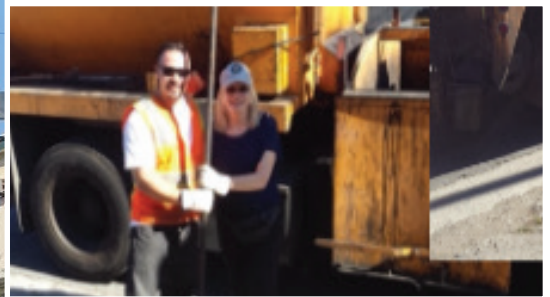


Neighborhood Council Budget Advocates 2024 White Paper Who Is Doing The Work?



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WHO IS DOING THE WORK?

In February 2023, Mayor Bass declared, “Los Angeles is open for business.” Unfortunately, Los Angeles is not delivering results for its stakeholders. The business of governing the City’s finances does not appear to be open.

Who is doing the work of the City? Who is doing the business of managing the City?

The Mayor’s 2024-2025 Budget proposes to shrink the budget gap by eliminating nearly 2,000 positions that had been funded but never staffed. With a 20% vacancy rate, this saves the City a considerable amount of money. Closing the open positions not only shrinks the budget gap, it also leaves us to deal with the inadequate services we’ve been living with while the City was, and now will continue to be, understaffed. It leaves us with insufficient oversight because those departments who are charged with providing it are understaffed. And it leaves us without a plan that can guide our future.

Why is the City forced to take these drastic measures? To pay for the raises it gave to its employees, sworn and civilian, in two new budget contracts finalized in 2024. Don’t get us wrong. We want employees to earn a good wage. It makes it easier to hire and keep employees, but we also want a way to pay for those wages. We find ourselves in this position with every labor agreement renegotiation. It’s not like we don’t know it’s coming. We never seem to have a financial plan for it and thus the repeated deficits.

One could point at the City’s liability payouts that are significant and say this is why we have a budget gap, but the City has liability claims every year and plans for them. A budget gap of the size we’re facing occurs when we negotiate new labor agreements.

Exacerbating the issue, at the same time we negotiated these new labor agreements, our anticipated revenues are below projections and the State’s deficit means fewer dollars flowing from the State government to the City.

The City has long been facing a services deficit. Our sidewalks are crumbling. Our urban forest needs serious attention. Our streets are dirty. The City frequently pointed to the 20% vacancy rate to explain why repairs took so long. The positions were included in the Budget, but we couldn’t find the staff to do the work. Now, with the City eliminating most of the open positions, we’re being told there won’t be a decrease in services because the services weren’t being provided anyway.

This answer doesn’t cut it. If we are going to deny services to the City’s stakeholders, if we are going to let the City continue to decay, we need to have a plan that shows how we can catch up.

Given the current spending gap, Los Angeles will experience pain for the next four to five years. We can turn this pain into an opportunity by doing the hard work to truly turn the City around and not just manage the deficits until the economy improves.

The Budget Advocates make some suggestions here to increase transparency and provide better fiscal management.

Fiscal Manager

The City is crying for someone to run its fiscal house. Call the position City Manager as the Budget Advocates first recommended in 2019. Call the position the Office of Transparency and Accountability as the Budget Advocates first recommended in 2017. Call the position Chief Financial Officer as Washington, D.C. does, and, by the way, their CFO was able to put the District's financial house in order. Call the position Fred. It doesn't matter what the position is called. What matters is the City needs an independent actor with overall tactical fiscal responsibility. The Mayor and City Council can set the City's strategy. They have not shown themselves able to take a tactical approach to protect the City's finances.

We pay more fees for less work. A fee-for-service model, towards which we head with every passing year, is inherently inequitable. The fiscal manager can develop a plan to address the structural and services deficits. None of our politicians seem willing to do this so let's create a position for somebody whose job it will be.

Multi-year Budgeting

In its 2012 White Paper, the Budget Advocates called for multi-year budgeting and have been repeating the call in the years since. Now, Controller Mejia calls for two-year budgeting. Two years is a good start.

The Budget Advocates continue to advocate for multi-year budgeting. While the Charter requires the Mayor to deliver a budget for the next fiscal year on or before April 20, it doesn't prohibit the Mayor from delivering a budget beyond the next fiscal year. The Mayor could develop a two-year budget and still deliver the next fiscal year according to the Charter's mandate. There's nothing in the Charter that prevents the Mayor from having thought through a multi-year budget.

Civil Service Reform

The City needs to find a way to overcome its employment logjam. The Civil Service bureaucracy remains stubborn in spite of Mayor Bass and Personnel Department General Manager Brown's desire to reform it. Departments are still waiting for cert lists of people from which they can hire and the lists still fall out-of-date leaving Departments with no choice but to wait.

Even Departments that have up-to-date cert lists find the process to hire so lengthy and cumbersome that filling their ranks is very difficult. By the time offers can be made, many candidates have found other employment.

This logjam must be broken. Civil Service reform, which is under discussion, must be undertaken. The City cannot afford to wait.

While we're reforming Civil Service, we need to reform employee compensation. The new 2023 contract for LAPD moved the City's Budget into deficit even before the City began to negotiate the civilian contracts. The deficit will only worsen. It is expected to rise to \$1 billion a year by 2028, greater than 7.5% of the City's \$12.8 billion budget.

In the past, one worked in a Civil Service job knowing the pay was less than in the private sector and the benefits, including retirement, were rich. The City is now improving the pay so Civil Service workers in the City get the private sector benefit of good pay and the public sector benefit of good benefits and generous retirement. If the City is going to pay market rate for its employees, it should consider moving to a 457(b) plan to make the employees partners in building their retirement benefits.

A Plan for Moving Forward

The City government's job is to deliver services. With the current cancellation of most open positions, how can the City provide the services its residents expect? It cannot. What is the plan to move forward? What is the plan to fix the structural deficit? What is the plan to fix the services deficit? While some individual departments have 5-year plans, the City does not. It needs one. We can't keep bouncing in and out of deficit like we do. We can't keep ignoring our crumbling infrastructure.

In its 2017 White Paper, the Budget Advocates began the call for long-range planning. The need continues today.

We are in a politically created financial crisis that could have been avoided or minimized or mitigated with some planning.

A Strong Reserve Fund

The temptation is to cover the budget gap by using the reserve funds. The reserve funds are there to protect the City in case of emergency. The City would have been in big trouble in 2020 if we hadn't had the reserve funds to cover our financial obligations until Federal money arrived when the Covid-19 pandemic shut everything down leaving the City without revenues. Thank goodness we had that money. The Budget Advocates urge the City to maintain our reserves at 10% of the Budget and to use those reserves only for emergencies and not to cover budget gaps that arise from the normal cost of business.

Civic Openness In Negotiations

The City should explore moving to open labor agreement negotiations using Civic Openness In Negotiations (COIN) or some other framework. All of the constituents of the labor agreements, voters and union members, would benefit from a more open process.

COIN is legal in California (see SB-331 signed by Governor Brown on October 9, 2015 requiring openness be applied to all large negotiations, not just labor agreements, if COIN is used) and has been practiced by Beverly Hills, Costa Mesa, and Fullerton.

COIN is supported in a [September 21, 2015 Los Angeles Times editorial](#), “Los Angeles could use more COIN.”

Labor Unions Influence Over Elected Officials

Through ethics reform, we need to treat union officials who are lobbying on behalf of their unions as registered lobbyists. Campaign contributions from the funds of labor unions should be prohibited. This is not to limit individual union members from lobbying their individual elected officials, a right enjoyed by every stakeholder of Los Angeles. This is not to prevent individual union members from contributing to the candidates of their choice. People whose job it is to lobby, must be treated like all other lobbyists.

Additional Departments Whose Positions Should Not Be Cut

The departments on whom the functioning of the City depends, such as Personnel and the Information Technology Agency, need to be funded. Emergency management is more than our first responders and the Emergency Management Department should also be funded.

The Personnel Department has a lot of work to do on Civil Service reform and compensation reform. Personnel was among the departments cut in response to the 2008-2009 financial crisis. As the City’s finances improved, Personnel was too underfunded to handle the rush of open positions. We should not repeat this mistake. Allow the Personnel Department to keep its open positions so it can do the reform work on its plate and prepare for the hiring rush that will happen when the finances improve.

The City works with an IT network that is greater than 60% end-of-life. Radio repairs, critical in emergencies, are underfunded. The City cannot work efficiently if its computer systems, radio technology, and networks are not current. The City must catch up and can only do so by keeping the Information Technology Agency’s positions open.

Emergency Management is critical for the safety of the City’s residents. No one can predict when the next earthquake, pandemic, freeway collapse, or other crisis will hit. The Emergency Management Department, for our own protection, should be funded and its positions kept open.

Additionally, any positions working on grant applications and grant management should be retained since the people filling these positions bring money into the City.

Some are thinking about preparedness for the Olympics in 2028. We’re wondering if we’re prepared for day-to-day life in 2025.

RECOMMENDATIONS

Animal Services Department

A. Recommendations to Help Achieve and Maintain No-Kill

- Fund the Animal Sterilization Fund in the amount of \$7.5 million from the General Fund to save the City tens of millions of dollars in the future [financial savings]
- Fund the Community Cat Program in the amount of \$2.4 million from the General Fund to meet the minimum requirement of the Environmental Impact Report, to partially make up for no funding for 10 years, and to save the City millions of dollars in the future [financial savings]
- Increase funding to the Animal Services Department to adequately care for stray, homeless, and surrendered animals and to provide safety in our neighborhoods

B. Recommendations to Increase Volunteer Support for the Shelters

- Continue to work to get volunteers from prior to the COVID-19 pandemic to return and to recruit new volunteers
- Reinstate volunteers who were terminated after talking to the press or posting on social media
- Start the Reserve Animal Control Officer (RACO) program [financial savings]

C. Recommendations Regarding Staffing

Hire the following additional personnel:

- 234 Animal Care Technicians (ACTs)
- 332 Animal Control Officers (ACOs)
- 9 Administrative Clerks
- 2 Management Analysts
- 12 Veterinarian IIs and Veterinarian Technicians
- 9 Animal Care Technician Supervisors
- 5 District Supervisors
- 1 Social Worker III
- 2 Social Worker IIs
- 1 Senior Carpenter
- 4 Carpenters

D. Recommendations Regarding Coyotes

- Work with the State Fish and Wildlife Department to come up with an effective and humane way to deal with urban coyotes
- Develop innovative programs to humanely deal with the increased presence of coyotes in our neighborhoods

E. Recommendations Regarding the Northeast Valley Animal Shelter

- Begin work to transition the Northeast Valley Shelter to a fully functioning municipal shelter, possibly using the City's Innovation Fund

F. Recommendations for Funding Increases

- \$100,000 in Operating Supplies Account
- \$600,000 in the animal Food/Feed and Grain Account
- \$35,000 in Overtime General Account
- Funding to purchase replacement military grade radios
- Funding for staff training

Department of Building and SafetyFor the City:

- Proactively implement a mechanism for data sharing and tracking among the Department of Building and Safety, the Housing Department, City Planning, and other City departments for projects specifically including low-income units
- Ensure sufficient funding for Building and Safety to hire qualified professionals to staff all programs, and to provide relevant ongoing training in new technologies
- Enable expedited hiring procedures to fill urgent vacancies
- Fund the expansion of the Affordable Housing Tracking System to include all relevant data, especially with regards to low-income units, on a more timely basis
- Provide funds for Building and Safety to work with relevant departments and entities to integrate their requirements into the new LA City Permitting System
- Fund public engagement opportunities for organizations, businesses and residents to provide early, ongoing and meaningful input into the functionality, accessibility and implementation of the new LA City Permitting system
- Authorize funds for Building and Safety's Board of Commissioners to undergo training in the relevant codes and regulations

For the Department:

- Implement and apply a performance metric for low-income housing units that is consistent with the definition of low-income housing units in the 2021-2029 Housing Element
- Integrate these performance metrics into the current Plan Check and Inspection System permitting system and the new LA City Permitting System
- Implement procedures for clearing low-income units with the Housing Department to ensure that identifying Housing Department project information is captured in the Plan Check and Inspection System
- Implement adequate metrics to ensure all stakeholder concerns are considered and addressed in and in transition to the new system
- Establish policies to verify permit applicants comply with relevant requirements by all governmental entities prior to approval to proceed
- Develop and disseminate, on its website and with an introductory package to applicants, step-by-step easy-to-comprehend directives on compliance

City Administrative Officer

- Break the cycle of deficits in years where labor agreements are negotiated. Ideas include, but are not limited to, multi-year budgeting and negotiating contracts the year before they take effect.
- Pilot Civic Openness in Negotiations (COIN)
- Add liabilities to department budgets so they are aware of the amount of money the City pays out on their behalf

City Clerk

- Improve departmental training to increase consistency from employee to employee
- Vigorously test the new payroll system to be sure it can handle the difference between Civil Service and other types of employees
- Enact policies to increase engagement of new employees to reduce premature attrition and the recurring costs of replacement
- Continue focusing on retention of existing employees; not only does it cost less than hiring someone new, invaluable institutional memory is maintained

Civil + Human Rights and Equity

- Fund a full-time position for grants management [increased revenue]
- Continue L.A. REPAIR which allows local and often neglected communities to decide how some of the tax dollars will be spent in their neighborhoods. [Civic participation; Revenue neutral]
- Continue exploring ways to use philanthropic organizations to deliver for Los Angeles [extend the reach of the department without additional City funds]

Bureau of Contract Administration

For the City:

- Maintain current funding levels for the Construction Inspection Divisions to allow capital projects to continue to proceed at the current rate
- Maintain current funding levels to the Office of Contract Compliance to allow it to transition to a strategic wage theft enforcement approach currently being used by both the State and the U.S. Department of Labor
- Maintain current funding levels for outreach and education programs designed to promote small, local, and diverse businesses
- Provide additional funding from the proprietary departments for hiring and training new inspectors to allow the Bureau to provide for their increased inspection and compliance needs including Los Angeles World Airports for their multi-billion dollar improvement program.
- Maintain current funding levels for the Construction Inspection Divisions to allow capital projects to continue to proceed at the current rate

- Provide funding to the Office of Wage Standards for additional staff to enforce the City's recently adopted Minimum Wage Ordinance
- Provide funding to the Administrative Services Division to improve the record keeping of the Bureau and allow for a more orderly transition to a virtual record keeping, retention, and recall environment

Controller

- Advocate for multi-year budgeting's inclusion in the Charter reform proposals
- Advocate for inclusion of a CFO in the Charter reform proposals
- Focus audits on big ticket items and items with great impact on people's lives
- Develop a five-year strategic plan
- Develop Department-specific training and advocate for Personnel to develop City-specific training

Department of Cultural Affairs

- Provide money for baseline staffing.
- Succession planning 10-15% of the budget request.
- Items 12-20 on the budget request are the priorities.
- Encourage multi-year budgeting to clearly identify revenue needs.
- Revisit how cultural Affairs are funded to provide for more consistent revenue stream and increase the department's reserve fund.
- Reach out to community members interested in making suggestions of the types of cultural events of local interest.

Emergency Management Department

For the City:

- Establish a five-year plan to incrementally increase critical full-time personnel to ensure the Emergency Management Department is able to meet demands for present and future preparedness, response and recovery initiatives
- Fund an additional Public Information Officer to proactively improve outreach; a coordinator to develop and maintain a database accessible to the public on steps to take in emergencies; and personnel to access grant funding and handle relevant paperwork
- Provide access to at least \$1 million in emergency funds for the period at the start of a disaster before the City Council can meet and approve money for medical care, housing, potable water, and food
- Increase funding for new and emerging concerns including extreme weather and climate change

For the Department:

- Prioritize developing detailed loss projections, emphasizing specific human and financial consequences to encourage the City to adequately fund all Angelenos' needs
- Engage with the City Council's Public Safety Committee to develop and implement programs to limit the likelihood of significant impact from any disaster
- Develop an emergency status alert system for localized events to assist residents to understand which areas are affected, the severity, and actions to take
- Engage with Chambers of Commerce and other associations whose survival will be impacted if the EMD doesn't have the resources to quickly reopen businesses
- Develop three, five, and ten-year plans so the Department has clear parameters to pursue strategies and budgets including factoring in the World Cup and Olympics

For All Angelenos:

- Call your Councilmember about the urgent need to adequately fund the EMD and, when City budget discussions go live in April, post your concerns to the City Clerk's website [[<https://cityclerk.lacity.org/lacityclerkconnect/index.cfm?fa=ccfi.viewrecord&cfnumber=24-0600>]]

Ethics CommissionFor the City:

- Fulfill the Commission's request for two new auditor positions
- Regularize the eight new positions added to the Ethics Commission in the FY 2023-2024 budget.

For the Ethics Commission:

- Pilot a social media presence to announce important meetings and educational opportunities.

Office of Finance

- Recommend a complete review of the financial structure of the City's financial departments.
- Consider and analyze:
 1. A Charter change to elect a City Financial Officer (could be the current Controller position)
 2. Review all City Departments that have any independent financial operations other than issuing requests for payments to be processed and moving any direct financial activity to either operations under the CFO or a department organized under the CFO.
 3. Establish all budgetary operations under the CFO with direct communication and input from each department.

4. Require all direct spending and collections be conducted under the direction of the CFO with input from each department.
5. Establish oversight with either a Mayoral Committee, a City Council Committee, a Public Commission, independent outside review board, or other acceptable method.

While these suggestions may be a radical change, there also would be a large operational improvement as well as considerable cost savings.

Housing Department

For the City:

- Work with the Department to ensure programs are adequately staffed
- Advocate against the proposed ballot measure that would amend the State Constitution to nullify Measure ULA

Information Technology Agency

For the City:

- In conjunction with the Personnel Department, implement technical improvements to streamline hiring, increasing efficiency and the effective delivery of services
- Fund the Information Technology Agency to keep equipment and software, including the City's radio system, up to date to best enable City departments to provide services, and keep the City fully operational
- Fund the Zero Trust model to keep the City at the zenith of cybersecurity strength to reduce the risk of cyber attacks

For the Department:

- Post Department metrics to the website to increase transparency
- Expand the strategic plan to cover five-years to broaden its vision

Personnel

- Provide the public with the data necessary to make an informed decision on Charter Amendments related to Civil Service hiring and whether it should be placed on the ballot.
- Improve the Department's communication of job opportunities and hiring practices to job-seekers.

Department of City Planning

- Provide access to language translation for City Planning Department hearings

- Use the closest City Planning facility to the project under review for holding hearings so neighbors are able to attend and participate
- Require three-story and higher Residential Density Bonus development projects, including those using the Transit Oriented Communities program, that are built on commercial corridors include retail space on the ground floor
- Thirty percent of ground floor retail spaces built on residential corridors should be reserved for low-to-moderate income businesses as supported by net businesses sales-receipts, businesses displaced by development projects, and businesses on the verge of being displaced

Los Angeles Public Library

For the City:

- Approve the proposed Library Budget submittal Fiscal Year 2024-2025

Board of Public Works

For the City:

- Provide the Department the funding to allow it to continue staff development through community outreach and improvements to the hiring process.
- Authorize the hiring of an Emergency Management Coordinator who will coordinate the emergency response of the Bureaus within the Department in communication with other City departments.
- Develop policies and procedures to combat copper wire theft and provide Street Services with the funding it needs to make repairs more quickly.

Department of Recreation and Parks

- Expedite hiring improvements to ensure sufficient staffing for all programs and maintenance
- Provide necessary replacement funding to sustain and expand the childcare program
- Fund increased programming at Senior Centers in response to the growing numbers of older Angelenos
- Enhance funding for increased maintenance at high use facilities to combat graffiti and crime

Los Angeles City Employees' Retirement System and Fire and Police Pension Plan

For the Departments:

- Work with Personnel and CAO on hiring for specialized positions.
- Strengthen investment management.
- Improve IT capabilities.

- Develop recommendations for full funding.
- Lower the investment rate assumption.
- Maintain ARC for plans that are fully funded.

For the City:

- Ensure full readiness and accuracy of the Human Resources & Payroll system before launch.
- Appoint qualified commissioners.
- Develop explicit policy that pension plans are not sources of funds for the City.

Bureau of Street Lighting

- Work with Neighborhood Councils in neighborhoods targeted for public wi-fi to receive their input on what they want and where they want it
- Extract Smart City Goals table from the 5-year strategic plan and publish on the Department's own web page where results can be shared with the public
- Create new job classifications to replace employees due to turnover and retirement
- Consider switching from electric power to solar for streetlights

Bureau of Street Services

For the City:

- Fund nine new resolution authority positions for a second Risk and Liability crew to reduce liability claims [cost savings]
- Reform the Civil Service to make hiring easier and more efficient [potential cost savings in liability claims reduction]
- Fund positions that work on grants [increased revenue]

Youth Development Department

- Proceed as planned in developing Youth Development Strategic Plan
- Educate the public about the Youth Development Department (YDD) and all youth programs.
- Develop system of accountability in conjunction with the Working Group

Los Angeles Zoo

- Pursue the animal welfare aspects of the Vision Plan as a top priority
- Move forward in removing invasive plants and replacing them with native flora to assist in improving the City's ecological system
- Focus on environmental impacts when deciding which animal exhibits to prioritize
- Consider not adding additional human-centered facilities to save native habitat from destruction

- Halt plans to commercialize a ridgeline to preserve the character of Griffith Park and reduce the City's capital costs for years to come

ANIMAL SERVICES DEPARTMENT
Meetings of December 29, 2023 and January 24, 2024

ATTENDEES

Los Angeles Animal Services Department (LAAS): Staycee Dains, General Manager; Annette Ramirez, Assistant General Manager for Lifesaving; Curtis Watts, Assistant General Manager for Administration; Sharon Lee, Senior Management Analyst
Neighborhood Council Budget Advocates: Jamie York, Glenn Bailey, Jeffrey Mausner (Budget Representative)

RECOMMENDATIONSA. Recommendations to Help Achieve and Maintain No-Kill

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DISCUSSION

The Los Angeles Animal Services Department (LAAS) is one of the largest municipal animal shelter systems in the United States with 6 fully functioning municipal shelters and two leased-out shelters, annually serving approximately 40,000 to 45,000 animals and responding to approximately 43,000 service calls involving animals or people in danger and other animal matters. LAAS promotes and protects the health, safety, and welfare of animals and people.

For fiscal year 2023-24, the adopted operating budget of LAAS was \$31,699,537. This budget provided for 344 regular and 48 resolution authority employees. This department budget represents approximately one quarter of one percent of the City budget. That small share of the City budget had to cover the care for all of the animals in the City including those in the 6 fully functioning municipal animal shelters. LAAS's funding comes mostly from the General Fund, with a small amount coming from Special Funds.

The underfunding of the Animal Services Department led to an exposé of conditions in the animal shelters in the Los Angeles Times and other news media. For example:

'It's Inhumane': Dogs At L.A. Animal Shelters Go Weeks Or Months Without Being Walked, July 14, 2022: <https://www.latimes.com/california/story/2022-07-14/la-city-animal-shelters-dogs-sit-in-kennels-weeks-months-without-walks>

'Horried': L.A. City Council Members Call For Action On Overcrowded Animal Shelters, July 16, 2022: <https://www.latimes.com/california/story/2022-07-16/l-a-city-council-members-called-for-action-city-shelters>

LA Animal Services Officials Blame Staff Shortage, Pandemic Challenges For Issues At City Shelters, July 20, 2022: <https://abc7.com/animal-shelters-la-city-council-concerns-emergency-meeting/12061158/>

This created strong support from the public, Neighborhood Councils, and the City Council for a significant increase in the operating budget of LAAS to improve the conditions in the shelters. The new City Controller, Kenneth Mejia, has also expressed an interest in seeing that LAAS is adequately funded. The new General Manager of the Animal Services Department, Staycee Dains, has made adequate funding for the Department and shelters a top priority.

LAAS's proposed operating budget for fiscal year 2024-25 reflects this outcry, requesting \$91,718,443. The budget request would provide for 409 regular and 622 resolution authority employees. Much of the increase is for MICLA (Municipal Improvement Corporation of Los Angeles) funds to purchase 83 Animal Control Vehicles at a cost of \$11,424,120. The additional Animal Control Vehicles are needed for the additional ACOs to be hired, so purchase of trucks should be conditional on the number of ACOs hired.

