will be made possible with funding for contract services provided by CASps.

The DOD's priorities, as outlined in DOD's current budget, are:

- A Title III program to help small businesses get low cost compliance expertise: Request for case and project management (cpm) software.
- Sidewalk Access Request Program: Request for cpm software and CASps.
- Transition Plan: Request for a CASp service pool.
- Great Streets: Develop and implement the accessibility review process.
- ADA and Digital Compliance: Renew CommonLook software licenses and fund remediation services.
- Video remote interpreting (VRI): Install VRI at over 200 public counters. (The Department of Neighborhood Empowerment now has VRI at its public counter .) Arrange that VRI be installed at a Neighborhood Council public meeting upon request.
- Comprehensive Homeless Strategy: Continue to provide ADA training and technical assistance to LAHSA.

CONCLUSION

The DOD's role is Federally-mandated to ensure accessibility in all City services, programs and facilities as well as in citywide infrastructure. It is time for the City to reduce the costs of non-compliance. In this respect, if the recommendations of the LA 2020 Commission establish an independent Office of Transparency and Accountability, then reducing the costs of non-compliance would save the City money morally and ethically. The DOD should be set up to ensure higher quality City services as well as to reduce accessibility-related risk for all City services, programs and facilities. The DOD has done, and is doing, as well as it can so far in staff and resources to make the City of Los Angeles the Most Accessible Big City in America.

Notes:

[1] Title II of the Americans with Disabilities Act [ADA] applies to state and local governments and protects qualified individuals with disabilities from discrimination on the basis of disability in services, programs and activities provided by state and local government entities.

[2] Title III of the ADA prohibits discrimination on the basis of disability in the activities of places of public accommodations and requires newly constructed or altered places of public accommodation as well as commercial facilities to comply with ADA standards.

DEPARTMENT OF ECONOMIC & WORKFORCE DEVELOPMENT

Date of Meeting: September 27, 2018

ATTENDEES

Department: Jan Perry, General Manager; Anthony Sanchez, Sr. Management Analyst
Budget Advocates: KJ Clark, Jose Medina

RECOMMENDATIONS

- Allocate funding for a citywide public service campaign to inform citizens about Workforce Centers and how they specialize in different job offerings by industry and/ or trade
- Create an analysis of Workforce Centers on the website as a quick information guide to job seekers
- Allocate funds for 2 non-exempt positions for Neighborhood Council liaisons
- Revamp “Employment at EWDD” site to include real time positions
- Maintain existing Department key performance measures for 2018-2019 Fiscal Year
- Seek a grant with focus on employing US black, African black, and citizens of Latinx heritage who are currently underrepresented in the private sector
- Create an annual or biennial Workforce Center review with some key performance measurements to ensure “contractors” are identifying emerging businesses and/or industries in order to develop and offer new training for those emerging business markets
- For transparency, create a dashboard on the website (even if it is a drill down to the existing Controller Dashboard) detailing analytics tracking key performance measures with actual job placements

DISCUSSION

Overview

The Economic and Workforce Development Department (EWDD) supports the ongoing economic vitality of the City of Los Angeles and provides citywide leadership for workforce development, business attraction and retention, neighborhood commercial revitalization, international business, and development planning.

The Department offers programs that strengthen the City’s many diverse neighborhoods and commercial corridors, creating a business climate where companies can grow and prosper by providing one point of contact for a variety of essential City programs and services.

EWDD has a total budget of \$24 million with about half of the budget coming from federal funding via Workforce Innovation and Opportunity Act funding. An additional 38% comes from the General Fund, and the remainder comes from grants and philanthropic sources. The funding goes through a vetting process, which if underfunded means there is a heavier reliance on grant sourced funding. The fringe benefits including pensions tied to salaries total \$13 million. This

funding is also heavily grant based, and a significant shortfall in funding could cause a departmental deficit in this space.

The two most significant budget items are salaries and contractual services, which are mainly fees paid to Workforce Centers. Although Workforce Centers pitch programming (job training/ certifications/ business training) to this Department, it is important that the Department be proactive in identifying emerging business needs and requesting training. This has to be fluid so that the City continues to offer training that will be in demand, ensuring Angelenos are highly trained and employable.

Currently there are 162 full time positions, a significant portion of which are Civil Service positions subject to union contracts. At the time of this meeting there were 30-35 vacant positions representing roughly 20% of the staff. Most hiring is internal from other City Departments. When the Department is hiring from the outside, it takes 227 days on average for a candidate to move from the Civil Service exam to the Certified List of Candidates. In the City of San Diego it is 58 days, and in the City of San Jose, 40 days. Although a 227-day turnaround is useful in cost savings during an economic downturn, the City has to get this turnaround number down significantly to staff this Department.

One of the recommendations is for funds for 2 non-exempt positions for Neighborhood Council Liaisons. Responsibilities will include reporting to Neighborhood Councils to identify regional employment needs, working with all Workforce Centers to ensure that all work opportunities are brought into all council districts uniformly, identifying emerging businesses and/ or industries throughout the City and working with Workforce Centers to develop new training for those emerging businesses (particularly those with \$25/hour or higher pay rates to \$70,000+ income potential), and reviewing college Workforce Center relationships to ensure that LAUSD high school students are able to maximize existing youth programming.

With regards to the Department website and hiring for the Department, the “Employment at EWDD” site should be revamped to include real time positions, as none of the actual vacancies were listed on the website. There is a link on this page to “City of Los Angeles Personnel Department Website” and to “City of Los Angeles Exempt Employment Information,” but this site should at a minimum detail existing vacancies, with corresponding links to other two sites.

Programming

- Economic Development Division: Offering over \$600 million in direct and indirect financing and technical assistance programs that promote business growth and job creation.
- Workforce Development Division: Working in cooperation with the Workforce Investment Board (WIB), oversees employment services offered through Work Source and Youth Source Centers.
 - Each Workforce Center has a basket of relationships, some geographic, some based on need, some better than others in terms of outreach for the companies that are here. The JVS on Sepulveda is closer to where Silicon Beach is located and tends to have jobs coming from Silicon Beach and the Westside area. Some

relationships are based on geography. Trade Tech has culinary, hotel-related industry jobs and travel/tourism jobs. Each Center is different. Each Center has its own strength. This messaging is important for job seekers and end-users to Workforce Centers.

- Grants require contractors to meet goals pursuant to the terms of the grant. This cannot be a limitation, even with grants dictating contractor goals. The City has an obligation to ensure that Workforce Centers are meeting needs of citizens and businesses.
- Funding should be allocated for a citywide public service announcement/campaign to give citizens insight into Workforce Centers and how they specialize in different job offerings by industry and/or trade. Sources of funds can be through a specific grant and/or matching funding from the General Fund. The goal should be to get thousands of imprints and/or new job applicants through Workforce Centers citywide. The Department should create an analysis of Workforce Centers on its website as a quick information guide to job-seekers.
- Youth Source, Hire LA's Youth, and summer youth employment programs: The young adult programs work to promote youth achievement by engaging families and community partners in creating opportunities for teenagers and young adults to reach their educational, employment, and personal development goals.
- The Department should maintain its existing key performance measures.
 - Number of new jobs created through Workforce Centers: 1,500
 - Number of WIA-funded adult job placements: 12,500
 - Number of hires in youth job placement: 18,500
- The Department offers a financing program for small businesses and has partnered with the U.S. Small Business Administration (SBA) and the Federal Deposit Insurance Corporation (FDIC) to ensure that new business owners are educated in their pursuit towards entrepreneurship. Business owners must satisfy the following eligibility criteria:
 - Annual revenue not to exceed \$10 million
 - Create one permanent full-time equivalent job for every \$35,000 in financial assistance received
 - Of the total jobs created, 51% must be fulfilled or made available to low and moderate-income people
- Development incentives and programs offered through the Department are as follows:
 - EB-5 Visa Program provides visas to qualified individuals seeking permanent resident status based upon their engagement in new commercial enterprises.
 - Restaurant & Hospitality Express Program acts to streamline approvals, provide assistance to restaurateurs, their design and construction teams, and enhance coordination in permitting and regulations.
 - Federal Empowerment Zone Business Tax Incentive:
 1. Tax deduction for state and local general sales taxes
 2. Tax credits for research expenditures

3. Work Opportunity Tax Credits (WOTC allows for a credit for the hiring of qualified long term unemployed)
4. Increased expense allowance for business assets, computer software and qualified real property
5. Bonus depreciation allowance
6. Tax incentives for investment in empowerment zones

- Green Business incentive dedicated to promoting the clean technology sector through innovations like the LA Cleantech Business Incubator and PortTech, a non-profit center dedicated to creating sustainable businesses for ports and the goods movement industry.

Pending Programming:

- Enhanced Infrastructure Finance Districts (EIFD) – Working with several Council Districts to establish a smaller version of what was formerly Redevelopment Agencies.
- Capturing new tax revenue in an area and spending it to further improve infrastructure like sidewalks and street lighting.
- Opportunity Zones – Utilizing the Tax Code to stimulate development.

CONCLUSION

The leadership of this Department has a solid understanding of programming needs as well as how the City works and how resources can be allocated to achieve various goals.

The EWDD has strong programming with the support of industry and granting organizations that see value in furthering the economic development of the City. While the EWDD helps to service regional economic workforce and employment needs, it is very important to ensure that stakeholders from one region can pursue opportunities across regions. It is through combined efforts that the EWDD programs rise to an ever changing environment to develop and sustain economic growth and global competitiveness.

EMERGENCY MANAGEMENT DEPARTMENT

Date of Meeting: October 4, 2018

ATTENDEES

Department: Aram Sahakian, General Manager; Robert Freeman, Assistant General Manager; Ellen Linaac, Division Chief, Sr. Management Analyst; Donyale Hall, Senior Project Coordinator

Budget Advocates: Chelsea McElwee, James Hornik

RECOMMENDATIONS

- Improve this Department's functionality by substantially increasing its operational budget, since this crucial Department is currently undersized and underfunded
- Continue to replace and update agency servers, software, and fulfilling equipment
- Provide funding for electrical work and updating security systems
- Fund long term community preparedness efforts so that all stakeholders can be well informed and prepared in case of an emergency
- Fund outreach efforts on promoting Notify LA, printing of informational material in multiple languages to be disseminated throughout the City and Neighborhood Councils, and a specific individual to focus on marketing efforts
- Provide specific staff to assist in developing emergency resiliency plans for all 90+ Neighborhood Councils reflecting their individual needs
- Provide sufficient fully-functioning and properly equipped vehicles for the Department's sole use so they are able to respond quickly in the event of an emergency

DISCUSSION

In the event of a large scale or widespread disaster scenario, this Department will be the resource on which all Angelenos will rely for the effective coordination of the various emergency responders. This department will need to take charge of the big picture in the event of a disaster. Its mandate must be expanded. What will the City do if the water supply or electrical supply is compromised for an indefinite period of time? Where will people be relocated, fed, and clothed when fires take out entire neighborhoods in densely populated areas or release toxic fumes? How will garbage and sewage be handled? What will happen if roads are destroyed? How will quarantines be handled? What will happen if City communications are disrupted? So far as the Budget Advocates are aware, there are no good answers presently to these questions, and the individual neighborhoods cannot be tasked with coming up with the answers.

When compared to other municipalities of comparable size in population, city budget, or area, this Department is clearly understaffed and grossly underfunded at approximately \$3.4 million. At its current level of infrastructure funding, its building is in disrepair and its equipment is outdated, so much so that this Department's ability to function beyond the initial 24 hours of any real crisis is questionable at best.

It is clear that having a reliable and adequately funded Emergency Management Department is not a priority of the City. Without additional funding, this Department must rely on a couple of outdated and retired police cruisers as their unofficial vehicles. Without additional funding, this Department will continue to work on 8-year-old laptops on an aging server system, making the City highly vulnerable to a possible cyberattack or system wide failure, even without Wifi in most of the building. This Department will then have no choice but to rely upon a couple of 20-year-old ham radio systems as its failsafe to direct emergency services should all other forms of communication somehow go down. In short, the City is not prepared for emergencies, such as water supply shortages or contamination. This Department needs a substantial increase of funding to update its systems, repair its infrastructure, and acquire the new equipment and personnel that any effective emergency preparedness program would require to function and meet the goals set forth in its directive.

The inadequacy of this Department's budget is obvious when compared with the much larger budgets of comparable departments in other large cities, including New York, Chicago, and San Francisco.

Above and beyond the lack of interdepartmental planning for wide spread or large scale emergencies, this Department still lacks appropriate plans for shelters and large scale evacuations and the necessary staff to effectively develop and implement such plans. This Department also lacks the necessary staff to coordinate with the Neighborhood Councils and create local emergency preparedness plans, as well as the personnel to create an impact on social media for the dispersal of emergency management materials and preparedness plans.

With large scale earthquakes taking place recently in Mexico and Alaska, this City must do the hard work now to prepare the population for what is and has been expected for some time along the San Andreas fault -- the so called Big One, a 8.0 or larger earthquake that has the potential to disrupt for weeks if not months the City's water and electrical supplies and our ability to communicate with the state and federal officials, and quite possibly prevent the Department from effectively directing supplies and much needed emergency services during or after a major catastrophic event.

As it stands now, the Department's building is in disrepair, and needs serious infrastructure work as well as a multitude of new and up to date equipment. The building currently needs major electrical work throughout the facility. And as of last year the operations center was overdue for exterior paint work and a set of new security gates. No update on the status of the exterior painting or the replacement of the facilities security gates was provided by the Department's assistant director.

The estimated cost of paint and security gates is approximately \$40,000.00.

The estimated cost of repairing the electrical system was not available but will be substantial.

The operations center is still in need of additional new servers as only a small portion of the nearly antiquated system was updated or replaced last year. Since most of the electronics in the Department's facility are at least 5 years old, the Department is in need of new laptops and desktops, as well as tablets for field use. The facility also needs Wifi throughout the building and

additional equipment to boost cell phone and satellite phone signal strength in the command center. The estimated costs of updating EMD servers and computers and adding Wifi were not available.

The Department's fail-safe communications system, four 20-year-old ham radios, must be replaced and updated with new equipment that can actually be used to communicate with police and fire units out in the field. The old ham units currently in use have shown that the Department will have ongoing issues working with the Los Angeles Fire Department's auxiliary communication services. The estimated cost for a system update is approximately \$12,000.00.

The Department must have properly equipped and branded vehicles for field operations in the event of a real emergency. Outside of emergencies, these vehicles can also serve in public outreach events, and aid the Department in its job of emergency preparedness education and preparation. The estimated cost per vehicle is approximately \$56,000.00.

CONCLUSION

The Department's ability to respond in a major event is directly tied to its budget, or in this case, the lack thereof. Considering the fact that the City is just over 500 square miles and has a population of 4 million people living within its limits, this Department's budget is severely inadequate compared to the task at hand. The City is not prepared to respond to a large scale or wide spread emergency that would require the evacuation or shelter/housing of more than 20,000 citizens.

Substantial investments must be made to this Department if it is to effectively serve the people during emergencies. In addition to what has been set forth above, the LAPD and the LAFD both use the Department's facilities in various capacities, yet neither aids the Department in the maintenance and upkeep costs of the space and systems they all rely upon. Further emergency situational planning and interdepartmental coordination is clearly needed for an effective emergency preparedness program to cover the various emergency scenarios with which the City may be faced. Additional staff will be essential in the planning and implementation of such protocols. The additional personnel can also be used for coordinating with the Neighborhood Councils in the development of community based emergency preparedness plans. To further the Department's goal of preparing the public, social media may serve as a platform for the dispersal of emergency plans and protocols to the general public. Additional field operations vehicles are needed, which will be used to respond to emergencies, and to get boots on the ground at outreach and emergency preparedness training events. Should the Garcetti administration become serious about emergency preparedness and the Department's response capabilities, this Department will need a total overhaul from the ground up.

BUREAU OF ENGINEERING

Date of Meeting: November 2, 2018

ATTENDEES

Bureau: Robert Kadomatsu, Chief Management Analyst

Budget Advocates: Barbara Ringuette, Brian Allen

RECOMMENDATIONS

- Provide incentives through contract negotiations to improve competitiveness in hiring and retention of engineers and architects vis-à-vis the public and private sectors
- Press on toward total automation of the Bureau's information systems
- Urge/compel elected officials to select appropriate locations for Bridge Home sites to shelter homeless individuals
- Add 6 to 8 positions to design and deliver new and expanded projects including one position to accelerate construction on the Purple Line, 3 to 5 positions to double DOT's Automated Traffic Signal Program, and both a construction manager and administrative person for the Civic Center Program (as discussed below)

DISCUSSION

The Bureau of Engineering is composed of 29 divisions focused on the delivery of the planning, design, and construction management of public buildings, infrastructure and open space projects plus one systems division.

