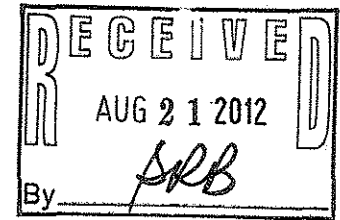


Item #4



City of Los Angeles



## Revenue Options

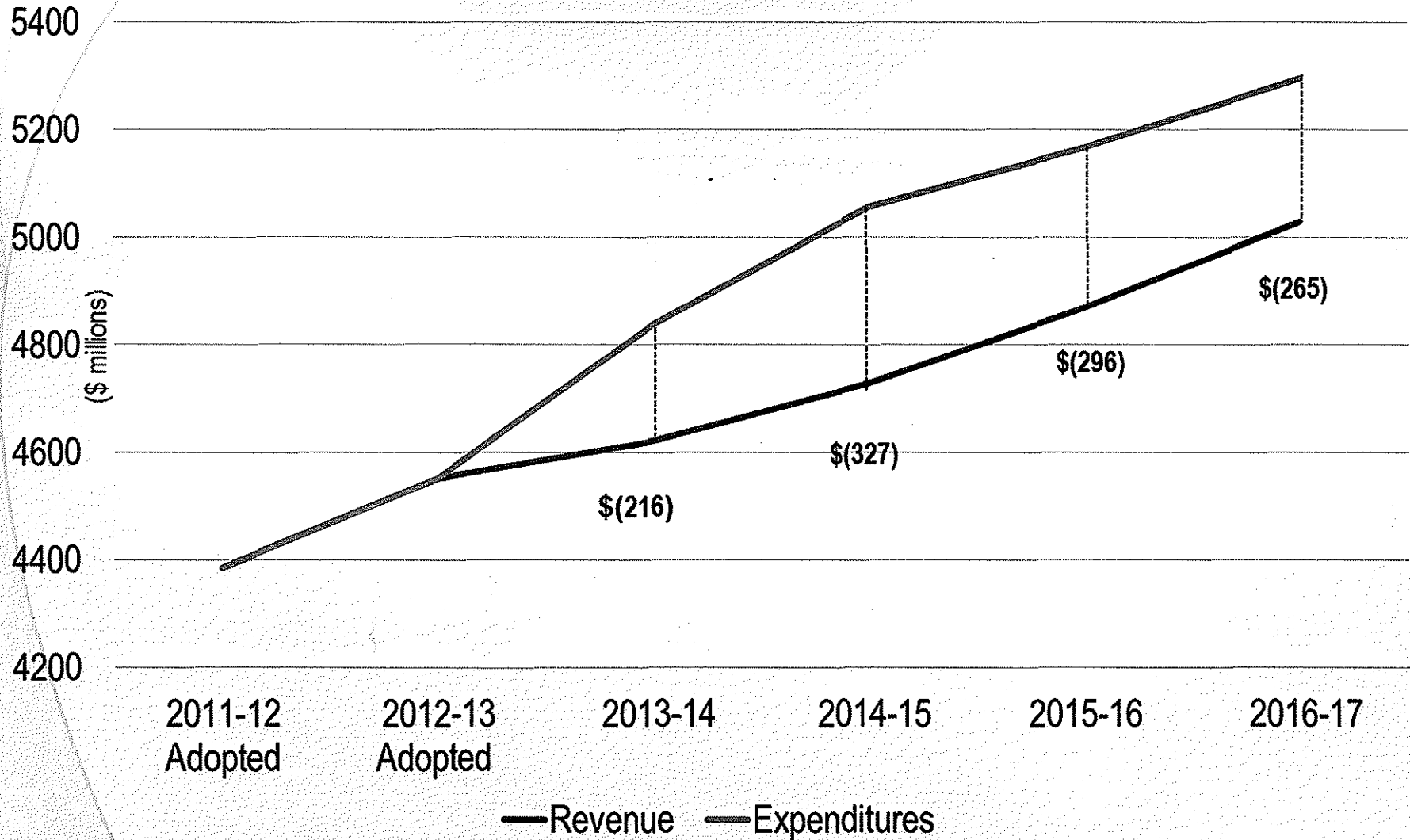
Miguel A. Santana  
City Administrative Officer  
August 21, 2012

