



Meeting Report for October 20, 2008

by

Richard Bort and Denny Schneider



Councilmember Tom LaBonge

Valley VOTE board members, community leaders, and concerned citizens convened on October 20, 2008 at Galpin Ford to hear **City Councilman Tom LaBonge** speak on current issues in the city, and **Jacquelyn H. McMillan** speak about the efforts of the Metropolitan Water District to cope with the drought and risks to our dwindling water supplies.

Tom LaBonge, City Council Member, 4th Council District

Tom LaBonge's 4th Council District stretches from the theaters of North Hollywood through the urban wilderness of Griffith Park to the museums of Miracle Mile. He chairs the Council's Arts, Parks, and Health & Aging Committees, and he is Vice Chair of the Council's Transportation Committee as well as on the Trade, Commerce, and Tourism Committee.

LaBonge addressed two major issues that face his district and are important to residents of the San Fernando Valley: the proposed Metro/Universal Project in North Hollywood, and the potential designation by the City of Griffith Park as a Historic-Cultural Monument.

Metro/Universal Project

Earlier this week, LaBonge announced his opposition to this massive office building project on Lankershim Blvd. at the site of the Metro Red Line station, across the street from the main entrance to Universal Studios. He explained to Valley VOTE that his position is based on two issues: (1) the density caused by the proposed construction of two high-rise office buildings and a 10-story parking structure on an unusually small, "banana-shaped" lot; and (2) the lack of infrastructure in the area to handle the vehicle traffic. He noted that the thousands of jobs promised don't really reflect new jobs, as they are merely being transferred a few miles westward from the current NBC operations in Burbank. However, new construction jobs would be needed to build the project. He also noted that the Lankershim site presents a particular traffic bottleneck because unlike much of the Valley which provides alternative routes via a grid-based street network there is no possibility of developing an alternative.

LaBonge distributed to the Valley VOTE attendees a copy of his October 15, 2008 letter to Mayor Villaraigosa, in his capacity as Chairman of the MTA, expressing his opposition to the project, which is a joint undertaking of the MTA and NBC/Universal.

LaBonge repeatedly insisted that we must "do it right!" He said that improving infrastructure must precede the project, as too often in the past (he cited the Hollywood/Highland Project) developers' promises to upgrade the infrastructure remain unfulfilled. In LaBonge's mind, such improvements for this project should include additional lanes on both the 170 and 134 freeways to eliminate "choke points" and to widen several dozen surface street intersections in the area.

An interesting suggestion made by LaBonge was to extend the Red Line subway from its present terminus at Lankershim and Chandler northward to the Valley Plaza shopping mall at Victory Blvd, and then shift over to an above-ground light rail line down the center of the nearby 170 freeway, then north into the I-5 freeway all the way to Santa Clarita.

Griffith Park

LaBonge insisted that those who feel that he supports development of Griffith Park are wrong. He said that he loves the park and wants to preserve it as a park but not as a nature preserve. There were several visitors in the audience who support the park's designation as a historic-cultural monument, and they engaged LaBonge in discussion of just what changes should be tolerated and where in the park they would occur.

Jacquelyn H. McMillan
External Affairs Representative, Metropolitan Water District of Southern California

Jacque McMillan came to Valley VOTE to explain the dire water supply circumstances facing Southern California, and the MWD's role in meeting the challenges.

MWD provides water to 26 regional and city water agencies in six counties in Southern California, including the L.A. Department of Water and Power, which together retail the water to some 19 million people and businesses in the region. She noted that some 80 percent of California's water is consumed by agriculture, and "ag" users own much of the underlying water rights in the state, which tends to insulate ag from the drought-induced shortage compared to the impact on residential and business consumers.

In addition to Mother Nature, another factor squeezing the MWD's water supplies was the federal court order to shut down pumps that moved water from the Sacramento Delta toward Southern California in order to protect an endangered species of smelt.