Approximately half of the Bureau's staff are assigned to the Clean Water Infrastructure Program. This Program is responsible for delivering wastewater Capital Improvement Projects, pumping plant projects, and odor control projects. The Program prepares construction contract award reports and reviews construction for the Board of Public Works. The Program protects public health by cleaning up pollution to meet the requirements of the Federal Clean Water Act and manages the design and construction and coordinates the funding of projects managed by other City departments or bureaus to protect water quality.

Staffing

The Bureau has added 51 positions to support new projects they have been asked to do. When there is insufficient staff to manage all projects, the Bureau contracts with consultants for the less technically difficult projects, yet the Bureau must continue to provide contract supervision, an overhead expense, an additional expense for the project.

Hiring continues to be a challenge. Recent graduates have more choices, a lot more opportunity in this booming economy. Google, internet and technical firms, and utilities pay their employees more and also provide more generous tuition reimbursement. A move to more closely match these benefits, such as guaranteeing payment for Masters' degrees, would make the Bureau more attractive to qualified applicants.

The City Personnel Department has trained Bureau staff to conduct interviews and rate candidates. Interviews are completed both by Skype and on campus at a number of colleges across the country. The Bureau scores candidates who are then added to the current list for a full two years.

To attract local engineering graduates, the Bureau conducts a summer internship program specifically for women engineering students at UCLA. This year 20 students participated; next year there will be 40 student interns. This is in addition to year-round, part-time interns. Currently there are two dozen interns working in all divisions for 10 to 15 hours a week.

Retention of engineering staff also is a challenge. The Bureau offers entry level engineering associates a rotation program where every 12 to 18 months they move from design to construction to public counter development services, after which they choose a final destination. Promotional opportunities for engineers include classes designed to train project managers and to become certified in construction management.

The average age of engineers is going down. Earning a promotion from Civil Engineer to Senior Civil Engineer used to take 5 to 10 years. Some are now promoted in 3 years.

A third challenge is the potential that a number of the 35% to 40% eligible to retire will do so in February. This past fiscal year 72 employees retired, and this number could be exceeded. Contracts for engineers and architects expired June 30th, and employees received their last raises at the beginning of June.

Revenue

The Bureau's budget is about \$95 million, 35% of which is from the General Fund and 65% from Special Funds.

The Bureau charges fees for permits involving construction in any property, street or other right of way owned by or under the control of the City. These improvements include sidewalks, curbs, gutters, pavement, grading, sewers, storm drains, bridges, retaining walls, trees and tree wells, culverts, traffic signals, street lights, and excavations. Public Service counters are located at 201 N. Figueroa Street, in the Valley, the Harbor and West Los Angeles.

Grants are brokered by the Mayor's office or City Departments for projects to be completed by city engineers.

Information Systems

Engineering is years ahead of some departments in upgrades to technology. All divisions Bureau-wide use electronic management tools so that project managers can keep track of progress. All documents are scanned, and almost everything is on line so the next engineer on the project can step right in. All staff have Microsoft 365. All data is being stored on the cloud. The goal is to complete upgrades by next year. The Bureau is very concerned about cyber security; the security team trains with the FBI.

Bridge Home Homeless Shelters

The Bridge Home program seeks to construct temporary facilities on City-owned properties to quickly bring homeless Angelenos off the streets and help them rebuild their lives. The budget for this fiscal year includes additional staff in the City Homeless Facilities Services Program to provide design and project management for Bridge Home capital projects. Proposition HHH funds provide the funding. An additional three staff positions were approved to perform work related to the Crisis and Bridge Housing Fund.

The Bureau is Project Manager for Bridge Home facilities. The City Administrative Officer and City Legislative Analyst jointly are the administrators and handle the funding. It's been difficult for Councilmembers to identify locations to build the shelters.

For Engineering, the challenge is the short time frame to deliver the completed project. The Bureau is poised to design and deliver Bridge Home facilities. Engineers and architects are waiting for direction from Council members and the Mayor.

Requests for the 2019-2020 Budget

Construction of Metro's Purple Line is progressing. In order to accelerate the project, the Bureau may request two additional positions.

The Bureau is working with the Department of Transportation to double the Automated Traffic Signal Program which will require three to five additional engineering staff. The Program seeks to safely and efficiently manage movement of different modes of transportation. It provides the capability to remotely monitor traffic and adjust signal light timing in real time.

A construction manager and an administrative person will be needed for the Civic Center Program, expected to provide office space for hundreds of city employees. Demolition of the Parker Center is the first phase of a multi-year Los Angeles Civic Center Plan. Given the location's close proximity to City Hall, the City identified the reactivation of this underutilized site as a way to maximize and consolidate city services. Once construction begins additional positions will be requested.

CONCLUSION

Engineers are in great demand given the growing economy and an increasing number of public and private construction projects. It's a competitive environment to hire and retain engineers whose task it is to design and deliver the many projects the City is eager to complete. The Bureau needs greater incentives to hire the best and retain them on staff.

ETHICS COMMISSION

Date of Meeting: September 6, 2018

ATTENDEES

Commission: Executive Director Heather Holt, Deputy Executive Director David Tristan

Budget Advocates: Liz Amsden, Carol Newman

What if you had a way to ensure the government of Los Angeles is working for you and you can hold its officials and actions accountable?

RECOMMENDATIONS

The Budget Advocates support the following requests of the Commission:

- Fully funding 3 education positions including all ancillary costs
- Fully funding 2 project assistants to handle entry level audit and investigative duties as well as helping with clerical responsibilities
- Fully funding 1 additional auditor including all ancillary costs
- Funding to promote key personnel in order to retain their services and institutional knowledge
- Increasing the Department's overhead budget to \$60,000

In addition, the Budget Advocates strongly recommend that the City take the following measures to enhance the Commission's budget and its ability to enforce its mandate:

- Through ordinance or Charter Amendment, making the changes necessary to allocate sufficient funds from the Matching Funds Trust Fund to cover administrative costs so that ongoing audits, claims and other staff obligations can be maintained during election periods
- Requiring every Council District to set up and maintain a page on their websites clearly showing detail of all monies received and expended in connection with the Councilmembers' discretionary funds, to increase transparency and aid the City Attorney and Commission in addressing inappropriate uses, if any
- Charging back costs of investigation, litigation and settlements to the departments and Council Districts involved, as an incentive to improve their internal oversight
- Setting appropriate penalties to ensure all departments report malfeasance to the Ethics Commission and City Attorney upon discovery, rather than waiting on internal investigation

DISCUSSION

The mandate of the Ethics Commission is to preserve the public trust by promoting elections and government decisions that are fair, transparent and accountable... to shape, administer, and enforce laws regarding governmental ethics, conflicts of interests, campaign financing and lobbying.

After wrongdoings and conflicts of interest by Los Angeles elected officials in the 1980s, City voters approved Charter Amendment H in 1990, embodied in Sections 470, 471, and 700-712 of the City Charter, creating the Ethics Commission to oversee governmental ethics, campaign financing and lobbying in the City of Los Angeles. As part of the most comprehensive package of local governmental ethics in the country, the Commission's goals are transparency, integrity, impartiality and accountability. The current leadership is emphasizing education and outreach in order to reach stakeholders, including City employees, those campaigning for City or LAUSD office, contractors, sub-contractors, lobbyists, Neighborhood Councils and others.

In addition, the Ethics Commission oversees and regulates the City of Los Angeles Matching Funds Trust Fund. The matching funds program first became effective with the 1993 elections, and is currently under review with the intent of considerably expanding the program. The Trust Fund now stands at over \$16 million, so, even with the proposed changes, it is anticipated the fund will remain fiscally sustainable at least through 2026.

Overview

The Ethics website at <https://ethics.lacity.org/> is a window to transparency in Los Angeles and a door to accountability.

The Commission has three separate but related areas of jurisdiction: campaign finance, lobbying, and governmental ethics. All three need sufficient funds to educate, advise, process disclosure statements, audit, investigate, and provide the appropriate evidence to enforce on a timely basis to provide strong deterrents to scofflaws.

Publicizing Punishment

Those being investigated quite rightly have privacy rights until claims are verified, at which point the Commission needs to expand the breadth of their press releases, publicizing the punishment of those who break laws and regulations, which is the best deterrent to others. Furthermore, wide publicity increases everyone's awareness that everybody, City employees and stakeholders alike, all are personally obligated to color within the lines themselves.

Unfortunately, this also means personnel, individuals and companies will use all possible means to draw out proceedings to avoid the fiscal impact – not only with fines but also in personal credibility and the ability to find future work.

Not only have the Ethics Commissioners worked to deter violations through increased fines by starting with the highest amount allowable, but they are also expediting prosecution by reducing penalties for early settlements. To further promote compliance, the Commission now has a Strategic Communications Division dedicated to educating the public and stakeholders.

Their award-winning new website is now up and a great source of information on all things ethics-related. The public can use it to watchdog as much as they want, and the Commission feels the best scenarios are when the public keeps them on their toes. Whistleblowers can report online or call (800) 824-4825.

Justifying the Recommendations

The education of ALL City employees and vendors *including subcontractors* so they are aware of the parameters, as well as Neighborhood Councils, anyone working with funds and donations, people running for office, Departments, all people involved with campaigns and elections as well as City personnel, both increases awareness of what constitutes inappropriate behavior throughout the system and also gives people the tools to ask about proprieties and to file complaints easily and anonymously. The Strategic Communications Division is dedicated to educating the public and stakeholders. Citizen and staff input is essential in helping the department unearth and address wrongdoing.

Over the years, more and more people have reached out to the Ethics staff to determine what they can and can't do, forestalling potential problems and saving them and the City money. The Commission's ability to move forward on certain legal proceedings against alleged violators can be delayed when criminal law enforcement agencies take control of a case.

Because there are such diverse concerns within the City, the Commission needs to be proactive and provide in-person trainings with individual departments to address their specific questions, individualize responses, demonstrate how ethics mandates relate to their work, and find creative solutions, especially in the proprietary departments and where staff has no access to computerized training. For these reasons, among others, the Commission needs additional staff to provide education.

Finally, the Commission itself takes great concern to ensure rulings are fully equitable. For instance, if developer donations are banned, should that ban also apply to other persons involved with development projects as well as some of the groups opposing them, who will now gain greater influence? How should special interest groups, such as those for and against AirBnB or bike lanes, be treated? The Commission's judicious consideration of these issues should not be taken for reluctance to deal with them. Among other things, the Commission must consider:

- (a) Will requirements create a ripple effect and further delay already slow processes in the Planning and Building and Safety Departments creating unanticipated negative outcomes?
- (b) What about free speech? When does the protection of individuals and entities curtail the free speech rights of others?
- (c) How can amendments be couched to obtain the needed approval of the City Attorney, City Council and Mayor to change the City Charter?

Given that its workload varies due to many factors, the Department has relied on short-term hires, but in the long term any savings from such hires is significantly offset by the loss of good people, the need to hire more and their training, not to mention the time all this takes away from full-time staff obligations.

There is such specialized work that nearly every hire needs significant training in one or more areas. This has even more impact when more senior people need to be replaced due to retirement, promotion, or being poached by another Department or company that offers better pay. Therefore, it is essential that steps are taken to retain and promote (into both new and

existing positions) the qualified people currently on staff. Given the importance of their work, all efforts need to be made to keep existing staff and make sure the pay competes with other employers. For instance, the Fire Department pays their internal investigators up to \$30,000 per year more than those working for the Commission.

As the 2020 elections approach where City candidates will compete with those at the County, State and Federal level as well as with propositions and County measures, the Commission has a legitimate concern that limiting contributions may lead to unintended results, as City candidates and issues may take a back seat to broader issues, and inadvertent ethical violations may occur. The 2022 election bodes to be even more expensive as all current Citywide elected officials and several current councilmembers will be termed out, which usually means a much larger field of candidates.

The Matching Funds Trust Fund provides monies for candidates but, although it requires considerable administration and significant education by the Ethics Commission, none of it can be allocated for anything other than eligible political campaigns. This can be debilitating for the Department (more so if access to Trust Funds is expanded), taking time away from audits and delaying claims. The Ethics Commission should be allocated funds from this Trust Fund to use for the Trust Fund's administration.

Furthermore, with impending replacement elections sure to attract multiple candidates, the Department needs at least one additional auditor to ensure audits are expeditiously completed following elections.

Finally, when City employees face charges and use all avenues available to avoid appropriate discipline, it can cost hundreds of thousands of dollars. The City should institute a policy holding individual Departments fiscally accountable for employee derelictions to incentivize better internal controls, and requiring them to reimburse the Ethics Commission's costs and the General Fund for any liability payments. Great care should be taken that these monies come from areas that won't affect services to the public but will hurt the offenders enough for them to take the necessary steps that it won't happen again. City Departments are generally not held accountable for their employees' transgressions, and this must be changed.

And, in all cases, if individuals are responsible then they should be held personally responsible, and not be allowed to hide behind the façade of the Department or worse yet, avoid any accountability.

Number crunching

All of the Ethics Commission's funding comes from the General Fund. Their operating budget for FY 2018-19 is \$3,286,647; of that almost \$3 million is salaries, with slightly under \$300,000 in 'contractual services' and a little under \$40,000 for office and administration. As with most City departments, monies for pensions, retirement, health coverage, utilities and building costs are listed separately, in this case almost \$1.8 million. Even though huge, this last figure is microscopic when compared to the equivalent figure for the Police and Fire Dept. benefits which exceeds \$1 billion.

Over 85% of the ‘contractual services’ each year, \$250 thousand, is designated solely for an outside prosecutor in the event there might be a conflict of interest in using City attorneys. However, these monies have rarely been tapped – only a total of \$16,000 over the past 25 years. Since this amount is designated as Ethics monies, rather than being sucked back into the General Fund, these funds should be rolled forward (i.e. a year after they are budgeted) for use in educational purposes, specifically for people considering running for office, potential staff, lobbying firms, and issue-specific groups.

The Commission regulates tens of thousands of persons, including elected officials, employees, lobbyists, candidates, contractors and others. Ethics staff process over 15,000 disclosure filings and assist with over 20,000 compliance contacts each year, numbers that continue to increase. Only the State of California’s Fair Political Practices Commission, which administers the State’s Political Reform Act regulating campaign financing, conflicts of interest, lobbying, and governmental ethics, does more than the Los Angeles City Ethics Commission (think of all those propositions and PAC donations), but their budget is almost three times greater with over three times the staff.

CONCLUSION

So why should the City Council allocate more funds to the Ethics Commission?

It’s an investment: Done properly, the Commission will save the City significant money by making examples of scofflaws and by educating all parties on correct procedures and regulations up front.

It builds trust in our elected officials: Dating back to before the establishment of the Ethics Commission, the people of Los Angeles have mistrusted those on the City Council. The more the Commission can do to reverse this trend, the more confidence stakeholders will have in those in office and those who do their bidding.

The potential exists to further curtail abuse of power by holding both the responsible Departments and individuals within them personally accountable: Increasingly, the public has voiced concerns about ethical improprieties, real or perceived, by the elected officials and City employees and influence peddling by developers and other lobbyists --all impacting decisions that affect stakeholders’ quality of life. These do not happen in a vacuum. Departments set policy and oversight procedures; people make decisions or look the other way. Real change depends on moving toward an environment of openness and accountability, and this can only be achieved by turning the spotlight on the guilty and having effective and public deterrents to set an example to deter perpetrators and educate everyone else.

This includes ensuring that fines and punishment target those actually responsible. Justice should be swift and sure. Only when Departments (or companies) are proven complicit should the City (or company) pay, and then it should be a Department cost from THEIR funds and out of budgets that do NOT affect services to stakeholders (or to customers).

Educating people at all levels on ethics laws and encouraging participation in oversight through the website should be a priority moving forward. When decisions are made with knowledge of parameters, there is far less incentive to step outside laws and regulations. And even when actions are not technically illegal, the appearance of malfeasance can have a significant impact. The City cannot risk losing the trust of the electorate.

