

# Pay to Play

## Santa Monica Election – 2016

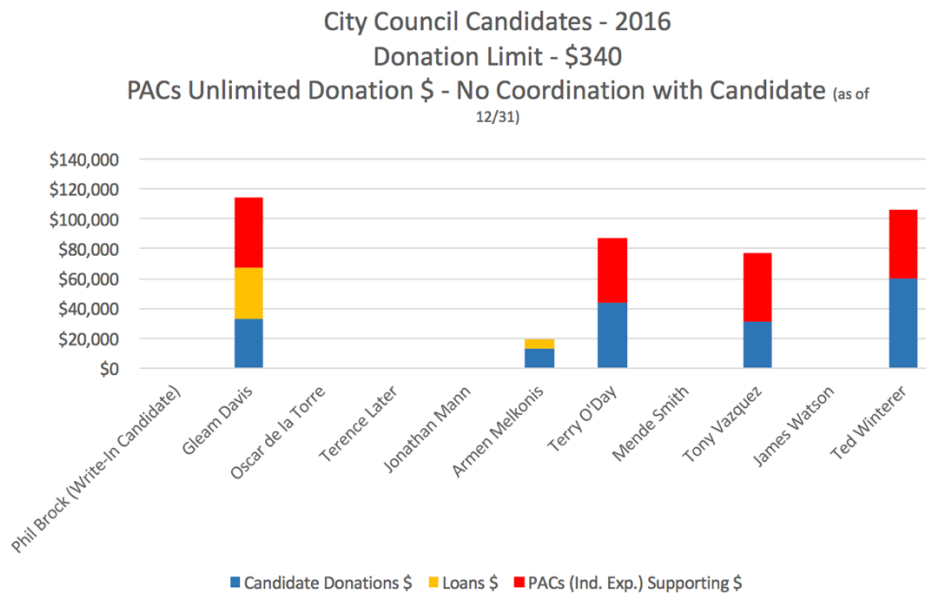
by Laurence Eubank and Elizabeth Van Denburgh

In the run up to, and now after the 2016 election, Santa Monica’s Transparency Project members poured over city-mandated financial statements of candidates and Political Action Committees (PACs) to evaluate the effect of ‘*show me the money*’ on our politics.

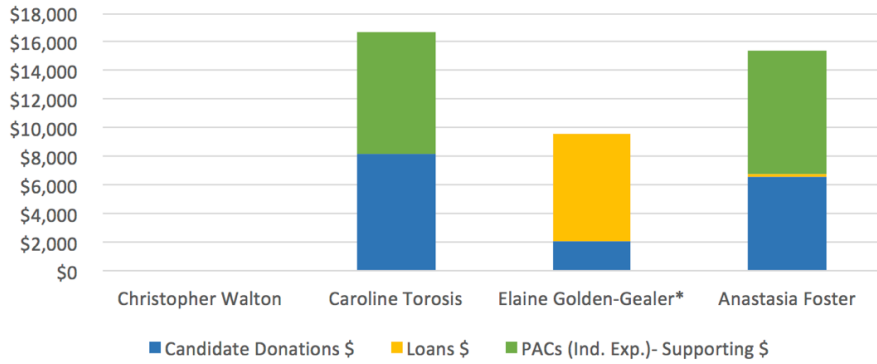
Five ballot measures, four City Council seats, three College Board members, and two Rent Control Board seats were contested last November 7<sup>th</sup>. With one exception, the winning advocates invested more cash than opponents – often, much more. In every contest save for a single candidate running for the College Board, victory was determined by who put up the most for the result they wanted.

Twenty-two candidates and fourteen political PAC’s collected nearly \$3 million vying for the power to steer an annual \$630M budget (City Council), raise \$15M in taxes for a 50:50 schools/affordable housing split (Measures GS & GSH), defeat a slow-growth, anti-development initiative (Measure LV), divvy up a \$345M Santa Monica College bonanza bond (board seats plus the bond Measure V), and determine municipal rent control policies.

