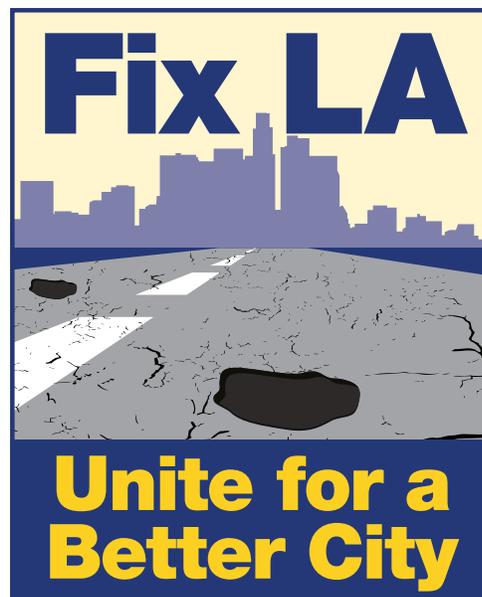




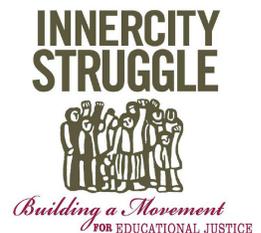
Fix LA Coalition The People's Budget

April 2014





This report is brought to you by the Fix LA Coalition, including Koreatown Immigrant Workers Alliance (KIWA), Strategic Concepts in Organizing and Policy Education (SCOPE), Southern Christian Leadership Conference (SCLC), Alliance of Californians for Community Empowerment (ACCE), Community Coalition, SEIU Local 721, One LA, Inner City Struggle, Coalition of LA City Unions, People Organized for Westside Renewal (POWER), AFSCME District Council 36.



LA is one of the world's greatest cities, but our communities don't have what they need to thrive

Los Angeles is one of the truly great cities — a worldwide center of art and culture and a global economic powerhouse fueled by its diverse and creative population.

However, the gap between the richest and poorest Angelenos is growing faster than ever and menial, low-wage jobs are offering little promise or prospects of hope to our community. Years of austerity measures at City Hall and relentless budget cutbacks have exacerbated the plight of struggling Angelenos.

City government has not delivered on the basics: Trees are overgrown, streets are in disrepair, sewers are clogged, alleys are filled with debris, parks no longer offer sufficient sports and recreational activities, trash piles up in vacant lots, and in many neighborhoods there are rampant signs of blight and neglect.

City Hall can turn the tide now by adopting a new paradigm of prosperity for all. Even as vital City services have been decimated, Wall Street banks have been reaping tens of millions in profits on financial services every year with little to no accountability to City taxpayers and residents.

What Can We Do to Achieve a More Responsive Budget

A new and diverse coalition of community groups, clergy, civil rights organizations and working people are coming together to change this. It is time to Fix LA. We believe that opportunity — and responsibility— should be distributed fairly in Los Angeles and all Angelenos deserve quality public services and a livable, sustainable city. Only way to do that is a City budget that restores revenue, restores services, and ensures good jobs.

Principles for a Peoples Budget:

- **Principle 1: Maximize and Reclaim Revenue Before Any Cuts to Communities or Workers**
- **Principle 2: Restore neighborhood services**
- **Principle 3: Good jobs for all Angelenos**

Principles for People's Budget

Principle 1: Maximize and Reclaim Revenue Before Any Cuts to Communities or Workers

Cut Wall Street fees by a minimum of 10%: On March 25, 2014, the Fix LA Coalition released a report, entitled "No Small Fees," that shows that while the City of Los Angeles faces ongoing financial problems and cuts to its public services, Wall Street has profited by costing the City more than \$200 million last year in fees and payments, not including interest or principal. As our city debates which services to slash and which bills to pay, one option that would dramatically improve city finances is never on the table: Renegotiating and reducing Wall Street fees that cost LA taxpayers hundreds of millions of dollars every year. Just like banks pushed homeowners into predatory loans with high costs and high risks, there is evidence that they did the same with cities..

Enforce foreclosure blight: After the economy crashed, there were 50,000 foreclosures in L.A. city alone. Fearing that banks would allow newly-abandoned homes to deteriorate and become public nuisances, state legislators authorized cities to fine banks up to \$1,000 a day if they failed to maintain their properties. Some hard-hit cities like Oakland and Riverside implemented programs, bringing in millions to offset the costs to cities. Los Angeles passed an ordinance like Riverside's that required banks to register foreclosed properties with the city and promised steep fines if they failed to maintain them. The city department that was supposed to inspect and cite nuisance properties, Building and Safety, said it never had the money to do so. Despite innumerable public nuisance complaints, no bank has ever been fined for failing to maintain its properties under the foreclosure blight law. That law has never been enforced. Not once.

