

Oversight Board for Redevelopment Agency Successor Agency (RASA)

Meeting Date: 5/7/2012

Report Type: Discussion

Title: Oversight Board for RASA Conflict of Interest Code

Recommendation: Pass a motion adopting the Conflict of Interest Code for the Oversight Board for RASA.

Contact: Sheryl Patterson, Attorney for RASA and Senior Deputy City Attorney, City of Sacramento Office of the City Attorney, (916) 808-7292; Shirley Concolino, Clerk for Oversight Board and City Clerk for City of Sacramento, (916) 808-5442

Presenter: Sheryl Patterson, Attorney for RASA

Issue: Under AB1X 26, the Oversight Board was created as a separate legal entity and is subject to compliance with the Political Reform Act (see Health and Safety Code section 34179(e), page 30 of Chapter 5 of Statutes of 2011). This Act and the regulations issued by the Fair Political Practices Commission (FPPC) requires each local agency to adopt a Conflict of Interest Code to establish which agency officials, employees and consultants are required to file Statements of Economic Interests (FPPC Form 700).

On April 25, 2012, the FPPC issued guidance on compliance with the conflict of interest code and financial disclosure provisions of the Political Reform Act as it applies to oversight boards created under AB 1X 26. The guidance states that each oversight board is required to adopt a conflict of interest code, and the City may need to amend its own code to with regard to staff assigned to serve as employees of the successor agency. The code reviewing body for the Oversight Board for RASA is the City Council, and the Board Member's Statements of Economic Interests forms are to be filed with the City Clerk.

However, if a Board Member is already required to file a Statement of Economic Interests form with her or her appointing agency, the FPPC guidance provides that filing an Assuming Office Statement for his or her position on the Oversight Board is not required, as long as the appointing agency's jurisdiction encompasses the boundaries of the City of Sacramento. For Board Members who are not otherwise required to file an annual Statement or their agency's jurisdiction does not encompass the entire city, in that event filing an Assuming Office Statement is required. The Statement is to be filed by May 17, 2012 with the City Clerk, who will send the Form 700 to those Board Members who need to file an Assuming Office Statement.

The proposed Conflict of Interest Code requires disclosure of sources of income and ownership of businesses and properties located within the jurisdictional boundaries of the City of Sacramento (the boundaries of the dissolved Redevelopment Agency of the City of Sacramento) and a two mile radius from such boundaries. Because the jurisdiction of the Board is so broad with regard to making decisions regarding contracts, development projects, and disposal of properties, the reporting categories are also broad.

Attachments:

- 1- Resolution – Adopting the Conflict of Interest Code for the Oversight Board for Redevelopment Agency Successor Agency
- 2- Exhibit A: The Conflict of Interest Code of the Oversight Board for the Redevelopment Agency Successor Agency
 - Appendix 1 – Designated Positions
 - Appendix 2 – Disclosure Categories



RESOLUTION NO. 2012 _____

Adopted by the Oversight Board for Redevelopment Agency Successor Agency

ADOPTING THE CONFLICT OF INTEREST CODE FOR THE OVERSIGHT BOARD FOR REDEVELOPMENT AGENCY SUCCESSOR AGENCY

BACKGROUND

- A. The Political Reform Act, Government Code § 81000 et seq., requires state and local government agencies to adopt and promulgate conflict of interest codes.
- B. The Oversight Board for the Redevelopment Agency Successor Agency for the dissolved Redevelopment Agency of the City of Sacramento is a local entity subject to the Political Reform Act of 1974 per Health and Safety Code Section 34179 (e).
- C. The Fair Political Practices Commission has adopted a regulation, 2 California Code of Regulations § 18730, which contains the terms of a standard model conflict of interest code, which can be incorporated by reference, and which may be amended by the Fair Political Practices Commission after public notice and hearings to conform to amendments to the Political Reform Act.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE OVERSIGHT BOARD RESOLVES AS FOLLOWS:

- Section 1. The Conflict of Interest Code attached as Exhibit A is hereby adopted and is made part of this resolution.
- Section 2. Section 18730, Provisions of Conflict-of-Interest Codes, as set forth in the regulations of the Fair Political Practices Commission (FPPC) , Title 2, Division 6, California Code of Regulations, is hereby incorporated by reference as if set forth in full, and as it may be amended by the FPPC from time to time.
- Section 3. This resolution will take effect on the date it is passed.

