

CITY OF LOS ANGELES

2016-17 BUDGET SUMMARY

AS PRESENTED BY MAYOR ERIC GARCETTI



A MESSAGE FROM THE MAYOR



Dear Angelenos:

I am honored to present my third Proposed Budget as Mayor, meeting our commitment to fiscal sustainability while making key investments that will help *build a stronger future*.

Today, through our collaborative efforts, Los Angeles stands on a solid economic foundation. As Mayor, I have called for reforms to cut the red tape at City Hall and bring key industries back to our City - and our efforts have paid off. Since taking office, unemployment has been cut by more than half. In the last year alone we registered over 50,000 new businesses. We have also passed more than \$160 million in tax relief for local businesses and we have nearly \$7 billion in active building development.

Los Angeles is on the path to strong economic growth, and we need to make sure that prosperity extends to all. That's why we made the commitment to raise our minimum wage to \$15 an hour, enacting the largest anti-poverty measure in our city's history. With this single action we helped meet the needs of more than 600,000 Angelenos currently earning minimum wage. Just this month, the State of California decided to follow the precedent we set.

We've also made great strides in improving the quality of life and safety of our communities. We've paved more streets than ever before, trimmed more than 100,000 trees, and picked up more than 6,000 tons of illegally dumped garbage. We have recovered 6,900 firearms, expanded our domestic abuse response teams, and tried out innovative new deployment models for the City's emergency response. Last fall, we passed the Seismic Safety Plan, which will protect more than a half-million people in our most vulnerable buildings.

We have made strong progress, but our work is not finished. We have found homes for 6,000 previously homeless veterans, but 1,700 veterans are still living on our streets. For the first time in City history, we are using General Fund dollars to cover housing vouchers. But more than 25,000 Angelenos are without permanent housing. Since 2013, we've permitted more than 37,000 new housing units, and yet nearly two thirds of renters in Los Angeles spend more than 30% of their income in rent.

Clearly, our challenges will not be solved in one year. We must continue to invest our efforts, and our money, in addressing the City's most pressing issues over many years. This budget builds on this long-term vision by funding smart investments in each of our priority outcomes. In the following pages, you will read about these initiatives aimed at making Los Angeles safer, more prosperous, more livable, and more sustainable. I look forward to the great work that we will accomplish together in the coming year -- and beyond -- to build a stronger future.

Sincerely,

A handwritten signature in black ink that reads "Eric Garcetti". The signature is stylized and includes a horizontal line at the end.

ERIC GARCETTI

Mayor of the City of Los Angeles



Eric
Garcetti
#IamMayor

Key investments in the FY16-17 proposed budget supporting the Mayor's long-term budget priorities:

A SAFE CITY

- Strengthening our **public safety workforce** by hiring 525 police officers to reach our goal of 10,000, adding 160 civilians to put more officers on the streets, and hiring 230 firefighters, growing the Fire Department for the first time since 2008.
- Improving LA's **resiliency and ability to respond to crisis** by supporting the City's Seismic Retrofit and Soft Story Retrofit programs and purchasing emergency generators to provide electricity in the event of an electrical outage.
- Making our **streets safe for all users** by redesigning our most dangerous streets and intersections through the multi-departmental Vision Zero initiative.

A PROSPEROUS CITY

- Committing \$138 million to address the **homelessness crisis** with a combination of urgent services provided to people on the streets and long-term investments in affordable housing.
- Initiating a program to update our 35 community plans to promote **quality housing at all levels**.
- Expanding **economic opportunity** by supporting the City's Office of Wage Standards so that all residents can participate in the growth of world-leading industries in Los Angeles.

A LIVABLE AND SUSTAINABLE CITY

- Restoring the **condition of the public realm** by expanding the Clean Streets program and proactively cleaning bulky items, illegal dumping and litter based on a new data-driven CleanStat program, as well as investing \$31 million to fix our sidewalks.
- Protecting the **quality of our environment** by replacing more than 100 old gas-powered vehicles with new Electric Vehicles (EV) and investing \$1 million in new, publicly available EV chargers.
- Enhancing and expanding **first-rate mobility options** by supporting alternative transit and bike share programs and providing increased support for Metro's accelerated project schedules.

A WELL-RUN CITY

- Building a **customer-focused City workforce** for the future by improving our 311 system and modernizing our Business Assistance Virtual Network (BAVN), as well as investing an additional \$1 million in the Innovation Fund.
- Empowering the City workforce with **upgraded technology** by modernizing the City's network backbone and providing mobile tools to our workers in the field.
- Strengthening the City's **financial stability** with the largest budgeted Reserve Fund in the City's history, at \$322 million.