If this full amount is appropriated, LAAS's budget would still be well under one percent of the total City budget -- approximately seven tenths of one percent of the City's budget -- to care for all animals in the City, including those in the City animals shelters. The increase in funding is necessary to humanely and properly care for animals in the shelters and for the safety of people and animals throughout the City, due to severe underfunding of the Department for over 40 years. In addition, increased costs and inflation have severely impacted LAAS. Some animal supplies and veterinary care have increased in cost much more than general inflation, some items becoming several times more expensive than they were in 2018. Costs of rabies vaccine, water, plastic products, dog food, fuel, as well as most other items, have all risen. The number of service calls received by LAAS has risen dramatically, necessitating an increase in Animal Control Officers and supporting staff.

It should be noted that Budget Advocate and CityWatch featured writer Jack Humphreville (known as The LA Watchdog) has recommended an increase of at least \$25 million in LAAS's budget. See *Animal Services Needs Management, Oversight, and Cash*, August 25, 2022: <https://citywatchla.com/index.php/la-watchdog/25352-animal-services-needs-management-oversight-and-cash>

No-Kill

In 2017 the City Council passed and the Mayor signed City Council File 17-0170 to make the achievement and maintenance of No-Kill a high priority for the City. The City should not kill healthy, adoptable animals merely because of lack of kennel space. LAAS's 2024-25 budget request recognizes maintenance of No-Kill as a long-term priority of the City and the Department.

Spay/neuter is the key to reaching and maintaining No-Kill. Spay/neuter also saves the City a great deal of money in the long run. It is much less expensive to spay/neuter dogs, cats, and rabbits than it is to care for generations of their offspring at the City shelters and ultimately have to put them to death when the shelters run out of space.

According to the Humane Society, female cats can breed three times a year and have an average of 4 kittens per litter. Dogs can breed twice a year with litters of 6-10 puppies. In 7 years, 1 unspayed female cat and her offspring can produce 420,000 cats and one unspayed female dog and her offspring can produce 99,000 dogs. While these are just the statistical

possibilities and the numbers would be much less in the real world, failure to spay/neuter just a few dogs and cats will lead to the birth of hundreds, if not thousands, of homeless dogs and cats over several years and would be penny wise and “pound” foolish. See: *Crucial City Funding: Spay and Neuter Saves Money and Lives*, December 2, 2019, <https://www.citywatchla.com/369-budget-advocates/18933-crucial-city-funding-spay-and-neuter-saves-money-and-lives?highlight=WYJtYXVzbnVyll0=>

Prior to 2015, \$1.1 million was transferred annually from the General Fund to the Animal Sterilization Fund. This was decreased to \$500,000 in fiscal year 2015-2016 and then no transfers were made in fiscal years 2016-2017 and 2017-2018. The Animal Sterilization Fund was about to run out of money which would have eliminated spay/neuter services for low-income pet owners. The City Council stepped in to provide \$850,000 in May 2018.

The City Council provided \$400,000 in the fiscal year 2018-2019 budget pursuant to the recommendation of the City Administrative Officer (CAO). In May 2019 they appropriated an additional \$498,000 pursuant to the recommendation of the Neighborhood Council Budget Advocates. See http://clkrep.lacity.org/online/docs/2019/19-0600_pc_5-7-19.pdf pages 5-6 and

http://clkrep.lacity.org/online/docs/2018/18-0600_pc_4-28-18.pdf

LAAS’s proposed budget for 2024-25 requests \$7.5 million from the General Fund to the Animal Sterilization Fund. This amount is necessary because of the severe underfunding of the Animal Sterilization Fund for many years, causing the dog and cat population in Los Angeles to get out of control. The \$7.5 million figure is based on the number of estimated sterilizations in 2024-25, and the recommended increased rates in the revised fee study released on 11/28/2023, Council File # 23-0452, https://clkrep.lacity.org/online/docs/2023/23-0452_rpt_das_11-28-2023.pdf. If increased funding is not provided now, the overpopulation of dogs and cats will just get worse and exponentially more money will be required to deal with the problem in the future. Again, failure to provide adequate funding for spay/neuter is penny wise and “pound” foolish.

The contracted cost with approved veterinarians for spay/neuter pursuant to City spay/neuter vouchers is currently \$125 per dog and \$70 per cat. Full-cost vouchers for spay/neuter are available to low-income families. The Animal Services Department and Tarzana Neighborhood Council have requested that the City Council raise the amounts veterinarians are paid for spay/neuter pursuant to the vouchers. As stated in the Tarzana Neighborhood Council Community Impact Statement:

[The City should] encourage spay/neuter of pets by increasing funding for more free and discounted spay/neuter vouchers and increasing the amount veterinarians are paid for performing spay/neuters under the vouchers. The amount of payment to vets pursuant to the vouchers is ridiculously low and, as a result, there are not enough vets willing to perform spay/neuters under the vouchers. Increasing the availability of vouchers and raising the fees paid to veterinarians to encourage them to perform spay/neuters is a necessary step in solving the [shelter overcrowding] emergency.

See: Tarzana Neighborhood Council Community Impact Statement
https://clkrep.lacity.org/online/docs/2023/23-1008_cis_10-26-2023.pdf

in City Council File 23-

1008 <https://cityclerk.lacity.org/lacityclerkconnect/index.cfm?fa=ccfi.viewrecord&cfnumber=23-1008>

Tarzana Neighborhood Council Community Impact Statement
https://clkrep.lacity.org/online/docs/2023/23-0452_cis_12-20-2023.pdf

in City Council File 23-0452

<https://cityclerk.lacity.org/lacityclerkconnect/index.cfm?fa=ccfi.viewrecord&cfnumber=23-0452>

There is a severe veterinarian shortage in Los Angeles. There are not enough veterinarians who will accept the current low amounts to perform all the necessary spay/neuters. A normal spay/neuter for a member of the public costs in the range of \$400 to \$1000 so vets that accept the current vouchers should be heartily thanked, but there will not be enough such vets to handle all the vouchers issued. It is anticipated that the funding of \$7.5 million will result in approximately 54,000 spay/neuter surgeries being performed at the increased rates.

After many years in which thousands of animals were killed in the City shelters for lack of space, the City achieved or came close to achieving No-Kill for dogs. (Over a 90% live save rate is considered No-Kill. The remaining 10% consists of animals who are too sick or injured to be saved or too aggressive to be adopted.) This was a monumental achievement for which the Animal Services Department and the entire City can be proud. This accomplishment is now jeopardized, in large part because of lack of adequate funding for spay/neuter. Decreasing the number of dogs and cats who are born is the basis for achieving and maintaining No-Kill. If spays/neuters are not increased, the shelters will be killing dogs and cats for lack of space. Housing and killing animals cost the City much more than the additional funds requested for the Animal Sterilization Fund.

The City has not yet achieved No-Kill for cats, in large part because of the former injunction against Trap, Neuter, Return (TNR). TNR is a program for controlling free roaming cats by trapping them, neutering them, and returning them to the place where they were trapped to live out their lives, but not produce additional offspring. Organizations that wanted to round up and exterminate free roaming cats obtained an injunction against the City's participation in TNR. After many years, and the completion of an Environmental Impact Report, the TNR Injunction was lifted in 2021. LAAS can now assist non-profit organizations and individuals in carrying out TNR, including providing vouchers to reduce the cost of spay/neuter for free roaming cats, also known as community cats. Because of the TNR Injunction and the inability of LAAS to assist in TNR for 11 years, the feral cat population greatly increased. The budget for spay/neuter of community cats will have to be greatly increased for the next few years to make up for this and get the community cat population under control.

The Environmental Impact Report (EIR) for the Community Cat Program recommends that 20,000 free roaming cats be spay/neutered each year to humanely decrease the number of free roaming cats. Vouchers for spay/neuter of cats are currently \$70 per cat. As noted above, the

Department and Tarzana Neighborhood Council are requesting that this amount be increased to \$120, so more veterinarians will participate. This is reflected in the request for \$2.4 million in LAAS's 2024-25 Citywide Cat Program proposed budget. The more that is appropriated, the better the Department can expedite the goals of the Community Cat Program.

LAAS entered into a contract with the organization Spay4LA, Inc. to provide mobile spay/neuter operations for the contract term of 11/1/23 through 10/31/26. LAAS is currently looking for other providers to run mobile spay/neuter operations. This is a highly effective way to increase spay/neuters, bringing the medical facility to areas of the City most in need of spay/neuter services. As noted above, spay/neuter not only saves lives of animals, it saves the City millions of dollars in the long run. <https://www.citywatchla.com/369-budget-advocates/18933-crucial-city-funding-spay-and-neuter-saves-money-and-lives?highlight=WyJtYXVzbnVyllO=>

LAAS is working to divert more animals from entering the shelters by assisting pet owners to keep their pets or, if that is not feasible, by helping them to find an adopter without the animal coming into the shelter. LAAS has implemented the Pet Food Pantry program, which gives donated dog and cat food to low-income families; shelter volunteers are involved in distributing the pet food at three of the City Shelters. LAAS's Home to Home program gives pet owners who can no longer keep their pets the opportunity to find new homes without having to surrender them to the shelter. LAAS should explore further avenues to increase adoptions. One idea is to produce a weekly commercial television show about the exploits of Animal Control Officers (ACOs), Animal Care Technicians (ACTs), and volunteers caring for and aiding the adoption of animals. Additionally, there might be a revenue opportunity here. While LAAS's efforts to divert animals from entering the shelters is commendable, LAAS must make sure that no one who really needs to bring an animal into a shelter is turned away, which has happened on occasion because of misunderstanding an LAAS policy regarding animal intake. LAAS is taking steps to ensure that all employees fully understand the policy.

It is also important that animals in the shelters receive proper and sufficient activity. Dogs should be taken out of their kennels every day for activity on the yard or for a walk. However, despite the best efforts of staff and volunteers, that is not even close to happening. Many dogs only get out of their kennels once a week, some even less. As well as increasing the number of volunteers and staff, the Department is hiring organizations to provide enrichment activities to the animals. For example, the organization Dogs Playing for Life (DPFL) does an excellent job of conducting play groups for dogs at the shelters, getting a large number of dogs out for exercise at one time. Regular exercise and enrichment makes the dogs more adoptable and thereby contributes to achieving and maintaining No-Kill.

Northeast Valley Animal Shelter

The Northeast Valley Animal Shelter in Mission Hills was built with funds from Bond Proposition F. When Proposition F was passed by two-thirds of voters in 2000, residents were told that the Department of Animal Services would operate 8 animal shelters, including the Northeast Valley Shelter. Voters were told that additional space was needed for Animal Control Officers to "solve problems of stray, abandoned, and dangerous animals" and the new facilities would improve response times. The Prop F voter guide also acknowledged that additional funds would need to be appropriated to staff the two new animal shelters. However, instead of

operating the Northeast Valley facility as a municipal shelter as contemplated by Prop F, the Animal Services Department leased the facility to Best Friends rescue organization in 2012.

Best Friends publicly announced on June 29, 2022, that they intended to vacate the Northeast shelter when their contract expired on December 31, 2022. The Board of Animal Services Commissioners (BASC) did not publicly announce their intention to release a new RFP for another rescue organization to run the Northeast Shelter until July 8, 2022 and they placed the item on their meeting agenda for July 12, less than 2 business days later. This short time frame did not allow the affected Neighborhood Councils to provide any input regarding whether the Northeast Valley Animal Shelter should be operated by the City or by rescue organizations or the terms under which a rescue organization would operate the facility. Nevertheless, on July 12, the BASC approved releasing an RFP for rescue organizations to operate the Northeast Shelter. This was done even though LAAS often has a shortage of kennel space.

The Valley Alliance of Neighborhood Councils (VANC) represents the 34 Neighborhood Councils throughout the San Fernando Valley, including all the Neighborhood Councils in the vicinity of the Northeast Valley Animal Shelter. On July 14, 2022, VANC passed a resolution as follows:

This shelter [Northeast Valley] is a City facility built with Proposition F funds to be a municipal animal shelter, open to the public. It was not meant to be a private facility to house rescue organizations. Nevertheless, the Board of Animal Services Commissioners has issued an RFP (Request for Proposal) to do just that, lease the Northeast Valley Animal Shelter to rescue organizations to operate. The Board of Animal Services Commissioners and LAAS did not provide an opportunity for the affected Neighborhood Councils to provide input into this decision. Therefore, it is RESOLVED that VANC takes the position that the Department of Animals Services and City Council should receive input from the affected Neighborhood Councils before releasing the Request for Proposal for rescue organizations to operate the Northeast Valley Animal Shelter.

The Resolution passed with 24 in favor, none against, and one abstention. Nevertheless, the Board of Animal Services Commissioners did not receive input from the affected Neighborhood Councils before approving the RFP. At that point, VANC passed the following resolution on August 11, 2022:

RESOLVED, that VANC believes the Northeast Animal Shelter should be a full service Animal Shelter as anticipated in its funding authorization and we urge NO ACTION on the request for proposal to grant it to a rescue organization until alternatives and feasibility of a municipal shelter be considered.

Individual Neighborhood Councils passed similar resolutions. In response to VANC and Neighborhood Council resolutions, the City Council introduced a resolution in Council File 22-0897 to amend the City Charter to require the commission associated with any department contemplating the issuance of an RFP hold a public hearing or the department hold a public meeting to provide members of the public an opportunity to offer relevant ideas for consideration by the department prior to the RFP's being drafted.

While the proposed amendment to the City Charter is needed, it will have no retroactive effect regarding the Northeast Valley Shelter. The Animal Services Commission proceeded with the RFP, awarding a contract to the organization Paws for Life. The contract with Paws for Life is for three years. During that time, LAAS should prepare for transitioning Northeast Valley to a fully functioning municipal shelter. This will depend on the City Council funding that transition starting now. Paws for Life is a good organization and they are doing good work at the Northeast Valley Shelter, but they do not have the resources to run all programs and activities, and to intake and adopt out all of the animals, that would take place at a municipal shelter.

Coyotes

A common issue Neighborhood Council representatives hear from stakeholders is coyotes roaming the neighborhoods. As raised in previous Budget Advocates reports, dogs and cats are being killed in people's backyards. Coyotes are stalking people in highly urban areas. The citizens of many neighborhoods are afraid, both for their pets and their families. On December 2, 2022, a child was attacked by a coyote in the driveway of her house in Woodland Hills. The coyote was attempting to drag the child away; she was saved by her father scaring the coyote.

When this issue has been raised with LAAS in the past, the response was that Coyotes are not the responsibility of LAAS, but of the State Fish and Wildlife Department. Because this has become such a significant problem in some neighborhoods, LAAS should increase its work with the State Fish and Wildlife Department to come up with an effective and humane way to deal with coyotes in the City.

"Experts" say that for every coyote that is trapped and removed to a safe location, one or two new coyotes will take its place. LAAS should explore whether a Trap, Neuter, Return (TNR) program managed by State Fish and Wildlife with assistance from LAAS would be effective. The spayed/neutered coyote could maintain its territory and keep other coyotes out, but without being able to produce offspring. Another possibility is to ask the Department of Water and Power to establish watering troughs for wildlife in the Santa Monica Mountains. It is likely that wildlife prey of the coyotes (as well as the coyotes themselves) have been forced into urban areas looking for water during the drought and the coyotes have followed their prey. If these suggestions are not feasible or effective, what other programs might work? LAAS should determine whether a humane and effective solution to the coyote problem could be funded under the City's Innovation Fund. If the coyote problem is not humanely handled now, support will grow for rounding up coyotes and exterminating them, which probably won't be effective. If the coyote problem is not handled now, there is either going to be a child who is killed or seriously injured by coyotes, or a lot of dead coyotes, or both. LAAS should, of course, continue to offer its seminars on dealing with coyotes to the public, but also explore additional innovative ways to deal with the growing coyote problem.

Volunteers

Prior to the pandemic, LAAS volunteers provided tens of thousands of hours of free labor to the Department. Without the volunteers, it would cost the City millions of dollars more to run the animal shelters. The volunteers greatly improve the quality of life of the animals in the shelters, taking dogs for walks, providing training, bringing dogs into play groups, providing recreation for the cats, allowing rabbits out of their cages for exercise, caring for the animals, assisting

with adoptions, cleaning kennels and cages, feeding the animals, etc. The animals would receive much less of this care if it weren't for the volunteers.

From approximately March 2020 to May 2021, volunteers were not allowed into the six City animal shelters because of COVID. Some of those volunteers have not returned. LAAS must continue to work to bring back the pre-COVID volunteers as well as to recruit new volunteers.

As noted above, the surge in public sentiment for improving conditions in the animal shelters took place because of exposés in the press regarding those conditions. Much of the information in those articles came from shelter volunteers. Volunteers who spoke with the press and others about conditions at the City Animal Shelters were suspended or terminated. As well as likely being a First Amendment violation subjecting the City to potential liability, this harmed the animals who were deprived of the essential care given by these volunteers, making the conditions exposed in these articles even worse.

At its monthly meeting on August 11, 2022, the Valley Alliance of Neighborhood Councils passed the following resolution:

RESOLVED, that the Valley Alliance of Neighborhood Councils (VANC), representing the 34 Neighborhood Councils throughout the San Fernando Valley, strongly condemns the suspension or termination of Volunteers for speaking with the press about conditions in the City Animal Shelters or exercising their First Amendment rights.

Individual Neighborhood Councils passed similar resolutions. Nevertheless, it took the threat of a lawsuit against the responsible City officials to get the City Attorney's Office and Animal Services Department to recognize that Shelter Volunteers have First Amendment rights, including the right to speak to the press about conditions in the shelters, so long as they do so in their individual capacity and not on behalf of LAAS. *See Animal Shelter Volunteers Win First Round In Fight For First Amendment Rights*, October 30, 2022: <https://citywatchla.com/index.php/cw/animal-watch/25845-animal-shelter-volunteers-win-first-round-in-fight-for-first-amendment-rights>

It is commendable that LAAS has recognized this without the necessity of filing the lawsuit. In addition, most of the volunteers who were wrongfully terminated have been reinstated, although there are still some volunteers who were terminated after speaking with the press who have not been reinstated. In response, the City Council passed a resolution in Council File 22-1176 to instruct the Legislative Analyst to make recommendations regarding removing the ability of LAAS to suspend, terminate, and discipline volunteers. https://clkrep.lacity.org/online/docs/2022/22-1176_PC_PM_10-20-2022.pdf

At the same time, the Animal Services Department was inexplicably restricting the number of new volunteers it was onboarding. See: *Why Does L.A. Animal Services Reject Thousands of Volunteer Applications?*, June 2023, <https://www.citywatchla.com/animal-watch/27029-why-does-l-a-animal-services-reject-thousands-of-volunteer-applications?highlight=WYJtYXVzbnVylI0=>. This article reported that the Animal Services Department was only accepting 19% of applicants who were processed during a 5 month period; 2,379 applicants, 81% of those applying, were rejected. These applicants are willing to

do hard, dirty, and sometimes dangerous work for the City for free, but were nevertheless rejected as volunteers.

As a result of this information being revealed, the new General Manager of LAAS, Staycee Dains, did a complete overhaul of the volunteer application, on-boarding, and training process. The new process was developed by Volunteer Liaison Jake Miller, which he describes as follows:

A person can go onto our website and fill out a newly streamlined application. It takes between 10 and 15 minutes to fill out and submit. The applicant will receive an email reminding them about the next steps which would be signing up for an orientation session. The applicant is also provided an opportunity to sign up for an orientation while they are filling out the application. Orientation classes are 2 hours in length and go over the basics of what volunteers do to help at our centers. An applicant can take an orientation class at any center and begin volunteering at any center they choose moving forward. Classes are available every day at multiple locations (and attendance now appears in the WoofStat report). Once the orientation class is complete, the approval is done within 48 hours and the new volunteer can sign up for their first regular shift.

If the person is internet-form savvy, over 18 (underage volunteers require extra documentation that sometimes does not get submitted correctly), and takes the first available orientation class, they could potentially become a full volunteer in as short as 72 hours after going to the volunteer recruitment page on our website. Liaisons also assist those struggling with technology as needed and we do have a paper version available upon request for those that do not have internet access. Printing and scanning documents are no longer needed. The only document the applicant needs to upload is a picture of their ID which is as simple as a “drag and drop” when your phone turns on its camera and submits it.

This streamlined process should result in a large increase in the number of volunteers.

LAAS should continue to work to start the Reserve Animal Control Officer (RACO) program. This is a program to train and utilize volunteers to serve as Animal Control Officers. This program will save the City money and provide needed assistance to the Animal Control Officers. Stray animals on the streets of the City are increasing; dead dogs and cats can be seen on the streets and pose a health hazard.

Staffing

There is a shortage of Animal Care Technicians (ACTs) and Administrative Clerks at all City shelters. Patrons often must wait to adopt animals and some patrons leave without adopting because they cannot get help. The front desk is understaffed because ACTs are doing other tasks. There is other work that goes undone because there are not enough ACTs. LAAS's request in the proposed 2024-25 budget to hire 234 additional ACTs and 9 administrative clerks should help remedy these problems and provide adequate care for the animals and support for adoptions. New ACTs will be recruited through Target Local Hire (TLH).

At times, ACTs are assigned certain specialties such as Volunteer Liaison and Life Saving Liaison. However, it was made clear that all these specialties are categorized as ACTs and those hired will also have responsibilities to care for the animals and be responsible for performing all ACT tasks.

The position of Assistant General Manager for Lifesaving has been filled; Annette Ramirez, the former Interim General Manager, has taken the position. This is a very important position and it is good that it has been filled since last year's meeting.

At the December 19, 2022 meeting, discussion took place as to whether any of the work done by ACTs and volunteers, such as cleaning kennels, washing dishes, doing laundry, can be contracted out. The response was that this cannot be done because of agreements with the unions. At the January 24, 2024 meeting, it was stated that the Department needs to fill all vacant positions before there could begin discussions with the unions regarding whether these tasks could be contracted out.

At the December 19, 2022 meeting, concern was expressed regarding break-ins, thefts, and other incidents at the shelters. This was noted in last year's Budget Advocate Report. The 2023-24 Adopted Budget provided \$941,784 to install additional security cameras at the six City-operated animal shelters to deal with these problems. The Department has received the funds and the security cameras have been installed. The Department also requested funding for on-site security personnel in the 2023-24 budget request, but this was not funded.

Department Long Term Goals

As stated by the Department of Animals Services in its proposed budget, the Department has set four long term goals:

1. Reduce the number of animals in the shelters. The shelters are terribly overcrowded. The number of dogs taken into the shelters continually exceeds the number of dogs that are adopted out. As a result, multiple dogs are housed per kennel and pop-up cages are used to house dogs. The key to reducing the number of animals in the shelters without killing large numbers of animals is through increased spay/neuter. The increased requests in the Department budget for the funding of its spay/neuter programs are absolutely necessary.

See also Tarzana Neighborhood Council Community Impact Statements in support:

https://clkrep.lacity.org/online/docs/2023/23-1008_cis_10-26-2023.pdf

in City Council File 23-

1008 <https://cityclerk.lacity.org/lacityclerkconnect/index.cfm?fa=ccfi.viewrecord&cfnumber=23-1008>

https://clkrep.lacity.org/online/docs/2023/23-0452_cis_12-20-2023.pdf

in City Council File 23-0452

<https://cityclerk.lacity.org/lacityclerkconnect/index.cfm?fa=ccfi.viewrecord&cfnumber=23-0452>

2. Fill Staff Vacancies/Retain Staffing. As discussed above, increased staffing is necessary for the shelters to operate in an efficient and humane manner.

3. Increase Community Resources/Education.

The Department hopes to increase public awareness of spay/neuter as well as other humane and public welfare issues through in-shelter communications with customers and via its public platforms and community engagement. The Tarzana Neighborhood Council has stated the following in Community Impact Statements, as part of its suggestions for dealing with the overcrowding emergency at the animal shelters:

[The Department should] deploy an advertising/email/social media/news media campaign for spay/neuter vouchers. As part of this campaign, make clear that the City is going to start enforcing spay/neuter laws more vigorously, much more vigorously. Publicize that you can use a free or discounted spay/neuter voucher to avoid a severe fine. There should be severe fines for failure to spay/neuter, with minimal or no waivers.

