

# **POLICY MOTION**

**COMMITTEE: Executive/Budget & Finance**

**TITLE: Opposition to Council File 11-1020-S3**

**PURPOSE: Substituting "Budget Advocates" for "budget advocacy" in the Los Angeles Municipal Code (LAMC) will remove Neighborhood Councils' ability to support the independent-NC-elected watchdog organization called Budget Advocates.**

## **BACKGROUND:**

On April 27, 2022, the motion to remove the name and organization of Budget Advocates from the LAMC was put forth. It is Council File 11-1020-S3.

The MVCC's Budget Advocate Representative, Kay Hartman, brought this to our attention at the June 15, 2022, Board meeting.

Due to the current language of the LAMC, NCs may financially support the watchdog organization called the Budget Advocates: "The Budget Advocates are an elected (through NCs), all volunteer, independent advisory body charged with making constructive recommendations on the City's budget to the Mayor and City Council and inspiring City Departments to improve their operations." Part of their mission is to, "[e]ngage with Neighborhood Councils and stakeholders on the City's financial condition [and] [e]ncourage the City to allocate its resources to improve services and quality of life for all Angelenos."

It has been confirmed (by their involvement) by previous Chairs of Budget Advocates (Amsden, Bailey) that in the spring of 2021 DONE directed the City Clerk to remove from the Neighborhood Councils' contribution form "Budget Advocates" and replace it with "budget advocacy".

If the LAMC is amended to substitute "Budget Advocates" for "budget advocacy", NCs would no longer be able to financially support this watchdog organization. The monies would be placed into a fund (i.e., budget advocacy) which would be managed by DONE and distributed to any "budget advocacy" organization of their choosing.

## **THE MOTION:**

The MVCC is AGAINST Council File 11-1020-S3.

## **DIRECTED TO:**

City Council and Committees

Board of Neighborhood Commissioners

MOTION

The Neighborhood Council Funding Program is comprised of administrative personnel dedicated to assist the Neighborhood Councils with all of their funding program needs. The Program is responsible for the administration of the Neighborhood Council Trust Fund, the review and approval of Funding Requests, and all related administrative services that involve the Neighborhood Council Trust Fund.

In 2017, the City Council adopted an ordinance that amended Sections 5.517, 22.801(p), 22.810.1(g) and 22.815 of the Los Angeles Administrative Code (LAAC) in order to transfer administration of the Neighborhood Council Funding Program from the Department of Neighborhood Empowerment to the City Clerk (CF 11-1020-S2). Section (b) of the ordinance stipulates that although the Office of the City Clerk would administer the Neighborhood Council Fund, funds for Budget Advocates (changed from budget advocacy) and the Congress of Neighborhoods would remain with the Department of Neighborhood Empowerment. However, the term "Budget Advocates" refers to an alliance of local leaders which is not an official City group or entity. As such, the Department of Neighborhood Empowerment has advised that this City fund should have an applicable and general title such as "budget advocacy" to effectively convey its use.

**I THEREFORE MOVE** that the City Council request the Office of the City Attorney, in consultation with the Department of Neighborhood Empowerment and the Office of the City Clerk, to prepare and present an Ordinance amending Subsection (b) of Section 5.517 of the Los Angeles Administrative Code to substitute the term "Budget Advocates" for "budget advocacy."

PRESENTED BY:   
JOHN S. LEE  
Councilmember, 12<sup>th</sup> District

SECONDED BY: 