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- Exhibit A: The Conflict of Interest Code of the Oversight Board for the Redevelopment Agency Successor Agency
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EXHIBIT A

THE CONFLICT OF INTEREST CODE OF THE OVERSIGHT BOARD FOR REDEVELOPMENT AGENCY SUCCESSOR AGENCY

SECTION 100. **Appendix 1** and **Appendix 2** which designates officials, employees and consultants and sets forth disclosure categories, constitute the Conflict of Interest Code of the Oversight Board for Redevelopment Agency Successor Agency.

SECTION 200. Designated Board Members, employees, and consultants shall file statements of economic interests pursuant to the provisions of this Conflict of Interest Code.

SECTION 300. Designated Board Members, employees, and consultants shall file their statements of economic interests with the Clerk of the Oversight Board to whom the Board hereby delegates the authority to carry out the duties of filing officer.

SECTION 400. Notwithstanding the provisions of 2 California Code of Regulations section 18730, subdivision (b)(5)(C), all designated employees shall file their annual statements of economic interests no later than April 30 of each calendar year.

SECTION 500. Every person who is required to file a statement of economic interests with the Clerk shall prepare the statement using an electronic system prescribed by the Clerk, provided that the Clerk has prescribed such a system at least sixty (60) days before the statement is due. If no system has been prescribed at least sixty (60) days before the statement is due, then the filer shall prepare the statement in a format suitable for electronic scanning. Regardless of the means of preparing the statement, one original statement shall be filed with the Clerk.

SECTION 600. The Legal Counsel for the Board shall make the initial determination as to whether individuals are consultants, as defined in 2 Cal. Code Reg. § 18701. An individual may be a consultant whether he or she is compensated or is an unpaid volunteer. The requirements of this Conflict of Interest Code shall be included in the agreement which is entered into between the Board and the consultant.

SECTION 700. Any filer required to disqualify himself or herself shall give notice of disqualification to the Clerk. Such notice shall be in writing and shall be made part of the official records of the Clerk. The filer shall then refrain from participation and shall attempt in no way to use his or her official position to influence any other person with respect to the matter.

SECTION 800. Upon request, any filer who is unsure of any right or obligation arising under this Conflict of Interest Code may request a formal opinion or letter of advice from the Legal Counsel for the Board. If an opinion is rendered by the Legal Counsel stating in full the facts and the law upon which the opinion is based, compliance by the filer may be evidence of good faith in any civil or

criminal proceeding brought pursuant to the Political Reform Act of 1974 or this Conflict of Interest Code. The filer's good faith compliance with the opinion of the Legal Counsel shall also act as a complete defense to any disciplinary action that the Board may bring under Government Code Section 91003.5 or this Conflict of Interest Code.

SECTION 900. Any Board Member who fails to timely file a required statement of economic interests is subject to fine in accordance with the provisions of the Political Reform Act of 1974, together with any other penal or remedial measure authorized by that Act.

Where the Board Member's failure to file persists for more than fifteen days (15) days after the final filing date, the Clerk will forthwith notify the member that he/she is disqualified from any participation in meetings or other activities of the Board, until the Board Member both files the required statement of economic interests and pays any fines associated with the failure to file. If the Board Member's failure to file and/or pay the associated fine persists for more than thirty (30) days after the final filing date, the Board Member may be removed from the Board.

SECTION 1000. Designated Oversight Board employees and consultants violating any provision of this Conflict of Interest Code are subject to the administrative, criminal and civil sanctions provided in the Political Reform Act, Government Code sections 81000 – 91014.

SECTION 1100. Notwithstanding the provisions of 2 California Code of Regulations section 18734, any individual hired for a position not yet covered by the Conflict of Interest Code in which the individual serves in a position that makes or participates in making governmental decisions is required to file a Form 700 under the broadest disclosure category until the code is amended to include the new position unless the Legal Counsel has provided a limited disclosure requirement in writing.



APPENDIX 1

OVERSIGHT BOARD OF REDEVELOPMENT AGENCY SUCCESSOR AGENCY CONFLICT OF INTEREST CODE

DESIGNATED POSITIONS

The following is a listing of those classifications/positions that are required to submit a Statement of Economic Interests form:

Department	Classification	Disclosure Category
Board Members	Appointed members	1-4
Legal Counsel	Contractor	1-4
Consultants	Contractor	*

* As determined by Oversight Board Legal Counsel

APPENDIX 2

OVERSIGHT BOARD FOR REDEVELOPMENT SUCCESSOR AGENCY CONFLICT OF INTEREST CODE

DISCLOSURE CATEGORIES

No.	Description
1	All investments from sources located in or doing business in the City of Sacramento.
2	All business positions in business entities from sources located in or doing business in the City of Sacramento.
3	All sources of income from sources located in or doing business in the City of Sacramento.
4	All interests in real property in the boundaries of the City of Sacramento and within two miles of the City boundaries.