See https://clkrep.lacity.org/online/docs/2023/23-1008_cis_10-26-2023.pdf
in City Council File 23-
1008 <https://cityclerk.lacity.org/lacityclerkconnect/index.cfm?fa=ccfi.viewrecord&cfnumber=23-1008>
https://clkrep.lacity.org/online/docs/2023/23-0452_cis_12-20-2023.pdf
in City Council File 23-0452
<https://cityclerk.lacity.org/lacityclerkconnect/index.cfm?fa=ccfi.viewrecord&cfnumber=23-0452>

[emphasis in original] In particular, backyard breeders have to be stopped.

4. Increase Animal Enrichment Activities.

As stated by LAAS in the proposed budget, "[t]he Department has been publicly criticized in the media and by the community for not providing sufficient enrichment activities for the animals in its care. Animal enrichment is an important part of animal care especially in a shelter environment. Enrichment provides mental stimulation to maintain the mental health of the animals, which has an impact on the behavior an animal exhibits in the shelter. ... [Enrichment activities] increase the likelihood of adoption for many shelter animals." LAAS has made budget requests to increase and improve volunteer involvement, increase staffing levels, and enter into agreements with animal enrichment experts and other contractors to provide enrichment activities for the animals and to train staff and volunteers. There is a pending RFP (Request for Proposal) with the organization Dogs Playing for Life (DPFL) to expand the services it provides to the shelters, adding more days and more shelters. This organization does an excellent job providing out-of-the-kennel exercise and play groups for the dogs. One of the authors of this report participated in play groups conducted by DPFL at the West Valley Shelter on January 23, in which 64 dogs were taken onto the play yard in several hours by DPFL, assisted by the volunteers. Approving the RFP for expanded services by DPFL, as well as increased numbers of volunteers at the shelters, will help to alleviate the prior situation in which dogs were not walked or taken onto the play yard for weeks or even months.

CONCLUSION

The above items, and in particular full funding of the Animal Sterilization Fund, Community Cat Program, and increases in staffing are necessary to humanely and properly care for the animals of our City and to achieve and maintain No-Kill of healthy, adoptable animals. Even with all the increases requested by LAAS, its operational budget will still be approximately seven tenths of one percent of the City's budget, and will ultimately save the City a great deal of money.

DEPARTMENT OF BUILDING AND SAFETY

Meeting of January 30, 2024

ATTENDEES

Department of Building and Safety: Ana Mae Yutan, Resource Management Bureau Chief; Emilio Rodriguez, Resource Management Assistant Bureau Chief; Tony Palaez, Budget and Administration Services Division Chief

Budget Advocates: Howard Katchen, Connie Acosta; Budget Representative: Leslie Weisberg; Stakeholders: Philip Armstrong, Stella Grey

RECOMMENDATIONS

For the City:

- Proactively implement a mechanism for data sharing and tracking among the Department of Building and Safety, the Housing Department, City Planning, and other City departments for projects specifically including low-income units
- Ensure sufficient funding for Building and Safety to hire qualified professionals to staff all programs, and to provide relevant ongoing training in new technologies
- Enable expedited hiring procedures to fill urgent vacancies
- Fund the expansion of the Affordable Housing Tracking System to include all relevant data, especially with regards to low-income units, on a more timely basis
- Provide funds for Building and Safety to work with relevant departments and entities to integrate their requirements into the new LA City Permitting System
- Fund public engagement opportunities for organizations, businesses and residents to provide early, ongoing and meaningful input into the functionality, accessibility and implementation of the new LA City Permitting system
- Authorize funds for Building and Safety's Board of Commissioners to undergo training in the relevant codes and regulations

For the Department:

- Implement and apply a performance metric for low-income housing units that is consistent with the definition of low-income housing units in the 2021-2029 Housing Element
- Integrate these performance metrics into the current Plan Check and Inspection System permitting system and the new LA City Permitting System
- Implement procedures for clearing low-income units with the Housing Department to ensure that identifying Housing Department project information is captured in the Plan Check and Inspection System
- Implement adequate metrics to ensure all stakeholder concerns are considered and addressed in and in transition to the new system
- Establish policies to verify permit applicants comply with relevant requirements by all governmental entities prior to approval to proceed
- Develop and disseminate, on its website and with an introductory package to applicants, step-by-step easy-to-comprehend directives on compliance

DISCUSSION

The Los Angeles Department of Building and Services (LADBS or the Department) oversees planning and permits, renovations and new construction, inspections, complaints and code enforcement, property zoning and setbacks for the City of Los Angeles. It also deals with evolving codes, the need for improvements in its technological interfacing with the public, and the increased need for conservation and sustainability in our changing world.

Its mission statement is:

To protect the lives and safety of the residents and visitors of the City of Los Angeles and enhance the quality of life, housing, economic prosperity, and job creation citywide. Utilizing timely, cooperative, and transparent processes, the Department Advises, Guides, and Assists Customers to achieve compliance with the Building, Zoning, Plumbing, Mechanical, Electrical, Disabled Access, Energy, and Green codes and local and State law to Build Safe, Well, and Fast.

To that end, the Executive Summary to the proposed LADBS budget addressed the development of affordable housing and the creation of small businesses, providing innovative ways to increase equity and access to services, expanding delivery of affordable housing, as well as ensuring safety and compliance.

Accountability and Transparency

LADBS has made the development of affordable housing a priority. According to the 2021-2029 Housing Element, this applies to any housing unit that has a formal covenant or other legal protection guaranteeing that unit can only be occupied by someone within a specific income range.

When requested, the LADBS Affordable Housing Section was not able to identify the status of the covenants for the 1,649 project submittals it had received because the LADBS and Housing Department (LAHD) records are in separate databases. This is further complicated when the two databases have different addresses for the same project, meaning the status of the covenants is unclear for approximately 40% of project submittals.

The Affordable Housing Tracking System needs to incorporate complete information on affordable housing projects, including those both subject to and outside the Mayor's Executive Directive 1, accessible to all appropriate parties, and with the status of entitlements, covenants, permitting, compliance, and all other applicable data continuously updated by LADBS, LAHD, and City Planning.

Since the actions (and inactions) of the Department continually impact large numbers of Angelenos in many ways, ongoing interaction with communities across the City is encouraged, and should be expanded to address proposed changes as soon as possible in the process to ensure that everyone's needs are addressed and money is not wasted pursuing dead-on-arrival functions or entire projects.

The Department is overseen by a Board of Commissioners which, among its duties, rule on appeals of decisions made by LADBS as well as make other, often highly technical decisions, including CEQA exemptions. Most commission members are not experts in the construction-related codes and regulations they are asked to evaluate. As they do not have the qualifications themselves, they rely on staff for decision-making.

To be more effective in oversight and to provide proactive direction for the Department, members of the LADBS Board of Commissioners should undergo mandatory training in the relevant codes and regulations when they are appointed and as needed but not less than yearly thereafter given the rapidly evolving technologies and requirements affecting building and safety. This is especially urgent given that the Commission is often an appellant's last resort and decisions rendered are final.

Organization

Society today, including commercial enterprises and how everyone transacts business, has evolved considerably in recent years making it difficult to track and enforce many regulations.

In recent years unpermitted commercial scale operations on premises of residential rental properties have proliferated across Los Angeles threatening health and safety for residents and visitors alike as well as income for the City. Greater emphasis must be placed on continuous inspections and enforcement and adequate funding must be provided to support it.

LADBS policies currently do not require verification of compliance by permit applicants with various governmental entity requirements. This must change.

Before permits are issued, applicants must submit to Plan Check documentation of all necessary LAFD and/or AQMD compliances, confirmation of asbestos clearance, Urban Forestry Division evaluations of protected trees on the lot, and Department of Public Works determinations on street impacts.

For this to be effective, funds must be allocated not only to LADBS but to other relevant agencies to consistently upgrade performance metrics and develop systems to update such information in real time to ensure proactive compliance with all applicable regulations.

In 2022-23, the Electronic Plan Review Los Angeles (ePlanLA) system was updated to expedite permitting and clearances of temporary shelters and Affordable Housing pursuant to City and State-mandated requirements.

ePlanLA allows customers to submit electronic plans and pay Plan Check fees online. Plan Check engineers review and approve or reject plans online.

Moving the processing of commonplace procedures and payments online will increase efficiency, expedite workflows, and reduce costs.

Technology

Technology should be used to simplify and increase efficiency of operations.

The Department is replacing its online Plan Check and Inspection System (PCIS), implemented in 1995/96, with a new system that will be used by LADBS and will allow for integration of other City departments' systems with it to provide access to information related to project review, clearances, and inspections.

Work on the new system is expected to begin at the end of this fiscal year or early in the next. In the meantime, the existing PCIS requires updating to allow LADBS and system users to function effectively until the transition is complete.

The proposed LA City Permitting System will be used by City employees as well as by the public.

Ongoing and increased engagement with organizations, businesses and residents is essential to provide meaningful input into necessary interim upgrades to the PCIS and, more importantly, early enough for the proposed new system to clarify and resolve accessibility challenges, avoid dysfunction, and allow for a smooth implementation.

Challenges

A department is only as good as its personnel, from leadership through middle management to the skilled frontline workers.

Modernizing operations is significantly dependent on technology, an area in which the Department has experienced high employee turnover due to poaching by other departments and jurisdictions compounded by retirements and loss of institutional memory, and currently lacks trained and skilled staff to effectively carry out its obligations.

Moreover, delays in the City's hiring system has resulted in the failure to fill high priority positions including programmers and other qualified professionals to staff all programs.

Additionally, with the ever-increasing reliance on rapidly developing new technologies, stratagems and funds are urgently needed to provide relevant and ongoing training to new and existing employees.

Other priority issues for LADBS include:

- the Mayor's Directives on the homeless and affordable housing crisis
- enhancement of safety and security, and improving mobility at and for Los Angeles airports
- maintenance and updating of ePlanLA, the virtual interface for BuildLA which allows 24/7 access to all construction and land development-related services including zoning, entitlement, plan check, and permitting

- ongoing soft story retrofits to assure City commercial and residential buildings are safe and can withstand major earthquakes
- supporting the virtual online Inspection Counter with personnel to consult on residential and commercial building projects as well as provide assistance in navigating the development, inspection, and permitting processes for a wide gamut of building amenities

CONCLUSION

The LADBS is a massive and complex department charged with a wide variety of important functions. Any opportunity to streamline procedures and improve timely accountability at all levels, both within and without, should be assessed and, where justified, incorporated.

Our recommendations are aimed at implementing more effective policies to support this with the enhancement of the new LA City Permitting System, so the Department can effectively work with the Mayor and other departments to expand affordable housing.

Additionally, we suggest funding allocations for public engagement and proactive communication with relevant entities both for improvements of the existing systems and to proactively ensure new ones are the best that they can be. In particular, we strongly recommend that LADBS implement specific procedures and metrics for permitting low-income housing units and integrating LAHD clearances into existing and future permitting systems.

Furthermore, we recommend the Mayor's office mandate training for LADBS commissioners and establish mechanisms for data sharing among relevant departments and agencies. By implementing these recommendations, we can enhance accountability, transparency, and efficiency within the permitting process, ultimately contributing to a safer Los Angeles.

CITY ADMINISTRATIVE OFFICER

Meeting of February 7, 2024

ATTENDEES

City Administrative Officer: Matt Szabo, City Administrative Officer; Ben Ceja, Assistant CAO for Budget Development; Patty Huber, Assistant CAO and Executive Officer; Melissa Velasco, Chief Administrative Analyst; Jacob Wexler, Finance Specialist

Budget Advocates: Glenn Bailey, Kay Hartman; Budget Representatives: Tony Michaelis, Tess Taylor

RECOMMENDATIONS

- Break the cycle of deficits in years where labor agreements are negotiated. Ideas include, but are not limited to, multi-year budgeting and negotiating contracts the year before they take effect.
- Pilot Civic Openness in Negotiations (COIN)
- Add liabilities to department budgets so they are aware of the amount of money the City pays out on their behalf

DISCUSSION

Overview

The City Administrative Officer (CAO) provides internal and centralized services to the Mayor, City Council, and City departments. The CAO is the financial advisor to the Mayor and City Council and is the only appointed City Officer to report both to the Mayor and City Council.

The mission of the CAO is to provide sound advice and recommendations to the Mayor and Council on the fiscal condition, financial status, and future needs of the City and to promote productivity, economy, and efficiency in the conduct of City government so available resources provide the greatest benefit possible to the residents of the City of Los Angeles.

The CAO assists the Mayor and Council in the preparation of the City budget, plans and directs the administration of the budget, and directs the development of work programs and standards. The CAO represents the management of the City in negotiating all labor contracts. In addition, the CAO provides revenue estimating and long-term financial planning, debt issuance and administration, and risk management services Citywide.

The CAO is not the final decision-maker, but it strives to provide recommendations to the electeds to support their decision-making.

Department Budget

The CAO budget for the 2023-2024 fiscal year is \$39 million. The 2024-2025 budget request submitted November 2023 is \$40.266 million. Looking back through the years, the 2022-2023 budget was \$23.1 million and the 2021-2022 budget was \$17.9 million representing increases of 22.5% followed by 40.7% followed by a modest 3.1%.

City Budget

The City has a balanced budget at the start of every fiscal year. During the year, things don't go according to plan and the budget becomes unbalanced. Each fiscal year's budget assumes the previous year's budget will be balanced so the budget is always balanced June 30 and July 1. Other than that, budget adjustments are made as the fiscal year progresses.

For fiscal year 2023-2024, new labor agreements with City employees caused serious budget overages. In response, the City moved to cut all unstaffed positions from the budget. The Department says the raises negotiated with City workers this fiscal year were necessary to bring Los Angeles into wage alignment with other Cities.

The City consistently slips into deficit in years where new labor agreements are negotiated, even though the timing and the likely results of these negotiations are known well in advance. There needs to be a solution. Will multi-year budgeting help? The Controller calls for two-year budgets, a plan we support as a good start. Will negotiating the contracts the year before they take effect help? This cycle must be broken. What the City does is not working and it must try something new.

Another suggestion is to implement Civic Openness in Negotiations (COIN). While this won't solve the broken budgeting in labor negotiation years, it can provide sufficient openness that the public is not surprised with a large bill for which it had no input. See the California Policy Center for more information on COIN.

The Department states the largest contributors to the City's deficit are legal settlements resulting from lawsuits against the City. While there is no doubt these contribute, you could select any collection of expenditures and say they cause the deficit. However, those expenditures happen every year, and budget shortfalls tend not to be this large outside of new labor agreement years.

At the time of our meeting, revenues were below plan without a projection for when the situation would approve. The Department is looking forward to property taxes coming in during April to close the gap.

The City does spend a lot of money on legal settlements. The Department says judges make rulings over which the City has no control and that we need preventative maintenance. No doubt. Individual departments are not aware of their share of the City's liability payments, though the Controller recently [released a report](#) breaking those numbers down. Departments also have no incentive to reduce liabilities they cause because the payments do not come out of their budgets, but are drawn from the General Fund. This needs to change. Maybe adding liability payments to department budgets will help resolve this. It couldn't help but make the departments aware of how much the City pays on their behalf.

While the Department says the City is spending a lot on sidewalks to curtail slip and fall lawsuits, the amount being spent does not approach the need.

The CAO anticipates receiving more United to House Los Angeles (ULA) funds than expected. The projection was \$600 million. The City budgeted to spend \$150 million of that. Measure ULA is a new tax, and is still subject to litigation. There is also a potential statewide ballot measure that would retroactively overturn it. If ULA is reversed for whatever reason, the City will have to repay the money collected, so the City is taking a cautious approach.

Staffing

The CAO is requesting for fiscal year 2024-2025 173 regular positions, an increase of 17 positions or 10.9%, and 9 resolution authority positions, a decrease of 8 positions or -47.1%.

The Department recently made 30 appointments. Some appointments were promotions of existing people. Some were external hires.

Now that open positions are closed, the Department plans to review its priority critical hiring to see if any of the positions qualify for waivers.

Other Department Activities

The Department does not have a strategic plan for its own work because its work is driven by requests from the Mayor and City Council. It does maintain a 5-year Capital and Technology Improvement Plan that it maintains on its website. The current version covers fiscal years 2023-2024 through 2027-2028.

A sample of the initiatives the CAO was working on when its 2024-2025 fiscal year budget proposal was submitted to the Mayor includes and is not limited to

- Implementing a first ever Equity Index, an on-line place-based tool that allows City staff to consider measures of equity and inequity in budgetary and programmatic decisions as part of the 2024-25 budget process. This project implements an equity lens review on every request that comes in, which tweaks the request's scoring. Budget requests that receive higher scores because of the Equity Index may or may not be approved, but they get farther in the process.
- Taking the first steps to create a City Climate Budget as part of the 2024-25 budget process. The Department is requesting budget to continue this work in the new fiscal year.
- Participating in the fight against homelessness. This includes administering Measure HHH bond funds and providing oversight of the City's homelessness response efforts. How much does the City want to keep funding it? How does the City prioritize this compared with the other services the City offers? The Department is requesting budget to continue this work in the new fiscal year.
- Facilitating the implementation of the Unarmed Crisis Response pilot program and developing a comprehensive plan for consolidating all unarmed crisis response efforts in

the City. There was interim action this year with money budgeted to the Department to contract for unarmed crisis response. It is taking time because it is very complicated. The Department hopes deployment will start by the end of March 2024. It is requesting budget to continue this work in the new fiscal year.

- Improving the Financial Status Report process for departments and budget analysts by streamlining the reporting requirements.
- Negotiating and collaborating with the Los Angeles Organizing Committee for the 2028 Olympics Games (LA28) on a variety of issues. The Department aims to help ensure the City and LA28 host a fiscally responsible and sustainable 2028 Olympics. The Department has an employee dedicated to the Olympics who works to figure out the normal cost for things and bill LA28 for the difference so it is paying for the Olympics and the City is not. The Department is working on contracts with the City Attorney on issues such as LA28's request to use the City Seal. LA28 funded 4 positions this year, one position each for the CAO, Chief Legislative Analyst, Mayor, and City Attorney. The Department is involved in discussions between LA28 and the City for facilities, including their long-term maintenance costs, that might be turned over the Recreation and Parks. The Department is requesting budget to continue this work in the new fiscal year.
- Participating as part of the Human Resources and Payroll Project implementation team in order to ensure the City's new payroll system will meet the needs of the City. The project team is comprised of employees borrowed from Departments around the City government. Those people will return to their original departments when the system is delivered. Human Resources is already using the new payroll system as part of its hiring process.
- The Department hired a City-wide Procurement Officer. This Officer is working to improve procurement processes and has rolled out a Regional Alliance for Marketplace Procurement on which it is now building. The Department is building an end-to-end procurement process to provide support to all operating departments on procurement issues.

CONCLUSION

The CAO is involved in everything, or nearly everything, the City does. The position and its Department are critical to the way the City runs. It's amazing to think any organization is able to focus on so many things. The City would benefit from the CAO thinking outside the box to try to solve some of the City's intractable budgetary issues.

OFFICE OF THE CITY CLERK

Meeting of January 18, 2024

ATTENDEES

Office of the City Clerk: Petty Santos, Executive Officer; Melvin Cañas, Neighborhood Council Funding Program Manager; Michael Lektorich, Election Division; Ed Moreno, Administrative Services Division Manager; Betty Spencer, Administrative Services Division Fiscal Manager; Michelle Yu, Senior Management Analyst

Budget Advocates: Brian Allen, Garry Fordyce, Kay Hartman

RECOMMENDATIONS

- Improve departmental training to increase consistency from employee to employee
- Vigorously test the new payroll system to be sure it can handle the difference between Civil Service and other types of employees
- Enact policies to increase engagement of new employees to reduce premature attrition and the recurring costs of replacement
- Continue focusing on retention of existing employees; not only does it cost less than hiring someone new, invaluable institutional memory is maintained

DISCUSSION

The mission of the Office of the City Clerk “is to facilitate and support City legislative processes and meetings, record and provide access to the City's official records, preserve the City's history, support economic development, and conduct elections with integrity.”

The City Clerk considers its customers to be the City's elected officials, City departments and their staff, the public, candidates for City office, and Los Angeles voters, regional county and municipal governments, the business community, and community-based organizations.

The City Clerk:

- Serves as the Clerk of the City Council and maintains a record of all Council proceedings
- Maintains the official City records and archives
- Facilitates the County's conduct of municipal elections including candidate filings, petitions, etc., and conducts elections for the Los Angeles Unified School District as well as internal City elections for LACERS, Fire and Police Pensions, Neighborhood Councils, and others as needed
- Provides fiscal, administrative and personnel services to the City Council and Mayor
- Provides staff assistance to City Council Committees
- Promotes and facilitates programs in support of the Mayor and the City Council's economic development initiatives, including the mandated administration of the City's Business Improvement Districts program
- Provides records retention management services for all City departments
- Administers and manages the City's archives
- Receives and records all claims against the City

Budget

The Office's allocated budget for the current fiscal year is approximately \$20.178 million. The November budget request was \$34.4 million for next year, an increase of 41.3%. Since that budget request was submitted, the City Clerk has settled on a request of \$18 million, a 5% decrease from the current fiscal year. Looking backwards, the budget for fiscal year 2022-2023 was \$16.6 million and 2021-2022 was \$15.8 million. The yearly increases in 2022-2023 and 2023-2024 were 4.8% and 18% respectively.

Ninety-four percent of the Office's budget comes from the General Fund with the balance coming primarily from the Solid Waste Revenue Fund, the Sewer Operations and Maintenance Fund, the Business Improvement Trust Fund, and the Cannabis Regulation Special Revenue Fund.

For 2024-2025, in its November budget request submission, the Office asked for an accounting team to support the Mayor on the theory that it is better to have a dedicated team instead of spreading the work across multiple teams. This would cost \$350,000.

In its November budget, the Office did not request a net-zero budget for next fiscal year; it asked for more money to provide greater support to the Mayor.

Staffing

The Office's vacancy rate in November 2023 was 17.65%. By January 2024, this was down to 10% due to the acceptance of offers that had been made by the accounting and fiscal sections.

To compensate for the staffing shortage, employees are doubling up by working overtime and filling in for missing supervisors. Inside Safe is mostly staffed through overtime.

Attrition mostly comes from people who join and then leave quickly. Some people find working with elected officials stressful. There is also normal attrition through retirements and transfers.

Payroll for employees who work for elected officials and those in the Civil Service are completely different, creating challenges for the new Human Resources Payroll process. It is off-the-shelf and, while customizable it works for various classifications of Civil Service employees as prescribed in the Memoranda of Understanding negotiated with the City's labor unions. There are challenges for the application handling both the Civil Service employees and those who work in the offices of the elected officials.

Training is centered around standard materials offered by the Personnel Department. The City Clerk supports its employees taking offered classes if they align with their work, but it would make more sense for the City Clerk to develop City Clerk-specific courses. While the City Clerk's office has a handbook detailing Neighborhood Council funding procedures, there is a lack of hands-on proficiency with only one staff member having more than a year's experience in handling the complexities involved.

High employee turnover combined with inadequate training leads to rulings that can appear arbitrary and capricious. The Office should be doing a better job of informing Neighborhood Councils when there are changes, rather than rejecting requests after-the-fact because the old rules no longer apply.

The City Clerk supports remote work by its staff but makes sure it doesn't compromise services. Each division has people working from the office every day, more-so during election periods, however space is limited. There are discussions underway about hoteling people and reconfiguring offices to accommodate more bodies.

The Office always feels understaffed due to hiring challenges.

When the Personnel Department opened a cert list for hiring from the outside, the Office made offers that were declined so, for the most part, it must hire from people already working for the City. And every time a position is opened for all departments, each must compete with the others for qualified applicants. Moreover, the Office has had to take on additional work contracting with the County for services to combat homelessness and has not been funded for additional positions to handle this work.

The Records Division's work wasn't sustainable given its staffing level. The Office received approval for more positions in the current fiscal year and that has helped, but if it could fill more positions, work could be streamlined, and it could provide better oversight of payment processing.

The City Clerk continues to do everything assigned to it. Without the staff, it just takes longer.

Business Improvement Districts

The City Clerk has a Business Improvement Districts (BIDs) Section to address the concerns of the 40-odd BIDs in the City including approximately 35 property-based BIDs and 5 merchant-based BIDs.