ORIGINAL



## Communication from Public

**Name:** Liz Amsden

**Date Submitted:** 06/17/2022 05:00 PM

**Council File No:** 11-1020-S3

**Comments for Public Posting:** I strongly oppose this motion. The Budget Advocates is a group that strives to improve the future for all Angelenos by addressing issues in the City's budget and services on behalf of Neighborhood Councils. To do so, we rely on contributions from the Neighborhood Councils. In the spring of 2021, DONE directed the City Clerk to remove the Budget Advocates from the Neighborhood Councils contribution form and replace it with "budget advocacy." This is currently the name of the account for Budget Advocate funds, but money contributed to budget advocacy in this manner would not go to the Budget Advocates. DONE's General Manager has sole discretion over allocation of these "budget advocacy" monies. Since one of the concerns raised by the General Manager was that she could not give money's to organizations other than the Budget Advocates, we suggested that DONE add sub-budgets for other groups in the same way that the Congress account is split into the Congress of Neighborhoods and the EmpowerLA Awards. Petty Santos from the City Clerk's office verbally confirmed this was feasible to the Budget Advocate leadership. The Budget Advocate co-chairs were subsequently advised by DONE's General Manager that City policy does not currently allow this to be done for Alliances and other groups. This is patently incorrect since Neighborhood Councils have always funded the Budget Advocates under City aegis through their contributions. The referenced motion is the direct result of DONE requesting the Arts, Parks, Health, Education and Neighborhoods committee to initiate a motion to remove the Budget Advocates name from the Ordinance under which they have received money. It has now been referred to the Budget and Finance Committee. As a watchdog organization addressing fiscal and service issues at City Hall including department budgets, we know the Budget and Finance Committee values our input and independence. On the surface, however, although the consequences of such a change would appear to have little impact on the City's budget the motion may not get the attention it deserves from this committee. Because, if passed by the full City Council, this would limit the ability of Neighborhood Councils or any City entity to choose to fund the Budget Advocates directly for the work we have done over the years and continue to do. The Budget Advocates do not represent only the

Neighborhood Councils who elect them. The Budget Advocates do not represent only the Neighborhood Councils who contributed funds to them. The Budget Advocates represent all Neighborhood Councils, all stakeholders and all Angelenos. The Budget Advocates pride themselves on being an independent voice free to make suggestions on priorities and to criticize waste. We should not be beholden to any individual in one of the organizations that we are tasked to evaluate. In addition to restricting our independence and funding, the change being contemplated would also limit the ability of any Neighborhood Council to set and fulfill its own goals. It is inappropriate for anyone outside of those voting the funds to separately determine who should get how much and for what. This removal of the ability of Neighborhood Councils to operate freely is a curtailment of their independence, could set a dangerous precedent and lead to the invalidation of the entire Neighborhood Council experiment of which the City was, at least for many years, so proud. Liz Amsden Co-Chair 2016-2021 Neighborhood Council Budget Advocates

## Communication from Public

**Name:** Kay Hartman

**Date Submitted:** 07/04/2022 10:36 PM

**Council File No:** 11-1020-S3

**Comments for Public Posting:** Council File 11-1020-S3 moves that the fund created for the Budget Advocates be renamed to Budget Advocacy. Budget Advocacy is an activity. It is not an organization. To whom is the check written? This is the primary question raised by this motion. The fund was named Budget Advocates from its inception and the checks from Neighborhood Councils were made out to the Budget Advocates. Then in 2020, Budget Advocates were removed from the Contribution Form the NCs used to make donations. In 2021, the Contribution Form changed again, this time to add Budget Advocacy. In 2021, some Neighborhood Councils attempted to contribute to Budget Advocacy with the request that the money go to the Budget Advocates. Those donations were rejected. How then are the NCs to fund the Budget Advocates and the work they do, including producing Budget Day? The motion states that the Budget Advocates is “an alliance of local leaders which is not an official group or entity.” While the Budget Advocates are not specifically mentioned in the City Charter, Administrative Code, or the Plan for a Citywide System of Neighborhood Councils, we ask the City Council keep in mind that the Budget Advocates have been an institution in the City since the term of Mayor Hahn. In that time, the Budget Advocates have worked with each Mayor and City Council. The Budget Advocates provide a service to the Neighborhood Councils and the City at large. The “local leaders” who are Budget Advocates come from all of the City’s service regions and are elected by Budget Representatives appointed by the individual Neighborhood Councils. Any ordinance derived from this motion must require that legitimate budget advocacy alliances such as the Budget Advocates be allowed to raise funds from the Neighborhood Councils without undo interference from DONE.

## Communication from Public

**Name:** Lee Blumenfeld  
**Date Submitted:** 06/10/2022 10:03 PM  
**Council File No:** 11-1020-S3

**Comments for Public Posting:** This motion may seem innocuous, but it is about the agency of NCs. NC across the City have given funds to The Budget Advocates for years. The Budget Advocates provide a service to the NCs, advocating on their behalf on budget matters and educating board members and stakeholders alike on topics pertinent to The City Budget. In the last year, Angelenos from 94 of the 99 Neighborhood Councils participated in the Budget Advocates' events and the NCs would like to fund this work as well as the NCBA's yearly whitepaper and budget recommendations. This motion codifies ceasing the NC's ability to do that. Instead money would be placed into an account to be allocated at DONE's discretion, stripping the NCs of their ability to direct their funds as they see fit. At this point in time, many NCs simply do not trust DONE. If changes are to be made to the Administrative Code, it should be the codification of the ability to create subaccounts in the NC special funds so that NCs can direct their funds for the use of Alliances and NC entities such as the Budget Advocates that match their communities' needs and beliefs. The Los Angeles Neighborhood Council Coalition (LANCC), Valley Alliance of Neighborhood Councils (VANC), and several NCs have already voted to oppose this Council File. I urge the Budget and Finance Committee to not move on this file until NCs have had a chance to weigh in -- September at the earliest. To do otherwise would be an assault on the Neighborhood Councils' right to self-determination

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](mailto:NCsupport@lacity.org).

