

D. NEIGHBORHOOD COUNCIL BUDGET

The Commission has four basic alternatives for directing the administration of NC budgets. Regardless of which scenario is adopted, a structure of fiscal management should be implemented to insure public access to financial records and that independent audits of the entire NC program be conducted in a timely manner.

The issue of budgetary control directly addresses the extent of vested independence the NC process will provided in the Charter. Only one alternative provides NCs with comprehensive authority over budget and expenditure issues. The other scenarios link other city departments with NCs in relation to fiscal matters. While in all cases NCs should have direct decision making authority over budget priorities, there is a fundamental and qualitative difference between total control versus interaction with a city department. This is both a structural and public perception issue. The Commission, in effect, will be deciding a specific level of power relations between NCs and the city. This decision is as important in structuring the NC process, as are decisions that will be developed in the previous two sections of this report.

The issue of accountability is the central theme governing this topic. Neither the city nor the public wants improper fiscal management or the specter of the mis-utilization of public funds. However, the basic question confronting the Commission is which alternative provides the best balance of control, accountability and flexibility within the NC framework. There is no specific "correct" avenue, since research of other cities indicates myriad alternatives governing neighborhood council-based financial resources and accountability.

The four major alternatives are as follows:

1. An independent budget allotted to each NC for the administration of their functions, in effect establishing them as independent City departments.
2. Creating a new City department with the responsibility of managing the fiscal operations of all NCs (i.e., the "Los Angeles Department of Neighborhood Councils").
3. Designating budget and fiscal authority to an existing City department.
4. Designating the City Planning Department as the managing fiscal office.

1. Independent Budget

Providing each NC with an independent budget, in the manner of an existing City department, would provide the most independence for the NCs. NCs would still have to submit an annual budget request to the City Council for annual funding, as does every other City department. However, each NC could decide for itself how to best utilize its appropriation: paid staff, office expenses, mailings, public hearings expenses and community oriented research. Each

NC would need an office and District Manager who would in effect function as the administrative director of a specific NC. This staff position presumably would be chosen by the NC and would be the focal point of NC relations and interaction with the City Council and other City departments.

A criticism of this option is that the NC would have too much budget independence, and would not be answerable to any other city entity. Without a direct role for the city the potential for mismanagement is an important consideration. In addition, an NC could potentially duplicate existing city services or functions.

A response to this criticism is that a grant of neighborhood empowerment implies a level of fiscal independence as well. If a NC cannot decide for itself how to budget and expend financial resources, then the issue focuses on whether the City is truly prepared to grant some form of neighborhood autonomy. In relation to the issue of fiscal integrity, although the NCs would not be reporting to the Mayor, or the City Council in terms of their policy role, it will be the City Council which ultimately funds the NCs from the City's general revenue. Thus NCs would be expected to act as responsibly as any other City department. Furthermore, as with any other City department, NCs will be subject to audits by the City Comptroller (or other oversight entity this Commission may choose to establish) in order to ensure that public funds are being used properly.

2. New City Department created to manage Neighborhood Councils

A system which would provide a centralized and presumably consistent fiscal and administrative functions (but without interference in their policy role), entails the creation of a new department to administer the NC budget and fiscal operations. The benefits of this alternative include a uniformity and level of control in the manner in which these functions are delivered to all sectors of the City. In addition, all NCs would have a consistent financial reporting format.

However, establishing this "uniformity" raise a number of questions. First, who is to appoint the management of this new agency? If it were an elected official, would it be the Mayor? The City Council? In addition, this appointment implies managerial authority not necessarily controlled by NCs. Is it appropriate to establish a neighborhood council, with the goal of vesting local empowerment, and then subjugate this entity to another branch of the government? Second, the concept of providing a neighborhood empowerment (along with the resources to make that voice heard) is fundamentally inconsistent with compelling each NC to operate identically to each other.

A compromise solution might be to permit each NC to exercise wide latitude in the expenditure of its funds, but nevertheless requires them to abide by certain limitations that might apply to all City departments. This "compromise" might be considered as well with the "independent" budget option discussed above.

A final criticism of this option is that the government is being enlarged unnecessarily (and taxpayer funds further strained) by the creation of yet another City department. Inherently, creation of the NCs themselves will require direct investment of general fund revenues. An argument is that the incremental cost of a new agency for this limited purpose would be marginal in relation to the entire city budget. In addition, creating such an agency could save money by ensuring that funds are not spent improperly, or that certain economies of purchasing are obtained, and generally, by becoming an "expert agency" on facilitating the budgetary demands and requirements of NCs.

3. Existing City Department

This alternative would structure the responsibility to manage the fiscal administration and operations of NCs to an existing city department. This option will provide the NC system with experienced and knowledgeable staff familiar with city budget procedures. The NC process, especially during its inception stage would have competent fiscal management which would allow for increased focus on policy and implementation issues. City staff could train NC staff on current city budgeting practices, eliminate basic mistakes, avoid duplication and virtually ensure proper auditing procedures are adhered to in a timely manner.

A benefit would be that this alternative not require the creation of yet another City department. However, additional responsibilities and functions for an existing department implies the demand for increased funding in order to address new responsibilities and assignments.

The major criticisms of this option are similar to the "new agency" option in the prior alternative especially in relation to jurisdictional control, appointing authority and lack of "structural independence."

4. City Planning Department

The Department of City Planning is a potential existing City department that could assume on the function of fiscal management and administration of the NCs. Planning staff have a working relationship with many neighborhood organizations, have assisted them on community plans and land use issues, and are familiar with NC systems in other cities. They could assist in developing resources, streamlining research activities and developing organizational management procedures amenable to community oriented considerations inherent to the NC function.

