



## CITY COUNCIL STAFF REPORT

DATE: DECEMBER 15, 2010

CONSENT CALENDAR

SUBJECT: ADOPTION OF A CONFLICT OF INTEREST CODE PURSUANT TO THE POLITICAL REFORM ACT OF 1974

FROM: David H. Ready, City Manager

BY: James Thompson, City Clerk

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### SUMMARY

The City Council will consider a Resolution adopting a City of Palm Springs, Conflict of Interest Code, incorporating designated positions and disclosure categories, pursuant to the Political Reform Act of 1974.

### RECOMMENDATION:

Adopt Resolution No. \_\_\_\_\_, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, ADOPTING A CONFLICT OF INTEREST CODE AND SUPERSEDING PREVIOUS RESOLUTIONS WITH RESPECT TO THE CONFLICT OF INTEREST CODE."

### STAFF ANALYSIS:

Pursuant to the Political Reform Act (Government Code Section 81000 et seq.), all public agencies are required to adopt a conflict of interest code. A code designates positions required to file Statements of Economic Interests [Fair Political Practices Commission (FPPC) Form 700], and assigns disclosure categories specifying the types of interests to be reported. Form 700 is a public document intended to alert public officials and members of the public to the types of financial interests that may create conflicts of interests.

The Political Reform Act requires local agencies to review its conflict of interest code biennially each even-numbered year, and if amendments to an agency's code are

ITEM NO. 2D.

necessary, the code must be amended by December 30<sup>th</sup>. An amended code is not effective until it has been approved by the City Council.

On June 16, 2010, the City Council adopted Resolution No. 22725 directing staff to review the City's Conflict of Interest Code. Staff reviewed the existing Code and noted several areas requiring amendments due to change in circumstances in the City organization; and subsequently filed the 2010 Local Agency Biennial Notice directing staff to promulgate the necessary amendments.

The criteria used by staff to determine if a certain position should be a designated position is that the position or office is required to make, or participate in the making of, decisions, which may foreseeably have a material effect on a financial interest.

The proposed resolution adopts a City of Palm Springs Conflict of Interest Code which will supersede all previous Codes.

Each local agency code must contain the following:

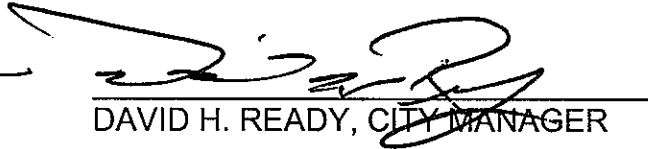
1. **Terms of the Code**  
The terms of the code comprise the main body of a code and include such provisions as the manner to report financial interests, the disqualification procedures etc. The FPPC recommends that agencies incorporate FPPC Regulation 18730 by reference because the type of information required to be in the main body of the code is quite complex and Regulation 18730 contains all of these provisions.
2. **Designated Positions**  
The code must specifically list positions that make or participate in making decisions. Typically, positions that involve voting on matters, negotiating contracts, or making recommendations on purchases without substantive review must be included in codes. Positions listed in G.C. Section 87200 (i.e. Members of the City Council, Members of the Planning Commission, City Manager, City Attorney, City Treasurer, etc.) are not required to be included, as these positions are required to file Form 700 pursuant to G.C. 87200.
3. **Disclosure Categories**  
A primary purpose of the code is to require disclosure of those types of investments, interests in real property, sources of income and business positions that may affect the decision making in designated positions, and may foreseeably have a material effect on a financial interest.

The Code prepared by staff meets all the requirements of the Political Reform Act.

FISCAL IMPACT:

No fiscal impact to adopt the Code. Substantial amount of staff time collecting, reviewing, logging, and retaining statements; and responding to requests for inspection and copying of statements.

  
\_\_\_\_\_  
JAMES THOMPSON, CITY CLERK

  
\_\_\_\_\_  
DAVID H. READY, CITY MANAGER

Attachments:

- Proposed Resolution
- Conflict of Interest Code
- Exhibit A California Code of Regulations Section 18730
- Appendix 1 Designated Positions
- Appendix 2 Disclosure Categories

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, ADOPTING A CONFLICT OF INTEREST CODE AND SUPERSEDING PREVIOUS RESOLUTIONS WITH RESPECT TO THE CONFLICT OF INTEREST CODE.