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

#### Contact Information

Neighborhood Council: Greater Wilshire Neighborhood Council

Name: Conrad Starr

Phone Number: (323) 539-4962

Email: [president@greaterwilshire.org](mailto:president@greaterwilshire.org)

The Board approved this CIS by a vote of: Yea(14) Nay(0) Abstain(0) Ineligible(0) Recusal(0)

Date of NC Board Action: 06/08/2022

Type of NC Board Action: Against

#### Impact Information

Date: 06/17/2022

Update to a Previous Input: No

Directed To: City Council and Committees

Council File Number: 11-1020-S3

Agenda Date:

Item Number:

Summary: On June 8, 2022 at a properly noticed meeting of the board of the Greater Wilshire Neighborhood Council, the board took up the matter of Council File 11-1020-S3 and the motion of April 27, 2022, moved by Councilmember Lee and seconded by Councilmember Krekorian, which is posted at [https://clkrep.lacity.org/onlinedocs/2011/11-1020-s3\\_mot\\_4-27-22.pdf](https://clkrep.lacity.org/onlinedocs/2011/11-1020-s3_mot_4-27-22.pdf) and which reads, "I THEREFORE MOVE that the City Council request the Office of the City Attorney, in consultation with the Department of Neighborhood Empowerment and the Office of the City Clerk, to prepare and present an Ordinance amending Subsection (b) of Section 5.517 of the Los Angeles Administrative Code to substitute the term "Budget Advocates" for "budget advocacy." The GWNC board then PASSED the following motion by a unanimous vote: "The Greater Wilshire Neighborhood Council opposes Council File 11-1020-S3. Neighborhood Councils form alliances when they want to join together to work on something of common interest. We want to be able to contribute specifically to alliances we support. The name of the overall fund is not important. What is important is that every recognized alliance has the ability to raise its own funds and those funds are reserved for its use and its use alone. Our Neighborhood Council wants the ability to direct our funds to a specific alliance and not to a fund that is allocated without our input."

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](mailto:NCsupport@lacity.org).

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

#### Contact Information

Neighborhood Council: Reseda Neighborhood Council

Name: Jamie York

Phone Number:

Email: [JamieY@resedacouncil.org](mailto:JamieY@resedacouncil.org)

The Board approved this CIS by a vote of: Yea(9) Nay(0) Abstain(0) Ineligible(0) Recusal(0)

Date of NC Board Action: 06/20/2022

Type of NC Board Action: Against

#### Impact Information

Date: 06/21/2022

Update to a Previous Input: No

Directed To: City Council and Committees

Council File Number: 11-1020-S3

Agenda Date: 06/20/2022

Item Number: X. D.

Summary: The Reseda Neighborhood Council strongly opposes Council File 11-1020-S3.

Neighborhood Councils form alliances when they want to join together to work on something of common interest. We want to be able to contribute specifically to alliances we support. The name of the overall fund is not important. What is important is that every recognized alliance has the ability to raise its own funds and those funds are reserved for its use and its use alone. Our Neighborhood Council wants the ability to direct our funds to a specific alliance and not to a fund that is allocated without our input. The Budget Advocates provide a vital and valuable service to the neighborhood councils including the white paper, Budget Day, and a wide variety of compelling townhalls. Many neighborhood councilmembers participate in their events with 94 of the 99 neighborhood councils participating in their events this fiscal year. The Reseda Neighborhood Council notes that given the limited funds available to neighborhood councils, it is imperative that the funds we direct be allocated in the exact manner in which we direct them. We do not want the Department of Neighborhood Empowerment (DONE) choosing how these funds are utilized as we are not electing to direct funds to the Department, but rather to a recognized alliance. Given our previous concerns regarding DONE's fiduciary duty, we believe the alliances are best suited to determine how any donations to those organizations are utilized. Anything less is tantamount to a reduction in our agency and our charter given right to self organization. Neighborhood councils must have the explicit ability to direct funds to the specific organizations that we select. We ask that the City Council amend this motion to make this clear.