A major issue of contention however, is that NCs will inherently assume a significant role in planning, zoning, land use and similar topics. NCs would likely be in direct conflict with the Department of City Planning in numerous future issues. Thus they would be placed in the position of disagreeing with the same agency that has direct control over budgetary matters. This conflict is potentially a significant barrier to seriously consider this alternative. In fact, there already exists a level of distrust (in some neighborhoods significant distrust) with the performance of the Planning Department. This sense of competing interests could harm the initial

phase of NC implementation if this department is ceded strong authority over all NCs.

5. Charter Alternatives

- a. An independent budget allotted to each NC for administration and programs, in effect establishing them as independent City departments.
- b. Creating a new City department with the responsibility of managing the fiscal operations of all NCs (i.e., the "Los Angeles Department of Neighborhood Councils").
- c. Designating budget and fiscal authority to an existing City department.
- d. Designating the City Planning Department as the managing fiscal office.

E. ANALYSIS OF GOVERNING POWERS IN RELATION TO EXISTING CITY DEPARTMENTS

1. *In relation to NC powers, what are the potential "new" structural responsibilities of Neighborhood Councils?*

A. Land Use and Zoning

The concept of NCs is centered on land use decisions at the local level. How land use permits are processed and approved is a major arena of contention throughout the city. Community leaders often sense that they are confronting applicants and city staff, both of which possess limited considerations, at best, to the spatial and socio-cultural relationships of a particular neighborhood. The expectation is that NCs will be vested with important land use decision making powers, especially on issues that are locally oriented. (This, in fact, may not occur within the charter reform framework).

If the Commission determines that NCs should have a level of control over land use issues, the actual division of authority must be clearly defined either within the charter itself or within a specified time frame after charter adoption.

The NCs can be vested with narrowly defined local zoning and land use powers which directly impact a specific community. These powers may include zone changes, variances, conditional use permits, zoning interpretations, interim planning ordinances and other related matters. In this context the NCs would wield considerable power over a major arena of public policy, solely focused at the local level. Conversely, NCs can be vested with total control over all land use and zoning decisions within their respective boundaries. This scenario would be less cumbersome in relation to level of specified powers. However, major citywide issues would become intertwined with the nuances of local norms which are often counter to socially necessary land use changes.

B. Planning, Community and Specific Plans

Planning at the local level is a parallel consideration in relation to the previous section. Current planning practice encourages strong local participation in the development of both Community and Specific Plans. Vesting this authority within the NC system would not fundamentally change public participation norms in the city. However, it would structurally shift the orientation of local planning to residents within districts, as opposed to planning staff, council offices and economic interests. Within this context, recommendations developed by area residents would have strong influence in the development of policies, future land use projections and community growth.

C. Cultural Affairs

In this instance, the Cultural Affairs Department has moved beyond the conceptual framework of NCs through the implementation of Regional Arts Councils (RAC). The RAC system was a directed divestiture of power over local cultural arts decision making in relation to both programs and funding allocations. Cultural Affairs initiated the RAC program three years ago, and is currently providing technical assistance to locally developed RAC's. The main idea is that local control will translate into improved utilization of funds, local empowerment, a decentralized administration and optimum use of the professional expertise of department staff.

That Cultural Affairs has presaged the entire discussion on the viability of an NC system by implementing this type of structure citywide should not surprise the city's public policy arena. The agency has actively engaged its public in all forms of service delivery for a number of years. The department's implementation phase is a pro-active example of how NCs can be implemented throughout the city.

D. Parks and Recreation

Local recreation and leisure are two of the most important components in urban neighborhoods. Few aspects of government service delivery rival the influence on how communities view themselves than through the reflection of their the local park system. Currently park and recreational decisions are highly centralized. Rarely are local park issues discussed within the respective community at issue. The Recreation and Parks Commission meets both in downtown and around the city. However, this formula often forces residents to travel across the city to participate in public hearing addressing local issues.

E. Public Works Projects

This is has been a traditionally difficult department in relation to local decision making. The schedule of projects is cumbersome, occasionally contradictory and lacks local coordination with other city actions. In addition, repairing streets, addressing acute infrastructure problems and obtaining timely service is a byzantine process. The NC system would improve relations and interaction between the department and the public.

F. LAPD

LAPD policy and deployment are not amenable to the NC structure. However, local involvement and awareness of public safety in relation to community based policing would be enhanced. The NC system could not have a vested structural role in relation to the LAPD, thus under any scenario their input would be advisory.

2. Will a distinction be developed between "Local Issues" vs. "Citywide Issues" in establishing Neighborhood Council jurisdiction?

A. Citywide Land Use Decisions

Developing land use decisions invariably involves questions of fairness and equity in that every proposed use has advantages and disadvantages, and the task is to arrive at balanced, pragmatic implementation strategies.

Due to their smaller jurisdiction, neighborhood councils may be inherently incapable of balancing advantages and disadvantages of projects with citywide implications. These projects' benefits are city or region-wide, but their direct impacts are concentrated in neighborhoods. The irresistible incentive for neighborhood councils, then, will be to reject such projects. If this scenario dominates the NC system, it will have long range negative consequences for the city and the region. This does not imply that neighborhood councils should not be able to consider the types of projects outlined in this section, far from it. One option for the Commission is to require neighborhood council consideration of projects within a fixed time limit to avoid "rejection by delay", while allowing NCs a proper role in the process.

