



Los Angeles City Ethics Commission

October 15, 2012

The Honorable City Council
c/o June Lagmay, City Clerk
200 North Spring Street
City Hall – 3rd Floor
Los Angeles CA 90012

**Re: Council File Number 12-1484
Appointment of Marsha L. Brown to the Central Area Planning Commission**

FOR COUNCIL CONSIDERATION

Dear Councilmembers:

On September 17, 2012, the Mayor transmitted to the City Clerk a letter indicating his appointment of Ms. Marsha L. Brown to the Central Area Planning Commission. The Ethics Commission received Ms. Brown's pre-confirmation statement of economic interests (SEI) on September 25, 2012, and an amendment to that SEI on October 9, 2012. This letter is provided for your consideration as part of the confirmation process. A copy of this letter is also being provided to Ms. Brown to help her avoid potential conflicts of interests that may arise in the course of her tenure as a member of the East Area Planning Commission.

Ms. Brown reports on her SEI an ownership interest in and income from the investigation firm Fu-Gen, Inc., which she reports has received \$10,000 or more in income from Los Angeles County Metropolitan Transportation Authority. If a matter involving these interests comes before the Central Area Planning Commission, Ms. Brown should, before acting, seek the advice of the City Attorney regarding whether she should disqualify herself. We are unable to assess if or how frequently Ms. Brown would be in a position of having to recuse herself.

Interests disclosed on an SEI are not the only interests that can give rise to a conflict of interests. For example, state law may require recusal by a board or commission member due to certain business activities of the clients of that member's employer. Additionally, recusal may be required under City Charter § 222, which states that the City Attorney may provide a written opinion concerning the obligation of a City official to refrain from acting on a matter when it may violate state law or when action may not be in the public interest.

If a matter raises a potential conflict of interests, we encourage Ms. Brown to seek the advice of the City Attorney before acting. If Ms. Brown is required to disqualify herself from acting on a matter, Los Angeles Municipal Code § 49.5.6(J) and Executive Directive 2005-1 require her to file a Recusal Notification Form (CEC Form 51) with the Ethics Commission and the Mayor's office. If a board or commission member is disqualified from acting on three or more agenda items in a year because of a conflict caused by the same interest, the Ethics

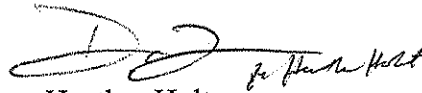
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Commission is required by City Charter § 707 to review the conflict. If the Ethics Commission determines that the member has a significant and continuing conflict of interests, it must order divestment of the interest that is causing the conflict.

In addition to reviewing a nominee's SEI, the Ethics Commission also verifies that the nominee is a registered City voter. We have received a completed Residence Verification Form for Ms. Brown, which affirms that she is registered to vote in the City.

If you have questions, please feel free to contact Ethics Program Manager Shannon Prior at (213) 978-1960.

Sincerely,

A handwritten signature in black ink, appearing to read "Heather Holt", written over a horizontal line.

Heather Holt
Executive Director

cc: Mayor Antonio Villaraigosa
Ms. Marsha L. Brown