

Communication from Public

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Los Angeles
CITY ATTORNEYS ASSOCIATION

May 5, 2026

Budget and Finance Committee
Personnel and Hiring Committee
Rules, Elections, Intergovernmental Relations Committee
City of Los Angeles 200 N. Spring Street
Los Angeles, CA 90012

**Re: LACAA’s Response to Council Motions 25-1023 and 26-0040,
Seeking a Comprehensive, Multi-Year Strategy to Restructure and Modernize
the L.A. City Attorney’s Office**

Dear Councilmembers:

As President of the Los Angeles City Attorneys Association (“LACAA”), I am writing to propose remedial measures aimed at addressing the ongoing concerns regarding the challenges the City Attorney’s Office (“Office”) has faced in providing efficient, cost-effective and accountable legal services to the City of Los Angeles. In August 2025, the Rules, Elections and Intergovernmental Relations Committee (Item No. 8-A, CF 25-1023) harkened back to a 2011 Council motion to review best practices for municipal legal service delivery that the Office could adopt. Since passing that motion, the City Council and its Committees have adopted subsequent motions seeking guidance and input for comprehensive staffing plans, alternative models for settlements, frameworks for strategic use of outside counsel, and comparative research on legal service models. LACAA shares the frustration expressed by numerous City Council members over the Office’s mixed record in addressing the issues raised in the various motions they have adopted, and LACAA appreciates City Council’s recognition of our offer to collaborate in partnership with other City stakeholders to identify solutions to these and other issues that have come to light over the past 18 months. Our participation and input, based on the unique perspectives of our members, will be critical to ensure that the solutions pursued through this process will actually produce meaningful and constructive improvements in how the City relies on and utilizes the services and support provided by the Office and its staff of legal professionals.

LACAA represents nearly all of the dedicated attorneys who serve the City, more than half of whom have over 10 years of tenure with the Office. These highly experienced professionals fulfill the Charter-mandated duties of the City Attorney by defending the City in legal proceedings and initiating appropriate legal actions, advising Boards, Departments, Officers, and Entities, and prosecuting misdemeanor offenses occurring within the City. These attorneys diligently execute these Charter-mandated duties, maintaining continuity across successive City Attorney administrations.

In 2001, Rocky Delgadillo, the first City Attorney elected after City voters approved term limits for elected officials, commissioned McKinsey & Company (“McKinsey”) to conduct a comprehensive and systematic review of the core functions and ancillary responsibilities of the Office. The final report included a series of findings and recommendations based on internal and external perspectives. McKinsey sought input from judges, private sector attorneys, public sector attorneys and legal knowledge specialists, and representatives of government agencies, including the San Francisco, San Diego, and New York City Attorney’s Offices. While the Delgadillo administration and those of successive City Attorneys have adopted some of the changes McKinsey recommended, the current state of the Office reflects a continued failure across four administrations to implement many other vital improvements LACAA believes are essential to fulfilling the Office’s potential and maximizing our members’ ability to support our client.

Recent discussions, including those at Budget and Finance Committee and Rules, Elections, and Intergovernmental Relations Committee hearings, have highlighted issues such as over-reliance on outside counsel, staffing shortages, recruitment and retention challenges, risk management practices, potential inefficiencies in contracting practices, and significant delays in Office responses to Council motions and requests for ordinances. These concerns are consistent with prior Council actions, including Council Files 25-1023 and 26-0040, which emphasize the need for a multi-year strategy to restructure and modernize the City’s legal service delivery model. In order to create a comprehensive staffing plan, establish a framework for the strategic use of outside counsel, evaluate alternative models for settlement, and conduct research on other legal service models, LACAA respectfully proposes that City Council direct the formation of an independent Oversight and Accountability Committee. This body would be tasked with conducting audits, developing recommendations, and promoting transparency across City Attorney operations and City department responses to legal advice. The ultimate goal of such a Committee would be to ensure that the Office and its attorneys have adequate resources to provide the most cost-effective and competent legal support the City needs today and into the future.

I. Composition of the Oversight and Accountability Committee

To ensure balance and independence, the Committee should include at least five members appointed by the Budget and Finance Committee within 30 days of approval:

1. One representative from City Attorney’s Office management (e.g., a senior administrator);
2. One LACAA representative (e.g., an attorney experienced in workload and staffing issues);
3. One representative from the Budget and Finance Committee;
4. One private sector advisor from the local legal community whose firm does not contract with the City (e.g., from a bar association, academia, or retired judge); and
5. One additional member with budgeting or auditing expertise (e.g., from the CAO, CLA, or an external fiscal expert).