A critical variable regardless of the scope of neighborhood council review is to build NC capacity to analyze and comment on proposed projects. The California Environmental Quality Act ("CEQA"), requires that in cases where significant adverse environmental impacts may occur, all "feasible" mitigation must be accomplished. Similarly, it demands real consideration of feasible alternatives to proposed projects. Only if NCs have the financial resources to hire professional staff will they have the ability to effectively demand feasible mitigation and serious consideration of alternatives. This ability to make thoughtful comments can crucially alter a project's capacity to withstand legal challenge and thus may provide crucial bargaining leverage.

If the Commission chooses to have certain kinds of projects be appealable, the question immediately arises not only as to which categories should be appealable, but how individual projects will be designated into different categories. It is simply impossible to define the parameters so precisely beforehand that applying these categories to individual cases will be uncontroversial. A structure will have to be created that is considered unbiased and be insulated, as far as possible, from overt political influence.

The following is a list of general projects and/or issues that the Commission should review in relation to whether or not NCs should have decision making authority, due to their citywide nature.

B. Projects of Regional Economic Significance

The following sections represent the classic case of diffuse benefits with concentrated costs. Vesting NCs with final authority could impact regionally oriented projects and the economy.

C. Major Public Infrastructure

The most current example is the proposed Los Angeles International Airport expansion. The Legislature has recognized the difficulty of achieving rational airport land use planning and enacted a special Airport Land Use Planning Law, Public Utilities Code §21670 et seq. (Article 3.5 of the State Aeronautics Act) in order to vest the County Planning Commission with substantial influence over land use decisions that may affect airport development. In fact, the structure of the Airport Land Use Planning Law may make neighborhood council review illegal. The Alameda Corridor project and the Hyperion wastewater treatment plant serve as two other prominent examples.

D. Transportation Planning

Transportation represents a frustrating combination of regional and local needs. Few can think of anything more "local" in character than the placement and synchronization of the traffic light at the corner. This type of a decision may have far-ranging regional implications. The vast majority of vehicle trips in Los Angeles link planning areas, and the placement and synchronization of traffic lights can have profound effects on the length and congestion of such trips. Moreover, since traffic idling significantly increases the production of carbon monoxide, the placement of traffic lights can have significant impacts on a region's ability to meet state and federal air quality standards.

Both state and federal laws are beginning to recognize this interplay. Local government are required to conform with regional Congestion Management Plans or face losing state funding for streets and highways. In response to congestion management mandates from the state Legislature, local governments have developed zoning standards for trip reduction and methods to identify regional circulation impacts. Some codes now include a "transportation demand management" measure, mandate parking standards for carpool and vanpool parking, require video conferencing facilities in large office buildings and require telecommuting centers in large residential subdivisions.

In this effort to address regional congestion and air quality management, however, local communities can be negatively impacted. The easiest way to increase traffic flow is to widen streets, but this can obliterate neighborhood character. While transportation planning issues should remain at the citywide level, NCs should have the resources to retain transportation experts to advocate for their interests.

E. Projects of Citywide Fiscal Importance

This grouping could be potentially controversial. Since the passage of Proposition 13, a deeply dysfunctional fiscal relationship has emerged between state and local governments in California. Unable to rely upon property tax revenues to support municipal function and services, local governments have come to rely on sales tax revenues and development fees for support. This reliance has, in practice, "fiscalized" land use decisions; governments often are forced to choose to grant or deny permits, or to provide subsidies, not upon what makes good sense in land use terms, or even in traditional economic development terms, but rather upon which development generate sales tax revenues for municipal activities.

The Charter, however, cannot cure this problem centered in state law. The state has forced Los Angeles and other cities to make difficult and unfair choices, but restricting the City in making those choices only will imperil the city's budget even further. A citywide body can at least balance the need for sales tax revenue with the environmental consequences of a project proposal. Unless NCs acquire a portion of that revenue, they will be unable to balance short and long term interests and thus will be inappropriate bodies to have final decision making authority in these cases.

F. Industrial Facilities

Industrial uses generally have concentrated cost and diffuse benefits. Factories produce localized long term negative environmental impacts. Conversely, they often serve as the foundation of the regional economy.

G. Solid and Hazardous Waste Management Facilities

The Legislature has enacted comprehensive legislation establishing a regulatory framework for the location of solid waste disposal facilities. While allowing NCs decision making authority in such an area would not violate state law, its regional significance and existing regulatory framework militate in favor of citywide ordinances. In 1989, the Legislature enacted the California Integrated Waste Management Act. The Act requires each county to prepare an Integrated Waste Management Plan containing the following sections:

- Source reduction and recycling element for each city and county.
- Household hazardous waste element for each city and county.
- Countywide siting element for new and expanded solid waste facilities.

- Summary of significant solid waste problems facing the county and stated goals to address these problems.

Any entity proposing to site a facility must receive county approval (based upon the county siting element), unless they can show that they can recycle 5% of the material that the facility receives. The Act established a countywide Local Task Force to review facilities.

Hazardous waste facilities are similarly regulated through regional planning.

H. Locally Undesirable Land Uses

1. *Social Service Facilities*

These facilities house or attract disadvantaged or stigmatized groups, are usually unpopular, and are often prevented from qualifying for required zoning criteria and/or land use permits. Certain types of residential institutions qualify for such protection. These would include, but not be limited to, community care facilities, congregate living health facilities, and group homes for the disabled (which includes persons with HIV) or mentally disabled. State laws already provides partial protection, stating that if such a facility serves six or fewer persons, a locality may not impose development standards beyond those imposed on single-family residences. The Legislature recognized that communities may have a legitimate interest in regulating larger facilities; this interest, however, should be expressed at the city-wide level given the inherent tendency of NCs to oppose this type of activity.

