

Los Angeles City Ethics Commission

October 24, 2012

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

Re: <u>Council File Number 12-1602</u> Appointment of Mercedes Marquez as the General Manager Los Angeles Housing Department

FOR COUNCIL CONSIDERATION

Dear Councilmembers:

On October 5, 2012, the Mayor transmitted to the City Clerk a letter indicating his appointment of Ms. Mercedes Marquez as the General Manager of the Los Angeles Housing Department. The Ethics Commission received Ms. Marquez's pre-confirmation statement of economic interests (SEI) on October 23, 2012, and this letter is provided for your consideration as part of the confirmation process. A copy of this letter is also being provided to Ms. Marquez to help her avoid potential conflicts of interests that may arise in the course of her tenure as the General Manager of the Los Angeles Housing Department.

Ms. Marquez reports on her SEI that she holds investment interests in Vertez Pharmaceuticals Inc. If a matter involving this interest comes before her, Ms. Marquez 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. Marquez would be in a position of having to disqualify herself.

Interests disclosed on an SEI are not the only interests that can give rise to a conflict of interests. 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 you have questions, please feel free to contact Ethics Program Manager Shannon Prior at (213) 978-1960.

Sincerely.

Ton Arathan Hoult

Heather Holt Executive Director

cc: Mayor Antonio Villaraigosa Ms. Mercedes Marquez