

BUDGET AND FINANCE COMMITTEE REPORT relative to a discussion of a variety of potential options for increasing General Fund Tax revenue, and related matters.

Recommendations for Council action:

1. INSTRUCT the Office of Finance (Finance), with the assistance of the relevant departments including the Los Angeles Department of Transportation, Department of Building and Safety, Los Angeles Housing Department, the Department of Cannabis Regulation, and the City Attorney, to move forward with the instructions for next steps on the Finance report dated August 5, 2025, attached to Council file No. 25-0029.
2. INSTRUCT the City Administrative Officer (CAO) to report on Council file No. 25-0029, and said report should remain in the purview of the Budget and Finance Committee. Said report should include:
 - a. A survey regarding Parking Occupancy Tax independently and in combination with the Transit Occupancy Tax (TOT) and or a, TOT plus an increase in the per night fee for short term rentals to offset the impact of the city, including enforcement.
 - i. TOT analysis should include the difference between Short-Term rentals and the hotels that are available.
 - b. Recommendations on potential funding measures, language to amend the existing taxes, including the proposed closure of the online booking loophole and the difference, if any, in the voter approval threshold.
 - c. Report to be submitted within 60 days in order to have the option for either election next year.
3. DIRECT Finance to:
 - a. Report with assistance from Chief Legislative Analyst (CLA) and CAO on benchmarks that are necessary to meet the ballot timelines for June and November 2026 general elections.
 - b. Continue to refine the report dated August 5, 2025, attached to the Council file, with more detailed research into the possibility of a commercial vacancy tax that aims to incentivize commercial property owners to fill vacant parcels or storefronts and disincentivize holding empty property spaces that can create public nuisance sites that may attract graffiti and illegal dumping as well as squatters and fire hazards.
 - c. Add to said report further options for taxing Transportation Networks, including rideshare and autonomous vehicles and delivery tax, including looking at a possible exemption for small and local businesses.

- i. Include shared mobility devices like rental bikes, ebikes, dockless scooters, as well as autonomous vehicles.

4. INSTRUCT the CLA, CAO, and Finance to report on the multiple options for the increase on the pot, to be comparable to other comparable cities.

Fiscal Impact Statement: None submitted by the Office of Finance. Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: Yes

For: North Westwood Neighborhood Council

Summary:

On September 2, 2025, your Committee considered an Office of Finance report relative to a discussion of a variety of potential options for increasing General Fund Tax revenue, and related matters.

Representatives from the office of the Office of Finance, provided an overview and replied to questions posed by members of the Committee.

After providing an opportunity for public comment, the Committee instructed the Office of Finance to move forward with the next steps on their recommendations, as stated above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,
BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
YAROSLAVSKY:	ABSENT
BLUMENFIELD:	YES
HUTT:	YES
McOSKER:	YES
HERNANDEZ:	YES

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-NOT OFFICIAL UNTIL COUNCIL ACTS-