OFFICE OF FINANCE

Date of Meeting: October 24, 2018

ATTENDEES

Office of Finance: Wai Yee Lau, Assistant Director

Budget Advocate: Brian Allen

RECOMMENDATIONS

- Prioritize how to use Special Funds (should they be consolidated as a reserve and/or repurposed to other critical needs)
- Increase efforts to ensure auditing and collection of the appropriate amount of cannabis fees and taxes, and determine how to control and handle collections from the cash-rich cannabis industry

DISCUSSION

Operations

The Office of Finance is basically tasked with the collection of fees and taxes. To accomplish effective collections, they must collect what is currently owed as well as follow up on what is delinquent.

Along with collections, the Office of Finance maintains the status of all funds, including Special Funds. For the Controller's office to make any payments (and the Controller's office makes all disbursements), the Office of Finance must make sure that funds are available for those disbursements. This is accomplished by monitoring the bank accounts and transferring funds from various accounts and investments as needed. Effectively, the Office of Finance is the primary check and control of the funds available for disbursement.

All investments made for the City are also managed by the Office of Finance.

Operations have not changed, but the Department has made software improvements to enhance tax and permit collections.

Concerns Discussed

The Department has concerns about the handling of large amounts of cash. While it is difficult to handle and accurately control cash, it is also costly. Unless there is a breakthrough on this issue, the cost to protect cash collections (such as from the cannabis industry) will rise, and it could be substantial.

In addressing Special Funds, there is difficulty in determining how to handle each account. While some of the Special Funds are being used slowly, others are not able to be used due to rules for use. In some cases, there are Funds that cannot be used, as the purpose is not valid any more, but restrictions still exist. There are hundreds of Special Funds accounts to review and deal with.

CONCLUSION

Looking at the general operation and challenges the future may have, the Office of Finance is meeting its obligations but does find it a challenge. While overall operations have not changed, improvements in technology are expected to help them keep pace with new demands.

LOS ANGELES FIRE DEPARTMENT

Date of Meeting: October 25, 2018

ATTENDEES

Department: Fred Mathis, Chief Deputy for Administrative Operations; Mark Davis, Chief Management Analyst; Emilio Rodriguez, Senior Management Analyst

Budget Advocates: Tony Michaelis, Erick Morales

RECOMMENDATIONS

- Fund and promptly complete a Standards of Cover Report⁴ to establish Department benchmarks and ensure that resources are allocated efficiently and effectively
- Establish performance metrics which link incident activity with costs by fire station to help evaluate overall utilization of Department resources
- Evaluate EMS (Emergency Medical Services) non-transport reimbursement options including Advanced Provider Response Unit (APRU) reimbursement options
- Assess 3rd party EMS reimbursement administrator performance
- Use the federal SAFER (Staffing for Adequate Fire and Emergency Response) grant and matching funds to restore staffing in Wilmington's Fire Station 38
- Fund the Department's request for two additional Fast Response Vehicles (FRVs) to improve response times and service
- Conduct an analysis of the use of overtime pay (\$197 million, 29% of total Department budget) to confirm that using this approach to cover staffing shortages is the most efficient and effective method for the City
- Eliminate the Deferred Retirement Option Plan (DROP) for firefighters⁵

DISCUSSION

Overview

The Los Angeles Fire Department (LAFD) is the city's second-largest department—after the Police Department—in terms of General Fund allocation. The Department's mission is to protect life and property, improve public safety, and facilitate economic growth. LAFD's budget mostly goes towards fire suppression, fire prevention, and emergency medical services. One hundred and six fire stations are located throughout the City's 471 square miles and staffed by the Department's 3,862 employees, 10% of whom are non-sworn professional support staff. At any

⁴ A Standards of Cover Report is defined by the Commission on Fire Accreditation International as "those adopted written policies and procedures that determine the distribution, concentration and reliability of fixed and mobile response forces for fire, emergency medical services, hazardous materials and other technical responses." It is through this document that resource benchmarks can be established and there can be a more objective evaluation of cost effectiveness and performance outcomes.

⁵ The impetus for the DROP program was only for the LAPD to retain experienced personnel, and there is no evidence that the Department was having trouble retaining experienced personnel. The program has documented fraud and abuse claims (Los Angeles Times, 4/15/18 and 8/24/18 and subsequent articles)

given time, more than 1,000 firefighters and paramedics are out in the field, ready to provide emergency services.

In the 2018-2019 adopted budget, \$674,270,767 was appropriated to the LAFD. Of these funds, \$638,814,065 (95%) is for salaries, while \$35,456,702 (5%) is allocated for equipment and supplies. The majority of the Department's funds come from the city's General Fund (\$662,270,767 or 98%). The remaining monies come from the Local Public Safety Fund (funds from a half-cent state sales tax established by Proposition 172 in 1993) and the Medi-Cal Intergovernmental Program Fund (comprised of partial reimbursement of emergency medical services provided to Medi-Cal recipients). Each such fund provides \$6 million or 1% of the Department's budget.

Issues

In the aftermath of the Great Recession, the LAFD had limited funds to hire firefighters and paramedics. In recent years, the Department has received funding for as many as five or six classes of new recruits. This year, the Department is only requesting funding for two classes of new recruits to account for attrition. However, the Department plans to spend as much as \$197,147,746 (29% of LAFD's budget) on overtime in fiscal year 2019-2020. Most this overtime pay is spent towards the Department's promise of maintaining around 1,000 field positions staffed at all times (around one-third of the force). According to Department staff, studies have proven that paying overtime is cheaper than hiring additional firefighters to work as a "float pool" to be deployed to areas with the most need on a given day, due to pension and benefit costs.

The Department constantly evaluates its metrics (publicly available as FIRESTAT) and explores creative ideas to maximize the efficiency of their resources. Recently, the Department has deployed two Fast Response Vehicles (FRVs), comprised of a pick-up truck with two paramedics and equipment for fire suppression and rescue, to different areas of the City with the need for additional resources. With the effectiveness of the FRVs in improving the Department's response, LAFD will request two additional FRVs for the South Los Angeles and Skid Row areas.

Advanced Provider Response Units (APRUs) are another project to improve the Department's efficiency, comprised of one paramedic and one nurse practitioner. Currently, more than 80% of the calls LAFD responds to are for emergency medical services, many of which require transport to a medical facility. With the nurse practitioner, who is paid for by one of several local hospitals in agreement with the Department, the APRUs can provide services like urgent care without needing to transport the patient. According to Chief Deputy Mathis, as many as 50% of an APRU's patients do not need to be transported following treatment. Not only do the APRUs save the time required by transportation, but they also assist emergency rooms in reducing their lines and wait times.

With 106 stations throughout the city, some are bound to be busier than others. While FIRESTAT data is used to evaluate how many resources a station might need, each station also needs a minimal amount of staff to respond to potential threats. Department staff mentioned that certain financial metrics, such as dollars spent per incident, would not be helpful in evaluating efficiency since monies are spent reactively to the emergency at hand.

A significant portion of the Department's budget comes from reimbursement for emergency medical services from the government, insurance, and patients. Some organizations, including the Budget Advocates, have requested that the Fire Department improve efficiency in collecting ambulance transport fees. While much of the money charged to direct patients (who may be uninsured patients experiencing homelessness or financial hardship) is not collected, the Department states that it collects 90% or more of the monies available from ambulance transport of Medicare, Medi-Cal, and private insurance patients. Figures in the Budget Advocates' 2017 report Back to Basics appear to mistakenly assume that the same amount charged to private insurance for ambulance transport can also be charged to Medicare and Medi-Cal. These two government programs limit reimbursement for transport to as low as \$120, less than one-tenth of the \$1,212 that may be charged to private insurance. LAFD also currently does not charge a "treat-no-transport" fee, as it would require a recalculation of ambulance transport reimbursements and would not lead to the collection of any additional money. Furthermore, Medicare would not pay any potential "treat-no-transport" fees, so Medicare would then only pay a cheaper ambulance transport fee.

LAFD has been recognized by Controller Ron Galperin for being among the most efficient Departments at limiting litigation costs. Most of the Department's lawsuits over the last few years have been the result of inappropriate compensation for employees and traffic accidents. As such, litigation concerning LAFD does not have a significant impact on the City's finances.

In 2017, the Department received a SAFER (Staffing for Adequate Fire and Emergency Response) grant from the Federal Emergency Management Agency. This grant, which requires a cash match from the City, has been used to restore staff resources in areas with need. For 2019-2020, the Department will request \$1,200,000 from the City's cash match to go towards 21 firefighters for Wilmington's Fire Station 38. Chief Deputy Mathis stated that the Department is actively looking for other grants to fund additional resources.

CONCLUSION

The Fire Department will request \$726.5 million for its 2019-2020 budget. While most of these funds will be committed to paying salaries and overtime, the Mayor and City Council should thoroughly review the requests from the LAFD for equipment and supplies. The City's communities can only be among the safest in the nation as long as its firefighters and paramedics have the tools to do their jobs.

GENERAL SERVICES DEPARTMENT

Date of Meeting: October 23, 2018

ATTENDEES

Department: Tony Royster, General Manager; Valerie Melloff, Assistant General Manager
Budget Advocates: Barbara Ringuette, Chelsea McElwee

RECOMMENDATIONS

- Continue to restore staffing, services, and funding to better support the 40 City Departments and Bureaus to ensure they are operating to their full capacity
- Develop a retention plan to keep staff as employees in high demand positions in the Department
- Increase staff for preventive maintenance of equipment to avoid the expense for equipment replacement
- Accelerate replacement of the 50% of equipment beyond life cycle Citywide
- Assure sufficient funds to bring the Building Management System on line by April 2019 as the next step in integration of data systems across City Departments.

DISCUSSION

Mission

The mission of the General Services Department (GSD) is to manage facilities, equipment, supplies, maintenance, and other support services for elected officials and all City Departments. It is the “heart” of all City services. The Department works with all City Departments and offers a wide range of services (e.g., building maintenance, fuel services, parking services, mailing services, etc.).

Supplies

GSD is currently working to establish the best procedures through procurement with leasing and/or buying vehicles and wanting to invest in electric vehicles. GSD oversees 27 helicopters that are shared among the Police Department, Fire Department, and Department of Water and Power. GSD supplies Departments with the critical supplies the Department may need and manages inventory through its Supply Manages System (SMS). Every Department is different in the type of supplies it may need. GSD has several locations it manages, including the headquarters in City Hall, other offices, warehouses, and approximately 1441 fuel stations.

Staffing

As a result of the 2008 recession the GSD lost approximately \$100 million from its budget and more than 1000 employees. With the lack of employees, the Department had to prioritize its services and could no longer focus on certain tasks such as maintenance. Ten years later, GSD is

still in the phase of “catching up” due to the devastating budget cuts. This Department also experienced a hiring freeze, but even with increased hiring, the staff retention rate is low because most employees go to higher paid positions with competitors (e.g., the LADWP) and in the private sector.

Technology

Interestingly, GSD was not fully functioning on technology 5-10 years ago. Today, it is constantly upgrading its technology and systems to better assist all City Departments and have everything relatively accessible for all of their staff. Now all employees can complete their documentation to their designated supervisor electronically, including pulling up their manual, submitting time sheets, completing necessary forms, and/or submitting pictures without going back to the office. GSD is working to develop systems that can be used collectively amongst all City Departments.

CONCLUSION

GSD is proactively involved with all City Departments in some way, and works closely with the Mayor, CAO, and City Council. GSD is still trying to “catch up” due to budget cuts that started in 2008. While the Department lost a majority of its employees due to budget cuts, it is also losing employees due to higher paid positions with competitors and in the private sector. If GSD is not adequately funded, the services, resources, and staff to better support all of the other City Departments will not be available.

DEPARTMENT OF HOUSING + COMMUNITY INVESTMENT (HCID)

Date of Meeting: November 13, 2018

ATTENDEES

Department: Luz Santiago, Assistant General Manager; Rosa Benavides, Budget Manager

Budget Advocate: Diedra M Greenaway, MS/MBA

RECOMMENDATIONS

- Complete a gap analysis that will compare the number of households within an income range to the number of affordable homes available, including City-owned excess properties that can be converted into affordable and/or low income housing
- Complete a cost burden analysis that focuses on severely cost-burdened households and is reflective of the percentage of income paid for housing by income range
- Increase the number of staff utilized for oversight of LASHA to ensure compliance of policy and procedure as it relates to Measure H and Proposition HHH⁶
- Adopt or update a housing plan with local dollars and HHH funding dedicated to affordable housing financing and strategies to increase the future local funding commitment

DISCUSSION

Overview

The most prominent and immediate contributing factor to the acute housing affordability problem is a mismatch between what is being built and what needs to be built. In spite of the increases in multi-family production, new apartment rents are not reachable by lower income families. An inability to supply enough housing for diverse income groups is contributing to eroding confidence in Los Angeles' potential to make housing a priority and to promote social mobility.

A household is cost burdened if they pay more than 30% of income for housing and severely cost burdened if they pay more than 50% of income for housing. By initiating the Comprehensive Housing Affordability Strategy, HUD could very well reassess their set income limits for their housing programs that are based on the median income and housing costs in a metropolitan area. The homeless population is a large enough sample size throughout the entire region to complete this analysis.

Los Angeles Homeless Services Authority (LAHSA) is the lead agency in the Los Angeles Continuum of Care (CoC), which is the regional planning body that coordinates housing and services for homeless families and individuals in Los Angeles County. In order to eliminate

⁶ Proposition HHH is a \$1.2 billion bond to build approximately 10,000 units of supportive housing in the City of Los Angeles. Measure H, adopted by the County, increased the sales tax by a quarter-cent in order to generate an estimated \$355 million per year for 10 years to fund a variety of programs to combat homelessness.

egregious factors that relate to the continuum of care for homeless families and individuals, extensive oversight must take place to ensure that there is no misappropriation of funds and that the needs of the homeless are being met. The Department currently has only two members of their staff that are assigned to the oversight of LASHA. There should be more than two individuals assigned for the oversight of \$355 million a year for 10 years to help homeless people transition into affordable housing units.

Public and private funding sources are essential in addressing the City's housing crisis. Successful partnerships often rely on "braided financing," which combines funding from multiple sources across sectors. External funds can be secured from public sources, such as the Low-Income Housing Tax Credit, or private sources, such as a local foundation. Strong cross-sector collaborations come together to navigate disparate funding streams and create innovative ways to avoid the "wrong pocket problem," where one organization invests in an initiative, but the cost savings are realized by a different organization.

Federal HOME funding can be used for new construction, housing rehabilitation, homebuyer assistance, tenant-based rental assistance, and other activities related to the development of non-luxury housing. HOME funds are also often included in local housing trust funds. Federal HOME funding is less restrictive than Community Development Block Grants and may allow for the rehabilitation of multi-unit buildings as well as the modernization of public housing developments.

CONCLUSION

Affordable housing programs focus on people facing vulnerable housing circumstances: homelessness, eviction, domestic violence, living doubled-up with friends and family, or struggling to pay their housing costs without making trade-offs with other basic needs. These programs try to stabilize households by helping them afford a decent place to live through public housing, publicly assisted housing, and private rental housing with the help of public rental assistance programs.

Most affordable housing strategies have been implemented by public, nonprofit, and market-based developers and landlords, with little investment from the health care sector. In some cases, new partnerships were required between health service providers and housing providers, but the main intervention is still via a housing program. Emerging evidence shows housing stakeholders partnering with health-sector partners to leverage resources across sectors to tackle housing instability, quality, and access to health services to improve the health and well-being of children, families, and individuals. This has accompanied an awakening within the health care sector that housing status is a key indicator of health. Therefore, the Department of Housing and Community Development must continue to work hard in addressing the housing needs of the community and make homeless individuals and families a priority.

INFORMATION TECHNOLOGY AGENCY

Date of Meeting: October 29, 2018

ATTENDEES

Department: Ted Ross, General Manager

Budget Advocate: Brian Allen

RECOMMENDATIONS

- Prioritize maintenance and upgrading of the City's communication infrastructure especially, but not exclusively, for the Fire and Police Departments, to guarantee public safety in the event of a disaster
- Prioritize working with, monitoring, upgrading and linking internet systems across all City Departments
- Ensure that cyber security protections are implemented, monitored and upgraded in technology throughout the City
- Help the City and relevant departments determine what is needed to consolidate and upgrade the City's payroll systems to ensure efficiency and security

DISCUSSION

Operations

The Information Technology Agency (ITA) is the City Department that provides communication for first responders as well as the City government as a whole. ITA monitors and in many cases controls both access and availability of all internet, telephone and radio communications.