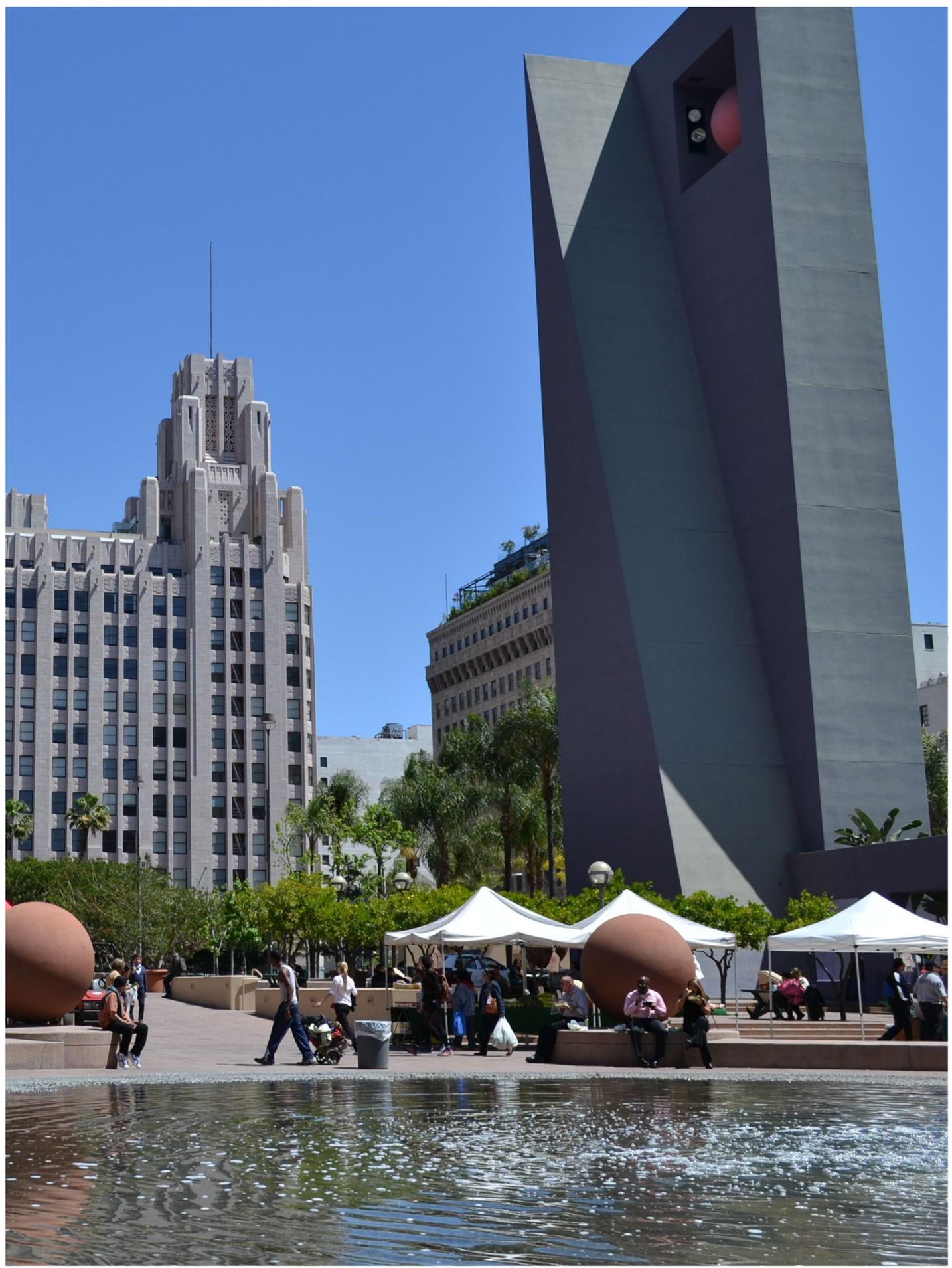


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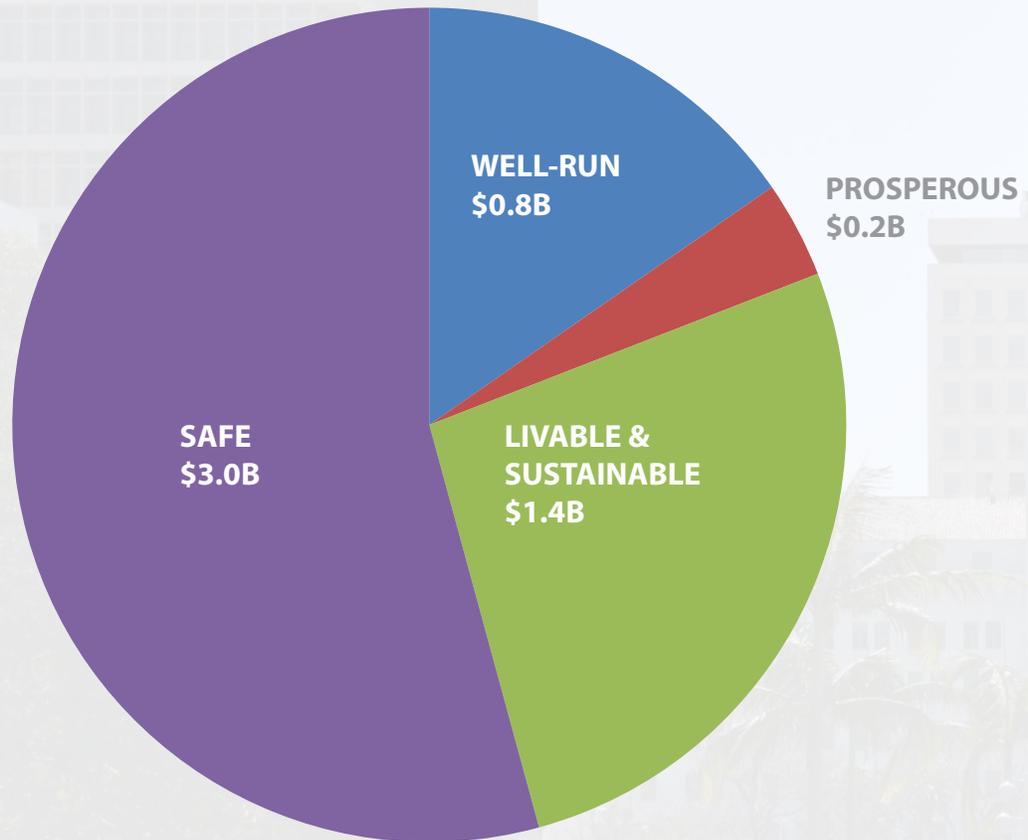
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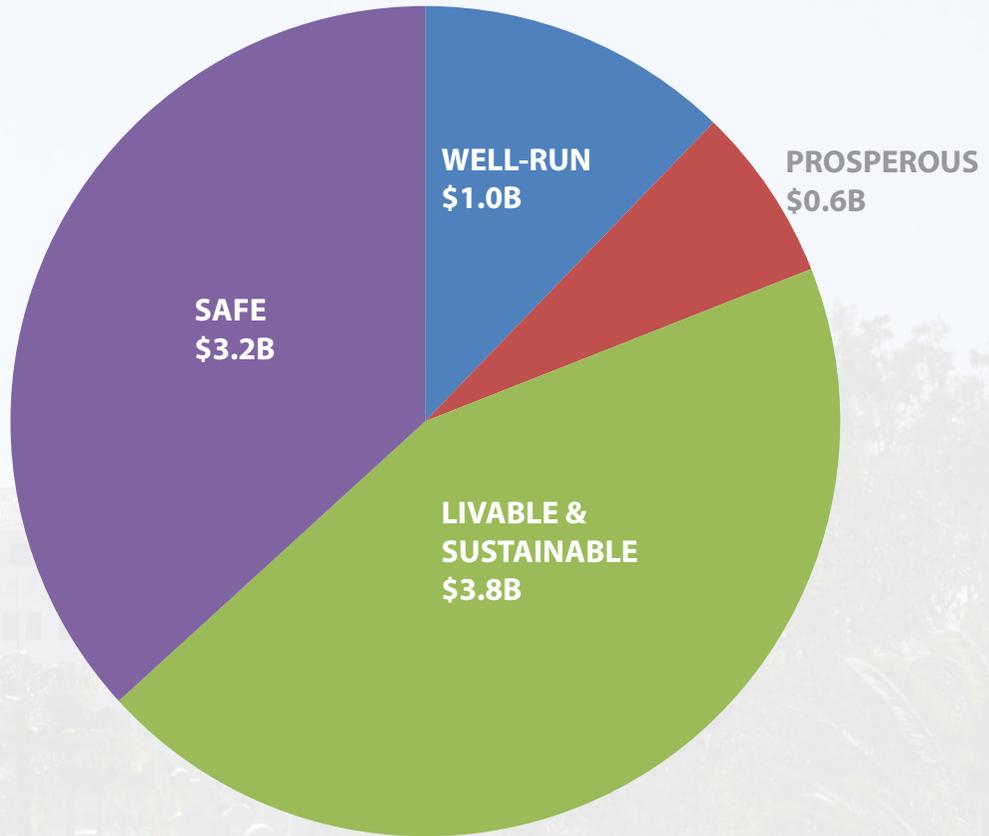
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FUNDING OUR PRIORITIES

General Fund



Total City Budget



A SAFE CITY



All Angelenos should feel safe and secure in their health and property and have confidence that their government is prepared in the event of emergency. Mayor Garcetti has prioritized building a dependable and accountable sworn public safety workforce, equipped with the cutting-edge tools and practices to respond quickly and to minimize and prevent crime and injury. In collaboration with other City departments and external partners, these first responders will utilize creative approaches and implement community-based prevention models in delivering a safer Los Angeles.

Key Investments in 2016-17:

Maintaining a High-Quality Public Safety Workforce

Hiring More Police Officers and Firefighters: The budget includes \$14.8 million to achieve the City's goal of hiring and maintaining a force of 10,000 police officers and \$17.3 million to hire and train 230 new firefighters. Increased funding is also provided to the Personnel Department for targeted outreach and recruitment.

Re-deploying Police Officers: In order to allow the LAPD to redeploy 64 police officers to field duties, the proposed budget includes nearly \$1.5 million in funding to hire and train up to 45 detention officers to staff the Metropolitan Detention Center.



Re-engineering Our Streets to Eliminate Traffic Fatalities by 2025

Vision Zero: Over \$3.0 million across multiple City departments is proposed to support the Mayor's Vision Zero initiative which includes: development of bus and pedestrian refuge islands; lighting for the top 50 schools in the Safe Routes to School Program and for mid-block crosswalks; safety improvement projects; review of speed zone limits and traffic flows; outreach; and installing curb ramp improvements. A long-term and more detailed look at Vision Zero is provided on the following page.

Expanding Innovative Emergency Response Models

Fast Response Vehicle Unit: To effectively service high volume areas and decrease response times, the budget includes resources to staff a Fast Response Vehicle (FRV) operating as a mobile unit that performs on-scene triage, provides rapid treatment for patients who require time-critical interventions, and provides additional support for EMD incidents and structure fires.

Nurse Practitioner Response Unit: New resources have been added to expand the Nurse Practitioner Response Unit pilot program, which responds to non-urgent, low-acuity level call requests and provides intervention services to 911 "super user" patients.