Similar to these institutions are facilities that might attract lower income individuals. These would be homeless shelters, soup kitchens, domestic violence protection centers and substance abuse recovery homes.

2. *Affordable Housing*

A leading treatise refers diplomatically to "the tension that often results between local governments, seeking to meet the needs of local constituencies, and the goal sought to be achieved by state policies promoting affordable housing for the poor and disenfranchised." California Environmental Law and Land Use Practices § 62.03 [3][f], at 62-15 (Kenneth A. Manaster & Daniel P. Selmi eds. 1997). Many communities' efforts to protect and enhance property values lead them to discriminate, both intentionally and unintentionally, against affordable housing.

This is not always the case; for many years, the City of Los Angeles has failed to enforce state law protecting affordable housing in the Coastal Zone, and was successfully sued for its inaction by a local neighborhood group (Venice Town Council v. City of Los Angeles, 1996). The goal is to ensure that all neighborhoods share equitably in the provision of affordable housing to their residents. Concentrating affordable housing in one or a few parts of the city is

bad public policy. While much affordable housing is of very high quality, concentration of units for low-and very low-income families tends to concentrate poverty and to contribute to neighborhood instability. The Legislature has recognized that there is a lack of affordable housing in California, and has forbidden local agencies from disapproving or conditioning affordable housing projects in a manner that makes these projects infeasible unless the agency makes one of a number of specific findings. State law, however, is notoriously weak in enforcing these requirements. The most successful affordable housing programs have sought to decentralize units throughout a wide geographic area. This obviously requires citywide coordination of policy.

3. *Child Care*

Often child care is considered a "locally undesirable" land use category. In the 1980s, the state Legislature recognized that despite their critical importance, child care facilities face unique burdens in receiving local land use approvals. Childcare facilities are similar to schools. The public wants good schools in their neighborhood, but few residents want them located across the street. Schools are generally exempt from many local zoning ordinances; childcare facilities, however, do not have such a luxury.

In responding to this dilemma, the Legislature enacted the California Child Day Care Facilities Act, which protects "small family day care homes" (i.e., private homes for up to 8 children). Small family day care homes are automatically permitted uses in neighborhoods zoned for single-family residences. The Act also protects large family day care homes (which care from up to 14 children), permitting only reasonable regulations concerning traffic, traffic safety, parking and hours of operation. It restricts the business fees charged to both types of facilities to the cost of processing the application.

The continuing resistance of many communities to the placement a childcare facilities strongly suggests that the final decision on such placements should be citywide concern. It is important to note that Los Angeles has adopted city wide policies on child care, and the City Council recently established the Commission on Children, Youth, and Their Families, mandating it to develop plans for increasing affordable, quality child care. These overarching policy goals imply that childcare is an issue of citywide concern, and land use policy should support such goals.

I. Replacing the Board of Zoning Appeals

The discussion to this point has presumed that the Charter will give neighborhood councils jurisdiction over a range of issues unless specifically excluded. There is no necessary reason to make this presumption. However, the counter presumption is that neighborhood councils will not have jurisdiction unless specifically granted them.

While this scenario implies a Citywide approach, it hardly creates powerless NCs. The task is to find a sphere of influence where NCs could exercise substantial, well defined authority, and that

has no inherent city-wide significance. Such a candidate already exists in the Charter. The Charter creates both the City Planning Commission and the Board of Zoning Appeals, but does not clearly differentiate between them. The BZA rules on projects that do not have regional or citywide significance yet nevertheless could pose substantial local adverse impacts. Abolishing the BZA and transferring its powers to NCs would give councils significant level of decision making authority without negatively influencing citywide considerations.

F. EQUITABLE APPEALS PROCESS

An important aspect of any NC structure is the establishment of a fair and equitable appeals process. While not all land use decisions are appealed, a number of high profile proposed projects are not decided until a vote of the City Council. Often, an opposing interest group in a particular issue will appeal every negative decision until a vote of the Council. Invariably, land use issues decided by NCs will be appealed. The challenge to the Commission is to develop an appeals system that is credible and relatively neutral.

The appeals process structure must also incorporate the ability to hear quasi-judicial matters currently ruled upon by the city's Zoning Administrator. These hearings are based on existing project case records, existing city codes and regulations, and are required to maintain case specific documentation of all issues pertaining to a particular matter. The quasi-judicial format is utilized to insure that narrowly defined issues are determined in concise adherence of regulatory standards. This is a significantly different approach to conventional land use decisions, that incorporate value judgements, public advocacy and generally defined community standards as the basis of decision making.

There are three basic alternatives in relation to this matter. The NCs can establish a NC based appeals board, the existing system can remain intact or an independent appeals board can be empowered to address this issue. What is a given is that NC decisions will be appealed by project applicants who may be denied permits in the future. How this sensitive issue is addressed is an essential component of any NC structure.

1. Neighborhood Council Based Appeals Commission

This alternative would be established directly from members of existing councils. The council system concept thus requires a second tier to hear appeals from the local council arena. The membership could serve short terms and have rotating appointments from each council. This type of system serves as a de facto term limit, while providing equity in participation over time. The benefit of creating a Citywide Neighborhood Council based commission to review decisions would be to maintain the independence developed within the NC system, since they are not controlled by the City Council. This would require that the powers vested in the council structure are truly independent of the City Council.