With all operations ITA is tasked with maintaining a clean and safe environment of internet communication. For the Police and Fire Department radio communication, ITA is tasked with keeping the 30 towers around the City up and running. While phone communication is taken for granted, the City has a challenge in maintaining communication, as the remaining land lines are about to be retired and switched over to VOIP systems, and again that is the duty of ITA.

ITA also has the task of not only monitoring but staying in front of internet security. This has become a daily task for ITA.

With all of ITA's specific responsibilities it also has to be available to support any Department effectively and quickly whenever the need arises.

Concerns Discussed

Over the last couple of years, ITA has made considerable inroads into working with various City Departments. ITA was, like many other Departments, devastated in the last recession. Recovery has never occurred, like many other Departments, but in the last couple of years ITA has worked with Departments to help them move forward. There has been better communication and a

shared desire for ITA and other Departments to work together and make improvements. Unfortunately, the resources have not been there to attain the desired results quickly enough.

As Police and Fire have an aging radio communication infrastructure, ITA is stepping up to the task and addressing the needs to keep radio communication operational.

Many Departments have gone out on their own and developed their own computer infrastructure to enhance their ability to achieve their goals – a sign of the siloization that has affected City Departments across the board. The cost to operate that way may be excessive, as at the end of the day ITA will have to be supporting these random systems that do not communicate and cannot be integrated. As systems age, support is dropped. ITA will be tasked with upgrading and/or redeveloping systems, due to future needs that change and inter-Department cooperation becomes more needed.

Systems that should be simple to operate like payroll differ among Departments, and as a result the City does not have a single operational payroll system for its employees. Proper system analysis has not been accomplished which leads to inefficiency and excessive cost.

CONCLUSION

Over the past two years, there has been improvement in the working relationships with other Departments. ITA has been more welcome as well as more effective in inserting itself in the discussions of IT operations of other City Departments, which is a positive improvement.

While ITA is still working on procurement operations, the City has IT issues which should be of great concern. The City has known that it needs to address the payroll systems for some time. Two years ago, the Controller's Office announced that it was looking into consolidating the multiple payroll systems. This has not been done and is progressing quite slowly. Additionally, there is a need to address the radio infrastructure for Police and Fire. ITA maintains these systems now but in some cases hardware and operations are at the end of their useful lives.

Additionally, the City is going to be required to discontinue its land lines, as the phone companies will not be supporting them, in the near future. This will affect both general communication as well as public safety.

With the internet world still growing and cyber security becoming an increasing menace, ITA needs to maintain secure and stable operations. However, this need is becoming not only more challenging from a technology standpoint but also much more expensive. The City needs to address, upgrade, standardize, and protect its IT systems sooner rather than later.

LIBRARY DEPARTMENT

Date of Meeting: October 23, 2018

ATTENDEES

Department: Susan Broman, Assistant Librarian; Chad Shelton, Director of Branches; Madeline Rackley, Business Manager; Emily Lenhart Fate, Assistant Director of Branch Library Services.

Budget Advocates: Barbara Ringuette, Jessica Salans

RECOMMENDATIONS

- Provide sufficient security to assure that libraries are a safe and welcoming space
- Plan for and identify funds for building improvements to accommodate changes in technology and replace aging computer equipment
- Develop a 10-20 year Master Plan to sort out the Department's commitment to the community
- Partner with Green and Sustainability Committees of Neighborhood Councils on the Library's Citizen Science Project.

DISCUSSION

The Los Angeles Public Library (LAPL) is a robust system of seventy-two branch libraries and eight regional branches. The LAPL is focused on being a public space, utility and resource for all Angelenos.

Department strengths include community engagement, marketing and communications capabilities and interdepartmental collaboration with other City Departments.

Revenue

Under Measure L passed in 2011, the Library is independently funded by Los Angeles property taxes. The Charter Mandated Appropriation amounts to 0.03% of the assessed value of all property.

The Library Foundation, an independent non-profit organization, raises funds to support individual libraries and to enhance multiple programs and services for children, summer reading, literacy, high school diplomas, cultural events, etc.

Thousands of volunteers work one on one with Library patrons on literacy tutoring, the Star Reader program for children including LAPD officers "read along," and many other programs.

The Board of Library Commissioners is, by City Charter authority, the legal head of the Library Department and has control over Library funds and the Department's budget. The largest part of the Library's budget is salaries. Library management is mindful that a major downturn in the economy will occur, and shapes its budget to be sustainable.

Successful Initiatives

This year the Library launched a new program, “Read Baby Read,” focused on infants and newborns. Since the start of 2018, the Library has given a reading kit to 2,000 children. LAPL hopes that every baby born in Los Angeles receives his or her first book from the Library.

There are New America Centers in six libraries where immigrants are welcomed to learn how to become a naturalized citizen and integrate into their communities.

Tessa (named after an LAPL librarian) is a new clearing house for all digital collections.

The Source is a monthly community engagement event where service providers from all over Los Angeles come to libraries to offer direct services to the community.

The Library received a \$100,000 grant for a Citizen Science Project to study effects of climate change. It involves tracking rainfall and particulates in the air. The project is located in 12 branches and two departments at the Central Library. The suggestion was made that Neighborhood Council Green Committees and Sustainability Committees partner with the Library on the project.

Challenges

Like much of Los Angeles, the Library struggles to help residents who are homeless. The Library helps connect residents who are experiencing homelessness with resources to help them transition to stable, independent or supportive living.

Employees do not ask if people are homeless, as it is not their business. At the same time, certain libraries are plagued with residents who are experiencing mental illness. LAPL looks to increase security personnel and LAPD officers to help with the influx. LAPL management would like more security and mental health professionals dedicated to supporting the libraries.

Library management is concerned with the wellbeing and up-keep of the property they own, which is theirs to maintain. A goal for the next fiscal year is to assure their infrastructure is prepared for the future – that buildings are updated to meet technology needs and air conditioning is adequate for days of extreme heat.

The Library is proposing a 10-20 year facility Master Plan including an analysis of what libraries are, and how Library buildings are serving communities. A Request for Proposal resulted in eight vendors responding, from which one will be selected to develop the facility Master Plan. The planning process will incorporate a lot of community input.

CONCLUSION

The Library has a dedicated and passionate staff, clear in their moral groundings, values and mission to the community at large. They recognize their challenges, yet are spurred in their program creativity to bring Angelenos safe, engaging and supportive environments to learn, grow and be nurtured.

DEPARTMENT OF NEIGHBORHOOD EMPOWERMENT (DONE)

Date of Meeting: October 17, 2018

ATTENDEES

Department: Grayce Liu, General Manager; Armando Ruiz, Director of Administration; Kori Parraga, Administrative Analyst

Budget Advocates: Howard M. Katchen, Connie Acosta

RECOMMENDATIONS

- Increase the number of DONE's Neighborhood Empower Administrators (NEA) positions by at least five which will bring the NEA ratio per Neighborhood Council coverage from the current one-to-eight closer to a desirable one-to-five
- Live stream Neighborhood Council training sessions and enhance DONE's website with an on-demand training videos library to include Neighborhood Council instructional and all board member mandatory trainings
- Provide for DONE civic engagement support staff positions to provide education to City departments and bureaus, to assist them in working with Neighborhood Councils and stakeholders, and to create and maintain a civic engagement educational data base
- Create a special fund to collect unspent neighborhood council funds at fiscal year-end and use funds to provide neighborhood councils with ancillary services and support such as translation, interpretation, child care.

DISCUSSION

The DONE staff which numbered about 60 prior to the 2009 recession is now pared to 27 full-time staff. The number of Neighborhood Councils (NCs) under DONE's charge has now increased to 99. DONE actively seeks to fill what it deems essential NC field support staff positions (NEAs) and administrative support to unburden NEAs to allow them to perform NC field support much more efficiently and intensively, especially whenever needed by problematic or troubled NC's. A consequence of limited Department staffing is a lack of opportunity for promotion and career growth, which leads to staff leaving for opportunities in other city departments, bureaus or the private sector.

DONE provides training to NCs and oversees compliance with mandated training requirements (ethics, code of conduct and funding). The members of NCs can't always attend scheduled training sessions, so the use of live streaming technology should be expanded.

DONE is charged with working with other City departments and bureaus to educate and assist them in civic engagement with NCs and community stakeholders. This comes in part from the City's involvement in the Google Innovation Laboratory. The City realizes a need for more civic engagement by its Departments and bureaus. DONE is well positioned to provide education and to serve as a conduit beyond the walls of City Hall.

NCs' unspent funds at fiscal year-end usually revert to the City's General Fund. Instead, the unspent funds should be sequestered to provide ancillary services for NCs such as translation, interpretation, child care, and ADA compliance.

CONCLUSION

DONE's role in overseeing and ensuring the operation and compliance of a growing number of NCs and its role working with City departments and bureaus to advance civic engagement without sufficient staffing to fill the requisite positions makes it extremely difficult to succeed. Providing other media and technology for training NC members will assist DONE and the public, and will be more convenient for NC members. Sequestering unspent funds will keep the funds for use in the NC system to support their operation by providing ancillary services.

**PENSION PLANS –
LOS ANGELES CITY EMPLOYEE RETIREMENT SYSTEM (LACERS)
LOS ANGELES FIRE AND POLICE PENSION PLAN (LAFPP)**

**Dates of Meetings: LACERS – November 1, 2018
LAFPP – November 9, 2018**

ATTENDEES

LACERS: Neil Guglielmo, General Manager; Todd Bouey, Assistant General Manager; Lita Payne, Assistant General Manager; Bryan Fujita, Investment Officer & Chief Operating Officer; Dale Wong-Nguyen, Director of Administrative Services

LAFPP: Ray Ciranni, General Manager; Bill Raggio, Executive Officer; Myo Thedar Sasaki, Chief Benefits Analyst

Budget Advocates: Rick Ramirez, Jack Humphreville

RECOMMENDATIONS

This committee has two sets of recommendations. The first is directed to the decision makers at City Hall: Mayor Garcetti, the City Council, the Budget and Finance Committee, the Personnel Committee, and the trustees of the two pension plans. These recommendations were developed with the help of third parties and not discussed with staff.

The second set of recommendations is for the staff of the two plans and addresses matters under their control.

Recommendations to City Hall

- Recognize that the \$15 billion unfunded pension liability is the most significant financial issue facing the City of Los Angeles, and take immediate action to address the \$15 billion liability
- Proactively address the lower returns on invested assets
- Appoint trustees who have relevant experience and who understand that their exclusive duty is to the plan, its participants, and beneficiaries
- Follow up on LA 2020 Commission’s recommendation to establish an Independent Committee to review and analyze pension obligations and to make recommendations to fully fund pensions
- Release February 2016 report by the City Administrative Officer to the EERC (Executive Employees Relations Committee) on the LAFPP’s Deferred Retirement Option Plan
- Lower the investment rate assumption to 6.25% over the next four years
- Reduce amortization period to 15 years, consistent with actuarial standards
- Review the Cost of Living Adjustments v. inflation
- Rely on up to date mortality assumptions (generational mortality)
- Develop a plan to buy down on the unfunded liability (see Palo Alto plan)
- Increase employee contributions to reduce the unfunded liability

- Permit employees to opt out of LACERS or LAFPP and participate in a defined contribution or a hybrid plan
- Adopt a policy of outreach, education, and transparency

Recommendations to LACERS and LAFPP

- Maintain the existing management teams for these well-run operations
- Improve outreach to all Angelenos, including through Neighborhood Councils
- Improve transparency by hosting annual symposiums
- Prepare historical 10-year statistical spread sheet which may be accessed online in a downloadable format
- Research purchasing an in-house actuarial system
- Project future contributions using lower investment rate assumptions
- Develop and implement stress testing to assess pension risks
- Analyze investment management fees, including private equity management fees
- Allow for hiring flexibility, especially for IT, accounting, and benefit specialists
- Benchmark investments, administration and operations for service improvements
- LACERS, LAFPP, and LADWP's WPERP staff to meet on a regular basis to discuss and share best practices

DISCUSSION

The most significant financial issue facing the City of Los Angeles is the \$8.8 billion unfunded pension liability (82% funded) of its two pension plans as of June 30, 2018. These monies will have to be paid out to City employees regardless of other City commitments and expenses – in short, this already existing liability cannot be avoided. By the same token, the monies needed to fund this liability are commanding an increasing percentage of the General Fund budget. For this fiscal year, the City's annual required contribution ('ARC') of \$1.2 billion represents almost 20% of the General Fund budget.

The "funded" ratio above is based on the current investment rate assumption used by the City. However, if a more realistic investment rate assumption of 6.25% is used, the unfunded liability increases to over \$15 billion (72% funded) and the annual required contribution increases by \$600 million to \$1.8 billion, or almost 30% of the General Fund budget.

For the six months ending December 31, 2018, CalPERS investment return was a negative 5%. If the City's pension funds incur a 5% loss for the full year ending June 30, 2019, it will increase the unfunded liability by \$5 billion to \$20 billion (66% funded) and increase the Annual Required Contribution over time.

The City is in better shape than the County and State because it has funded a portion of its Other Post-Employment Benefits ("OPEB") plans. LACERS OPEB is 82% funded while LAFPP OPEB is 53% funded. But the mere fact that the City is in better shape than other poorly prepared government agencies is not a cause for celebration.

Both LACERS and LAFPP are well-managed Departments, and the management transitions at LACERS and LAFPP have gone well. The introduction of LACERS' new pension administration system has gone well, on time and on budget. LAFPP's new system also appears to be on time and on budget.

LACERS has effectively managed its retiree healthcare program, holding the rate of growth significantly below the California average. LAFPP does not manage its healthcare program and should consider managing its OPEB plan in house.

LAFPP and LACERS need to develop in house actuarial capabilities. This may include licensing or purchasing third-party software.

Investment management fees appear reasonable. Both plans should analyze private equity fees.

CONCLUSION

The Mayor, the City Council, and the trustees need to focus on reforming LACERS and LAFPP. The annual required contributions are growing faster than revenues, contributing to the Structural Deficit, i.e., the City's liabilities are growing faster than revenues. This has a direct impact on the City's ability to provide public safety, to deliver necessary services, and to repair and maintain the City's streets, sidewalks, parks, and the rest of its infrastructure. If the City does not take control of this situation, it will not disappear, and will only grow worse. Politicians hiding their heads in the sand are not doing the stakeholders any favors in the long run.

PERSONNEL DEPARTMENT

Date of Meeting: September 28, 2018

ATTENDEES

Department: Wendy Macy, General Manager; Jody Yoxsimer, Assistant General Manager; William Weeks, Assistant General Manager; Raul Lemus, Assistant General Manager; Michael De La Rosa, Budget Officer

Budget Advocates: Ricardo Ramirez

RECOMMENDATIONS TO THE DEPARTMENT

- Address and resolve the bottleneck issue experienced by multiple departments who have to work through the Personnel Department to fill needed positions
- Continue expansion of Anytime-Anywhere Remote Testing program for recruits, which provides job applicants with the ability to take tests online via physical locations provided by the Department
- Continue success of new Local Hire Program, which focuses on hiring students and individuals within a 5-mile radius of the Department's location in Downtown LA
- To assure a safe workplace, encourage use of new MyVoiceLA tool, an online tool allowing employees to report misconduct or harassment anonymously without retaliation
- Provide ample time and resources for first responders to prepare for Olympics
- Provide more training for supervisors and management to reduce turnover and claims
- Ensure success of new Alternative Dispute Resolution Programs with unions
- Focus on incentivizing long-term employment offering more flexibility, i.e. telecommuting

RECOMMENDATIONS TO THE MAYOR AND CITY COUNCIL

- Fund \$100,000 needed for civilian recruitment
- To the extent adequate funding is not provided, chargebacks should be invoiced to Departments requesting Personnel to assist with civilian recruitment
- Reinstate prior year's funding of \$55,000 for training to assist in reducing worker's compensation claims and settlements
- Fund additional resources for management training to improve supervisory skills, increase employee retention and reduce claims

DISCUSSION

Overview

The Personnel Department is responsible for the management of all City employees both civilian and sworn (LAFD/LAPD), including recruitment, training, and development. The Department budget was \$59 million last fiscal year. Personnel is tasked with identifying and providing quality candidates, attaining fiscal year hiring goals, maintaining employment, and risk

management. The Department has processed 135,000+ applications and tested over 37,000 candidates. In 2017, Personnel hired 100 sworn employees costing about \$1.7 million all in for staffing (processing, medical services, training).

