IMPARTIAL ANALYSIS OF MEASURE WH By City Attorney Lauren Langer

On August 5, 2024, the City Council unanimously voted to place West Hollywood Measure WH on the November 5, 2024 General Municipal Election ballot.

In March of 2017, Los Angeles County enacted Measure H, a one-quarter percent (1/4%) transactions and use (sales) tax to fund Countywide programs to address homelessness. Measure H currently prevents West Hollywood from enacting any further City sales taxes because the sales tax is at the maximum rate allowed under State law. County Measure H will sunset on September 30, 2027 (or may be repealed by the voters before that time), at which point West Hollywood voters could enact another 1/4% sales tax on purchases in the City.

When Measure H sunsets or is repealed, "another government entity" (this includes the County of Los Angeles or a district within the County such as LACMTA or AQMD) could potentially enact a future sales tax measure to capture the remaining 1/4% sales tax available, thus preventing the City from enacting that remaining 1/4% sales tax locally.

If approved by West Hollywood voters, this Measure would "pre-authorize" a 1/4% City sales tax on purchases in the City; but, that tax would only be collected if another government entity passed a future sales tax measure that would impact West Hollywood's ability to collect the 1/4% sales tax as a City tax.

Although this City tax would be approved now, its collection would be suspended provided no other entity passes a sales tax on a future ballot that would impact the City's collection of this 1/4% sales tax. If another government entity were to do this, the City's 1/4% tax would be collected and the other entity's sales tax would not be collected in West Hollywood. If approved, Measure WH would ensure the City's 1/4% sales tax is first in line, and thus redirect the revenue to West Hollywood to be used locally.

If collected, Measure WH would generate approximately \$5,000,000 in annual City-controlled funding. The revenue from this general tax may be used for any municipal purpose, including funding for general City services such as community safety, addressing homelessness, providing senior and health-related services, keeping public areas clean, and other City services.

A "yes" vote on Measure WH approves redirecting a 1/4% sales tax to West Hollywood if another entity passes a future sales tax attempting to capture that 1/4% sales tax.

A "no" vote on Measure WH rejects the redirection of a 1/4% sales tax to West Hollywood if another entity passes a future sales tax attempting to capture that 1/4% tax.

A majority of "yes" votes is required for the measure to pass. If approved, the tax would remain in effect until ended by West Hollywood voters at a subsequent election. However, this tax would not be collected unless another government entity takes the actions above.

The above statement is an impartial analysis of Measure WH. If you desire a copy of the Measure, please call the City's elections official at (323) 848-6356 and a copy will be mailed at no cost to you.