In 2007, the MWD bought or otherwise acquired water from:

State Water Project (SWP) 1.2 Million Acre Feet (MAF)

Colorado River/Aqueduct 0.7 MAF

Eastern Sierra (L.A. Aqueduct) 0.2 MAF

Local sources 2.0 MAF

Total 4.1 MAF

Ms. McMillan used a slide presentation to show how the MWD's supplies are dwindling, which has caused the MWD to draw down its reservoirs to near record low levels, and she predicted that these reservoirs would be at their crisis point by mid-2009 if the current conditions continue.

Southern California relies heavily on the water from the Delta region. A large Northern California earthquake, magnitude 6.7 or greater, is highly probable before 2032. The MWD estimates that this quake would cause substantial levee damage in the area that would contaminate the fresh water with ocean flow. This disaster would effectively cut off MWD's supplies for several years. The MWD's long-term vision is to construct a series of barriers through the Delta, including resurrecting the controversial (at least in northern California) Delta Canal. She said that the MWD estimates the cost of such a project to be about \$4 billion, to be funded jointly by the state and federal governments. Meanwhile, the MWD is working with its 26 members to develop recycling programs, groundwater recovery programs, and pilots for five desalination plants. There is a wealth of information about the MWD's plans and conservation measures at its website, <http://www.mwdh2o.com>.

Valley VOTE Committee Reports

Airport Issues – Denny Schneider

The most important air commerce issue in the region is that Southern California Regional Airport Authority (SCRAA) will be dissolving. The last gasp of SCRAA is a study to determine what new kind of new coordination body should take its place. The report is due out by the end of the year. Many believe that a network of airports in the region will not occur until there is cooperation among all of the impacted Southern California counties.

VAN NUYS AIRPORT NOISE ABATEMENT . . . The first aircraft projected to be phased out January 1, 2009 would be the noisiest: BAC 111s and Boeing 727s. The establishment of the VNY Noise Roundtable has been delayed until at least that time. Meanwhile, the community workshop for the proposed seven-year phase out of the noisiest aircraft was held last month. Environmental Impact Report comments must be submitted by November 17, 2008 to Karen Hoo, Los Angeles World Airports, Environmental Planning, 7301 World Way West, 3rd Floor, Los Angeles, CA 90045. See: <http://www.lawa.org/vny/vnyEnvironment.cfm> for more information.

LAX PROBLEMS. . . Aircraft operations at LAX continue to plummet, from about 1,800 operations per day at the start of the year and heading down to about 1,400 by this year-end. This can cash strap LAX due to reduced collection of landing fees, parking, and concession revenues. However, LAWA is continuing to push for expansion approvals. The NASA north runway safety evaluation that may be used to justify expansion is progressing and a quarterly status meeting is expected soon. LAWA has modified some gates at Tom Bradley International Terminal (TBIT) to accommodate the A380 service from Australia that started today. LAX to be modernized regardless of the need for expansion. The Mayor will soon be releasing plans for an upgraded TBIT. Also, an air quality apportionment study is progressing but details are unavailable. Nothing has been announced yet for implementation of the Consolidated Rental Car Facility approved in the 2006 Settlement Agreement.

Affordable Housing – Vic Viereck

Have you wondered how the persistent shortage of so called affordable housing occurred? It naturally has resulted from government at various levels.

Last century, in 1986, Congress felt that too many high income earners were not paying their "fair share" of income tax so it passed the 1986 Tax Reform Act, which eliminated many forms of tax shelters.

Under the prior income tax laws, high income tax payers bought apartment buildings, either individually or through partnerships, and were

able to offset their operating losses (including depreciation) against other income. But the 1986 Tax Reform Act limits the deductibility of such operating losses, which drastically reduced investment in rental property. No tax shelter for investors means no real shelter for many people who need it.

A City of Los Angeles ordinance that is discouraging investment in housing is the redistributive Relocation Assistance Fee, which a developer must pay to a tenant to vacate an affordable rental unit. That fee now is as much as \$17,080 for a unit, depending on the tenant's circumstances. While a developer must pay that fee, this cost must be passed on to the ultimate home buyer or tenant when the project is built. People who need shelter can thank their elected officials for the lack of shelter.

Affordable Housing – Pauline Tallent

Remember "inclusionary zoning?" It was an idea proposed by the mayor to force developers to include in every new project a certain number of units for low income residents. It met with resistance and did not pass.