The Personnel Department is well operated by several managers overseeing various sub-departments and activities, but has not been given the resources needed to timely hire employees for the various City Departments and to adequately and effectively train recruits. This limitation on resources creates a significant bottleneck for other Departments, which cannot timely hire new individuals, thereby hindering their ability to effectively address current concerns and/or achieve their objectives.

The Department has done an impressive job with establishing the new Anytime-Anywhere program, which greatly benefits the Department and candidates. The program expands the candidate pool, cuts testing time by 50%, and allows more frequent testing.

Personnel has also established a new Alternate Dispute Resolution program following a successful pilot program. The ADR program aims to resolve workers' compensation claims outside of litigation, saving significant time and money for the City, since 80% of the budget for risk management is used for settling claims from two years prior.

The My Voice LA tool was also recently created. This provides an anonymous and documented method for employees to report misconduct or harassment without retaliation. My Voice LA aims to reduce claims and turnover by creating safer workplace for employees.

CONCLUSION

The Mayor, City Council, and the Board of Civil Services Commissioners must provide the Personnel Department with proper funding for training that was previously reduced. This will provide savings in the long term by preventing future workers' compensation and misconduct claims and employment turnover.

The Mayor, City Council, and the Board of Civil Services Commissioners must also provide funding to the Personnel Department for civilian recruitment. Currently, there is no funding allocated to civilian recruitment. If for any reason funding cannot be provided, City Hall should ask other Departments to contribute funds to the Personnel Department for civilian recruitment, since all the other Departments will directly benefit.

These additional funds and resources will enable the Personnel Department to hire and train employees more efficiently. This will directly relieve the bottlenecking occurring within other Departments that is hindering their ability to solve issues and achieve goals via the staff that they need to function.

DEPARTMENT OF CITY PLANNING

Date of Meeting: October 2, 2018

ATTENDEES

Department: Kevin Keller, Executive Officer; Lisa Webber, Deputy Director; Ly T. Lam, Administrative Services Section Supervisor.

Budget Advocates: Connie Acosta, Jon Liberman, Barbara Ringuette

Additional Attendee: Krystal Navar, South Robertson NC.

GENERAL RECOMMENDATIONS

- Utilize the Department's appropriations to fund two dedicated personnel staff in the Personnel Department to expedite filling open Planning positions
- Re-assess with the City Administrative Officer whether the recently implemented 15-step salary structure is the most appropriate to motivate employee retention
- Assure sufficient time is allotted and staffing is adequate so that stakeholders and Neighborhood Councils have ample opportunity to review and provide comment on detailed individualized community characteristics of Community Plans
- Utilize Short Term Rental Trust Funds for sufficient positions to implement and rigorously enforce short-term rental regulations in coordination with relevant City Departments
- Ensure new programs such as the Restaurant Beverage Program or changes to existing programs charge sufficient fees to cover their administration costs including factoring the cost of non-applicant appeals into application fees charged original applicants
- Ensure all new programs such as the Restaurant Beverage Program or changes to existing programs enhance, rather than reduce, opportunities for site-specific comment from stakeholders and Neighborhood Councils, and that current notifications and appeals processes continue in place and require a public hearing

RECOMMENDATIONS RELATED TO HOUSING

- Create incentives and new zoning if necessary, for cost effective, innovative housing such as repurposed shipping containers, small homes, and communal living buildings
- Consider repurposing underutilized City buildings for housing/shelter uses
- Create policy establishing a centralized City registry funded by development fees to assure affordable units under covenants are rented according to established City guidelines
- Ensure an effective ongoing process of verification that affordable units under covenants are rented to qualified low income renters
- Create policy in conjunction with the Housing + Community Investment Department (HCID) to address enforcement of previously unenforced and future affordable housing covenants

DISCUSSION

The Department of City Planning develops and maintains the City's General Plan, updates and implements housing, health, transportation, and environmental policies and regulation, and performs research, analysis, and updates of the Zoning Code. Also, the Department prepares, updates, and maintains the City's 35 Community Plans, Specific Plans, zoning overlays, Transit Oriented Plans, and promotes the preservation of historically and culturally significant properties. It processes discretionary land use entitlement applications and manages and monitors condition compliance.

Revenue/Funding

City Planning receives 76.7% of its funds or \$38 million from Department program fees, and 19.5% or \$9.6 million from the General Fund.

Staffing

The Department does a national search and recruits from local colleges. The Department has hired about 100 people in the last three years and many have been promoted. City Planning Administrators expected hiring of planners to be expedited with the new Personnel Department consolidated hiring process, but the new process is actually slower, affecting the Department's operations.

City Planning proposes to use the Department's appropriations to fund two dedicated staff in the Personnel Department exclusively to expedite filling City Planning positions. Presently there are multiple handoffs within the Personnel Department with delays at each step along the way. Two dedicated staff could do all the steps in the process for the City Planning Department, thus bringing new hires on board more quickly.

Training

The Department is cross training new City Planners in its multiple divisions. Newly hired staff are exposed to all types of cases. They become acquainted with all development types.

Staff Retention

After three years or so on the job, a number of planners leave the Department to work for other cities, Metro, etc. This represents a major challenge. Planning management believes the change from a 5-step to a 15-step salary structure has exacerbated the retention problem. The new structure takes 10 additional years to reach the top salary step. The Department should consider requesting an exemption from the CAO's 15-step salary structure in order to promote staff retention.

Technology

Planning and the Department of Building and Safety expect to launch E-Plan, an enhancement of shared computer systems, by the end of 2019. 70% of access will be by Building and Safety while 30% will be by Planning. Funds have been set aside. Management expects the system will save time and money.

Community Plans

Community Plans guide the physical development of neighborhoods by establishing goals and policies for land use. Updates are necessary to ensure these plans effectively guide growth and development.

Funding for the development of Community Plans is provided by a 2% increase in the surcharge on development services. The surcharge fees are funneled into the Planning Long Range Planning Fund and the City Planning System Development Fund.

Five teams – two in the Valley, one in Hollywood, one in Downtown LA and Boyle Heights and, most recently, one covering Westchester, Mar Vista, and Venice plus portions of West LA – are up and running. City Planning is doing a lot of outreach. Plans will need to reflect the community vision with some plans to include job and housing growth and transit connectivity.

The Department has hired and will continue hiring staff to advance the Community Planning process with the goal of updating all 35 plans within six years, by 2024. However, the Community Plan process has already been set back a year in certain communities. The question remains whether sufficient time is being allotted, and whether there is sufficient Planning staff to do the detailed work with Neighborhood Councils and stakeholders of addressing retention of individualized community characteristics.

Short Term Rentals

The ordinance regulating short term rentals was recently passed by the City Council and is set to take effect July 1, 2019. The City has been collecting Transient Occupancy Taxes from some short term rental platforms, and expects those revenues to increase once regulations and enforcement procedures are in place. Rigorous enforcement of regulations in coordination with the Department of Building and Safety, the Housing + Community Investment Department (HCID), the office of the City Attorney and the Office of Finance is essential to ensure the quality of life in the City's neighborhoods is protected.

Restaurant Beverage Program

Planning is proposing an ordinance to shorten processing times and lower costs for processing of applications for permits to serve a full line of alcohol in sit-down restaurants of 200 seats or less. To be eligible, restaurants must meet 34 criteria. The proposed administrative process would no longer include advance notification to neighbors within a 500-foot radius nor to Neighborhood Councils, and no longer require a public hearing. The alcohol clearance cannot be appealed.

The process allows no opportunity for public input before a clearance is granted. The program would eliminate the opportunity for site-specific, operation-specific or neighborhood-specific comment from the public. The program would take away the very important opportunity to consult with the business owner and representative regarding important issues the community faces and how they would impact his/her business.

It is unclear how the proposed process could on the one hand charge a lower fee for this service while requiring two site visits by staff and pay for supervision and enforcement activities. To do so could require General Fund reimbursement. Any new program should pay for itself. For this and other programs the cost for appeals should be covered by application fees paid by the developer, the original applicant for the requested permit.

Innovative Housing Types

The Department provides expertise on environmental and planning-related work for housing development. It is responsible for developing zoning regulations. Also, the Department is charged with comprehensively addressing the City's housing, health and also homelessness concerns.

Given the costs of land and the rising cost of construction, it is increasingly apparent that alternative housing types must be considered and encouraged. The City must consider less costly innovative housing such as repurposed shipping containers, small homes, and communal living arrangements to meet or go beyond Mayor Garcetti's goal of 100,000 additional housing units.

Co-living buildings consisting of private studios with shared kitchens and living rooms are thriving in San Francisco, Oakland, New York City, Pittsburgh, Boston, and London. Planning needs to develop housing alternatives such as these and a method for incentivizing and regulating new types of housing.

Homeless Housing/Shelters

Furthermore, the City should look beyond building housing/shelters on vacant government owned parcels to consider underutilized City buildings or shared uses to accommodate temporary shelters or permanent housing.

Centralized City Registry/Affordable Housing

Developers receiving density bonuses are required to provide affordable housing units. There is ongoing concern that regulations regarding affordable housing units required in covenants with developers are not being adequately enforced. A centralized city registry maintained by the City and funded by development fees would assure that affordable units are rented according to government guidelines. The registry would receive applications, assess eligibility and coordinate a common waiting list for housing providers who are mandated to participate in the centralized access system.

There must be an effective ongoing process of verification that affordable units under covenants are rented to qualified low income individuals and families. Policy must be created in conjunction with HCID to address enforcement both of past and future affordable housing covenants. There should be hefty penalties in place and enforced to discourage developers and owners from renting to those not qualified.

Prequalified Environmental Impact (EIR) Report Consultants

The Mayor's Office asked the Department to promulgate a prequalified list of environmental consultants who will prepare Environmental Impact Reports (EIRs) and do other California Environmental Quality Act (CEQA) related tasks, from training to answering questions. The goal is to improve the quality of the EIR documents.

For projects requiring EIRs, developers have hired their own consultants. When reports are mediocre or of poor quality, processing time is prolonged, involving staff resources and delays for applicants. By creating a prequalified list of consultants, Planning expects to streamline the development process.

The Department, at the staff level, has reviewed applications and has selected prequalified EIR consultants for the Director of City Planning to approve, and submit to City Council for their consideration.

Small Lot Subdivisions

Applications for vesting Tentative Tract Maps to develop Small Lot Subdivisions are being submitted at a fairly stable rate. The new Small Lot Subdivision Ordinance took effect in April 2018 along with new design standards. The new administrative clearance procedures along with the design standards have reduced the number of appeals.

While administrative clearances may be an efficiency for the Department and potentially a cost saving, a concern would be that administrative clearances should not in any way reduce the opportunity for comment. Notice requirements, referrals to Neighborhood Councils for input, who may file an appeal, hearings, etc. should not be further restricted.

Those who live in the community know it best. Input from stakeholders serves to make projects better, and upon completion of projects, ordinarily developers working with stakeholders readily agree.

Successes

A major accomplishment is the adoption of the Affordable Housing Linkage Fee. The fee is being phased in as of June 2018. Non-residential developers will pay from \$3 to \$5 per square foot. Developers of residential properties will pay \$8 per square foot in South LA, the North Valley, and Harbor areas. The highest fee of \$15 applies to the Westside and parts of Downtown LA. Developers in other communities will pay \$10 or \$12 per square foot. This represents the

City's first dedicated funding source to leverage tax credits and cap and trade funds which will fund affordable housing.

The Development Service Center (DSC) Division has expanded from its Counter at 201 N. Figueroa Street to a Valley Counter in Van Nuys, and most recently to a West Los Angeles Counter. The three locations provide increased access, greater convenience for developers and the public, as well as the opportunity for staff to become more knowledgeable about their area and hence, provide better service.

City Planning is developing standard operating procedures to ensure all matters are treated in the same way; for example, a Small Lot Subdivision or a Density Bonus is processed with the same horizontal consistency across the three geographic areas.

There are 39 Historic Preservation Overlay Zones (HPOZs). The Department is consolidating the Boards of three or four HPOZs into one, which may prove an efficiency. It, however, will remain important that the Boards reflect the neighborhoods of each HPOZ.

Funding/Savings/Efficiencies

More than three quarters of City Planning's expenses are funded by program fees. The Linkage Fee is being phased in and will fund affordable housing programs. Short term rental platforms have begun paying Transient Occupancy Taxes which are expected to increase once enforcement procedures are in place.

All new programs supported by application fees should pay for themselves. The cost of appeals by non-applicants should be factored into fees paid by original applicants.

The Department expects many of their initiatives will result in savings and efficiencies. Management anticipates the new E-Plan software program shared by City Planning and Building and Safety will save time and money. Expanding Development Services to both the Valley and West Los Angeles affords the opportunity for staff assigned to those areas to become more knowledgeable about the area and provide better, perhaps more efficient, service.

Reducing delays in hiring staff by funding two staff dedicated to hiring for the Planning Department should help in meeting goals for Community Plan Updates and ensure Departmental operations proceed smoothly. Motivating staff with an improved salary structure should enhance employee retention. Providing both opportunities and training in the Department's multiple divisions saves the cost of hiring and training new staff and assists in retaining institutional knowledge.

Creating a list of prequalified Consultants to prepare Environmental Impact Reports will streamline the process, saving processing time involving staff resources as well as reducing delays for applicants. Allowing sufficient time and staff to address detailed community characteristics is essential for an effective Community Plan process.

CONCLUSION

A cautionary note - Neighborhood Councils and stakeholders are rightly concerned that requirements for notification, effective input, public hearings, and appeal rights on the Restaurant Beverage Program and other land use matters may be rolled back. This would be in the name of potential efficiencies and cost savings for applicants. This is too high a cost for stakeholders and neighborhoods to pay. Stakeholders know their communities the best, and their input results in better projects, better development.

LOS ANGELES POLICE DEPARTMENT

Date of Meeting: November 13, 2018

ATTENDEES

Department: Chief Jon Peters, Lt. Sherri Egan, and Annemarie Sauer, Commanding Officer, Fiscal Operations Division

Budget Advocates: Jay Handal, Brandon Pender

RECOMMENDATIONS

- Fund 58 civilian staff for phase one replacement and Public Records Act retrieval (1)
- Fund 54 additional sworn personnel for the HOPE unit (2)
- Fund \$43.5 million additional overtime dollars (3)
- Fully fund the opening of the Harbor Jail (4)
- Fully fund 26 new property officers (4)
- Form and fund a dedicated personnel department (5)
- Form and fund a cannabis investigation division (6)
- Review and fund an overhaul of the LAPD IT systems (7)
- Allow LAPD management to manage its annual budget independently of the City Council (8)
- Fully fund 2,500 additional sworn officers to a total of 12,500 (9)

DISCUSSION

The Police Department is charged with the public safety of the City's 4 million-plus people, performing all related duties. The ability to fully staff with limited overtime and a "DROP" program will hamper the ability of this Department in the future to fully protect and to serve its citizens. This is already being reflected by the closing of Police divisions at night, and the lack of available units to respond to calls in a timely manner.

The following paragraphs expand upon the Recommendations:

1) LAPD Civilian Employees:

The Department is requesting an additional thirty-eight (38) civilian staff personnel for phase one replacement, and requesting another twenty (20) civilian employees for Public Records Act (PRA) requests. These duties should not have to fall to the sworn personnel to perform.

2) Homeless Outreach Proactive Engagement (HOPE):

The Department currently has fifty-four (54) dedicated personnel for that unit, pulled from patrol. However, they're requesting an additional fifty-four (54), as the current team needs reinforcement to be effective.

3) LAPD overtime allotment:

This line item is grossly underbudgeted. LAPD is requesting an additional \$43.5 million to be added to its core basic budgetary request, to be granted in its entirety and not piecemeal. This will allow the Department the discretion to spend its budget as needed, as opposed to deferring to the City Council's distribution of funds in its lottery style of disbursements. In addition, there are budget carveouts affecting overtime:

- a) Human trafficking
- b) MacArthur Park details
- c) Vision Zero

4) The LAPD Harbor Station and Jail Complex:

This is a recently built two-story police station with a 16,000 square foot jail module and separate 400-space parking garage and a vehicle maintenance and refueling facility. The Harbor Station's officers serve the communities of San Pedro, Wilmington, Harbor City and Harbor Gateway. Fully funding and opening this property will save countless hours of travel and allow more officers to return to the streets when booking.

