



Organized Toward Empowerment Voters
4622 Ventura Blvd, #424 Sherman Oaks, California 91403

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VALLEY VOTE REPORT: November 16, 2015 MEETING

Minutes accumulated by Denny Schneider

Galpin Ford - 2nd Floor Meeting Room, 15555 Roscoe Boulevard, North Hills, CA 91343

*Valley Vote meetings are held the third Monday of each month to address critical public policy issues impacting the San Fernando Valley. **The next meeting will be January 18, 2016.***

This meeting featured LA City Councilmember David Ryu - L.A. City Councilmember - 4th Council District and our own Executive Board Member Susan Shelly to discuss the upcoming LADWP rate hike proposals. Several Board members also presented reports covering various topics of interest.

To volunteer for positions as Board member and Executive Board member of Valley Vote or to see the dozens of impact position statements taken to improve the SFV visit our website: www.ValleyVOTE.org

David Ryu - L.A. City Councilmember - 4th Council District



Councilmember Ryu is a recent addition to the City Council who was elected "...because I made the commitment to the people of the 4th to put our neighborhood first." His education includes and advanced degree in Public Policy and Administration from Rutgers; he won a prestigious United Nations graduate internship; and was a Netkal Fellow at USC's School of Social Work. He has worked in the public, private, and non-profit arenas including a major health care facility. He promised to address development that was out of scale with district neighborhoods and crumbling infrastructure. His district includes nine Neighborhood Councils and he has served on his local one. He

refused to take contributions from developers and pushing transparency of operations by posting all meetings with developers and what was discussed.

David Ryu works closely with groups like the Hillside Federation which has 55 member organizations of which 28 are in District 4. An accomplishment of his first 140 days in office was on October 28 when the LA Council approved an Interim Control Ordinance which reduced the maximum size of homes in Sherman Oaks and two other CD4 communities to the maximum size permitted in Studio City. He expects the Baseline Mansionization Ordinance to be taken up in a year.

He noted that seven of the fifteen Councilmembers now have constituents in the Valley. He strongly advocates for a fair share of public transit in the SFV. He noted that a new transportation funding proposition R2 will likely be on the ballot in 2016 or 2017. He will only support the upcoming R2 if sufficient funds are included for Valley projects. A priority is

conversion upgrade of the Orange Line to rail with adequate grade separation and station access including for the disabled. The Orange Line is one of the highest usages. Project phasing of the changeover will require special attention, but it is a problem we want to have. Of the 88 Metro stations only 2 are currently in the Valley.

Councilmember Ryu is on the forefront of LA preparation for the upcoming El Nino. He is adamant about establishing disaster preparedness plans in advance of their need and directed everyone to EINinoLA.com for details. He urged everyone to sign up for text message warnings. Most of the hillside areas from Sherman Oaks to Los Feliz are within his district. Over six months ago he asked, and was ensured that the Emergency Management Office, Department of Public Works, and most other Departments have been preparing response plans along with placement of equipment to combat disasters. El Nino publicity didn't start until two weeks ago because the City didn't want to conflict with "fire season" safety messages. Substantial work is being done to clean storm drains and protect the sewer system from debris.

Charter reform is required to change the LADWP relationship with our City. This would be very complex. He has not decided on the validity of the rate hikes, but he is concerned. He is awaiting full reports on this subject.

Affordable housing is a complex issue, but we are not getting enough housing for the costs expended. He supports the Mayor's initiative for affordable housing, but we need to work protect existing affordable housing as well. He is concerned that some large developments had long time -20 or 30 year requirements to provide affordable housing that are now expiring. This needs to be addressed. He supports the concept of CRA to use local money to remove blight. However he feels that there must be a return of CRA grants when the properties are sold at a profit.

Susan Shelley, Columnist LA Daily News – LADWP Rate Hikes



Susan Shelley is a columnist covering numerous issues of interest to local residents. She is also an executive board member of Valley VOTE. She has taken the lead for the evaluation of a series of LADWP rate hikes that amount to at least 30% over the next five years in addition to a 4% water cost increase applied because fixed water costs are spread over a smaller total usage due to conservation.

She raised the primary issue that this has a great impact on Valley users due to the weather and is concerned about LADWP efficiencies and salaries paid by this independent LA City department.

She highlighted the salary gap between those paid to LADWP workers and the average salaries of workers in the same categories as reported by the bureau of labor statistics. LADWP rates are about 155% on average above values paid for similar positions around the country and other local utilities. LA City unions are demanding parody with LADWP workers instead of calling for a freeze of these overpayments.

