

Transcript, Studio City Community Meeting September 8, 2020

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The Opening Remarks

Paul: Well, thank you very much, Alan. Thanks for that introduction and for giving me a fairly lengthy to-do list of things to talk about. I'm happy to talk about all those issues and more. And let me just thank SCRA and everyone who's on this conference right now for bringing us all together. I think we can all agree that 2020 has been a year that we will never forget. But we would sure like to. Because of all that's been going on this year, it's been one of the roughest times for most of us, in our recollection. And it's very nice to be able to have a chance to talk with my neighbors in Studio City and to be able to have this opportunity to talk about some of the things that are going on in the city right now. Thank you very much for having me.

The Budget

Paul: And I guess as you pointed out, Alan, the first thing that we probably want to discuss is the budget because the budget impacts every other thing that we will have occasion to talk about. And as many of you know, I have been the chair of the council's Budget Committee for the last eight years now since 2012. And I came into that job at a time when we were still in the midst of the Great Recession, and the city was still teetering on what many, including former mayor Reardon, considered to be on the precipice of bankruptcy. In fact, Mayor Reardon said that bankruptcy was inevitable, so we should just go ahead and rip the bandage off and do it.

Paul: And needless to say, we had come a long way over the course of those eight years. We not only did not file for bankruptcy, we managed to eliminate virtually all of the structural deficit that the city was facing. We avoided layoffs at the time. We consolidate it certain services; we found efficiencies, we work with our unions to try to do some pension reform and through those and a whole variety of other steps. Over the course of those eight years that I've served as chair, we not only accomplished a balanced budget, we not only eliminated almost the entirety of the structural deficit, but we also built up the largest emergency reserves that the city had ever had in its history.

Paul: The budget was in a position of really robust health. And we needed to do that. We needed to build up that reserve because we knew very well that at some point, the economy would turn and there would be another downturn in the economy. Of course, no one realistically could have imagined the impact of COVID-19 this year, and the economic impact that it's had on cities across America. And it's been, in a word, devastating to the city. It's very fortunate that we had built up the reserves that we had going into this year because, without those reserves, the city's situation would have been extremely dire right now.

Paul: And in fact, even with the benefit of that health, we're still facing challenges that we have never really had to deal with before. The mayor presented a proposed budget, as is required under the charter. But we knew when the council considered that budget that it was based on presumptions that we couldn't really have a high degree of confidence in, because there was so much still unknown about the pandemic. And we made the decision then that we would pass essentially a placeholder budget. But we would need to continue to work on it throughout the year as more facts became known about the economic impacts.

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Paul: And unfortunately, we have not exactly experienced the best-case scenario since then. The Office of Finance at the city predicted that even if we took the mayor's budget as it was presented, even in the midst of the COVID pandemic, that revenues would still likely come in well below the mayor's projections. And the Office of Finance predict the best case scenario of as much as \$50 million below the mayor's projections. And in a worst-case scenario, as much as \$400 million below projections. Now, that would depend on how quickly the economy would recover, how soon businesses would be able to reopen, how soon the national economy would recover, and we would begin to experience tourism and all of the other factors that figure into this.

Paul: We know now that it's not likely to be the best-case scenario. The question is how badly towards the worst-case scenario is it likely to be. We don't know the answer to that. Yet. But we do know that there will still need to be additional reductions and savings that are going to have to be found in this budget. Now, just last week, the council made the hard decision to move forward with implementing furloughs, equivalent to approximately 10% of our impacted workforce's salaries. That is certainly not a solution that anybody desires. It's not good for our employees. It's not good for services that those employees render.

Paul: But when you consider that we're looking at potential revenue shortfalls in the hundreds of millions of dollars, steps like that will need to be taken, and the furloughs alone are expected to save about 100 million dollars, so that was an important step forward. We also implemented a separation incentive plan, which will save probably another \$13 to \$15 million, this budget here, and that's a program that will reduce the size of our workforce, particularly among the most senior and highest-paid employees, and will, again, likely reduce some services, cause some reorganization of some departments, but a necessary step to move forward to save the kinds of expenditures that we're going to need to save.

Paul: Now in the midst of all this, of course, we're also faced with the increased expenses that are necessary because of the COVID 19 pandemic. And the city stepped forward and took a number of really bold steps in terms of testing, providing protective gear, having the kinds of responses like that, immediate responses to the pandemic. We've also set up alternative learning centers in our parks, we've provided some relief to renters and landlords who are suffering right now because of the state of the economy. And very importantly, and one of the things I was very proud of is we created a zero to low-interest loan program for our small business community, in the amount of \$11 million to help businesses that are really impacted to get through this difficult time.

The Homeless

Paul: Along with all that, we also, of course, are faced With the massive challenge that we had before the pandemic with homelessness, which only becomes a greater challenge in the midst of a pandemic. Because of the public health concerns that are involved. In this budget, we set aside within this budget about \$400 million for homeless services and homelessness response. And included in that amount, we set aside full funding for the Bureau of sanitation Care and Care plus programs, which provide the expanded cleanup crews net cruise around the city for particularly focusing on problematic homeless encampments. Those positions will be exempted from the furloughs. Those services will not be reduced. But we are also faced with a variety of restraints because of federal court orders and the public health guidelines regarding moving people in encampments during the COVID-19 crisis.

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Paul: So, right now, we are not requiring tents to be taken down because of the increase of risk that will pose to the entire community for COVID-19 exposure. But they're continuing to do what they can for comprehensive cleaning in and around those encampments. And then in areas where we have established special enforcement zones, the full comprehensive cleanup is being conducted right now.