In addition, the Department urgently needs an additional 26 property officers (1 in each division) to supplement the booking of property, allowing the arresting officers to resume patrol duties more quickly and putting more officers on the streets.

5) LAPD Recruitment:

Currently the LAPD does not have its own personnel department like LAFD and the City Attorney's Office. Since the Department has to go through the process of training selected candidates who are first vetted through the City's hiring prerogative, the Department should be allowed the privilege of directly shepherding qualified candidates, thus shouldering the accountability of choice and more responsibility.

An LAPD personnel department similar to the one that the City Attorney has should be seriously considered in the very near future.

6) Dedicated Tax Revenue From Marijuana Shops Earmarked To Further Fund LAPD Pot Shop Compliance Enforcement:

More sworn officers are needed to investigate, patrol and administer field compliance and enforcement. This is currently handled on an overtime basis but needs to be handled on regular duty. The Budget Advocates recommend funding a Cannabis Investigation/Compliance/Enforcement Unit for Citywide interaction, funded by marijuana taxes and revenues.

7) Tech

Currently the administration building computers are an average of 9 years old, and most cannot take advantage of new and improved software. The Department needs:

- a) To overhaul its records management system
- b) Life cycle replacement
- c) Replacement of in-car and body cameras
- d) To fully fund its contractual obligations (i.e., to Microsoft)

8) Budget Management

While the City Council allots a budget for the Police, the Council restrains the budget and piecemeals it to the Department. The Department should be allowed to manage its budget internally.

9) Officers

Currently, the Department has fewer than 10,000 sworn officers. New York City has many more officers and resources in a much smaller geographic area. The City should immediately fund an increase to 12,500 officers, and then continue to build staffing as the City gets closer to the Olympics.

Revenue

Last year, LAPD received \$1.7 billion. This year, the Department is requesting approximately the same amount, although the Mayor and the current state of fiscal affairs in Los Angeles dictate that Departments should do more with less.

CONCLUSION

In summary, several critical inefficiencies are created by not fully funding the Department. This Department is at the very heart of core City services, but is not given the tools to properly fulfill its mission.

While the Mayor came into office using the catchphrase “Back to Basics,” it is apparent that the lack of manpower, lack of proper technology, lack of authority over its own budget, and failure on the part of the City to properly plan all cause this Department to constantly chase itself into a hole, causing stress on the job, potential for error, and hundreds of hours of lost patrol that could endanger the citizens. The Budget Advocates recommend a full review of the City’s spending habits, and that the City refocus its revenues on core services to protect its citizens.

LOS ANGELES POLICE PROTECTIVE LEAGUE

Date of Meeting: November 11, 2018

ATTENDEES

LAPPL: Robert Harris, Director LAPPL, Dustin DeRollo, Director LAPPL

Budget Advocates: Jay Handal, Brandon Pender, Jamie Tijerina

RECOMMENDATIONS

- Fund 58 civilian staff for phase one replacement and Public Records Act retrieval (1)
- Fund 54 additional sworn personnel for the HOPE unit (2)
- Fund \$43.5 million additional overtime dollars (3)
- Fully fund the opening of the Harbor Jail (4)
- Fully fund 26 new property officers (4)
- Form and fund a dedicated personnel department (5)
- Form and fund a cannabis investigation division (6)
- Review and fund an overhaul of the LAPD IT systems (7)
- Allow LAPD management to manage its annual budget independently of the City Council (8)
- Fully fund 2,500 additional sworn officers to a total of 12,500 (9)
- Fully fund civilian hiring to its proper level
- Fully fund overtime to its proper level
- Obtain a transparent budget from the City
- Expand the Risk Management Health Program to the entire LAPD work force

DISCUSSION

The Police Department is charged with the public safety of the city's 4 plus million people, performing all related duties. The ability to fully staff with limited overtime and a "DROP" program will hamper the ability of this Department in the future to fully protect and to serve its citizens. This is already being reflected by the closing of Police divisions at night, and the lack of available units to respond to calls in a timely manner.

The LAPPL is the union representing the Department's employees.

The first nine (9) of the Budget Advocates' Recommendations are the same as those for the Police Department:

1) LAPD Civilian Employees:

The Department is requesting an additional thirty-eight (38) civilian staff personnel for phase one replacement, and requesting another twenty (20) civilian employees for Public Records Act (PRA) requests. These duties should not have to fall to the sworn personnel to perform.

2) Homeless Outreach Proactive Engagement (HOPE):

The Department currently has fifty-four (54) dedicated personnel for that unit, pulled from patrol. However, they're requesting an additional fifty-four (54), as the current team needs reinforcement to be effective.

3) LAPD overtime allotment:

This line item is grossly under-budgeted. LAPD is requesting an additional \$43.5 million to be added to its core basic budgetary request, to be granted in its entirety and not piecemeal. This will allow the Department the discretion to spend its budget as needed, as opposed to deferring to the City Council's distribution of funds in its lottery style of disbursements. In addition, there are budget carve-outs affecting overtime:

- a) Human trafficking
- b) MacArthur Park details
- c) Vision Zero

4) The LAPD Harbor Station and Jail Complex:

This is a recently built two-story police station with a 16,000 square foot jail module and separate 400-space parking garage and a vehicle maintenance and refueling facility. The Harbor Station's officers serve the communities of San Pedro, Wilmington, Harbor City and Harbor Gateway. Fully funding and opening this property will save countless hours of travel and allow more officers to return to the streets when booking.

In addition, the Department urgently needs an additional 26 property officers (1 in each division) to supplement the booking of property, allowing the arresting officers to resume patrol duties more quickly and putting more officers on the streets.

5) LAPD Recruitment:

Currently the LAPD does not have its own personnel department like LAFD and the City Attorney's Office. Since the Department has to go through the process of training selected candidates who are first vetted through the City's hiring prerogative, the Department should be allowed the privilege of directly shepherding qualified candidates, thus shouldering the accountability of choice and more responsibility.

An LAPD personnel department similar to the one that the City Attorney has should be seriously considered in the very near future.

6) Dedicated Tax Revenue From Marijuana Shops Earmarked To Further Fund LAPD Pot Shop Compliance Enforcement:

More sworn officers are needed to investigate, patrol and administer field compliance and enforcement. This is currently handled on an overtime basis but needs to be handled on regular duty. The Budget Advocates recommend funding a Cannabis Investigation/Compliance/Enforcement Unit for Citywide interaction, funded by marijuana taxes and revenues.

7) Tech

Currently the administration building computers are an average of 9 years old, and most cannot take advantage of new and improved software. The Department needs:

- a) To overhaul its records management system
- b) Life cycle replacement
- c) Replacement of in-car and body cameras
- d) To fully fund its contractual obligations (i.e., to Microsoft)

8) Budget Management

While the City Council allots a budget for the Police, the Council restrains the budget and piecemeals it to the Department. The Department should be allowed to manage its budget internally.

9) Officers

Currently, the Department has fewer than 10,000 sworn officers. New York City has many more officers and resources in a much smaller geographic area. The City should immediately fund an increase to 12,500 officers, and then continue to build staffing as the City gets closer to the Olympics.

The following additional recommendations have been made for the LAPPL:

Overtime

The City is relying on its overtime pay to LAPD for special details including human trafficking, marijuana shop closures, Vision Zero, as well as major emergencies like the fires just experienced. Overtime is seriously understated in the budget annually. A TRUE FIGURE SHOULD BE FACTORED INTO THE BUDGET TO ENSURE PUBLIC SAFETY.

Transparent Budgeting

The City bills various events and agencies for LAPD services, but the amounts billed are not the amounts replaced into the LAPD budget. The LAPD should be fully reimbursed for any and all services provided, including but not limited to the L.A. Rams and the Metro contract.

DROP

The LAPPL has been instrumental in restructuring the DROP program (the program by which retiring officers may be paid their retirement and salary simultaneously for 5 years). The new amended program begins 2/1/2019 and it is anticipated to save \$12 million per year.

80R Workers Compensation Reform

This program, again supported by the Union leadership, is a no work, no pay revision. It is anticipated to save millions. The first anniversary of its launch will be May 2019. Savings for the year will be calculated then to determine its success.

Risk Management Health Program

This program should be expanded to cover the entire LAPD work force. Currently 250 sworn officers participate in this program in a pilot test. They are monitored for weight, blood pressure,

and heart rate. The program has shown success in having healthier, more efficient officers, causing less sick and leave time.

Additional discussion:

Revenue

Last year, LAPD received \$1.7 billion. This year, the Department is requesting approximately the same amount, although the Mayor and the current state of fiscal affairs in Los Angeles dictate that Departments should do more with less.

CONCLUSION

In summary, several critical inefficiencies are created by not fully funding the Department. This Department is at the very heart of core City services, but is not given the tools to properly fulfill its mission.

While the Mayor came into office using the catchphrase “Back to Basics,” it is apparent that the lack of manpower, lack of proper technology, lack of authority over its own budget, and failure on the part of the City to properly plan all cause this Department to constantly chase itself into a hole, causing stress on the job, potential for error, and hundreds of hours of lost patrol that could endanger the citizens. The Budget Advocates recommend a full review of the City’s spending habits, and that the City refocus its revenues on core services to protect its citizens.

DEPARTMENT OF RECREATION AND PARKS

Date of Meeting: October 30, 2018

ATTENDEES

Department: Michael A. Shull, General Manager; Noel Williams, CFO

Budget Advocate: Jamie Tijerina

Additional Attendee: Neighborhood Councilmember Kathy Schreiner, Van Nuys NC

RECOMMENDATIONS

- Upgrade, modernize, and provide for the future improvement of pools and recreation facilities throughout the City
- Offer more robust subsidized fitness programs and classes for both children and adults throughout the city
- Keep pools open all year round in the City
- Expand the SwimLA program to offer year round competitive aquatics throughout the City
- Increase the number of park rangers in the City
- Open more park ranger stations throughout the City
- Clarify LAPD and park ranger responsibilities and assure that they are being met by the appropriate City entity
- Increase the number of maintenance staff to perform the necessary maintenance of park bathrooms and facilities

DISCUSSION

The mission of the Department of Recreation and Parks is to “enrich the lives of the residents of Los Angeles by providing safe, welcoming parks and recreation facilities and affordable, diverse recreation and human services activities for people of all ages to play, learn, contemplate, build community and be good stewards of our environment.”

Goals vs. Financial Need

Between regions, there is much commonality with regard to the challenges that require attention. The goals of the Department are very much in line with the needs of the various communities in Los Angeles, but the Department faces both budgetary and systemic challenges in achieving those goals.

Park Rangers: Staffing

It is critical that the Department increase the number of Park Rangers in the City. Progress has been made, as the number of Rangers has more than doubled from a starting number of 20 to currently 45. However, systemic and procedural hurdles present a challenge in increasing these numbers and keeping pace with community need.

Attrition during the recruitment process is a significant barrier. Park Rangers require not only technical training, but they must also undergo the same background checks and training as LAPD recruits. The screening process for LAPD recruits is rigorous. Inability to pass background screenings is a major contributor to the high attrition during the process. The process is also very lengthy. It can take a new recruit at least one year to successfully complete the process from start to finish. The LAPD is also working on efforts to expedite this process, as it is impairing their ability to keep up with their own recruitment goals.

Park Rangers: Facilities

There is a need for more Park Ranger stations to be built throughout the City. Currently, there are plans to build stations, one each in South Los Angeles and Venice.

Park Rangers: Tasks

LAPD and Park Rangers have overlapping responsibilities to ensure that public property is available for fully shared use among all members of a community. This means that there should be good communication between LAPD and Park Rangers as to their roles.

Facilities: Maintenance Staff

It has been a challenge for the Department to find enough workers to perform maintenance work, especially pertaining to fixing vandalism and maintaining cleanliness. Busier parks need more frequent maintenance than others, and this need is made greater by the affordable housing and homelessness crisis in the City. A heavily utilized restroom on Venice Beach would require more maintenance staff than a smaller park with less foot traffic to maintain an appropriate level of cleanliness for visitors.

Facilities: Repair and Modernization

Plans are currently in progress to update (and ensure the ability for continued improvements) recreation facilities and pool facilities all over the City. However, funding is a major challenge in beginning and completing these upgrades. Support and attention from the community and the Budget Advocates to ensure that City leaders prioritize allocating funds to such efforts could be helpful in ensuring that upgrades can be completed in the timeliest manner possible.

Staffing: Recruitment

A specific area of difficulty highlighted by the Department, and observed by communities, is a need for additional staff. In order to implement more programming and effectively serve the communities at the highest level, the Department must aggressively seek out potential future employees. Given the crisis of affordable housing in the City, as well as the high cost of health care and overall living expenses, the Department needs to assure that it is offering competitive salaries and benefits packages as well as scheduling opportunities for employees.

Suggestions for dramatically increasing recruitment numbers include: targeting STEM graduates nationwide for Park Ranger roles; organizing recruitment fairs and town halls throughout the City to create awareness of open jobs and allow for in-person applications and interviews; utilizing social media marketing to find job seekers and career changers; and creating video campaigns to highlight jobs available with the Department in order to increase awareness of these positions.

Programming

With the Olympics coming to Los Angeles in 2028, the City's leaders must utilize funding to make genuine investments in ensuring that the Department of Recreation and Parks has the resources it needs to promote wellness and opportunity for Angelenos. It is unfair to the City's children to have an Olympic Games set to come to the city, but to have insufficient access to the facilities and training needed to one day have a chance to participate in those games.

The SwimLA program has been successful and well received. However, the next logical step to expanding this positive program would be to begin offering affordable competitive teams that operate year round.

Parents also lack sufficient opportunities to engage in competitive sports. Giving children the opportunity to see their parents thriving through organized sports and activities would create a positive environment throughout the City. The health benefits of physical fitness would also help restore economic power for individuals suffering from conditions such as Type 2 Diabetes. According to the American Diabetes Association, "people with diagnosed diabetes incur average medical expenditures of \$16,752 per year, of which \$9,601 is attributed to diabetes." Giving people the tools to fight off health conditions such as this will help restore not only community health but also community economic power.

Priority should always be given to ensuring that communities' needs for safe, up-to-date facilities with good hours and robust programming, are met. Angelenos need to be provided with access to opportunities and resources so that they can thrive. Funding basic needs for community health, wellness, and safety must be prioritized highly by City leaders.

CONCLUSION

The priorities of the Department overall seem very much in line with the specific concerns that the delegation brought up on behalf of stakeholders and the Budget Advocates. It is critical that the City's leaders place the budgetary needs of the Department of Recreation and Parks at the highest level of priority because the wellness of the people of our City is of the utmost importance. Idle funds should also be pursued as a funding source to update facilities or for programming. Assuring that the Department is given the funds and support it needs to continue addressing these priorities will be critical. Finally, the City must continue to address the root causes of homelessness so that our neighbors have the shelter they need and do not find themselves in a situation where local parks are their only chance at safe refuge.

BUREAU OF SANITATION
Administration / Financial Concerns / Homelessness

Date of Meeting: October 30, 2018

ATTENDEES

Department: Enrique Zaldivar, General Manager; Lisa Mowery, Chief Financial Officer
Budget Advocates: Liz Amsden, José Orozco Pelico, Glenn Bailey

Since the Bureau of Sanitation covers a number of distinct areas, there are now three separate reports addressing (a) Administration / Financial Concerns / Homelessness, (b) Solid waste and RecycLA, and (c) Stormwater / Green and Sustainability Issues.

