

SUMMARY OF ALLOCATION ALTERNATIVES

Scenario	Description	Impact	Benefit	Negative Impact
<b>1</b>	<b>Population</b>	<b>Source: Department of Finance (DOF)</b>		
<b>Guaranteed Minimums</b>				
<b>1a</b>	A guaranteed minimum will be established.  Additional funding to benefitting cities to be shared proportionately by all donor jurisdictions.	<b>\$50K</b>	Reallocation of \$210K	<u>7 cities</u> Avalon Bradbury Hidden Hills Industry Irwindale Rolling Hills Vernon City of LA: (\$82K) -0.15%
<b>1b</b>		<b>\$100K</b>	Reallocation of \$588K	<u>8 cities (including 1a)</u> La Habra Heights City of LA: (\$232K) -0.44%
<b>1c</b>		<b>\$150K</b>	Reallocation of \$1M	<u>11 cities (including 1a-1b)</u> Rolling Hills Estates Westlake Village Sierra Madre City of LA: (\$426K) -0.80%
<b>1d</b>		<b>\$175K</b>	Reallocation of \$1.3M	<u>14 cities (including 1a-1c)</u> Commerce Signal Hill Malibu City of LA: (\$551K) -1.04%
<b>1e</b>		<b>\$200K</b>	Reallocation of \$1.7M	<u>17 cities (including 1a-1d)</u> Hawaiian Gardens Palos Verdes Estates San Marino City of LA: (\$712K) -1.35%
<b>1f</b>		<b>\$300K</b>	Reallocation of \$3.8M	<u>26 cities (including 1a-1e)</u> Agoura Hills Artesia Duarte El Segundo Hermosa Beach LA Canada-Flintridge Lomita Santa Fe Springs South El Monte City of LA: (\$1.5M) -2.97%
<b>1g</b>		<b>\$350K</b>	Reallocation of \$5.3M	<u>30 cities (including 1a-1f)</u> Calabasas San Fernando Cudahy South Pasadena City of LA: (\$2.1M) -4.09%
<b>1h</b>		<b>\$400K</b>	Reallocation of \$6.8M	<u>32 cities (including 1a-1g)</u> Maywood Walnut City of LA: (\$2.8M) -5.32%
<b>PROS</b> <ul style="list-style-type: none"> <li>- Reliable data source, updated annually</li> <li>- Consistent with Prop A, Prop C, and Measure R allocation method</li> <li>- Complies with Ordinance which states return of funding on the basis of population</li> </ul> <b>CONS</b> <ul style="list-style-type: none"> <li>- Does not consider transportation impacts to jurisdictions resulting from employment and through traffic</li> <li>- Does not consider amount of sales tax generated by jurisdiction</li> </ul>				

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2	Scenario	Description	Impact	Benefit	Negative Impact
<b>2a</b>	<b>Population Staggered minimums</b>				
		<b>\$50K, 100K, 150K</b>	Reallocation of \$330K	<u>11 jurisdictions</u> Avalon Bradbury Hidden Hills Industry Irwindale La Habra Heights Rolling Hills Rolling Hills Estate Sierra Madre Vernon Westlake Village	City of LA: (\$130K) -0.24%
<b>2b</b>	Cities allocated less than \$50K, would receive \$50K; Cities allocated between \$51K and \$99K, would receive \$100K; etc.  Additional funding to benefitting cities to be shared proportionately by all donor jurisdictions.	<b>\$100K, 150K, 200K</b>	Reallocation of \$837K	<u>17 jurisdictions</u> Avalon Bradbury Hidden Hills Industry Irwindale Rolling Hills Vernon La Habra Heights Rolling Hills Estates Commerce Malibu Signal Hill Hawaiian Gardens Palos Verdes Estates San Marino Westlake Village Sierra Madre	City of LA: (\$333K) -0.63%
<b>2c</b>		<b>\$50K, 100K, 150K, 200K</b>	Reallocation of \$488K	Same 17 jurisdictions as 2b	City of LA: (\$194K) -0.37%
<p><b>PROS</b></p> <ul style="list-style-type: none"> <li>- Same as above</li> <li>- Provides for more of a range in minimums with larger (but still small) cities receiving higher minimums</li> </ul> <p><b>CONS</b></p> <ul style="list-style-type: none"> <li>- Same as above</li> </ul>					

