City of Rochester Board of Ethics – July 11, 2017

MINUTES

Meeting called to order at 6:30pm by Board Chair Carl Steinbrenner.

Members present:

Carl Steinbrenner
Calvin Lee
Honorable Loretta Scott
James Antonevich
Saul Maneiro
Tim Weir

Members not present:

Daniel Karin

Non-Members Present:

Corporation Counsel Brian Curran

Reading of Agenda:

• Chair Steinbrenner reviewed the Agenda for the meeting.

Approval of Minutes:

• Minutes for the June 13, 2017 meeting were approved by a vote of 6 - 0.

Pending Business:

- Chair Steinbrenner reviewed the following procedural requests made by Ms. Barnhart relating to her recent request for an advisory opinion:
 - o That Ms. Barnhart be allowed to address the Board during the July 11 meeting.
 - The Board subpoena communications between city staff, Mercury Public Affairs and Uber regarding the job fair and panel discussion.
 - The board conducts the July 11 meeting in public.
 - Brian Curran recuse himself from any role in this matter, if he was consulted to the event.
 - Delay the meeting until after the July campaign finance filings with the state board of elections.
 - Relevant witnesses, including Lovely Warren and Jeremy Cooney, be requested to appear.

In response to the requests, the board unanimously (vote 6-0) came to the following agreement:

- o That Ms. Barnhart be allowed to address the board regarding her complaint.
- The meeting be held in public which is consistent with standard meeting protocol.
- That requests for relevant records or testimony would be left to the discretion of the Board consistent with its authority as set forth in the City Charter.
- Corporation Counsel Curran remain as a legal advisor to the Board during its review of the matter.
- The meeting would not be delayed until after the July campaign finance filings with the state board of elections.

Chair Steinbrenner then reviewed the following relevant ethics code provisions to be considered:

- 4. No City officer or employee, acting in the performance of his or her official duties, shall treat, whether by action or omission to act, any person more favorably than it is the custom and practice to treat the general public.
- 5. No City officer or employee shall use or permit the use of city-owned vehicles, equipment, materials or property for the convenience or profit of himself or herself or any other person.
- 12. No former City officer or employee shall at any time after he or she leaves the agency he or she served represent a person before any agency on a matter with which he or she was directly involved or of which he or she has special knowledge, if the representation would be adverse to the position of the City on the matter. The Corporation Counsel may seek an injunction to enforce the provisions of this subsection.

Ms. Rachel Barnhart read a prepared statement to the Board summarizing her concerns regarding the Uber job fair and the involvement of former city employee Jeremy Cooney. Ms. Barnhart provided a copy of her written statement to the Board in addition to photographs depicting the banner used to promote the Uber job fair. (Attachment A)

During her comments, Ms. Barnhart emphasized her belief that City resources were misused by holding a job fair with Uber and that Mayor Warren's endorsement of the company was in violation of the code of ethics. Ms. Barnhart referred to the banners which depict the City logo alongside the Uber name as evidence of an improper endorsement. Ms. Barnhart stated she believes the Mayor used the event to promote her

political candidacy and that former employee Jeremy Cooney improperly influenced his former co-workers to the benefit of Uber.

Alex Yudelson, the Mayor's Chief of Staff and Baye Muhammad, Commissioner of Neighborhood and Business Development were also present to address questions from the Board. Mr. Yudelson addressed the Board and provided a written timeline of events relating to the planning of the Uber and Lyft job fairs. (Attachment B) Mr. Yudelson also offered to make available all emails and text messages sent or received by him relating to the coordination of these events.

Mr. Yudelson emphasized the ride sharing industry consists of two companies, Uber Technologies, Inc. which owns approximately 80% of the market, and Lyft, Inc. Yudelson confirmed both companies were offered the opportunity to hold a job fair at City Hall on the same date. Both firms acknowledged their desire to hold separate events on dates which better aligned with their availability. In addition, Mr. Yudelson advised both job fairs were conducted at no cost to the City and provided City residents an opportunity to explore job opportunities with these firms. He further expressed his view that these events were consistent with City government's role in promoting job opportunities for the public.