WHEREAS, the Political Reform Act (Government Code Section 81000 et seq.) requires local government agencies to promulgate and adopt conflict of interest codes; and

WHEREAS, on June 16, 2010, the City Council adopted Resolution No. 22725 directing staff to review the City's Conflict of Interest Code; and

WHEREAS, in October, 2010 the City Council received the 2010 Local Agency Biennial Notice, and directed staff to promulgate the necessary amendments to the City's Conflict of Interest Code.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF PALM SPRINGS DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The Conflict of Interest Code of the City of Palm Springs, including Exhibit A, Appendix 1 and Appendix 2, a copy of which is attached hereto and incorporated herein, is hereby adopted.

SECTION 2. Nothing in this Resolution supersedes the independent applicability of Government Code Section 87200.

SECTION 3. All previous Resolutions and Minute Orders adopting or amending the City's Conflict of Interest Code, designated positions or disclosure categories, are hereby superseded.

PASSED, APPROVED, AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF PALM SPRINGS THIS 15<sup>TH</sup> DAY OF DECEMBER, 2010.

\_\_\_\_\_  
David H. Ready, City Manager

ATTEST:

\_\_\_\_\_  
James Thompson, City Clerk

CERTIFICATION

STATE OF CALIFORNIA )  
COUNTY OF RIVERSIDE ) ss.  
CITY OF PALM SPRINGS )

I, JAMES THOMPSON, City Clerk of the City of Palm Springs, hereby certify that Resolution No. \_\_\_\_\_ is a full, true and correct copy, and was duly adopted at a regular meeting of the City Council of the City of Palm Springs on December 15, 2010, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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James Thompson, City Clerk  
City of Palm Springs, California

# CONFLICT OF INTEREST CODE



## CITY OF PALM SPRINGS, CALIFORNIA

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### SECTION 1:        AUTHORITY

Government Code Section 87300 requires the City of Palm Springs to adopt a Conflict of Interest Code.

### SECTION 2:        PURPOSE

The purpose of the City of Palm Springs Conflict of Interest Code is to incorporate by reference the terms of Section 18730 of the California Code of Regulations pertaining to Conflict of Interest Codes.

### SECTION 3:        CODE REVIEWING BODY

The City Council of the City of Palm Springs shall be the Code Reviewing Body for the City of Palm Springs Conflict of Interest Code.

### SECTION 4:        FILING OFFICER

The City Clerk of the City of Palm Springs shall be the Filing Officer for the City of Palm Springs Conflict of Interest Code. All persons occupying designated positions shall file Statements of Economic Interests with the City Clerk.

The City Clerk shall make statements available for public inspection and reproduction, shall retain all statements pursuant to State Law, and shall perform all other duties and responsibilities of the Filing Officer pursuant to State Law.

SECTION 5:            CODE ADMINISTRATOR

The City Manager or his/her designee shall be the Code Administrator for the City of Palm Springs Conflict of Interest Code.

The Code Administrator may promulgate further rules and regulations, which are not inconsistent with this Code, the Political Reform Act, or any regulation of the Fair Political Practices Commission; to administer the Conflict of Interest Code, including nonsubstantive alterations to the Code.

Nonsubstantive alterations shall be limited to the following:

1. The reclassification or renaming of previously designated positions.
2. The deletion of a position for which the classification has been abolished.
3. Definitional or operational provisions in conformity to a statutory amendment, a regulation of the Fair Political Practices Commission, or a decision of a Court of competent jurisdiction.

SECTION 6:            INCORPORATION BY REFERENCE SECTION 18730 OF THE CALIFORNIA CODE OF REGULATIONS

Section 18730 of Title 2, Division 6, of the California Code of Regulations, as set forth in Exhibit "A," and any amendments to it duly adopted by the Fair Political

Practices Commission, along with any Appendices, are hereby incorporated by reference and constitute the Conflict of Interest Code of the City of Palm Springs.

