



...for governance in a new era



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Our administration began with a clear intention: get community and expert input, use and do our own research, and follow our instincts to determine the focus of our efforts. We studied the new charter and then turned our attention towards establishing the systems and strategies needed to accomplish our vision to improve the city, uphold the expectations of our residents, and provide solid direction.

To create our blueprint, we adopted private-sector global best practices to optimize service delivery within the city's decentralized governing systems. With the support of the James Irvine Foundation and the California Community Foundation, McKinsey & Company helped the Mayor and his senior staff find innovative solutions to L.A.'s problems and implement a metrics-based goal-setting and tracking process to ensure the delivery of these results.

We also turned to The Los Angeles Economy and Jobs Committee (a privately funded,

26-member committee appointed by the Mayor, comprised of independent business, labor, academic and non-profit leaders from the greater metropolitan area) to assist us in focusing our efforts on critical areas to increase the economic health of the city. The committee was asked to examine the city's business climate, growth industries, regulatory environment and other factors that influence economic development and quality job growth. Their final report contained 100 specific recommendations aimed at creating more jobs and building a stronger economy in Los Angeles. (To view the entire report go to: www.thelacoalition.com/laejc-report-to-the-mayor-2/.) Many of these suggestions were incorporated into the strategic plan McKinsey & Company helped develop and put into place.

With this positive framework created by community input, expert advice, best practice research, the initiatives and programs within the strategic plan had the structure needed to successfully move forward.

CREATED THE FINANCE AND PERFORMANCE MANAGEMENT UNIT

In order to oversee the strategic plan that resulted from McKinsey & Company's work with the Mayor's Office, the Mayor created the Finance and Performance Management Unit (PMU), which was tasked with monitoring accountability, providing executive oversight, and engaging department leaders on priority issues. A founding document for the PMU states, "the mission of the PMU is to ensure that the delivery of City services is consistent and maximally effective...these elements will create a world-class system of public sector performance management and bring Los Angeles to the forefront of government effectiveness."

IMPLEMENTED STRONG ETHICS STANDARDS

As soon as he took office, Mayor Villaraigosa moved to restore the public's trust and confidence in municipal government. He issued two Executive Directives that required online ethics training for all City officials, updates of conflict of interest codes for all departments, and appointment of an ethics liaison from all departments to the Ethics Commission. The Mayor also established the office of Counsel to the Mayor to serve as chief ethics and legal advisor in the Mayor's Office. In July of 2005, he successfully urged the City Council to enact a sweeping package of ethics reforms that included:

- A ban prohibiting registered lobbyists from serving on City boards and commissions;
- A ban prohibiting individual commissioners from soliciting funds for city candidates or participating in contract development, evaluation, review or awarding of contracts without the open, public action of the full commission or a commission subcommittee;
- A requirement for lobbyists to file quarterly public disclosures reports online at the City Ethics Commission;
- A requirement that campaign consultants and fundraisers attend a briefing by the Ethics Commission on City campaign laws.

MODERNIZED CITY GOVERNMENT (CONSOLIDATIONS)

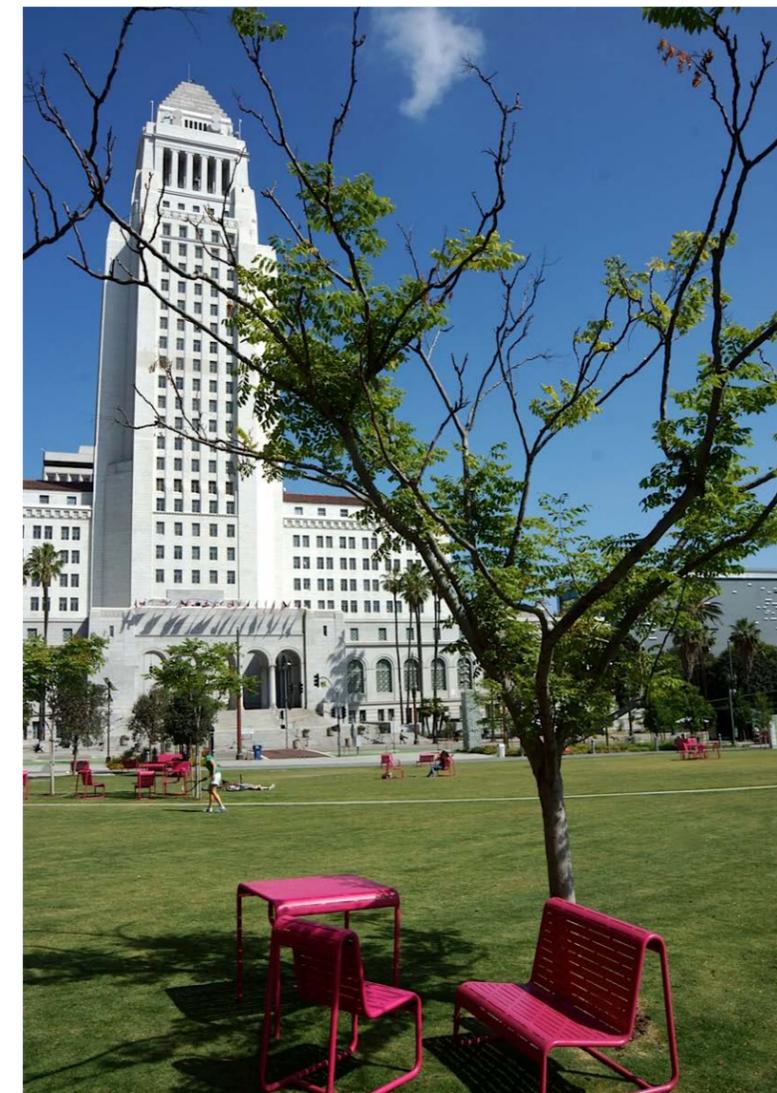
At the start of the recession, the City was comprised of 44 separate departments and related commissions. As the need grew to close the deficit while still providing core services vital to residents, the Mayor responded by reducing bureaucracy and