BIDs pay assessments to access services in addition to what the City normally provides including private security and sidewalk cleaning. The assessments are rolled in with property taxes on properties within a BID.

Because they are included in the property taxes, these assessments initially go to the County which then returns the earmarked funds to the City Clerk, reimbursing the City for moneys sent to the BIDs for the additional services.

The City Clerk also oversees these funds for any City properties located in BIDs and ensures they use the allocated funds appropriately.

Other City Clerk Activities

The Office's Accounting team is responsible for the monthly payments of all motel/hotel invoices for the Mayor's Inside Safe initiative which resulted in approximately 2,000 additional transactions in fiscal year 2023-2024. Inside Safe contracts are written and executed by the General Services Department and administered by the City Clerk.

With the removal of pandemic-related restrictions, the City Clerk's Accounting team experienced a 60% increase in processing special event payment requests for activities and events sponsored by the Mayor and the 15 Council District Offices in fiscal year 2023-2024.

The Office also oversees travel-related costs for the City. During the pandemic, travel slowed, allowing the Accounting team time to catch up on other activities. The lifting of Covid restrictions has led to an increase in travel and a resulting increase in the Accounting team's workload.

The U.S. Postal Service used to be the point location to accept United States Passport applications. While some post offices still provide this service to customers, federal budget cuts have meant that a number no longer participate.

To take up the slack, the State Department has identified the City Clerk as a viable alternative in Los Angeles. The Office is not involved in the processing, but is only responsible for accepting applications and passing them along to the State Department.

This is a revenue neutral activity whose costs are covered from the City's share of the passport application fees. Although the Office should have started this six months ago, it couldn't due to lack of staffing and training. This City Clerk is proud of its ability to increase Angelenos access to government through this service.

The City Clerk's office considers among its accomplishments the provision of translation services for all City Council meetings. It has a goal to complete this for City Council committee meetings also.

Goals for Fiscal Year 2024/2025

The City Clerk has an ambitious set of goals for the next fiscal year including:

- Reducing the time it takes to pay bills
- Creating an Equity and Engagement Program that uses the results of an employee survey to foster employee satisfaction and engagement starting with a new newsletter
- Institutionalizing and fostering excitement for the new Passport Services project
- Enhancing transparency in the payment process, and beta-testing the new payment portal
- Increasing elections outreach including mailings in 13 different languages.

CONCLUSION

This Department, like so many others in the City, is not able to work as efficiently as desired due to the number of unfilled positions. Splitting a common task across teams can lead to lack of focus and errors.

Neighborhood Council funding reps need better training so all Neighborhood Councils receive the same advice for the same actions and advice is specific and consistent rather than arbitrary. New employees would definitely benefit from establishing more directed training.

CIVIL + HUMAN RIGHTS AND EQUITY

Meeting of December 7, 2023

ATTENDEES

Civil + Human Rights and Equity: Capri Maddox, General Manager; Nicole Bryant, Chief Operating Officer

Budget Advocates: Jennifer Goodie, Kay Hartman

RECOMMENDATIONS

- Fund a full-time position for grants management [increased revenue]
- Continue L.A. REPAIR which allows local and often neglected communities to decide how some of the tax dollars will be spent in their neighborhoods. [Civic participation; Revenue neutral]
- Continue exploring ways to use philanthropic organizations to deliver for Los Angeles [extend the reach of the department without additional City funds]

DISCUSSION

Overview

The mission of the Department of Civil + Human Rights and Equity is to maintain and strengthen the City's diversity, equity, and accountability. The Department is focused on reducing bias and injustices while leveling the playing field through community engagement, equity initiatives, and upward mobility programming.

The Department's strategic priorities are:

- Advance equity, uplift communities, and enforce civil and human rights protections.
- Elevate the role of the Department as a prominent player in the civil human rights protections sector.

The initiatives that support these priorities are documented in the Department's 2022-2027 [Strategic Plan](#).

The Department tracks its progress toward achieving its strategic priorities by tracking the number of certain metrics, such as how many complaints it receives. For example, the Department handled 700 complaints during the last 3 years.

At the time of the meeting, the Department was preparing a supplemental budget request. The City Administrative Officer (CAO) asked the Department to consider a request a Commission Executive Assistant (CEA). The Department has 41 commissioners divided into 5 commissions, 3 of which are Brown Acted and the commissioners are expected to contribute more than what is normal for other commissions.

In the supplemental request the Department is considering how Human Relations Advocates (HRAs) and CEAs are a good duo although Management Analyst is a better fit for the Department's needs right now. The Department must do offsets to cover the new position, but the Department doesn't have open unfilled positions to give up for the offset. The question on the table is where to find the money to pay the people the Department needs.

Budget

The Department of Civil + Human Rights and Equity is a small department with a \$5.2 million budget for the current fiscal year. The Department is requesting \$19.569 million for fiscal year 2024-2025, an increase of 26.6%. The Department's budget for fiscal year 2022-2023 was \$4 million, a 35% decrease from fiscal year 2021-2022 and a 20% increase from fiscal year 2020-2021. 100% of the Department's budget comes from the General Fund. The budget request for fiscal year 2023-2024 is \$6 million. If the 2024-2025 request is adopted, it will represent an increase of 33% over 2022-2023 and an increase of 44% from fiscal year 2021-2022.

In February, the Department hired someone to work on the Departmental budget. This frees up time for the Chief of Operations to work on grants management. This is welcome news, as there are a lot of grants available and the Department has been limited in its ability to compete for them due to lack of staffing. Grants represent a potential for increased revenue. There should be a full-time position dedicated to grants management to increase the opportunities where the Department can compete.

Another idea the Department has for increasing revenue is to sell merchandise, such as branded T-shirts.

The Department is also looking to increase its revenue, or at least its effectiveness, by increasing its connections with philanthropic organizations.

Staffing

At the start of the current fiscal year, the Department had 9 vacancies, representing a vacancy rate of 20.45%. In November the number rose to 13 for a vacancy rate of 29.55%.

In fiscal year 2022-2023 the Department had one regular employee. For fiscal year 2024-2025, the Department is requesting an increase to 12 regular positions and is asking for its current 38 resolution authority positions to be continued. If the increase in regular positions is granted, the positions will be filled via promotion, from the employees currently staffing resolution authority positions.

L.A. REPAIR

L.A. REPAIR is an innovative participatory budgeting program that allows members of designated communities, called Repair Zones, to vote on how to distribute \$8.5 million across several proposals collected by Community-based Organizations. Thousands of people participated in the Department's pilot.

The pilot was run in those communities with the highest number of COVID-related deaths. The pilot communities have been supportive of the program, according to the Department.

The original idea was that the City Clerk would hire two people to manage these funds, but was unable to do so. Two people from the City Clerk's Office volunteered to work overtime to make the distribution of the funds happen.

The Department finds, based on its experience, that some version of participatory budgeting should exist. The question is if the money will come from the City or from philanthropic organizations. The Department requested the funds to continue the program for fiscal year 2024-2025 budget.

Details from the pilot can be found on the City Clerk's website at https://clkrep.lacity.org/onlinedocs/2021/21-1187_rpt_06-16-23.pdf

Other Department Activities

The Discrimination and Enforcement Division lacks the funding to levy as many fines as it could. A new Assistant General Manager was hired and now has her sea legs. The Department is looking forward to greater successes here going forward.

Funding for the Department's Peace and Wellness Centers is running out, and the Centers are closing after 9 months. This program's funding was supplied by one-time Federal COVID aid packages. A third party evaluator will audit the program to determine whether or not it was successful by assessing the number of users and the impact on the community.

The Upward Mobility Program aims to move people into the middle class and beyond. The Department aims to achieve this goal without additional funding. The Department just completed its second home-buyer program. There is also a program to help deserving underprivileged students get accepted into law school. This work is accomplished by connecting people who don't have connections with the right people. This program has one dedicated staff member while other staff work overtime on this without being paid for it.

Successes and Challenges

The Department considers among its successes the L.A. Is For Everyone campaign. Interest is high and they added a couple of languages this year.

LA REPAIR is another success considering the level of community engagement it generated.

The Department considers its Peace and Healing Centers a success and it awaits the independent audit.

One of the Department's biggest challenges is poached staff. This is particularly difficult for a small department. It's hard to compete on the hiring and retention front with departments that have bonuses. Some people are landing in departments where they may work from home 5 days a week. According to the Department, this is an important perk for younger people.

CONCLUSION

This is a new department with a small budget. It has several irons in the fire and time will tell what works and what doesn't work. The Department, through the use of philanthropic organizations, finds ways to punch above its weight. The Department delivers programs that engage communities that have typically been underserved and this can only benefit the City.

BUREAU OF CONTRACT ADMINISTRATION

Meeting of October 23, 2023

ATTENDEES

Bureau of Contract Administration: John Reamer, Director; Raoul Mendoza, Assistant Director
Budget Advocates: Kevin J Davis, David Uebersax

RECOMMENDATIONS

For the City:

- Maintain current funding levels for the Construction Inspection Divisions to allow capital projects to continue to proceed at the current rate
- Maintain current funding levels to the Office of Contract Compliance to allow it to transition to a strategic wage theft enforcement approach currently being used by both the State and the U.S. Department of Labor
- Maintain current funding levels for outreach and education programs designed to promote small, local, and diverse businesses
- Provide additional funding from the proprietary departments for hiring and training new inspectors to allow the Bureau to provide for their increased inspection and compliance needs including Los Angeles World Airports for their multi-billion dollar improvement program.
- Maintain current funding levels for the Construction Inspection Divisions to allow capital projects to continue to proceed at the current rate
- Provide funding to the Office of Wage Standards for additional staff to enforce the City's recently adopted Minimum Wage Ordinance
- Provide funding to the Administrative Services Division to improve the record keeping of the Bureau and allow for a more orderly transition to a virtual record keeping, retention, and recall environment

DISCUSSION

Overview

The Bureau of Contract Administration (BCA) is one of five operating Bureaus in the Department of Public Works. It protects the City's interest through serving as an independent quality control and contract compliance agency responsible for providing assurance that all Public Works projects are constructed and administered in accordance with the plans, specifications, State and Federal laws, and safety provisions to achieve a quality product.

The Bureau's work is divided into two types of services – inspection and compliance. All capital improvement projects awarded by the Board of Public Works along with other departments such as the Harbor Department, Los Angeles World Airports (LAWA), and the Department of Water and Power (DWP) who utilize BCA inspectors to supplement their inspection forces. These inspectors look at physical construction in the public right away. Because the Bureau

charges contractors and other City departments for many of the services it renders, its activities have little impact on the City's General Fund.

There are three types of wages that the Bureau is responsible for: prevailing wages that are primarily in construction, living wages that primarily deal with City service contracts, and minimum wage that applies to anyone working in the City of Los Angeles. Investigators provide compliance enforcement to ensure City ordinances are being adhered to and wages are being properly paid.

BCA inspects publicly accessible property and property owned by the City such as police stations. The Bureau also administers City contracts where it has an accounting role to validate payments to contractors.

The Bureau is organized into eight divisions. Three of the divisions are compliance-based including Administrative Support. Five of the divisions are construction-related including support, waste water, and three geographic divisions covering the San Fernando Valley, the Westside (Metro West), and the Eastside (Metro East). All of them cover all areas of inspection including the cover trench related work done by utilities or by private developers. There is no specific unit for trench inspections. The inspection response teams are organized geographically. To help combat any potential fraud, final inspections of construction sites are done by a new inspector not previously associated with the job.

The Bureau was successful in receiving what it requested for fiscal year 2023-2024. The Bureau's approach to budget/funding requests will be the same as with previous years. This will be the first year in which Mayor Bass had input on budgeting from the beginning. Previously, she inherited the budget from the previous mayor. BCA will be following the guidelines set by Mayor Bass for fiscal year 2024-2025 which mandate no budget increases. The Bureau is looking at exchanging some positions for other positions that will be more beneficial to achieving the Bureau's objectives.

On the inspection side, BCA is "pretty solid" and therefore does not anticipate any additional requests for staff. Instead, the plan is to preserve what funding it already has. This covers primarily the street work and the efforts in traffic safety. The Bureau supports the work of the propriety departments including LAWA, Harbor, and DWP. It will continue to request funding that supports those departments, because the money does not come from the General Fund. The positions for the sidewalk program were made permanent by the City Council, but the Bureau will fill these positions with new staff as the workload demands.

On the compliance side, the Bureau is seeking to maintain what it currently has. Because of requests from the City Council, it has three mandates to look at strategic enforcement regarding businesses.

- Transitioning from a complaint-driven model to a strategic enforcement effort which is more proactive
- Partnering with other agencies with similar goals and efforts regarding outreach efforts
- Developing a report back with the City Attorney and Chief Legislative Analyst regarding efforts to absorb more duties when it comes to wage enforcement

Currently, there is a City ordinance in place that directs the Bureau to enforce the minimum wage and paid sick leave requirements. A new motion aims to expand that to include overtime, rest breaks, and meal breaks. The Bureau has been in contact with the State to get some insight into how labor intense this might be. The challenge of effective enforcement appears to be daunting.

Unfortunately, wage theft is prevalent in Southern California. The BCA is not sure how increased enforcement will translate into additional costs. The Bureau is looking into being more efficient in the areas that it is currently addressing. It inherited several new ordinances including the Freelance Ordinance and the Fair Workweek Ordinance that went into effect in July 2023. To address these changing needs, the Bureau is looking to exchange some current positions for those more beneficial for the work it is performing. The Bureau thinks greater investment in outreach and enforcement will help minimize the time needed to do investigations.

Equity and Inclusion

Community level contracting is a new approach that allows for unbundling large contracts into a series of smaller contracts to allow more local businesses to compete as prime contractors. The plan is to keep contracts under \$150,000.

There is currently a program in Public Works for sidewalk benches in which bidders closely reflect the diversity in Los Angeles. The City Council wants all departments to utilize community-level contracting as a tool to increase contractor diversity. The Bureau is certifying more minority and women owned businesses and encouraging them to become more competitive for City Contracts.

There are new contracts to help with translations. The number of bilingual employees in the Bureau has decreased due to transfers and retirements so this is a consideration when planning staff development. This is a challenge considering the number of languages spoken in L.A.

Staffing

The Bureau recently used the Bridge to Job hiring program to onboard two cohorts of 25 inspectors. This allows the Bureau to train inspectors in-house. The Bureau is working with the Personnel Department to create an inspector trainee program that will use the Bridge to Jobs Program to hire inspector trainees who will assist with wage investigations. The goal is for them to become journeyman investigators. BCA is making good progress on this.

The Bureau is making good progress in filling vacancies. The Bureau depends more on the Targeted Local Hire and Bridge to Jobs programs to bring on new staff. Before doing this, the managers were surveyed and voiced overwhelming support for the programs. The current Civil Service System was making it difficult to onboard new employees, especially for technical jobs. It was hard to find qualified candidates.

The new program allows the Bureau to develop qualified candidates. Reamer says they are very pleased with the past outcomes and hope to see similar results on the investigator side.

There are fewer vacancies than last year, but the current percentage remains in the “high teens.”

Because the responsibilities of the Bureau are due to expand, BCA reaches out to stakeholders and believes collaboration with regional partners through outreach and education will go a long way to address the concerns on the compliance side. There is currently an outreach and education component utilizing seven community partners and a budget for advertising. This will allow stakeholders to understand the expectations.

Technology and Training

BCA has three programs designed to provide greater access to interested parties – *Team With*, *Build With*, and *Rise With*. *Build With* focuses primarily on construction. *Team With* and *Rise With* focus on personal services and professional services contracts. Covid-19 put a damper on the initial implementation of these programs.

Covid-19 also forced the Bureau into virtual work. Contracts are a field where personal relationships are key and this was a challenge during the pandemic. A *Rise With* event was held in conjunction with a mayoral event and it went well. A *Build With* event was scheduled for February 2024. The Bureau is moving away from virtual and back to in-person. This allows potential bidders to meet and share information and build relationships.

Other outreach programs such as Accessing LA and the Small Business Academy, that works as a boot camp for potential applicants, will allow potential clients to work not only with the City of L.A. It also prepares them to work with other potential customers to compete for contracts.

Homelessness

Mayor Bass’s Executive Directives 1 and 4 are focused on eradicating homelessness. Inspectors have been working with developers to ensure that housing projects are moved along as quickly as possible. The Bureau is also developing a “virtual counter” where developers and inspectors can interact without having to go to a physical location to receive assistance. This allows contractors to become educated on BCA expectations and will eventually be expanded to City capital improvement projects.

The Bureau is exploring the option of opening satellite facilities in key geographic locations such as the Harbor and the Valley. BCA is considering all staffing options to avoid having to slow down hiring.

Peak Hour Construction and Enforcement

There is a new executive directive for the Department of Transportation the new Deputy Mayor of Infrastructure. Enforcement will be one of the areas reevaluated regarding the impacts of traffic on pedestrian safety. The initial goal of the Peak Hour Ordinance was to remove any barriers to traffic flow during “rush hours,” but the restrictive hours required by the ordinance can be an impediment to addressing road emergencies such as those caused by the recent “atmospheric rivers.” Despite the restrictions, there are currently no plans to seriously revise the ordinance and it has been deemed effective overall. The Bureau currently has seven

inspectors who address reported violations by contractors in the public right-a-way by patrolling key high traffic areas looking for crews who may be working at times not permitted by the ordinance. Working with the Department of Transportation, the Bureau is able to enforce the ordinance by fining repeat and/or flagrant offenders.

Wastewater and Sidewalks

The new inspector trainees have freed up inspectors to help in wastewater project inspections. Given the current staffing, it will take eight to ten years to address the inspection backlog.

There has been an increase in the construction and refurbishing of access ramps. The Sidewalk Furniture Program has also ramped up and it requires increased inspection.

The Bureau continues to maximize the use of special funds to reduce the need for the General Fund. Both the Mayor and City Council set priorities for projects and they influence where the funds are spent.

The Bureau has been trying to anticipate which projects will receive priority given the upcoming World Cup, Olympics, and Paralympics. Instead of focusing only on economic factors within the City limits, it has ongoing goals of partnering with other organizations (both governmental and private) in Southern California to develop a robust regional workforce and marketplace that will provide benefits throughout the region.

Working with external partners such as those involved with the Olympics can result in unanticipated challenges. One of the goals of the Bureau is to increase the amount of work accomplished year-to-year. Mayor Bass wants to reduce the backlog of certifications required by the Bureau to move building projects forward. Unfortunately for the Bureau, a number of key staff members instrumental to this process have been promoted to high positions within the City. To help counter this "brain drain," the Bureau made arrangements with these new employers to "borrow" key employees back (on overtime) to assist. The arrangement is considered quicker and more cost effective in the short-term than hiring and training new employees. By doing the work on overtime, the work does not interfere with these promoted employees' new duties.

CONCLUSION

The Bureau of Contract Administration provides the City independent quality control and contract compliance. These important functions deserve to be funded.

CONTROLLER

Meeting of January 19, 2024

ATTENDEES

Controller: Kenneth Mejia, Controller; Rick Cole, Chief Deputy Controller

Budget Advocates: Glenn Bailey, Garry Fordyce, Kay Hartman; Budget Representatives: Mihran Kalaydjian

RECOMMENDATIONS

- Advocate for multi-year budgeting's inclusion in the Charter reform proposals
- Advocate for inclusion of a CFO in the Charter reform proposals
- Focus audits on big ticket items and items with great impact on people's lives
- Develop a five-year strategic plan
- Develop Department-specific training and advocate for Personnel to develop City-specific training

DISCUSSION

The City Controller is the elected paymaster, auditor, and chief accounting officer for the City of Los Angeles. Along with the Mayor and City Attorney, the Controller is one of three offices elected every four years by citywide popular vote.

In 1878, the position was created as the City Auditor, becoming an elected office in 1889. The 1925 City Charter changed the name of the position to City Controller. In 2000, a City Charter update granted the Controller the power to conduct performance audits of City departments, allowing an examination of departmental effectiveness.

In order to fulfill the Controller's Charter-mandated functions, the City Controller's Office has three major divisions – Audit Services, Accounting Operations, and Financial Reporting and Analysis – in addition to Executive Office and Management Services leadership and staff.

Department Budget

The Controller's budget for fiscal year 2023-2024 is \$23.4 million. The requested budget for fiscal year 2024-2025 is \$25.5 million, an 8% increase. Looking back in time, the budgets for fiscal year 2022-2023 was \$21.6 million also resulting in an 8% increase.

Staffing

At the time of the meeting, the Controller's vacancy rate was 16% in total and 11% in regular positions. The resolution authority vacancies were for work on the new payroll system. The work is temporary and stressful so it is difficult to hire to fill the positions.

Overall, the hiring challenge is particularly acute for people with financial and accounting experience. There is a City-wide shortage and that is causing churn. Departments are stealing from each other causing a ripple effect.

As long as the open positions are not filled, people will continue to be required to work overtime. Bills won't be paid on time. It will take longer to process payments. The potential for overlooking fraud or mistakes increases because there are not enough people looking at the numbers.

23% of the staff are eligible to retire in the next three years.

There are people in the office every day, but the Department supports a hybrid schedule. Each employee is in the office 2 or 3 days a week.

In response to the part time virtual work, it is possible the Department could free up office space. There are challenges that come from sharing a desk although these can be overcome, but the Department is barely hanging on, making this a difficult proposition.

The Audit Division is especially hard hit by vacancies. There are only seven performance auditors even though cities smaller than Los Angeles have teams larger than this. An audit team is two to three people and the audit takes a few months. Since lack of staffing limits the number of audits that can be done, the Department is focusing on big ticket items. The Department would like to have a larger audit team that could really focus on the highest priority audits. One could question if the LAPD Helicopter Audit, representing .063% of the budget, is the best use of limited staff availability. Audits should focus on big ticket items and items that have great impacts on people's lives.

Training largely consists of videos from Personnel, but the videos are generic and not fine-tuned to the City. There is no system to track people's progress. To enable forward progress by Department employees, the City needs to provide training that is geared towards working for the City government and the Department needs to provide Department-specific training. Given the reduced staffing, people are so loaded with work during working hours that, if they choose to avail themselves of the available training, they have to do it on their own time.

The Department's employees have a high work ethic despite the lack of funding. They are motivated by public service.

The Controller thinks his biggest success for this year is his accessibility with the civil service staff. He has spent a lot of time listening to and praising them. He wants the office to be a place where people want to stay.

He wishes he had enough people to do more audits. In the meantime, the Department is constructing reports that are less formal than audits and can be delivered more quickly and with fewer people.

City Budget

The City finds itself in the need for austerity measures once again. Austerity measures lead to lawsuits and financial risk. Work doesn't get done. People burn out. The measures result in cost overruns.

The numbers diverge between the cost to deliver services and budget revenues. Revenues aren't growing fast enough to cover raises.

The lack of oversight has a cost. People are not thinking about how to create a great government for the City. Business as usual has been good for the people on the inside.

The next five years are going to be financially difficult for the City. The City should be taking a five year approach to solving its problems. Washington, D.C. fully funds its pensions because Congress created a CFO who put the district's finances in order. It is a multi-year task to put Los Angeles's fiscal world in order. Tensions between well-to-do districts and the less-well-to-do districts don't help. If we don't start, it won't happen. We are in the process of reforming the Charter. This issue should be taken to Charter reform.

A two-year budget saves time and money. Everybody seems to think it is a good idea, but the political will to make the change is not there. The Mayor thinks it will require a Charter change although there is nothing to stop the City from having a two-year budget process and a one-year budget. There couldn't be a better time to push multi-year budgeting through. The Charter shouldn't settle on two years. It should reference multiple years to provide flexibility to a Mayor who wants to take a longer view.

Los Angeles has been participating with [Investing in Place](#) which is looking for a plan to make the City more functional by understanding how public works and transportation dollars are spent. It advocates for a plan. The city is making progress. There was no capital plan 3 years ago. The CAO at least pulled a list together of projects that need to be done. In the last fiscal year, Los Angeles underspent \$316 million on capital expenditures.

In the previous fiscal year, the City budgeted \$80 million for liability payouts and then exceeded that budget by 100%. Departments are not liable for their liabilities, they come out of the General Fund. In fact, most departments are not aware of what they've done to cause liabilities. Their frequent refrain is, "The City Attorney handles it." LAPD causes the most lawsuits followed by LASAN and StreetsLA. A broken street light, for example, can cause an accident from which a lawsuit follows. Infrastructure issues cannot be better dealt with while the departments are understaffed.

