Sidewalks: How Will The City Council Try to Pick Our Pockets?

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LAWATCHDOG-The City Council will have to manufacture a "new revenue stream" of \$150 million a year over the next decade to finance the \$1.5 billion repair bill for our 4,600 miles of damaged sidewalks on a "pay as you go" basis.

This new \$150 million revenue stream is equal to an increase in our real estate taxes of almost 4%.

More importantly, this new revenue stream represents a whopping 12% increase in the City's property tax revenue as almost two thirds of our property taxes are allocated to the Los Angeles Unified School District and the County of Los Angeles.

But how will the City Council propose to raise this cash to repair our streets?

One alternative that will not be on the table is an increase in our sales tax. In March of 2013, 55% of the voters rejected Proposition A, the permanent half cent increase in our sales tax, despite the pleas of Police Chief Charlie Beck that the new revenue was vital for public safety.

As recently as July, and after 18 months of promoting the Save Our Streets LA plan, the City Council and Mayor Garcetti flushed the idea of increasing our sales tax to finance the repair of our streets because they realized that there was no way that two thirds of the voters would approve the \$4.5 billion Street Tax.

The City Council may consider asking voters to approve a \$150 million increase in our property taxes that would cost the average homeowner at least \$200 a year.

The City Council may also propose a \$200 a year parcel tax for the next decade on each of the City's 800,000 pieces of property.

Or the creative geniuses on the Council may devise a parcel tax based on the length of the property's sidewalk that would result in a \$260 tax for the homeowner who has a hundred feet of sidewalk, regardless of its state of repair.

But all these schemes require the approval of two thirds of the voters, an unlikely outcome.

Members of the City Council have alluded to a "compromise" between homeowners and taxpayers.

This would involve the reestablishment of the 50/50 program where the cost of repair would be split between the homeowner and the City, albeit based on the City's inflated cost structure.

The City is also considering financing a low interest revolving loan program to fund the repair of our sidewalks and Assessment Districts for neighborhoods that approve their formation.

But all these plans, schemes, rhetoric, and posturing are nothing but political theatre designed to allow City Hall to evade its legal obligation to repair our sidewalks.

Homeowners, businesses, apartment owners, and taxpayers should not be required to pay a second time for the repair and maintenance of our sidewalks as the City Council has diverted money for our sidewalks, streets, and the rest of our infrastructure to pay for unsustainable increases in salaries, pensions, and benefits for City employees demanded by the campaign funding union leadership.



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Rather, the City Council needs to stop holding our sidewalks hostage and accept its responsibility for the repair our sidewalks. This obligation would be funded through the issuance of long term bonds over the next ten years that would be serviced by the \$700 million in new cash derived from the 20% tax on the doubling of DWP Power System revenues over the next ten to fifteen years.

Once our tree damaged sidewalks have been repaired, then the responsibility for the repair and maintenance of the sidewalks and any slip and fall liabilities are on the homeowners, a reasonable compromise endorsed by the Los Angeles Times.

(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: lajack@gmail.com. Hear Jack every Tuesday morning at 6:20 on McIntyre in the Morning, KABC Radio 790.)

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