LONG RANGE PRIORITY: VISION ZERO

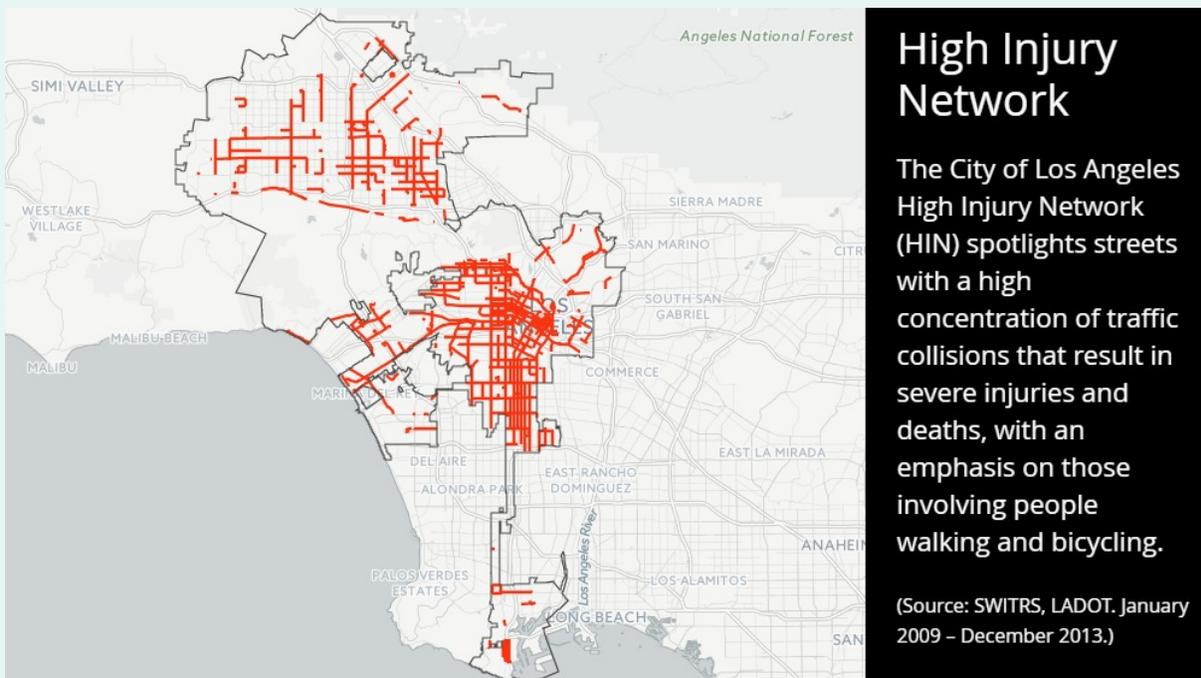
The concept of Vision Zero was initially introduced in Sweden with the goal of significantly reducing traffic injuries and fatalities, prioritizing safety over faster traffic flows when planning and restructuring roads. The key components of Vision Zero include identifying where the primary areas of concern are, implementing street interventions that would reduce human error, ensuring civilian education to the full extent concerning traffic laws, and enforcing those laws. Proving successful, Vision Zero was adopted by many other countries, states and territories where such fatalities were prevalent. Most recently, the Los Angeles Department of Transportation (LADOT) released their Vision Zero strategy.

Using data from the Statewide Integrated Traffic Records System, LADOT was able to develop a clear picture of LA's the High Injury Network (HIN), a network of streets where most accidents are concentrated. This analysis showed that 65% of accidents occur in only 6% of the streets and primarily affect pedestrians, especially youths and older adults. By focusing our efforts on the HIN, the City anticipates that it will be able to reach the Mayor's objective of cutting down traffic fatalities by 20% by the end of 2017 and will be in a strong position to completely eliminate them by 2025.

A critical step is educating the public about traffic laws. Research shows that a substantial amount of people are either unsure of or unfamiliar with traffic laws such as pedestrian/vehicle right-of-way. Informing the public and implementing subsequent law enforcement will lead to less confusion at intersections and a decrease in pedestrian accidents. Furthermore, state and city legislation regarding traffic rules and regulations should be reviewed and if necessary, altered to ensure the safety of modern day traffic patterns.

A second approach involves modifications to the streets themselves. Changes to increase street safety include but are not limited to repainting street crossings to incorporate brighter and more visible colors, introducing medians in the streets so that slower pedestrians may have an intermediary point when attempting to cross, clarification of ambiguous road signs, and clearly marked and/or independent bike lanes with safety poles to block bicyclists from traffic during turns. Implementation of safety standards has already begun on select streets, most notably César E. Chávez Avenue.

By beginning to improve streets identified in the HIN and preemptively incorporating safety standards in the planning of new streets, the City will be better able to prevent accidents. LADOT is conducting further analysis of the HIN to determine accident types and vehicle-type involvement to individually tailor each street and intersection for maximum safety. The Vision Zero initiative will take many years to complete but, if successful, will ensure the safety of pedestrians and drivers in the City of Los Angeles for years to come.



Visit <http://visionzero.lacity.org/high-injury-network/> to see interactive data of the HIN.

Equipping Our First Responders with Leading-Edge Public Safety Technology

Fire Department Communications Projects: Project management funding has been included for: the Automated Vehicle Locator project, Mobile Data Network, Fire Station Alerting System, Move-Up Command Table Project and Firefighter Tablet projects.

Computer-Aided Dispatch: In an effort to reduce response times, improve data sharing with other agencies, and allow text and video data to be received and distributed through the 911 Dispatch Centers, an additional \$1.7 million is allocated to support completion of the Computer-Aided Dispatch (CAD) system upgrade.

Consolidating Public Safety Dispatch Support: 42 positions will be transferred from the Information Technology Agency to the Police Department and Fire Departments to provide technical support for the operation of dispatch centers in order to increase efficiencies.

Body-Worn Video Cameras: This initiative will provide increased accountability for the community and police officers and provides additional clarity for administrative investigations. To continue the deployment of 7,000 body cameras for police officers, including all patrol and specialized units, a \$6.5 million increase in funds is proposed.

Preparing for the Big One(s)

Keeping City Facilities Running: The budget includes \$1.1 million to perform Fire Department testing, repair, replacement, and certification of mandated fire/life safety, alarm, and monitoring systems in up to 250 City buildings. In addition, \$600,000 is included to replace seven stationary emergency electrical generators.

Backing-up Critical Data: The budget includes nearly \$500,000 in the MICLA financing program to install a backup power generator at the Marvin Braude Building to protect the core data network and phone services located at the facility.

Seismic Retrofit Program: Additional resources for the Housing and Community Investment Department (HCID) and the Department of Building and Safety are proposed to support the City's Seismic Retrofit and Soft Story Retrofit programs.



CAPITAL IMPROVEMENTS

The Mayor's proposed budget includes, but is not limited to, the following capital projects:

Caballero Creek Park - \$0.75 million for park development along the L.A. River that will include amenities, interpretive areas, stormwater management, and natural features.

Convention Center Improvements - \$5.1 million for various upgrades to the Los Angeles Convention Center including: solar array expansion, lighting, fiber optic upgrade, sound system upgrades, repairs, security improvements, etc.

La Kretz Bridge - \$1.0 million for the construction of a new iconic landmark multi-modal bridge over the L.A. River, which will allow bicyclists, pedestrians, and equestrians to safely cross to the LA River bikeway and Griffith Park on the west bank and to Atwater Village and North Atwater Park on the east.

New Fire Station 39 - \$23.0 million to replace the busiest fire station in the San Fernando Valley with a larger, state-of-the-art facility.

New LAPD Property Warehouse - \$28.0 million to construct a new warehouse that will be used to store evidence that is currently located in a leased facility.

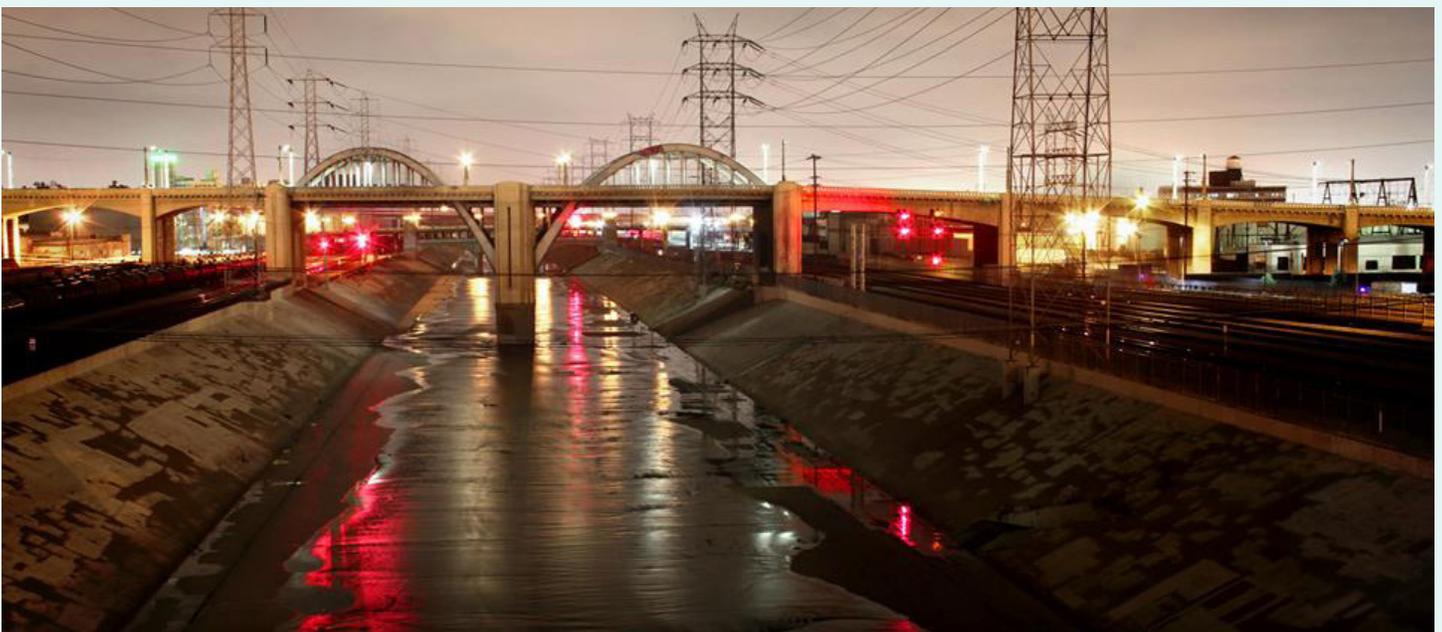
North Central Animal Shelter - \$15.0 million for renovations to the North Central Animal Shelter that include the shelter's lobby, roof, mechanical and electrical systems.