Paul: A few other things on homelessness just to bring you up to date about some of the things that are going on in our district. In the early part of this year in March, I opened up the first Homeless Services Navigation Center in the entire city. It's in North Hollywood, and it's a place where homeless individuals can be referred for services, for hygiene, for showers, use the bathrooms; there are storage facilities there, where they can store their personal items so that they're not out on the streets. And while they're receiving all of that, there are housing navigators and other service providers who can provide them with access to the services that they need while they're there. And during the initial part of the emergency stay at home orders. That was the only place in the entire San Fernando Valley where people experiencing homelessness could go for a shower or to access services, that navigation center. It was very fortunate that we were able to open it in time for that.

Paul: In July, I opened San Fernando Valley's first housing facility under the mayor's A Bridge Home shelter program. This is a transitional housing site on Raymer Street in North Hollywood, which has capacity for 85 people who are experiencing homelessness. And then, in August, we opened our second bridge home site in Van Nuys, which has capacity for 100 individuals. That's room for almost 200 people in sanitary, temporary housing. And for the most part, the operators of those facilities, which is a nonprofit called Hope in the Valley, anticipate that people who come into those shelters will likely be there from three to six months before they are then referred out to more stable long term housing.

Paul: But there's no limit. They can stay there if they need additional services. But that is the expected time that most people likely stay. It's a really important step for a number of reasons. Number one, it takes a person out of an encampment and puts them into a place that's sanitary, and safe and out of the elements; it's life-saving for that reason. Number two, it reduces the number of people who are out living in the sidewalks, living in encampments, which is better for the community. Number three, it stabilizes an individual's situation so that they can actually be connected with services, because really the only way we're going to have a long term solution for housing is to, yes, build more supportive housing, yes, build more affordable housing. But also, stabilize people who are in a crisis situation so that they can get the appropriate services that they need to be able to finally break that cycle of homelessness.

Paul: In addition, we launched a pilot program for people who are living in RVs. And this is focused mostly in the north part of my district near the railroad tracks, but it's been a tremendously successful program to clean up the areas around these large RV encampments. We have regular trash removal. We have voluntary septic tank pumping for the RVs. It gives an opportunity for greater hygiene, greater cleanliness for the surrounding neighborhood, but it also allows us to interface with the people who are living in those vehicles. That again they can be connected to services, and hopefully, there will be a longer-term solution that comes out of that than merely moving them from neighborhood to neighborhood. And then many of you might have been following that there is ongoing litigation involving the city and the county of Los Angeles. And it's being overseen by a federal judge, David Carter.

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Paul: He has taken a very strong role in requiring urgent response to this situation. And I think it's been a productive role in getting the county to step up and provide more of the services that are necessary to deal with our homelessness challenge. And to have the city and the county collaborate more on the housing side of it as well. I think it's been a productive exercise, and my office and I are working closely with Judge Carter to increase the number of shelter beds available so that we can therefore be more effective in ensuring that people are not continuing to live on sidewalks. And so, again, better for the homeless community, better for the surrounding community if we can get to that point.

Paul: And the longer-term solution, of course, is many of the people who we stabilize and shelter are going to need permanent housing. And they are going to need a supportive housing facility where services are provided on-site. Because people who are struggling with mental illness, you can't just give them an apartment and wish them well and hope that they make it. Permanent supportive housing is the solution. For people who are in situations of greater acuity in their homelessness, whether it's a substance abuse problem or a mental health problem. We already have around 200 units that have already been opened or are in the pipeline already in my district. And these really are the long term solutions. There are three projects that we're currently working on. One is a 40 unit facility in North Hollywood. There's another 103 unit facility that's half permanent supportive housing, half affordable housing. That's also in North Hollywood.

Paul: And then there is a permanent supportive housing on Van Nuys that will be 64 units. The operator is still defining what the target population will be, but it'll likely be homeless veterans. Those are some of the significant steps forward that we're taking with homelessness. Needless to say, it's the challenge of our generation. And I share the frustration that everyone in Los Angeles feels when they see the continuing problems so visibly out there on our streets when they experience the ramifications of it. The lack of hygiene, the loss of public spaces, so much of the problems that come for surrounding communities from this is not a sustainable state of affairs.

Paul: There is chaos out there in some of these encampments, and it can't be allowed to continue. The only step, the only way that we get to the point where we stop it from continuing is by building an opening the necessary services as I've described, that will allow us to move forward with greater enforcement, greater order on our streets.

The Studio City Crime Statistics

Paul: It's unfortunate that officer Smith is not able to be here to give further details about crime in Studio City. But I do just want to go quickly... I'm a poor substitute for him. But I will say that as of this point this year, overall crime in Studio City is down about 16% from where we were last year at this time. Property crimes, interestingly, are down by almost 20% from last year. There are some areas that are significantly up, like grand theft auto. There's been a substantial increase in grand theft autos throughout the East San Fernando Valley, in most places in the district greater than Studio City's, but still, there's been a significant increase in grand theft auto in our area. But home burglaries are significantly down, dramatically down. And so marginally is theft from motor vehicles. There's mixed news when it comes to LAPD crime stats.

The Economic Recovery

Paul: I mentioned how the budget recovered from the Great Recession, and I mentioned some of the budget-cutting techniques that we engaged in. But the single most important thing that we needed was getting the economy back on track. And as businesses expand as jobs, as the unemployment rate goes down, as jobs are increased, as salaries increase, that boosts our local economy, which in turn supports the city's budget because our revenue streams are highly economy sensitive. When we have a downturn, it really dramatically impacts the city's budget. But by the same token, when things get better, that dramatically helps the city's budget. It's really important right now, for me, that we work hard to support our business community and especially our small local, independent businesses, our restaurant industry that's been so devastated right now.

