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What Happened to L.A.'s Push to End its Pay-to-Play Reputation? So Far, Not Much.

As an election loomed earlier this year, Los Angeles politicians were eager to prove that moneyed interests had not bought City Hall.

Five City Council members called for a ban on campaign contributions from real estate developers seeking city approvals, saying it would address the perception that L.A. engages in “pay-to-play” politics. One of them went even further, pushing for full public financing, a system that would bankroll campaigns with taxpayer money instead of checks from wealthy donors.

Six months later, neither proposal has had a hearing at City Hall.

Although both were referred to a council committee headed by council President Herb Wesson, no meetings have been scheduled so far. The effort to overhaul campaign funding did not come up last week, when Wesson laid out an ambitious agenda for the next 2 ½ years.

City leaders say they are still committed to reviewing the proposals. But neighborhood leaders and activists have been voicing doubts about whether they are serious.

“Look, it’s gone nowhere,” said Walter Hall, who serves on the board of the Greater Valley Glen Council. “Nothing has come out of the process since it started in January.”

The neighborhood council recently endorsed the developer donation ban, partly to prod city officials. Hall said his group also took action in response to a Times investigation into a real estate project known as Sea Breeze. The Times found more than \$600,000 in contributions from donors linked directly and indirectly to the developer of that project, which was approved despite planning department opposition.

The proposals from city lawmakers to overhaul campaign finance laws were unveiled in January, when L.A.’s elected officials were fighting Measure S, a ballot proposal that would have imposed sweeping restrictions on real estate development. Measure S backers argued that wealthy developers use campaign contributions to persuade city politicians to approve out-of-scale building projects.

Developers spent millions to defeat the proposal, and voters rejected it in March.

Since then, backers of Measure S say City Council members have failed to follow through on their promises of reform. The proposed ban on developer donations is “completely dead as far as we can see,” said Jill Stewart, director of the Coalition to Preserve L.A., which pushed for passage of Measure S. “It was a lot of talk.”

City officials, in turn, say the proposals are very much alive — and will have a hearing at Wesson’s rules committee before the end of the year.

"I don't kill anything. I don't bury anything," Wesson said. "But right now, I've got a rollout of an agenda that I think takes some priority."

That agenda includes efforts to form a municipal bank, build more affordable housing, draft legislation to protect immigrants and hold a series of events aimed at improving race relations. Wesson's committee also has been under the gun to finish crafting regulations for marijuana businesses before January, when licensed sales of recreational cannabis become legal across California.

The proposal to ban developer donations was co-authored by Councilman David Ryu, who was elected in 2015 after pledging not to accept such contributions. Nick Greif, a Ryu policy aide, said his boss wants a ban in place before fundraising begins for the 2020 city election — which leaves council members with time to deliberate.

"That said, we don't want things to linger," Greif added.

Councilman Paul Krekorian, who also sponsored the proposal, said he remains committed to keeping campaign finance reform at the top of this year's agenda.

"We need to find solutions that build greater trust with the people we represent and make the entire system fairer and more transparent," he said in a statement.

Three other politicians who backed the proposed ban on developer donations were running for reelection at the time — and faced challengers who had pledged not to accept donations from real estate developers needing city approvals.

Councilman Mike Bonin, who signed on to the developer donation ban, also brought forward a separate proposal for full public financing. Under such a system, candidates seeking public funding would have to get a minimum number of small donations from their constituents to demonstrate their campaigns are viable, then forgo any more fundraising.

Bonin spokesman David Graham-Caso said the plan is still being worked on. The councilman, he said, has not yet decided exactly when it would go to voters — in June or November of next year.

The public financing proposal will probably face opposition, said Michele Sutter, co-founder of the activist group Money Out Voters In, which supports the move.

"The folks who profit from this system and who get to wield greater influence as a result of it are not that interested in relinquishing that advantage," she said.

A previous push for public financing in L.A. was abandoned after years of scrutiny. During those discussions, a city analyst warned public financing could be "very costly."

If the system becomes too expensive, Angelenos may be reluctant to put additional public funds into political campaigns, said Jessica Levinson, president of the Los Angeles City Ethics Commission, which could be asked to vet the two campaign finance proposals.

"It can be tagged as welfare for politicians," she said.

Levinson said that, even with a public financing system, wealthy donors could continue pouring unlimited amounts of money into independent committees that spend lavishly to support candidates. She also questioned whether a donation ban targeting developers would withstand a legal challenge. Other critics have argued that such a ban unfairly demonizes builders of much-needed housing.

In Valley Glen, however, the neighborhood council wants L.A. to go further by also prohibiting donations from developers who are “likely to submit plans” for projects in the future.

“Why would an out-of-town developer, or any developer, whose only business is to make money, give money [to a campaign] unless he thinks it’s going to be to his benefit?” said Hall, the neighborhood council member.

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