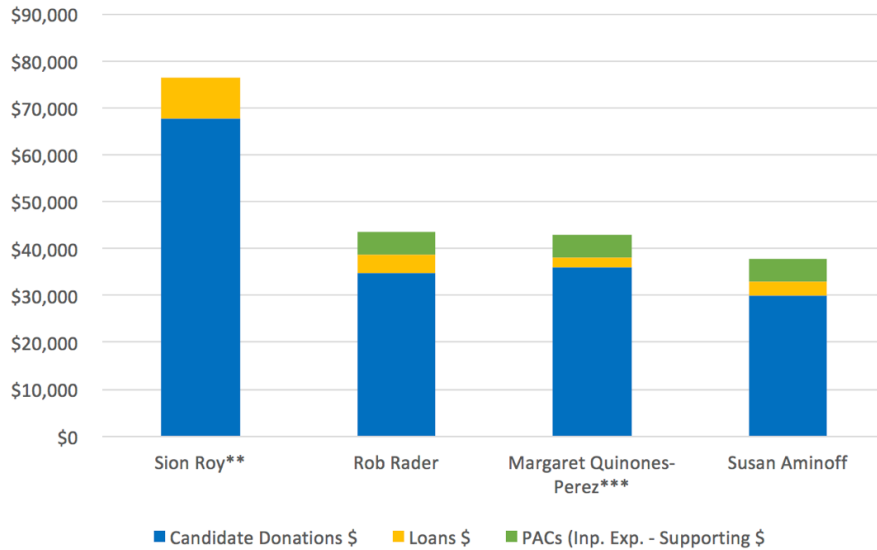
Four City Council winning incumbents stomped opponents financially, averaging \$96K+ versus the \$19K raised by their closest competitor. The LUVE Initiative ran into a buzz saw of business, political, and development industry opposition, with opponents outspending proponents \$1.290M to \$95K, a 13.5:1 drubbing in PAC contributions. Santa Monica College and related boosters invested \$438K to promote the Measure V bond against no financial resistance whatsoever. Similarly, affordable housing and public education advocates of GSH/GS raised \$276K to defeat an under-organized and totally unfunded opposition.



Rent Control Candidates - 2016  
 Donation Limit - \$340  
 PACs - Unlimited Donation (as of 12/31)



Santa Monica College Board -2016  
 Donation \$ Unlimited (as of 12/31)



Measure SM, to strengthen and enforce the anti-corruption Oaks ordinance, passed without opposition from candidates or PAC financing.

Considering the \$3M spent, 48,000 residents who cast ballots (73% of registered voters) might be forgiven for preening with a measure of self-importance; every Santa Monica voter generated an average investment of \$62.50 to secure their vote.

In many ways an 'issues' microcosm of the country – with a few local twists – Santa Monica is poster child for Citizens United, the US Supreme Court decision rendering corporations the same 1<sup>st</sup> amendment right as humans. Cash is free speech regardless where it comes from.

By local law, donations to individual candidates are limited to \$350 but no such restrictions apply to PACs that support those same candidates (nor to corporate contributions in support or opposition of measures); the resulting election finance is correspondingly lopsided, \$637K in individual against \$2.47M in corporate/PAC monies, a 4:1 ratio - courtesy of Citizens United.

For anyone with political ambitions, the Rent Control board is the most economical campaign, winners spending \$6-\$26K, half the price of a \$38-46K College Board seat (though a loser spent twice that), half again the cost of winning City Council seats.

The best deal in this election was the School Board; its seats had no opposition (though two incumbents raised \$23K to run against nobody), effectively making incumbency a costless sinecure.

November 2018 brings another municipal election with thirteen seats in play, plus unknown measures and perhaps(!) some development issues that necessitate public decision.

Political office in paradise doesn't come cheap. There's no time to waste; prospective candidates need to start filling war chests now, especially if their targets are incumbents, who we've repeatedly shown to enjoy enormous fund raising and name recognition advantages.

Based on 2016, here are your 2018 targets:

Entity	Open seats	Approximate Winning Campaign Costs
City Council	3	\$90,000 - \$120,000
Rent Control Board	3	\$7,000 - \$25,000
College Board	3	\$38,000 - \$70,000
School Board	4	\$5,000 - \$20,000

Good luck.