Old Arlington Library - \$1.0 million to convert a former library facility for reuse as a community facility.

Sixth Street Viaduct Replacement - \$2.3 million to restore funding for the basic landscaping elements of the proposed viaduct.

Taylor Yard G2 Purchase - \$60.0 million for the purchase and basic remediation a 40-acre parcel adjacent to the L.A. River that will eventually be used for recreational facilities, water quality, habitat restoration, and potentially limited development.

Whitsett Soccer Complex Master Plan - \$0.8 million to construct an office and restroom building as well as to provide additional parking to support the soccer complex.



A PROSPEROUS CITY



Los Angeles thrives when all Angelenos benefit from economic development and growth in the city and region. For Mayor Garcetti, this means prioritizing service to our homeless residents and helping them into supportive housing. It also means encouraging good-paying jobs in our growing tech and creative sectors, ensuring residents throughout the city have the skills and opportunity to participate in the new economy, and supporting the creation and preservation of housing at all levels so that Angelenos can afford to stay and to invest in LA's future.

Key Investments in 2016-17:

Supporting High-Growth-Potential Tech and Creative Sectors

Continuing Support for our Film Industry: \$500,000 in funding is included across multiple departments to continue providing services for filming in Los Angeles and to work closely with FilmLA.

Continued Reduction of the Business Tax: This is the second year that the City's business tax reduction plan goes into effect. The tax will drop from \$4.75 for each \$1,000 of gross receipts to \$4.25 in 2017. This will encourage more businesses to come, stay, hire, and invest in Los Angeles.

Expanding Economic Opportunity for At-Risk Groups



Labor Standards Division: Last summer, the Mayor signed a measure that will raise the minimum wage in the city from \$9 an hour to \$15 an hour by July 2020. The budget includes \$2.6 million in increased funding for the City's Office of Wage Standards to support the new minimum wage and wage theft enforcement programs, and legal support in the City Attorney's Office.

Youth Workforce Development: Over \$1.4 million is allocated to continue support for the Economic and Workforce Development Department's Youth Workforce Development Program. This includes funding for HireLA's Youth, which will be increasing the number of summer jobs provided this year to 15,000.

Streamlining the Development Process to Encourage Housing at All Levels

BuildLA: The proposed budget continues support for the implementation of the City’s BuildLA system which will provide a new web-enabled resource to manage all customer requests for services related to the use and development of land through an interactive portal.

Increasing Development Services: A new Construction Services Unit in the City’s Housing and Community Investment Department will provide entitlement and construction facilitation to streamline the approval process for affordable housing construction projects. Additional resources will also be provided to staff public counters across the City.



ECONOMIC ACTIVITY

Jobs and Employment

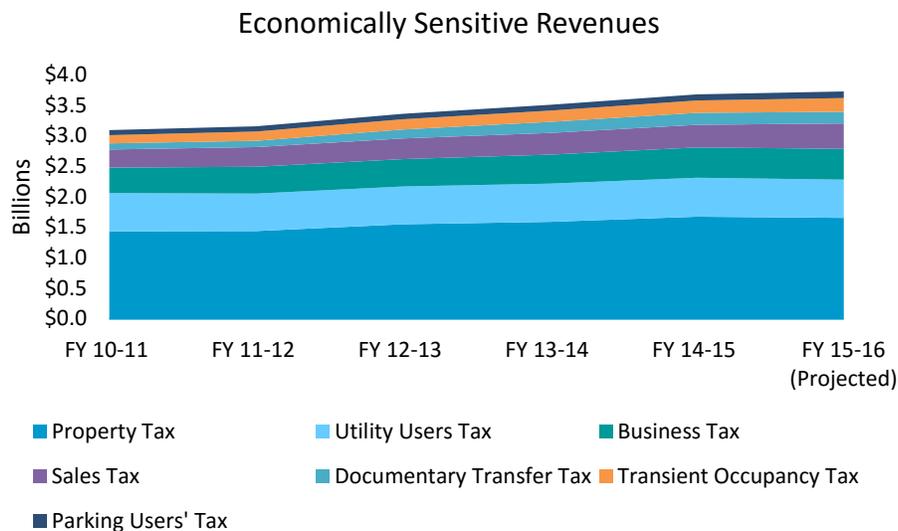
In 2015, employers in the city of Los Angeles hired nearly 19,000 workers and added more than 36,000 payroll jobs.

Tourism and Conventions

2015 was the fifth straight year of record tourism numbers for Los Angeles -- 45.5 million visitors last year, an increase of 2.8% from the previous year. 74.5 million passengers passed through LAX, marking a 5.6% increase over the previous year. Additionally, hotels broke a record with 28.5 million hotel room nights sold, bringing in an estimated \$223 million in tax revenues.

Development Activity

Construction is on the upswing, with permitted construction valuation anticipated to reach \$6.8 billion during this fiscal year. The Department of Building and Safety predicts construction permit valuation to continue to rise in fiscal year 2016-17.



LONG RANGE PRIORITY: INVESTING IN OUTCOME-BASED STRATEGIES TO END HOMELESSNESS

The issue of homelessness has been a long-standing problem nationally and locally. It is a *complex* issue, one not given to simple solutions. For example, for a chronically homeless person, it's unlikely that simply providing housing will address his or her problems. Supportive services like mental health counseling, drug abuse treatment, and job development will also be necessary.

Los Angeles is responding to the homelessness crisis by investing \$100-million per year for the next several years. This investment will pay for a comprehensive strategy that will assist the homeless and those at risk of falling into homelessness with the eventual goal of eliminating homelessness altogether. How do we do this?

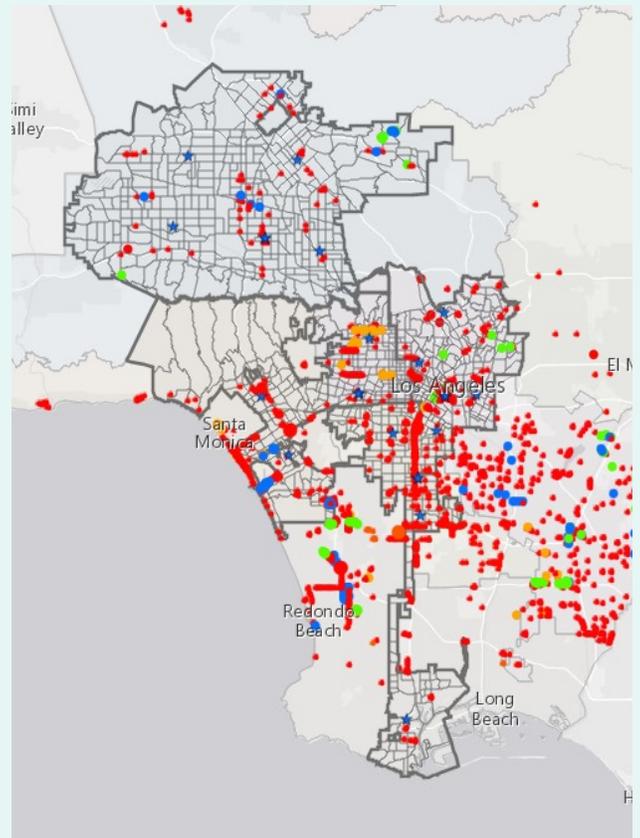
Addressing homelessness requires a coordinated response by the City, County and nonprofits to prevent individuals from becoming homeless, provide centralized case management to help homeless individuals use resources and housing available to them, arrange short- and long-term housing, and give ongoing support to ensure permanent housing and economic sustainability. Given that the most effective way to get a person off the streets is an individual approach through sustained intervention, there should be *no wrong door* for a homeless individual to get the resources he/she needs no matter what door of government they enter. And every door should open to the *Coordinated Entry System*.

The Coordinated Entry System (CES) is the core process by which homeless individuals are identified, assessed and matched with the right program. It standardizes a response to homelessness and reinforces steps that lead to housing. CES collects and streamlines data for homelessness service providers so that they may better identify and provide for the needs of individuals.