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Scenario	Description	Impact	Benefit	Negative Impact
<b>3</b>	<b>Population Subregional minimums – Minimums funded by subregion</b>			
<b>3a</b>	<p>A guaranteed minimum will be established.</p> <p>Additional funding to benefitting cities to be shared proportionately by all jurisdictions in that <i>subregion only</i>.</p>	<b>\$50K</b>	<p>Reallocation of \$210K</p>	<p><u>7 jurisdictions</u></p> <p>Avalon Bradbury Hidden Hills Industry</p> <p>Irwindale Rolling Hills Vernon</p> <p>Unincorporated: (\$34K) City of LA: (\$10K)</p> <p>Rest shared by the Gateway, San Gabriel, Las Virgenes and South Bay cities.</p>
<b>3b</b>		<b>\$100K</b>	<p>Reallocation of \$588K</p>	<p><u>8 jurisdictions (including 3a)</u></p> <p>La Habra Heights</p> <p>Unincorporated: (\$93K) City of LA: (\$32K)</p> <p>Rest shared by the Gateway, San Gabriel, Las Virgenes and South Bay cities.</p>
<b>3c</b>		<b>\$200K</b>	<p>Reallocation of \$1.7M</p>	<p><u>17 jurisdictions (including 3a-3b)</u></p> <p>Rolling Hills Estate Commerce Malibu Signal Hill Hawaiian Gardens</p> <p>Palos Verdes Estates San Marino West Lake Village Sierra Madre</p> <p>Unincorporated: (\$305K) City of LA: (\$127K)</p> <p>Rest shared by the Gateway, San Gabriel, Las Virgenes and South Bay cities.</p>
<p>No impact to Arroyo Verdugo, Westside, North County cities.</p> <p>Largest financial impact shifts from City of Los Angeles to County of Los Angeles as unincorporated county is a part of more subregions than City of Los Angeles.</p> <p><b>PROS</b></p> <ul style="list-style-type: none"> <li>- Funding stays within subregion</li> <li>- Reallocation within subregion</li> <li>- Only impacts subregions that have cities with guaranteed minimums</li> </ul> <p><b>CONS</b></p> <ul style="list-style-type: none"> <li>- Requires city of LA and County of Los Angeles to be subdivided by subregion before allocation to the subregions (population is only variable that allows this)</li> <li>- Annual allocation process is more complex</li> </ul>				

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<b>Daytime population</b> <span style="float: right;"><b>Source: American Community Survey (ACS)</b></span>				
4	Daytime population	New method, using daytime population, which refers to the number of people who are present in an area during normal business hours, including workers.	Some small jurisdictions benefit, but their subregions are negatively impacted. (e.g. Industry and Vernon benefit, but other cities within the subregion lose more, such that the subregion, as a whole receives less funding)	<p><u>30 jurisdictions</u></p> <p>Arcadia Beverly Hills Burbank Calabasas Carson Cerritos Claremont Commerce Culver City El Segundo Gardena Industry Irwindale Los Angeles City Malibu</p> <p>Manhattan Beach Monrovia Monterey Park Pasadena Rolling Hills Estates San Dimas San Fernando Santa Fe Springs Santa Monica Signal Hill South El Monte Torrance Vernon West Hollywood Westlake Village</p> <p><u>59 jurisdictions</u></p> <p>Gateway: (\$670K) North County: (\$1.2M) Unincorporated: (\$1.8M)</p>
<p><b>PROS</b></p> <ul style="list-style-type: none"> <li>- Factors in daytime population as surrogate for employment and sales tax generated</li> </ul> <p><b>CONS</b></p> <ul style="list-style-type: none"> <li>- Unreliable data</li> <li>- Data is published every 5 years, but is already dated when published</li> <li>- Data not available for 5 cities (Avalon, Bradbury, Hidden Hills, La Habra Heights, Rolling Hills)</li> </ul>				