SECTION 7:            DESIGNATED POSITIONS

The positions listed in Appendix 1 are Designated Positions. Officers and employees holding those positions are Designated Positions and are deemed to make, or participate in the making of, decisions, which may foreseeably have a material effect on a financial interest. Consultants may be Designated Positions, as determined by the Code Administrator.

The Members of the City Council, City Manager, City Attorney, City Treasurer, Members of the Planning Commission, other public officials who manage public investments, and candidates for any of these offices at any election, are required to file Statements of Economic Interest pursuant to Government Code Section 87200 et. seq., therefore; they are not included as designated positions in Appendix 1.

For purposes of this Code, it has been determined that the position of City Treasurer/Director of Finance, manages public investments pursuant to Government Code Section 87200.

SECTION 8:            DISCLOSURE CATEGORIES

Such persons holding designated positions shall report economic interests as set forth in Appendix 2.



**§ 18730. Provisions of Conflict of Interest Codes.**

- (a) Incorporation by reference of the terms of this regulation along with the designation of employees and the formulation of disclosure categories in the Appendix referred to below constitute the adoption and promulgation of a conflict of interest code within the meaning of Government Code section 87300 or the amendment of a conflict of interest code within the meaning of Government Code section 87306 if the terms of this regulation are substituted for terms of a conflict of interest code already in effect. A code so amended or adopted and promulgated requires the reporting of reportable items in a manner substantially equivalent to the requirements of article 2 of chapter 7 of the Political Reform Act, Government Code sections 81000, et seq. The requirements of a conflict of interest code are in addition to other requirements of the Political Reform Act, such as the general prohibition against conflicts of interest contained in Government Code section 87100, and to other state or local laws pertaining to conflicts of interest.
- (b) The terms of a conflict of interest code amended or adopted and promulgated pursuant to this regulation are as follows:

- (1) Section 1. Definitions.

The definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission (2 Cal. Code of Regs. sections 18100, et seq.), and any amendments to the Act or regulations, are incorporated by reference into this conflict of interest code.

- (2) Section 2. Designated Employees.

The persons holding positions listed in the Appendix are designated employees. It has been determined that these persons make or participate in the making of decisions which may foreseeably have a material effect on economic interests.

- (3) Section 3. Disclosure Categories.

This code does not establish any disclosure obligation for those designated employees who are also specified in Government Code section 87200 if they are designated in this code in that same capacity or if the geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction in which those persons must report their economic interests pursuant to article 2 of chapter 7 of the Political Reform Act, Government Code sections 87200, et seq.

In addition, this code does not establish any disclosure obligation for any designated employees who are designated in a conflict of interest code for another agency, if all of the following apply:

- (A) The geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction of the other agency;
- (B) The disclosure assigned in the code of the other agency is the same as that required under article 2 of chapter 7 of the Political Reform Act, Government Code section 87200; and
- (C) The filing officer is the same for both agencies. <sup>1</sup>

Such persons are covered by this code for disqualification purposes only. With respect to all other designated employees, the disclosure categories set forth in the Appendix specify which kinds of economic interests are reportable. Such a designated employee shall disclose in his or her statement of economic interests those economic interests he or she has which are of the kind described in the disclosure categories to which he or she is assigned in the Appendix. It has been determined that the economic interests set forth in a designated employee's disclosure categories are the kinds of economic interests which he or she foreseeably can affect materially through the conduct of his or her office.

(4) Section 4. Statements of Economic Interests: Place of Filing.

The code reviewing body shall instruct all designated employees within its code to file statements of economic interests with the agency or with the code reviewing body, as provided by the code reviewing body in the agency's conflict of interest code. <sup>2</sup>

(5) Section 5. Statements of Economic Interests: Time of Filing.

(A) Initial Statements. All designated employees employed by the agency on the effective date of this code, as originally adopted, promulgated and approved by the code reviewing body, shall file statements within 30 days after the effective date of this code. Thereafter, each person already in a position when it is designated by an amendment to this code shall file an initial statement within 30 days after the effective date of the amendment.