The City can get insight into where its stakeholders think money should be allocated among departments and the services they provide via participatory budgeting using the process piloted by Civil + Human Rights and Equity Department. The City should have a plan that provides transparency into the allocation of services.

Department Activities

The Department is supportive of five-year plans and recommends them across the City. That said, it does not have a strategic plan and is in discussions about the best method for such planning.

Priorities for fiscal year 2024-2025 include:

- Use of military equipment by LAPD
- Completing the unarmed response program
- Pathways to permanent housing including tenant anti-harrassment and affordable housing efforts

Mayor Bass's focus on homelessness is not impacting the Department's budget. The Department is tracking the expenses. The Mayor's intentions are good. Los Angeles made the choice not to follow the New York model where sleeping on the streets is illegal and the unhoused sleep in shelters. Los Angeles chose to focus on permanent supportive housing instead, but then didn't build much of it although units are starting to come on-line. A cohesive, transparent plan is needed.

The Department's disappointments for the last year fall into two categories.

- The inability to do more audits;
- There's no appetite in the City government to fix the City. There is no vigorous discussion about government reform, climate change, and the gap between the haves and have nots. Most people are trying to get through the day and do their jobs. If we don't fix the bigger challenges, things will continue to worsen. We could have a legacy of getting our act together if we wanted it.

CONCLUSION

The Controller's office is a critical piece of the City's infrastructure, not just because the Controller signs the checks, but because the Controller performs audits and let's us know if the City is using its funds wisely. The Controller should use its bully pulpit to advocate for Charter reforms such as multi-year budgeting and a City CFO. It also should focus audits on items that are big ticket or have large impacts on people's lives.

DEPARTMENT OF CULTURAL AFFAIRS

Meeting of January 9, 2024

ATTENDEES

Department of Cultural Affairs: Daniel Tarica, General Manager; Chris Concepcion, Assistant General Manager; Alma Miranda, Administrative Services Director
Budget Advocates: Scott Wright; Budget Representatives: Mihran Kalaydjian

RECOMMENDATIONS

- Provide money for baseline staffing.
- Succession planning 10-15% of the budget request.
- Items 12-20 on the budget request are the priorities.
- Encourage multi-year budgeting to clearly identify revenue needs.
- Revisit how cultural Affairs are funded to provide for more consistent revenue stream and increase the department's reserve fund.
- Reach out to community members interested in making suggestions of the types of cultural events of local interest.

DISCUSSION

Overview

The Department for Cultural Affairs (DCA) is comprised of four divisions that work in cooperation to provide diverse arts and cultural opportunities and experiences for Los Angeles residents and visitors.

With a focus on equity, access and efficiency, the DCA aims to creatively increase the quality of life of 4 million residents by advancing the social and economic impact of the arts, and ensuring access to diverse and enriching cultural activities. The DCA achieves this through: grant-writing, marketing, development, public art, community arts programming, performing arts, arts education, and by building partnerships with artists and arts and cultural organizations in neighborhoods throughout the City of Los Angeles.

Under the Community Arts and Public Art Divisions, the DCA mounts exhibitions, commissions, and restores public art, and runs the Performing Arts Program, the Mural program, the City Art Collection and the new Re-imagine Public Art. There are 37 sites for exhibition and performance as well as live and virtual historic tours of art and theaters throughout the city.

The DCA also provides grants for non-profits and individuals which create jobs while incubating the arts in Los Angeles.

The DCA has a marketing division responsible for making the public aware of events, such as the City's Festival Guide and the Heritage Month Guide. Its administrative division oversees all

grant contracts, while the accounting division manages its full and part-time employee payroll and makes quarterly financial status reports on its budget.

CONCLUSION

Moving forward, a multi-year plan is desirable in order to protect the department's ongoing projects even if the CAO discourages multi-year plans because of the fluctuations in City revenue. The DCA's main concern is to keep funding streams stable and to do so, it needs the clarity longer range forecasting provides.

The recently authorized Metrics Management position is essential to clearly demonstrate the effectiveness of the department's programs through the Neighborhood Arts Profile, and help provide data needed to plan.

EMERGENCY MANAGEMENT DEPARTMENT

Meeting of December 6, 2023

ATTENDEES

Emergency Management Department: Carol Parks, General Manager; Thalia Polychronis, Assistant General Manager

Budget Advocates: Sheryl Akerblom, Melanie Labrecque, Glenn Bailey; Stakeholders: Liz Amsden, Leonard Shaffer

RECOMMENDATIONS

For the City:

- Establish a five-year plan to incrementally increase critical full-time personnel to ensure the Emergency Management Department is able to meet demands for present and future preparedness, response and recovery initiatives
- Fund an additional Public Information Officer to proactively improve outreach; a coordinator to develop and maintain a database accessible to the public on steps to take in emergencies; and personnel to access grant funding and handle relevant paperwork
- Provide access to at least \$1 million in emergency funds for the period at the start of a disaster before the City Council can meet and approve money for medical care, housing, potable water, and food
- Increase funding for new and emerging concerns including extreme weather and climate change

For the Department:

- Prioritize developing detailed loss projections, emphasizing specific human and financial consequences to encourage the City to adequately fund all Angelenos' needs
- Engage with the City Council's Public Safety Committee to develop and implement programs to limit the likelihood of significant impact from any disaster
- Develop an emergency status alert system for localized events to assist residents to understand which areas are affected, the severity, and actions to take
- Engage with Chambers of Commerce and other associations whose survival will be impacted if the EMD doesn't have the resources to quickly reopen businesses
- Develop three, five, and ten-year plans so the Department has clear parameters to pursue strategies and budgets including factoring in the World Cup and Olympics

For All Angelenos:

- Call your Councilmember about the urgent need to adequately fund the EMD and, when City budget discussions go live in April, post your concerns to the City Clerk's website [[<https://cityclerk.lacity.org/lacityclerkconnect/index.cfm?fa=ccfi.viewrecord&cfnumber=24-0600>]]

DISCUSSION

The Emergency Management Department (EMD) is vital for ensuring the safety of the City's inhabitants and infrastructure, and the continuation of the City's industries and operations including its government and financial stability, following any natural or manmade disaster.

This year in the wake of the pandemic, it has persevered through climate challenges and freeway collapse, through refugee problems and the ever-expanding homelessness crisis.

The EMD is guided by seven priorities:

- *Crisis Leadership*: Provide leadership in times of emergency or disaster.
- *Consequence Management*: Coordinate Citywide planning, response and recovery.
- *Resilience*: Foster a culture of readiness across all of LA's diverse communities and mitigate the effects of disaster.
- *Operational Readiness*: Enhance Emergency Operations Center (EOC) readiness via personnel, facilities and equipment.
- *Purposeful Partnerships*: Form strategic alliances with public, private and community-based entities, reimagine the Business Operations Center (BOC) for planning and strategic alliances.
- *Innovation*: Leverage technology to meet emerging needs.
- *Fiscal Stewardship*: Utilize available public and private funds to ensure a safer Los Angeles

To fulfill its mandate, the EMD must have the tools necessary, in staffing, in equipment and facilities, and in funds to immediately respond to emergencies.

Challenges for the coming Fiscal Year

The Mayor clearly understood the ramifications when Hurricane Hilary, the first storm of such a stature hit the Southland in August, followed by the 10 Freeway collapse in November, and acted swiftly to return the City to operational status.

And these are minor compared to emergencies the City may face in coming years including:

- Climate events such as the Great Flood that devastated California in 1862 which has a 65% probability of recurring by 2065 collapsing infrastructure and access to power, water, health services, internet and more; Lucy Jones predicts that 10% of our housing would be lost: vast areas that were under water in 1862 are now housing developments
- Wildfires and drought driven by abuses by Big Ag, unrealistic construction, and water waste, and their impact on human and agricultural needs statewide
- Biological terrorism, bombings, and wind events playing havoc with the supply chain, airport closures due to lack of de-icing equipment, and other incidents we need to protect from that are not on the EMD's current list
- Another virulent virus pushing the rest of the country to cordon off Los Angeles

- The ability to effectively treat injuries and the proliferation of illnesses in the aftermath of any major emergency, and the resulting dangers of unrelieved stressors and PTSD accelerating breakdown of the social structure
- Loss of income to the City from property taxes and other sources while costs continue to increase i.e. union wage hikes, federal and state-mandated compliances, and commitments made by the City to a host of divergent constituencies
- Increased complications and budgetary demands due to lack of affordable housing
- Existing fiscal problems created by the collapse of the City government and/or public safety
- Financial crises – through hacking or ineptitude or malfeasance – further aggravating the flight of businesses, jobs, and the educated classes

Most disasters are not conveniently limited by city borders: unless plans are in place, Los Angeles would be competing for support and supplies with the County and the rest of the Southland. Without bolstering increased resilience that would allow Los Angeles to rebuild quickly, especially in the face of a cascade of events, the City is at significant risk.

Permission is essential for EMD to have immediate access to at least a million dollars in funds with which to take action in the initial hours of an emergency to save lives, as well as to house and feed displaced Angelenos in whole sectors of the City after widespread fires, major floods, or other crises. In today's world, the \$100,000 they are currently permitted doesn't go very far.

Holding emergency response hostage until the City Council can meet (if they can even make quorum), debate, and approve disbursements, is poor public policy.

Staffing

Last year, the EMD gained three positions... but more responsibilities due to the Mayor's emphasis on homelessness.

The Emergency Operations Center requires a staff of 15. For each shift. A major event demands 24/7 staffing for weeks.

People can only work so hard before they begin to buckle under continuous pressure which along with essential paperwork, or at least digital documentation, as well as personal concerns is a recipe for stress and burnout. And mistakes

The EMD has other operational obligations that must continue. Including preparations for the City's repair and recovery.

Capital needs

For any operation to be successful, the workforce needs cutting edge tools. And in emergencies when lives are at stake, this is even more essential. Some upgrades to the EMD's infrastructure are being implemented, but years after approval.

As time rolls on, more and more equipment is aging out. In its own building, only 11 out of 55 security cameras are operational.

When Angelenos are at risk, delay is not acceptable. The EMD needs the tools and technology to save lives. It needs funding for capital improvements to keep it fully operational.

Outreach

The EMD needs the resources to implement planning and training, updating and oversight of all City departments' emergency policies and procedures to ensure that these are integrated and work smoothly and effectively no matter what the catastrophe.

Other parts of the EMD's mission are to maximize opportunities for community readiness and engagement, solidify the City's operational capability, facilitate disaster community response to major emergencies and disasters, and set the conditions for recovery.

Knowledge is power. The more Angelenos know about potential emergencies, how best to defend themselves, their families, and neighbors from serious harm, and how to help the first defenders and the City during and following a disaster, the more salubrious the outcome.

Knowledge can be spread through existing organizations including Neighborhood Councils (NCs), through the internet, and through specific trainings and informational seminars in the communities, and at work. The EMD would benefit from being funded to hire a special events coordinator who can focus not only on content but also on building up a database so that all groups concerned about these issues can connect with each other and the Department.

NCs can provide backup support in their neighborhoods, deliver food for the isolated and connect the needy to services like they did during the pandemic. A reciprocal partnership could address local needs and improve the Department's connections to communities across the City. Adding a line item to NCs' budgets would allow them to assist their stakeholders without having to pursue complicated and time-consuming procedures.

Partnering with Council District offices with their permanent locations and paid staff, might be a more efficacious use of resources than continuing the inequitable RYLAN program

To increase its outreach, the EMD needs to add at least one additional Public Information Officer to its one-person section that handles all public interactions. The Department should provide virtual town halls and podcasts in multiple languages on a topics of concern to all stakeholders. It must rebrand itself in new ways to emphasize the EMD's importance, and cut through the noise of social media and infotainment to get people's attention.

Funding and Cost justification

Do you expect your insurance policy to create annual income? No. It only comes into play in an emergency.

What are the chances of your house burning down in a given year? Do you insure just half the house? Do you insure it for its replacement value or for what you paid for it?

The cost of emergencies can't be budgeted like the purchase of library books that can be adjusted to fit what is allotted. They are emergencies, and de facto NOT predictable.

For 2023-24, the Mayor's Proposed Budget allocated just over \$4 million to the EMD, over \$835 million for the LAFD, and almost \$2 billion for the LAPD.

One way to supplement its budget is to qualify for Federal and State funds such as the Economic and Workforce Development and Fire Departments do, as well as developing private grant funding and foundations outside of the budget process to cover specific sectors of their budget.

But to do so effectively, the EMD must hire qualified personnel to source and oversee, to develop proposals and maintain all the required paperwork. As a division, it would more than pay for itself but the concept and staffing and budgeting would first need City approval. Both the City and the EMD needs to drill down to identify programs that target specific communities to apply for, to justify the necessary resources.

CONCLUSION

Los Angeles is a nexus for multiple threats, and the number and severity keep growing all the time. To double the EMD's budget so it can effectively address not just one but multiple simultaneous emergencies – would cost each Angeleno only a dollar... a year. Think about the costs to the City if it can't.

Insuring the City's future should be vital for any budget, especially as Los Angeles gears up for two high-profile international events in the next three years. No-one would wish a major emergency or emergencies on Los Angeles at any time and certainly not when the eyes of the world are upon it. The City must be prepared to protect everyone from athletes to visitors.

To build up the City's resilience, the EMD needs to focus on:

- Spelling out specifics to help decision-makers to visualize the dangers and how they can be minimized and the worst consequences averted, and the built up for quick recovery.
- Laying out concrete milestones to illustrate the risks specific funding allocations would forestall, similar to what is included in the LAPD budget proposal
- Implementing successful aspects of emergency preparedness programs from across the country and around the world

The most pressing need for Los Angeles is to protect the City, its people and infrastructure, and its ability to function financially. To do so, the EMD requires sufficient funding to allow it to hire experts qualified to take on the challenges our City faces, both creatively and proactively, and lay out a credible way forward.

ETHICS COMMISSION

Meeting of December 4, 2023

ATTENDEES

Ethics Commission: David Tristan (Executive Director), Heather Holt (Deputy Executive Director)

Budget Advocates: David Hunter, Glenn Bailey, Jamie York, Lionel Mares; Budget Representative: Miran Kalaydjian

RECOMMENDATIONS

For the City:

- Fulfill the Commission's request for two new auditor positions
- Regularize the eight new positions added to the Ethics Commission in the FY 2023-2024 budget.

For the Ethics Commission:

- Pilot a social media presence to announce important meetings and educational opportunities.

DISCUSSION

The purpose of the Ethics Commission is to preserve the public's trust and confidence in local governance and elections. The commission has numerous duties and responsibilities related to the oversight of elections mandated by the city charter and municipal code.

Many of these duties are labor intensive. The commission administers the disclosure statements of candidates, officeholders, city officials, lobbyists, and those who do business with the City, and makes sure these statements are made available to the public. They oversee the matching funds programs, which provides City funds to match qualifying public donations. They conduct post-election audits of all campaigns.

All of this work requires the analysis of hundreds of thousands of data points, and so the commission is frequently pushing against the limits of what they can accomplish with their limited personnel. Last year, the commission asked for a \$4.4 million budget increase – amounting to 52% of their budget that would allow them to add 22 staff positions. They received a portion of that ask, allowing them to add eight resolution authority positions. On this year's call, we talked about what they have been able to do with those positions, while the commission's continued staffing shortages came up in a variety of contexts.

Of the eight positions the Ethics Commission added this fiscal year, two are auditors, five are investigators, and one is a campaign finance position. These are resolution authority positions, which means that they have not been made permanent yet. The commission will have to justify the continued financing of these positions through every annual budgeting process until the positions are regularized.

Of all of the commission's responsibilities, the work of auditing campaign committees requires the most labor hours. Every election cycle, the commission is required by city charter to fully audit the finances of any city campaign committee that raises or spends \$100,000 or more, and to perform random audits of campaign committees under that threshold. Chronic understaffing going back decades has caused an audit backlog – at times the commission has not been able to complete campaign audits until over five years after the election.

The commission has innovated methods to increase its own efficiency, but at the same time the commission's mandated responsibilities have increased as the City has created new programs to attempt to address corruption. Most relevant of these is the city's matching funds program, which matches donations from individual Los Angelenos to candidates at a 6:1 rate. Because the matching funds program only requires short bursts of intense labor, the city has not been willing to approve dedicated staff to administer it. Auditing the matching funds program must be completed within a tight four-day window, so staff needs to pause its other audit work to prioritize the matching fund program. The matching funds program has also motivated more candidates to run for office, with a larger number of small-dollar donors. This was the intended purpose of the program, and it has been successful. However, the irony of the Ethics Commission is that successful anti-corruption programs create more work for them, intensifying their need for more staff.

For FY 2023-24, the Commission requested five additional auditors and received two. (The Budget Advocates supported the Commission's personnel request when they addressed the Budget Committee last year.) Though the two new auditors have helped shorten the turnaround times, this year the Commission is again asking for the remaining three auditors they didn't get in the last cycle. On the call, the Commission made a point of saying that if these positions are not approved, the Commission will not be on track to finish the audits from the 2022 elections within the statute of limitations. With current staffing, the 2022 audit could only begin in November 2023, and would not be finished until 2026.

The Commission has staffed two of the five new investigator positions, and are bringing their new hires up to speed. The additional staff will free up time for senior investigators to spend more time on higher level tasks, such as liaising with the FBI on joint investigations. Though a new cost-cutting measure adopted by the City after this call aims to cut many unstaffed positions, the Commission has assured us that it will not affect these three investigator positions.

Questions from Budget Advocates

On the call, members of the Budget Advocate team had many questions about what the Ethics Commission could be doing differently. Frequently, these questions ran into concerns from the Commission not having enough staff.

The Commission was asked if they ever considered acting as a watchdog on City Council agenda items, to proactively point out potential conflicts of interest. The Commission pointed out that this was well beyond the scope of their capabilities. As an example, Metro's Ethics Division requires a staff of eight to accommodate the work of monitoring the agendas of Metro Board meetings, and those occur only once a month, while the City Council meets three times a week.

The Commission did mention the possibility of the City Council creating its own Ethics Department that would monitor agendas to ensure compliance with SB 1439, a 2022 state law that prohibits local politicians from voting on motions that effect their campaign contributors. However, enforcing compliance with this law does not appear to be something that will be placed under the Ethics Commission's purview.

The Budget Advocates asked the Commission to establish a presence on social media. This is a question the Budget Advocates have asked the Commission the past two years as well.

The Commission is concerned that any ethics complaints that were made in the replies to these social media posts would need to be investigated. The Commission does not have the staff to monitor social media replies. Instead, the Commission prefers its current interface with the public, which consists of informative videos about the role of the Ethics Commission and the services and dashboards it provides, in addition to disseminating information through the Neighborhood Council(NC) System.

However, over the course of the call it became apparent that the NC system was an awkward partner in blasting information to the public. It was suggested that the Commission could have a social media account with replies turned off, as do several City Council members. The Commission responded positively to this suggestion, and the Budget Advocates continue to advocate for an Ethics Commission social media presence.

The Budget Advocates asked if the Commission was in favor of moving to a two-year budgeting cycle, as was proposed by the Controller's Office. The Commission was in favor of this proposal, both because it would halve the amount of time spent in the budget process, and because it would allow for additional fiscal planning. The Commission frequently returns money to the City, most often from the "outside counsel" line item. Outside counsel is needed when there is conflicts of interest that prevents the Commission from using the City Attorney, and so the spending from this fund occurs in spikes. A two-year budgeting cycle might allow the commission to roll this line item over for at least one year when the money isn't needed.

In response to a follow-up question, the Commission said they were in favor of a budget that was fixed to a baseline and adjusted for inflation, and not subject to interference from the City Council. The Library and Recreation and Parks Departments are funded this way, per the City Charter. This would allow the head of the Ethics Commission much greater flexibility in managing the Commission's budget. It came up that the Commission had to overcome a lot of hurdles in order to use its own funding on outside counsel. As mentioned above, this line item

is only used when there is a conflict of interest between the Commission and the City, which there will be this year as the Commission pursues fines against Councilmember John Lee.

CONCLUSION

The Ethics Commission is charged with maintaining the public's trust in its government, a sacred task. Managing the Ethics Commission, is, in the commission's own words, "a numbers game. It requires analyzing a number of points of data. This requires staff. There may be efficiency gains to be made here and there. There are ways that statewide ethics laws are designed poorly for a City the size of Los Angeles. The City's staffing protocols are not designed for a department that largely hires outside of the civil service system. Making these efficiency gains might require a political investment that isn't worth the benefit. Fulfilling the Commission's staffing requestts, minuscule within the scale of the city budget, looks like the most efficient way to ensure that the Commission is able to fulfill its mandate.

For more on the Ethics Commission, see this link to last year's unpublished Ethics Report.

OFFICE OF FINANCE

Meeting of Nov. 3, 2024

ATTENDEES

Office of Finance: Diana Mangioglu, Director of Finance/City Treasurer

Budget Advocates: Brian Allen, Garry Fordyce

RECOMMENDATIONS

- Recommend a complete review of the financial structure of the City's financial departments.
- Consider and analyze:
 1. A Charter change to elect a City Financial Officer (could be the current Controller position)
 2. Review all City Departments that have any independent financial operations other than issuing requests for payments to be processed and moving any direct financial activity to either operations under the CFO or a department organized under the CFO.
 3. Establish all budgetary operations under the CFO with direct communication and input from each department.
 4. Require all direct spending and collections be conducted under the direction of the CFO with input from each department.
 5. Establish oversight with either a Mayoral Committee, a City Council Committee, a Public Commission, independent outside review board, or other acceptable method.

While these suggestions may be a radical change, there also would be a large operational improvement as well as considerable cost savings.

DISCUSSION

Over the years all departments have evolved. Each year the Budget Advocates spend on the average a couple of hours in meetings with City department management and finance personnel in an effort to provide input for improving efficiency or operational structure intended to impact departmental budgets.

From time to time the input provided includes suggestions for savings. At other times the suggestions are aimed at improving services. Overall focus is designed to offer ideas that will best serve the City, its residents, and ensure the best use of the taxpayer's funds.

Considering the foregoing, the Office of Finance is empowered to maintain and collect the operating funds of the City. In reviewing the Office of Finance, it seems clear that its functions

may be in need of updating. Time has a destructive impact on all things, whether it be processes, systems, personnel, or purpose.

In reviewing the report issued for 2021-2022 Budget Advocates White Paper, the following was presented:

“Reviewing not only the Office of Finance but also departments like the Controller’s Office, the City Administrative Officer, the City Clerk’s Office and others, it is this Committee’s opinion that there is need to reorganize the financial operations of the City. How would this help the City? Though there are many financial activities conducted throughout the many departments of the City, proper design and control of any operation always concludes in a more efficient and more dependable operation.”

Over the last few years, the Office of Finance has been trying to upgrade its operations. Unfortunately, there are always obstacles to achieving any goal and this is quite true within the City of Los Angeles. One major concern is the cost to achieve change. Even though there are challenges, we should be mindful of the overall needs and not just the costs if we are going to be able to perform the duties necessary to accomplish our goals and purpose.

Looking at the Office of Finance, it is easy to see that it has operated within the most sound and workable methods available to it. Along the way, needs cause change and new operations morph into standard operations. As fate will have it, standard operations need to keep up with new needs, due to changes imposed on the Department.

Looking back at prior reports the following was presented:

“Let’s look at a typical business of similar size to the City’s spending, call it ABC Corp. Its financial operations are organized under a Chief Financial Officer. Below the Chief Financial officer would be all the operations and in many cases depending on volume the operation may be actual departments with their own managers. Such design allows for consistency of applications like payments, collections, reporting, analysis, budgeting, and auditing.”

The same operations do exist in the City; however, there is no central control. Complicating it further, most departments have their own accounting operations that cause excessive cost to perform common jobs. Why distribute accounting functions to every department when we do not have to?

If we want to operate efficiently it is necessary that we consider the cost to achieve a function that everyone understands. Why are we okay with duplicating so many activities? We continue to waste funds but would not have to if we get back to basics and operate with a focus on achieving efficiency that lets the City’s departments focus on their operational goals, not the accounting activities that support them.

