



Los Angeles City Ethics Commission

August 16, 2011

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

**Re: Council File Number 11-1228  
Appointment of Nathan Hochman to the City Ethics Commission**

***FOR COUNCIL CONSIDERATION***

Dear Councilmembers:

On July 13, 2011, the City Attorney transmitted to the City Clerk a letter indicating his appointment of Mr. Nathan Hochman to the City Ethics Commission. The Ethics Commission received Mr. Hochman's pre-confirmation statement of economic interests (SEI) on August 9, 2011, and an amendment to that SEI on August 11, 2011. This letter is provided for your consideration as part of the confirmation process. A copy of this letter is also being provided to Mr. Hochman to help him avoid potential conflicts of interests that may arise in the course of his tenure as a member of the City Ethics Commission.

Mr. Hochman reports on his SEI income from the law firm Bingham McCutchen LLP, where he is a partner. He also reports community property income from the production company Rive Gauche Television. Mr. Hochman reports an interest in real property and rental income from S. O'Neal and R. Al Harthy. In addition, he discloses ownership interests in two trusts. For the Hochman Children Present Interest Trust, he discloses income of \$10,000 or more from Six Flags Fund LP and investment interests in El Dorado LLC, Harbor City Estates, and Jennad LLC. For the Nathan Hochman 1987 Trust, he reports investment interests in H&S New Mountain II LP, H&S New Mountain III LP, H&S Rexford LP, H&S Rexford IV LP, Brentwood Town Center LLC, and Jennad LLC. Mr. Hochman further discloses investment and income interests in SFG, Inc., SFG-1 LLC, HIP Liberty Investors LLC, Blatteis & Schnur Briggs LLC, and H&S Market LP. He also reports that he holds several investment interests in various publicly traded companies, which are identified in the attached document.

If a matter involving any of these interests comes before the City Ethics Commission, Mr. Hochman should, before acting, seek the advice of the City Attorney regarding whether he should disqualify himself. We are unable to assess if or how frequently Mr. Hochman would be in a position of having to recuse himself.

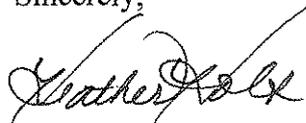
Interests disclosed on an SEI are not the only interests that can give rise to a conflict of interests. For example, state law may require recusal by a board or commission member due to certain business activities of the clients of that member's employer. Additionally, recusal may be required under City 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 Mr. Hochman to seek the advice of the City Attorney before acting. If Mr. Hochman is required to disqualify himself from acting on a matter, Los Angeles Municipal Code § 49.5.6(J) and Executive Directive 2005-1 require him to file the attached 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 reviewing a nominee's SEI, the Ethics Commission also verifies that the nominee is a registered City voter. We have received a completed Residence Verification Form for Mr. Hochman, which affirms that he is registered to vote in the City.

If you have questions, please feel free to contact Ethics Program Manager Shannon Prior at (213) 978-1960.

Sincerely,



Heather Holt  
Executive Director

Attachments

cc: City Attorney Carmen Trutanich  
Mr. Nathan Hochman

**Attachment**  
**Nathan Hochman**  
**Pre-confirmation Form 700**  
**Investments**

Akami Technologies, Inc.  
America Express Co.  
Apple, Inc.  
Air Products & Chemicals, Inc.  
Apache Corp.  
Cooper Industries PLC  
United Technologies Corp.  
Adobe Systems, Inc.  
Cisco Systems, Inc.  
Western Union Co.  
Berkshire Hathaway  
Guggenheim Exchange Traded Funds  
3M Company  
Teva Pharmaceutical  
United Parcel Service, Inc.  
Teradata Corp.  
Thermo Fisher Scientific, Inc.  
US Bancorp  
Time Warner, Inc.  
Gores FF Partners, Ltd.  
Fluor, Corp.  
Adina for Life  
Citigroup  
General Electric Co.  
Nokia Corp.  
Clorox Co.  
Pepsico, Inc.  
Intel Corp.  
Canadian Natural Resources, Ltd.  
Walt Disney Co.  
Emerson Electric Co.  
Discovery Communications, Inc.  
Exxon Mobil Corp.  
FMC Technologies, Inc.  
Illumina, Inc.  
Kraft Foods, Inc.  
Metlife Co.  
JPMorgan Chase & Co.  
Kellogg Co.  
Microsoft Corp.  
Novartis AG  
Nike, Inc.  
Progressive Corp.

Natapp, Inc.  
Occidental Petroleum, Corp.  
Qualcomm, Inc.  
Rockwell Automation, Inc.  
SAP AG  
Charles Schwab, Corp.  
Rayonier, Inc.  
Schlumberger, Ltd.  
Southwestern Energy, Co.  
Hypertension Diagnostics, Inc.  
AT&T, Inc.  
Verizon  
Westar Energy, Inc.  
BellSouth, Inc.