2. Existing System: City Council, City Planning Commission and Board of Zoning Appeals

This system is currently functional, with knowledgeable staff and a conventional approach toward analyzing conflicts and issues inherent in the appeals process.

The City Council, in the current system, has the authority to approve or disapprove appeals at its discretion. The council often exercises this power, especially over land use issues. In most instances, the City Council is petitioned to determine an appeal of a Planning Commission decision because an opposing interest group has determined that the approval process was either unreasonable or the governing entity improperly interpreted city regulations.

Another key problem in the current system is the small size of the Board of Appeals. Often the membership are not knowledgeable of the history and issues of specific neighborhoods in the city. They do not always comprehend location specific problems, thereby lessening their ability to properly adjudicate disputes.

3. Independent Commission

The Commission can create a commission independent of the NC system to specifically hear appeals on decisions made by the councils. This would establish a neutral entity with a knowledge of local concerns that has an intrinsic level of credibility from opposing perspectives on a range of issues. The key advantage is that this commission format could not be negated by the perception of inherent favoritism by Neighborhood Councils. However, the Commission should specify who would be vested with the power to create such a appeals commission in the charter.

4. Charter Alternatives

a. Neighborhood Council Based Appeals Commission

b. Existing System: City Council, City Planning Commission and Board of Zoning Appeals

c. Independent Commission

G. THE NUMBER OF NEIGHBORHOOD COUNCILS

Despite its central role in the Charter Reform process, deciding upon the appropriate number of neighborhood councils defies thorough analysis if it is considered separate from a host of other issues. Key among these corollary issues are, Whether the NCs will be advisory or have some degree of mandatory decision making power? How many city council districts will be added to the current number of 15? Whether members of the neighborhood council will be appointed or elected? Which areas of governance will the NCs have authority over? and, Will they have a staff and an independent budget?

If the Commission ultimately decides against expanding the City Council past the 15-21 member range, then NCs will represent the only chance to bring city government closer to city residents. If the neighborhood councils are vested with direct powers, the anticipation of increased public participation should become a reality. The smaller the area represented by each NC, the greater the possibility of significantly increasing community involvement.

The title "Neighborhood Councils" suggests that the area represented by each council will be the size of a neighborhood. The 1969 Reining Commission defined neighborhood areas to include between 5,000 and 30,000 people. However, to maintain the "neighborhood council" truly the size of a neighborhood would require at least 80 councils and possibly more than 120. Indeed, if "community of interest and historic neighborhoods" is to be more than simply a convenient slogan, a substantial number of NCs will need to be created.

The argument for NCs to represent no more than 50,000 is strengthened if the reform commissions decides to only minimally expand the City Council to between 19 - 21 members. Considering that a minimal increase to 21 City Council districts will leave Los Angeles residents the most under-represented in the country, it would be difficult to promote the creation of NCs if the concept of a neighborhood is being used to describe an area over 100,000 people. If Los Angeles remains the least represented city per capita in the country and then to define neighborhoods to encompass mid-sized city-level populations could be labeled disingenuous at best, cynical at worst. Certainly, it is not what the engaged public would consider as bringing city government closer to Los Angeles residents.

Three alternatives will be discussed in this section: 1) Pre-existing Districts, 2) Two Neighborhood Councils per City Council District,, and 3) One Neighborhood Councils per City Council District. The issue of unlimited NCs per district is not being addressed due to Voting Rights issues that could arise by creating a system of widely uneven representation at the local level. However, the Commission may want to address this issue, and create a flexible system in which the number of NCs per council district becomes a purely local consideration.

**The residents representational responsibilities
of "neighborhood councils" of varying sizes¹**

15	councils would average 245,500	(1 per present council district)
21	councils would average 175,300	(1 per council district if council is increased to 21)
30	councils would average 122,700	(2 per present council district)
36	councils would average 105,200	(1 per present planning area)
42	councils would average 87,700	(2 per council district if council is increased to 21)
50	Councils would average 70,000	(2 per council district if council is increased to 25)
71	councils would average 51,800	(1 per present library service area)
82	councils would average 45,000	(1 per present "named community") ²
103	councils would average 35,700	(1 per present pedestrian commute area) ³
122	councils would average 30,000	(1969 Reining Commission neighborhood size)
150	councils would average 24,500	(10 per present council district)
210	councils would average 17,500	(10 per council district if council is increased to 21)

Pre-existing Districts

Currently there are 35 Community Planning Districts (105,200 people per council), 103 pedestrian commute areas (35,700 people per council), and 82 named communities (45,000 people per council) in Los Angeles. NCs could be modeled after any of these existing district divisions. This would simplify the distracting designation process since these boundaries already exist. However, they could create wide discrepancies in the size of the NC areas. This is especially true if the "Community Planning Districts" or the "named communities" are used to define the NC districts. If the NCs are elected and given authority over areas of interest to Los Angeles residents then the creation of neighborhood councils with vastly varying population sizes could create fairness problems in representation issues and resource allocation.

Two Neighborhood Councils per City Council District

The main pro-active reasons for providing two neighborhood councils per district are lower costs relative to the option of a greater number of NCs, close working relationships with the city council, and the fact that relatively large areas would lead to the blurring of community identification, which would assist in limiting parochialism and nimbyism. A system of two NCs per council districts would create the following scenarios of approximately 122,700 residents for 15 council districts, 87,700 residents for 21 council districts, and 70,000 for 25 council districts (refer to the previous table).

¹ Based on City of Los Angeles 1/1/97 population assumption of 3,681,700 residents (source LAEDC).

