

The Street Tax Blitz



Details

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LA WATCHDOG - With lots of hoopla and cameras, Mayor Eric Garcetti announced Operation Neighborhood Blitz, a program designed to attack the epidemic of potholes plaguing our City. However, this is just beginning of a concerted effort to convince the voters of Los Angeles to approve the Street Repair Tax that was proposed in January by Council Members Mitch Englander and Joe Buscaino.

Under the proposed "Los Angeles Emergency Local Street Safety and Traffic Improvement Measure," the City would issue \$3 billion in Street Bonds over the next ten years to finance the repair of the one third of our streets that in a failed or near failed condition. These bonds would be financed through a new real estate tax that would raise up to \$250 million a year, a 6% increase in our property taxes.

In January, this hastily introduced measure was not ready for the May ballot, nor is it ready for any future ballot, especially given that it needs to be approved by two thirds of the voters.

For openers, any Street Repair Plan must address ALL of our 6,500 miles of streets, not just our failing roads. The plan must also cover our 800 miles of alleys and all of our bridges since they are an integral part of our surface street transportation system.

We need a detailed operating plan which outlines not only the repair of our failed streets, but the preservation of our streets that are in good condition. At the end of ten years, the goal is to have all of our streets have an average grade of "B" according to the internationally accepted Pavement Condition Index. Today, the overall rating of our streets are generously rated "C-", the worst in the nation after San Jose.

An integral part this plan will be a detailed financial plan that outlines the sources of funds necessary to service the \$3 billion in bonds and to achieve a "B" rating for our streets, not only at the end of ten years, but for the next 30 years until the bonds are paid in full.

We also need strong oversight by an independent Citizen Oversight Committee that consists not of the usual political hacks, but of qualified individuals who have strong backgrounds in construction, engineering, and finance.

This Citizen Oversight Committee would retain an independent consulting firm with a national reputation that would review the status of our streets every two years and make recommendations as to how to improve the Street Repair Plan.

There must also be enforcement mechanisms which hold the Bureau of Street Services, the Board of Public Works, and our Elected Elite accountable for not achieving the goals of the Street Repair Plan on a timely basis. These would include, among others, the elimination of all pay and benefits for our 18 elected officials for as long as the Street Repair Plan was not meeting its operational and financial standards.

As a result of the budget shenanigans of the last eight years where the City shortchanged our streets (and the rest of our infrastructure) in order to finance increases of over \$1.4 billion in salaries, benefits, and pension contributions, the voters of Los Angeles do not trust City Hall with their money. This was evident in March when the voters rejected Proposition A, the \$200 million permanent half cent increase in our sales tax.

This lack of trust was further compounded when voters learned AFTER the March vote that the increase in City revenues and pension savings approached almost \$400 million, almost twice the amount of the sales tax increase. This was more than enough to make sure that the City did not have to fire 500 cops as was suggested during the campaign by Police Chief Charlie Beck.

This windfall would also finance the Street Repair Program and then some.

Many voters and neighborhoods are also distressed about the favors the Herb Wesson led City Council has granted to its cronies and real estate developers, whether it is numerous dollar a year leases, the \$60 million gift to the \$64 billion Westfield Group, or the \$300 million variance granted to New York City based Millennium Partners that will turn Hollywood and the 101 Freeway into Gridlock City.

To earn our trust and confidence, the City Council must 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 10 to 15 years, fully fund our severely underfunded pension plans and repair our streets, sidewalks, and the rest of our deteriorating infrastructure.

Importantly, the passage of the Street Repair Tax would be contingent on the approval of the LIVE WITHIN ITS MEANS ballot measure.

Mayor Garcetti and the Herb Wesson led City Council need to earn the trust and confidence of Angelenos if they want two thirds of the voters to approve the Street Repair Tax. But we are not asking for much in return. We just want City Hall to respect our wallets and neighborhoods.

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