

## MotionCount

# Governance Under Strain

Los Angeles City Council — Structural Analysis

Report Date: March 2026

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Synthesized from per-item attachment summaries of Los Angeles City Council agendas. This analysis identifies structural patterns, fiscal trajectories, and policy tensions across the dataset. It does not claim to represent the full political reality of any individual item.

November 2025 — March 2026 | 568 Significant Matters Reviewed

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## Executive Summary

Between November 2025 and March 2026, 568 matters crossed the threshold of significance on Los Angeles City Council agendas. Read together, they compose a portrait of a city government managing at least six concurrent crises while simultaneously preparing for the largest peacetime event in its history.

The City is projecting a \$209 million year-end overspend. Its Reserve Fund hovers at the policy-minimum 5% threshold. Three revenue ballot measures are headed to a June 2026 vote. A fourth would tax unlicensed cannabis operators. A proposed November 2026 measure to repeal the business tax entirely threatens \$740 million in annual General Fund revenue. The January 2025 wildfires have imposed unfunded facility restoration costs of \$80—90 million. Federal tariff actions and the One Big Beautiful Bill Act place an estimated \$198 million in grant funding at risk, with another \$2.1 million in annual tax credits eliminated.

Homelessness spending exceeds \$1 billion annually across all sources. The Alliance Settlement Agreement target of 12,915 new beds/units by June 2027 shows 13,116 in the pipeline, but only 8,002 are open and occupiable. The Council is simultaneously exploring whether to form its own Continuum of Care, creating a new Bureau of Homelessness Oversight, redesigning the Time-Limited Subsidy program, and processing a constant stream of site-by-site lease agreements, contract amendments, and funding transfers.

Meanwhile, an extraordinary cluster of film-industry motions from Councilmember Nazarian signals genuine institutional alarm about production flight. The Bureau of Street Lighting cannot keep pace with copper theft. The Workday payroll system continues to generate thousands of support tickets. And the City is quietly building the regulatory and infrastructure scaffolding for the 2028 Olympics through zoning exemptions, venue modifications, and transit corridor investments.

What follows is a thematic synthesis across these 568 items. The goal is not comprehensiveness but pattern recognition: where the structural pressures are, what the recurring failure modes look like, and what the data reveals about how the City actually governs.

## The Fiscal Picture

The Third Financial Status Report is the central fiscal document in this dataset. It paints a picture of a government that is structurally overspending while temporarily buoyed by above-plan revenues it cannot count on keeping.

### Overspending by Department

Department	Overspend	Primary Drivers
Fire Department	\$70.64M	Overtime, unbudgeted bonuses, wildfire response
Police Department	\$38.60M	Retained civilian positions, sworn hiring surge, overtime
City Attorney	\$14.65M	Litigation, outside counsel at \$1,295/hr
General Services	\$19.35M	Salary payouts, utility price increases

The LAFD overspend alone exceeds the total budget of most City departments. Police sworn hiring is running at 410—480 recruits against a budgeted 240, each scenario adding millions in unbudgeted costs. The City Attorney's office has overspent its outside counsel allocation by \$34 million, prompting a Council demand for a comprehensive staffing plan to reduce reliance on external firms billing at rates that would make BigLaw blush.

The attempts to manage this are revealing. Negotiated unpaid holidays (two days for one union, one day for another). A Voluntary Overtime Bank for LAPD that has saved \$107,410 total. The gap between the scale of the problem and the scale of the solutions tells you everything about the political constraints on expenditure control.

### Revenue Desperation: The June 2026 Ballot

Three revenue measures are headed to voters on June 2, 2026, alongside a cannabis tax parity measure. The combined annual yield, if all pass, would be substantial but uncertain:

Measure	Mechanism	Est. Annual Revenue
Prop CB	Cannabis tax on unlicensed businesses	\$30—35M
Prop OT	TOT applied to online travel companies	\$5M
Prop TT	TOT rate increase (Option A: to 18% temp/16% perm)	\$44—88M
(Studied)	Sales tax 0.5% permanent increase	\$327M
(Studied)	Parking occupancy tax 5% increase	\$67M

The sales tax increase did not make the June ballot but remains under study. The November 2026 election looms with a proposed business tax repeal that could eliminate \$740 million in annual General Fund revenue starting FY 2027—28. This is the fiscal context in which every spending decision in this dataset is being made: a government that knows its current revenue base may be radically diminished within two years.

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## The Homelessness System

The homelessness items in this dataset are the most numerous category, and they reveal a system of extraordinary complexity operating without a coherent performance management infrastructure. This is not a criticism of individual programs. It is an observation about the aggregate: the Council is processing a near-continuous stream of contract amendments, funding transfers, lease agreements, rate adjustments, and program redesigns, each rational in isolation, none visible as part of a unified strategy.