CONCLUSION

Though still no in-depth review and analysis has been made of the City's overall financial operations, (department-by-department) it is hereby recommended that such review be engaged to determine what benefit may be received by reorganization of the City's overall financial operations.

HOUSING DEPARTMENT

Meeting of January 7, 2024

ATTENDEES

Housing Department: Tricia Keane, Executive Officer; Emily Cervantes, Director of Administrative Services Division; Luz Santiago, Assistant General Manager of Administration Bureau; Kevin Rodriguez, Senior Manager of Budget and Management Services
Budget Advocates: David Hunter, Elias Garcia, Howard Katchen, Scott Wright

RECOMMENDATIONS

For the City:

- Work with the Department to ensure programs are adequately staffed
- Advocate against the proposed ballot measure that would amend the State Constitution to nullify Measure ULA

DISCUSSION

Purpose of the Housing Department

The Los Angeles Housing Department is large and its functions aren't easy to summarize. A great deal of what it does involves either facilitating the financing and development of officially-designated "affordable" rental housing in the City of Los Angeles or regulating affordable housing operations.

Very little of the Department's budget comes from the General Fund. Rather, the Housing Department relies on a collection of over 40 grants and fees. The money from some of these funds is restricted for certain uses, as different grants, with different intentions, come on and off-line.

A large portion of the Department's budget is used for the development of affordable and supportive housing. The Department does not build or operate housing directly, but finances projects through private non-profit housing developers. These housing units often can only be let to tenants who meet certain criteria, income or otherwise. Monitoring these covenants with affordable housing providers is one of the Department's regulatory responsibilities.

Staffing

The Housing Department is requesting 106 new positions for fiscal year 2024-2025, likely the highest number of new positions requested in the Department's history. The staffing is requested to meet several new legislative mandates.

Across the City, County, and State, many COVID-era emergency tenant protections expired in fiscal year 2023-2024. The City Council instituted several new tenant protections as a

counterweight to the expected spike in evictions. The most significant of these is a new law requiring that all evictions have “just cause.” These programs require oversight in order to be functional. The Department is considering restructuring to create a new Tenant Protections and Homelessness Prevention Division to meet this mandate. 24 of the 106 new positions would be used to staff this Division.

26 of the new positions would be responsible for enforcing the Home-Sharing Ordinance, which prohibits property owners from listing properties in which they don’t live on AirBnB or similar short-term rental platforms. The ordinance was adopted in 2019 but is under-enforced.

A significant amount of the new positions will work in the Systematic Code Enforcement Program that conducts periodic inspections of rental housing units for habitability issues. Others will be dedicated to enforcement of the City’s Residential Hotel Ordinance, which is also under-enforced.

The City is currently experiencing a deficit and aims to resolve it by cutting vacant positions. However, the new positions cited above, which make up 60% of the new requests, will be funded with inspection fees and will not draw on the General Fund. Only 10% of the Department’s new requests will be partially or fully funded by the General Fund. The only positions that will be fully paid out of the General Fund are dedicated to the court-mandated Accessible Housing Program.

Last year at this time, the Housing Department was reporting a 20% vacancy rate and largely citing external causes beyond the Department’s control – an onerous application process, lack of public interest – as the causes of the unstaffed positions. However, the Department now has its vacancy rate down to 13-14% and are citing “hard work” as the cure to its previous staffing issues.

Measures HHH and ULA

Measure HHH was a City ballot measure that passed in 2016. It authorized the City to raise \$1.2 billion dollars for developing supportive and affordable housing to address the City’s housing and homelessness crises. All the funding from Measure HHH is fully committed to projects that are somewhere in the development stage.

The Department considers Measure HHH a success. Funds from this program were to be granted to a portfolio of affordable housing projects. Rather than fully fund any projects, the plan was instead to provide no project more than \$150,000 per housing unit. That seed money could then be leveraged into further grants at the state and federal level, as well as from non-profits, until it was fully financed. Acquiring funding from all of these various sources is known as building a “funding stack.”

At \$150,000 per unit, the entire HHH fund was estimated to boost Los Angeles to 10,000 new units of affordable housing over the ten years after its passage. However, the City’s average

amount of HHH funding per unit came in lower than that, at \$132,000 per unit, so the money stretched farther and the City is now on track to develop closer to 12,000 units.

The Department calls Measure HHH a “successful perceived failure.” One cause of the program’s publicity issue was a fairly negative [progress report](#) issued by former controller Ron Galperin. (The Controller’s office is responsible for conducting yearly audits of the program.) The report expressed concerns about ballooning per-unit costs. It also noted that the number of units put into production was small compared to the scale of the City’s unhoused population.

This second point cannot be denied. Measure HHH was never going to create enough affordable housing to end homelessness on its own and, since 2016, even more Angelenos have found themselves without housing.

However, while ballooning per unit costs are worrisome, the City’s share of the cost was capped so the impact of rising costs was delays in project completion. According to the Department, all HHH units are currently scheduled to be completed by the end of the original 10-year window. While bringing down costs would be beneficial, any sense that HHH was a catastrophic failure can be dispelled. It exceeded its goals.

There was some worry that the public would be so disappointed in Measure HHH that voters would not approve another funding source once the HHH funds were spent, but in 2022, public signatures placed Measure ULA on the ballot. Measure ULA calls for the implementation of a real estate transfer tax on sales of all real estate valued at over \$5 million, with the money to be used to address the City’s housing and homelessness crises. ULA is expected to raise between \$600 and \$900 million per year, in perpetuity — nearly as much as Measure HHH raised to be spent, once, over 10 years. ULA passed easily, but HHH received 77% of the vote and ULA only received 57% — a significant drop, especially considering that most new taxes in California require a two-thirds supermajority to pass.

Measure ULA still faces significant challenges as opponents attempt to overturn it. The most significant effort to reverse ULA in the courts was dismissed last year, though that decision is being appealed. More importantly, a [statewide ballot measure](#) that would overturn the citywide law may appear on ballots in November if the California Supreme Court allows it. For this reason, the City has yet to release all of the funds gathered through the ULA transfer tax.

CONCLUSION

The Housing Department has a lot on its plate considering the breadth of the housing and homelessness crises Los Angeles faces. The passing of ULA provides money with which the Department can begin to address the crises at hand.

INFORMATION TECHNOLOGY AGENCY

Meeting of November 29, 2023

ATTENDEES

Information Technology Agency: Ted Ross, Chief Information Officer and General Manager; Tita Zara, Assistant General Manager of the Finance, Administration, and Internal Operations Division

Budget Advocates: Kay Hartman, David Uebersax

RECOMMENDATIONS

For the City:

- In conjunction with the Personnel Department, implement technical improvements to streamline hiring, increasing efficiency and the effective delivery of services
- Fund the Information Technology Agency to keep equipment and software, including the City's radio system, up to date to best enable City departments to provide services, and keep the City fully operational
- Fund the Zero Trust model to keep the City at the zenith of cybersecurity strength to reduce the risk of cyber attacks

For the Department:

- Post Department metrics to the website to increase transparency
- Expand the strategic plan to cover five-years to broaden its vision

DISCUSSION

The stated vision of the Information Technology Agency (ITA) is to make Los Angeles a fully digital and securely connected city. Its mission is to best serve the City of Los Angeles, working to be a best-in-class technology department that demonstrates responsive, responsible, and excellent information technology.

The ITA manages IT projects with "project" defined as a temporary effort to create a new or substantially changed product or service. IT projects generally involve more than 80 hours in staff investment, have specifically identified customer benefits, and a defined start and stop. The ITA manages these efforts as projects (about 420 each year) using its ServiceNow Project Management module and leading project management practice principles (Project Management Institute's Book of Knowledge and Lean Six Sigma) to both maximize City resources, and project customers' benefits.

The ITA tracks its progress using metrics on a platform named ITAStat. The metrics are reviewed monthly as well as in quarterly meetings. Procedurally, for the purposes of transparency and so both customers and City stakeholders can assess progress of projects, the

ITA should post a metrics summary to the Department's website following each monthly meeting.

The Department's priorities for 2024 and 2025 are to:

- Improve the quality and quantity of digital services
- Provide both opportunities and safeguards for artificial intelligence (AI) and emerging technologies
- Build a smart city using the [SmartLA 2028 Plan](#)
- Recruit and develop top-tier IT human resources
- Invest in radio repair to protect the City during emergencies

Additional information about the ITA's strategy can be found in its [2024 and 2025 Strategic Plan](#) which the Department plans to update soon. The ITA should be applauded for having this strategic plan. Expanding it to five-years would provide a plan that is even more strategic and less transactional.

Department Budget

The ITA's budget for fiscal year 2023-2024 is \$111 million, a 9.8% increase over its 2022-2023 budget of \$101.3 million. The Department is requesting a 2024-2025 budget of \$124 million, representing a further increase of 11.7%.

Ninety-four percent of its 2023-2024 budget was from the General Fund with the balance primarily coming from MyLA311 and from cable franchises such as Channel 35.

Other than staffing, the Department's chief expenses are for licenses, hosting services, communications services, data lines, voice and telephone, and radio system maintenance. The cost for licenses continues to increase and the ITA's budget has to increase to cover these rising prices for what the City already uses.

For years, the City has not invested adequately in its radio system which is used not only by the Emergency Management Department but by most City departments other than Police and Fire. Any failure would jeopardize the ability of those departments to effectively provide services.

There is no charge back for licenses, networks, cybersecurity, and other services the ITA provides to other City departments. It has discussed requesting reimbursement for such work but, to date, has not implemented such a system. In the long run, it's City money and, so long as the ITA's budget for other purposes is not cut, it may not matter.

Staffing

At the time the budget request for the new fiscal year was submitted, the Department had 451 regular and 11 resolution authority approved positions with 104 vacancies for a 22.51% vacancy rate. The ITA included regularizing the 11 resolution authority positions in the 2024-2025 budget request.

It's worth noting the Department had 850 positions in 2008 meaning its staffing has been cut almost in half since then while the demand for technology is increasing.

The ITA published an [IT Workforce Plan](#) in April 2023. It should be congratulated for developing and documenting a plan to fill its vacancies even though they remain stubbornly open.

The Department has ideas for streamlining the hiring process, not just for itself, but for the City's entire Civil Service. Technologies such as digital submissions and digital reviews would be a start on this process. We don't need a 10% improvement to our ability to hire. We need a 50% to 70% improvement to just get a start on the hiring crisis the City continues to face.

Five-years ago, more than half of the staff were eligible for retirement, but the percentage of those currently eligible has dropped to between 10 and 20%. This significant improvement, due to the SIP and additional retirements, has also helped rebalance the staff.

Since the end of the Covid emergency, the ITA is supporting two groups of employees, those who are working in the office and those who are working from home, without an increase in funding.

Most programmers are working from home four days a week. This has generally been effective, however if metrics are not being met and someone is not productive from home, that person is brought into the office for more or all days.

Department Activities

The ITA must maintain up-to-date operating systems on City's Windows-based computers or some of the applications that run on them will not work, or will not work efficiently.

Over 4,000 City employees now use cell phones instead of or in addition to office landlines, and the Department has plans to overhaul the phone system. The Department requested updated network equipment in the 2024-2025 budget to help address the 60+% of the network that is now end-of-life.

It is a false economy to let equipment and software fall behind. Both equipment and software operate best when they are up to date. When they are not, technology stops working or stops working well, limiting the ability of the City departments to efficiently provide services.

With respect to cybersecurity, the Department has an award-winning team that wants to implement the Zero Trust model that is the new federal standard for internet safety. The ITA's team has been aggressive and forward-thinking so while Los Angeles is currently not in a bad situation, it would be short-sighted for the City not to employ the Zero Trust model.

The Department is implementing a 311 modernization, replacing a 13-year-old system with Salesforce. Better business processes can be implemented in the new software, such as being able to close a ticket when it's fixed and not when it's looked at. This should be completed in about a year and a quarter. The Call Center will also be upgraded to Salesforce.

With respect to digital equity, the Mayor's office is taking the lead. A lot of the work is coming from the Bureau of Street Lighting and the Library. The ITA is taking a support position by providing advice. More information on the project is available at <https://getconnectedlosangeles.lacity.org/>.

At the time of the meeting, the new payroll system was going through parallel testing and people are being trained. The ITA was confident in a June 2024 rollout.

Many City departments have their own IT personnel for day-to-day operation, but still use the ITA. Twenty to thirty years ago, centralization was the desired model. Today, IT is about the tools people use to solve their business issues and local control makes sense for websites and other local solutions, while payroll and cybersecurity are still best handled by a central organization.

CONCLUSION

Every department in the City depends on the ITA. Every stakeholder in the City who uses City services depends on the ITA. The ITA has kept us safe so far from devastating cyber attacks. During Covid, the Department turned on a dime to get the workforce working from home. The City cannot operate without this Department and the City must support its work by funding it sufficiently to keep the City's IT infrastructure both up-to-date and fully functional.

LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM AND FIRE AND POLICE PENSION PLAN

Meeting of March 17, 2024

ATTENDEES

Los Angeles City Employees' Retirement System (LACERS): Neil Guglielmo (General Manager)

Los Angeles Fire and Police Pension Plan (LAFPP): Joe Salazar (General Manager)

Budget Advocates: Jack Humphreville

RECOMMENDATIONS

For the Departments:

- Work with Personnel and CAO on hiring for specialized positions.
- Strengthen investment management.
- Improve IT capabilities.
- Develop recommendations for full funding.
- Lower the investment rate assumption.
- Maintain ARC for plans that are fully funded.

For the City:

- Ensure full readiness and accuracy of the Human Resources & Payroll system before launch.
- Appoint qualified commissioners.
- Develop explicit policy that pension plans are not sources of funds for the City.

DISCUSSION

The City's two pension plans (excluding the Department of Water and Power Employees' Retirement Plan) serve over 75,000 active and retired employees and beneficiaries, pay benefits of \$2.5 billion a year, and receive \$1.4 billion in pension contributions from the City's General Fund, representing almost 18% of General Fund expenditures. City contributions range from 33% of compensation for LACERS members to 38.4% for LAFPP members. Employees also contribute to these plans.

The two pension plans have combined assets with an actuarial value of \$51.6 billion and liabilities of \$59.1 billion, leaving an unfunded liability of \$7.5 billion (87% funded). However, this assumes a rate of returns on investments of 7%.

If the investment rate assumption were lowered to a less optimistic rate of 6%, the unfunded liability would increase to \$15.6 billion (77% funded). We recommend lowering the investment rate assumption to 6% over the next five to ten years. The investment rate assumption for the DWP plans and for CALPERS (the California state employees pension plan) are 6.5% and 6.8%, respectively. The rate used by the private sector is even quite a bit lower than that.

There are contrasts between the two funds. While LACERS represents the City's civilian employees and has more members, LAFPP represents only the City's sworn employees (police and firefighters) and has more assets. While the LACERS pension plan is only 73% funded, the LAFPP pension plan is almost 100% funded. Both were helped by investment returns of around 30% in 2021.

On the other hand, LACERS' OPEB (Other Post Employment Benefits, which funds retirement health plans) plan is overfunded by 4%, while LAFPP's OPEB plan is only 78% funded. The City began funding these plans in 1989, and the City's OPEB plans are well funded compared to other government agencies such as the County and State, both of which are seriously underfunded.

The LACERS budget is \$44 million. Unlike other City departments, this amount includes all related costs, including pensions and medical benefits. The department has 195 authorized positions, and a 13% vacancy rate. The LAFPP budget is \$28 million and, like LACERS, includes all related costs. There are 129 authorized positions and a vacancy rate of 10%.

Both departments are well managed. They have strong management teams, efficient operations that get the checks out on time, and have migrated to more modern pension management systems, not an easy task.

Both managements have several concerns. Given all the personal information these departments have on their members, cyber security is a concern. Another serious problem is that in three months the City intends to launch a new Human Resources and Payroll system which so far has not been able to provide the accurate payroll data that is necessary to determine the proper level of employee contributions and retirement benefits. The Personnel Department been slow in generating the Civil Service exams the department relies on to qualify new personnel, which has led to hiring delays. However, there has been improvement since the Personnel Department has hired a new General Manager of Personnel.

Both department's budgets are approved by their respective Boards of Administration. The boards determine the Annual Required Contribution by the City based on the advice of actuaries, and have discretion over the investment rate and all other actuarial assumptions.

CONCLUSION

The Boards of Administration have a fiduciary duty to the pensions funds it manages, not to the City or its budget. Thus, the pension plans are not to be used to finance city projects or operations. We recommend making this an explicit policy.

ADDENDA

	LACERS	LAFPP	Total
Future Benefits	28,704	30,371	59,075
Assets	22,140	29,396	51,536
Liability	-6,564	-975	-7,539
% Funded	77.10%	96.80%	87.20%
Pension			
Liability	-6,806	-126	-6,932
% Funded	73%	100%	
OPEB			
Liability	242	-\$849	-607
% Funded	104%	78%	
Members			
Active	25,875	12,571	38,446
Retired	22,510	14,131	36,641
Total	48,385	26,702	75,087
% Active	53%	47%	51%
Budget (MM)	42	28	70
Positions	195	129	324
Vacancy	13%	10%	12%

PERSONNEL DEPARTMENT

Meeting of January 11, 2024

ATTENDEES

Department Name: Dana H. Brown, General Manager; Paula Dayes, Assistant General Manager; Jenny Yau, Chief Management Analyst
Budget Advocates: David Hunter, Kevin Davis

RECOMMENDATIONS

- Provide the public with the data necessary to make an informed decision on Charter Amendments related to Civil Service hiring and whether it should be placed on the ballot.
- Improve the Department's communication of job opportunities and hiring practices to job-seekers.

DISCUSSION

The Personnel Department manages recruitment, hiring, and other employment services for all City departments. Recently this Department has been a focus of public interest, because the City's vacancy rate is currently very high. Per a recent report from Controller Kenneth Mejia (available [here](#)), 17.4% of City positions are unstaffed, [up from 10% a decade ago](#). Across departments, a high vacancy rate will lead to a decrease in the quality of City services. It also places more stress on the current City employees who must pick up the slack. Earlier this year, [City workers staged a one-day walkout](#), compelling the City to finally address the vacancy rate which was cited among their goals.

Three explanations for why the vacancy rate have risen have been offered. One, that job-seekers have grown more discriminating and find City jobs less attractive. Two, that the City's hiring protocols are antiquated and slow. And three, that departments strategically hold positions open in order to use those salary savings to balance their budget.

The Budget Advocates used their time with the Personnel Department to clarify some questions about the vacancy rate and its causes. Though we were not able to answer all of our questions on this call, it was informative, and the Department has made itself available for continued inquiry.

Is the city's high vacancy rate the result of a lower interest among the public in City jobs? As part of last year's Budget Day panel discussion, a panel of City experts – including Chief Administrative Officer Matt Szabo, Chief Deputy Controller Rick Cole, and Bernyce Hollins, the Mayor's Senior Budget Director – [were asked about the vacancy rate](#). Without hesitation, all three highlighted a drastic reduction of interest in City employment among jobseekers as the

primary cause. Their narrative traced the decline in interest to the COVID pandemic. Because the City's workforce in many cases had been forced to work from home, and in other cases had been paid enhanced benefits while not employed, workers had now had higher expectations of what they expect from a job, and a cushion of savings to allow them to wait for a job that matched their needs. And for these people, the jobs offered by the City of Los Angeles no longer fit the bill.

The panel suggested ways that the City could make employment more attractive, including allowing more "work from home" days. The City has also recently approved a new contract with City workers that raises salaries over 22% over the next five years.

But is worker selectivity truly the defining factor behind the high vacancy rate? The discussion with the Personnel Department painted a less clear picture.

For one, the Department pointed to the Target Local Hire (TLH) and Bridge to Jobs Programs (Bridge). These are special programs that allow Los Angeles residents a pathway to apply to City jobs of certain classifications without needing to go through the usual hiring process. The Department expressed extreme confidence that these programs attract enough candidates to fill every position for which the programs are designed. TLH and Bridge can't be used to hire into every position – they are designed for positions that require fewer specialized skills – but they do address the majority of open entry level positions that could be filled by the general public. If the Department is correct, there is a limit to how much a desire for greater "work from home" flexibility could really be impacting the vacancy rate. There are already candidates who want the City jobs.

We asked the Department directly what kind of impact the desire for "work from home" flexibility has on the ability to fill vacancies. The answer, interestingly, was that it was people already working in the City who were the most selective about taking promotions based on this factor. Based on the impression of the Department, employees are often incentivized to wait for an ideal promotion instead of moving up at the first available opportunity.

This leads to hiring bottlenecks. Because of the specific mechanics of how the City hires, it can only fill entry level positions with applicants from the general public. All other positions must be filled via promotion from within existing City employees. Quite often, to fill one job is to empty another. And if entry level City employees are slow to take promotions, the positions they occupy do not become vacant, and this slows the City's ability to increase its available workforce by bringing in new workers from the general public.

However, the Department seemed to feel that it had significantly addressed this issue when, earlier this year, the City expanded the portfolio of jobs that can be filled by the public. Specifically, they opened up the Management Analyst to public applicants – the position just above entry level for most office work. Not only did this create more opportunities to bring in new workers, but the added competition incentivized existing workers to take promotions to the Management Analyst level.

But these details don't seem to fit with the narrative that the general public has raised its standards and is no longer interested in a career with the city. That brings us to the second potential explanation of the vacancy rate. Is the City's high vacancy rate the result of outdated and unwieldy hiring practices?

The City's hiring practices are mandated in the City Charter, and these mandates add complexities that slow down the City's ability to fill positions relative to a private entity. For example, the Charter mandates that, "in all cases where it is practicable, that vacancies shall be filled by promotion," which creates the bottlenecks just discussed.

In addition, the Charter designates that most hiring into the City, with some clearly designated exemptions, must be conducted through the use of civil service exams. The city divides all jobs into the city into different *classifications* (such as Management Analyst), and conducts periodic practical exams related to each classification. The Personnel Department oversees the management of all civil service entrance exams. (It is difficult for a member of the public to see an example of one of these exams, to get a sense of their quality. They are one of the only City documents immune from California Public Records Act requests.)

These exams are scheduled independently of the needs of either jobseekers or City hirers. That is, you can't take one at the moment you become interested in City work, in order to qualify to be hired. The test also isn't offered at the moment new positions open.

Rather, tests are offered to create *lists* of qualified candidates. All job applicants who pass a civil service exam are added to that classification's list of qualified applicants. When positions open within a certain classification, the candidates are selected from this list. When that list of eligible candidates is exhausted, a new exam must be scheduled, to create qualified applicants that can be hired at that classification.

This system can create significant delays between a job candidates' initial interest in City employment, and the moment they can be hired. For example, the most recent civil service exam for Management Assistant, one of the most common classifications for entry level office work with the City, was offered in May of 2023 and that was the first time the test had been offered in several years. The next test hasn't even been scheduled yet. Many jobseekers will be turned off by that timeframe. Those who are interested might find that their next opportunity to take the civil service exam they are interested in will not be for another year or more.

Creating the tests also takes time, and it takes time to proctor and grade the tests as well. Additionally, as the Department brought up on our call, after each test has been graded, test-takers who did not pass have an opportunity to challenge the results. The time this takes can indeed contribute to the vacancy rate. There are Departments that need to fill positions whose corresponding list of qualified applicants is empty, and the Personnel Department is admittedly behind on scheduling the next exam in order to replenish the list. The Department of Engineering is one department being affected by the backlog in exams. Personnel is requesting

several additional positions to accelerate its ability to create new tests. Robert Kadomatsu wrote a letter of support for these hires. It is appended to the Personnel Department's budget requests for 2024-2025.

Other solutions the Department has recently implemented include hosting job fairs where same-day hiring is available for certain classifications, such as Sanitation workers. As mentioned above, they opened the Management Analyst exam to the public instead of restricting it for current city employees. There are plans to simplify exams by reducing them to essay questions, or even to interviews. And, eventually, it appears to be widely expected that Charter reform will drastically transform the City's practice of using civil service exams as a portal for hiring. Or at least, that the prospect for change will soon appear on a ballot. When asked if the civil service exam had any supporters who would object if changes were proposed, the Department did not seem to feel that there were any.