(B) Assuming Office Statements. All persons assuming designated positions after the effective date of this code shall file statements within 30 days after assuming the designated positions, or if subject to State Senate confirmation, 30 days after being nominated or appointed.

(C) Annual Statements. All designated employees shall file statements no later than April 1.

(D) Leaving Office Statements. All persons who leave designated positions shall file statements within 30 days after leaving office.

(5.5) Section 5.5. Statements for Persons Who Resign Prior to Assuming Office.

Any person who resigns within 12 months of initial appointment, or within 30 days of the date of notice provided by the filing officer to file an assuming office statement, is not deemed to have assumed office or left office, provided he or she did not make or participate in the making of, or use his or her position to influence any decision and did not receive or become entitled to receive any form of payment as a result of his or her appointment. Such persons shall not file either an assuming or leaving office statement.

(A) Any person who resigns a position within 30 days of the date of a notice from the filing officer shall do both of the following:

(1) File a written resignation with the appointing power; and

(2) File a written statement with the filing officer declaring under penalty of perjury that during the period between appointment and resignation he or she did not make, participate in the making, or use the position to influence any decision of the agency or receive, or become entitled to receive, any form of payment by virtue of being appointed to the position.

(6) Section 6. Contents of and Period Covered by Statements of Economic Interests.

(A) Contents of Initial Statements.

Initial statements shall disclose any reportable investments, interests in real property and business positions held on the effective date of the code and income received during the 12 months prior to the effective date of the code.

(B) Contents of Assuming Office Statements.

Assuming office statements shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office or, if subject to State Senate confirmation or appointment, on the date of nomination, and income received during the 12 months

prior to the date of assuming office or the date of being appointed or nominated, respectively.

(C) Contents of Annual Statements.

Annual statements shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year provided, however, that the period covered by an employee's first annual statement shall begin on the effective date of the code or the date of assuming office whichever is later, or for a board or commission member subject to Government Code section 87302.6, the day after the closing date of the most recent statement filed by the member pursuant to 2 Cal. Code Regs. section 18754.

(D) Contents of Leaving Office Statements.

Leaving office statements shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.

(7) Section 7. Manner of Reporting.

Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the agency, and shall contain the following information:

(A) Investments and Real Property Disclosure.

When an investment or an interest in real property<sup>3</sup> is required to be reported,<sup>4</sup> the statement shall contain the following:

1. A statement of the nature of the investment or interest;
2. The name of the business entity in which each investment is held, and a general description of the business activity in which the business entity is engaged;
3. The address or other precise location of the real property;
4. A statement whether the fair market value of the investment or interest in real property equals or exceeds two thousand dollars (\$2,000), exceeds ten thousand dollars (\$10,000), exceeds one hundred thousand dollars (\$100,000), or exceeds one million dollars (\$1,000,000).

(B) Personal Income Disclosure. When personal income is required to be reported,<sup>5</sup> the statement shall contain:

1. The name and address of each source of income aggregating five hundred dollars (\$500) or more in value, or fifty dollars (\$50) or more in value if the income was a gift, and a general description of the business activity, if any, of each source;
2. A statement whether the aggregate value of income from each source, or in the case of a loan, the highest amount owed to each source, was one thousand dollars (\$1,000) or less, greater than one thousand dollars (\$1,000), greater than ten thousand dollars (\$10,000), or greater than one hundred thousand dollars (\$100,000);
3. A description of the consideration, if any, for which the income was received;
4. In the case of a gift, the name, address and business activity of the donor and any intermediary through which the gift was made; a description of the gift; the amount or value of the gift; and the date on which the gift was received;
5. In the case of a loan, the annual interest rate and the security, if any, given for the loan and the term of the loan.

(C) Business Entity Income Disclosure. When income of a business entity, including income of a sole proprietorship, is required to be reported,<sup>6</sup> the statement shall contain:

1. The name, address, and a general description of the business activity of the business entity;
2. The name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal to or greater than ten thousand dollars (\$10,000).

(D) Business Position Disclosure. When business positions are required to be reported, a designated employee shall list the name and address of each business entity in which he or she is a director, officer, partner, trustee, employee, or in which he or she holds any position of management, a description of the business activity in which the business entity is engaged, and the designated employee's position with the business entity.

