

Your Community Impact Statement has been successfully submitted to City Council and Committees.

If you have questions and/or concerns, please contact the Department of Neighborhood Empowerment at NCsupport@lacity.org.

This is an automated response, please do not reply to this email.

Contact Information

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The Board approved this CIS by a vote of: Yea(11) Nay(0) Abstain(2) Ineligible(0) Recusal(0)

Date of NC Board Action: 12/04/2018

Type of NC Board Action: Against

Impact Information

Date: 12/15/2018

Update to a Previous Input: No

Directed To: City Council and Committees

Council File Number: 18-0117

Agenda Date:

Item Number:

Summary: See attached CIS.

**EAGLE ROCK
NEIGHBORHOOD COUNCIL**

Executive Committee

Lisa Kable Blanchard, President
Becky Newman, Vice President
Bridget Byrnes Hirsch, Treasurer
Pat Niessen, Communications
Matt Hemingway, Secretary
David Greene, Immediate Past President

**CITY OF
LOS ANGELES
CALIFORNIA**



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COMMUNITY IMPACT STATEMENT

December 15, 2018

Los Angeles City Council
200 N. Spring St.
Los Angeles, CA 90012

Dear City Councilmembers:

On December 4, 2018, a Brown Act noticed public meeting was held with a quorum of 13 board members present and that by a vote of 11 yes, 0 no, and 2 abstentions, the Eagle Rock Neighborhood Council (ERNC) adopted a Community Impact Statement (CIS) concerning Council File [18-0117](#), Deferred Retirement Option Plan (DROP) / Los Angeles Firefighters and Police Officers / Extended Periods of Time Off / Injuries / Program Status, as follow up to the ERNC's May 2, 2018 CIS:

The ERNC continues to strongly oppose DROP, which pays city police and firefighters who are at least 50 years old and have 25 years of service their salaries and pensions simultaneously for up for five years. Ostensibly the purpose of the program, as originally proposed to voters in 2000, was to help retain the most experienced officers and give their departments time to plan for their replacements, also in the wake of numerous LAPD departures after the Rampart scandal. Thanks to extensive *Los Angeles Times* investigation and coverage throughout 2018, instead the public learned that “nearly half of all cops and firefighters who have entered the program — which has paid out more than \$1.6 billion in extra pension checks — subsequently went on injury leave, typically for cumulative injuries like sore knees and bad backs that afflict aging bodies regardless of profession.”¹ Even the new police chief Michel Moore has profited handsomely: “[d]uring his five years in the program, Moore collected his nearly \$300,000 annual pay while his roughly \$240,000 pension payments went into a special DROP account held by the city. When he retired at the end of January, the \$1.27 million in the account — which included 5% interest — was paid to him in a lump sum.” Instead of retiring, Moore became police chief, kept the \$1.27 million, and now receives more than \$300,000 in salary plus his \$240,000 annual pension, counter to the original purpose of DROP.²

¹ Jack Dolan, *Los Angeles Times*, “LAPD chief endorses reform to controversial retirement program that paid him \$1.27 million,” August 14, 2018:

<https://www.latimes.com/local/lanow/la-me-20180814-moore-react-20180814-story.html>

² Steve Lopez, *Los Angeles Times*, “Sweet pensions, secrecy laws: L.A. has its own ugly swamp that needs draining, but where's the leadership?” August 18, 2018:

<https://www.latimes.com/local/california/la-me-lopez-drop-leadership-20180818-story.html>

The ERNC opposes the [Draft Ordinance](#) because it fails to address the underlying issues with DROP concerning overwhelming cost to taxpayers, as well as waste, fraud, and abuse for current participants. Instead, the ERNC advocates that DROP (1) be eliminated; or (2) much more drastically reformed, as previously urged by former City Administrative Officer Miguel Santana, who said in 2016 that the program was not “cost-neutral” as originally promised to voters.³ Also, there is still no evidence that DROP furthers career continuation and retention for either police officers or firefighters, which was the original program goal. The program should be put back to the ballot for voters to decide whether the City Charter should be amended to eliminate DROP entirely, instead of negotiating surface-level, minor changes which do nothing to address the hundreds of millions of tax dollars wasted for a program that has not been proven “cost-neutral” and is unnecessary and ultimately ineffective at achieving its stated purpose.

The ERNC is also concerned that the committee recently re-assigned on November 6, 2018 to consider this matter, Personnel and Animal Welfare Committee, subsequently waived consideration of this item on November 14, 2018. Given the significant implications for the City’s budget, operations, and pension liabilities, the ERNC fails to comprehend why the Personnel and Animal Welfare Committee would not further examine and hold several public hearings regarding the Draft Ordinance, the [Chief Administrative Officer report](#), and [City Attorney report](#). According to the Council File, the item was scheduled for consideration on December 4, 2018, but then an amended ordinance changing the DROP entry date from January 1, 2019 to February 1, 2019 was subsequently considered on December 4 and “public hearing [was] was closed.”⁴ The ERNC urges the City Council to delay any vote on the Amended Draft Ordinance and provide an adequate opportunity for public comments at more public hearings before the relevant committee, instead of pushing through minimal so-called “reforms.”

Finally, the cost implications of DROP, as highlighted by the *Los Angeles Times* series, appear incompatible with the most pressing issues identified by Eagle Rock and Northeast Los Angeles’ police representatives. At numerous ERNC board meetings this year, the LAPD detectives/officers have indicated that due to a lack of funding, they do not have enough personnel and resources to respond promptly to all calls, adequately investigate all reported incidents (they claim due to Proposition 47 reforms and the reclassification of many nonviolent crimes as misdemeanors), and police the largest geographic command (Northeast Los Angeles). Despite that fact that over 70% of the City’s budget is already allocated to police and fire expenditures, the ERNC wonders why DROP funds could not be utilized to better support the present, apparently urgent needs of LAPD, as expressed by their own representatives at neighborhood council meetings. Similarly, with respect to the Fire Department, DROP funds could be used to support immediate response and support for addressing the recent wildfires and preventing future risk of wildfires across the City.

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³ Jack Dolan, *Los Angeles Times*, “Controversial L.A. police and fire retirement plan more expensive than promised to voters, report says,” December 5, 2018:

<https://www.latimes.com/local/lanow/la-me-drop-20181205-story.html>

⁴ <https://cityclerk.lacity.org/lacityclerkconnect/index.cfm?fa=ccfi.viewrecord&cfnumber=18-0117>

Thank you for your consideration and attention to this important issue.

Respectfully,

The Eagle Rock Neighborhood Council

cc: Office of Councilmember Jose Huizar, CD-14

Offices of all City Councilmembers

Office of Mayor Eric Garcetti

Department of Neighborhood Empowerment (DONE), % lorenzo.briceno@lacity.org

Raymond Ciranna, General Manager of Los Angeles Fire and Police Pensions

Office of City Attorney Mike Feuer

Office of the City Controller Ron Galperin

City Administrative Officer Rich Llewellyn

Los Angeles Times