Paul: The hospitality industry generally has just been devastated because no one is traveling, and people are not going out about, not going out to restaurants, closure orders, have been just very, very harmful to not only the business owners but to the employees who work there as well. I mentioned we started an \$11 million loan program. It's been a lifeline for a number of businesses. Just this last weekend, we started in North Hollywood, the first LA Al Fresco program that required partial closure of a street. As some of you may have heard about this program, it's an opportunity for restaurants who want to expand into the outdoor space, whether it's on the sidewalk or in a parking lot adjacent to the business, or in this case, even actually out into the street itself. It gives them an opportunity to do that in a streamlined way, pulling together multiple city departments so we can get these businesses open in the outdoor space.

Paul: It's been tremendously popular for our neighbors, for restaurants that might have gone under without this. And so we launched this in North Hollywood with the closure part of Magnolia right here between Lankershim and Vineland. And the restaurants are already up and running in that space. People are enjoying being able to go to their neighborhood restaurants again. And it's been quite a success. And I'm really eager to work with SCRA and other organizations in Studio City to identify places where it's appropriate to use this program in Studio City. There's been a lot of interest from businesses into Tujunga Village. I know that the Studio City bid has looked at places like Ventura Court, and there's a number of other places where we might be able to launch similar programs, which will be helpful for businesses, create a destination for our neighbors. Encourage more of a pedestrian and bicycle-friendly kind of environment and provide a safer way for people to go out and enjoy some time out of their homes. We are so looking forward to working with SCRA in advancing those.

The Traffic, Transportation, and Parking Issues

Paul: As long as we're talking about traffic and lane closures and stuff, let me go over a couple of transportation and traffic related issues. They are also related to COVID-19. LA Department of Transportation launched the slower streets program, which because of reduced traffic, and because people are out walking more in their neighborhoods and enjoying their own neighborhoods rather than staying cooped up in their house, the slow streets program was designed to give the communities who wanted it a greater opportunity to use the public space, the open space, for safer recreation, walking, bike riding, and so on. And so the streets in these neighborhoods are still open. And people who need to can still access them. They're not fully closed streets. But through increased signage and instructions

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that streets are open only to local traffic and other steps, we've been able to reduce speeds and make these streets safer places to walk and bike.

Paul: And it's been very popular in the areas that have implemented and if any of your neighborhoods would like to implement that and have consideration to be part of the slow streets program. All you need to have is a sponsoring organization, which can be SCRA. It can be the neighborhood council, a homeowner's association, even a neighborhood watch or block club, or any other community group just needs to fill out an application which is available on DOT's website. And we will soon hopefully be opening up for more applications. I think the next round begins in a couple of weeks or towards the end of September.

Paul: Part of the Silver Triangle is going to be participating in this low street program as well. If you have a neighborhood that's interested in that, go through one of the community organizations, fill out the application. If it has the neighborhood support, it'll have my support as well, and hopefully, we'll be able to push that through. More broadly and more permanently, many of you know that we've been working out with LADOT in developing the neighborhood traffic management plan for Studio City. The DOT is finalizing the work orders for all of those recommendations. There are many recommendations in the plan were developed all with neighborhood input. They will begin implementing those recommendations over the next few months into the fall.

Paul: Related to that, we've begun again the speed hump installation program. This also is very, very popular request that we get a lot, how do I get a speed hump in my neighborhood? There can only be so many at a time because of funding constraints and staffing constraints. But DOT will be accepting for the speed humps, again, beginning on September 16. That's eight days away. Again, go to LA DOT's website. And if you're interested, go ahead and fill out the application that you'll find there. And they do them in batches. They do them in batches of about 30 per council office. And we're looking forward to installing those and getting those moving wherever the communities want. And I will say about the speed humps. A lot of times, people think that they want them, but it becomes more complicated because where you put the speed hump makes a difference in the quality of life as well.

Paul: There's noise issues that come from people driving over the speed humps, sometimes. Sometimes people in the neighborhood don't want to have that on their street. They want to on their neighbor's street. That's why I urge all of you to work with your neighborhood to develop a consensus about where you would like those speed humps, then work with Residents Association, work the neighborhood council to develop that.

Paul: Another DOT issue that's gotten a lot of attention for people is the relaxed enforcement of parking requirements or restrictions. And the idea there was people are being ordered to stay at their home. That means there's going to be a lot more cars in the neighborhood, from the neighborhoods who were there during the days during street sweeping and so on. The council and the mayor relaxed parking enforcement of some of those violations. There are side effects that come with that. One is it makes it harder to enforce against abandoned vehicles. We are narrowing that relaxation. And the mayor's office is working on some refinements for that right now. Right now, we have relaxed enforcement through October 1 relating to residential street sweeping, expired registrations, overnight and oversize vehicle restrictions, gridlock zone restrictions, and a few other things.

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Paul: We are enforcing on metered parking time limits within preferential parking districts. If a vehicle does not have a valid preferential parking district permit, posted time limit zones are being enforced. Temporary no parking signs are being enforced, colored curbs are being enforced, and some other things. Between now and October 1, we're working out some further refinements to that, but you should be aware that it will be changing.

