



League of Women Voters of Los Angeles

Pros & Cons

Los Angeles City Ballot Measures March 3, 2009 Primary Nominating Election

INTRODUCTION: All measures on this ballot were placed on the ballot by vote of the City Council. A simple majority is required to pass each measure.

IMPACT OF “YES” OR “NO” VOTE: A YES vote on any of these measures is a vote to accept the changes proposed by the measure; a NO vote is a vote to reject the proposed changes, leaving the situation as-is.

FINANCIAL IMPACT of these measures is summarized from the reports of Raymond P. Ciranna, Interim City Administrative Officer.

A: FIRE DEPARTMENT INDEPENDENT ASSESSOR (Charter Amendment)

THE SITUATION: The Charter provides that the Fire Department is under the control and management of a five-member citizen Fire Commission, with a Fire Chief serving as Chief Administrative Officer of the Department. Both the Commission and Chief are appointed by the Mayor and confirmed by the Council. The disciplinary process for Fire Department employees is under the authority of the Fire Chief, who supervises an internal process for investigating and resolving allegations of misconduct against Department employees. There have been recent instances of large jury awards in lawsuits alleging improper conduct at certain Department fire stations.

THE PROPOSAL: This amendment would establish the position of Fire Department Independent Assessor, who would be responsible for auditing and reviewing the activities of the Department, including the handling of complaints of misconduct. The Assessor would be a civilian employee reporting directly to the Fire Commission, which would have the authority to appoint and remove the Assessor.

FINANCIAL IMPACT: Additional costs to the City of approximately \$500,000 per year for the Assessor and administrative support.

SUPPORTERS SAY: This measure would establish a position in the Fire Department similar to the position of Independent Inspector General in the Police Department. Experience in the Police Department has shown that an independent official helps to ensure high professional and ethical standards, and boosts citizens' confidence in the Department. The Assessor's independence from the Department will ensure confidence from the public and among firefighters that professional standards will be established and enforced in a fair way. The Fire Chief, Fire Commission, firefighters and elected City leaders all support this measure.

OPPONENTS SAY: An Independent Assessor is not needed. Taxpayers are already paying for a multitude of city officials whose job it is to protect firefighters and taxpayers. An Independent Assessor would make no difference, except to increase the tax burden by millions of dollars per year without producing a corresponding benefit. The Fire Commission would have the power to stop the Assessor from pursuing any investigation, thus invalidating his/her independence. In spite of the high cost of the position, the Police Department's Inspector General has not been able to prevent the City from being liable for multimillion dollar lawsuits alleging harassment.

**B: SOLAR ENERGY AND JOB CREATION PROGRAM
(Charter Amendment and Ordinance)**

THE SITUATION: The Los Angeles Department of Water & Power (“DWP”) supplies electric power to the City, and is the nation’s largest municipally-owned utility. Currently, the bulk of DWP’s energy comes from coal and natural gas. A substantial amount is also generated by hydroelectric sources, and a lesser amount by nuclear plants. Minimal amounts are generated by geothermal, wind and biomass, with solar energy making up less than one percent of the total. DWP has established a goal of generating at least 20% of its electricity from renewable resources (such as solar, wind and geothermal) by 2010.

THE PROPOSAL: This measure would amend the section of the Charter that deals with DWP, and amend a section of the City’s Administrative Code, to require DWP to create a plan to implement a solar energy program, to be installed, operated and maintained by DWP on properties within the City and City-owned airports, and to produce at least 400 megawatts of electric generation by 2014, pursuant to annual benchmarks detailed in the ordinance. The solar power installations would be the property of DWP and all work would be done by DWP employees, at the rates specified in their union contracts.

Major elements of the plan would include:

- development of an academy to train DPW employees to install and operate solar power installations;
- incentives, lease payments, rebates and loans for program participants; and
- various outreach programs to educate businesses and the public about solar energy.

Within 90 days of approval of the plan by the City Council, DWP would have to submit to the Council details of a financing plan identifying resources, tax subsidies, state and federal grants, and other potential funding sources; and including any potential rate impact. Participation by DWP customers would be voluntary, and the program would not replace existing solar incentive programs. Oversight committees would be established to monitor implementation of the program, and an annual audit would be conducted by the City Controller.

FINANCIAL IMPACT: Until the plan proposed by this measure is developed, the specific costs and financial benefits of the program cannot be determined. Using current technology, this program would increase power system costs. Actual costs would depend on many factors, including project locations and the technologies to be employed. Funding for the program could include a blend of bond financing, federal and state tax credits and grants, and power revenues.

SUPPORTERS SAY: Measure B is an important step toward ensuring that future generations will not have to depend on expensive and highly polluting forms of energy. This measure will save lives, create good jobs, strengthen the City’s economy and make Los Angeles a center for solar technology. The DWP estimates that any rate increases resulting from this measure at the end of five years will be minor. In any event, the measure will save money in the long run since, over time, solar power will be significantly cheaper than power produced by fossil fuels. After waiting for decades, this measure will bring Los Angeles jobs and clean solar power now.

