

Neighborhood Council Plan Review and Reform Initiative

Session VII Worksheet: The Work of Neighborhood Councils

- Should an ordinance requiring commissions and the city council to provide enough notice to enable neighborhood councils to provide advice on critical issues be enacted? How much time constitutes adequate notice? Who will determine what issues are most critical to neighborhood councils?
- Should the recommendation allowing neighborhood councils to initiate council files be revisited?
- Should some official process for neighborhood council review of the delivery of city services be established? Should that process be in the form of an ordinance or memorandum of understanding with city officials and departments?
- Does the current Community Impact Statement (CIS) process provide adequate means for neighborhood councils to express their local needs and fulfill their advisory role? What improvements to the CIS process, if any, would help neighborhood councils better fulfill their mission?
- Are there other issues involving neighborhood council operations that should be discussed? What are they?

**TO THE COUNCIL OF THE
CITY OF LOS ANGELES**

Your **EDUCATION AND NEIGHBORHOODS COMMITTEE**

reports as follows:

EDUCATION AND NEIGHBORHOODS COMMITTEE REPORT relative to requiring members of Neighborhood Councils that participate in the filing of Neighborhood Council files to file a financial disclosure form.

Recommendation for Council action, as initiated by Motion (Smith – Garcetti):

AMEND the prior Council action in Council file no. 08-0351 to read as follows:

APPROVE that the City shall facilitate the filing of Council Files by Neighborhood Councils with the following provisions:

- a. This shall be a two-year pilot project.
- b. Neighborhood Councils may submit up to three Council Files per calendar year.
- c. A Council file submission requires the support of a second Neighborhood Council.
- d. These files will be identified as Neighborhood Council Files.
- e. No financial disclosure form shall be required of the members of a Neighborhood Council participating in the filing of a Neighborhood Council File.

Community Impact Statement: Yes

General Comments: Greater Valley Glen Neighborhood Council

Fiscal Impact Statement: None submitted by the City Ethics Commission. Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

SUMMARY

In a report dated September 8, 2008, the City Ethics Commission (CEC) provides the following background information related to the above matter. In January 2008, the Council approved a two-year pilot project, which authorized Neighborhood Councils (NC) to create up to three Neighborhood Council Files (NCF) per year, if one NC introduces the file and one seconds it. This was done in response to a recommendation made by the Neighborhood Council Review Commission (Council File no. 05-0894-S3). At the same time, the Council adopted an amending Motion (Smith – Garcetti) requiring each member of a NC that introduces or seconds a NCF to file a California Statement of Economic Interests Form 700 (Form 700).

At a subsequent meeting of the Council held February 19, 2008, a separate Motion (Smith – Garcetti) was referred to the Education and Neighborhoods (EN) Committee relative to various actions regarding requiring members of NCs that participate in the filing of NCFs to file a Form

700. The CEC submitted several reports on this matter which are attached to the Council File (CEC reports dated February 19, 2008, March 20, 2008, August 11, 2008, and September 8, 2008).

The CEC identifies a variety of issues in requiring NC board members to file the Form 700. The most significant issue is the conflict with an existing provision in the Los Angeles Administrative Code which currently exempts NC board members from filing the Form 700. To assist in resolving this issue, the CEC has specifically designed for NCs an alternative City-generated form to avoid the consequences associated with Form 700 and reflect the advisory nature of NCs while still promoting open and accountable government (Form 52). In March of 2008, the CEC adopted Form 52 as a financial disclosure form for NC board members who participate in creating a NCF.

Additionally, the CEC reports that Councilmember Alarcon's staff created a third financial disclosure form (Form 53) as an alternative for NCs and requested that the CEC review and adopt this form. The CEC declined to adopt the Form 53 because in their opinion the form is essentially identical to Form 700 and does not reflect the advisory role of NCs. At the meeting on August 12, 2008, the EN Committee discussed both Form 52 and Form 53. During the discussion, the Chair of the Committee expressed concerns that requiring financial disclosure only of NC board members who participate in creating NCFs is punitive and that financial disclosure is appropriate for all NC board members. The CEC was asked to consider the option of requiring NC board members to submit financial disclosure statements on an annual basis and not only when initiating Council files.

During the meeting of September 9, 2008, the EN Committee continued to consider the type of financial disclosure which would be most appropriate. During the discussion of this matter, CEC staff reaffirmed the CEC's support for Form 52 as the most appropriate tool at this time for financial disclosure by NC board members who participate in creating a NCF. However, if Council concludes that all NC board members should be required to submit financial disclosure statements on an annual basis, the CEC recommends Form 53 for that purpose.

After providing an opportunity for public comment and acknowledging the significant amount of input received against all forms of financial disclosure being considered for NC board members, the Committee recommended to amend the previous Council action and move forward with the filing of Neighborhood Council Files without the requirement of any type of financial disclosure form. This matter is now submitted to the Council for its consideration.

Respectfully submitted,

EDUCATION AND NEIGHBORHOODS COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
ALARCON:	YES
HAHN:	YES
ZINE:	YES

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