

Sidewalks: LA's City Council Wants It Both Ways

02 Sep 2014 Written by Jack Humphreville



LA WATCHDOG-At the Tuesday, August 26 meeting of the City Council, Paul Krekorian was leading the parade to impose a yet to be determined Sidewalk Tax to fund his preliminary Sidewalk Repair Program to fix our 4,600 miles of broken sidewalks at an estimated cost of at least \$1.5 billion.

But only an hour earlier, the City Council approved - without any public comment - the Krekorian orchestrated backroom deal where the City will lease vacated Fire Station #83 - located on a valuable corner lot at Balboa and Addison in Encino - to the Armenian Cultural Foundation for a buck a year for the next thirty years.

While the City Council is pleading poor mouth and asking us to open our wallets to fund the repair of the sidewalks that they have neglected over the years, our cash strapped City has given away almost \$100 million in tax breaks over the last six months to the Westfield Group, a company controlled by multibillionaire Frank Lowy, one of the world's richest men, and the Greenland Group, a very well healed Shanghai based conglomerate that is developing Metropolis, a billion dollar development in downtown LA.

The City Council has also demonstrated that it is not serious about reforming the City's finances that are plagued by Structural Deficits (where increases in salaries, pensions, and benefits outstrip the increase in tax revenues) and \$30 billion in debt, unfunded pension liabilities, and deferred maintenance on our infrastructure.

It has been almost five months since the LA 2020 Commission recommended that the formation of an independent "Office of Transparency and Accountability" to review and analyze the City's perilous finances and services and to "equip taxpayers and the media with the facts and knowledge needed to more fully engage with policy makers."

To date, the Budget and Finance Committee headed by Paul Krekorian has ignored this excellent recommendation that would provide greater transparency into the opaque operations and finances of the City.

The Budget and Finance Committee has also stonewalled the recommendation to create a "Committee for Retirement Security" that would review the City's retirement costs as well as its employment costs, including salaries, wages, overtime, benefits, workers compensation, cost of living adjustments, step functions, and other components for each of the City's main bargaining units.

There are many issues that need to be addressed involving the repair of our sidewalks, including the state of our sidewalks (the City estimates that 40% of our sidewalks are damaged ... Krekorian suggested that only 12% of our sidewalks may need repair); who is going to pay for the repair of our sidewalks, both now and in the future; and numerous operational, contracting, and management details.

But if the City Council decides to proceed with a Sidewalk Tax (as opposed to funding the repair with long term bonds serviced by existing taxes), it must be accompanied by meaningful budget reform, including the establishment of an independent Office of Transparency and Accountability and the Committee on Retirement Security.



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But given that the voters do not trust City Council and its cronies, the City will also need to place on the ballot a LIVE WITHIN ITS MEANS charter amendment that requires the City to develop and adhere to a Five Year Financial Plan, pass two year balanced budgets based on Generally Accepted Accounting Principles, and, over the next twenty years, fully fund its two pension plans and repair our streets, sidewalk, curbs, and the rest of our deteriorating infrastructure.

As was clearly demonstrated in March of 2013 when 55% of the voters rejected Proposition A, the permanent half cent increase in our sales tax, the voters will not let the City Council hold our sidewalks hostage for a prince's ransom.

The City Council needs to realize it cannot continue to have it both ways, where they pick our pockets on the one hand and continue to reward their campaign funding cronies on the other.

(Jack Humphreville writes LA Watchdog for CityWatch. He is the President of the DWP Advocacy Committee, The Ratepayer Advocate for the Greater Wilshire Neighborhood Council, and a Neighborhood Council Budget Advocate. Humphreville is the publisher of the Recycler Classifieds -- www.recycler.com. He can be reached at: ljack@gmail.com . Hear Jack every Tuesday morning at 6:20 on McIntyre in the Morning, KABC Radio 790.)

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