RECOMMENDATIONS

- Support most effective payment collection approach
- Continue to provide the City Council with five-year forecasts for Special Fund projects underlining the long term savings from these investments
- Continue their Roadshow, and work through police Senior Lead Officers (SLOs), Neighborhood Councils, ads on trucks, etc. to educate public on issues
- Continue to explore internships through EWDD and colleges
- Continue to work on liability reduction
- Strongly support the Bureau’s request for 4 administrative clerks to sustain the efforts of the HOPE (Homeless Outreach Proactive Engagement) Teams and Clean Streets teams
- Engage with the City’s Homeless Strategies effort and other programs to anticipate and mitigate problems with homeless encampments, couch-surfers and people living in cars and trailers

DISCUSSION

Overview

The Los Angeles Bureau of Sanitation (“LA San”) has approximately 3,300 authorized positions, of which approximately 2,800 are active employees, and an annual revenue budget of over \$1 billion. The vast majority of their budget is derived from customer billings and Special Funds (funds the City sets aside for specific purposes that cannot be tapped for General Fund uses) with only a small percent, primarily used for homelessness-related services, coming from the City’s General Fund. As well as its traditional sewage and solid waste responsibilities, LA San is charged with cleaning up homeless encampments and dumped materials throughout the City, some items potentially dangerous to people or the environment.

Finance

Since LA San obtains much of its funding through billing of customers, they are working on the most cost-effective way to process payments and, at a time when cybercrime is increasing, making the process easier and more secure.

Given the fact that capital investments will benefit several generations of Angelenos, this is a time to identify projects with documentable benefits and link them with existing Special Funds while the costs of financing are still low.

For example, recent improvements to LA San's IT infrastructure provides the accurate data needed to inform decision-making on proper maintenance and upgrades to limit the high costs of emergency reaction to equipment failures and other system problems.

Expanding customer education and resolving RecycLA implementation issues led to a spike in office, administration and printing costs last year, a relatively small amount to smooth the transition and educate customers.

Outreach

Last year the Budget Advocates suggested that LA San improve their outreach and consultation with Neighborhood Councils and stakeholders. The Budget Advocates commend the Department on its LA Sanitation and Environment Roadshow video and taking it to Council Districts and neighborhoods.

Signage on garbage trucks can help spread information on time-sensitive issues, including alerting Angelenos to a change in state law passed in September (AB 2115) which will impose regulations similar to those on passing school buses to passing stopped garbage trucks starting in 2020.

Jobs

LA San faces a continuing challenge from LADWP and the private sector which can and do pay more and offer better benefits for engineers and other technical positions. It is essential for the Department to double down on retention so that the training and institutional knowledge of key staff is not lost. The Budget Advocates encourage them to continue to attract workers through a variety of approaches, including apprenticeship programs, partnerships with community colleges, participation in the City's Summer Youth Program, and expanding the employee pool through nationwide online recruitment.

The City must work with LA San to revise its policies to ensure attracting more appropriately-qualified candidates, that part-time people who have already proven themselves to the Department can be transitioned to full-time expeditiously through a streamlined Civil Service training, and that capable personnel who are test-challenged or have language issues are not held back for reasons that have little bearing on their ability to do the job.

Risk management

LA San's risk manager should continue to work direct and indirect ways to reduce liability claims, as such costs are unpredictable and settlements can set precedent for future pay-outs. Part of that includes educating both their workers and stakeholders on what constitutes appropriate conduct – if people are aware of what should be done (safely passing stopped trucks, installation of back-flow valves), they will have far less of a claim against the City if things go wrong.

Homelessness

Agencies report a first-time decrease in people living on the streets of Los Angeles but, in their day-to-day work, LA San does not see a reduction in the homeless population. With life on the streets becoming entrenched in some parts of the City and ballooning in others, the bigger picture needs to be addressed on a political level.

In the meantime, the HOPE teams composed of LA San and LAPD personnel try to get people off the streets and into housing – but there needs to be supportive housing available. And the Clean Streets Teams continue to address the conditions that led to the recent typhus outbreak. Their cleanliness assessment system helps them address the areas of highest need and allocate services, but this is still insufficient to meet the needs of all neighborhoods. Trained and experienced administrative staffing is needed to ensure the teams work efficiently. They should also help with feeding data back to the Mayor's Homeless Strategies effort. Homeless Strategies needs to focus on the issues those on the streets face – whether in encampments or in cars or couch-surfing.

CONCLUSION

The Budget Advocates encourage LA San to continue to prioritize the needs of its customers, adopt a fiscally conservative approach that embraces change, expand innovation, and track accountability. LA San should encourage the City and County to emphasize a more integrated approach to homelessness wherein LA San's responsibilities can become part of a solution rather than a series of Band-Aids. Furthermore, budgets must be based on a realistic assessment of the current and future needs of both the City and its stakeholders and should not be tied to past budget numbers or political tampering.

BUREAU OF SANITATION
Solid Waste and RecycLA

Date of Meeting: October 30, 2018

ATTENDEES

Department: Enrique Zaldivar, General Manager; Lisa Mowery, Chief Financial Officer
Budget Advocates: Liz Amsden, José Orozco Pelico, Glenn Bailey

Since the Bureau of Sanitation covers a number of distinct areas, there are now three separate reports addressing (a) Administration / Financial Concerns / Homelessness, (b) Solid waste and RecycLA, and (c) Stormwater / Green and Sustainability Issues.

RECOMMENDATIONS

- Aggressively pursue a shift to smaller black bins with reduced charges to encourage waste reduction driven by consumers
- Incentivize RecycLA franchisees to, upon request, provide green waste bins at no charge to their customers
- Pressure the City Attorney to use recordings from the pilot camera surveillance program to aggressively pursue and fine those guilty of illegal dumping
- Support request for more drivers to expand bulky item pick up
- Coordinate with multi-person buildings for end of month (renter move-outs) pick-ups

DISCUSSION

Overview

The Los Angeles Bureau of Sanitation (“LA San”) has approximately 3,300 authorized positions, of which approximately 2,800 are active employees, and an annual revenue budget of over \$1 billion. The vast majority of their budget is derived from customer billings and Special Funds (funds the City sets aside for specific purposes that cannot be tapped for General Fund uses) with only a small percent, primarily used for homelessness-related services, coming from the City’s General Fund. As well as its traditional sewage and solid waste responsibilities, the latter recently expanded under RecycLA, LA San also oversees important environmental and infrastructure programs including the City's Clean Water (sewage collection and treatment) program, the Solid Resources program, and the Watershed Protection program. Some of these are mandated by the state or federal governments; others are programs developed by LA San to put them on the cutting edge of waste management. The Bureau appears to be well-managed and proactive, both in addressing day-to-day operations and in planning for the future.

Solid Waste

Last year, the CAO advised the Budget Advocates that they would not encourage smaller black bins at reduced cost because people would just use their neighbors' bins or resort to illegal dumping. This is a spurious argument – people across the City want smaller bins and want to be rewarded with smaller payments because they are recycling and cutting back on waste and already don't use their existing capacity.

LA San currently supplies smaller bins but charges the same amount, so it is not an issue of retooling equipment. By offering a significantly reduced rate for the smaller bins, they would incentivize more people to cut back on what they throw out, either by recycling or choosing not to buy over-packaged products. Growing consumer demand does lead to change: manufacturers could be encouraged to reduce packaging and move away from single use products.

Furthermore, the CAO also told the Budget Advocates that the Bureau of Sanitation provides free green-waste services, but this is NOT completely true. Residential customers have had green pails from LA San for years but RecycLA providers can and DO charge, far too much. This must change and must be implemented by the City to ensure RecycLA provides condo and business-owners with the same amenities as LA San does for residential dwellers.

RecycLA

This program promoted by the City Council had a very rough start due to unrealistic expectations all around, but has improved in both services and communications with their customers. However, the Bureau still needs to provide strict oversight to ensure that businesses and multi-unit housing are afforded equal or equivalent services to LA San's residential customers. LA San's RecycLA Stars program works with the service providers to award stars to business and apartment owners who have been proactive in effectively educating their customers, demonstrating efficient ways to reduce waste and increase recycling, including contributions to landfill diversion through better food recovery, changing materials sourcing, and composting. The Budget Advocates support this, and request that LA San increase the publicity on these awards to help spread best practices throughout the City.

Furthermore, LA San needs to address oversight of the franchisees to ensure proper handling of all forms of waste and to ensure that toxins and particulate matter do not pollute our air or enter our water, and that light and noise from operations does not impact neighbors or create an urban blight. Penalties need to be significant and swift to protect stakeholder interests.

Bulky Items/Dumping

LA San needs to vigorously pursue enforcement based on the recordings from the pilot camera surveillance program with the City Attorney for the program to be effective. Success will not only create income but reduce expenses by inhibiting future dumping.

The Budget Advocates encourage LA San's tech gurus to improve efficiency by coordinating with landlords on the end-of-month pick-ups which coincide with renters moving out of and into multi-unit buildings.

The threat of fines combined with ongoing outreach has led to an uptick in bulky item pick-up requests; to service these, the Department needs more drivers. The Budget Advocates strongly support that, with the caveat that the City take steps to address the impact moves have on solid waste, from bulky items to empty boxes to the dumping of food and medicine, with the goal of improved education and enhanced recycling.

CONCLUSION

LA San should continue to seek out innovative approaches from around the world to incorporate into its long term planning, and move forward expeditiously on those projects which are applicable to Los Angeles. LA San's progressive plans as regards the City's water and garbage should be included in its budget requests moving forward. Furthermore, its budgets must be based on a realistic assessment of the current and future needs of both the City and its stakeholders and should not be tied to past budget numbers or political tampering.

BUREAU OF SANITATION
Stormwater / Green and Sustainability Issues

Date of Meeting: October 30, 2018

ATTENDEES

Department: Enrique Zaldivar, General Manager; Lisa Mowery, Chief Financial Officer
Budget Advocates: Liz Amsden, José Orozco Pelico, Glenn Bailey

Since the Bureau of Sanitation covers a number of distinct areas, there are now three separate reports addressing (a) Administration / Financial Concerns / Homelessness, (b) Solid waste and RecycLA, and (c) Stormwater / Green and Sustainability Issues.

RECOMMENDATIONS

- Promote the development of local recycling plants and markets
- Ensure green waste bins for RecycLA customers at no cost as requested
- Explore other markets for green waste
- Pursue education of businesses, condo associations, consumers
- Continue to address organics recycling
- Work with LADWP on smart landscaping
- Expand smart approach to disposal by working with BIDs (Business Improvement Districts)
- Reduce the Southland's reliance on imported water by expanding water capture and recycling and increasing effective water conservation by residents, businesses and the City
- Continue to build sustainability and resilience in the face of climate change, economic swings and potential natural and manmade disasters

DISCUSSION

Overview

The Los Angeles Bureau of Sanitation ("LA San") has approximately 3,300 authorized positions of which approximately 2,800 are active employees, and an annual revenue budget of over \$1 billion. The vast majority of their budget is derived from customer billings and Special Funds (funds the City sets aside for specific purposes that cannot be tapped for General Fund needs) with only a small percent, primarily used for homelessness-related services, coming from the City's General Fund. As well as its traditional sewage and solid waste responsibilities, LA San also oversees important environmental and infrastructure programs including the City's Clean Water (sewage collection and treatment) program, the Solid Resources program, and the Watershed Protection program. Some of these are mandated by the state or federal governments; others are programs developed by LA San to put them on the cutting edge of waste management. The Bureau appears to be well-managed and proactive, both in addressing day-to-day operations and in planning for the future.

Recycling

One of the current challenges facing LA San is the need to revamp their recycling approach in the aftermath of China's ban on recyclables. The ban has seen the bottom line on that sector swing from \$5 million in income to a cost of \$10 million. The Budget Advocates suggest the Bureau take this as an opportunity to increase efficiency and to work with the City to facilitate the development of local businesses, both to handle the workflow from trash to usable products and to use their output to manufacture goods needed by customers in Los Angeles and elsewhere. Furthermore, they can use their existing water, power, real estate and other resources to leverage synchronistic economic growth for the City and increase resilience for the greater LA area.

The Budget Advocates ask that the City and LA San aggressively source more and better markets for green waste, perhaps including the recycling of fibrous materials, since currently green waste costs \$38/ton vs \$34/ton for landfill dumping.

These green waste costs may be a factor in the RecycLA providers not offering it for free to its customers (green bins are included in the solid waste fee for LA San's residential customers). This must be addressed to slash the amount of green waste going to landfills, especially from the many townhouse and apartment complexes across the City. The Budget Advocates recommend LA San investigate a combination of attracting businesses which can use this as raw material, and better quality composting which will improve the demand from stakeholders upset by finding over-large chunks, broken glass, and other potentially hazardous materials in what they receive. Further, LA San should source synchronistic suggestions from other sources.

RecycLA got off to a rocky start with a lot of finger-pointing, but it is incumbent on all parties to focus on improving the service at all levels including requiring RecycLA franchisees to provide free green recycling to their customers (over 80% of whom believed they were to receive green bins at no cost). As well as diverting waste from landfills, this would discourage paving over for cost purposes existing water permeable green spaces and removal of much-needed tree canopy. In the face of these changes, it is encouraging that LA San is willing to take on the challenge of holding on to and expanding the culture of recycling that it has worked hard to develop in its customers.

The Budget Advocates encourage LA San to continue working with BIDs on selling aesthetically pleasing ALBs (automated litter bins) across the City, expanding its green accreditation program, and partnering with companies to seed and spread best ideas, as well as working with other City departments to ensure that new and expanding businesses improve their disposal practices.

Sustainability

The Budget Advocates encourage LA San to continue its work on moving local manufacturing to more sustainable processes by expanding on the Clean Up, Green Up initiative and aggressively promoting the implementation of the best results under their green accreditation program, working through other government entities to provide the seed money to spread successes such as the Sofitel's investment in ORCA, a system that diverts tons of food waste from landfills.

Water is a valuable commodity in southern California, where the Los Angeles Aqueduct was immortalized in the movie “Chinatown” for bringing water from the Owens Valley to Los Angeles to drive the explosive growth of the City’s population, agriculture and industry a hundred years ago. Today Northern California along with the Colorado River system and the Owens Valley supply most of the City’s needs through an aqueduct system, with water management spread out across a number of different entities including the State, LA County, LADWP and LA San. Given the vulnerability of the City’s water infrastructure to earthquakes or other natural disasters or terrorist acts, the City must move towards local sustainability through enhancement of secondary water sources and tertiary water use, expedited improvement of storm water reclamation, development of improved desalination technology, repurposing of the City’s reservoirs, and increased efficiencies at individual, business and City levels. Given the amount of sewage the City’s residents and businesses produce, its collection and treatment is a priority, both to reclaim water as well as to limit the likelihood of spreading bacteria and disease throughout Los Angeles.

Together the City’s Emergency Management Department, LADWP, LA County, LA San and all people living and working in the greater SoCal area must plan for the worst if the City and its people are to successfully overcome the crises Los Angeles will face in years to come, including earthquakes, wildfire management, terrorist threats, and insurrection.

And, moving forward, LA San must take the initiative to work with all other entities on issues where jurisdictions intersect. If runoff is an issue in the hills, if LA County will be taxing non-permeable surfaces, if RecycLA customers pave over parkland to avoid paying for green bins, if LADWP rewards customers for putting in plastic grass, if there are no LA-based contractors for residential permeable paving... What next?

CONCLUSION

LA San should continue to seek out innovative approaches from around the world to incorporate into its long term planning, and move forward expeditiously on those projects that are applicable to Los Angeles. The Bureau should develop and provide the Budget and Finance Committee with best-case/worst case scenarios for innovative strategies necessary for the City’s continued successful growth and survival in the face of growth, drought and climate change.

The Budget Advocates encourage LA San to continue to prioritize the needs of its customers, and adopt a fiscally conservative approach that embraces change, expands innovation, and tracks accountability.

In a rapidly changing world, especially one where sustainability, resilience, the remediation of air and water pollution and rectifying climate change have become imperatives, LA San’s progressive plans regarding the City’s water and garbage should be included in its budget requests moving forward. Furthermore, its budgets must be based on a realistic assessment of the current and future needs of both the City and its stakeholders and not on past budget numbers or political tampering.

BUREAU OF STREET LIGHTING

Date of Meeting: November 2, 2018

ATTENDEES

Department: Megan Hackney, Assistant Director; Kerney Marine, Assistant Director
Budget Advocate: Joanne M. Yvanek-Garb

RECOMMENDATIONS

- Create a position for a FUSE Fellow to work on the 5-year Smart City strategic plan
- Hire at least 1 dedicated crew to replace stolen copper wiring
- Create new job classifications to replace employees due to turnover and retirement
- Hire 10 new field staff positions
- Hire a new Senior Analyst to manage co-locations

DISCUSSION AND ISSUES

The Bureau is responsible for the system operation, maintenance and repair of LA's streetlights, including light failure, post damage and vandalism. It is responsible for designing and constructing the system, as well as rehabilitating or replacing older deteriorated lighting. The coordination of processing all street lighting maintenance assessments as well as updating is within its purview, plus the general administration and support for the executive, technical and administrative areas of the Bureau.