The Airport Noise

Paul: Alan mentioned the airport noise issues. And as many of us had a series of public meetings of the FAA Noise Task Force. This was a task force that provided a venue through which local elected officials could hear from the community and then convey those recommendations to the relevant decision-makers, lead among them being the FAA, which has almost exclusive authority over all issues relating to noise and aircraft traffic.

Paul: I vice-chaired that task force. All of my colleagues on the council who represent the valley were part of it, as well as representatives from Pasadena, Glendale, and Burbank. Our county and state officials also had representatives there, as well. We gathered a tremendous amount of public input, produced some important recommendations for the FAA. Unfortunately, but perhaps not unexpectedly. The FAA just responded to the task force's recommendations with a response that, needless to say, was entirely inadequate and unacceptable.

Paul: We're going to have to continue our work providing pressure on the FAA and on our federal officials to have a response that will be fairer to all neighborhoods, not cause the concentration of traffic that we've seen leaving Burbank airport and Van Nuys Airport and to correct this southward concentrated flow of air traffic that is disproportionately impacting neighborhoods, particularly in hillside communities where they already experienced a much greater impact from noise because they're in hillsides as it is.

Paul: There's much more that we have to do to continue that pressure. One of those steps is coming up. The Burbank Airport's modernization and terminal replacement proposal. The draft EIR is in its comment period now. I introduced a motion in the city council to ask for an extension of that comment period to 120 days. I don't know whether that extension will be granted. We should assume for the moment that it won't be, and we should move forward with providing comment.

Paul: I've also asked the city attorney's office to work with our Department of Transportation and Planning and all the other cities relevant departments to prepare comments on behalf of the City of Los Angeles. This is a real opportunity to make sure that the Burbank airport understands that any change in that terminal, any advancement of that proposal, in my view, is going to be dependent upon making changes in the impacts that that terminal will have on air traffic noise in our surrounding communities. It can't have it both ways. They can't have a modernized, expanded replacement terminal and not address the traffic impacts the noise impact that that's having on our surrounding neighborhoods in the city of Los Angeles.

Paul: We're going to be moving forward with that. We also, as you know, have an outstanding lawsuit, which is now pending in the ninth circuit. We also brought a lawsuit against the FAA under the Freedom of Information Act, which has succeeded in producing more documents that had been concealed from

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us by the FAA. But there's a lot more that we're going to have to do to make sure that they're paying attention to demands of the people of the East San Fernando Valley.

The Community Planning Issues

Paul: A few planning issues. First, as you all know, many of you participated in the community plan update process throughout the city. All of the city's community plans are being updated. The southeast Valley Community Plan update, which includes Studio City and surrounding neighborhoods, has gone through its first rounds of outreach to the communities starting in 2018. And then last summer, there were community workshops as well. And we are looking to continue to work with the community to update the community plans. There was one area of special concern to people in Studio City when the planning department was starting to discuss what it was considering for the updated community plans.

Paul: And one of them was in the Island community of Studio City area around the Studio City Universal City redline station. There was a proposal to upzone that neighborhood, which would have allowed triplexes to be built on every single-family home lot. And that was an absolute nonstarter, and I made clear to them, as did many members of the community my opposition to that kind of upzoning. As far as I'm concerned, that cannot be a part of the updated Community Plan. It would destroy that entire neighborhood as we know it.

Paul: Ventura Boulevard, there will likely be some changes coming to Ventura Boulevard as well, but that is not part of the community plan update process because of the venture Boulevard specific plan. That will be separately done. And I know the Ventura specific plan update team spoke to the neighborhood council in Studio City almost a year ago. These updates will be more of an administrative process. It'll allow for changes making it easier for small businesses to apply for signage, creating greater connectivity on Ventura Boulevard, eliminating some of the obsolete parking zones and those sorts of things, rather than wholesale large strategic changes.

Paul: Also relating to planning is the home-sharing ordinance. And I know this has been a real problem in many neighborhoods in Studio City. Just to remind you what the current city ordinance provides is residents can register their primary residence, not their vacation home, but their primary residence for up to 120 calendar days for a short term rental. They have to register their property through the city's home-sharing portal. That registration is only valid for one year from the date of issuance. If there are problems and if they become an issue for the neighborhood, that registration can be revoked. If there are illegal listings, which are not included on our registration, then there are a number of steps that can be taken to enforce the law against those homeowners.

Paul: They will be cited. If there's a second citation, sterner steps can be taken, and as you saw with some of the party houses, we can even get to the point if they're illegally operating as a party house of shutting off their DWP service. I would just urge you when you identify problematic houses in your neighborhood, please let my planning director Adrienne Asadoorian know about that. And she's handling all of those sorts of issues for us.

The Harvard-Westlake Development of the Weddington Property – Status

Paul: Alan mentioned the Harvard-Westlake Weddington Golf Course status. You all know that I issued a letter back in January with a long list of my expectations, which I think reflected much of the community's expectations of Harvard-Westlake in this process. They have responded to some of those requests.

Paul: For example, preserving the clubhouse and the putting green at Whitsett and Valley Spring, and ensuring that that would be open for public use. But there is not an updated proposal yet. The EIR process has not yet begun. There are no public hearings that have been held or, as far as I know, scheduled.

Paul: We will continue to make sure that as we become aware of any changes, you know about them, and when the EIR process does start, we'll also make sure that we have the broadest longest public input process possible for that project.

The Housing Bills

Paul: Alan mentioned the housing bills. The legislature session has now ended, but their efforts to continue to thrust things down our throats when it comes to housing and planning just doesn't seem ever to end. We were successful through the representation of our assembly member Adrin Nazarian, as well as a lot of really strong public advocacy. We were successful in defeating the most recent bill by Senator Wiener.

