Your Community Impact Statement has been successfully submitted to City Council and Committees.

If you have questions and/or concerns, please contact the Department of Neighborhood Empowerment at NCSupport@lacity.org.

This is an automated response, please do not reply to this email.

Contact Information

Neighborhood Council: Harbor City

Name: Desi Sarcona Phone Number:

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The Board approved this CIS by a vote of: Yea(8) Nay(0) Abstain(0) Ineligible(0) Recusal(0)

Date of NC Board Action: 07/20/2022 Type of NC Board Action: For if Amended

Impact Information Date: 07/24/2022

Update to a Previous Input: No

Directed To: City Council and Committees

Council File Number: 22-0560

Agenda Date: Item Number:

Summary: On July 20, 2022 the Harbor City Neighborhood Council voted to support the changes to the municipal lobbying ordinance (MLO) regarding neighborhood councils. We also request the consideration of changes to a few minor areas of the draft MLO that we believe will benefit transparency in the city. We urge this Rules, Elections, and Intergovernmental Relations Committee to schedule this Council File for consideration and a vote. This vote took place in a Brown Act compliant meeting on June 20, 2022. The vote was 8 yes, 0 no, 0 abstain, 0 recused, 2 absent.



Harbor City Neighborhood Council P.O. Box 325, Harbor City, CA 90710 (310) 918-8650 board@harborcitync.com www.harborcitync.com



Jennifer Corral – President Deseray Sarcona – Vice President Lorrie Lathrop – Secretary Nora Gersch - Treasurer

Council File 22-0560

(Municipal Lobbying Ordinance / Updates)

On July 20, 2022 the Harbor City Neighborhood Council voted to support the changes to the municipal lobbying ordinance (MLO) regarding neighborhood councils. We also request the consideration of changes to a few minor areas of the draft MLO that we believe will benefit transparency in the city. We urge this Rules, Elections, and Intergovernmental Relations Committee to schedule this Council File for consideration and a vote.

Under section 48.08.8 of the <u>current lobbying ordinance</u>, a lobbyist disclosure is only required for written communications to neighborhood councils. We believe the ordinance should be updated to include the same disclosure when a lobbyist makes an oral presentation or public comment to a neighborhood council that is related to their lobbying efforts. Therefore, we deeply agree with section 48.11 of the <u>draft municipal lobbying ordinance</u> under consideration.

As you may be aware, neighborhood councils continue to meet telephonically due to COVID and it is widely expected that this will continue in at least some form even when/if the pandemic passes. Additionally, under AB 361, we are prohibited from requiring "speaker cards," which is where traditionally lobbying disclosures had happened on our council. While Harbor City can require a disclosure for its own meetings, that disclosure has no teeth for enforcement as it is not an ordinance and it also does not address the other 98 neighborhood councils which similarly serve as elected advisory bodies to the city.

We believe the lack of oral lobbyist disclosure requirement leaves many neighborhood council board members at an information disadvantage and that it should be addressed for the following reasons:

- 1) **Transparency.** We believe every voting member at a board meeting has the right to the knowledge if a lobbyist is speaking on an item for which they are compensated to lobby.
- 2) **Diffusion of responsibility.** A lobbyist may send a correct written disclosure either via mail or email, but often these communications do not go to every member of the board. Unless the board member is diligent in passing along these communications, then it is possible there would be other members of the board who do not know of the lobbyist status of the individual speaking.
- 3) **Lack of training.** We do not receive training on identifying or looking up lobbyist activities in the city through the Department of Neighborhood Empowerment. We believe the legal onus should be on the lobbyist to be as upfront and straightforward with the board as possible. Additionally, the responsibility is then on the paid lobbyist rather than the volunteer board member when it comes to the pursuit of this information.

In addition, the Harbor City Neighborhood Council would like to request a similar lobbying disclosure for city council and committee meetings. This announcement could either be done by the lobbyist or by the presiding officer of the meeting in order to ensure that the public is fully aware of the associations of all speakers who are paid lobbyists. Neighborhood council members frequently listen to city council meetings or recordings of the meetings and we strongly feel that this minor addition would bring greater transparency to the City processes. We urge the City Council to adopt this minor change.

Lastly, the Harbor City Neighborhood Council urges the City Council to adopt a non-profit exemption of \$200,000 in revenue or \$500,000 in assets instead of the proposed \$2,000,000. This change aligns with the IRS tax filing system and would essentially allow any non-profit that files a 990-N or 990-EZ to gain exemption. This change also reflects the current San Francisco ethics ordinance. The current recommendation of \$2 million in revenue is far too high and would exempt the vast majority of nonprofits in Southern California. Only 16% of Southern California non-profits have revenues above \$1 million, so an exemption set at twice that amount would have a grave effect on transparency.

Thank you for your consideration of this topic.

Respectfully,

Jennifer Corral, President

Harbor City Neighborhood Council