OPPONENTS SAY: There is a better way to produce more solar power, at a lower cost and using better technology. This hastily-conceived measure was placed on the ballot with no engineering and operational input from DWP and no consideration of the overall cost. All work will be done by DWP without competitive bidding, and skilled union members other than those members of the IBEW who are employed by DWP will be locked out. Instead of asking voters to approve a plan whose details are unknown, DWP should design a plan with the public’s involvement and present it to the City Council for the enactment of an ordinance.

NOTE: Charter Amendments C and D propose changes to the benefits provided in the Fire and Police Pension Plan. The Charter includes considerable detail on pensions, and, for that reason, voters must approve any changes to those benefits. No opposing argument was submitted against either of these measures and, at press time, there is no known opposition to either of them.

**C: DISABLED CHILDREN SURVIVOR BENEFIT
OF THE FIRE AND POLICE PENSION PLAN (*Charter Amendment*)**

THE SITUATION: The Fire and Police Pension Plan provides survivor benefits to a “Dependent Child,” defined as an unmarried person who, while under the age of 21 years, becomes disabled and unable to earn a living. These benefits can only be paid to the guardian or conservator of the Dependent Child, and terminate if the Dependent Child marries or is adopted. There are currently 47 Dependent Children receiving survivor benefits. During the last 19 years, one Dependent Child lost the survivor benefit due to marriage.

THE PROPOSAL: This measure would allow a Dependent Child to continue to receive the survivor benefit if the Dependent Child either marries or becomes adopted. The measure would also provide additional options for payment of the benefit, which could be paid directly to the Dependent Child, or to a “Special Needs Trust” which has been established for the benefit of the Dependent Child, as well as to a guardian or conservator of the Dependent Child.

FINANCIAL IMPACT: Minimal costs to the Fire and Police Pension Plan, since only a limited number of individuals who qualify as Dependent Children would continue to receive retirement benefits.

SUPPORTERS SAY: It’s unfair to individuals with disabilities who lose a parent to also lose their benefits if they are able to marry or be adopted into a new family. They are still disabled whether or not they are married or adopted. This is the only remaining group of pension plan beneficiaries who are penalized if they marry or are adopted.

**D: SURVIVOR BENEFIT PURCHASE PROGRAM
FOR RETIREES OF THE FIRE AND POLICE PENSION PLAN (*Charter Amendment*)**

THE SITUATION: The Fire and Police Pension Plan provides a survivor benefit to a spouse or domestic partner of a retired Plan member, if such marriage or domestic partnership takes place at least one year before retirement. The Plan does not provide a survivor benefit to a spouse or domestic partner of a retired member who marries or forms a domestic partnership after retirement. A study found that 20 percent of police retirees marry after retirement.

THE PROPOSAL: This measure would allow a member who marries or forms a domestic partnership after retirement the option to provide a survivor benefit for a spouse or domestic partner, provided that the retired member pays the full cost of the benefit through a reduction in his or her monthly pension benefit. The election of this benefit would be permanent and could only be exercised once; the retiree would have to survive at least one year after electing the benefit; and the survivor would not be eligible for health benefits from the Plan.

FINANCIAL IMPACT: Since the employee would be required to pay the full cost of the benefit, there would be only minimal costs to the Pension Plan for administration of this program.

SUPPORTERS SAY: This measure will provide an important option to retired members, while including cost-containment features that minimize administrative costs to the Pension Plan.

**E: ECONOMIC INCENTIVES FOR BUSINESS DEVELOPMENT
(Charter Amendment)**

THE SITUATION: Cities and counties use many different incentives to attract and keep jobs, generate new revenues to pay for municipal services, and to retain businesses in the jurisdiction that might otherwise leave due to economic incentives offered by competing jurisdictions. Although the City of Los Angeles offers an array of incentives, the Charter does not clearly state that the City can provide economic incentives to keep businesses in, or attract new businesses to, the City.

THE PROPOSAL: This measure would amend the Charter to clearly state that the City may provide economic incentives to retain or attract businesses to the City, when doing so will result in identifiable public benefits to the city and its residents that could not be attained through other means.

FINANCIAL IMPACT: Since no specific economic incentive would be enacted as a result of the approval of this measure, the cost or benefit to the City from any action the Mayor and City Council might take pursuant to this measure cannot be estimated.

SUPPORTERS SAY: Unlike neighboring cities, the Los Angeles City Charter does not give the City direct authority to offer incentive packages to employers. In a troubled economy, the City can't afford to be left behind in the competition for new and expanding businesses that might choose to leave the City or locate elsewhere. Under this measure, incentives could result in job creation, new public facilities, such as parks, or generation of new revenues.

OPPONENTS SAY: Economic studies show that incentive programs do not work. Politically connected people get millions of dollars each year in subsidies, tax breaks and other special treatment at taxpayer expense. The City Controller has reported that the City "does a poor job of ensuring that the public receives the benefits promised in exchange for subsidies given to private developers." This measure would only encourage more of the same.

In addition to these propositions, the March 3, 2009, Los Angeles City ballot will include candidates for Mayor, City Attorney, City Controller, City Council Member (Districts 1, 3, 5, 7, 9, 11, 13, & 15), L.A. Unified School District Board Member (Districts 2, 4, & 6) and L.A. Community College District Trustee (Districts 2, 4, 6, & 7).

Further information on all of these contests is available at the League of Women Voters' award-winning website: www.smartvoter.org

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