Paul: Still, I can guarantee you there will be additional efforts in Sacramento in the coming session to continue to try to expand housing stock, even at the expense of local planning prerogatives. And it's just imperative that we maintain local control over our own local neighborhoods, even as we try to find ways to expand our housing stock, which, of course, I think everybody recognizes is a need. But how we do it and where we do it should be left to local officials. Not to Sacramento officials.

The City Government Scandals

Paul: I want just to say one final thing about development, and then I'll be happy to take questions. This has been a time when the city government of Los Angeles has been rocked with the scandals that have come from the council member for the 14th district and the former council member from the 12th district, who both faced federal charges and were part of an FBI investigation. And when it comes to the downtown area and council district 14 in particular, most of these charges arose out of the most outrageous and despicable kind of corruption imaginable. Where large skyscraper-type buildings were skating through the planning process with the support of the council member and others in staff positions, after that council member, at least allegedly took cash payoffs.

Paul: [This is] absolutely outrageous, criminal conduct that would certainly not be deterred by any changes in the city ethics rules. These were already federal felonies. And it was an outrage. It occurred to me that one of the things that we need to do to be able to stem any temptation for that kind of corruption is to ensure that the developers who are responsible for these payoffs do not benefit [from the corruption].

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Paul: We are currently in the process of, at my request, reviewing all of the projects that were referenced in these indictments, to all of the development agreements, all of the planning approvals to ensure that they be decided on the merits, and not based on illegality or the pressure from the council member for that district as a result of fraud.

Paul: Now, that might mean that some of these multi-million even multi-billion-dollar projects grind to a halt. It may mean that some of those approvals be rescinded. It may be that the development agreements that make them economically feasible be rescinded, and if so, so be it. Because I just don't think we can permit a situation where graft and corruption results in approval of projects that would not otherwise be approved.

The Q & A Opening

Paul: And with that, I'm sorry I spoke at length, a lot of topics to cover, but if we have time, I'll be happy to take questions that you may have. And I turn to Mr. Dymond, and thank you again very much for having me. Thanks for listening.

Alan: Okay. Well, thank you, Paul. Yes, we do have some questions, as agreed. I will be reading them to you, and some of the questions could be answered live if this is acceptable to you. Some of them may require written response because they're a little bit complicated, might need a bit of research. I'll go down this road, and then you just advise me which way you'd like to go but to make it easy, to warm you up, never fret.

The Harvard-Westlake Development of the Weddington Property – Attorney Representation

Alan: The first two are directed to me from Charlotte. And she said, "Does Studio City have an attorney representing them to Harvard-Westlake?" The Studio City Residents Association and SLAROS, yes, we do have a very well-known attorney firm representing us, as they have done for the last 20 years and trying to ensure that whatever is built there is compatible with the neighborhood.

If you have any further questions, Charlotte, send us an email. And you also asked, provide an update on Harvard-Westlake and the effect on traffic. That is going to be part of the EIR. We have not seen yet the traffic report that they have to provide. And then when they provide that traffic report, we will hire in our own traffic engineer to answer that accordingly. Okay? So, thank you for that.

The Police Budget

Alan: Paul, I'll move on to your questions. We do have a lot of questions that I'm going to lump them all together. And the first one is going back to issues with the police. And this is from Erica, and I'll link three together because I think you could wrap them all together. "Why did the council decide to book furloughs into place while at the same time give raises to the police?" And then further on down. And the other one is sort of linked to it, addressed to you from Rudy, says, "why did you vote to defund the LAPD?" And I think those two are sort of connected. And if we get answers to those two, if you'd prefer to answer now.

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Paul: No, I'm happy to do that. They're both questions that kind of come from different perspectives on the same set of issues. First of all, with regard to the furloughs. Furloughs are something that, in a fiscal emergency, the Council has the authority to be able to enact, to impose. The raises that the question mentioned, the police departments raises, and for that matter, raises that other of the public employees are scheduled to get under their collective bargaining agreements are part of their negotiated contract. Now, in the case of the LAPD, that collective bargaining agreement was entered into, I want to say in 2018 or early 2019. Before this economic downturn occurred. And those pay increases were negotiated and were scheduled before all this catastrophe happened.

Paul: If you look at police pay increases over the years it's averaged around two and a half percent a year. Not an outrageous increase, but it's lumpy. Like, and that happens with other public employee unions too. Because they might go several years without an increase and get a bigger one and then and so forth. That's why the council imposed the furloughs and did not impose a change on the raises, because we can't, it's negotiated. It's part of the contract.

Paul: But that being said, there are active discussions that are going on right now with the police union and all of the other public employee unions to find ways to be able to defer raises, to find other cost-saving measures like that through negotiations. And people might ask the question will if it's provided in their contract, and you have to negotiate it, why should anyone give up anything in their contract? Why shouldn't they just say, "Sorry, it's your problem."

Paul: And that is a challenge that we face. But I will say that when we faced this same kinds of situations, although not quite as dire, during the Great Recession, labor did step up. And we did have these negotiations, and we also furloughed employees. In the context of those furloughs, we worked through negotiated changes to the collective bargaining agreements that ended up saving a lot of money. And we're engaged in that same process now. But it's a process of negotiation. And it's not something that can just be imposed with a wave of a wand or something. It has to be something that's agreed to.