The mayor has a new proposal. He has created a \$5 billion plan for "mixed income" developments for families earning \$90,000 or less. Under this plan the City is enticing developers with a bonus of reduced parking requirements and less open space, and making it easier to have their plans approved by the City's Building & Safety Department.

A coalition of business groups has developed a 29-page counter proposal, which is more moderate than the mayor's proposal but is every bit as unpalatable. Among the incentives proposed for developers, for example, is 35% less parking. Imagine how this is going to impact street parking in a mixed use zone; retail customers will be impacted. Another incentive is expedited City approvals. It now takes a year or more for a developer to gain approval from 12 different departments to begin construction. Under the developer-proposed program, developers would only have to get approval from two City departments. Also, any fees due to be paid to the City can be deferred until after the Certificate of Occupancy is issued. And lastly, the EIR process will be streamlined.

Los Angeles DWP – Jack Humphreville

On Saturday, pursuant to the MOU, DWP sponsored a workshop to discuss the 2008-2009 DWP Budget. One issue of great concern is the currently proposed "Cap & Trade" program that DWP's General Manager David Nahai said could cost DWP \$700,000,000 a year and Rate Payers \$825,000,000 because of the 7% transfer fee and 10% Utility Tax. DWP will receive nothing in return. Mr Nahai strongly objects to this "Cap and Trade" program and he and his department are doing all they can to defeat the proposal.

Proposition 7, requiring electric utilities to virtually double the rate of increase in use of alternative energy sources, also appears to be ill conceived and is also objected to strongly by Mr. Nahai.

DWP has maintained its AA- credit rating despite the increase in the level of its debt.

Neighborhood Councils – George Truesdell

George briefly reported on the mayor's Budget Day last weekend during which all neighborhood councils were invited to hear the mayor's budget principles and to offer their budget priorities for the City's budget for the next fiscal year.

Truesdell expressed two continuing concerns that prevail among NC activists: Challenges posed by the change to four-year cycles for NC elections (from two-year cycles), and the question of how to identify and control ethical issues, especially conflicts of interest. The new four-year election cycle means that NC board members are elected for four year terms instead of two year terms, and it is difficult to maintain interest and continuity over the longer period.

The ethics issue boils down to the level of financial disclosure that an NC board member must make when his/her NC submits a matter to the City Clerk for opening a "council file." Councilmembers have expressed the belief that submitting a council file is tantamount to making legislation and, therefore, should require the NC board members to submit the financial disclosure "Form 700" that City Council members and Commissioners must file annually. Others have expressed that such a requirement will discourage participation on NC boards. They argue that the mere submission of a council file is not making legislation, as the only people who adopt legislation are the members of the City Council. The city ethics commission has developed a less intrusive (Form 52) for the NC's to consider.

Transportation Issues – Bart Reed

Reed noted that one of the things that government did during the Great Depression was to undertake major infrastructure projects to build roads, bridges, and other public works projects. Reed noted that even in the current economy, infrastructure projects will be increasingly important not only to provide jobs currently but for supporting the next economic rising tide. The forthcoming (November 4th) election asks voters to approve important infrastructure projects proposed in L.A. County's Measure R, "Traffic Relief, Rail Extensions, Reduce Foreign Oil Dependence," of which Reed urged passage.

We encourage everyone to join us at these meetings on the third Monday of each month to hear the latest information and to participate in open discussion of various topics of community interest. For a meeting agenda and prior meeting reviews and press releases we encourage you to go to the Valley VOTE website: www.valleyvote.org

Blogs of Interest:

CityWatch www.citywatchla.com

Joel Fox's www.FoxandHoundsDaily.com

Ron Kaye's www.RonKayeLA.com

The next Valley VOTE meeting will be on Monday, November 17, 2008. Our featured speakers will be Councilmember Wendy Greuel and David Nahai - General Manager of the LA DWP

Valley VOTE Mission Statement

Valley VOTE, a diverse coalition of San Fernando Valley residents, business people, educators, community activists, and organizations, is committed to exploring and fostering the implementation of programs that empower the people of the San Fernando Valley and the City of

Los Angeles, to improve local governance, education and public participation on policy matters.

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