Of course, critical to eliminating homelessness is having sufficient housing. The City will need to build interim and long-term affordable housing. Crisis and "bridge" housing provides emergency shelter and temporary housing to those in need of immediate assistance. During this time, individuals are offered counseling and assessment to determine subsequent steps necessary to secure permanent housing. Vouchers assist the homeless in finding and maintaining housing by providing vouchers to subsidize rents for a limited period of time until these subsidies are no longer needed. Storage facilities with showers need to be provided to assist homeless individuals in the short term..

Homelessness will continue to be a problem unless funding is provided. *The City estimates that the cost to end homelessness in Los Angeles over the course of the next 10 years is upwards of \$1.8 billion.* There are numerous funding sources that could potentially pay for housing, facilities, and services. City funds must be leveraged with County, Federal and State funds to fill gaps.

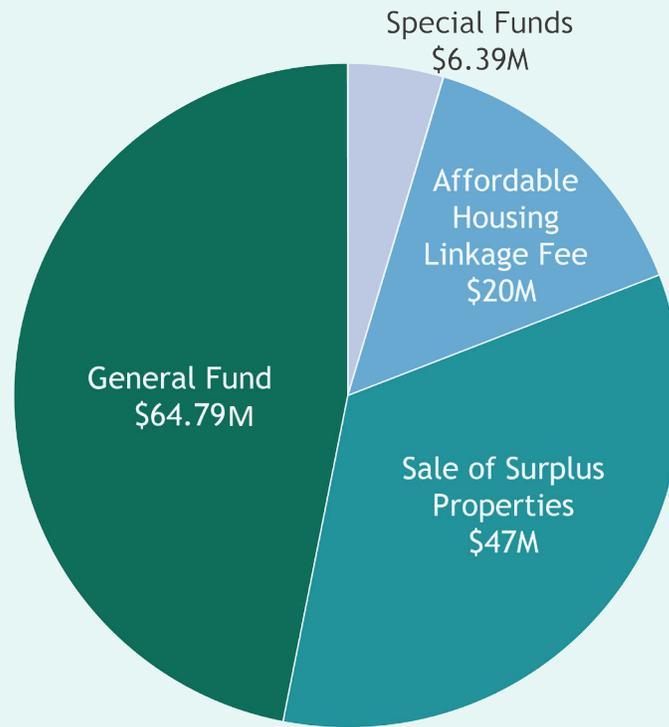
Finally, given the enormity of the problem -- and the significant amount of funding necessary to address it -- having the right governance structure is critical. Addressing homelessness also requires the cooperation of the County of Los Angeles and 87 other cities in the County. Currently homeless programs (and funding) can be found at the County and City, Los Angeles Homeless Services Authority, and nonprofits. The proper governance structure would hold organizations accountable for the effective use of public funds, ensure that metrics are used to know whether programs are working (or not), and evaluate strategies/programs annually to assess progress and determine that the right strategy is being pursued.



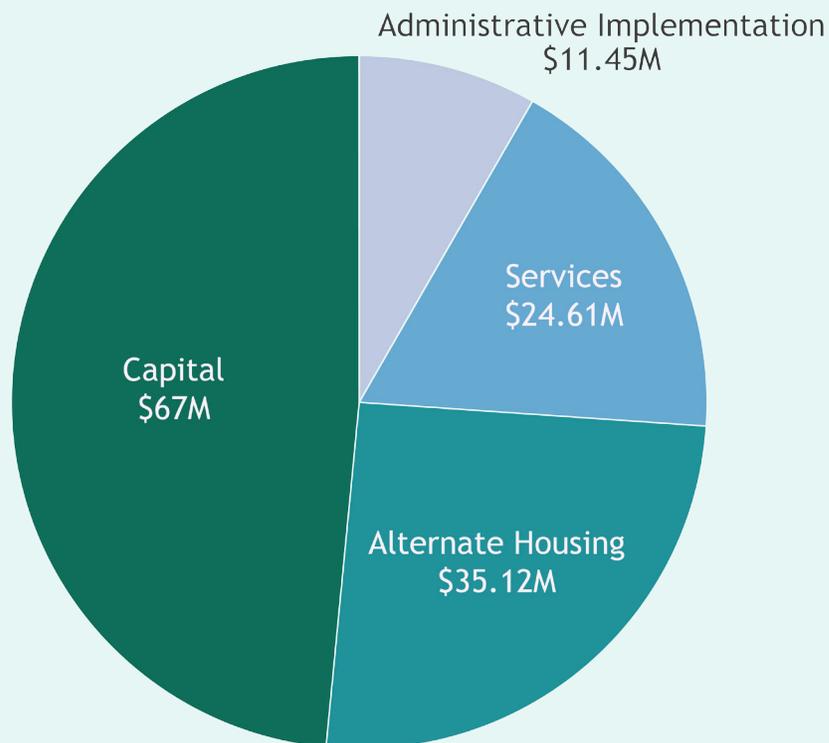
Source: LAHSA 2015 Survey Hot Spots

HOMELESSNESS-RELATED BUDGET BREAKDOWN

Summary of Homelessness-related Budget Funding



Summary of Homelessness-related Budget Expenditures



A LIVABLE & SUSTAINABLE CITY



Livable and sustainable communities are characterized by a high quality of life, supported by first-rate services, convenient transportation choices, and exceptional public amenities. Mayor Garcetti believes that residents deserve to feel proud of their neighborhoods and of their city as a whole. With a focus on improving the efficiency and effectiveness of core neighborhood service delivery, the City can restore and protect the condition of our shared spaces and improve public infrastructure to better connect Angelenos to the communities they love.

Key Investments in 2016-17:

Restoring the Condition of the Public Realm

Cleaning Our Streets: The proposed budget includes \$8.2 million to continue and expand the City's street cleaning efforts which address illegal dumping and abandoned waste through: the addition of a new Clean Streets Crew (bringing the total to 4) assigned to our highest-need areas; 1,250 new trash receptacles (bringing the total to 3,700) serviced twice a week; and quarterly street indexing to assess the cleanliness of our streets and assist in efficiently allocating our resources.

Graffiti Abatement: Current services levels for graffiti abatement and the anti-graffiti coating of murals are maintained at \$1.7 million.

Repairing City Sidewalks: The budget provides \$31 million across multiple departments to continue the City's sidewalk repair commitment to repair a total of 425,000 square feet of sidewalk per year. Of that amount, \$5 million is being allocated to curb ramp remediation throughout the city.

Repairing Our Streets: The budget includes \$150 million across multiple departments to meet its annual goal of resurfacing or slurry sealing 2,400 lane miles, repairing 350,000 potholes, and reducing the average number of working days to repair a pothole to two days.

Tree Trimming: The proposed budget includes \$6.5 million in tree trimming services for approximately 31,100 trees. This includes several new positions to perform quality assurance for contractual tree trimming services.

Revitalizing the Los Angeles River: The proposed budget provides continued support for the revitalization of the Los Angeles River, including support for the LA River Corps Program and the development of the Los Angeles River Improvement Overlay (LA-RIO) design guidelines. The proposed budget also includes financing \$60.0 million for the purchase and basic remediation of Taylor Yard G2, a 40-acre parcel adjacent to the L.A. River that will eventually be used for recreational facilities, water quality, habitat restoration, and potentially limited development.

LONG RANGE PRIORITY: CLEAN STREETS INITIATIVE

Clean Streets -- one of the basic expectations of residents. Mayor Garcetti tapped the Bureau of Sanitation as the lead agency in an effort to provide targeted clean-ups in neighborhoods that need it most, increase the number of trash receptacles, and develop a street-by-street cleanliness assessment to guide the best deployment of City services.

Following this year's successful implementation of three Clean Streets crews, the Mayor is continuing his commitment to cleaning LA's streets through the addition of a fourth crew primarily dedicated to strategic deployment against illegal dumping in neighborhoods that need it most.

In conjunction with these new resources, Sanitation developed CleanStat, a data-driven management tool that uses quarterly cleanliness assessments to identify trends and hotspots to inform the strategic deployment of resources.

The City also continues to refine its MyLA311 app, website and phone services to make it easier for residents to request services in and around their neighborhoods. LA is leading the way in digital interactions, with over 18% of its services requests coming from the mobile app.



The screenshot displays the Clean Streets LA website interface. At the top, there is a navigation bar with links for CLEANSTAT, BLOG, EVENTS, SCHEDULE A PICKUP, and GET INVOLVED. The main content area features a map of Los Angeles streets with a color-coded cleanliness index overlay. To the right of the map is a sidebar titled "Clean Streets Index" which includes a search bar, social media icons, and a list of cleanliness levels: 1. Clean (green), 2. Somewhat Clean (yellow), and 3. Not Clean (red). Below the list, there is a prompt to "How clean is your street?" and a section titled "Each street score is based on four factors: litter, weeds, bulky items". At the bottom of the page, a dark grey footer contains the heading "Clean Streets LA Partners" followed by two columns of partner organizations: Office of Mayor Eric Garcetti, LA Sanitation, City Administrative Officer, Bureau of Street Services, Los Angeles City Council, Board of Public Works, Los Angeles City Attorney, and Department of Neighborhood Empowerment.