Paul: Now, the other question was defunding the police. Nobody voted to defund police, and that's such a loaded term. That I think everybody likes to use that term in whatever way will serve their needs. And I will tell you what did happen. The mayor's proposed budget included steep cuts, deep cuts to all of the departments in the city because of the economic situation we faced, except the police department, which stood to increase. Now, it wasn't increasing the number of police officers, wasn't increasing in other areas, but the budget was increasing.

Paul: It was clear to me, long before anybody was protesting about that, there was no way we were going to be able to increase the police department's budget and cut every other department that also delivers important services to the people of the City of Los Angeles. A downward adjustment was going to be necessary for the police department just for economic reasons. And that did happen. We voted for a reduction in the mayor's proposed budget of \$150 million for the police department. About 100 of that was in a reduction of overtime for police officers.

Coming back to the first question, yeah, we haven't yet made changes in the pay increase. But overtime is a form of compensation for police officers. If you look at it that way, that reduction did come in police compensation. I think that covers it.

The Harvard-Westlake Development of the Weddington Property – Traffic Study

Alan: Oh, okay. Thank you, Paul. A thing just caught my eye, Paul, that really, I can answer for you. It's the Sportsman's Lodge being completed before the DEIR start for the Harvard-Westlake. This is from LS. I don't know who LS is. But the answer to that is when we start the EIR for the Harvard-Westlake, their traffic engineer or have to go back, look at the traffic study that was done for Sportsman's Lodge, incorporate that into his study for the Harvard-Westlake project. And if he doesn't, guess who's going to jump all over it? You've got to include it. We don't need a council motion for that. We've got it under control. I'm sorry, LS, but I'm stepping into Paul here, but that is what's going to happen. Okay?

Paul: Thank you. Yeah, the cumulative impacts need to be considered.

Alan: Absolutely, Paul, you're going to have ham; you've got to have eggs with it, right.

The LA City Pension Obligations

Alan: Here's one from our good friend, Richard Niederberg. And I'll give it to you, "What can be done now to lower our pension obligations later?"

Paul: Great question. And again, pension obligations are vested rights that our public employees, firefighters, police officers, street service workers, all of them have negotiated as part of their collective bargaining agreement. And they are entitled to it, so you can't just cut into it. You have to negotiate changes that result in lower pension obligations over the years. We did that during the Great Recession. And it resulted in literally, over the course of 30 years or so, billions of dollars in savings. And we're continuing to look at those steps that can be negotiated as part of these packages.

Paul: To a limited extent, the separation incentive plan that we just entered into will have a little bit of benefit in terms of pension obligations. It's a little complicated, but when somebody retires at an earlier time if they've accrued sick time and vacation time and so on, under state law, they have to get paid that for that time at the rate that they're then getting paid. We'll save over the long run because that would be at a higher rate if it were down the road. I think that may have a small difference on pensions.

Paul: But we have to continue to work with our labor unions try to find ways to bring those obligations down. And the last time we did it, we extended the age of eligibility, and we did some other steps like that, that don't need to be draconian, but they'll pay dividends. There isn't a good, short to-do list on that. Otherwise, it would have already been done. It's a complicated, difficult issue and one of the toughest ones to negotiate in a labor-management setting.

Paul: But I do want to say also that it's true that there are long term obligations that weigh on the general fund. But we are better situated than most municipalities around the country when it comes to our long term pension obligations. And we're routinely recognized that way by credit rating agencies, in part because we prepay for retiree health care, for example. And the result of that is stability at a cost savings that improve our situation as far as unfunded liabilities compared to most cities. That's one thing.

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Paul: The other thing I want to say about pensions too is when corporations have large unfunded liabilities for their pensions, they face the potential for catastrophe because they may have an income that just stopped. And when that happens, and they still have those obligations like Lehman Brothers closed its doors, they're in bankruptcy. And all of those pension obligations get wiped out. We want to bring those pension obligations into balance so that they're not a growing portion of the general fund.

But cities never go out of business. There's always a continuing process going forward. We don't have the risk that one day the doors are just going to close and we're going to be saddled with this unfunded liability. There are always employees; they are always paying into the plans. You just want to keep it in equilibrium so that we're not continuing to accrue long term liabilities.

The Budget for Fraud, Waste, and Abuse

Alan: Next one from Randy, he said, "The recent comments by the city controller, Ron Galperin. He has stated that the budget for fraud, waste, and abuse has been continuously reduced by the City Council. And how would you respond to that?"

Paul: Well, I'm not sure what reference the controller would be making there. I didn't hear those comments. But I do know this. Every single time the city controller has come to me and asked for a budget appropriation so that he can deal with waste, fraud, and abuse, he's gotten it. And so, I'm not sure what that reference would be.

We've had a really good, strong working relationship between Ron and his role as Controller and me and my role as budget chair to try to identify wherever we can, the kinds of waste that can result in budget savings. Notable among them was the work that we did together on special funds. There's a lot of special funds in the city that are not part of the general fund. They're allocated for a specific purpose and can only be used for that. But sometimes they create a burden on the general fund. And a lot of these special funds are not paying their share to the general fund.

We've been pretty effective, I think, in identifying those and ensuring that the general fund is made whole, which helps our budget helps the taxpayers.

The Homeless at Sportsman's Lodge

Alan: Okay, back to Sportsman's Lodge, this one is from Steve and one from Mark. I'll lump them both together. "What is the exit strategy for the Project Room Key at the Sportsman's Lodge?" And the next one is a generic question, I think. "Please tell us what is happening at the Sportsman's Lodge."