### Structural Moves

Three items stand out as attempts to impose coherence. First, the creation of a Bureau of Homelessness Oversight within LAHD, initially staffed by transferring 17 existing positions and authorizing 7 new ones, funded with \$1.2 million in one-time money. The CAO flagged this immediately: one-time funding for an ongoing program violates fiscal policy. Second, the CLA analysis of whether to form a City-level Continuum of Care independent of the County. The CLA concluded it would take years, cost millions, and recommended against it, proposing instead to reform the existing Coordinated Entry System. Third, the redesign of the Alliance Time-Limited Subsidy program into three tracks with centralized fiscal management through HOM, Inc., targeting 2,000 new slots by April 2027.

Each of these is a structural reform. None is trivial. But they are proceeding in parallel with dozens of site-specific operational decisions: A Bridge Home lease renewals at \$3.2 million here, \$3.2 million there; Inside Safe motel contracts at \$117/night across 42 facilities; seasonal winter shelter bed rate adjustments to \$89/night; Tiny Home Village authorizations; RV storage lot construction. The system's complexity is its own obstacle to oversight.

### The Accountability Gap

A motion by Councilmember Raman calls for establishing unique identifiers across City-funded homeless programs so that performance data can actually be tracked and compared. The fact that this does not already exist, after more than a billion dollars in annual spending, is perhaps the most important single data point in this entire dataset. You cannot manage what you cannot measure, and the Council is only now asking for the measurement infrastructure.

The Inside Safe program has moved 5,042 individuals into interim housing since inception, with 1,198 transitioning to permanent housing and a 58% retention rate. These are real outcomes. But they exist alongside a public comment from the CD11 Coalition for Human Rights describing a complete failure to provide shelter during the Christmas 2025 storm: promised shelters unavailable, motel vouchers exhausted, 211 calls unanswered. The gap between aggregate statistics and lived experience remains enormous.

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## The Film Retention Campaign

Councilmember Nazarian authored or co-authored at least 12 distinct film-related motions in this period, constituting the most concentrated single-member legislative agenda in the dataset. This is not casual constituent service. It is an industrial policy offensive.

### The Package

The motions collectively propose: a free Micro-Shoot Permit for crews of 10 or fewer; a unified Citywide Filming Conditions Framework rescinding all existing Neighborhood Special Filming Conditions; a Soundstage Certification and Fast-Track Infrastructure Program; implementation audits of Executive Directive 11 across all relevant departments; waiver of LAFD spot-check fees; creation of a civilian Film Safety Officer classification; regional MOUs with neighboring jurisdictions; a comprehensive City Controller audit of the permitting ecosystem; a Made in LA branding initiative; a Film Location Fan Tour; a Film Business Directory; and making all non-specialized City properties available to productions for \$1/day.

The scope is striking. It amounts to a near-complete overhaul of how the City interacts with the production industry. The implicit diagnosis: Los Angeles is losing productions not to tax incentives alone but to administrative friction distributed across multiple departments, each imposing its own fees, timelines, staffing requirements, and conditions. The proposed cure is centralization, standardization, and aggressive cost reduction.

Whether this works depends on execution. The motions generate reporting requirements across LAPD, LAFD, LADOT, Recreation and Parks, Bureau of Street Services, Bureau of Engineering, DWP, Port of LA, and FilmLA. If even half of these departments fail to meaningfully reform their internal processes, the framework becomes another layer of paperwork on top of the existing ones. The creation of a City Film Liaison within the Board of Public Works is the institutional bet that coordination can be imposed from outside the individual departments.

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## Infrastructure Decay

### The Streetlight Crisis

Council District 7 has approximately 40% of its nearly 7,000 streetlights non-operational, with the problem growing by 200 lights per month. Citywide, the Bureau of Street Lighting maintains 223,000 lights, responds to 45,000 outages annually, employs fewer than 200 people, and can repair about 200 lights per month. The math is self-evidently unsustainable.

The response is fragmented but aggressive. A \$65 million MICLA appropriation for solar-powered streetlight surge installation. A motion to explore converting to solar-to-battery and repurposing vacated conduit. Individual Council Districts funding their own dedicated repair crews from discretionary funds

(\$1 million from CD13, \$500,000 split between CD11 and CD5). A Hernandez-Jurado motion to restore the utilitarian streetlight program killed by a budget deletion. This is a case study in how deferred maintenance becomes a crisis that then requires emergency spending at multiples of what preventive maintenance would have cost.