The composition should incorporate external perspectives, as proposed in Council File 25-1023, such as former senior City administrators, former City Attorneys, and independent legal and finance experts, to challenge existing assumptions, benchmark the City’s policies and protocols against its peers, and identify concrete reforms.

Members would serve at least two-year terms. The Committee should meet at least quarterly, with meetings open to the public where appropriate, and follow City ethics and transparency guidelines.

II. Tasks and Responsibilities of the Oversight and Accountability Committee

The Committee would be empowered to undertake the following remedial measures, with a focus on identifying inefficiencies, reducing costs, and enhancing in-house capacity:

A. Framework for the Strategic Use of Outside Counsel

- 1. Selection of a Billing Expert for Audit of 2025 Contracted Cases:** Select an independent billing expert (e.g., forensic accountant or legal billing consultant) to audit cases contracted out by the City Attorney's Office in fiscal year 2025 where total billed amounts (fees and expenses) exceed \$550,000 (with option to raise to \$1,000,000 if needed for manageability and focus on the most significant expenditures). The audit should identify instances of fraud, abuse, and inefficiency, including but not limited to:
 - a) Propriety of hourly rates;
 - b) Reasonableness hours billed for each task;
 - c) Number of lawyers assigned and potential duplication;
 - d) Alignment of task time with industry standards; and
 - e) The endpoints of billed tasks, ensuring no overbilling for incomplete or unnecessary work.

The audit should be completed within six months of the expert's selection, with findings used to inform future contracting guidelines and potential recovery of improper charges.

Presentation of a Public Report on Findings: Upon completion of the audit and any related reviews, the Committee shall prepare and present a public report detailing the findings, with any confidential or privileged information redacted in accordance with applicable laws (e.g., attorney-client privilege under Evidence Code § 950 et seq.). The report should include recommendations for corrective actions, such as clawbacks of overbilled funds or revised billing protocols, and be submitted to the Budget and Finance Committee and made available to the public via the City's website. The report should build on issues raised in Council Files 25-1023, 26-0040, and most recently in 24-0600-S37, including statistics on civil liabilities, settlement amounts by lawsuit type, judgments versus settlements, nationwide trends in nuclear verdicts, and comparisons of City settlement/verdict amounts relative to similar cases handled by the County of Los Angeles.

2. Oversight of New Contracting Out Proposals and Preparation of Recommendations: Review all new contracting proposals and provide recommendations to the City Attorney's Office and Budget and Finance Committee, focusing on:

- a) Cost-benefit analyses comparing outside counsel rates/costs to in-house equivalents (including overhead, benefits, and long-term savings);
- b) Budget investments in recruitment (e.g., targeted campaigns), retention bonuses, and training to minimize future outsourcing and generate savings;
- c) Impact of over-reliance on contracting on core functions (e.g., advisory services, enforcement), using metrics like resolution times and backlogs;
- d) Measurable budget steps to fill vacancies and reduce outsourcing by at least 20-30%
- e) Clear, specific criteria for deeming a matter "unique" and requiring external counsel (e.g., beyond in-house expertise, conflicts, or temporary surges), with required documentation;
- f) Assess outside counsel expenditures over the past three fiscal years by legal area, with explanation of why funds were not redirected to in-house hiring and identification of barriers (e.g., budget limits, hiring freezes, true lack of expertise or capacity);
- g) Identify root causes of recruitment and retention problems (e.g., competitive salaries, workload burnout, telework opportunities, or lack of advancement opportunities) and propose new solutions, such as salary adjustments aligned with private sector benchmarks, mentorship programs, or flexible scheduling.
- h) Conduct a cost-benefit study of telework in terms of efficiency and oversight, identifying assignments where telework is more effective (e.g., research-heavy advisory roles, writing-intensive work such as law and motion and appellate practices) versus less effective (e.g., courtroom litigation or field investigations), with recommendations for hybrid policies to optimize productivity

B. Alternative Models for Settlement

Mirroring McKinsey's efforts in 2001, the Oversight and Accountability Committee will research municipal legal service models, focusing on governance structures, cost drivers, performance outcomes, and lessons learned. The Committee could use those findings to develop a multi-year strategy for restructuring the City's legal service delivery model and approach to defending certain types of cases, including evaluation of alternative models for settlements (e.g., better thresholds and criteria for delegation of authority and administrative reforms to eliminate delays). These findings could inform policy recommendations for the Charter Reform Commission to consider if broader structural reforms appear necessary.