(E) Acquisition or Disposal During Reporting Period. In the case of an annual or leaving office statement, if an investment or an interest in real

property was partially or wholly acquired or disposed of during the period covered by the statement, the statement shall contain the date of acquisition or disposal.

(8) Section 8. Prohibition on Receipt of Honoraria.

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept any honorarium from any source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This section shall not apply to any part time member of the governing board of any public institution of higher education, unless the member is also an elected official.

Subdivisions (a), (b), and (c) of Government Code section 89501 shall apply to the prohibitions in this section.

This section shall not limit or prohibit payments, advances, or reimbursements for travel and related lodging and subsistence authorized by Government Code section 89506.

(8.1) Section 8.1 Prohibition on Receipt of Gifts in Excess of \$420.

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept gifts with a total value of more than \$420 in a calendar year from any single source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This section shall not apply to any part time member of the governing board of any public institution of higher education, unless the member is also an elected official.

Subdivisions (e), (f), and (g) of Government Code section 89503 shall apply to the prohibitions in this section.

(8.2) Section 8.2. Loans to Public Officials.

(A) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the elected officer holds office or over which the elected officer's agency has direction and control.

(B) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII

of the Constitution shall, while he or she holds office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the public official holds office or over which the public official's agency has direction and control. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(C) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status.

(D) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(E) This section shall not apply to the following:

1. Loans made to the campaign committee of an elected officer or candidate for elective office.
2. Loans made by a public official's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such persons, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.

3. Loans from a person which, in the aggregate, do not exceed five hundred dollars (\$500) at any given time.

4. Loans made, or offered in writing, before January 1, 1998.

(8.3) Section 8.3. Loan Terms.

(A) Except as set forth in subdivision (B), no elected officer of a state or local government agency shall, from the date of his or her election to office through the date he or she vacates office, receive a personal loan of five hundred dollars (\$500) or more, except when the loan is in writing and clearly states the terms of the loan, including the parties to the loan agreement, date of the loan, amount of the loan, term of the loan, date or dates when payments shall be due on the loan and the amount of the payments, and the rate of interest paid on the loan.

(B) This section shall not apply to the following types of loans:

1. Loans made to the campaign committee of the elected officer.

2. Loans made to the elected officer by his or her spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.

3. Loans made, or offered in writing, before January 1, 1998.

(C) Nothing in this section shall exempt any person from any other provision of Title 9 of the Government Code.

(8.4) Section 8.4. Personal Loans.

(A) Except as set forth in subdivision (B), a personal loan received by any designated employee shall become a gift to the designated employee for the purposes of this section in the following circumstances:

1. If the loan has a defined date or dates for repayment, when the statute of limitations for filing an action for default has expired.

2. If the loan has no defined date or dates for repayment, when one year has elapsed from the later of the following:

a. The date the loan was made.



b. The date the last payment of one hundred dollars (\$100) or more was made on the loan.

c. The date upon which the debtor has made payments on the loan aggregating to less than two hundred fifty dollars (\$250) during the previous 12 months.

(B) This section shall not apply to the following types of loans:

1. A loan made to the campaign committee of an elected officer or a candidate for elective office.

2. A loan that would otherwise not be a gift as defined in this title.

3. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor has taken reasonable action to collect the balance due.

4. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor, based on reasonable business considerations, has not undertaken collection action. Except in a criminal action, a creditor who claims that a loan is not a gift on the basis of this paragraph has the burden of proving that the decision for not taking collection action was based on reasonable business considerations.

5. A loan made to a debtor who has filed for bankruptcy and the loan is ultimately discharged in bankruptcy.

(C) Nothing in this section shall exempt any person from any other provisions of Title 9 of the Government Code.

(9) Section 9. Disqualification.

