Item for Which Public Hearing Has Not Been Held - Item 38
(10 Votes Required for Consideration)

ITEM NO. (38) - MOTION ADOPTED TO APPROVE COMMUNICATION RECOMMENDATION, AS AMENDED - SEE FOLLOWING

Roll Call #1 - Motion (Parks - Wesson) to Adopt as Amended, Ayes (12); Noes: Smith and Zine (2); Absent: President Garcetti (1)

COMMUNICATION FROM THE CITY ADMINISTRATIVE OFFICER (CAO) relative to requesting the City Attorney to prepare the necessary documents to place the modern communications tax ballot measure on the February 5, 2008 Presidential Primary Election Ballot.

Recommendation for Council action:

REQUEST the City Attorney to prepare and present all resolutions, ordinances and related documents necessary to place the modern communications tax ballot measure on the February 5, 2008 Presidential Primary Election Ballot.

Fiscal Impact Statement: The CAO reports that adverse judicial decisions could result in the partial or complete annual loss of $270 million from the telephone users’ tax. A modern communications tax, coupled with a rate reduction from ten percent to nine percent, would remove uncertainty regarding the City’s ability to continue to provide essential services. This would ensure continuation of approximately 90 percent of telephone tax revenue but could result in reduced revenue of as much as $27 million from the existing tax base. Some of that loss would likely be made up in future years, as the modern ordinance would more fairly distribute the lower tax burden and facilitate tax compliance.
(Budget and Finance and Rules and Government Committees waived consideration of the above matter)

TIME LIMIT FILE - OCTOBER 3, 2007

(LAST DAY FOR COUNCIL ACTION - OCTOBER 3, 2007)

ADOPTED

MOTION (SMITH - ZINE - HAHN)

Recommendations for Council action:

1. INSTRUCT the Mayor to call an emergency Congress of Neighborhood Councils to discuss the Modern Communications Tax ballot measure.

2. INSTRUCT the Chief Legislative Analyst and the City Administrative Officer to prepare and present documents on the issue that examine the impacts of the tax and the impacts to the delivery of City services if the tax is not extended.

Councilmember Parks moved, seconded by Councilmember LaBonge, that the Special Council meeting adjourn.

Ayes, Alarcon, Cardenas, Greuel, Hahn, Huizar, LaBonge, Parks, Perry, Reyes, Rosendahl, Smith, Weiss, Wesson and Zine (14); Absent: President Garcetti (1).

Whereupon the Special Council meeting did adjourn.

ATTEST: Frank T. Martinez, CITY CLERK

By

Council Clerk  PRESIDENT PRO TEMPORE OF THE CITY COUNCIL