

Valley VOTE

Valley Voters Organized Toward Empowerment

April 21 Meeting Report

by

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Sheila Kuehl, Bobby Shriver Meet Valley VOTE



Sheila Kuehl and Bobby Shriver Enjoy Coffee & Conversation

Senator Sheila Kuehl will have had more debates than Henry Clay and Stephen Douglas. On April 21, their road show came to Valley VOTE to the great delight

of the larger than normal crowd which enjoyed their repartee and public policy opinions.

The June 3 election matters. LA County has a \$26 billion budget. Most of the money comes from the state and federal government and goes to pay for juvenile justice, transportation, mental health, foster care and grants for the arts. "I've spent a good part of my life representing the San Fernando Valley and I'm dedicated to insuring that it receive its fair share of municipal services," says Kuehl.

As might be expected given the political orientation of the county, both candidates are Democrats. But there are philosophical differences. Kuehl thinks the Board of Supervisors should do a better job of representing LA in Sacramento, the source of much of its funding. Shriver sees it more as a local government agency that needs to do a better job housing homeless veterans and stemming the departure of the film industry. Both agree that more is needed to halt unfunded mandates, such as the requirement that counties incarcerate at their own expense felons previously sent to state prisons. Also both are adamant that the county must improve foster care. Says Shriver: "The ratio of county social workers to foster children is 40:1. It needs to be 15:1. Technically we have to do what the state says but we should fight back and organize politically to stop unfunded mandates."

Both Shriver and Kuehl favor a \$10 billion underground metro line from the Valley to Westwood that extends to LAX, but neither suggests how to pay for it. They also favor continued investment in sustainable energy and water conservation. "Twenty-five percent of all the electricity generated in California goes to pump water from North to South through the aqueduct," says Shriver.

In terms of Valley experience, Kuehl clearly has the upper hand. She represented large swatches of the Valley as both a State Assembly woman and a Senator. As for Shriver, "When I was a young law clerk and newspaperman I dated a girl who lived in Sherman Oaks," he smiles. "I always bought her breakfast the following morning. That's what I did for the San Fernando Valley." It's a laugh line intended to portray Shriver as a more youthful bon vivant. Valley voters, however, may wonder why a man who's been thinking about running for county office for so long hasn't done more to establish Valley credibility.

Though neither has leverage of influence state taxes or ballot initiatives, both oppose the repeal of Prop 13. As for the nascent move to create a "split roll" that would tax commercial property more than residential Kuehl has an open mind. "Prop 13 was designed to keep grandmas from being taxed out of their homes, not to keep commercial property from paying higher taxes."

Denny Schneider on LAX

LAX special interests and our regional interests conflict with common sense.

Airport capacity and usage in Southern California shouldn't all be in one basket. More than 95% of all international flights and over 75% of all domestic flights are concentrated at LAX. Los Angeles World Airports fosters this concentration. Concentration has actually increased since LA purchased Ontario and Palmdale airports almost 40 years ago! Over concentration creates negative impacts:

1. Risks to entire economy if extended closure of LAX occurs from either a natural or man-made disaster because there is no other adequate airport infrastructure backup in other locations.
2. Development of new airports or even maintaining existing ones is prevented; no large land areas big enough for another airport exist, failure to provide adequate traffic into other existing airports causes a downward spiral of affordability /cost of airport use.
3. Excessive LAX traffic concentrates pollution issues, but also adds cost for all goods and services using LAX.

Burbank, Long Beach, and John Wayne are activity restricted by existing lawsuits and LA City also owns/operates the other viable Ontario and Palmdale Airports along with one of the busiest non-commercial airport, Van Nuys.

We keep hearing about how much improvements are happening at LAX like the new Tom Bradley International Terminal but many subcontractors have not been paid for tasks and/or upgrade work. There's also lawsuits over the defective runway of the South Airfield Improvement from about six years ago which is already in need of major repairs. LAWA knows other faults exist, like the upper roadway in the Central Terminal Area, which CalTrans reported over ten years ago, has all failed expansion joints and a substantial creeping rust issue. Lots of reasons to be embarrassed by LAX remain. When will LAWA create an LAX Master Plan that addresses adequate vehicle access in addition to the currently stalled train access? If LAX safety were so important to the LAX expansionists, why is there a continued shortage of air controllers causing six day work weeks for these stressful jobs?