Break -7:30 to 7:40pm

Discussion was had regarding the information and testimony presented at the meeting. No violations of the Code of Ethics were found to have occurred by either a majority or all of the Board on each of the three Code provisions on which an advisory opinion had been requested. It was then agreed the Chair would circulate a preliminary draft of a written advisory opinion based on the discussions and verbal opinions made by each of the Board members.

Adjournment

• Chair Steinbrenner made a motion to adjourn which was seconded by Board Member Scott. Motion was approved 6 - 0.

Meeting adjourned at 8:00 pm.

Next Meeting: August 8, 2017; 6:30 p.m.

Rochester City Hall

30 Church Street, Room 208A

Attachment A

I would like to thank the Board of Ethics for considering this matter.

Last month, City Hall hosted a panel discussion and job fair for Uber.

This complaint isn't about Uber. It's about ethics. It's about integrity.

The city's code of ethics prohibits the favorable treatment of any corporation. No other company was invited to this event. The city endorsed Uber by hanging a banner featuring its logo and the city's logo at City Hall. The city promoted the event by touting the perceived benefits of working for Uber. This wasn't a job fair. It was a party, complete with refreshments.

The ethics code prohibits the use of city property for the convenience or benefit of any corporation or individual. Uber was not charged for its use of City Hall. The city's promotion of Uber amounted to free advertising. But Uber wasn't the only beneficiary of this conduct. Mayor Lovely Warren's former chief of staff, Jeremy Cooney, orchestrated the event on behalf of his client. Uber. Warren herself received a benefit, as she used the event to say she created jobs. In fact, Uber didn't need the city's help to find applicants, as it's proven in other cities.

The ethics code forbids former city employees from representing a corporation on matters in which they were directly involved, if the representation would be adverse to the city on the matter. Cooney advocated for ridesharing while he was working for the city. Cooney now works for Uber's lobbying firm. Cooney did not register his activities with the state lobbying commission, which is now investigating his relationship with the City of Rochester and Uber. Disclosure laws exit to make sure citizens know who is influencing their government. I've proposed a one-year ban on former employees contacting the city on behalf of their new employer. I urge the ethics board to propose such a policy.

All of this is significant for several reasons. First, the city shouldn't be having parties for special interests. It's clear Warren needs guidance on this issue. On July 4th, she hosted an exclusive, open bar bash for the RPO on the convention center terrace. Top city officials and friends of musicians attended. Meanwhile, citizens weren't even allowed to access this taxpayer-owned facility to use the bathroom. The city cannot hold special parties for special people. Uber is popular. The RPO is popular. That doesn't matter. We cannot allow a culture of favoritism and entitlement.

Second, the city can rescind permission to allow ridesharing at any time. Warren and the city can no longer be relied upon to act with integrity or objectivity when it comes to issues related to ride sharing. We already know taxi drivers feel left behind by the arrival of this new industry.

Third, the city has an interest in protecting citizens. Warren asked people to apply for jobs at a company known for mistreating workers and not paying them minimum wage. The city is totally compromised if any drivers raise issues about work conditions or passengers raise safety concerns.

I'm urging the city ethics board to suggest policies that would prevent even the appearance of a conflict. None of this is about Uber or ridesharing. This is about holding the city to the highest ethical standards.

Thank you for your diligent work.

Ridesharing Timeline

February 28 – First contact with Lyft (Jennifer Tuttle). New Yorkers for Ridesharing Coalition. Worked with her to have Mayor sign on to support letters for coalition.

March 30 – Next contact with Lyft. Mayor signed on to letter to state legislators.

March 31 – Alex Yudelson calls Lyft about implementation ideas (including job fair)

April 7 – Next contact with Lyft. Worked with Ridesharing Coalition on AP news story.

April 7 – Ridesharing legislation passes.

April 10 – Alex Yudelson contacts Uber (Josh Gold) to thank them for their work and to discuss implementation ideas (including job fair)

April 17 – Jeremy Cooney begins working at Mercury

April 23 – Baye Muhammad contacts Jeremy Cooney to coordinate logistics for job fair.

May 4 – Alex Yudelson attends Lyft "Thank You" reception on behalf of Mayor. County Executive and Senator Robach also attend.

May 10 – Date for job fair solidified via text, invitation also extended to Lyft, who was unable to commit until June. Both Uber and Lyft confirm that they would like to do separate events.

May 31 – Uber job fair

June 5 – Lyft job fair date cemented