



DATE: September 27, 2016
TO: Mayor and City Council
FROM: City Clerk
SUBJECT

Revisions to the City's Conflict of Interest Code

RECOMMENDATION

That the Council adopts the attached Resolution (Attachment II) accepting revisions to the Conflict of Interest Code for the City of Hayward.

BACKGROUND AND DISCUSSION

The Political Reform Act of 1974 requires every government agency to review its conflict of interest code biennially to determine whether amendments are required. City Administrative Rule, Section 9.1, is the City's Conflict of Interest Code (Code). The Code designates all positions that make or participate in the making of governmental decisions. The disclosure assigned to the positions requires that all investments, business positions, interests in real property, and sources of income that may be affected materially by the decisions made by those holding designated positions be reported.

The City's last Conflict of Interest Code update was approved on September 23, 2014. The list of designated positions (Attachment III) has been updated to include new positions or changes due to the re-organization structure shown in **bold and red**, and designated positions that have been eliminated are shown by blue ~~strikeout~~.

There are three components of the Code: terms of the Code, designated positions, and disclosure categories.

Terms of the Code: The terms of the Code comprise the main body of the Code and provide provisions for reporting financial interests and disqualification procedures among others. The State's Fair Political Practices Commission (FPPC) recommends that cities incorporate by reference Regulation 18730, Title 2, Division 6 of the California Code of Regulations. [Regulation 18730-Provisions of Conflict of Interest Codes](#) (Attachment V) contains all the information required to be contained in the City's Code.

Designated Positions: The Code must list all designated positions. Pursuant to [Government Code Section 82019](#), a designated employee is an employee, officer, member, or consultant of

an agency whose position is designated in the Code because the position entails the making or participation in the making of governmental decisions that may foreseeably have a material effect on his or her financial interest. Individuals holding positions listed in Attachment III are designated individuals who must file Form 700 Statements of Economic Interests.

The City of Hayward continues to use FPPC Form 804 (Agency Report of New Positions) and FPPC Form 805 (Agency Report of Consultants).

The positions of Mayor, Council Members, Planning Commissioners, City Manager, City Attorney, and Finance Director are required by State law to file disclosure of their economic interests under [Government Code Section 87200](#).

Under [Government Code 81008](#), individuals holding designated positions file their statements of economic interests (Form 700) with the City Clerk. Form 700 statements are available for public inspection and reproduction according to FPPC regulations.

Disclosure Categories: The Code requires disclosure of the types of investment, interests in real property, sources of income and business positions that may be affected by the decision-making of designated positions. Disclosure Categories are included in Attachment IV.

NEXT STEPS

Upon adoption of the proposed resolution, Administrative Rule 9.1 will be revised and distributed to Form 700 filers and added to NetFile, the City's electronic filing system.

Recommended and Prepared by: Miriam Lens, City Clerk

Approved by:



Kelly McAdoo, City Manager