

Tax hike heading to wire
By James Nash
Staff Writer

With time running short to get it on the May 17 mayoral runoff ballot, a proposal to hike the sales tax to hire more cops and firefighters stumbled toward a City Council showdown Tuesday.

Council President Alex Padilla's plan to exploit a loophole in the law to lower the threshold for approval from two-thirds to just a simple majority was killed in a council committee.

But a separate proposal to raise the sales tax rate in the city by one-half percent to 8.75 percent -- the highest in California -- split two City Council committees on Tuesday, with one backing it by a 3-2 margin and another deadlocking 2-2. The committees fully backed Councilman Greig Smith's proposal to borrow against expected increases in state funding to hire 300 more officers.

The full council has until Jan. 26 to decide whether to place the matter before voters on the ballot May 17, when the two leading vote-getters in the March 8 mayoral primary will face a runoff.

A poll released Tuesday by the tax measure's most vocal champion -- developer and Police Commissioner Rick Caruso, a key supporter of Mayor James Hahn -- showed the election would be close. Support stood at 64 percent among likely voters, including those who probably would back the tax hike. The poll of 1,000 likely voters also showed an additional 5 percent were undecided but leaning toward support.

Last November, Los Angeles County voters defeated a similar proposal to raise taxes for public safety, with Los Angeles voters backing it at the 64 percent level, short of the two-thirds majority needed to pass.

Tuesday's developments suggested a difficult campaign to sell the full City Council -- and ultimately voters -- on the idea of raising taxes to hire police and firefighters.

Hahn's chief of staff, Tim McOsker, wouldn't speculate about the impact of the split vote in the council.

"We're just looking forward to having this debate in front of the full City Council," McOsker said.

Two of the council members who voted Tuesday to send the proposed ballot measure to the full council said they hadn't decided whether to support it. Councilman Tony Cardenas said he has mixed feelings about the tax but wants to get more information. Councilman Eric Garcetti said Caruso's poll persuaded him not to kill the idea.

"I was leaning against it, but those poll numbers made me keep the door open to it," Garcetti said.

Caruso, who has offered to put \$500,000 of his personal fortune into a campaign for a new sales tax measure, said the poll numbers gave him hope that voters would pass it.

"I'm a businessman, and if I'm going to invest \$500,000 in something, I want to know there's a pretty good chance of succeeding. I'm very optimistic that it's winnable."

According to Caruso's poll -- which was conducted Jan. 12-16 by the polling firm of Fairbank, Maslin, Maullin & Associates, which frequently works for supporters of school bonds and other tax hikes -- 43 percent of voters said they would definitely support raising taxes for police, an additional 21 percent said they probably would vote yes, and 5 percent were undecided but leaning toward yes.

Total support increased to 73 percent after pollsters gave respondents positive information about the measure, according to poll results released Tuesday.

Police Chief William Bratton said he was encouraged by the numbers.

"Mr. Caruso's polling seems to reaffirm that a properly managed campaign could actually deliver a two-thirds majority on the May ballot," he said.

But the idea of raising taxes has lukewarm support even among elected officials who say policing is their top priority.

Councilman Dennis Zine, a retired Los Angeles police sergeant, said he would be uncomfortable raising taxes on goods in the city as long as neighboring cities have lower taxes.

"I don't think (San Fernando) Valley voters would respond positively to an additional tax," Zine said. He said city officials "are grasping for something voters will connect with."

Economist Jack Kyser warned that raising sales taxes in Los Angeles could drive shoppers to nearby cities. Kyser noted that Los Angeles already receives less in sales tax revenues per capita than many nearby cities, such as West Hollywood and San Fernando.

Council members firmly quashed the controversial proposal from Padilla that would have required a simple majority rather than a two-thirds margin to raise the sales tax by one-half percent. Padilla's proposal would have bypassed the two-thirds requirement by designating the tax for general purposes rather than for a specific purpose, public safety. It would have been accompanied by a separate advisory-only measure in which voters would have expressed their desire to use the money for public safety.

The Howard Jarvis Taxpayers Association and several elected officials challenged Padilla's approach as deceptive and possibly illegal.

On Tuesday, Padilla himself backed down from the idea, saying the council should try a ballot measure with a two-thirds requirement in 2006.

Padilla said he was swayed by Caruso's poll, which he said suggested that a May 2005 initiative would likely fail.

"To succeed in May would be very difficult, though not impossible."

The Valley Commerce and Industry Association came out against the sales tax increase, noting that it would put Los Angeles in a tie for the highest sales tax in California. Association leaders said city officials need to find efficiencies and economize to come up with the money for more police.

For the same reason, the Central City Association, which strongly supported the countywide measure last November, expressed reservations about a new ballot measure.

To put a sales tax proposal on the May 17 ballot, the full City Council would have to vote by Jan. 26 to draft the language of the measure, then vote on that language by Feb. 11 to actually place the measure before voters.

The two committees on Tuesday supported Councilman Smith's proposal to hire as many as 300 police officers with bonds hedged against \$66 million due to Los Angeles under a voter-approved measure to restore vehicle license fee funding to cities. Smith billed the idea as a way to expand the 9,100-officer Los Angeles Police Department quickly without raising taxes.

The full council also took action to place one police-related measure on the May ballot. Voters will decide whether to remove a section from the City Charter that prevents the LAPD from absorbing the beleaguered Los Angeles World Airports police force.

The measure would not compel but allow the two departments to merge. Merger proponents say it would be more efficient and result in higher-quality policing at Los Angeles International Airport. The idea gained momentum after media reports of airport police fumbling their response to incidents and slacking off on the job.

Councilwoman Janice Hahn was the only council member to oppose placing the measure on the May ballot.