Susan Shelley noted that six to seven percent of the rate increases will be used for further salary increases for the LADWP employees.

Examples of the gap include:

Management Analyst 66% above normal at \$179,800 annual salary including benefits.
Plumber at LADWP \$184,000 versus \$78,000 nominally.

Senior Clerk typists receive \$90,000

Prop 218 established a 2/3 vote requirement to impose taxes. LADWP customers are experiencing a manipulation or back door approach to negate the need for a public vote to increase taxes. This entire rate increase is expected to be voted upon by the LADWP Commission before the City Council formally approves the increase.

The rate increase is expected to total about \$250 million revenue. This increase happens to be about the same as the 8% transfer of electrical power revenues (\$273 million) which are transferred annually to the LA City General fund by LADWP. Above and beyond this "transfer of surplus funds" ratepayers also pay a 10% utility tax.

Further examinations of the rate increases will be made and a position paper issued by Valley VOTE/

Valley VOTE Committee Reports:

Victor N. Viereck- Affordable Housing

Public officials have recently been expressing the need for more so called affordable housing. They do not seem to fully understand the economics of the policies they impose on property owners. Officials arrange making loans and grants on apartments in order to establish long term affordable housing rent limits, even though such properties are already under rent control, like the Los Angeles Rent Stabilization Ordinance. The Affordable Housing covenants are more restrictive than the RSO, and are for a term of 40 years.

Upon recording the loan and covenant to a property, copies of the important details (such as the 40 years and the rent limit levels) are not and have not been provided to the property owners for 20 (yes, twenty) years, so the owners are not aware of the significant and costly details. The loans were made through the California Redevelopment Agency, which was recently eliminated by Governor Brown. After twenty years of the CRA and Los Angeles Housing Department failing to notify the apartment owners of the Covenants, a newly hired agency (Urban Futures Bond Administration, Inc.) e-mailed the details (on 9/28/2015) to the property owners. They are now requiring the owners to restrict a total of 100% of the units on the property that LAHCID has on record, and do a 2014 compliance report by October 26, 2015 (that date has been adjusted to January 15, 2016). Fortunately, on one of the two properties Urban Futures erroneously indicated one less unit regarding total units, and possibly restricted units.

In spite of the building rents already being limited to lower rent by the Rent Stabilization Ordinance, the newly forced "affordable housing" rent limits would create a loss compared to current gross rents of over 13%. Compared to Net Cash Flow (after expenses) the rent limits would take away (eliminate) 26.75%. If the rent limits are removed after having been imposed, the Rent Stabilization Ordinance would prevent the rents from moving back up to where they were.

The agreement includes two covenants that should be very helpful to the property owners. Included in item #6 it says "The covenants contained herein are further intended to be equitable servitudes that are part of an equitable plan for the development of property in the Project Area, which plan both burdens and benefits the Site". Included in item # 7 it says "Participant and its successors and assigns shall have the right to consent and agree to changes in, or eliminate in whole or in part, any of the covenants or restrictions contained in this Agreement"

A consequence not yet revealed as of the day I'm writing this is, for any and all existing tenants who do not qualify for the so called Affordable Housing, do they have to be evicted? That really would create another legal nightmare for the property owners. Also, because of having lived in rent controlled apartments, moving would result in higher rent wherever they move to.

A severely expensive impact the officials do not seem to realize such agreements can have, including property tax revenue is the devaluation of property assessed value due to the rent limits. Any and all reduction of rent reduces income tax revenue. After being sold someday, the reduced rents on just the two properties would reduce property tax by about \$2,500.00 a year compared to what it would have been. That revenue consequence should be considered based on the effect it would have by the multitude of apartments being newly subjected to the covenants. For recently sold properties, every \$1.00 difference in monthly rent can easily make a \$1.50 difference in annual property tax revenue. That's considering a Gross Rent Multiplier of 10, and an effective 1.25% effective property tax rate. Changes in how much rent is collected have a more immediate impact on federal and state income taxes federal and state governments collect.

Victor N. Viereck For additional info: Victor N. Viereck, CPA 12702 Tiara Street, Valley Village, CA 91607 [\(818\) 985-9174](tel:8189859174) vicviereck@sbcglobal.net

Ralph Kroy, Sunshine Canyon

The landfill is located at 14747 San Fernando Road, West of the I-5 and the 14 freeway intersection. The facility is owned and operated by Republic Services Inc., as the BFI Sunshine Canyon Landfill (a subsidiary). The landfill is jointly operated under a combined Los Angeles City and County permit. It is among the top 10 of the largest landfills in the United States. It is also virtually across the street from one of the largest water treatment plants in the country.