# Executive Summary

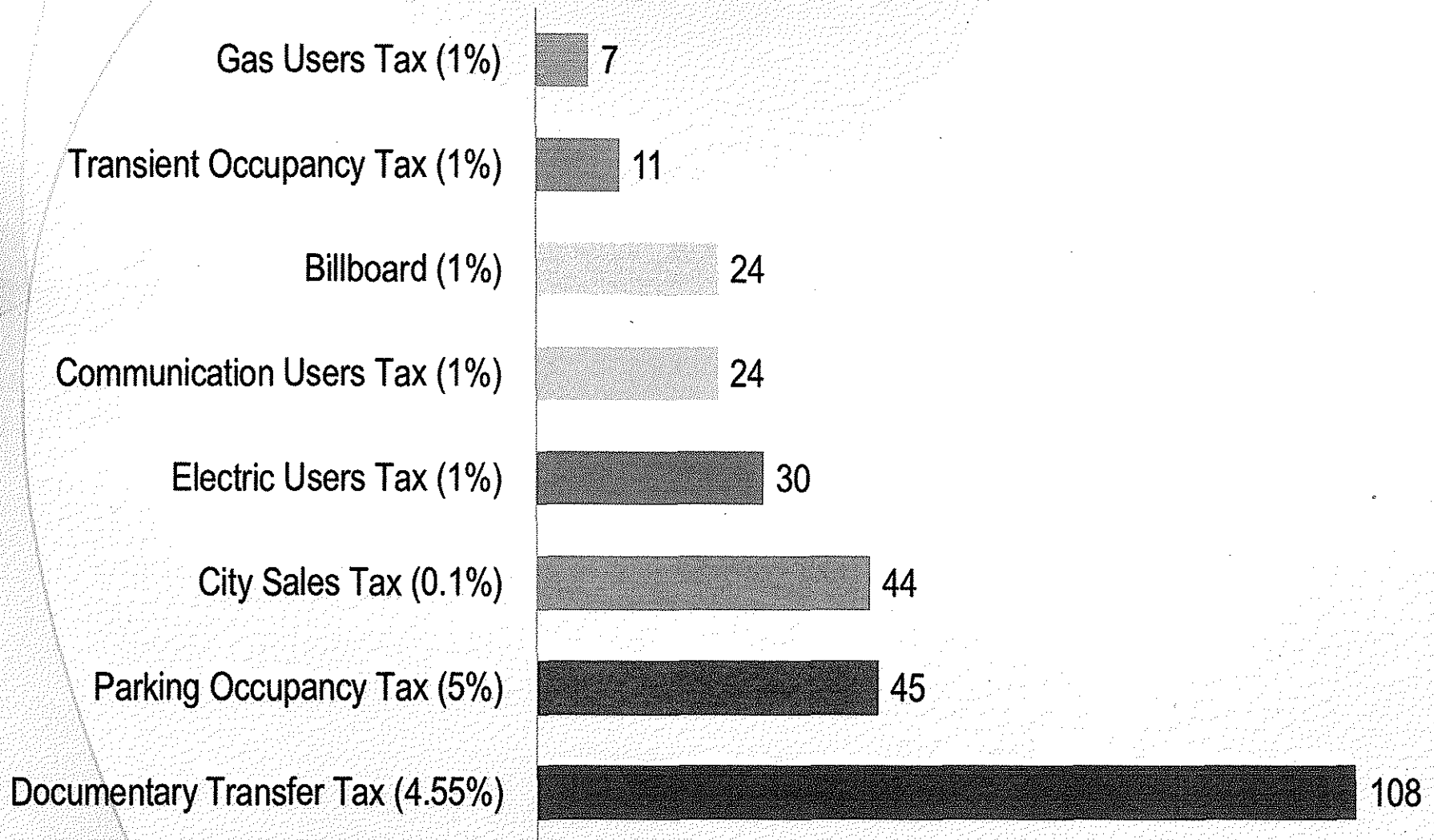
- Achieving fiscal sustainability requires revenue and expenditure solutions.
- The City has successfully reduced and postponed budget deficits through the course of four fiscal years with both.
- New revenue options are required to address the structural deficit.
- City residents should be given the opportunity to decide to increase taxes to support the services they demand.
- The City should be prepared to make drastic cuts should revenue measures not succeed at the ballot box.



