

**ORDINANCE NO. \_\_\_\_\_**

An ordinance amending Articles 9.5 and 9.7 of Chapter IV of the Los Angeles Municipal Code to add developer campaign and ethics restrictions.

**THE PEOPLE OF THE CITY OF LOS ANGELES  
DO ORDAIN AS FOLLOWS:**

Section 1. A new Section 49.5.2.J.1.e of the Los Angeles Municipal Code is added to read as follows:

e. A person who is an applicant, owner, or principal under Section 49.7.37.

Sec. 2. Section 49.7.16.B.3 of the Los Angeles Municipal Code is amended to read as follows:

3. The contribution is not from a person who is prohibited from contributing, including the following:

a. A lobbyist or lobbying firm that is prohibited from contributing under Charter Section 470(c)(11);

b. A bidder, sub-contractor, principal, or underwriting firm that is prohibited from contributing under Charter Section 470(c)(12) or Charter Section 609(e); and

c. A restricted developer that is prohibited from contributing under Section 49.7.37.

Sec. 3. Sections 49.7.37, 49.7.38, 49.7.39, and 49.7.40 of the Los Angeles Municipal Code are redesignated as 49.7.38, 49.7.39, 49.7.40, and 49.7.41, respectively.

Sec. 4. Section 49.7.37 of the Los Angeles Municipal Code is added to read as follows:

**SEC. 49.7.37. DEVELOPER CONTRIBUTION RESTRICTIONS.**

A. **Definitions.** For purposes of this Section, the following definitions apply:

1. **“Applicant”** means a person who is identified as the applicant on an application filed with the Planning Department for a Significant Planning Entitlement as defined in Subsection A.6 below and includes any subsequent person identified as the applicant.

2. **“Owner”** means a person identified as a property owner in conjunction with the application for a significant planning entitlement.
3. **“Planning Department”** means the Los Angeles Department of City Planning.
4. **“Principal”** means the following:
  - a. A restricted developer’s board chair, president, chief executive officer, chief financial officer, chief operating officer of a person, and any individual who serves in the functional equivalent of one or more of these positions;
  - b. A person who holds an ownership interest of 20 percent or more in a restricted developer; and
  - c. An individual authorized to represent a restricted developer before the Planning Department concerning the significant planning entitlement.
5. **“Restricted developer”** means any applicant or owner.
6. **“Significant planning entitlement”** means the following planning approvals that are not solely ministerial:
  - a. Density Bonus, On Menu;
  - b. Density Bonus, Off Menu;
  - c. Development Agreement;
  - d. General Plan Amendment;
  - e. Height District Change;
  - f. Major Development Projects;
  - g. Oil Drilling District Establishment;
  - h. Sign District Establishment;
  - i. Site Plan Review;
  - j. Specific Plan Establishment;
  - k. Tentative Tract Map;

- l. Transfer of Floor Area Rights;
- m. Transit Oriented Communities Affordable Housing Incentive;
- n. Vesting Tentative Tract;
- o. Vesting Zone Change;
- p. Zone Change; and
- q. Zone Variance where Area Planning Commission or Citywide Planning Commission is the initial decision maker.

**B. Restriction.** A restricted developer or principal shall not make a contribution to the Mayor, City Attorney, member of City Council, or a candidate or a City controlled committee for these elected City offices.

**C. Timing of Contribution Restrictions.** The restrictions in Subsection B apply from the time an application is submitted until 12 months after the date a letter of determination is issued, or if none, the date the decision on the application is final. If the application is withdrawn or terminated pursuant to the Zoning Code, the restriction applies until the day after the termination or the filing of the withdrawal.

**D. Disclosure.**

1. The Planning Department shall notify every applicant of the requirements of this Section.

2. At the time an application for a significant planning entitlement is submitted, the applicant shall file the following information:

- a. A brief description of the project, including any City reference number associated with it and the address or APN of the project site;
- b. The date the application was submitted;
- c. The applicant's name, address, phone number, and email address;
- d. The name, address, phone number, and email address of each owner;
- e. The names and titles of all of the principals; and
- f. A certification under penalty of perjury that the information submitted is true and complete and that the applicant understands, will

comply with, and will notify all owners and principals of the prohibitions in Subsections B and C.

3. The information shall be filed through an electronic database created by the Ethics Commission in the method required by the Ethics Commission.

4. Notwithstanding any other provision of this Code, an application is not complete until the applicant has filed the information required by this Section, unless State law provides otherwise. A receipt from the Ethics Commission confirming the applicant's certified filing is sufficient for evidence of completeness of an application for purposes of the Permit Streamlining Act, but it shall not be considered a determination that the applicant has complied with the requirements of this Section.

5. If the information filed pursuant to Subsection D changes after the information required under this section is submitted, the applicant shall update its filing within ten business days after the change. The requirement to amend applies as long as the restriction in Subsection B applies.

**E. Violations.** In addition to any other penalties or remedies established by this Article, an applicant, owner, or principal found to have violated or have aided or abetted a violation of Subsections B or C, may not be an applicant, owner, or principal on a new application for 12 months after the determination of violation by the Ethics Commission, unless the Ethics Commission, as a body, determines that mitigating circumstances exist concerning the violation. The Ethics Commission may adopt regulations regarding mitigating circumstances, including what constitutes mitigating circumstances and any other information determined to be necessary. The Ethics Commission staff shall notify the Planning Department of a determination of violation within ten business days after the determination by the Ethics Commission.

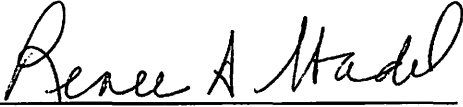
**Sec. 5. Severability.** If any provision of this ordinance is found to be unconstitutional or otherwise invalid by any court of competent jurisdiction, that invalidity shall not affect the remaining provisions of this ordinance which can be implemented without the invalid provisions, and to this end, the provisions of this ordinance are declared to be severable. The City Council hereby declares that it would have adopted this ordinance and each provision thereof irrespective of whether any one or more provisions are found invalid, unconstitutional or otherwise unenforceable.

**Sec. 6. Operative Date.** This ordinance shall not be operative until the first day a candidate for elected City office may file a Declaration of Intent to Solicit and Raise Contributions for the 2022 general election.

Sec. 7. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

Approved as to Form and Legality

MICHAEL N. FEUER, City Attorney

By   
RENEE STADEL  
Assistant City Attorney

Date 11 / 22 / 2019

File No. 19-0046

M:\GENERAL COUNSEL DIVISION\ORDINANCES AND REPORTS\ORDINANCES - FINAL YELLOW\ORDINANCE B - RevisedDeveloper Restrictions Council Proposal Ordinance.docx

The Clerk of the City of Los Angeles hereby certifies that the foregoing ordinance was passed by the Council of the City of Los Angeles.

CITY CLERK

MAYOR

\_\_\_\_\_

\_\_\_\_\_

Ordinance Passed \_\_\_\_\_

Approved \_\_\_\_\_