Visit www.cleanstreetsla.org/cleanstat/ to see the interactive data for the entire street network



Enhancing and Improving Access to Community Assets

Clean and Safe Parks: Over \$500,000 will go towards 36 existing Clean and Safe Spaces (CLASS) program parks throughout the city. CLASS is designed to help youth build their self-confidence as they explore new opportunities, the program consists of neighborhood and civic participation, active recreation, field trips for cultural and informative purposes and the option to participate in vocational or university based internship programs.

Increasing Access to Parks: The proposed budget includes increased funding to the Department of Recreation and Parks to enter into joint use agreements with local schools to provide open space during off-school hours for communities throughout the city that lack access to parks.

Young Angelenos: The proposed budget includes over \$1.3 million to support programs targeting young Angelenos such as the Student Success Library Cards program, and the Girls Play LA program to increase girls participation in the City's sports programs. Funding is also provided to support programs that partner with the City's Office of Community Beautification, including the Clean and Green Program.

More Learning Materials for Libraries: The proposed budget allocates an additional \$1.6 million for City libraries to purchase new books and materials, bringing the total to over \$13 million.



Celebrating our Culture and Heritage

Supporting Arts and Culture: Additional funding provided to: increase art instruction at two art centers; sponsor City-wide exhibits; add two new Citywide Heritage Month Celebrations (LGBT and American Indian); support for the creation of new murals and mural conservation efforts; and the restoration and lighting of murals produced for the 1984 Olympics.

Expanding Traffic Management Infrastructure

ExpressPark: The proposed budget provides funding to accelerate the expansion of ExpressPark which utilizes technology and demand-based pricing to increase access to parking availability, reduce congestion, and improve air quality.

Fostering Greater Mobility Choice

Alternative Mobility Options: The proposed budget includes \$1.8 million in continued funding for the City’s active transportation program. This program supports transportation initiatives such as the Pedestrian Plan, the Bicycle Plan, People Street, and other mobility initiatives such as the Bike Path Maintenance Program.

Mobility Hubs: The proposed budget provides funding for a project manager who will oversee the administration of a Federal Transit Administration grant that will implement mobility hubs in strategic locations throughout Hollywood and Downtown Los Angeles. Mobility hubs are kiosks that offer users a suite of transportation options, including bike share, car share, and secure bike parking.

Planning for the Future of our Communities

Updating Our Community Plans: The proposed budget includes an additional \$1.9 million in funding for the Department of City Planning’s Community Planning Program and triples the size of staff dedicated to the program.

Expanding Cellular Capacity: The number of mobile users is projected to grow to over 9 million by 2020. The proposed budget includes \$2.4 million dollars in continued funding for the co-location of newer and faster cellular technologies on the City’s streetlights.

Protecting and Improving Air and Water Quality

Making Our Fleet “Greener”: The Mayor’s proposed budget includes additional resources to support the City’s Electric Vehicle (EV) Program. As part of this effort, \$1.2 million in funding is included for LAPD to lease 200 EVs as part of a five year plan and to operate EV charging stations at police facilities.

Expanding Solar at City Facilities: The proposed budget includes \$5.5 million in MICLA financing to expand the Solar Array Project at the Los Angeles Convention Center and install solar panels on the Police Department Motor Transport Division parking lot structure which will augment the power source for the leased EV’s discussed above.



A WELL-RUN CITY GOVERNMENT



A well-run city government is the foundation of a safe, livable, and prosperous Los Angeles. To meet the present and future needs of our residents and businesses, Mayor Eric Garcetti has prioritized building a customer-focused workforce empowered by new technology and innovative management practices. By focusing on hiring, training, and equipping the next generation City workforce, we can align City operations to the diverse needs of Angelenos while conserving resources and protecting against future financial shocks.

Key Investments in 2016-17:

Hiring the Next Generation of City Employees

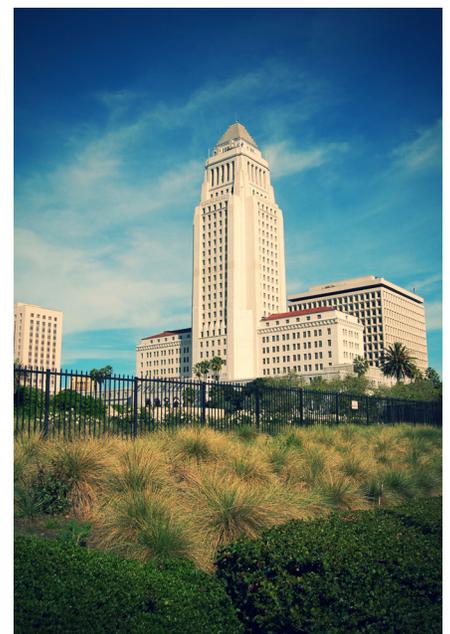
Providing Dedicated Leadership: The proposed budget includes a new Assistant General Manager position in the Personnel Department to lead the City's succession planning and workforce development efforts. This individual will also guide the preparation of long-term strategic hiring plans with City departments to ensure a sustainable workforce into the future. Ten additional positions are also being allocated to support the Strategic Workforce Development Task Force and Targeted Local Hire Working Group.

Safeguarding Against Future Financial Stress

Reducing Workers Compensation: The proposed budget includes additional resources to manage the expansion of the Alternative Dispute Resolution Program and the City's Safety Program to provide safety and ergonomic training and support the development of a customized Injury and Illness Prevention Program in an effort to reduce injuries that lead to workers' compensation claims.

Expanding Our Legal Capacity: Increased funding for the City Attorney's Civil Liability Program which provides legal advice, assistance and representation to City departments and elected officials. This funding supports the establishment of separate accounts for different City departments and the creation of new reporting requirements that will promote greater accountability and transparency.

Reserve Fund: In the interest of making Los Angeles a well-run City, the fiscal year 2016-17 Reserve Fund will be at 5.8% of General Fund revenue. At \$322.2 million, this figure is the largest amount ever budgeted for the City. Combined with the Budget Stabilization Fund, at it's highest level ever at \$93.1 million, all of which prepares the City for whatever uncertainties lie ahead.



LONG RANGE PRIORITY: STRATEGIC WORKFORCE DEVELOPMENT TASK FORCE

The City has over 40,000 employees that serve nearly four million people across 465 square miles. And with more than 80% of the budget going towards staff, the workforce is also one of the largest long-term investments made.

By 2018 approximately 46% of the City's workforce will be eligible to retire. This impending outflux of critical expertise and institutional knowledge threatens to severely hinder the City's ability to provide vital services. However, this situation also presents an opportunity to restore and realign our services to meet the current and projected needs of our residents and businesses in an era of significant demographic change.

The recently signed and adopted agreement with labor represents the starting point for transforming how Los Angeles works. The agreement sets a goal to hire 5,000 civilian employees over the next few years and establishes a targeted local hire component that will not only create easier pathways into the City through trainee and vocational worker programs, but also focus on hiring youth, veterans, local Angelenos, the homeless, and the formerly incarcerated.



Conserving Vital Resources and Ensuring Sustainable Supply

Making our Libraries Greener: The City is investing an additional \$3.8 million to fund various sustainability projects at libraries throughout the City that include escalator and HVAC upgrades at the Central Library and drought resistant landscaping, urban gardens, electric charging stations, and energy efficient work desks with electrical outlets and USB ports at the Branch Libraries.

LED Streetlight Conversion: \$2.3 million is provided to continue the replacement of inefficient lamp lights with 7,500 LED fixtures/equipment and 15,000 remote units that monitor energy usage and inform the City when a light goes out. Once completed, the program will save energy consumption by at least 70%, and reduce carbon emissions by 11,835 metric tons per year. The proposed budget also includes an additional \$1.8 million for the Bureau of Street Lighting to continue converting streetlights that are on high voltage circuits to low voltage conduits thereby reducing energy consumption and increasing safety.

Upgrading City Technology to Modernize City Services

311 Quality Control: 311 provides the public with a way to get connected to a wide variety of non-emergency City services and general information. New funding is included to provide speech analytics software and tools that will enable the City to record, listen, and rate 311 calls in order to make 311 more responsive and effective.

Smartphones: Smartphones have allowed City construction inspectors to close out permits in the field and communicate in real-time on project problems, improving service delivery and efficiency. Continued funding has been provided to support the over 230 smartphones currently being deployed.