² See "Town Councils." Scott & Associates

³ See "Plan L.A. Policy on Charter Reform." People for Livable and Active Neighborhoods in Los Angeles

Negative aspects of providing for only two neighborhood councils per district are creating false rivalries within a district based on the way it is divided (the two NCs would compete for the attention and resources of the council office), this system does little to achieve goals of better representation for residents who would still be competing with over 100,000 people for the attention of their "representatives," and this would not significantly increase the number of people involved in the governance of Los Angeles as compared to proposals to have a higher number of NCs.

One Neighborhood Council per City Council District

The positive aspects of providing for only one NC per district are it would create a clear order for succession to determine future city council representatives, establish an identifiable civic entity, have lower costs relative to the option of a greater number of NCs, and the size of the area would skew community identification which would assist in limiting parochialism and nimbysism. A system of one NC per council districts would create the following scenarios of approximately 245,500 residents for 15 council districts, 175,300 residents for 21 council districts, and 140,000 for 25 council districts (refer to the previous table).

The negative aspects of providing for only one NC per district are that since the city council office would have the highest profile in the district, with financial and staff resources, they would dominate the NC. This is especially true considering that the city council office could devote a great deal of energy in directing the directing the NC to meet their agenda. NCs could be transformed into a power-base for the council office instead of a neighborhood advocacy or preservation entity. The NC could become an arm of a local political machine directly under the control of the council office and NC members would use it as a stepping- stone to the city council. This formula has limited appeal in achieving the goal of better representation since residents would be competing with between 140,000 to 200,000 people (plus) for the attention of their "representatives." In addition, this formula would in effect limit the number of residents who are involved in the governance of Los Angeles.

Charter Alternatives

- 1) Establish two Neighborhood Councils per City Council District.
- 2) Establish one Neighborhood Council per City Council District.
- 3) Rely on a Pre-existing District Designations.

H. THE SIZE OF NEIGHBORHOOD COUNCILS

The main issue for the Commission is to determine the size of the internal structure of the NC system. The City of Los Angeles has an estimated population of 3.6 million⁴ and contains over 300 recognized neighborhood associations, 35 community planned areas, and an estimated 150 to 200 neighborhoods within the 35 community planned areas. The number of members on an NC will have a direct influence on their programmatic and administrative capabilities. Varying configurations mandate different roles and the ability to effectively manage an organization. In addition, if NCs establish sub-committees this will require substantial time commitments that smaller entities could not address.

The internal structure of neighborhood councils, that is the number of participating members, is of crucial importance in the overall functioning of any organization. Group dynamics does and will play a large role in the efficiency, effectiveness and responsiveness of NCs within communities and in city government.

This section will analyze three main alternatives in assessing an optimum NC representational structure. The three alternatives are:

- 1) Small governing entity of 5 to 7 members per council.
- 2) Medium governing entity of 9 to 11 members per council.
- 3) Large governing entity of 15(+) members per council.

Small Sized Governing Board

A neighborhood council with 5 to 7 elected or appointed members would be small enough to form a tight and cohesive group that could reach consensus on various issues. Authority and responsibility would be delegated in a fair and equal manner to insure that accountability for the group's actions is equally shared. A small NC would also be more expedient and efficient in its dealing with city programs and policy. With a smaller NC it is unlikely that opposing factions within the organization would splinter working relationships. Thus limiting internal strife in lieu of members striving to reach consensus. Scheduling conflicts will be reduced, improving meeting participation and the group decision making function. Further, if elected entities, small NCs would reduce ballot confusion because the electorate would vote on a relatively few number of candidates.

A major problem related to small boards are that it is quite possible that an NC will not geographically represent the ideas and opinions of the entire community. Smaller groups tend not

⁴ October 1996. LA Planning Dept. est.

to have enough members with divergent perspectives. Often it is different view points that allow for issue reevaluation to reach decisions that accurately represent constituent opinions and that are the best solution on a given issue. Instead, what could happen with a small member NC system is that one or two members may dominate the entire NC and their views on various issues would prevail over a public who's opinions are constantly ignored. The bias of a domineering leader would be to the detriment of other neighborhoods. Neighborhood residents would become disenfranchised and disenchanted with the NC system, and choose not to participate in the system or vote for representatives. The result is a NC system that limits the public's political role. It is also possible that a small board could avoid consensus building and moderating positions, and instead adopt radical view points, thus factionalizing the citywide NC system.

A small structure will virtually eliminate the establishment of subcommittees. Also, problems with reaching quorums at meetings could become a major problem due to either burnout or factionalism.

Medium Sized Governing Board

An NC with 9 to 11 members could accurately represent the residents of each neighborhood in a community. A formula based on 9 to 11 members representing 5 to 6 neighborhoods would create NCs based on a broad spectrum of interests and opinions, while minimizing the issue of fair representation. Factions within an NC could organize themselves and lobby moderate members in a congenial fashion. The result would be an NC that reaches consensus only after it has effectively and efficiently explored an issue. In addition, a moderate size body will provide for the ability to establish a reasonable level of sub-committees, without creating burnout within the entire group.

A major problem with more members is that single members and/or factions will vote according to how an issue will effect them as an individual, not how it will effect the entire community. Another concern is with leaders who vote on the basis of maintaining power and not sound public policy. If one or two members dominate the process, the demands of the NC district will be neglected. Further, reaching consensus within the group may become complicated due to the greater divergence of opinions. With a greater number of members, more scheduling conflicts will arise, translating into fewer members actually participating in the decision functions of the NC.