No designated employee shall make, participate in making, or in any way attempt to use his or her official position to influence the making of any governmental decision which he or she knows or has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the official or a member of his or her immediate family or on:

(A) Any business entity in which the designated employee has a direct or indirect investment worth two thousand dollars (\$2,000) or more;

(B) Any real property in which the designated employee has a direct or indirect interest worth two thousand dollars (\$2,000) or more;

(C) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating five hundred dollars (\$500) or more in value provided to, received by or promised to the designated employee within 12 months prior to the time when the decision is made;

(D) Any business entity in which the designated employee is a director, officer, partner, trustee, employee, or holds any position of management; or

(E) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating \$420 or more provided to, received by, or promised to the designated employee within 12 months prior to the time when the decision is made.

(9.3) Section 9.3. Legally Required Participation.

No designated employee shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made. The fact that the vote of a designated employee who is on a voting body is needed to break a tie does not make his or her participation legally required for purposes of this section.

(9.5) Section 9.5. Disqualification of State Officers and Employees.

In addition to the general disqualification provisions of section 9, no state administrative official shall make, participate in making, or use his or her official position to influence any governmental decision directly relating to any contract where the state administrative official knows or has reason to know that any party to the contract is a person with whom the state administrative official, or any member of his or her immediate family has, within 12 months prior to the time when the official action is to be taken:

(A) Engaged in a business transaction or transactions on terms not available to members of the public, regarding any investment or interest in real property; or

(B) Engaged in a business transaction or transactions on terms not available to members of the public regarding the rendering of goods or services totaling in value one thousand dollars (\$1,000) or more.

(10) Section 10. Disclosure of Disqualifying Interest.

When a designated employee determines that he or she should not make a governmental decision because he or she has a disqualifying interest in it, the determination not to act may be accompanied by disclosure of the disqualifying interest.

(11) Section 11. Assistance of the Commission and Counsel.

Any designated employee who is unsure of his or her duties under this code may request assistance from the Fair Political Practices Commission pursuant to Government Code section 83114 and 2 Cal. Code Regs. sections 18329 and 18329.5 or from the attorney for his or her agency, provided that nothing in this section requires the attorney for the agency to issue any formal or informal opinion.

(12) Section 12. Violations.

This code has the force and effect of law. Designated employees violating any provision of this code are subject to the administrative, criminal and civil sanctions provided in the Political Reform Act, Government Code sections 81000 – 91014. In addition, a decision in relation to which a violation of the disqualification provisions of this code or of Government Code section 87100 or 87450 has occurred may be set aside as void pursuant to Government Code section 91003.

NOTE: Authority cited: Section 83112, Government Code. Reference: Sections 87103(e), 87300 87302, 89501, 89502 and 89503, Government Code.

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<sup>1</sup> Designated employees who are required to file statements of economic interests under any other agency's conflict of interest code, or under article 2 for a different jurisdiction, may expand their statement of economic interests to cover reportable interests in both jurisdictions, and file copies of this expanded statement with both entities in lieu of filing separate and distinct statements, provided that each copy of such expanded statement filed in place of an original is signed and verified by the designated employee as if it were an original. See Government Code section 81004.

<sup>2</sup> See Government Code section 81010 and 2 Cal. Code of Regs. section 18115 for the duties of filing officers and persons in agencies who make and retain copies of statements and forward the originals to the filing officer.

<sup>3</sup> For the purpose of disclosure only (not disqualification), an interest in real property does not include the principal residence of the filer.

<sup>4</sup> Investments and interests in real property which have a fair market value of less than \$2,000 are not investments and interests in real property within the meaning of the

Political Reform Act. However, investments or interests in real property of an individual include those held by the individual's spouse and dependent children as well as a pro rata share of any investment or interest in real property of any business entity or trust in which the individual, spouse and dependent children own, in the aggregate, a direct, indirect or beneficial interest of 10 percent or greater.

<sup>5</sup> A designated employee's income includes his or her community property interest in the income of his or her spouse but does not include salary or reimbursement for expenses received from a state, local or federal government agency.

<sup>6</sup> Income of a business entity is reportable if the direct, indirect or beneficial interest of the filer and the filer's spouse in the business entity aggregates a 10 percent or greater interest. In addition, the disclosure of persons who are clients or customers of a business entity is required only if the clients or customers are within one of the disclosure categories of the filer.