### Potholes and Streets

A Price-Hernandez motion requests a citywide pothole inventory following record rainfall, along with an analysis of repair response times by Council District to identify service disparities. A \$40 million pavement marking contract was extended to \$40 million over five years with a single bidder. The MyLA311 system, launched March 2025, is generating complaints about GPS failures and increased staff processing time. The underlying pattern: the City's maintenance infrastructure was designed for a smaller, less stressed system and has not scaled.

### BuildLA and Permitting

The BuildLA portal soft-launched in October 2024 as an information hub rather than a processing system. Full implementation extends through FY 2029. The project's total cost has grown from \$21.76 million to \$55.63 million, funded by a temporary permit surcharge that is itself running a \$2.4 million shortfall. Meanwhile, the Department of City Planning is absorbing zoning plan check responsibilities from the Department of Building and Safety, a significant jurisdictional transfer that architects in public comment warned could create additional bottlenecks rather than remove them.

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## Federal Collision Course

Three distinct federal vectors are creating pressure on the City simultaneously.

### The One Big Beautiful Bill Act

H.R. 1, signed July 4, 2025, puts an estimated \$198 million in federal grant funds at risk for proprietary departments, eliminates clean energy tax credits worth \$2.1 million annually, and threatens Medicaid coverage for up to 1.5 million County residents. The City is tracking these impacts but has limited mitigation options. A motion by Councilmember Jurado probes the Medi-Cal/CalFresh work requirement provisions, asking whether City volunteer programs could qualify as approved community service to help residents maintain benefits.

### Immigration Enforcement

The Council's response to federal immigration enforcement is extensive: codifying Mayor Bass's Executive Directive 17 into permanent ordinance; supporting AB 1537 to prohibit peace officer moonlighting for immigration enforcement entities; developing know-your-rights information sheets for tenant bulletins; investigating economic impacts on small businesses (one motion cites businesses avoiding commercial areas out of fear); funding a citywide PSA campaign on STAP bus shelters; and reactivating a 2019 ordinance to ban private detention facilities citywide. The City Attorney is litigating four federal lawsuits challenging grant conditions, protecting over \$419 million in threatened funding.

## Tariffs and the Port

A McOsker-Yaroslavsky motion requests the City Attorney to report on the legal status of tariff challenges and their implications for Port of Los Angeles operations, cargo volumes, supply chains, employment, and municipal revenues. The Port is simultaneously processing a 2.5% General Rate Increase and negotiating zero-emission truck pilot programs. The tariff uncertainty sits on top of an already complex transition to zero-emission operations.

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## Housing: The Density Wars

The housing items reveal a city caught between state mandates for increased density and local resistance rooted in fire risk, neighborhood character, and community control.

### SB 79 and Transit-Oriented Density

Senate Bill 79, effective July 2026, mandates 5—9 story structures within a half-mile of major transit stops. The Department of City Planning is evaluating four implementation approaches, ranging from full immediate compliance to delayed effectuation with local alternative plans extending to 2037. The PLUM Committee has authorized \$375,000 for mapping and modeling. Public comments are sharply divided: housing advocates want full implementation; neighborhood groups want maximum delay.

### Fire Zones vs. Development

A specific application for a 398-unit project at the Woodland Hills Country Club, located in a Very High Fire Severity Zone, has triggered a City-level policy response. Two motions and a resolution seek to define golf courses in VHFSZs as 'vacant sites' under AB 2011, effectively blocking streamlined housing approvals in fire-prone areas. This is the City using definitional leverage to resist state preemption on a case-by-case basis. Whether HCD accepts this interpretation will be a significant test.

### The Affordable Housing Streamlining Program

Perhaps the most consequential housing ordinance in the dataset: a new program providing ministerial (no CEQA, no hearings, no appeals) approval for 100% affordable housing projects. Eligibility excludes single-family zones, manufacturing zones, historic resources, hazardous sites, VHFSZs, and RSO properties with 5+ occupied units in the prior five years. Affordability covenants run 99 years for unsubsidized projects. Buildings over 85 feet require Project Labor Agreements. This is the City's attempt to demonstrate it can produce affordable housing at scale without state-mandated density bonuses.

### Corporate Ownership Study

LAHD's study of housing stock corporatization found growing organizational-entity acquisition of RSO units, particularly 2—10 unit buildings, with person-to-entity and entity-to-entity transfers now accounting for 23% of single-family sales. The department recommended further study into renter displacement risk and property flipping. This is an early-stage investigation, not yet a policy response, but it signals awareness that ownership concentration may be undermining the tenant protections the

City spends heavily to enforce.

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## The 2028 Olympics Shadow Budget

Olympic preparation appears throughout the dataset, not as a single program but as a pervasive influence on decisions across departments.