The landfill continues to receive more and more complaints and violations from the SCAQMD. For the last three years, Sunshine Canyon Landfill has been 23-1/2 times worse than the fifteen other landfills combined within the 10,500 square miles that the SCAQMD oversees.

Landfill gas odors and health impacts are of the magnitude that something must be done. The landfill has requested, and has been granted approval to use a pilot, one year Alternate Daily Cover (ADC) Project, using Geosynthetic Panels. This is beneficial to the landfill by not adding nine inches of daily cover dirt so that much more garbage collected in the landfill. On Thursday, November 12th, a meeting was held at which the first set of results of odor reporting after the new covering was used. Odors reported were worse than the previous month. The landfill operator was then redefining how the odors were noted / recorded by the public and the SCAQMD.

Also, Mike Piazza of the LAUSD, reported that the Van Gogh Elementary School now has a positive pressure air system, so that all of the air in the classrooms is filtered. This has provided some help, but has not solved the total odor problem. He also stated that the government agencies are not doing enough, soon enough.

Ralph Kroy REKroy@aol.com

Ernie Hilger – Veterans

A 700 acre site was established for Veteran homes and support in 1888.

In the earlier part of this century the expansive Veterans Administration properties in West Los Angeles were being leased out for non-Veteran purposes to the detriment of those Veterans in need of a home and support services. The Annenberg Foundation issued a detailed report identifying many inappropriate uses and ACLU along with six prestigious law firms filed several lawsuits by the on behalf of the Veterans resulting in rededication of the facilities for veterans and their families.

A Veterans Service Organization Coalition composed of the following eight congressionally chartered VSO organizations consisting of Disabled American Veterans(DAV), in concert with

the Veterans of Foreign Wars(VFW) I the American Legion (AL), American Veterans (AMVETS), Military Order of the Purple Heart (MOPH), Jewish War Veterans (JWV), American G/ Forum (AG/F), Vietnam Veterans of America (VA) to see that a new Master Plan ensures proper usage of the land and facilities. A “Veteran centric only” business plan and mission state for the rededicated “National Soldiers Home” on the GLA West LA VA is released for public comment by December 7. The plan and additional information can be found at www.HelpHouseLAVets.com.

For more information: Ernie Hilger, Legislative Chair, DAV Chapter Camp Kearney, Van Nuys
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Denny Schneider - Airport Report

NextGen is the new buzz word for improving air traffic efficiency. It uses satellite based radar signals to track and direct aircraft just like the GPS in your car. It has, however, become controversial throughout the US as the FAA attempts to implement airspace redesigns. It concentrates the noise and pollution of landing and departing aircraft over narrow flight tracks and if you’re a “loser” under a flight path it is dramatic.

The FAA identified several dozen changes around LAX and the Los Angeles area last year and released a statement that their changes are only nominal so that no environmental will be review is required. The FAA considers the changes “tweaks” instead of wholesale changes. Not many people believe the FAA assessment, however. First, the data showing where the flights paths will be located and how high up they will be is hard, if not impossible to interpret by mortals. Second, the FAA “standard” to establish if an area is newly impacted is a very high bar because they use “noise averaging.”

The FAA has been working on this effort for many years but the impacts are just beginning to be anticipated by those “unfortunates.” In Southern California it remains a hot topic even though it won’t be implemented for almost a year.

Meanwhile, regional air traffic is growing larger and even more concentrated at LAX. Several areas as far as Monterey Park, Palos Verdes, Culver City, Pacific Palisades, and Mar Vista have joined the LAX adjacent communities in demanding action to reduce the noise impacts.

For more information:

Denny Schneider, President Alliance for a Regional Solution to Airport Congestion www.RegionalSolution.org Denny@WeLiveFree.com 213 675-1817

Valley VOTE Mission Statement

Valley VOTE is a diverse coalition of San Fernando Valley residents, business people, educators, community activists, and organizations, committed to exploring and fostering the implementation of programs that empower the people of the San Fernando Valley and the City of Los Angeles, to improve local governance, education and public participation on policy matters. We meet monthly to address key policy issues and hear reports from our standing committee chairs. For additional information about Valley VOTE, for an upcoming meeting agenda, or for previous meeting reports and press releases, we encourage you to go to the Valley VOTE website.