Paul: What is happening at the Sportsman's Lodge is (like almost every other hotel in Los Angeles) as soon as the stay at home orders were imposed, as soon as travel restrictions were imposed, the vacancy rate at The Sportsman's Lodge hotel went to almost 100%. Hotels across the city had no one in, which, of course, also has an enormous impact on our employment rate in Los Angeles. Because all of those employees laid off at a moment's notice, it was bad.

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Under the governor's Project Room Key program, the Sportsman's Lodge is now being paid a reasonable rate and has an income coming in. That can get its employees working again in order to house people who would otherwise be on the streets.

Paul: And this was especially important, of course, during the COVID-19 situation, the people who are being housed under project room key are predominantly people who have underlying health conditions or age, who are of an age that they are especially susceptible to COVID-19. For them, it really is a difference of life and death. And for the hotels, frankly, it also is a difference of life and death.

Paul: It's been a success, not only there but elsewhere in Los Angeles, where Project Room Key has been utilized. It's been a boost to our economy. It's also helped to take people off the streets, and it's also helped to, most importantly, keep people alive. And all of this is with state funding coming into Los Angeles from Sacramento, which we would not have been able to do without that funding source.

Paul: Most of the people who are housed there are from our surrounding area, the outreach efforts for Project Room Key. Frankly, at my insistence. They likely would have been anyway, but we made sure that the outreach efforts would be focused on the area surrounding the hotels that are being used. And so most of the folks who were being housed there were previously sleeping in or around Studio City, on sidewalks and under bridges, and now they're in rooms.

Paul: As far as the exit strategy, no one is going to be just let out on the streets. Nobody is going to say okay, well project Room Key is over so, so long. LASHA is the Los Angeles Homeless Services Agency, focusing on case by case basis and finding housing options for each of the people who are housed there, whether it's in temporary bridge home sites or more sustainable housing.

Paul: The goal, of course, is that when somebody is stabilized in a hotel room, you can then move them more easily into more permanent housing. And that's what they're working on doing.

The Harvard-Westlake Development of the Weddington Property – Open Space

Alan: Thank you, Paul. We have two questions that are together. They're from Teri. "Although the Community Plan shows a lot of high-density housing and commercial buildings, why are there no new public parks or amenities to equal the high density of population?" And the follow up to that is our other question, "Will the Councilman advocate for preserving the natural open space we have, not counting artificial school playing fields?"

Paul: Well, that latter part would pretty much mean that there could not be anything built. And particularly, I assume that's a reference to Weddington. And I don't think that's something that is a privately owned¹ piece of property unless we are able to acquire that piece of property, which we are not. We tried for seven, eight years that I was on the council to do it before Harvard-Westlake bought it; couldn't. I think that may be a bridge too far. I certainly advocate for more of the property, than is now proposed, to be public open space. And in terms of the larger question about the broader area, it is a great point.

¹ Clarification requested of the Councilmember's office, should this be publicly owned instead of privately owned?
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Paul: I think when planners talk about increased housing density, there are benefits that can come from that. One is being able to build and plan better amenities for a larger percentage of the people, including public transportation, for example, and job centers and other things. But the open space issue, and recreational resources, and so on, in my view, that just has to be part of the updated community plans. You can't do the one without the other. You can't plan for more housing, but not plan for the community amenities that are necessary to accommodate a higher population.

Paul: And in fact, this city is already park-poor compared to many cities. I would absolutely want to make sure that our updated community plans do take amenities like that into account. And we've been trying to do that, on kind of a project basis. We've been working a lot on community amenities, like the bike paths along the LA River, which we've significantly expanded and improved. Like some of the parks in the area that are going to get additional improvements. And it's an important priority of mine. But I agree that if you're going to have more population, you have to have more acreage for the population to be able to enjoy in the open.

The Federal Government Funds for COVID-19 Expenses

Alan: This is an easy one because I think I know the answer; I'm being facetious, Paul. It's from Lisa. She says, "Do you councilmen expect to receive any money to cover COVID-19 expenses from the federal government?"

Paul: Well, I wish it were easy, Alan, it's actually a complicated answer. I was going to say that for those of a certain age, I was going to say it's the \$64,000 question, but it's more like the \$64 billion question. So, what happened was when the CARES Act came out of Congress, there was federal money that went to certain agencies, the states, and some transportation agencies. And I have to give a tip of the hat here to our mayor because our mayor got personally engaged in that process to ensure that cities were not left out because they might have been otherwise.

Paul: As a result of that effort, and our congressional delegation, in other words. Yes, the city received money from the federal government under the CARES Act. But here's the rub, that cannot be used for revenue replacement. We suffered a loss of revenues. We cannot use \$1 of that federal money to make up for that those lost revenues, so that money was instead spent or has been appropriated for direct COVID-19 response. For some of the health responses that I talked about, for renter's relief or small business relief, for the food program, the senior meals program that we launched. Some of those other things like that the direct response for people in need, and for the city's direct response came from that money.

Paul: Also, the money that we've spent in responding, we're going to seek FEMA reimbursement for anything that hasn't been reimbursed through that that CARES Act. That is another potential source of money. But the bottom line is this. The federal government needs to step up and write a big fat check to cities around the country to make up for our devastating loss of revenue. Because without that help, we cannot maintain current levels of basic service that the people of this city expect and deserve. We cannot do it when we've had a revenue loss in the hundreds of millions of dollars, like that, in the blink of an eye.

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Paul: The federal government is the only level of government that can do that. The state can't do it, because the state has already gone from a record-breaking surplus to now a record-breaking deficit, for the same reasons that we're suffering, they've had the same revenue loss. The federal government needs to step up and do this. And without that, I don't know how we're going to get through this crisis without very significant distress. So, talk to your members of Congress, please, and let them know how important this is.

