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Date: May 12, 2023

Hollywood Studio District Neighborhood Council

Subject: Findings of Hollywood Studio District Neighborhood Council Investigation

Summary: On February 15, 2023, the Department became aware of the resignation of several board members serving on the Hollywood Studio District Neighborhood Council (HSDNC).

On the week of February 27, 2023, the Department began its investigation and met with multiple board members to talk about their concerns. We also met with Mario Hernandez, the assigned Neighborhood Empowerment Advocate, and other witnesses present at the meeting where the outreach event, which led to the resignations, was presented. The Department also reviewed extensive communication between board members and the Department to understand the circumstances that led the HSDNC into Exhaustive Efforts and the Neighborhood Empowerment Advocate to identify outreach partnerships.

Background: On January 27, 2023, the HSDNC was placed in Exhaustive Efforts by the Department after receiving a request from the board. The Department developed an Exhaustive Efforts Work Plan to assist the HSDNC in addressing barriers preventing the board from establishing quorum due to absences and vacant positions. Without a quorum, the HSDNC had been unable to meet for three months, and this prevented them from achieving the goals and objectives of The Plan for a Citywide System of Neighborhood Councils "the Plan".

The Work Plan called for an increase in general awareness and engagement of the HSDNC to stakeholders. The Department allocated various expenditures to support the HSDNC outreach efforts, including the allocation of \$4,000 to the Sheriff's Youth Foundation. The funds were expected to cover the cost of booth space and NC logo placement on the event's promotional material.

During Exhaustive Efforts, the Department is able to allocate and spend neighborhood council funds to address a specific challenge the neighborhood council is experiencing (Administrative Code Section 22.810.1(e)).

The Department called the first HSDNC meeting on February 8, 2023. Their Neighborhood Empowerment Advocate presided over the meeting and provided an update and review of the Exhaustive Efforts Status and Exhaustive Efforts Work Plan. The board was informed about additional outreach efforts made by the Department to help increase awareness to stakeholders. These efforts included an outreach mailer, and upcoming scheduled awareness & engagement events the HSDNC would sponsor and participate in to help increase outreach in the community. The events were an Annual Youth Empowerment Event organized by the Sheriffs Youth Foundation and a Spring Festival Event organized by the Lemon Grove Recreation Center.

Findings: On the week of February 27, 2023, the Department began its investigation and met with multiple board members to talk about their concerns. We also met with Mario Hernandez, the assigned Neighborhood Empowerment Advocate, and other witnesses present at the meeting where the outreach event was presented. The Department also reviewed extensive communication between board members and the Department to understand the circumstances that led the HSDNC into Exhaustive Efforts and the Neighborhood Empowerment Advocate to identify outreach partnerships.

After speaking with board members, staff, witnesses, and reviewing relevant documents, these are our findings.

On January 12, 2023, the Department received a request from board member and former Chair, Michael Tessler, to place the HSDNC in Exhaustive Efforts. On January 27, 2023, the HSDNC was placed in Exhaustive Efforts. The Department developed an Exhaustive Efforts Work Plan to assist the HSDNC in addressing barriers preventing the board from achieving the goals and objectives of "the Plan".

The Department called the first HSDNC meeting on February 8, 2023. Their Neighborhood Empowerment Advocate presided over the meeting and provided an update and review of the Exhaustive Efforts Status and Exhaustive Efforts Work Plan.

After speaking with members of the board who were present at the meeting, we concluded that the board moved through the agenda without any concerns until discussion about a \$4,000 sponsorship to the Sheriff's Youth Foundation began. Three board members were most vocal during discussion and shared their opposition to sponsorship of this organization.

It is also important for us to share that through our investigation, we heard from board members who were not necessarily against the HSDNC participating in the event and thought it could be a good opportunity for outreach. We also spoke to board members who wanted to find a way for the board to move forward and function again.

Our investigation also found that in 2022 representatives from HSDNC had been in communication with the Sheriff's Youth Foundation to find opportunities to collaborate. The Department was included in those communications and made the decision to reach out to this organization while HSDNC was in EE to ask if there was an upcoming event the HSDNC could participate in. The Department was informed that an event was scheduled to occur at a local park, but had recently moved to West Hollywood. However, the event would still reach stakeholders within the jurisdiction of HSDNC boundaries. The Department moved forward in

processing a proxy payment request to have the HSDNC sponsor and outreach at the event. It is important to share that during this investigation the Department issued a request to stop the payment to the Sheriff's Youth Foundation. The check had been issued but, soon after, returned by the organization.