Push to close property tax loopholes: As LA communities and services go underfunded, some of the largest corporations are failing to pay their fair share of property taxes- the largest source of City revenue. The City should make sure Brookfield pays its fair share- and not use loopholes to cheat LA for \$3 million. City should back legislation to close the loophole and ultimately to tax commercial property at market value.

Bring in any money owed: The city should back and expand the efforts of its inspector general, who is charged with making sure the city collects the money it is entitled to. This year, for example, the inspector general located tens of millions of dollars in unclaimed federal grants dating from the Northridge earthquake, leading us to wonder, What else is out there?

Principle 2: Restore neighborhood services

Restore critical neighborhood services: The city has halted or severely cutback many basic services. It all but stopped repairing sidewalks, clearing alleys and installing speed bumps. It stopped inspecting sewers, resulting in twice the number of sewer overflows. Current increases to public works fall significantly short of the kind of investment the City needs to make on infrastructure. There is no new investment for the City's streets. This means that street services will be maintained at its current level and City residents should expect no repair of local streets. No new revenue ideas that can be used to restore services or repair the City's crumbling infrastructure.

The city also decreased:

- By 74% the amount of time it devotes to intersection traffic control—from 90,000 hours in 2008 to 24,000 hours last year,
- By 56% the number of abandoned vehicles it removes from city streets—from 139,000 in 2008 to 61,000 last year,
- By 61% the amount of debris it removes—from 201,000 cubic feet to 77,700,
- By 42% the catch basins it clears—a critical matter for flood control,
- By 55% the number of street signs it repaired or replaces—from 97,000 to 44,000 and
- By 46% the number of trees it trims—from 97,000 to 52,000.

Principle 3: Good jobs for All Angelenos

Part timing is undermining the City's efforts to create more good jobs in LA: As the Los Angeles' largest employer, it is incumbent on City Hall to recognize that an essential part of economic recovery is the creation of good-paying jobs that offer genuine hope. To cope with staffing cutbacks, the city is relying increasingly on a part-time work force of employees who are underpaid and do not receive benefits. We are extending our hand in partnership with the City's elected leaders, and calling for the restoration of City services through the systematic creation of good civil service jobs and new local hiring opportunities. We deplore the model of poverty-level jobs and part-time wages that have left too many of the City's workers – including disproportional numbers of women, minorities and single-income families – barely scraping by.

\$15 for all Angelenos: The city should require employers to pay a more realistic living wage of \$15 an hour. The state's current minimum wage \$8 an hour is plainly inadequate and so is the new law that will take three years to raise it to \$10 an hour.

“LA's support system has been taken away just when we need them most.”

— Bill Przulucki
People Organized for
Westside Renewal (POWER)

“It's time to reinvest in our neighborhood community services.”

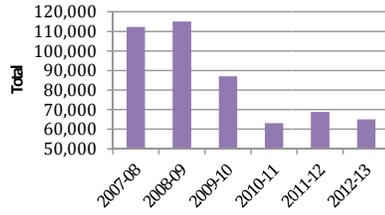
— Ana Garcia
CARECEN

“A city budget that gives more to Wall St. than our streets needs to be adjusted.”

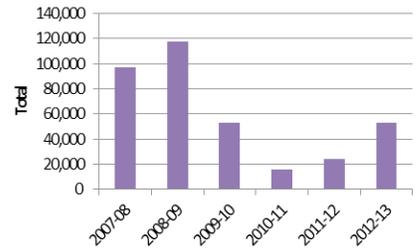
— Peggy Mears
ACCE

LA Communities Have Paid the Price

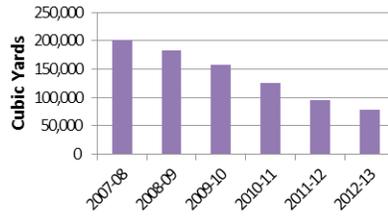
Sanitation: Flood Control Catch Basin Cleaning



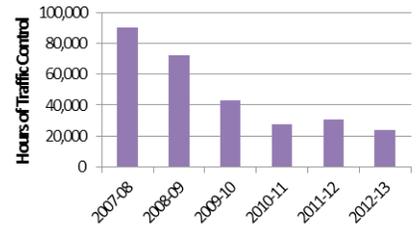
Street Services: Trees Trimmed



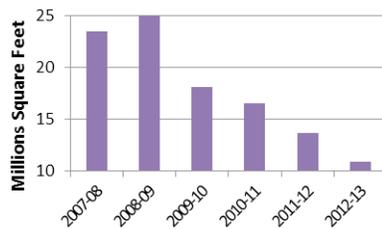
Street Services: Debris Removed



Transportation: Intersection Traffic Control



Street Services: Land Cleared



Transportation: Abandoned Vehicles Abated