CITY OF PALM SPRINGS, CALIFORNIA  
CONFLICT OF INTEREST CODE

Appendix 1  
Designated Positions

Designated Positions	Disclosure Categories
<b>BOARDS AND COMMISSIONS</b>	
Administrative Appeals Board Member (5)	ALL
Airport Commissioner (19)	ALL
Architectural Advisory Committee Member (9)	ALL
Business Improvement District Advisory Board Member (7)	ALL
Board of Appeals Member (7)	ALL
Historic Site Preservation Board Member (7)	ALL
Human Rights Commissioner (9)	ALL
Library Board Member (5)	ALL
Parks and Recreation Commissioner (10)	ALL
Personnel Board Member (5)	ALL
Public Arts Commissioner (7)	ALL
Rent Review Commissioner (5)	ALL
Sustainability Commissioner (11)	ALL
VillageFest Board Member (7)	ALL
<b>ADMINISTRATION</b>	
City Clerk (1)	ALL
Assistant City Manager (1)	ALL
Director of Human Resources (1)	ALL
Assistant City Attorney (16)	ALL
Director of Communications (1)	ALL
Director of Neighborhood and Community Relations (1)	ALL
Information Technology Manager (1)	ALL
Sustainability Manager (1)	ALL
<b>AVIATION DEPARTMENT</b>	
Executive Director of Aviation (1)	ALL
Deputy Director of Aviation (2)	ALL
Asset Manager (1)	ALL
<b>BUILDING AND SAFETY</b>	
Director of Building and Safety (1)	ALL
Building Inspector Supervisor (1)	ALL
Senior Permit Center Technician (1)	ALL
Plans Examiner (1)	ALL
Building Inspector (3)	ALL
Code Compliance Officer (4)	ALL
<b>COMMUNITY AND ECONOMIC DEVELOPMENT</b>	
Director of Community and Economic Development (1)	ALL
Community Development Administrator (1)	ALL
Economic Development/Downtown Administrator (1)	ALL
Public Art Coordinator (1)	ALL
Redevelopment Coordinator (1)	ALL

CITY OF PALM SPRINGS, CALIFORNIA  
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Appendix 1  
Designated Positions

<b>FINANCE DEPARTMENT</b>		
Assistant Director of Finance (1)		ALL
Deputy City Treasurer (1)		ALL
Procurement and Contracting Manager (1)		ALL
Procurement Specialist II (1)		ALL
Procurement Specialist I (1)		ALL
<b>FIRE DEPARTMENT</b>		
Fire Chief (1)		ALL
Fire Deputy Chief (1)		ALL
Fire Battalion Chief (3)		ALL
<b>LIBRARY</b>		
Director of Library Services (1)		ALL
<b>PARKS AND RECREATION</b>		
Director of Parks and Recreation (1)		ALL
<b>PLANNING SERVICES</b>		
Director of Planning Services (1)		ALL
Principal Planner (1)		ALL
Associate Planner (2)		ALL
<b>POLICE DEPARTMENT</b>		
Police Chief (1)		ALL
Police Captain (2)		ALL
Police Lieutenant (3)		ALL
<b>PUBLIC WORKS AND ENGINEERING</b>		
Director of Public Works/City Engineer (1)		ALL
Assistant Director of Public Works/Assistant City Engineer (1)		ALL
Associate Civil Engineer (1)		ALL
Engineering Associate (1)		ALL
Senior Public Works Inspector (1)		ALL
Fleet Maintenance Manager (1)		
Facilities Maintenance Manager (1)		
<b>CONSULTANTS</b>		ALL
The Code Administrator shall determine, in writing, those consultants who shall file a Statement of Economic Interest, because they either make governmental decisions or serve in a staff capacity pursuant to the Political Reform Act.		