A proposed zoning exemption ordinance would exempt Games-related projects from standard planning and zoning through February 2029, with specific carve-outs: no gondolas, no aerial mobility projects, no Metro 28-by-28 rail, no hotel developments, no demolition of housing. Temporary signage permitted from January to October 2028 with luminance controls. The exemption structure reveals what the City fears: that its own regulatory apparatus will prevent timely delivery of Games infrastructure.

The LA28 budget has grown to \$7.149 billion, with a cumulative deficit of \$323.86 million offset by \$689 million in deferred sponsorship revenue. The City's Cultural Program framework ranges from \$15—40 million depending on secured funding. Transit investments, including \$40.8 million in Metro Active Transport grants, are explicitly timed for pre-Games completion.

The Casey Wasserman resolution, calling for 'a thorough and transparent review' of his association with Epstein materials, sits in this dataset as an unresolved political risk factor. The resolution's language is diplomatic but the underlying question is whether the Games' leadership will become a sustained controversy.

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## Structural Observations

### Governance by Contract Amendment

A striking proportion of these items are not new initiatives but amendments to existing contracts: extending terms, increasing ceilings, changing scopes, transferring funds between accounts. The Ernst & Young LACC Project contract is on its eighth amendment at \$42 million total. The Ilium Associates transit marketing contract is on its fifth amendment at \$32.3 million. The Workday contract with its third amendment reaches \$112.6 million. This is not necessarily waste. But it reveals a pattern where initial contract scoping consistently underestimates actual needs, and the correction mechanism is incremental expansion rather than rebidding. The procurement system appears designed for a simpler government.

### The BID Ecosystem

Approximately 20 Business Improvement District annual reports appear in this dataset. Collectively they represent a parallel maintenance and security infrastructure funded by property assessments, ranging from the \$77,000 Tarzana Safari Walk to the \$9.6 million Downtown Center BID. The larger BIDs provide services (cleaning, security, homeless outreach) that are effectively municipal functions funded privately. The Century City BID approved a 16% CPI increase for 2026 to handle increased pedestrian

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traffic from a new Metro station. These districts are the City's quiet admission that its own service delivery cannot meet baseline expectations in commercial areas.

### The Closed Session Inventory

At least 20 items in this dataset are closed-session litigation discussions. The cases span LAPD use-of-force incidents (the 2021 Bomb Squad detonation generates multiple suits), employment disputes (FLSA overtime violations, wrongful termination), contract disputes (TRISTAR workers' comp, Baker Electric streetlighting), and the Black Lives Matter contempt ruling. The City Attorney's outside counsel contracts for police defense litigation alone total \$400,000 in initial funding. This is the hidden cost layer beneath every operational decision: the liability portfolio that grows with each interaction between City employees and the public.

### The Layoff That Wasn't

The FY 2025-26 budget initially targeted 614 filled positions for elimination. Through transfers, reclassifications, and labor agreements, all 245 remaining potential layoffs are held in abeyance. The Expedited Transfer Process has completed 113 transfers from 1,732 applications. The Police Department still accounts for 200 of the 245 at-risk positions. This is a case where the political system's aversion to layoffs has produced an elaborate workaround that may be preserving positions the City cannot afford, but the human cost of the alternative is real and the Council has chosen to absorb the fiscal risk.

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## What the Data Shows

Los Angeles is not a city in crisis in the dramatic sense. It is a city in chronic fiscal and operational stress, managing through incrementalism, contract amendments, and political negotiation what it cannot resolve through structural reform. The 568 items in this dataset collectively describe a government that is simultaneously underfunded and overspending, under-staffed and over-committed, legally constrained and regulatorily complex.

The most important items are often the least dramatic: the unique identifier motion that reveals the absence of basic data infrastructure; the streetlight repair math that shows a 200-per-month capacity against a growing backlog; the BuildLA cost escalation from \$22 million to \$56 million with delivery extending to 2029; the one-time funding for an ongoing homelessness oversight bureau. These are the structural tells.

The City is betting on three things: that voters will approve new revenue in June 2026, that the 2028 Olympics will generate an economic and reputational return sufficient to justify the institutional contortions of preparation, and that the homelessness system will achieve visible results before the Alliance Settlement Agreement deadline. If any of these bets fails, the fiscal and political consequences will cascade through every item in the next dataset like this one.

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Methodology: This analysis synthesizes summaries generated from per-item attachment sets across 568 significant matters identified in Los Angeles City Council agendas from November 2025 through March 2026. Summaries tend toward surface-level financial and procedural details; political dynamics,

stakeholder negotiations, and implementation realities are underrepresented. All figures are drawn from the summaries as provided.

Data: MotionCount | Contact: [hello@engagic.org](mailto:hello@engagic.org)

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Source: MotionCount continuous monitoring of municipal council agendas. This document does not constitute investment, legal, or policy advice.

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