The Bureau of Street Lighting has moved into the 21st century. Currently, the Bureau maintains about 219,000 streetlights and has over 400 different styles ranging from modern to ornate and/or historic. The old bulb system streetlights are being replaced with LED lights, saving the city \$9,000,000 in electricity costs. The Bureau's operations are funded entirely through Special Funds (rather than the General Fund).

A major issue is the theft of copper wire and power, which has become very expensive. Such theft creates not only a safety and liability issue, but can overload the system causing outages and damage to the wires and street lighting infrastructure. The result can be a lengthy period of light outages and repair times. Crews scheduled to work on regular maintenance or emergency projects are now being deployed to work on poles that have been subject to copper wire or power theft. At least one dedicated crew for replacement and repair is desperately needed.

There are about 15,000 high voltage underground circuits with high energy inefficient lamps. At the rate of 5,000 high voltage lights per year the project is scheduled for completion in fiscal year 2020-2021.

There are 2 new major programs: Co-location services and the Smart City program. In the co-location program, small cell antennas and cabinets for communication devices are now being co-located on standard design light poles, with the cell companies leasing the poles throughout the

City. If required, the work could involve the replacement of poles, installation of larger and stronger foundations and, when necessary, the rewiring of circuits for higher capacity, or conversion from high-voltage to low-voltage. Similarly, EV chargers are being attached to light poles. There are currently 132 electric car chargers attached to City light poles, with an additional 150 to be added in 2019 and another 150 in 2020.

In the Smart City Program, sensors can be placed on the light poles to create smart hubs. These can include sensors to count pedestrians to better serve foot traffic in high volume areas, air quality monitors to determine air pollution, fire detectors, and sensors to determine if the streetlight is functioning or needs repair or replacement. All of this can be done by remote control.

Additional Personnel needs:

- All of these new programs will require additional personnel. Department employees are retiring or leaving, and their old job classifications need to be updated for all of the new technology.
- The 5-year Smart City plan and the Bureau's Strategic Plan require someone with special knowledge, such as a Fuse Fellow, to oversee the development and on-going management of these plans.
- The Bureau is now working with all 15 of the Council districts and the Neighborhood Councils and members of the general community. A service coordinator to work with the community, Council districts and Neighborhood Councils should be hired.

BUREAU OF STREET SERVICES

Date of Meeting: September 27, 2018

ATTENDEES

Bureau: Director Adel Hagekhalil; Assistant Directors Stephanie Clements, Greg Spotts, Keith Mozee, and Fred Mousavipour; Service Coordinator Veronica Maxwell; Division Managers Ming Gong (Methods & Standards), John Sapone (Resurfacing)

Budget Advocates: Tony Michaelis, Evelyn Valdez

Additional Attendee: Jane Demian, Eagle Rock stakeholder

RECOMMENDATIONS

- Make data available to the public broken down by project, documenting dollars spent, services provided, performance metrics and project schedules (existing and future) drilled down by Council District (CD), Neighborhood Council (NC) area and street
- Support budget requests to enhance and expand BSS planning efforts
- Support budget requests to improve and enhance the electronic data available on the BSS website
- Implement audit recommendations presented in the Controller's 2014 Report: "LA Street: The Road to the Future" and, specifically, analyze performance and associated costs for each component of the pavement preservation program
- Establish a Neighborhood Council Street Service Advisory Committee
- Increase funding for City tree management and maintenance
- Develop a comprehensive risk and liability reduction strategy
- Implement small area sidewalk repairs rather than wait for entire street funding which incorporates ADA curb changes
- Implement an alley repair program

DISCUSSION

Overview

The mission of the BSS is to provide quality street services in a timely and efficient manner and to create a more livable and sustainable City. BSS goals are to improve the quality of the street surface, maintain a safe, clean and green public right of way, and build streetscape improvements. Core Services are Pavement Preservation, Urban Forestry, Motorized Street Sweeping and Investigation/Enforcement.

Staffing: The largest employee program categories are Pavement Preservation (418), Street Improvement Construction (271), Street Tree and Parkway Maintenance (218), Maintaining Streets (200) and Street Sweeping (117).

The BSS' budget is \$173 million, mostly from Special Funds (General Fund \$36 million - 21%, Special Funds-\$137 million - 79%). The Special Fund money is from the following sources: Gas

Tax (\$58.5 million), Proposition A (\$2.2 million), Street Damage Restoration Fee (SDRF) (\$23.2 million), Stormwater Pollution Abatement Fund (\$5.5 million), Measure R Local Return (\$25 million), Proposition C (\$8.5 million), Sidewalk Repair Fund (\$8.5 million), and Measure M Local Return (\$5.7 million).

The expenses of the various BSS programs are: Pavement Preservation-\$93 million (55%), Street Improvement Construction-\$18 million (11%), Maintaining Streets-\$17 million (10%), Street Tree and Parkway Maintenance-\$19.7 million (9%), Street Sweeping-\$12 million (7%), General Admin-\$5 million (3%), Investigation/Enforcement-\$5 million (3%), and Street Improvement Engineering-\$4 million (2%).

Issues

Sources of Funds: Special Funds are considered more stable and preferable to the General Fund, so the current distribution of 79%/21% is positive. Although delayed, it is expected that the SDRF will be approved shortly and will not have a significant negative effect on operations. In addition, other aspects of the SDRF will encourage utilities to be more cooperative and should improve service efficiency and operations, such as the need to determine if the LADWP construction holds for selected streets are accurate. In addition, SDRF may enable better coordination with private companies like Verizon.

Data Concerns: Budgets and the BSS website provide high level data which looks interesting but does not allow for cost effectiveness analysis, performance measurement or street by street repair status. It is important to be able to see detailed dollar and service allocation by Council District and Neighborhood Council area in order to understand how tax dollars are being spent, and to allow key stakeholders to provide input into the project decision-making process. BSS management acknowledged that data available is not optimal and will work to get usable data for NC's within 3-5 years.

FUSE Report: The Budget Advocates and dozens of Neighborhood Councils also endorse the 2017 FUSE report evaluating the state of street-related infrastructure programs in Los Angeles. BSS management expressed support for interdepartmental coordination and has taken proactive steps in this area.

Alley repair and maintenance: BSS management indicated that alleys are considered unimproved areas which usually are not funded and are considered a property owner's responsibility. As a result, small asphalt repair can provide some relief, but a more comprehensive approach is not available at this time. Alley funding comes from the General Fund.

Performance Metrics: These were reviewed and concerns were raised about the value of metrics listed in terms of service impact and the ability to view real time data in terms of transactional responsiveness. Again, the level of data and data systems offered limits the ability to properly evaluate City service performance. For instance, the public does not have access to Micro Paver street-specific recommendations or the Pavement Condition Index (PCI) data by street and Neighborhood Council area. The interactive website map does not provide individual PCI

percentages. There is no cost data for projects listed. The Monthly Committed Street Reports need to have data sorted by NC area and be in an electronically flexible format.

Pavement Preservation Metrics: Approximately 2,400 lane-miles have been resurfaced and slurry sealed. Assistant Director Keith Mozee provided a table showing lane-miles by Council district. Although that is helpful, there should be details on what projects were done, how the decision-making process was completed, and corresponding data, along with cost details. All of this should be electronically available on the BSS website. The interactive map on the website provides some of this information but not nearly enough detail. In addition, the Monthly Committed Street Reports are available on the website but cannot be sorted and needs to be looked at by NC/CD.

Overlay of concrete with asphalt resurfacing: This is the most cost-efficient and effective way to address concrete street repair vs. concrete patchwork based on resident opposition. Asphalt, if maintained properly can remain effective for 40 years. Sunset and Temple are concrete overlays. No overlay means higher costs and delays in replacement.

Innovation Initiatives: Director Hagekhalil is proposing a 3-Month Look Ahead Report and Report Back for Neighborhood Councils, a Neighborhood Advisory Committee to help guide and give input to Department activities, and an interactive work/performance dashboard. In addition, the Director requests support for Planning, a Health of Street Index, and other technologies which will enhance reporting.

Pothole Technology: Assistant Director Spotts reported on potholes. New technology has dramatically improved resident reporting, service efficiency and delivery. In dry months there used to be 500 requests per month, but now it is 2,000 per month due to MYLA311. There are 24 inspectors with tablets in the field who are responding to requests in real time and completing work within 1-3 days. About 10-12% of requests are not repairable as potholes and are referred to resurfacing. The NC Blitz pothole program started before new technology and is not really needed based on the success of the new system, but it is well liked in the neighborhoods. The success of both programs may result in more ala carte services (e.g. storm drain clearance).

Urban Forest Budget: Jane Demian, a stakeholder with the Eagle Rock Neighborhood Council attended the meeting with a particular interest in the Urban Forestry Budget (a term used to describe all City tree-related management and maintenance). Jane indicated that 55% of LA trees have been lost, and many mature trees are continuing to be removed due to sidewalk repair, disease and lack of maintenance, without replacement. Trees undergoing drought conditions which are not watered become more susceptible to disease. She represents a coalition which supports an increase in the Urban Forest Budget in order to address these concerns. She pointed to best practice programs in Seattle and Santa Monica which have preserved 90% of trees during sidewalk repairs. Assistant Director Stephanie Clements indicated that 53 tree-related staff were approved in the current fiscal year which will result in moving most tree-related work in-house, including 2 dead tree/stump crews and 1 pruning crew.

Assistant Director Greg Spotts provided a comprehensive overview of tree management as follows: The biggest loss of trees is due to disease and insects: in the thousands, compared to the

loss of approximately one hundred due to the sidewalk repair program. One new crew removed 1,100 dead trees and stumps in 2017-18, and 2 crews can do 2,000. The best practice is trimming every 5-7 years. There are about 700,000 trees in the City. To achieve the best practice, the BSS needs to trim 100,000 per year, but in the best-funded year, the BSS can do 35,000 tree trims per year. Emergency response is well-funded and most requests have a 1-day turnaround which resolves safety concerns but does not include cleanup (i.e., it takes up to 30 days for cleanup, log removal, etc. with a goal of 3 days). Jane noted that to mitigate the number of trees lost to disease requires that Urban Forestry be adequately funded to water and maintain street trees and strengthen them against disease. Keeping mature trees is the best practice. The options are to remove and replant new trees (2 to 1 replacement ratio or 4 to 1 for protected trees) or reconfigure the street. The Bureau of Engineering (BOE) manages the street repair program and BSS provides services. The 53 new staff have planted 500 new trees.

CONCLUSION:

BSS is emphasizing developing an ongoing collaborative relationship with Neighborhood Councils in an oversight and advisory capacity, which may improve the quality and quantity of services provided to the neighborhoods.

DEPARTMENT OF TRANSPORTATION

Date of Meeting: October 19, 2018

ATTENDEES

Department: Assistant General Manager Monique Earl

Budget Advocates: Jon Liberman, Faalaniga “Nina” Smith

RECOMMENDATIONS

The Committee did not make any recommendations.

DISCUSSION

Department Functions

This Department is responsible for the development of plans to meet the ground transportation needs of the traveling public and commerce; it has centralized authority over the conceptual planning and operation of the City's streets and highways system; and it provides a primary interface with other governmental agencies on transportation matters. The Department studies parking and traffic needs; provides for the installation and maintenance of traffic signs, signals, parking meters, street name signs, and other transportation control devices; controls traffic and pedestrian movement at all intersections; enforces parking rules and regulations and accounts for all revenue therefrom; coordinates the development of off-street parking; oversees crossing guard services; provides public utility regulation through investigation of services and rates of the privately owned public utilities; regulates the rates and services of taxicabs, ambulances, and sightseeing vehicles, and issues permits to drivers of public transportation vehicles; prepares and enforces provisions of franchises; and audits franchise payments.

Background Information

The discussion below for Revenue and for Staffing utilizes fiscal year 2018-2019 numbers.

Revenue

Based on the FY 2018-19 Adopted Budget, the Los Angeles Department of Transportation (LADOT) produced \$224,045,000 in General Fund Revenues of which parking fees accounted for 63.34%, SPRF Transfer accounted for 14.33%, licenses, permits and fees accounted for 13.23%, and franchise income accounted for 9.10%.

Staffing

Based on the FY 218-19 Adopted Budget, LADOT has approval for 1,372 Regular Authority (funded) positions and 332 Resolution Authority (temporary) positions.

Items Covered with LADOT

1. Q. Your General Manager, Seleta Reynolds, has been General Manager for 4-5 years. What are the major programs that she has implemented at LADOT?
A. Vision Zero is the primary program brought to the Department. She has grown this from a \$1,000,000 budget in its first year to a \$15,000,000 budget now. Another major program is Play Streets. The City lacks adequate recreational spaces in some areas. Working with City Council Offices, LADOT shuts down portions of City streets for one or more days to create mobile playgrounds for the public. This program is funded through grants. A third program, Urban Mobility in a Digital Age, is a unique City plan to try to determine the effect of technology on large urban areas. The plan is developed with industry, government and technology companies to try and determine the effects of future developments on the City's transportation needs. It will involve items such as autonomous driven vehicles and shared vehicles such as Uber or Lyft. Funding for this program has increased from \$200,000 in fiscal year 2014-2015 to \$1,500,000 in fiscal year 2018-2019.
2. Q. Were there any lessons learned after the implementation of Vision Zero in Council District # 11?
A. There will be a greater emphasis in developing and executing a communications engagement strategy when new elements of Vision Zero are rolled out. A new position was established, Assistant General Manager for Communications and Community Engagement, to make certain that there is appropriate planning for the roll-out.
3. Q. What is being done to enhance the bicycle riding experience in Los Angeles?
A. LADOT is developing and establishing more protected bike lanes in the City. They are also using new striping patterns, and, in some areas, they are installing dedicated bike signals. LADOT has also established a bicycle sharing program in conjunction with Metro. It was first established downtown and is now being expanded.
4. Q. What is being done to regulate the "Bird" and "Lime" electric rental scooters? There appear to be several areas that need regulation such as: (a) riding without helmets, (b) young children under the age of 10 riding the vehicles, (c) riding two or more on a single scooter, (d) abandoning scooters on private property and leaving them there for several days, and (e) having more scooters than needed in a given geographic area. For example, the City has no formal agreement yet with any provider of scooters, but the providers are operating as if they already had a City franchise.
A. Currently the City is developing a strategy for licensing some providers. Any regulations would affect what the providers can or cannot do. They would not apply to bad behavior by any rider. However, as of the date of this interview the LA Police

Department has issued over 800 citations about scooters. The scooters are supposed to come with a GPS module activated that allows the provider to find a scooter that has been parked so that they do not become a nuisance. Additionally, the City when it enters negotiations with the providers will set overall limits on the number of scooters allowed within the City.

5. Q. What is being done to prepare for traffic when the 2028 Olympics comes to Los Angeles?
A. LADOT wants to replace or upgrade the automated traffic control system that was put into place when the Olympics last came to Los Angeles.
6. Q. What is being done to keep streets graded “B” or “C” from going to a lesser grade?
A. That question should be addressed by the Bureau of Street Services.
7. Q. What is LADOT’s response to the FUSE Report which recommended that LADOT should be merged into the Department of Public Works?
A. There can be economies reached by merger. However, there should be further studies to determine how best to look at any potential merger.
8. Q. How many LADOT employees are eligible to retire in the next 5 years?
A. 40%.
9. Q. How has the potential early retirement of 40% affected LADOT?
A. There is a succession plan in effect which is working. The only potential for problems is a shortage of staffing in Personnel. LADOT is working on retention of institutional knowledge through having staff document how they currently operate. This is done both through manuals and video documentation.
10. Q. If the economy improves and there is a surplus of available funds, would LADOT support a request that funds previously taken from the fund dedicated to creating parking in the City be returned to the dedicated fund?
A. LADOT would support reimbursing this fund if there is a request from the Neighborhood Councils and/or other groups.
11. Q. For fiscal year 2019-2020 what are your primary “asks” of the Budget Advocates?
A. (1) Secure funding for transportation technology, (2) Secure funding for Core Services Risk Mitigation (a system which tracks requests for services), and (3) identify funding sources for infrastructure investment.

CONCLUSION

The Department is well run.