During our calls, board members expressed that they understood their participation at this event was required or they would be removed from the board. They expressed concerns about this item being presented as not open for negotiation or discussion. They also told us that a few board members offered alternative organizations to collaborate with, but their suggestions were not accepted. This meeting was not recorded. However, based on the evidence we found that the Board was informed that this event was not negotiable, it was the Department's understanding that a payment had already been processed. We also found that the board did try to offer alternative organizations which were not accepted for action at this meeting because the item were not listed on the agenda for discussion.

We reviewed the Exhaustive Efforts letter and Work Plan and found that there could have been an inaccurate reading of the letter and Work Plan. Per the EE letter, Board members are required to participate and attend at least two community elections events to help with outreach and recruitment. However, the letter does not say that Board members would be removed if they did not attend the events presented at this meeting. The letter does require board members to attend all board meetings during EE as an absence may result in removal from the board. The events presented at the February 8th meeting were the first two events scheduled and more were expected to occur. The Department could have done a better job by providing this clarification at the meeting.

Pursuant to Administrative Code Section 22.810.1(e), the Department may place a neighborhood council board into Exhaustive Efforts (EE) by taking over all powers vested in the neighborhood council board in an effort to bring the neighborhood council or its members into compliance with an applicable law, rule or regulation. Such actions may involve the allocation and spending of funds to address specific problems/challenges the neighborhood council is experiencing. In this case, the HSDNC could not establish a quorum to hold a meeting due to several vacant positions and absences from current sitting board members. The outreach and awareness expenditures were expected to help recruit new membership for the board.

During our meeting with board members, all, but one, expressed interest in returning to the board. We reviewed the HSDNC Bylaws 6/2022 Article V. Section 10. Resignation which states that "A Board Member may resign by submitting a written statement to the Chairperson or designee. An announcement of the resignation shall be made at the next Board Meeting and at that time the position shall be determined to be vacant." The HSDNC has not had a meeting since February 8. Per the HSDNC bylaws, the resignation of board members is not final as it has not been announced at a board meeting. Board members may decide to contact the Department to express their interest in continuing their term before the next board meeting.

Next steps: The Department regrets the confusion and disruption that resulted from these events. We understand that we failed to provide the best direct neighborhood council support services to the HSDNC. Based on this experience, we are looking at how we prepare our Neighborhood Empowerment Advocates to support neighborhood councils in Exhaustive Efforts. This requires us to look at both procedures, as well as the direct neighborhood council

support service aspect during this challenging time. We will explore additional training opportunities for our entire Department to address these issues. Any personnel matters, including disciplinary issues, will be addressed in accordance with the City's established personnel policies.

In the next few weeks, the Department will schedule a meeting of the HSDNC board. Board members who wish to continue their service will be able to finish their term through June 30, 2023. Those interested in continuing board service after June, may apply to fill a vacant position by following the process written in the HSDNC bylaws. The board will continue to work through the EE work plan and work to develop a strategic outreach plan. It will be necessary for our Department and members of the Board to conduct outreach in the community in order to fill the vacant positions expected in the new term. We will work with the HSDNC to identify outreach opportunities to spend the remainder of their 2022-2023 funds. If the funds cannot be spent, we will work with the board and the Office of the City Clerk, Neighborhood Council Funding Program to encumber or reappropriate unspent funds for the next fiscal year.

We would like to take the opportunity to thank all board members, staff, and witnesses who made themselves available to help bring clarity to this issue. We hope that board members are encouraged to continue their service and participate in neighborhood council meetings.

Sincerely,

Vanessa Serrano Interim General Manager

CC

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Serapia Kim, Central Area Representative, Office of LA Mayor Karen Bass
Anais Gonzalez, Field Deputy, Office of Councilmember Soto-Martinez
Elise Ruden, Office of the Los Angeles City Attorney
Mario Hernandez, Neighborhood Empowerment Advocate