Library Technology Improvements: Over \$4.7 million in funding is allocated to support communications and technology upgrades at City libraries. Library improvements include: new computers, faster internet, and e-media kiosks at LAX and Union Station -- allowing residents and visitors to download and enjoy e-books on the go.

Upgrading and Maintaining Internal Systems: The proposed budget commits resources to support and maintain technology infrastructure systems including:

Supply Management System (SMS) - The City's current procurement system is being replaced with a self-service module that will enable use of modern procurement technology, build organizational capabilities, decrease contracting timelines, improve the vendor experience, and generate significant cost savings for the City.

Financial Management System (FMS) - The City's financial system is being transitioned to vendor-hosted cloud services, which will enable the vendor to take over all technical support and provide the City with a high level of expertise.

Community Online Reporting System (CORS) - This system allows the public to report incidents to the Police Department online.

Improving City Websites: Funding to redesign several City websites to implement cloud-based solutions and to support a new content management system is included in the proposed budget. Funding to ensure that all City websites and documents posted on them are ADA/Section 508 compliant is also included.

Utilizing Cloud Services: The City is currently reviewing the benefits and feasibility of transitioning more of its technology infrastructure to the cloud for data storage and other services.

Upgrading the City's Network Backbone: \$2.0 million in MICLA funding is proposed to establish a network rescue plan that will replace equipment that is at end-of-life. This infrastructure change will extend the City's data network to cloud network services, allowing the City to become more accessible and mobile-based, and the ability to provide services in new ways.

INNOVATION FUND

The proposed budget continues \$1.1 million in funding for the City’s Innovation Fund (IF). Since its inception in late 2014, the IF has received close to 400 submissions from City employees. Over a third of those ideas were forwarded to the applicable Departments for further consideration. As of February 2016, the Innovation and Performance Commission (IPC) has recommended funding for 22 ideas, 17 of which have already received City Council approval.

As part of the process, the IPC is also currently collecting data on the performance of these pilots to determine whether they would warrant recommendations for longer term funding within the City budget.

For example, the Fire Department’s Fast Response Vehicle (FRV), which received \$82,856 in IF funding, has produced the following results:

- It responds to approximately one incident per hour and is canceling one field resource per incident.
- It is first on scene approximately half the time and has provided Advanced Life Support during half of its responses.
- Its average time savings (decreased response time) is estimated to be a minimum of 10 seconds.

In addition to the FRV, the Innovation Fund also provided the front funding to pilot the following budget items previously mentioned in the Budget Summary:

- Community Online Reporting System
- Nurse Practitioner Response Unit

For more information on the City’s Innovation Fund, the IPC has created the following site at www.innovate.lacity.org.

PROPRIETARIES

Los Angeles is unique in its operation of major infrastructure assets, which it leverages to promote regional economic development, assist Los Angeles businesses, provide cost-competitive and high-quality services, and ensure environmental quality and sustainability. Our proprietary departments consist of the Port of Los Angeles, Los Angeles World Airports, and the Los Angeles Department of Water and Power. These publicly owned and operated entities finalize their budgets outside the City’s official process – but are fully engaged in the Mayor’s data-driven vision and culture of management.

Los Angeles Department of Water and Power

The Los Angeles Department of Water and Power (LADWP) is the largest municipally-owned utility in the nation. The mission of the DWP is to provide clean, reliable water and power and excellent customer service in a safe, environmentally responsible and cost-effective manner. Key focus areas for the department in the current and coming years include providing excellent service and competitive rates for our customers; proactive investments in water and power infrastructure; transitioning to sustainable water and energy supplies; compliance with Federal and State environmental mandates; and, leveraging proposed investments to create jobs and support the local economy.



Los Angeles World Airports

Los Angeles World Airports (LAWA) owns and operates three airports in Southern California: Los Angeles International (LAX), LA/Ontario International, and Van Nuys Airport. LAX is the nation’s second busiest airport by passenger flights, the world’s busiest origin and destination airport, and has a regional economic impact of \$60 billion annually. He also tasked LAWA to deliver a \$5 billion dollar capital improvement project by 2023. The centerpiece of this project will be an automated people mover that will connect the Central Terminal Area with a new Consolidated Rent-A-Car facility and a station connecting to the Los Angeles’ regional transit system.



Port of Los Angeles

The Port of Los Angeles generates 919,000 regional jobs and \$39.1 billion in wages and tax revenues each year. The Port announced plans in March 2016 for a \$100 million revitalization of the Ports O’ Call Village. The proposed San Pedro Public Market will cover 30 acres of dining, retail, and open space that will re-energize the area and improve ocean-side access for both locals and tourists.



SUMMARY OF APPROPRIATIONS

	Salaries	Expenses	Equipment	Special	Total
Aging	4,112,651	1,512,128	-	-	5,624,779
Animal Services	21,721,025	2,261,342	-	-	23,982,367
Building and Safety	101,896,112	2,583,879	-	-	104,479,991
City Administrative Officer	15,647,745	2,272,194	-	-	17,919,939
City Attorney	111,707,919	7,437,082	-	-	119,145,001
City Clerk	16,962,590	8,890,415	-	-	25,853,005
City Planning	35,380,244	9,747,456	214,040	-	45,341,740
Controller	17,313,511	919,783	-	-	18,233,294
Convention and Tourism Development	1,525,167	53,000	-	13,000	1,591,167
Council	23,399,103	908,219	-	-	24,307,322
Cultural Affairs	6,174,760	853,818	-	5,359,082	12,387,660
Disability	1,726,253	1,315,497	-	5,737	3,047,487
Economic and Workforce Development	15,360,991	2,297,016	-	-	17,658,007
El Pueblo de Los Angeles	1,363,536	406,957	-	-	1,770,493
Emergency Management	2,547,539	71,036	-	-	2,618,575
Employee Relations Board	349,165	75,320	-	-	424,485
Ethics Commission	2,466,282	411,121	-	-	2,877,403
Finance	30,128,894	7,435,134	-	-	37,564,028
Fire	593,174,475	39,766,461	-	-	632,940,936
General Services	114,439,609	125,309,296	170,000	3,494,814	243,413,719
Housing and Community Investment	55,266,923	7,914,750	-	493,648	63,675,321
Information Technology Agency	48,270,015	26,900,896	303,314	14,160,039	89,634,264
Mayor	6,593,304	1,089,256	-	-	7,682,560
Neighborhood Empowerment	1,931,807	475,547	-	14,000	2,421,354
Personnel	50,250,159	7,144,273	-	1,894,374	59,288,806
Police	1,405,362,395	74,013,365	6,792,537	-	1,486,168,297
Board of Public Works	8,218,859	9,085,568	-	-	17,304,427
Bureau of Contract Administration	34,334,578	2,893,618	-	-	37,228,196
Bureau of Engineering	82,793,127	3,262,507	-	-	86,055,634
Bureau of Sanitation	243,489,818	13,128,637	33,400	-	256,651,855
Bureau of Street Lighting	25,850,251	1,318,100	1,000	4,414,830	31,584,181
Bureau of Street Services	90,799,816	89,841,142	-	-	180,640,958
Transportation	132,919,072	26,421,663	350,000	-	159,690,735
Zoo	17,507,475	2,855,408	-	-	20,362,883
Total-Budgetary Departments	3,320,985,170	480,871,884	7,864,291	29,849,524	3,839,570,869
Appropriations to City Employees' Retirement	-	-	-	106,456,869	106,456,869
Appropriations to Library Fund	-	-	-	157,909,299	157,909,299
Appropriations to Recreation and Parks Fund	-	-	-	175,283,879	175,283,879
Total-Appropriations	-	-	-	439,650,047	439,650,047
Total-Departmental	3,320,985,170	480,871,884	7,864,291	469,499,571	4,279,220,916
Bond Redemption and Interest	-	-	-	122,494,656	122,494,656
Capital Finance Administration	-	-	-	230,117,425	230,117,425
Capital Improvement Expenditure Program	-	-	-	275,579,652	275,579,652
General City Purposes	-	-	-	168,948,432	168,948,432
Human Resources Benefits	-	-	-	636,303,399	636,303,399
Judgment Obligation Bonds Debt Service Fund	-	-	-	9,032,425	9,032,425
Liability Claims	-	-	-	68,450,000	68,450,000
Proposition A Local Transit Assistance Fund	-	-	-	200,613,808	200,613,808
Proposition C Anti-Gridlock Transit Improvement Fund	-	-	-	27,858,368	27,858,368
Special Parking Revenue Fund	-	-	-	48,665,385	48,665,385
Tax and Revenue Anticipation Notes	-	-	-	1,095,010,412	1,095,010,412
Unappropriated Balance	-	-	-	26,999,763	26,999,763
Wastewater Special Purpose Fund	-	-	-	490,956,590	490,956,590
Water and Electricity	-	-	-	41,800,000	41,800,000
Other Special Purpose Funds	-	-	-	1,035,517,295	1,035,517,295
Total-Non Departmental	-	-	-	4,478,347,610	4,478,347,610
Total	3,320,985,170	480,871,884	7,864,291	4,947,847,181	8,757,568,526