Vic Viereck on Taxes

Unfortunately there are too many people who do not understand the reason Proposition 13 was resoundingly approved, and why it needs to stay fully intact. Before it was enacted, irresponsible property tax increases were causing people to lose their homes. The tax increases made their homes unaffordable. Now, unaware of history, many new homeowners complain about Proposition 13 because their own property taxes are much higher than their neighbors who have owned their homes for many more years, or decades. They do not understand that if and when they own their own homes for a long time, they may (or probably) need the same protection that Proposition 13 provides. As a proposition that protects over the long run, it is not biased. People planning their retirement years need to be able to plan for their own future. Changing or

eliminating Proposition 13 would destroy that.

Many homeowners and tenants do not understand that invoking split-roll on Proposition 13 would cost them dearly. Enactment of split-roll would increase property taxes on commercial property, and maybe on apartments. Although the commercial property owners write the checks to pay for the property tax, it's the customers who are subject to the higher cost. If the customers pay the higher cost, their own finances cover less products and services. So less products and services are sold. The higher prices may certainly discourage customers from paying the higher prices. To offset the tax increases, businesses even cut back on employment. Either way, it's a negative impact on business, causing some businesses to close, and preventing other businesses from ever opening in California. So besides losing purchasing power of their dollars, fewer jobs will be available.

If apartments are also taxed more through the split-roll property tax, owners of rent controlled apartments would find it more difficult, if at all possible, to afford adequately maintaining their apartments, and fewer investors would be interested in investing in apartments, thereby reducing affordability.

The higher cost of property tax would also reduce taxable profits of business. The overall impact of the higher property taxes through increased property tax on commercial property (due to weakening Proposition 13) could mean a reduction in overall tax revenue.

Report by Joe Vitti -- " A Time for Truth"

In 2013 the Los Angeles 2020 Commission was established and endorsed by Mayor Villaraigosa, to study the fiscal stability and job growth in Los Angeles. The Commission held meetings and hearings with individuals and representatives of groups throughout the city starting in April of 2013. They issued their first report, "**A Time For Truth**", detailing the current conditions and issues facing the city in December 2013. The Commission's second report, " A Time for Change" has recommendations addressing the challenges to the city and will be the subject of a future Valley VOTE report.

To get a copy of " A Time for Truth" go to LA2020reports.org. On page 1 of the report you will find the following comment. " *Los Angeles is sinking into a future in*

which it no longer can provide the public services to which our peoples taxes entitle them and where the promises made to public employees about a decent and secure retirement simply cannot be kept."

Some of the specific challenges as reported by the Commission:

- 28% of working Angelenos earn poverty pay
- Three decades ago, L.A. was home to 12 Fortune 500 headquarters. Today there four. New York City has 43.
- Strangling traffic in L.A. gives us the distinction as the most congested urban community in America and the forth worst in the world.
- L.A. city revenues have been essentially flat since 2009.
- The city's retirement system has seen the amount of money drop from 50% of the money needed to pay for their retirement to less than 10%.
- According to a recent survey 9% of businesses in L.A. are planning to leave, citing stifling regulations and an unresponsive bureaucracy.
- L.A.'s unemployment rate is among the highest for any major city.
- L.A. is the only one of the seven largest U.S. Cities where the number of jobs has declined since 1990.
- The city's spending on Pensions has increased 24.7% annually over the past 10 years, more than all other major budgetary expenditures combined.

In Memorium

Valley VOTE notes with sadness the dearth of Priscilla Ann Ward, a Valley activist who used profits from her farmer's market to beautify Studio City. Ward was President of the Studio City Residents Association, President of the Federation of Hillside and Canyon Associations and a legislative staffer for State Assemblyman Terry Friedman.

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