

APR 02 2008

MOTION

TO CITY CLERK FOR PLACEMENT ON NEXT
REGULAR COUNCIL AGENDA TO BE POSTED
#65

The City is facing one of the worst economic challenges in decades, with a \$50 million deficit for the current fiscal year and between \$300 and \$500 million in the 2008-09 Budget. The Budget & Finance Committee recently proposed changes to bring down the current year's deficit to approximately \$18 million.

While we consider taking drastic steps such as cutting back services, reopening employee contracts or laying off workers, we also need to explore creative ways to increase revenue in ways that will not overly burden the people of Los Angeles. Many good ideas have been brought up over the years that need to be considered.

The City Council has taken the lead in producing \$1.2 million in savings through cuts to our office budgets. The Mayor has informed all City General Managers, except for LAPD and LAFD, they should expect to see 10 percent cuts in next year's budget, which will require them to find efficiencies to keep current services.

Back during the City's last period of fiscal challenge, from 2002-03, many proposals were put forth that had the potential to increase revenues without further increasing taxes. There was also a push to reduce the City's special event subsidy, which is a policy that we are still in the process of finalizing.

More recently, proposals have come forward to place advertising space of City vehicles [CF#05-0056], tax production of oil from wells located within the City [CF#08-0411] and a series of other ideas [CF#08-0167]. The Mayor has recently proposed fully recouping the cost of providing trash services to residents.

The entire City Council has a tremendous stake in the looming program and staff cuts that will occur if we cannot find additional revenue to balance our books. We all need to engage in a serious and focused discussion around what past, current and new ideas might assist us with our goal to increase revenue and soften cuts.

WE THEREFORE MOVE that the City Council convene a special full day meeting during the month of April, as part of the discussion of the 2008-09 City budget, to discuss ways to increase revenue in order to avoid the painful cuts that would otherwise be required due to the shortfall in this and next fiscal year's budget.

CO-PRESENTED BY: *Janice Hahn*
JANICE HAHN
Councilwoman
15th District

Bernard Parks *607*
BERNARD PARKS
Councilman
8th District

SECONDED BY: *Eric Garcetti*
ERIC GARCETTI
Councilman
13th District

Wendy Greuel
WENDY GREUEL
Councilwoman
2nd District

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