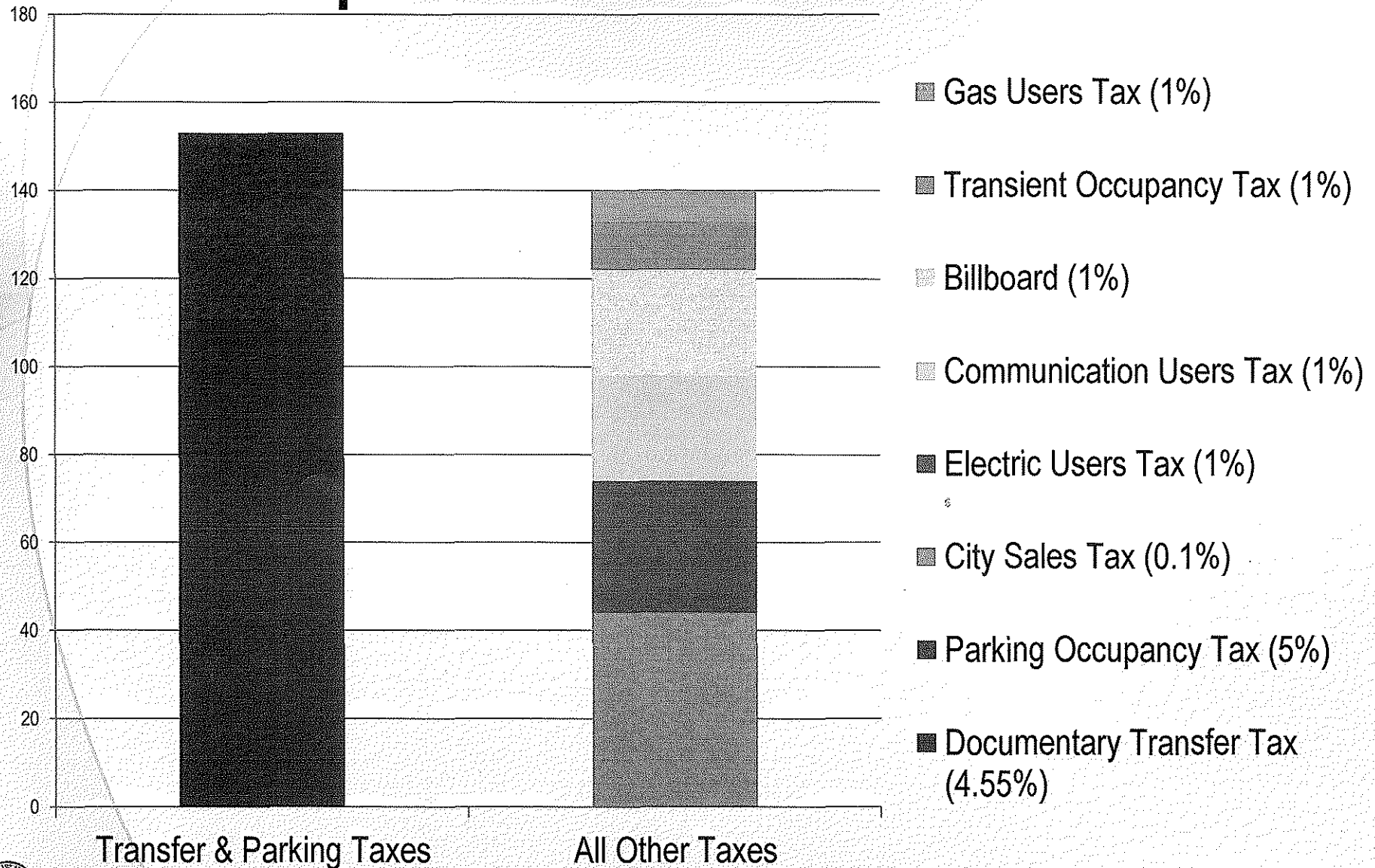
# Budget Outlook: 2013-14 to 2016-17



# Options for Revenue Ballot Measures



# Comparison of Revenue Measures



# Options to Reduce Expenditures

- Cut 10 percent from General Fund funding to all departments \$240
- Eliminate negotiated Cost of Living Adjustment increases 66
- Ensure Full Cost Recovery of City support of Recreation and Parks 24
- Eliminate Crossing Guards 11
- Cease Funding of LA Homeless Services Authority 9
- Freeze Police Hiring 8
- Eliminate all Capital Improvement Expenditure Program spending 7
- Implement new Modified Coverage Plan (\$2.3 m engine / \$1.1 m ambulance) 5
- Eliminate Neighborhood Council subsidy 4
- Eliminate Zoo subsidy 2
- Close Animal Shelters 2
  
- Develop P3 agreement for parking structures/meters (one-time) \$50-\$100



# Documentary Transfer Tax

California Cities	Rate per \$1000 of sale price
Oakland	\$15.00
Berkeley	\$15.00
San Francisco	\$5.00 - \$15.00
<i>Los Angeles (proposed)</i>	\$9.00
Culver City	\$4.50
Los Angeles (current)	\$4.50
Santa Monica	\$3.00
Pomona	\$2.20
Redondo	\$2.20
Most Others	\$0.55



# Parking Occupancy Tax

Select National Cities	
Pittsburgh	45%
San Francisco	25%
Chicago	19.75% to 50%
Philadelphia	20%
New York	10.375% to 18.375%
Miami	15%
<i>Los Angeles (proposed)</i>	15%
Oakland	10%
Seattle	10%
Los Angeles (current)	10%





# Impact of Revenue on Budget Deficit

