

## **MOTION**

The City of Los Angeles spends a significant amount of General Fund revenue each year on legal services, including settlement payouts, outside counsel contracts, and staffing for the City Attorney's Office. As the City continues to face significant fiscal challenges, we must explore alternative models for legal service delivery that promote long-term cost containment, efficient case management, and improved accountability.

In 2011, Council File 11-1127 initiated a review of legal service delivery models in comparable municipalities. That motion and report highlighted the importance of evaluating the structure, scope, and cost of legal services across jurisdictions to identify potential best practices. More than a decade later, the City's legal liabilities and associated expenditures continue to be a major driver of General Fund pressure, underscoring the need for renewed and expanded analysis.

To that end, the City must conduct a comprehensive, multi-year evaluation of alternative legal service models that looks beyond Los Angeles and adopts best practices from other large municipalities. This effort must prioritize long-term cost containment, improved caseload management, and measurable accountability.

I THEREFORE MOVE that the City Council instruct the Chief Legislative Analyst (CLA) and City Administrative Officer (CAO), with assistance from the Office of the City Attorney as necessary, to report back in 30 days with recommendations for a multi-year strategy to restructure and modernize the City's legal service delivery model. This strategy must include, at a minimum:

- Evaluation of alternative models for settlements, including potential delegation of settlement authority thresholds and administrative reforms to eliminate costly delays;
- A strict framework for the strategic use of outside counsel, including mandatory cost-effectiveness analysis, engagement criteria, and strengthened contract oversight;
- A comprehensive long-term staffing plan for the City Attorney's Office that addresses
  caseload realities, reduces reliance on outside counsel, and ensures accountability for
  results;
- Comparative research on legal service models in other large municipalities, with a focus
  on governance structures, cost drivers, performance outcomes, and lessons learned that
  Los Angeles can and should adopt; and
- A review of policy options for the Charter Reform Commission to consider for broader structural reforms of legal service delivery.

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I FURTHER MOVE that this report include recommendations for convening an advisory panel to the City Council of former senior City administrators, former City Attorneys, and independent legal and finance experts to ensure that external perspectives inform structural reform. This panel should be tasked with challenging existing assumptions, benchmarking Los Angeles against its peers, and identifying concrete reforms to strengthen accountability and reduce costs.

PRESENTED BY

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