Still, while the civil service exam seems like a sub-optimal way of conducting hiring, and is clearly creating obstacles for certain departments, it doesn't seem that this is the primary cause of the City's high vacancy rate either. The most recent exams for Management Analyst and Management Assistant – the most typical classifications – have created full lists, and there doesn't seem to be any expectation or anxiety that these lists will be depleted soon. In the meantime, the TLH and Bridge programs have created alternatives to the civil service exam at many classifications. A recent study of the City's hiring found that, when a job could be filled by either TLH or through an exam, 86% of the hires were through TLH. The number was 56% for Bridge. This might speak to the clumsiness of the civil service exam system but it also indicates that significant workarounds have already been developed.

This brings up the third potential explanation. Is the City's high vacancy rate the result of positions deliberately being left unfilled?

When the primary concern about City staffing was the vacancy rate, City officials spoke about two causes: selective jobseekers and arcane hiring regulations. However, during this fiscal year the City has fallen short of revenue projections and gone significantly over budget. The City Council is now considering eliminating many of these unfilled position outright. And, as this austerity measure was brought to the table, a new explanation for the City's vacancy rate was proposed.

On January 26, (a few weeks after the Budget Advocates conversation with the Personnel Department), City Administrative Officer Matt Szabo presented a plan to City Council that would freeze much City hiring, and perhaps eliminate certain unfilled positions. Council President Paul Krekorian responded by identifying "three principal reasons" for persistent vacancies. First, difficulties "getting people to accept jobs." Second, "our own bureaucratic process." But also, "a third category in reasons we have vacancies... persistent and pernicious... An effort of some {department} managers to preserve a margin of error in their budget by having funded, vacant, positions." (Full remarks can be watched [here](#).)

While Councilmember Krekorian conveyed empathy for general managers who try to maintain a hidden contingency fund in their budgets, to weather economic downturns, he emphasized that these budget games muddy the waters as to what is actually going on with the city's finances and can create an artificially high vacancy rate.

In our call with the Personnel Department, we learned that the concept of holding positions open to create "salary savings" is typical across departments and spoken about openly. Some of these vacancies would be easy to fill using the Targeted Local Hire program, leading the department to state that they "TLH-shame" departments who maintain vacancies despite the availability of TLH.

Hearing about "TLH-shaming" was a surprise, because the Personnel Department, in 2023, [released a study presenting](#) "an analysis of the impediments that delay the hiring of individuals through the Targeted Local Hire Program" that made no mention of salary savings, citing instead a lack of interest from qualified candidates. The Department recommended addressing this through "interview and resume training" for the job-seekers they were able to attract.

However, when the Report's recommendation of "interview and resume training" was brought up on the call, the Department said that it was at odds with the Personnel Department's operating philosophy which advocates that whomever shows up for TLH interviews should be hired and trained. City hirers should not themselves be "choosy." The Department was not able to reconcile the contradiction between their hiring philosophy as stated on the call and as stated on the Personnel Department report.

There also seems to be an apathy in the way the public is made aware of City jobs. A job-seeker who, perhaps having heard of the City's high vacancy rate, visits the Personnel Department's website and clicks on "entry level jobs," is presented with a glut of nonsensical prose that does nothing to clarify any of the above information on how the City actually hires and what steps an applicant should take. Below that is a list of 159 entry level job classifications, presented in alphabetical order. Management Assistant, the most common classification, is on page 5 of that list. The Department needs to work on its public-facing communication with potential employees.

CONCLUSION

The Personnel Department has requested 26 new positions to "keep pace with the increased examining demand of producing viable eligible lists for City departments to hire from." Only 4 of these positions would be funded out the General Fund. An additional 36 positions are being requested to address a variety of other needs, with 36 of them drawing on the General Fund. However, as noted above, the City Council has recently begun discussing cutting 2,000 unstaffed positions to address the current year's deficit in the General Fund. This certainly makes it seem less likely that new positions will be granted in the upcoming budget (although it is currently less clear where the Mayor stands). Additionally, cutting 2,000

unstaffed positions will “solve” the City’s vacancy issues, letting the Personnel Department off the hook in the short term and perhaps obviating the needs for any new hires.

At this time, it’s difficult for the Budget Advocates to weigh in on the Personnel Department’s requests, because the public does not have a clear picture of the nature of the problem. Three explanations are given for the City’s vacancy rate, with the suggestion that the reasons vary across departments. But this isn’t good enough. The public needs to have a greater understanding of which of these is the primary cause, at each department, and at each classification.

It doesn’t seem that City officials themselves know the answers to these questions, and sometimes it seems that disagreements within the City are being hashed out “in-house” and being hidden from the public. The problem is exacerbated by the tendency of City officials to project a knowingness that doesn’t seem fully appropriate.

In the future it seems likely that the public will be asked to vote on amendments to the City Charter that will alter the City’s age-old hiring practices, perhaps dramatically. This may include reducing the City’s reliance on exams and opening more mid-level positions to the public. Currently, the public does not have access to the information needed to make an informed decision on this subject. Our advocacy is for this to be corrected.

DEPARTMENT OF CITY PLANNING

Meeting of January 23, 2024

ATTENDEES

Department of City Planning: Lisa Webber, Deputy Director; Ly Lam, Senior Management Analyst; David Olivo, Principal City Planner; Brittany Arceneaux, Senior City Planner; and Ana Lynn Rocio, Chief Management Analyst

Budget Advocates: Connie Acosta, Cindy Cleghorn; Budget Representatives: Aurora Corona

RECOMMENDATIONS

- Provide access to language translation for City Planning Department hearings
- Use the closest City Planning facility to the project under review for holding hearings so neighbors are able to attend and participate
- Require three-story and higher Residential Density Bonus development projects, including those using the Transit Oriented Communities program, that are built on commercial corridors include retail space on the ground floor
- Thirty percent of ground floor retail spaces built on residential corridors should be reserved for low-to-moderate income businesses as supported by net businesses sales-receipts, businesses displaced by development projects, and businesses on the verge of being displaced

DISCUSSION

The Los Angeles Department of City Planning (DCP) reviews development project applications, processing entitlements and approvals, to ensure future decisions about development are aligned with the City's land use policies and proposed land use regulations. City Planning is also responsible for administering the Zoning Code, promoting urban design principles, and managing the City's historic resources. The Department oversees long-range land use planning efforts and manages the environmental review of development projects.

Budget

The fiscal year 2023-2024 budget for the Department of City Planning totaled \$68.88 million, a \$6.88 million or 9% increase over fiscal year 2022-23 budget of \$62 million. The Department requested \$73.6 million for fiscal year 2024-2025, an additional 6.5% increase.

The Planning Case Processing Fund represents 40% of the total fiscal year 2023-2024 Department revenues with the General Fund being the next biggest contributor at 26%. The remaining 36% of the Department's revenues are divided among the Short-term Rental Enforcement Trust Fund, Warner Center Mobility Trust Fund, Building and Safety Permit Fund, Planning Long-Range Planning Fund, and City Planning System Development Fund.

City Planning budget requests for the 2024-2025 fiscal year include \$750,000 to the contractual service account associated with the Southwest Valley, Southeast Valley, and Westside Community Planning directly related to Environmental Impact Reports, traffic studies, and market analysis and economic studies.

Staffing

The Department was budgeted for 576 staff positions in fiscal year 2023-2024 compared to its fiscal year 2024-2025 request for 530 regular positions and 111 resolution authority positions. If granted, the fiscal year 2024-2025 request represents an increase of 10% over the previous year. Five percent or approximately 27 staff members are eligible for retirement at this time.

DCP's fiscal year 2024-2025 budget request includes 21 additional regular authority positions to work on the Entitlement Review Program. The Entitlement Review Program

- Addresses a longstanding need to provide more tailored service to small businesses throughout Los Angeles
- Provides in-person and virtual services accessible to people of different abilities and is developing tools and resources in languages other than English
- Provides virtual meetings and post approval clearances
- Uses the Online Application System and the Citywide Build L.A. online appointment system

The Department's 2024-2025 budget request also includes

- Seven additional positions to streamline the affordable housing permit approval process as part of Executive Directive 1 to ease the permitting process for 100% affordable housing projects. These new hires will focus on entitlements processing services.
- Eight City Planning positions to update the 35 Community Plans
- Three positions to provide ongoing integration for proposed zoning code changes. The team will develop and support the preparation of code amendments and City Zoning Districts including the fourteen on-going Community Plan Updates.

Development Service Centers

Development Service Centers (DSCs) provide consultation for project applicants and serve as single portals to file for Planning entitlements, administrative approvals, and building plan reviews to verify zoning compliance and obtain building permits.

For Fiscal Year 2023-2024, the Department is funded to provide DSCs in three geographic areas, Metro (Downtown), San Fernando Valley (Van Nuys), and West Los Angeles. Each Center will have dedicated Planning staff and resources. The purpose of these Centers is to help address the housing crises in these areas.

After being closed for several years due to construction, the South Los Angeles DSC reopened June 20, 2023 with the counters managing the Department of Building and Safety and the Housing Department. A small area was designated for Department of City Planning staff and the space will expand to accommodate six DCP staff.

Elements of the General Plan

In California, each city maintains a General Plan which is a land use document that describes policy goals and objectives that shape and guide the physical development of that city. Each chapter in the General Plan is called an Element. The Framework Element is the organizing element that connects all the Elements of the General Plan. The other Elements are Housing, Safety, Health, Mobility, Conservation, Air Quality, Noise, Infrastructure Systems, Public Facilities and Services, Open Space, and Land Use.

Los Angeles's 35 Community Plans are part of the Land Use Element. They identify where the different land uses are permitted, such as residential, commercial, industrial, and mixed use.

Some of the Policies and Objectives of these Elements on which the Department is or will be working include:

- Draft Affordable Housing Streamlining Ordinance based on Mayor Karen Bass Executive Directives
- Adopt and effectuate rezoning ordinances that adequately provide zoning capacity for our Regional Housing Needs Assessment as established by the State
- Implement the New Zoning Code
- The Environmental Justice Policy Program that will include General Plan updates to address issues related to land use, sustainability, climate equity, open space, and environmental justice
- Release of the proposed new citywide Adaptive Reuse Ordinance to streamline the conversion of underutilized commercial buildings into housing
- Streamline the Planning Entitlement Review process for increasing the affordable housing production
- Implement in the Health Element cures for environmental issues caused by oil wells
- Implement in the Health Element policies to reduce pollution when bulldozing buildings in high density areas
- Streamline the Adaptive Reuse Ordinance for the conversion of underutilized commercial buildings into housing

The Department's Policy and Objectives achievements include:

- Oil & Gas Ordinance approved by City Council to prohibit and phase out oil drilling citywide.
- Amendment to Cannabis Location Restrictions, in partnership with the Department of Cannabis Regulation adopted by City Council.
- Support the Al Fresco Ordinance for small restaurants serving on the sidewalk
- Support Restaurant Beverage ordinance

City Neighborhood Concerns

Small retail businesses are quickly disappearing from neighborhoods' commercial corridors and not returning due to new ownership or developer buy-outs.

Out-of-state developers purchase multiple properties in neighborhoods that are in need of redevelopment. However, they construct massive developments in mixed-use C 2 zoned corridors and do not include affordable retail spaces on the ground floor. The City credits these developers with incentives for building in the Economic Enterprise zone, but the situation creates an imbalance where residents travel a longer distance for retail services.

Small retail stores are being removed in the development process to create new residential units with no contractual incentives for displaced tenants of small business to return at an affordable rental rate.

Three-story and higher Residential Density Bonus Developments, including TOCs on commercial corridors are not always including retail spaces on the ground floor.

Thirty percent of these retail spaces should be reserved for low to moderate income supported by net businesses sales-receipts, and were also displaced or are on the verge of being displaced.

Planning hearings do not provide interpretation or translation services. Supporting documents are in English only. Therefore neighbors of proposed developments are unable to participate in the redevelopment of their communities.

Planning hearings are sometimes held in community service centers from the area where the project is proposed making it difficult for neighboring residents to attend.

CONCLUSION

The objective of the Department of City Planning is the responsibility for long-range planning. It works with local communities to enhance and preserve the built environment for future generation. The issue is that the local communities don't feel like the Department is working with them, indicating a failure in a key part of the objective.

LOS ANGELES POLICE PROTECTIVE LEAGUE

Meeting of January 8, 2024

ATTENDEES

LAPPL: Craig Lally

Budget Advocates: Jay Handal, David Hunter

DISCUSSION

Unlike the other entities the Budget Advocates met with in the putting together of this White Paper, the Los Angeles Police Protective League is not a City department, but a labor union representing the interests of its members, who are rank and file sworn officers of the LAPD. Therefore, they are not under the same obligation to make recommendations that serve the citizens of Los Angelenos. That doesn't mean their input isn't valuable, but it is a fact that needs to be kept in mind.

The league is happy about the raises that were approved in the contract approved last summer. They are not asking for any additional funding.

Even following the package of raises, recruiting is at a low, which is concerning as we get closer to the Olympics.

The League believes that the hiring process takes too long and is too cumbersome. They advocate that hiring be managed in house, rather than by the Personnel Department. The City Attorney's office functions the same way. The League believes having hiring done in house is more efficient and will result in more officers being hired quicker. The LAPD managed hiring internally, prior to the Rampart scandal.

CONCLUSION

The LAPPL made the following recommendations.

- *Hire additional civilian employees thereby freeing up trained offices to be back in the field.*
- *Allow the department to do its own recruiting and hiring.*

LOS ANGELES PUBLIC LIBRARY

Meeting of December 6, 2023

ATTENDEES

Los Angeles Public Library: John Szabo, City Librarian; Madeleine Rackley, Business Manager
Budget Advocates: Lionel Mares, Glenn Bailey, Garry Fordyce; Budget Representatives: Hellen Fallon

RECOMMENDATIONS

For the City:

- Approve the proposed Library Budget submittal Fiscal Year 2024-2025

DISCUSSION

Revenue

The fiscal year 2023-24 budget is \$241 million, a 6% increase from the 2022-23 fiscal year. Looking forward, the Library is requesting \$256,501,930 for Fiscal Year 2024-25, an increase of 6.06%.

The Library is funded entirely from the General Fund. Its revenue from the General Fund is guaranteed by Measure L to be 0.03% of the City Budget.

Staffing

The proposed 2024-2025 fiscal year budget adds a total of 14 new positions. The budget request includes funding for various programs and services including Mental Health services and reimagining public safety.

The Library seeks to improve diversity at all Departmental levels. The Library acknowledges that people of color are underrepresented in the its managerial positions. The Library intends to increase diversity through various recruitment strategies.

The library is working to improve and expand services to Angelenos while staying within the Library's funding and staffing capacity.

Programs and Services

The Library will continue to provide programming and services systemwide including an expansion of the New Americans Initiative that provides immigration assistance and funds for cultural celebrations.

The Library plans to extend services to audiences that are less mobile or may have limited ability to travel, and among the most vulnerable. The Library emphasizes providing outstanding services to patrons. This budget includes funding for programming and services systemwide, including expansion of curriculum covering different cultures.

The proposed budget includes funding for the Library Experience Office that attempts alternative methods for providing resources and services to the Library's most vulnerable patrons. The funding also includes funding for LAPD, contract Security services, and emergency preparedness.

The Library recently acquired Angel City Press and is now a publisher.

Challenges

The Library is facing several challenges such as

- Book challenges
- LGBTQIA and ethnic diversity
- Implementation of the Language Access Plan as required by Mayor Garcetti's Executive Directive 32 that requires departments to create plans to access City services in languages other than English and the collection of language data
- Programs to achieve zero impact on the environment
- Planning for a long-term economic downturn
- Increased costs
- Preventing security breaches

CONCLUSION

The Library is an institution in which Angelenos take pride. The City Librarian takes an expansive view of the Library's role as a civic institution, feeding into that sense of pride.

BOARD OF PUBLIC WORKS

Meeting of November 7, 2023

ATTENDEES

Board of Public Works: Aura Garcia, Board President

Budget Advocates: Kevin J Davis, David Uebersax; Budget Representatives: Mihran Kalaydjian

RECOMMENDATIONS

For the City:

- Provide the Department the funding to allow it to continue staff development through community outreach and improvements to the hiring process.
- Authorize the hiring of an Emergency Management Coordinator who will coordinate the emergency response of the Bureaus within the Department in communication with other City departments.
- Develop policies and procedures to combat copper wire theft and provide Street Lighting with the funding it needs to make repairs more quickly.

DISCUSSION

Overview

The Department of Public Works (PW) consists of more than 5,500 employees and is responsible for the design, construction, renovation, and operation of public projects ranging from bridges to wastewater treatment plants to libraries; curbside collection and graffiti removal; and maintenance of streets, sidewalks, sewers, streetlights, and street trees.

The Department is governed by the Board of Public Works (BPW), a five-member full-time executive team that oversees projects and programs that enhance quality of life, economic growth, public health, and the environment for all Angelenos.

The Department is made up of five bureaus: Contract Administration, Engineering, Sanitation, Streeting Lighting, and Street Services.

Priorities

The Fiscal Year 2023-2024 budget was very friendly to Public Works (PW). All of the Bureau's budgetary requests to enable services delivery were funded. One of the biggest hindrances to implementation was the inability to hire new staff quickly enough. While there is funding set aside for this hiring, the inability to hire staff remains a hindrance to the Department's goals. The Department received Clean LA monies, funds for pothole repairs, and funds to combat illegal dumping.

The top priority for the Department continues to be workforce development. The goal is to provide new pathways to get employees in the door and allow existing employees to gain

leadership skills so they can be promoted. It is important to train new employees so they understand City standards and procedures.

The second priority is to hire more Emergency Management Coordinators (EMC) for the Department. Three PW bureaus, Sanitation, Street Services and Engineering already have EMCs, but the Department wants to hire an EMC to coordinate the activities of the Bureau in the aftermath of a disaster. This became apparent during the recent heavy rainstorms when efforts to address citywide problems were fragmented.

The third priority is funding so Street Lighting can make repairs more quickly. The recent rash of copper wire theft has added delays. Several elected officials have asked that this time delay be shortened. It is a problem facing many cities in the region. The Bureau has a solar lighting pilot program that seems to be helping since these lights are not attached to copper wiring.

The Department will be asking for additional funds for graffiti abatement on bridges and tunnels. There is currently no dedicated maintenance plan, and it is needed. It is more challenging to clean structures than cleaning walls.

Staffing

The vacancy rate in the Department has decreased due to four recent career fairs and new employee development pathways. The larger departments in the City have been working together to tackle the hiring challenges. The Department has been working with the Personnel Department and the Mayor's office to reform hiring strategies which allows staff to be hired more quickly in some classifications. Covid outbreaks, which have made it difficult to maintain required staffing levels, have been greatly reduced recently.

Sanitation has adopted an alternative shift in the afternoon and evening to allow it to do more illegal dumping pickups. These positions are slowly being filled.

The Street Sweeper Trainee program, in partnership with Los Angeles Trade Technical College, has been going well. The Clean LA program allows candidates to work and gain experience working on the public right of way. The Personnel Department gives credit for this experience to allow candidates to apply for jobs. PW would like to offer similar programs in other bureaus in the future.

Only half the Department's workforce does the type of work that would allow for telecommuting. No recent changes to the Department's policy has been made pending the Mayor establishing a permanent policy after the conclusion of ongoing negotiations with the labor unions. Telecommuting has allowed administrative workers to share space, so additional facilities are not needed at this time.

Homelessness

Mayor Bass prioritized combatting homelessness in the City with a task force that directed Sanitation to give greater attention to cleanups on public streets. This increased focus

prompted a lot of internal adjustments for the Bureaus. The Department increased the availability of portable restrooms as well as increased sidewalk washing and Skid Row cleanups. Street Services assisted the Department with these efforts.

The Bureau of Engineering is working on a new software platform called Build LA. This new platform will eventually be used for all development, but it is currently being used for projects that address homelessness. It will provide a fast track for developers to access and move through the permit process.

Technology

Overall, the new technology platform the Bureau of Engineering is developing will help service the needs of the Department. There is a team that works to coordinate efforts between different groups. The Department is working on a new invoice tracking and payment system. This will be designed to address concerns about the City not paying its bills in a timely manner. This new system will allow better tracking of invoice progress. This aligns with the Mayor's goal for the City to be more business friendly.

Street Lighting

Most of the funding provided to Street Lighting is directed to repairing the damage from copper wire theft. The Bureau has enhanced its relationship with the LAPD in this regard. This includes installing more security cameras. A lot of money is spent replacing the wire. To combat theft, many of the access points have been cemented over which makes it harder to service. Council District 3 has the highest number of thefts.

CONCLUSION

After years of neglect caused by decades of deferred maintenance, the Department of Public Works has been recently getting financial support that it needs to begin to truly fulfill its mission. With several world-class events being hosted by the City in the near future, it is important that key structures be updated to meet increased demand forecasted. Investments in infrastructure now will pay dividends well into the future. The City should continue to provide the funding required to achieve these beneficial goals.

RECREATION AND PARKS

Meeting of November 13, 2023

ATTENDEES

Recreation and Parks: Jimmy Kim, General Manager; Matthew Rudnick, Assistant General Manager; Noel Williams, Chief Financial Officer

Budget Advocates: Glenn Bailey, Kevin Davis; Budget Representative: Kathy Schriener

RECOMMENDATIONS

- Expedite hiring improvements to ensure sufficient staffing for all programs and maintenance
- Provide necessary replacement funding to sustain and expand the childcare program
- Fund increased programming at Senior Centers in response to the growing numbers of older Angelenos
- Enhance funding for increased maintenance at high use facilities to combat graffiti and crime

DISCUSSION

Overview

The Department of Recreation and Parks (RAP) oversees more than 16,000 acres of parkland offering extensive recreational, social and cultural programs at 559 park sites in every Los Angeles neighborhood from the valley to the sea.

RAP maintains and operates hundreds of athletic fields, playgrounds, tennis courts, recreation centers, outdoor fitness areas, swimming pools, aquatic centers, senior centers, skate parks, golf courses, museums, and dog parks.

Budget Priorities

RAP's focus will be improving customer service, reducing crime and violence, addressing homeless in the parks through programs and services, and hiring additional staff.

With an existing 25% vacancy rate, RAP is working not only to speed up the hiring process, but to evaluate if salary levels are appropriate and revise some of the job descriptions. Additionally, contract negotiations with the City's unions are ongoing and any increases in labor costs will impact RAP's budget needs.

Operations funding comes from the General Fund using a formula mandated by the City Charter, currently about \$280 million. This amount varies from year to year due to fluctuations in property taxes which form a significant component of the City's income.

RAP also generates about \$50 million from fees charged for classes and services.

Because RAP does not forecast the need to cover about \$8 million in bonuses paid to part-time staff in FY 23-24 as required under a recently signed contract, the Department is only requesting a very slight increase, less than 2%, to \$344 million for FY 24-25.

RAP is asking for funds to expand bulky item pickup crews and additional equipment to address illegal dumping in the parks generated, in large part, by homeless camps.

The pandemic exacerbated the lack of childcare facilities in the City. In response, RAP renovated and expanded its childcare program at twelve facilities. Originally funded by Recovery Funds from the American Rescue Plan, RAP now needs General Fund dollars to support this program.

RAP has been receiving funds ahead of the Olympics to support youth sports programming, but is also requesting additional funds to support programming for older adults at its Senior Centers.

Staffing and related expenses

RAP will not be requesting any new Park Ranger positions in the latest budget request. Only 30 of 50 approved ranger positions are currently filled, and efforts to add new rangers have been neutralized by attrition.

Talks are ongoing with elected officials on how to address park safety as there has been an increase in shootings in parks. City rangers are unarmed and not compensated as well as other law enforcement agencies.

RAP is requesting additional funds to address graffiti and vandalism, including more security lighting and cameras. Installing security cameras and lighting at a facility can typically cost \$50,000-\$100,000.

The Department is also seeking to expand evening maintenance to seven days a week at high-use facilities or those that have safety concerns at the times when most programs, such as Summer Night Lights, are conducted to help counter this.

RAP is also seeking funding for de-escalation training for staff. While employees can receive emotional support after stressful incidents through their benefit providers, RAP would like to provide better post-trauma support.

RAP is utilizing the Targeted Local Hiring Program to onboard new staff, resulting in about 200 new maintenance workers. It also uses a California for All grant to allow part-time workers to qualify for full-time positions.