The Upzoning Issue

Alan: One last question. Yeah, we're running out of time, and we did promise we'll be out of here by 9:00. This is also on zoning again, Paul it's from Patty, "Would you please stick out for us along Moorpark with city planning, not upzone the Radford, Carpenter, Moorpark Street, the same as you did for the island area. Thank you."

Paul: Thank you. I will hopefully be sticking up for the neighborhoods of council district two throughout. Each one is specific and unique. But thank you, Patty. I will dig into it and look. I think that the issue with the island community was really that this dramatic proposal had been dropped on to the heads of the people who lived there without essentially any warning or expectation that they were going to hear or something like that. And it would have affected the entire neighborhood of single-family homes.

Paul: That's why that particular one called for an immediate response. But yeah, we're going to be doing as much as we can to prevent the destruction of single-family neighborhoods throughout the district, while at the same time looking to how we can modernize our community plan so that where we can provide more housing resources and expand the availability of housing, which we must have here in throughout Los Angeles. While still achieving those ends. I think if people are smart and fair-minded about it, we can achieve those goals.

The Closing Comments

Alan: Okay, thank you, we're running out of time. Charles, do you need to chime in on anything before I close this down?

Charles: Well, I thought we could give the council member a few minutes for closing remarks. And the other thing I would say is that I'll make a copy of all the unanswered questions, for those to go to the councilmember's office, and perhaps some of those can be addressed outside the meeting.

Paul: I would appreciate that. I would appreciate that, Charles and thank you, we'll be happy to. And that actually gives me an opportunity to give a little bit of a shout out to my staff. Many of you are in frequent contact with Jessica, or with Adrienne or with others on my staff. And I just want you to know that although the world has in many ways changed since March and you know lots of things have shut down. We have not shut down. And my staff is continuing to work although distanced, we are continuing to work on behalf of the district every day. And we're here to serve you.

Paul: I want to thank Jessica and the rest of my staff, and let you all know that in some ways, we've become more 24/7 than we might have otherwise because of all of this distancing and the fact that we're all virtual now. But that being said, we're going to continue to serve you. And all I ask is for a little

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bit of patience because it sometimes takes a little longer to get phone calls answered or emails returned because of the distance situation that we're in. Be a little bit patient if you would, please but know that we're going to get to your questions and your requests and deal with them in the same way we always have. And thanks again to SCRA, thank you to Alan, Beth, and Charles, and thanks for having me. And thanks for the important work that you're doing for our neighborhood every day.

Alan: Thank you, Paul. In my turn, I want to thank everyone tonight, including the council member and his staff, for participating in our meeting tonight, and I'm going to echo what Paul just said about patience. I know you're all anxious about Harvard-Westlake. It's a long involved process. I'm requesting that you stay with us. Be patient as we work our way through this. It's very complicated. And also want to thank Charles very much for producing our first virtual community meeting. Charles, you did it, man, you really did.

Charles: All right. Thank you!

Alan: Just a minute, Charles, I'm going to sign off before I give it back to you. Okay, our next regularly scheduled meeting will be on November 10th. Special SCRA meetings may be called as issues develop. I'm not saying we're not going to talk until November, but if something comes up, be aware, we will reach out to our members and people here tonight. Tell them what's going on. And I've just been handed a note saying, Have a good evening and join the SCRA. Back to you, Charles.

Charles: Alright, and with that, I think we're complete. Thank you all for attending.

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Unanswered Attendee Questions SCRA Community Meeting 2020-09-08

Molly Leonetti 07:47 PM

How does moving the encampment increase the risk of spread of Covid-19? Other cities are using vacant hotels - is this an option the city has explored?

Laura Wolf 07:52 PM

Do the Hope of the Valley facilities accept men, women, and children? Also, are the unhoused people in the neighborhood directed to these facilities by law enforcement? If not, how do the unhoused learn about these facilities?

Raduca Kaplan 08:41 PM

I understood that there is continuous conversation between BLM and the city about the redirection of the 150mil cut.

Patrice Berlin 08:41 PM

Sportsman's Lodge is getting in over \$17700 a night for rooms they could not rent. Mostly NOT senior. Lots of crime since.

Rudy Melendez 08:41 PM

When are we going to get the rec center back in north Hollywood Park?

Adele Slaughter 08:42 PM

It has been reported that aggravated assaults have increased in Studio City. See this article.

<https://patch.com/california/studiocity/aggravated-assaults-jump-in-studio-city>

What are your ideas about how to combat those statistics?

Lisa Sarkin 08:43 PM

Where us all of the Prop HHH taxes being used for?

Rudy Melendez 08:43 PM

When are you going to tell us about the pallet housing homeless shelters coming to North Hollywood park?

Patrice Berlin 08:43 PM

Not true. They had aps for housing, but they are not the people we see in the streets. They have told us there are addicts...there is no background check. No curfew...they admit there are addicts which means they are bringing dealers in our area.

Zachary 08:44 PM

What are you continuing to do to minimize development of the unchanged Harvard-Westlake plan to destroy 10 of the 16.1 acres @ 4147 Whitsett?

Teri Austin 08:50 PM

I used the bike paths when they first open and really enjoyed them however now there are so many encampments, I no longer feel safe using them. I look forward to the day when I can use them again, they're really a wonderful ride.

Erica Fox 08:52 PM

Is there any talk about private schools helping LAUSD to feed the students of Los Angeles? The private schools are spending their money getting their schools prepared for Educating during Covid-19. What happens to LAUSD?