Large Sized Governing Board

NCs that contain 15 or more members will provide for strong representation for the entire community to a significantly greater degree than a small or medium sized council. A large cross section of leadership within a community ensures that all groups are represented and that the NC accurately reflects the community. With divergent perspectives it is unlikely that any aspect of a particular issue will be not be explored. Further, 15 or more seats within a NC means substantial citizen participation. This address the goal of creating an increase in the avenues for citizens to

become involved with local governance.

Narrowly focused, self serving perspectives that are counter to sound public policy or are a small minority viewpoint will be mitigated within the construct of a large council leadership. A large NC will eliminate the problem of reaching quorums at meetings. The NC will have the ability to establish a broad range of subcommittees to study a range of issues.

Inherent problems with larger groups is that they tend to experience greater diffusion of responsibility and take longer to reach consensus. Authority must then be vested in a few members who gain the authority to delegate responsibility. That authority can create a bias toward individual neighborhoods to the detriment of other areas. This gives rise to factions within the NC and thus a greater chance of deadlock. Also, it is difficult for a large membership to coordinate schedules. A NC with more than 15 members could create scheduling conflicts, conflicts that may be interpreted as exclusionary tactics. Some neighborhoods would suffer if their representatives do not attend meetings and effectively represent their neighborhood interests. Compared to a smaller member NC, (given an elected NC) the electorate would experience greater difficulty in evaluating candidates seeking a seat on the council.

Charter Alternatives

1. Small Sized Governing Board: 5 to 7 members.
2. Medium Sized Governing Board: 9 to 11 members.
3. Large Sized Governing Board: 15+ members.
4. Allow NCs to determine their membership size.

I. ESTABLISHING NEIGHBORHOOD COUNCIL BOUNDARY DESIGNATIONS

There are various models for establishing boundaries for community bodies such as NCs. In some cities, the mayor and city council are charged with the responsibility of determining neighborhood boundaries. In other cities, the planning department or the residents in the affected areas themselves have the power to draw neighborhood lines. Whichever method is used, it is clear that at least some degree of participation in the process by the people potentially affected by the neighborhood boundaries assists in fostering a positive relationship of trust and confidence between city officials and residents.

1. Mayor And City Council Establish Boundary Criteria

New York:

According to Section 2702 of the New York City Charter, every tenth year the Mayor shall (and at such other times as the Mayor deems appropriate, the Mayor may) prepare and present to the City Council a report reviewing the Community District Map then in force, and present recommendations for changes. The Mayor's recommendations (as reflected on the "Revised Map") shall consider shifts in population shown in the most recent decennial census that may require adjustments in the Revised Map to conform to the criteria set forth in section 2701.⁵ The Mayor's recommendations shall also consider whether reducing the size of any community district would provide more efficient and effective service delivery within the district or districts involved.

Per Section 2702, the borough presidents, city planning commission, community boards and other civic, community and neighborhood groups and associations shall be consulted and their recommendations considered in the preparation of the Revised Map. In addition, the Mayor shall publish the Revised Map in the city record and in each borough of the city, and shall, jointly with the borough presidents, conduct one or more public hearings on it in each borough of the city.

When this has been completed, the Mayor shall submit the Revised Map to the City

⁵ Under Section 2701 of the New York City Charter: each community district shall (1) lie within the boundaries of a single borough . . . and coincide with historic, geographic and identifiable communities from which the city has developed; (2) be suitable for the efficient and effective delivery of those services of municipal agencies required to be made coterminous with the community districts . . . including particularly the service and districting requirements of the police and sanitation departments; (3) be compact and contiguous and have a population of not more than 250,000 persons; and (4) be as nearly equal in population with each other as is possible.

Council. The City Council then shall conduct public hearings on the Revised Map, and shall, by resolution, within 120 days of the submission of the Revised Map, adopt, adopt with modifications, or disapprove the Revised Map as submitted. If the Revised Map is approved without modifications or if the modifications are acceptable to the Mayor, the Revised Map shall become effective. Otherwise, the Community District Map then in force shall remain in effect.

New York thus provides an example of a Charter by which the Mayor and City Council are responsible for drawing the boundaries of the neighborhood councils, but which also includes provisions mandating that municipal and civic groups, and the public at large, have a say in the process:

2. City Planning Department Establishes Boundary Criteria

San Diego:

In San Diego, the community planning committees are based on the boundaries of the 40 community planning districts as established by the city planning department.

Dayton:

In Dayton, the neighborhood and priority board boundaries were drawn by the planning department. For the most part, the neighborhoods are shaped like pie wedges, generally radiating out from the center of the city like spokes on a wheel, designed to include both lower-income people in the inner-city and higher-income people near the city limits. However, one neighborhood district represents the entire downtown area, and another represents almost exclusively the lowest income neighborhoods in the city. The neighborhood boundaries tend to maintain existing ethnic populations within communities of interest. In 1986, the director of the planning department redrew and renamed many neighborhoods. This seemed to be accomplished with surprisingly scant input from neighborhood organizations.⁶

⁶ The city of Birmingham provides an example of how giving residents a say in establishing neighborhood boundaries can help contribute to the success of the system. In Birmingham, at least the first six months of the Birmingham community participation system was devoted to identifying neighborhood and community boundaries. A team of city staff literally started at one end of the city, working its way to the other end, knocking on doors and asking people how they perceived their own neighborhood. The new map was prepared which changed the boundaries in accordance with the citizens' recommendations, and this was an important step in establishing a trust relationship and two-way communication between citizens and city officials.