SUMMARY OF RECEIPTS

	Total	% of Total
General Receipts:		
Property Tax	\$ 1,786,069,000	20.4%
Property Tax - Ex-CRA Increment.....	54,594,000	0.6%
Utility Users' Tax.....	634,000,000	7.2%
Licenses, Permits, Fees, and Fines	908,774,878	10.4%
Business Tax.....	502,300,000	5.7%
Sales Tax.....	520,020,000	5.9%
Documentary Transfer Tax.....	200,184,000	2.3%
Power Revenue Transfer.....	291,000,000	3.3%
Transient Occupancy Tax.....	240,800,000	2.7%
Transient Occupancy Tax Airbnb.....	5,769,000	0.1%
Parking Fines	152,000,000	1.7%
Parking Users' Tax.....	111,000,000	1.3%
Franchise Income.....	42,180,000	0.5%
State Motor Vehicle License Fees.....	1,596,590	0.0%
Grants Receipts.....	12,042,000	0.1%
Tobacco Settlement.....	9,106,000	0.1%
Transfer from Telecommunications Dev. Account.....	--	0.0%
Residential Development Tax.....	4,740,000	0.1%
Special Parking Revenue Transfer.....	28,062,866	0.3%
Interest.....	18,900,000	0.2%
Transfer from Reserve Fund.....	35,182,244	0.4%
Total General Receipts.....	\$ 5,558,320,578	63.3%
Special Receipts:		
Property Tax - City Levy for Bond Redemption and Interest.....	\$ 122,494,656	1.4%
Sewer Construction and Maintenance Fund.....	766,038,445	8.7%
Proposition A Local Transit Assistance Fund.....	142,921,411	1.6%
Prop. C Anti-Gridlock Transit Improvement Fund.....	75,234,558	0.9%
Special Parking Revenue Fund.....	52,943,749	0.6%
L. A. Convention and Visitors Bureau Fund.....	18,523,077	0.2%
Solid Waste Resources Revenue Fund.....	307,935,889	3.5%
Forfeited Assets Trust Fund.....	3,096,181	0.0%
Fines--State Vehicle Code.....	5,054,000	0.1%
Special Gas Tax Street Improvement Fund.....	92,194,000	1.1%
Housing Department Affordable Housing Trust Fund.....	69,129,467	0.8%
Stormwater Pollution Abatement Fund.....	34,701,221	0.4%
Community Development Trust Fund.....	21,910,312	0.3%
HOME Investment Partnerships Program Fund.....	5,624,723	0.1%
Mobile Source Air Pollution Reduction Fund.....	4,740,000	0.1%
City Employees' Retirement Fund.....	106,456,869	1.2%
Community Services Administration Grant.....	1,460,392	0.0%
Park and Recreational Sites and Facilities Fund.....	3,000,000	0.0%
Convention Center Revenue Fund.....	25,481,784	0.3%
Local Public Safety Fund.....	42,828,631	0.5%
Neighborhood Empowerment Fund.....	6,112,888	0.1%
Street Lighting Maintenance Assessment Fund.....	52,214,330	0.6%
Telecommunications Development Account.....	19,650,000	0.2%
Older Americans Act Fund.....	2,827,098	0.0%
Workforce Innovation Opportunity Act Fund.....	19,046,097	0.2%
Rent Stabilization Trust Fund.....	12,582,640	0.1%
Arts and Cultural Facilities and Services Fund.....	19,314,295	0.2%
Arts Development Fee Trust Fund.....	1,947,000	0.0%
City Employees Ridesharing Fund.....	3,195,656	0.0%
Allocations from Other Sources.....	44,142,315	0.5%
City Ethics Commission Fund.....	2,558,362	0.0%
Staples Arena Special Fund.....	3,938,585	0.1%
Citywide Recycling Fund.....	22,350,000	0.3%
Special Police Comm./911 System Tax Fund.....	--	0.0%
Local Transportation Fund.....	2,128,562	0.0%
Planning Case Processing Revenue Fund.....	25,824,050	0.3%
Disaster Assistance Trust Fund.....	27,679,792	0.3%
Landfill Maintenance Special Fund.....	4,935,261	0.1%
Household Hazardous Waste Special Fund.....	3,393,000	0.0%
Building and Safety Enterprise Fund.....	145,038,243	1.7%
Housing Opportunities for Persons with AIDS.....	411,006	0.0%
Code Enforcement Trust Fund.....	42,882,250	0.5%
El Pueblo Revenue Fund.....	4,815,768	0.1%
Zoo Enterprise Fund.....	20,526,113	0.2%
Supplemental Law Enforcement Services	6,407,000	0.1%
Street Damage Restoration Fee Fund.....	10,583,017	0.1%
Municipal Housing Finance Fund.....	2,912,000	0.0%

	Total	% of Total
Measure R Traffic Relief and Rail Expansion Fund.....	46,065,000	0.5%
Central Recycling and Transfer Fund.....	6,090,000	0.1%
Multi-Family Bulky Item Fund.....	6,580,000	0.1%
Sidewalk Repair Fund.....	23,306,000	0.3%
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Total Special Receipts.....	\$ 2,491,225,693	28.5%
Available Balances:		
Sewer Construction and Maintenance Fund.....	\$ 155,906,967	1.8%
Proposition A Local Transit Assistance Fund.....	66,214,808	0.8%
Prop. C Anti-Gridlock Transit Improvement Fund.....	10,767,760	0.1%
Special Parking Revenue Fund.....	2,322,399	0.0%
L.A. Convention and Visitors Bureau Fund.....	2,822,221	0.0%
Solid Waste Resources Revenue Fund.....	120,826,733	1.4%
Forfeited Assets Trust Fund.....	--	0.0%
Traffic Safety Fund.....	872	0.0%
Special Gas Tax Fund.....	42,462	0.0%
Housing Department Affordable Housing Trust Fund.....	9,744,726	0.1%
Stormwater Pollution Abatement Fund.....	20,303,900	0.2%
Community Development Fund.....	--	0.0%
HOME Fund.....	--	0.0%
Mobile Source Air Pollution Reduction Fund.....	695,079	0.0%
CERS.....	--	0.0%
Community Services Admin.....	--	0.0%
Park and Recreational Sites and Facilities.....	--	0.0%
Convention Center Revenue Fund.....	5,000,000	0.1%
Local Public Safety Fund.....	757,000	0.0%
Neighborhood Empowerment Fund.....	28,995	0.0%
Street Lighting Maintenance Asmt. Fund.....	13,946,481	0.2%
Telecommunications Development Account.....	11,207,120	0.1%
Older Americans Act Fund.....	--	0.0%
Workforce Innovation Opportunity Act Fund.....	--	0.0%
Rent Stabilization Trust Fund.....	13,339,716	0.2%
Arts and Cultural Facilities and Services Fund.....	762,965	0.0%
Arts Development Fee Trust Fund.....	576,918	0.0%
City Employees Ridesharing Fund.....	203,844	0.0%
Allocations From Other Sources.....	--	0.0%
City Ethics Commission Fund.....	517,067	0.0%
Staples Arena Special Fund.....	4,076,619	0.1%
Citywide Recycling Fund.....	31,071,595	0.4%
Special Police Comm./911 System Tax Fund.....	--	0.0%
Local Transportation Fund.....	26,563	0.0%
Planning Case Processing Revenue Fund.....	11,530,843	0.1%
Disaster Assistance Trust Fund.....	33,125,392	0.4%
Landfill Maintenance Trust Fund.....	140,463	0.0%
Household Hazardous Waste Special Fund.....	2,383,127	0.0%
Building and Safety Enterprise Fund.....	118,660,646	1.4%
HOPWA.....	--	0.0%
Code Enforcement Trust Fund.....	39,656,255	0.5%
El Pueblo Revenue Fund.....	67,190	0.0%
Zoo Enterprise Trust Fund.....	2,440,491	0.0%
Supplemental Law Enforcement Services Fund.....	2,928,948	0.0%
Street Damage Restoration Fee Fund.....	1,939	0.0%
Municipal Housing Finance Fund.....	965,530	0.0%
Measure R Traffic Relief and Rail Expansion Fund.....	15,727,414	0.2%
Central Recycling and Transfer Fund.....	3,827,721	0.0%
Multi-Family Bulky Item Fund.....	5,403,486	0.1%
Sidewalk Repair Fund.....	--	0.0%
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Total Available Balances.....	\$ 708,022,255	8.2%
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Total Receipts.....	\$ 8,757,568,526	100.0%