The Committee should have access to relevant records subject to confidentiality protections (e.g., protective orders, NDAs) and could issue annual findings and recommendations.

C. Liability and Risk Management Programs

The Office primarily focuses on “post incident” liability management rather than proactive risk mitigation. This reactive stance hinders the City’s ability to identify and address the root causes of liability. To better control future costs, the Office should support proactive programs for City departments by: enhancing its internal tracking systems to include a systematic process of tracking, analyzing, and reporting liabilities to departments; increasing resource levels, particularly staffing; and optimizing attorney allocation processes by aligning its top litigators with its highest exposure cases. The recent report prepared by the Office for Council File 24-0600-S37, which discusses liability claims payments and risk management, represents a start to address these issues but did not have the benefit of LACAA’s review and input prior to its presentation to the Budget and Finance Committee. Fundamentally, the report does not substantively address how the Office can transition out of the established, expensive trend of excessive reliance on external contractors. This approach risks deepening, rather than curing, the structural issue of contracting out key legal functions.

D. A Comprehensive Long-Term Staffing Plan

The Office must have a comprehensive, long-term staffing plan that details current and projected needs across litigation, advisory, and specialized units. LACAA has discovered that the Office has no standard recruitment timelines or process for balancing internal transfers against waiting to find the right outside candidate, leading to a disconnect between the pace of hiring and the urgent need to fill critical vacancies. While the Office deserves some credit for hiring 39 new attorneys to LACAA’s bargaining unit between July 1, 2025, and April 30, 2026, after retirements and resignations, the Office only achieved a net gain of six attorneys in 10 months. To attract and retain attorneys and staff, the Office should consider increasing the number of new positions, expanding salary ranges and compensation adjustments for competitiveness, and work-life balance initiatives like telework and 9/80 schedules.

E. Clear Client Service Goals

The Office must establish guidelines for communicating with clients and, where necessary, create tailored programs to improve delivery of legal advice, litigation, transactions, and ordinance drafting. City Council and client departments should have a systematic way to provide feedback on the services they receive from the Office.

Internally, the Office lacks structured, organization-wide processes for knowledge management, specifically regarding the sharing of best practices and previous work product. Furthermore, there is no formal system for identifying and utilizing internal subject matter experts, further limiting operational efficiency. The Office continues to operate with insufficient support staff, inefficient workflow allocation, and inadequate training and supervision, resulting in performance gaps or highly variable degrees of competence within and across teams. Finally, the lack of a performance management system – one that defines clear expectations, measurable goals, and incentives – hinders efforts to motivate high performance.

III. Collective Bargaining Can Also Address Some of These Issues

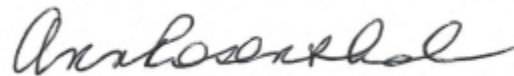
Our current MOU, which runs through the end of 2028, includes Letters of Agreement (“LOAs”) that provide LACAA the right to negotiate improvements to how the Office operates. Specifically, we have an LOA that covers career development and advancement, assignment/incentive pay, transfer and promotional opportunities, and related issues that directly impact recruitment, retention, and job satisfaction. Positive changes that address these topics would produce improved service delivery and facilitate more timely responses to requests from City Council. Another LOA covers the use of Artificial Intelligence (“AI”) in our members’ legal practices. Finally, there is an LOA that seeks to expand the availability of the City’s Special Funds to cover Department expenses, including drafting ordinances to increase access to special funding sources. Despite our repeated efforts to engage the Office on these LOAs, including providing the Office with two analyses of the City’s Idle Funds accounts, the Office has declined our offers of partnership.

In Conclusion

LACAA believes that establishing an Oversight and Accountability Committee and engaging on our LOAs will foster greater transparency, accountability, and fiscal responsibility in the City Attorney’s Office, ultimately benefiting taxpayers and City stakeholders alike. Our members already deliver high-quality legal services and provide the City with tremendous value relative to the cost of obtaining comparable services from the private sector. We provide these services under challenging circumstances, but it does not have to be that way. The City Attorney’s Office can deliver superior service while creating an environment that attracts and retains high-quality legal talent. This transformation requires sustained focus, increased and targeted resources, improved information systems, and full support from the City and its departments. We stand ready to collaborate on this initiative and provide any additional information or testimony as needed.

I urge the Budget and Finance Committee and the Rules, Elections, and Intergovernmental Relations Committee to consider and adopt this proposal at your earliest convenience.

Sincerely,



Ann Rosenthal
President
Los Angeles City Attorneys’ Association

Cc: David E. Mastagni, LACAA Legal Counsel