

CITY ETHICS COMMISSION

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April 2, 2010

The Council of the City of Los Angeles  
c/o Office of the City Clerk  
City Hall, Third Floor  
Los Angeles, California 90012

**RE: APPOINTMENT TO THE CULTURAL AFFAIRS COMMISSION – MS. ANNIE CHU  
(CF #10-0079)**

Honorable Members:

On January 13, 2010, the Mayor transmitted to the City Clerk the appointment of Ms. Annie Chu to the Cultural Affairs Commission. The City Ethics Commission received Ms. Chu's pre-confirmation Statement of Economic Interests on February 2, 2010. Council confirmed Ms. Chu's appointment was on February 26, 2010. We are now providing this letter for inclusion in the Council file. A copy of this letter is also being provided to Ms. Chu at this time to assist her in avoiding any potential conflicts of interest that may arise in the course of her term as a City official on the Cultural Affairs Commission.

For the record, Ms. Chu reports on her Statement ownership interest in Chu + Gooding Architects. Through her ownership interest, Ms. Chu discloses the following clients as single sources of income of \$10,000 or more: Tobias Emmerich; Gloria Grace & Tom Mone; J Paul Getty Trust; Southern California Public Radio/KPCC 89.3; La Palaza de Cultura y Artes; NFL Network; Ron an Deanna Staake; UC Riverside; USC Campus Center (AC Martin Partners); James White; and Wyndham Chow and Terry Kung. The nominee also reports income from the USC School of Architecture for her position as a part-time lecturer. Additionally Ms. Chu reports a real property interest and a loan from Lolita Chu. Therefore, should any matter involving these interests come before the Commission, Ms. Chu should seek the advice of the City Attorney before acting regarding whether she will be required to disqualify herself.

We are unable to assess if, or how frequently, Ms. Chu would be in a position of having to recuse herself. For your information, when a member of a Board or Commission is disqualified from acting on three or more agenda items in a year because of a conflict caused by the same interest, the City Ethics Commission is required by Section 707 of the City Charter to determine if the Commissioner has a significant and continuing conflict. If the City Ethics Commission so determines, it may order divestment of the interest causing conflict.

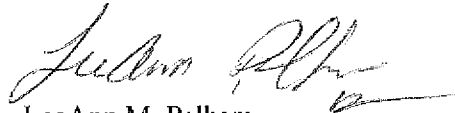
Interests disclosed on CA Form 700 (Statement of Economic Interests) are not the only interests that can give rise to a conflict of interest. As an example, in some cases state law may require recusal by a board or commission member due to certain business activities of the clients of that member's employer(s) or sources of income. Additionally, recusal on matters may be required by City law under City Charter Section 222. That section provides that the City Attorney, upon request, may provide a written opinion concerning the obligation of a City official or board to refrain from acting on a matter that may violate State law or where action may otherwise not be in the public interest for the board or commission member to act in a particular matter, contract, sale or transaction.

In the event that any matter comes before the Commission that raises potential conflict of interest issues, we encourage the nominee to seek the advice of the City Attorney before acting. If circumstances arise that do require the nominee to recuse herself from acting on any matter, the enclosed Recusal Notification Form should be used by the nominee to notify the City Ethics Commission for purposes of Charter section 707, as well as the Mayor's Office pursuant to Executive Directive 2005-1.

For your additional information, as a part of its review process, the City Ethics Commission also regularly requests and verifies that nominees to boards and commissions are registered electors within the City of Los Angeles. We have received a completed Residence Verification Form whereby the nominee affirms that she is registered to vote in the City of Los Angeles.

This staff report will be scheduled for formal review by the City Ethics Commission at its next meeting pursuant to Los Angeles Municipal Code Section 49.5.7. If the Commission's formal review results in a different conclusion at that time, our office will notify the City Council.

Sincerely,



LeeAnn M. Pelham  
Executive Director

cc: Mayor Antonio R. Villaraigosa  
Ms. Annie Chu