Section 87200 Total Number of Filers 15

Section 87300 Total Number of Filers 185

Total Filers City Wide 200

CITY OF PALM SPRINGS, CALIFORNIA  
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Appendix 2  
Disclosure Categories

All designated officials, employees and consultants shall be required to file under all of the following categories of reportable economic interests:

<b>Category A</b>	<b>Investments (Form 700 Schedules A-1 and A-2)</b> <i>All reportable investments of \$2,000 or more, for business entities which are located in, doing business in, planning to do business in, or which has done business during the previous two years in the City of Palm Springs.</i>
<b>Category B</b>	<b>Real Property (Form 700 Schedule B)</b> <i>All reportable interests in real property of \$2,000 or more, located in the City of Palm Springs, or within two miles of the City of Palm Springs; excluding a personal residence as long as the residence is used exclusively as a personal residence.</i>
<b>Category C</b>	<b>Income, Loans, Business Positions (Form 700 Schedule C)</b> <i>All reportable income, loans and business positions, of \$500 or more, if the source is located in, doing business in, planning to do business in, or has done business during the previous two years in the City of Palm Springs.</i>
<b>Category D</b>	<b>Gifts (Form 700 Schedule D)</b> <i>All reportable gifts fair market value of \$50 or more, or multiple gifts totaling \$50 or more received during the reporting period.</i>
<b>Category E</b>	<b>Travel Payments (Form 700 Schedule E)</b> <i>All reportable travel payments including advances and reimbursements for travel and related expenses, including lodging and meals.</i>

**CITY OF PALM SPRINGS  
COMMUNITY REDEVELOPMENT AGENCY  
PUBLIC HEARING NOTIFICATION**



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City Council  
Meeting Date: December 15, 2010  
Subject: Adoption of Conflict of Interest Code

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**AFFIDAVIT OF PUBLICATION**

I, Cynthia A. Berardi, Deputy City Clerk, of the City of Palm Springs, California, do hereby certify that a copy of the attached Notice of Public Hearing was published in the Desert Sun on December 4.

I declare under penalty of perjury that the foregoing is true and correct.

A handwritten signature in cursive script, appearing to read "C.A. Berardi", is written over a horizontal line.

Cynthia A. Berardi, CMC  
Deputy City Clerk

**AFFIDAVIT OF POSTING**

I, Cynthia A. Berardi, Deputy City Clerk, of the City of Palm Springs, California, do hereby certify that a copy of the attached Notice of Public Hearing was posted at City Hall, 3200 E. Tahquitz Canyon Drive, on the exterior legal notice posting board and in the Office of the City Clerk on December 2, 2010.

I declare under penalty of perjury that the foregoing is true and correct.

A handwritten signature in cursive script, appearing to read "C.A. Berardi", is written over a horizontal line.

Cynthia A. Berardi, CMC  
Deputy City Clerk



CITY COUNCIL  
CITY OF PALM SPRINGS

**NOTICE IS HEREBY GIVEN** that the CITY COUNCIL of the City of Palm Springs, California, will consider the adoption of a Conflict of Interest Code at its meeting of DECEMBER 15, 2010. The City Council meeting begins at 6:00 PM in the Council Chamber at City Hall, 3200 E. Tahquitz Canyon Way, Palm Springs.

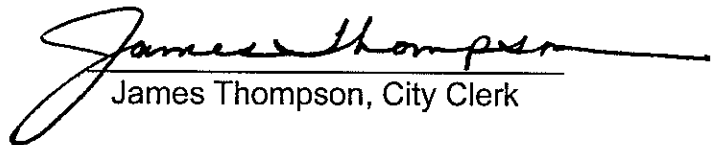
The purpose is to consider the adoption of the City of Palm Springs Conflict of Interest Code pursuant to the Political Reform Act [Government Code Section 87300].

**REVIEW OF INFORMATION:** The staff report and other supporting documents regarding this matter are available for public review at the City Hall between the hours of 8:00 a.m. and 6:00 p.m. Monday through Thursday. Please contact the City Clerks Department at (760) 323-8204, if you would like to schedule an appointment to review these documents.

**COMMENT ON THIS ITEM:** Response to this notice can be made verbally at the Public Meeting and/or in writing before the meeting. Written comments can be made to the City Council by letter (for mail or hand delivery) to:

James Thompson, City Clerk  
3200 E. Tahquitz Canyon Way  
Palm Springs, CA 92262

An opportunity will be given at said meeting for all interested persons to be heard. Questions may be directed to James Thompson, City Clerk at (760) 323-8204.

  
James Thompson, City Clerk