Howard Jarvis Taxpayers Association

California Commentary

Volume 5, Issue 5 Week of January 29, 2007

Los Angeles Making War on Homeowners

By Jon Coupal

By a vote of 13 to zip, the Los Angeles City Council has instructed the city attorney to draft a property tax increase of \$72 for an upcoming ballot. The money from this new burden on property owners is to be earmarked for reducing gang violence.

Somehow, the arguments by the proposal's author, Janice Hahn, and others backing this new tax, sound familiar. Less then a year ago, these same suspects were touting an increase in trash fees — that will end up costing homeowners more than \$200 per year — as the way forward to hiring more police and reducing crime.

Apparently, the City Council sees homeowners as a bottomless money pit to be tapped whenever they feel the need to respond to the latest headline issue by throwing money at the problem. Just last November they asked voters to approve a \$1 Billion affordable housing bond that would be repaid exclusively by property owners. Somehow, to Council members, it made sense to make it more *expensive* to own a home in Los Angeles to provide less expensive housing for others. Fortunately, this scheme did not make sense to voters and it was rejected.

However, there seems no end to the Council's mischief when it comes to burdening property owners. Under active consideration over the last year has been placing a \$1.5 Billion bond on the ballot for street and sidewalk repairs. Again, homeowners would be asked to dig deeper to provide a service that residents of

most other cities take for granted.

Hahn, however, seems determined to follow through on the tax increase efforts begun by her brother when he was mayor. When James Hahn first campaigned, he promised the city more police officers. After spending nearly three-and-half years under his desk — during which time virtually every dollar of new city revenue went to the care and feeding of our nation's highest paid municipal workforce — Hahn emerged with an idea to fund more police. His plan was to increase the city sales tax.

Strangely, the City Council that usually embraces tax proposals, failed to back the mayor in his desperate eleventh hour attempt to keep a campaign promise. However, this decision by the Council probably had little to do with wisdom and a whole lot to do with politics and who would be the next mayor.

James Hahn was booted by voters, and now it is up to sister Janice, who was one of the few cheerleaders for her brother's proposal, to carry on the taxing tradition. Perhaps being part of a political dynasty numbs one to the concerns of average folks who pay the bills, but Hahn has a record of being insensitive to taxpayers.

A few years ago, she used her taxpayer provided office account to buy a party dress to attend a Cinco de Mayo celebration. Her rationalization was that the dress was to wear to a public event. Taxpayers may have been

charged, but they didn't buy her arguments. When the expenditure became public, a chagrinned Hahn wrote a personal check to cover the cost of the dress.

Proposals for tax increases that are regressive, as parcel property taxes are — they fall on the *middle class* harder than on the wealthy or large corporate property owners — reveal a profound level of being politically tone deaf. Wasn't it just two months ago that the California electorate rejected a statewide parcel property tax, Proposition 88 — for education no less — with a resounding 77% "No" vote?

Gangs are a serious problem. But perhaps the City Council will do something completely out of the ordinary and address waste, fraud, and abuse in the City budget as a source for new funds. Taxpayers would like to see this happen but, given the mentality of the tax-and-spend City Council, don't bet the farm — or your home for that matter.

* * *

JON COUPAL is an attorney and president of the Howard Jarvis Taxpayers Association — California's largest taxpayer organization which is dedicated to the protection of Proposition 13 and promoting taxpayer rights. He can be reached through the Association's website: http://www.hjta.org.