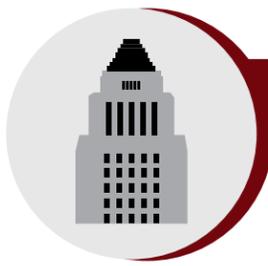
streamlining service delivery. By the end of his tenure, major service areas such as finance, human resources, and smaller non-core commissions had been consolidated, which created fiscal savings and work efficiencies. And as the economy began to recover from the Great Recession, the Mayor made every effort to continue assisting, not arresting, reinvestment in Los Angeles by proposing the consolidation of development functions traditionally fractured throughout the City into two new redesigned functional efforts: Planning and Development Services, and Economic and Workforce Development.

EXTENSION OF THE PHONE TAX

A legal challenge under Prop 218 required all California cities to reauthorize their phone taxes or lose a substantial revenue source. Los Angeles was poised to lose \$270 million annually in City revenue right before the Great Recession. The Mayor's Office mobilized a critical campaign, Measure S, on the February 2008 ballot, which protected the City's budget and essential services.

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THE 2007 LABOR AGREEMENT AND EFFORTS TO ADDRESS THE BUDGET GAP

Although supported by the financial projections at the time, the 2007 contract with the non-sworn, non-DWP civilian employees, which agreed to 25 percent in increases over five years based on several pent-up concerns, in hindsight was not in the city's best interest. With the 2008 Recession, projected revenues fell and a budget shortfall opened up. Over the next five years, civilian union members agreed to contribute an additional four percent of their salary to be applied to retiree healthcare costs, additional healthcare savings in plans for current employees, and to an extension of the agreement from five to seven years. Additional measures to address the shortfall from the Great Recession and the labor agreement included up to 36 unpaid furlough days during the years of the most severe budget shortfalls, movement of staff to special-funded departments, the elimination of thousands of vacant positions, an Early Retirement Incentive Program for 2400 employees and over 400 layoffs.

SWORN AND CIVILIAN PENSION REFORM

Through the negotiation and placement of Measure G on the March 2011 ballot, the Mayor played a key role in reducing City costs for pension and retiree healthcare for newly hired police officers and firefighters. Civilian pension reform was also passed, in September 2012 through a vote of the Council, and was signed by the Mayor.

BEGAN MYLA 311 SERVICE

Technology reshaped how the City does business and MyLA 311 perfectly demonstrated our commitment to connecting Angelenos with their city. As a result, residents could dial 311 to request city services as well as access these services and submit requests remotely via the MyLA 311 app. Anyone seeing a pothole or graffiti could take a picture and submit it electronically directly to the City for repair or removal.



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OCCUPY L.A.

The Occupy movement sparked a national debate in the middle of the Great Recession and popularized ideas that are now part of our culture. As the movement spread around the United States, city governments were faced with the challenge of upholding the protesters' First Amendment Rights to free speech and peaceful assembly, while ensuring protection of public property, and a basic level of public safety. To coordinate the City's response, the Mayor convened a task-force of leaders of critical city departments to maintain a safe environment. Over several months, the number of Occupy L.A. participants grew to over 1,000 individuals and over 500 tents spread across the north, west and south lawns of City Hall. The Mayor's office and LAPD patiently negotiated with the Occupy L.A. participants, maintained order and built trust. Public health and safety conditions deteriorated over time, leading to the removal of the encampment, in the early hours of November 30, 2011, without significant incident.

The occupation provided an opportunity to re-envision the City Hall lawns and surrounding landscaping, and with the help of private contributions, it is now a more sustainable park, featuring drought-tolerant native plants and energy-efficient lighting.

REPRESENTED THE CITY AS PRESIDENT OF THE U.S. CONFERENCE OF MAYORS

As President of the U.S. Conference of Mayors, Mayor Villaraigosa created "A Common-Sense Jobs Agenda," which offered several creative federal policies that could help put Los Angeles and the nation back to work. Several of these policies were included in the Obama Administration's jobs

proposals. While Washington was plagued with paralysis, the Mayor also led the U.S. Conference of Mayors to unanimously support comprehensive immigration reform and a balanced plan to eliminate the federal deficit.

CHAired THE DEMOCRATIC NATIONAL CONVENTION

Mayor Villaraigosa was named the Chairman of the Democratic National Convention (DNC) on February 14, 2012. He was one of the lead spokespersons and champions of the DNC, which brought additional spotlight on Los Angeles. As Chair, he presided over the convention, which was the first one in history to support marriage equality as a Democratic Party platform issue, and helped usher in President Obama's official nomination for a second term in office.