RAP plans to partner with the State on programs to help staff the childcare centers and, in partnership with the DWP, reintroduce apprenticeships to help retain tech workers.

As with other City departments, RAP has lost workers to the DWP which offers better pay, making it hard to keep some positions filled.

Senior Centers

The City operates a limited number of Senior Centers through third parties. The Department of Aging provides meals at some of these, funded by federal grants.

The City Council approved funding resolutions to provide each Senior Center with a full-time RAP director to oversee logistics instead of requiring them to cover both senior and recreation services. With the youngest Baby Boomers hitting 60 this year and the oldest approaching 80, RAP is pushing to expand senior programming and recently developed a standardized structure.

Although there is no request for full-time positions in the proposed RAP budget, the Civil Service Commission recently approved a new job classification to oversee community and school parks. The Department is working with the LAUSD to allow individual facilities to be available for use beyond the existing hours.

Currently three sites are staffed using part-time funds, and RAP would like to expand these to ten in the upcoming fiscal year. Funding for maintenance and janitorial necessities is already in place.

Chargebacks For Utilities And Pensions

To claw back some of the funds Angelenos voted to give the Recreation and Library departments, the City now requires them to pay back certain expenses to the City's General Fund for utilities, employee pension costs and certain City-provided services. This diminishes funds available to serve the people.

The Department pays \$65 million towards employee health and pension costs, in addition to reimbursing the DWP and Sanitation departments for utilities and services. Even though RAP has moved to minimize these costs by reducing water usage during wet periods, increasing its use of reclaimed water and applying for discounted rates, these expenses have placed an increasing strain on its budget.

RAP continues to discuss this problem with the CAO and the Mayor as these costs significantly impact the services it can provide.

Working With Neighborhood Councils

RAP has recently started expanding its outreach by reactivating Park Advisory Boards. These consist of volunteers chosen by the Park Director to make recommendations on matters involving each facility.

Suggestions on programming and capital improvements plus the related costs can impact stakeholders whose concerns and interests may differ from those of the people selected by the Park Directors. It would be helpful; for RAP to actively engage with the Neighborhood Councils

close to a facility to provide broader input on behalf of the wider community, especially with regards to budgetary considerations.

CONCLUSION

RAP faces serious staffing challenges, not due to a lack of candidates, but due to problems with the process. Even with significant recent hiring, promotions and retirements have allowed a lot of entry level positions to remain unfilled.

This is beginning to be addressed through working with the Personnel Department to streamline the hiring process. One improvement is that Recreation Coordinator positions have been changed to open positions with continuous testing opportunities, allowing for ongoing hiring.

Another is that the Civil Service commission has approved some job classification modifications for workers to work in the gardening centers. RAP is also considering creating a gardening center advisory board.

But more must be done to allow the Department to effectively serve the people of Los Angeles.

BUREAU OF STREET LIGHTING

Meeting of January 23, 2024

ATTENDEES

Bureau of Street Lighting: Megan Hackney, Assistant Director and Executive Officer;
Fabian Chang, Assistant Director and Chief Engineer
Budget Advocates: David Uebersax, Elias Garcia; Budget Representatives: Mihran Kalaydjian,
Aurora Corona

RECOMMENDATIONS

- Work with Neighborhood Councils in neighborhoods targeted for public wi-fi to receive their input on what they want and where they want it
- Extract Smart City Goals table from the 5-year strategic plan and publish on the Department's own web page where results can be shared with the public
- Create new job classifications to replace employees due to turnover and retirement
- Consider switching from electric power to solar for streetlights

DISCUSSION

The Bureau of Street Lighting is responsible for the system operation, maintenance, and repair of LA's streetlights, including light failure, post damage and vandalism. It is responsible for designing and constructing the system, as well as rehabilitating or replacing older deteriorated lighting.

An ongoing issue is the theft of copper wire and power, which has become very expensive. Such theft creates not only a safety and liability issue but can overload the system causing outages and damage to the wires and street lighting infrastructure. The result can be a lengthy period of light outages and repair times. Crews scheduled to work on regular maintenance or emergency projects are now being deployed to work on poles that have been subject to copper wire or power theft.

Fixing poles may be more complicated, depending on whether the wire has been pulled from other points along the circuit. Accordingly, the Bureau focuses on high-risk circuits and dealing with other entry points. Overall, the Bureau spends \$12-13MM per year in copper wire and fortifications.

The Bureau also maintains over 700 Level 2 Electric Vehicle charging stations. Adding Level 3 EV stations would involve coordinating with DQP for additional power points. The goal is to add another 300 this year, depending on staff and funding. The Bureau is looking to build based on budget asks. FLO is the Bureau's current vendor for EV charging stations. It receives additional funding from NICLA and looking at grants from DWP.

The Bureau is making efforts to transition its own fleet of vehicles to EV. Some equipment has not performed well for big trucks (cherry pickers), but they do have some EV sedans. New vehicles will probably (need to) conform to emerging requirements.

In the Smart City Program, sensors can be placed on the light poles to create smart hubs. These can include sensors to count pedestrians to better serve foot traffic in high volume areas, air quality monitors to determine air pollution, fire detectors.

The Bureau is piloting the use of Smart Nodes on top of streetlights. These devices can provide real-time information on which lights are out, which also tells if it's an individual light or circuit. The pilot of this program began with 60 Smart Nodes. Going forward they plan to expand the program into CD6. Different brands of Smart Nodes can cost between \$300 and \$3,500 per unit.

The Bureau is also using cameras to spot wire theft, and is working with the Bureau of Sanitation to make its surveillance system available to help curtail illegal dumping.

The Bureaus has its own IT Group, which it hopes to expand. New technology requirements, and the move to cloud-based data storage are more than the Bureau's IT can handle, and so they have to bring in contractors

The Bureau pilots solar energy panels in areas where there is not skyscraper shade. Since there will always be areas where wired power is still required, wide scale solar energy is a way off.

CONCLUSION

The Bureau's goal is to get more lights back on quicker. The biggest budget ask is for more Copper Wire Theft resources, and since that has been improved, their results have been better. It is also seeking funding for the Digital Divide program, which installs fiber conduits along certain areas to provide better connectivity. Their mandate in the last fiscal year to replace 20,000 LED lights was underfunded, and the Bureau is seeking to lower that mandate. Their mandate for the upcoming year is to change 24,000 lights.

The Bureau has additional staffing needs. The 5-year Smart City plan and the Bureau's Strategic Plan require a special task force and someone with knowledge, such as a Fuse Fellow, to oversee and manage the development and on-going management of these plans forward.

The office space the Bureau has is workable, but crowded. The Field Office is cramped near downtown, and 2 satellite yards are shared with other bureaus. Downtown staff still have desktops and phones, but may seek updates. The field doesn't have much, but some supervisors have laptops to save having to return to the office. They do have cell phones. The new Asset Management system (as of November) helps.

Some poles are being used for the co-location of telecom equipment, where there is no pole replacement program

The Bureau is looking to extend a grant, originally obtained through the Mayor's office, to monitor air quality, comparing what is at the light level vs. street level. The library was also involved in distributing sensors to feed back into the system.

The Bureau is now working with all 15 of the Council districts and the Neighborhood Councils and members of the general community. There is a liaison on behalf of the Department. However, a service coordinator to work with the community, Council districts, and Neighborhood Councils should be hired.

BUREAU OF STREET SERVICES

Meeting of January 31, 2024

ATTENDEES

Street Services: Keith Mozee, Executive Director and General Manager; Ana Tabuena-Ruddy, Assistant Director (Chief Sustainability Officer); Cyndi Eritano, Urban Forestry Division and Investigation & Enforcement Division; Shirley Lau, Assistant Director and Executive Officer; Marisol Rodriguez, External Relations Director; Nick Lopez, Chief Resources Officer, Methods & Standards Division; Rose Karagezian, Division Manager, Financial Management Division; Stephanie Clements, Assistant Director Administration

Budget Advocates: Glenn Bailey, David Uebersax; Budget Representatives: Mihran Kalaydjian, Tess Taylor, Aurora Corona

RECOMMENDATIONS

For the City:

- Fund nine new resolution authority positions for a second Risk and Liability crew to reduce liability claims [cost savings]
- Reform the Civil Service to make hiring easier and more efficient [potential cost savings in liability claims reduction]
- Fund positions that work on grants [increased revenue]

DISCUSSION

The Bureau of Street Services' (StreetsLA) mission is to make Los Angeles streets safe, mobile, and sustainable. Its vision to enhance the quality of life for all. The Bureau is responsible for maintaining the largest U.S. municipal street network and the largest U.S. urban forest. The Bureau's programs include

- Pavement preservation
- Street tree and median maintenance
- Street improvement construction
- Street sweeping
- Sidewalk repair
- Street maintenance
- Street furniture

Budget

The StreetsLA requested budget for fiscal year 2024-2025 is \$303 million. This budget is a 24% increase over its fiscal year 2023-2024 budget of \$229 million.

Staffing

The Bureau reports it has 400 vacant positions out of a total of about 1500. The City's Civil Service process requires certified lists of candidates for all classifications. The cert lists fall out of date and the process to receive a new, up-to-date cert list is lengthy. The lack of current cert lists is a chronic problem. Still, the Bureau made progress in fiscal year 2023-2024, reducing its vacancy rate from 27% to 25%. The Personnel Department could help the Bureau by simplifying the testing process and creating new pathways for entry level staff.

Due to staffing shortages in key trade positions (plumbers, carpenters, etc.), there has been a need to authorize overtime pay in order to keep up with the Bureau's goals. The Bureau has many crews working on weekends and hires from local labor unions to supplement the City crews.

Pay parity with the proprietary departments such as the Department of Water and Power (DWP) is an impediment to hiring in the Bureau. The Bureau loses a lot of people to DWP specifically.

A workaround to the staffing shortages is to hire temporary staff that can move from project-to-project. The temporary staff is helpful in supporting the Bureau's workforce.

StreetsLA partners with Los Angeles Trade Technical College to create training programs that offer a series of classes about the Bureau. Through Bridge to Jobs and Targeted Local Hire, the Bureau has additional avenues to hire entry level workers. The Bureau started using career fairs to reach out to students. This year the Bureau had its first career fair.

To supplement existing tree trimming services, StreetsLA requested eight new resolution authority positions to enable the Bureau to trim an additional 5,000 trees. If funded, Urban Forestry would have a total of ten tree trimming crews, could trim a total of 50,000 trees annually, and it would reduce the tree trimming cycle to fourteen years. The StreetsLA Urban Forestry Division long-term plan is to reduce the tree trimming cycle to five years by increasing the number of crews each fiscal year.

In early 2024, the Sidewalk and Transit Amenities (STAP)/Urban Transit Amenities (UTA) Programs will start construction of new bus shelters that are expected to increase City revenue. The investment in street furniture, shade structures, shelter, and safety is expected to incentivize increased usage of the regional bus network while improving the comfort and experience of transit users, including the general public and visitors to the 2028 Olympics. StreetsLA requests six new staff to oversee contract performance and full implementation of this Program. This investment can help StreetsLA be successful in meeting its strategic goals to transform Los Angeles into a more transit-friendly, safe, and equitable City.

StreetsLA plans to Install a total of 3000 bus shelters and 450 shade structures over the next five years. The Bureau is targeting 400 to 500 shelters in calendar year 2024 and then plans to

pick up the pace in future years. The program started in 2022 and since then the Bureau received public works trust funds of \$20 million for fabrication and construction of shelters. Each council district was asked to provide a list of locations based on defined criteria. The Bureau is currently constructing pads for bus shelters. There are only three people managing the program and additional staff is needed for the program's implementation. The Bureau also needs additional electrical inspection (contracted with DWP) and accounting staff to oversee the program.

On June 30, 2023, StreetsLA's contractual services for the As-Needed Trucker Program ended in compliance with Assembly Bill 5. In prior years, the Program's 93 contract truckers provided critical services including delivering asphalt and concrete and hauling away debris and grindings for StreetsLA's resurfacing and reconstruction projects. To supplement existing City staff who transport materials to the Bureau's construction projects, the Bureau is requesting twenty-three new resolution authority positions for delivery and hauling needs specifically for the Bureau's resurfacing and reconstruction projects as part of the Pavement Preservation Program (PPP).

Streets LA is also focused on restoring services that provide direct and effective benefits to the City. It is requesting nine new resolution authority positions for a second Risk and Liability crew with which the Bureau would be able to respond to more service requests that range from failed curb and gutter conditions to unpruned tree roots. With 100,000+ MyLA311 service requests submitted each year and a fiscal year 2022-23 total of \$26 million in payouts from claims against the City related to conditions in the public right-of-way, this additional crew is critical to reducing the safety and financial impacts of these hazards. StreetsLA is one of the top sources of liability claims against the City and this is a reasonable request that could save the City more than it costs, not to mention the improvement in quality of life for people who would no longer sustain injuries on the City's streets.

The Bureau's management would like the ability to shift funds during a fiscal year to wherever its most critical needs are including staffing and apportionment of funds. This takes the decision making out of the hands of the elected officials and reduces transparency. The City Council needs to remain in charge of where the funds go.

Grants

The Active Transportation Program (ATP) is a Caltrans funding opportunity for projects that increase walking and bicycling. Caltrans awarded a total of \$408 in ATP grants to the City in fiscal year 2022-2023 that was used for management consulting and design projects. The Bureau's staff oversees these projects. When the design phase is completed, the Bureau hopes to have the construction staff to build the designs. Caltrans grants ATP funds every other year. Fiscal year 2024-2025 is the next opportunity to compete for these grants. Federal grants are also used for constructions projects.

Potholes

The public perception is the department doesn't respond to requests to fix potholes. The Bureau's goal is to fix all pothole requests within three days. During storms, when the volume of pothole requests is high, the Bureau is committed to public messaging that the repairs will be completed within three days.

The public could benefit from additional resources to review and monitor the request backlog to give the public confidence the benchmark is being met. Another less costly alternative could be for the Bureau to track its pothole progress on a web page for the public to see for themselves.

CONCLUSION

The Bureau of Street Services is responsible for preserving our streets, sidewalks, and street trees. As such, it is the target of many liability claims. The City should spend the money to reduce those claims through increased maintenance of sidewalks and streets.

YOUTH DEVELOPMENT DEPARTMENT

Meeting of December 5, 2023

ATTENDEES

Youth Development Department: Sheldon Cruz, Director of Strategic Partnerships & Government Affairs

Budget Advocates: Adriana De LaCruz, Glenn Bailey; Budget Representatives: Mihran Kalaydjian

RECOMMENDATIONS

- Proceed as planned in developing Youth Development Strategic Plan
- Educate the public about the Youth Development Department (YDD) and all youth programs.
- Develop system of accountability in conjunction with the Working Group

DISCUSSION

The mission of the Youth Development Department (YDD) is “to foster an equitable and sustainable ecosystem of positive youth development in the City through inclusive, youth-centered, and evidence-based policies and programs to ensure the well-being, safety, and achievement of the young people of Los Angeles.

The scope of this work requires managers, analysts and assistants. Each fiscal year, the Department’s budget has increased by about \$1.5 million.

The Department holds a youth expo every summer to provide youth with job opportunities, including same-day hiring. It hopes to increase the numbers of participants and program partners.

Some of the measures the Department has already implemented include community outreach, the Youth Council, and the educational stipend that enables young people to attend in-person meetings. The CAO, Economic and Workforce Development Department, Office of Finance, and Community Investment for Families Department worked together to increase financial literacy. They shared a strategic plan with the City council and Mayor’s office and anticipate it being finalized soon.

The Department aims to bring in regional partners and have monthly planning meetings in the lead-up to the annual regional youth summit. To encourage young volunteers to participate, they will provide them with a stipend. Youth participants get valuable experience and have a hand in putting an event together by youth for youth with support from YDD staff that direct their efforts. Part-time college students also participate. This is a great introductory experience into local government. To address the costs of hosting the summit, the Department asked for increases in funding.

The Youth Development Department is a new member of the City family. It is charged with developing a three-year Youth Development Strategic Plan that will be a roadmap on how the Department will coordinate the efforts of “City departments to strengthen service delivery, programming offerings, policy development, and overall outcomes for youth.” The YDD will also lead the Youth Development Interdepartmental Working Group consisting of the relevant City departments. This group will meet quarterly and will help YDD coordinate the delivery of services to L.A.’s youth.

Staffing

Staffing for community engagement analyst, interviewing engagement, have a Community Service Worker, plus an additional staffer at a workforce center that helps with city employment. There are employees who like the opportunity (CSR) and a community information rep who tracks internal and external data and metrics to make sure everything is centralized and worker friendly. There are three part time youth workers. In the grants division they have a senior director, a full-time management analyst, and a youth worker. Under youth protection they have two full-timers and one to two youth workers. They have three full staff at the office.

Mayor’s Young Ambassadors Program

The Mayor’s Young Ambassadors Program allows students to travel abroad to visit international partners. This past summer the Department hosted a trip to Paris and Ecuador. In January there will be a trip to Taiwan, and in June, a trip to Kenya. The Department also hopes to send a group to Paris during the 2024 Summer Olympics when the Mayor is there for that event. The Department receives about \$140,000 to program these trips.

Youth Development Incentive Program

The Youth Development Department offers a \$50 gift for participants in a literacy survey - a one-time offer by a strategic planning firm.

YDD and City of Los Angeles

YDD will also oversee the L.A. City Youth Council that consists of 30 members who will have the opportunity to learn how the city functions. The Department also works with other organizations such as the Los Angeles Unified School District and the Los Angeles Community College District. A job is key in helping young people learn about the workplace, gain key skills, and enter a path to meaningful and lifelong employment.

CONCLUSION

The budget contains \$3 million for this program for youth ages 14-24. Additionally, YDD is charged with exploring grants and other funding opportunities available for youth services at the local, regional, state, and national level. This includes the State which has over \$150 million to hand out statewide, including \$53 million to the City, through June 2024.

LOS ANGELES ZOO

Meeting of December 21, 2023

ATTENDEES

Los Angeles Zoo: Denise Verret, Chief Executive Officer and Zoo Director; Mei Kwan, Assistant General Manager and Deputy Director

Budget Advocates: Kay Hartman, Connie Acosta; Budget Representative: Mihran Kalaydjian

RECOMMENDATIONS

- Pursue the animal welfare aspects of the Vision Plan as a top priority
- Move forward in removing invasive plants and replacing them with native flora to assist in improving the City's ecological system
- Focus on environmental impacts when deciding which animal exhibits to prioritize
- Consider not adding additional human-centered facilities to save native habitat from destruction
- Halt plans to commercialize a ridgeline to preserve the character of Griffith Park and reduce the City's capital costs for years to come

DISCUSSION

The City of Los Angeles owns the Los Angeles Zoo, its land and facilities, and the animals. The Greater Los Angeles Zoo Association (GLAZA) was created in 1963 to support the Zoo.

The stated mission of the Zoo is to lead the way in saving wildlife and connecting Angelenos to the natural world by providing exemplary animal care, delivering distinctive and diverse learning opportunities, and creating unforgettable experiences by saving wildlife, enriching our communities, and creating connections to nature. Its stated vision is to create a just and sustainable world where people and wildlife thrive together.

Department Budget

The Zoo's adopted budget for fiscal year 2023-2024 was \$31,015,509, an increase of 11% over the prior year's budget.

For the upcoming 2024-2025 fiscal year, the Zoo is requesting over \$39.5 million with a little over \$15 million coming from the City's General Fund, a leap of more than 200%. The balance would be covered by revenues reflecting a 4.5% increase over fiscal year 2023-2024.

The interest-earning Zoo Enterprise Trust Fund provides the Zoo with its operating budget. The Fund receives revenues from the business functions of the Zoo, including ticket sales, concessions, membership fees, and charges for special events, as well as from the City's General Fund and other appropriations (the Capital and Technology Improvement Expenditure

Program and the Municipal Improvement Corporation of Los Angeles, aka MICLA), plus approximately \$300,000 from GLAZA sponsorship revenue.

Capital repairs and improvements are covered by bonds whose principal and interest must be repaid.

The Zoo's principal cost is for Animal General Care followed by Planning Development and Construction, General Administration and Support, Grounds Maintenance, and Animal Healthcare.

Lesser amounts go to Learning and Engagement, Guests Services, Custodial Services, Technology, Conservation, and Communications.

GLAZA used to handle all concession services for the Zoo, from food and beverage, catering services, retail merchandise, trams, stroller and wheelchair rentals, and various vending machines. However, as of October of 2023, the Zoo has now assumed direct operational control.

GLAZA continues to function as the Zoo's nonprofit advocate and partner, providing mission support for the Zoo and its programs, with a focus on financial support for animal welfare and animal species conservation as well as raising public awareness about the Zoo through community outreach and volunteer training and management. It works to enhance the visitor experience and augment the Zoo's human resource needs with over 700 volunteers.

Staffing

The 2023-2024 adopted budget for the Zoo covered the salaries of the department's 275 regular authority and 18 resolution authority positions. As of the beginning of last November, the Department's vacancy rate was 17.85%.

For fiscal year 2024-2025, the Zoo is requesting 41 additional hires for a total of 334 positions.

The Zoo's Vision Plan

Most of the Zoo's infrastructure dates back almost sixty years and is consequently deteriorating. It does not meet current standards for animal care or visitor expectations and a major overhaul is definitely warranted.

Last August, however, with total disregard for serious environmental concerns, the City Council approved Alternative 1.5 of the Zoo's Vision Plan to update and reimagine the site and its facilities. While it provides more space for animals and upgrades exhibits to comply with current standards for animal welfare, its focus is clearly on increasing visitor attractions and amenities, including event spaces and a new California Visitor Center intended to attract and engage visitors.

It is primarily the planned development of the site as an entertainment venue and event center that contravenes aspects of the California Environmental Quality Act (CEQA) and includes

constructing an 18,000 square foot California Visitor Center on top of an iconic Griffith Park ridgeline visible from many parts of the City. This is one of the few remaining undisturbed Santa Monica Mountains ridges unblighted by urbanization.

Fifteen years of ecological research in the area has revealed parts of the Zoo property to be extremely biologically diverse and important, especially given it is within a major metropolis.

What is worse are the major excavations: blasting a 60-foot-deep cut into the ridge itself to create a canyon for a condor exhibit that could be better located elsewhere without severe negative consequences for the health and survival of indigenous flora and fauna, as well as the removal of 16 acres of sensitive native California habitat, an ecosystem supporting some endangered species to construct a human-centric exhibit dedicated to showcasing California wildlife.

Additionally, year-round day and night visitor activity as planned is known to be extremely detrimental to the birds and animals that the Zoo is supposed to be protecting.

The foregoing has led to current last-ditch litigation to stop the project and is delaying its implementation.

This Vision Plan is currently expected to cost \$600 million over 20 years. An allocation of \$1.5 million was set aside in the 2022-2023 fiscal year, but is currently on hold pending resolution of the litigation. No additional funding is planned for fiscal years 2023-2024 and 2024-2025.

The City would be wise to scale this back to the 35% or so that would focus on bettering conditions for the animals and hold off on furthering disruptive human pursuits, both from the construction process and from a surge of entertainment-oriented activities.

Los Angeles does not need to compete with San Diego. The L.A. Zoo can provide a world class experience for its animals, maintain the property as an affordable respite from urban life for Angelenos, and not waste money on unnecessary bells and whistles for visitors.

CONCLUSION

The Los Angeles Zoo is at its best when it is focused on the animals under its care. Updating the Zoo's infrastructure to bring the animal care standards up-to-date is something that needs to be done, no questions asked. The experience for visitors should be wrapped around the animal exhibits.

The California Department of Fish and Wildlife delivered a [February 2021 report](#) outlining some of its concerns. Removal of invasive species and replacement with some native flora as part of the project can never justify its broader ramifications – the destruction of mature native trees, the elimination of habitat for sensitive native species, and the commercialization of Griffith Park's pristine ridge line.

The Vision Plan as conceived directly contradicts the Zoo's stated mission and vision.

The proposed destruction of natural habitat to expand visitor amenities proposed in the Vision Plan as released and approved last year and now in litigation, is not the best use of the City's money. If the Zoo moves ahead with this plan, it should prioritize the animal-centric improvements and, in this period of belt-tightening, rethink the rest. Leave the Zoo's native environment in place.

Certainly, the human-centric portions should be scaled back to what is more fiscally and environmentally appropriate.