



Los Angeles City Ethics Commission

October 29, 2013

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

Re: **Council File Number 13-1289**
Appointment of Caroline Choe to the
City Planning Commission

FOR COUNCIL CONSIDERATION

Dear Councilmembers:

On September 30, 2013, the Mayor transmitted to the City Clerk a letter indicating his appointment of Ms. Caroline Choe to the City Planning Commission. The Ethics Commission received Ms. Choe's pre-confirmation statement of economic interests (SEI) on October 21, 2013, and an amendment to that SEI on October 28, 2013. This letter is provided for your consideration as part of the confirmation process. A copy of this letter is also being provided to Ms. Choe to help her avoid potential conflicts of interests that may arise in the course of her tenure as a member of the City Planning Commission.

Ms. Choe reports on her SEI an ownership interest in NewBridge Iquitos, LLC which holds an investment interest in and has received income of \$10,000 or more from Toro Global Investments. She also discloses an ownership interest in Abacus Capital Group, LLC, which holds an investment interest in Saehan Bancorp, and she reports an ownership interest in 535 South Serrano, LLC, which holds an interest in real property located in the City. She also discloses an ownership interest in CTC Irrevocable Trust of 2012, which holds investment interests in 21 Vianet Group, Inc., Best Buy, Northrim Bancorp, Inc., NQ Mobile, Inc., Phoenix New Media, Ltd., Silicon Motion Technology Corp., Wendy's Company, and Wilshire Bancorp Inc.

In addition, Ms. Choe reports an ownership interest in NewBridge Investments, LLC, which holds an investment interest in and has received income of \$10,000 or more from Bestia, LLC and Eagle Creek, LLC. Lastly, she discloses income from Saehan Bank, where she is the Bank Director. If a matter involving any of these interests comes before the City Planning Commission, Ms. Choe 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. Choe 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

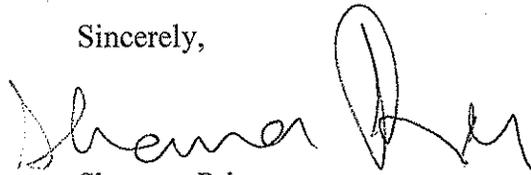
certain business activities of the clients of that member's employer. Additionally, recusal may be required under City Charter § 222, which states that the City Attorney may provide a written opinion concerning the obligation of a City official to refrain from acting on a matter when it may violate state law or when action may not be in the public interest.

If a matter raises a potential conflict of interests, we encourage Ms. Choe to seek the advice of the City Attorney before acting. If Ms. Choe 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 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 filing SEIs, nominees also file Residence Verification Forms. We have received a completed form from Ms. Choe, which states that she is registered to vote in the City.

If you have questions, please feel free to contact me at (213) 978-1960.

Sincerely,

A handwritten signature in black ink, appearing to read "Shannon Prior", written over a light blue horizontal line.

Shannon Prior
Ethics Program Manager

cc: Mayor Eric Garcetti
Ms. Caroline Choe