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Scenario	Description	Impact	Benefit	Benefit	Negative Impact
<b>Employment data</b>				<b>Source: SCAG Local Profiles</b>	
5	Employment (surrogate for daytime)	New method using employment as a surrogate for daytime population. Estimating employment by jurisdiction.	Some small jurisdictions benefit, but their subregions are negatively impacted. (e.g. Industry and Vernon benefit, but other cities within the subregion lose more such that the subregion, as a whole, receives less funding)  North County, Gateway, and San Gabriel subregions negatively impacted in any scenario incorporating employment	<u>36 jurisdictions</u> Agoura Hills Arcadia Avalon Beverly Hills Burbank Calabasas Carson Cerritos Claremont Commerce Covina Culver City Downey Duarte El Segundo Gardena Glendale Industry Irwindale Los Angeles City Malibu Manhattan Beach Monrovia Montebello Monterey Park Pasadena Rolling Hills Estates San Fernando Santa Fe Springs Santa Monica Signal Hill South El Monte Torrance Vernon West Hollywood Westlake Village	<u>53 jurisdictions</u>  Gateway: (\$2.3M) San Gabriel: (\$169K) North County: (\$2.3M) Unincorporated: (\$7M)
Need legal opinion on whether employment could be used as a surrogate for daytime population  <b>PROS</b> <ul style="list-style-type: none"> <li>- Factors in daytime population</li> </ul> <b>CONS</b> <ul style="list-style-type: none"> <li>- Data is not updated annually</li> <li>- Released every 2 years, up to a maximum of 3 year old data</li> <li>- Combines Employment Development Department (EDD) with modeled SCAG data to get to jurisdictional level</li> </ul>					

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<b>Return to Source</b>		<b>Source: Board of Equalization (BOE)</b>			
<b>6</b>	Return to Source	<p>New method, using taxable sales by jurisdiction. This allocation method returns the Measure M sales taxes generated back to that jurisdiction.</p>	<p>Dramatic change in allocations</p> <p>Some small jurisdictions benefit, but their subregions are negatively impacted. (e.g. Industry and Vernon benefit, but other cities within the subregion lose more such that the subregion, as a whole, receives less funding)</p> <p>North County and City of Los Angeles are most negatively impacted</p>	<p><u>35 jurisdictions</u></p> <p>Arroyo Verdugo: \$2.7M                      South Bay: \$1.5M                      Westside: \$5.4M                      Las Virgenes/Malibu: \$408K                      Unincorporated: \$7M</p>	<p><u>54 jurisdictions</u></p> <p>City of LA: (\$13.6M)                      Gateway: (\$968K)                      San Gabriel: (\$1.2M)                      North County: (\$1.4M)</p>
<p>Need legal opinion on whether this could be used as a surrogate to daytime/employment population</p> <p>Taxable sales base instead of sales tax generated must be used because of the varying sales tax rates of each jurisdiction</p> <p><b>PROS</b></p> <ul style="list-style-type: none"> <li>- Factors in taxes generated</li> </ul> <p><b>CONS</b></p> <ul style="list-style-type: none"> <li>Two-year lag on data</li> </ul>					

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<b>Source: DOF, SCAG, BOE</b>				
<b>7</b>	Combined population/employment (varying weights)	50% population 50% employment	Some small jurisdictions benefit, but their subregions are negatively impacted. (e.g. Industry and Vernon benefit, but other cities within the subregion lose more such that the subregion, as a whole, receives less funding)  North County, Gateway, and San Gabriel subregions negatively impacted in any scenario incorporating employment	<u>36 jurisdictions</u> Agoura Hills Arcadia Avalon Beverly Hills Burbank Calabasas Carson Cerritos Claremont Commerce Covina Culver City Downey Duarte El Segundo Gardena Glendale Industry Irwindale Los Angeles City Malibu Manhattan Beach Monrovia Montebello Monterey Park Pasadena Rolling Hills Estates San Fernando Santa Fe Springs Santa Monica Signal hill South El Monte Torrance Vernon West Hollywood Westlake Village
				<u>53 jurisdictions</u> Unincorporated: (\$3.5M) Gateway: (\$1.2M) San Gabriel: (\$85K) North County: (\$1.2M)
Need to establish weighting				
Pros and Cons of various allocation factors same as above.				
<b>8</b>	Combined population/employment/return to source (varying weights)	33% population 33% employment 33% return to source	Some small jurisdictions benefit, but their subregions are negatively impacted. (e.g.. Industry and Vernon benefit, but other cities within the subregion lose more such that the subregion, as a whole, receives less funding)  North County and City of Los Angeles are most negatively impacted	<u>34 jurisdictions</u> Westside: \$3.3M Arroyo Verdugo: \$2.4M South Bay COG: \$972K Las Virgnes/Malibu: \$376K Unincorporated: \$2K
				<u>55 jurisdictions</u> City of LA: (\$4.2M) North County: (\$1.2M) Gateway: (\$1.1M) San Gabriel: (\$468K)
Need to establish weighting				
Pros and Cons of various allocation factors same as above.				