3. Neighborhoods Establish Boundary Criteria

Portland:

In Portland, each neighborhood determines its own boundaries and applies for recognition to the Office of Neighborhood Associations. In the past, neighborhoods have been recognized with overlapping boundaries, and even boundaries totally subsumed within another neighborhood. The 1987 guidelines state, however, that overlapping boundaries "should be discouraged." Boundary disputes are resolved by the District Coalition Board comprised of delegates from each neighborhood association in the District Coalition area, plus any special representatives, including social service, business, or civic organizations, utilization of the neighborhood mediation center and surveys of area residents if necessary.

Saint Paul:

In Saint Paul, neighborhoods decide their own boundaries, but if there is a dispute, the City Council is responsible for resolving differences and establishing neighborhood lines. Saint Paul officially established a citywide Citizen Participation Process by Council Resolution in October, 1975, creating 17 Citizen Participation Districts. The boundaries were largely determined by the original citizen participation committee and forum. It was widely noted in the reports of these committees that citizens did not trust the city to establish a set of fair boundaries. According to the ten-step recognition plan entitled "Steps to the establishment of a citizen participation process," citizen organizations in the districts should make every effort to reach agreement among themselves on the boundaries. If a dispute arises, citizen groups should be given a maximum of 45 days to resolve the matter. City Planning staff should be requested to analyze the disputed area, taking into consideration natural or man-made boundaries, and other appropriate planning criteria. Planning staff should provide their analysis to community groups, as well as to appropriate city officials. If the community groups are unable to reach agreement on the boundaries, the City Council, or an appropriate subcommittee should schedule a public meeting. After hearing the facts of the situation and making use of the planning department analysis, the final decision should be made by the full City Council. Door-to-door survey within the disputed area to elicit the opinion of the residents should also be considered.

Los Angeles:

In a previous Los Angeles City Charter Commission report (July 1969), titled "Neighborhoods," that Charter Reform Commission recommended that the city's registered voters decide neighborhood boundaries via an election process. According to the recommendation, a "neighborhood may be formed in accordance with the following procedures. An initiative petition signed by not less than 5 percent of the registered voters in the neighborhood area at the time of

the last general municipal election shall be filed with the city clerk. The petition shall state the proposed name and boundaries of the neighborhood area. A neighborhood shall contain no less than 5,000 nor more than 30,000 population. An election shall be held in the neighborhood area and a majority vote for approval shall be valid if at least 30 percent of the registered voters in the area participate. The election shall determine whether a neighborhood is to be formed and shall determine the membership of the neighborhood board."

With respect to altering neighborhood boundaries, the recommendation stated that a "proposal for changing boundaries of a neighborhood may be submitted by resolution of the neighborhood board or by initiative petition in the manner provided for formation of the neighborhood. Boundary changes shall require the affirmative vote of a majority of those voting in the area dropped or added by the change, and by a majority of those voting in the remaining area."

4. Independent Commission Establishes Boundary Criteria

San Diego:

While staff is unaware of any city that currently uses an independent commission to establish neighborhood council boundaries, San Diego provides a model of how a city can choose to have an independent commission establish council district boundaries. By analogy, this model could also be used for establishing neighborhood boundaries.

San Diego places its council redistricting power in a Redistricting Commission which has the "sole and exclusive authority to adopt plans which specify the boundaries of districts." The process by which the Commissioners are selected is quite unique. The Commission "shall be composed of seven (7) members who shall be appointed by the Presiding Judge of the Municipal Court, San Diego Judicial District. The City Clerk shall solicit nominations for appointment to the Redistricting Commission in accordance with a thirty (30) day nomination period. The Presiding Judge shall appoint women and men who will give the Redistricting Commission geographic, social and ethnic diversity, and who have a high degree of competency to carry out the responsibilities of the Commission. The appointees shall include individuals with a demonstrated capacity to serve with impartiality in a non-partisan role. . . ."

J. ADDRESSING BOUNDARY DESIGNATION CONFLICTS

1. Establishing Criteria for Addressing Boundary Conflicts or Boundary Designations that Split Neighborhoods

Neighborhood council boundaries could be formed, and conflicts resolved, with reference to a number of existing city departments. For example, the Commission could use the 35 community planning districts created by the Department of Planning, since staff is assigned to the areas and is familiar with boundary issues. Another option would be to refer to the existing 15 City Council districts and divide them into neighborhood council districts. These methods would be relatively easy, but may not work to provide the citizens of the neighborhood council districts the sense of community that will make NC boundaries meaningful to historic neighborhoods.

The neighborhood councils could be empowered to internally address boundary differences. This system would allow neighborhoods to maintain compact and cohesive areas. This method has been used in other cities where organizers literally went door to door and asked residents their understanding of neighborhood boundaries.

Finally, a body could be formed for the sole purpose of resolving conflict. This body should be independent from City Council control, like a commission appointed by the mayor, or an Office of Neighborhoods.

The key is to create neighborhoods that the citizens will feel connected with and which make sense geographically. The lines should be established to insure that individuals living within the boundaries share interests and social commonalities. These boundaries may in some instances overlap. The Charter needs to develop a mechanism to insure fair resolution of this inherent conflict.

2. Establishing Boundaries and Criteria for Addressing Issues that Intersect Neighborhood Council Boundaries

One option would be to establish an Office of Neighborhoods which would not only help with determining how to draw lines and resolve conflicts while also addressing issues which affect more than one neighborhood.

There could also be a mandatory alternative dispute resolution process (ADR) prior to review by the mayor's office, or binding. Some of the local mediation services have mediators who specialize in all types of legal matters, and mediation is generally quite effective. Arbitration could also be utilized.