

ORDINANCE NO. _____

ORDINANCE OF THE CITY OF CHULA VISTA AMENDING
CHULA VISTA MUNICIPAL CODE CHAPTER 2.02
RELATING TO THE CONFLICT OF INTEREST CODE OF THE
CITY OF CHULA VISTA

WHEREAS, the Political Reform Act (California Government Code sections 87100 through 91014), requires certain officials and candidate to file Statements of Economic Interests (Form 700) and requires local government agencies to adopt and promulgate conflict of interest codes; and

WHEREAS, the City Council adopted Ordinance No. 2807, adopting by reference the standardized conflict of interest code contained in Title 2 of the California Code of Regulations, Section 18730, and any amendments thereto that are adopted by the Fair Political Practices Commission; and

WHEREAS, the Political Reform Act requires every local agency to periodically review its Conflict of Interest Code to determine if amendments are necessary; and

WHEREAS, the City Attorney and the City Clerk have reviewed the City's Conflict of Interest Code (Chula Vista Municipal Code Chapter 2.02) and determined that amendments to the Code are necessary.

NOW, THEREFORE the City Council of the City of Chula Vista does ordain as follows:

Section I. Chula Vista Municipal Code Chapter 2.02 is amended to read as follows:

[Sections 2.02.010 and 2.02.020 remain unchanged]

2.02.025 Definitions.

A. Political Reform Act–Defined Terms.

Words and phrases used in this chapter are in the language of the Political Reform Act (California Government Code Title 9, Sections [81000](#) through [91014](#)) (the “PRA”). Whenever any words or phrases used in this chapter are defined in the PRA, the definitions of the PRA, as may be amended from time to time, shall apply to those words and phrases. Such definitions are incorporated in this chapter by this reference and shall apply to the words and phrases used in this chapter, as though set forth in full, unless the context clearly indicates a contrary intention.

The following words and phrases are defined in the PRA. For ease of reference, summaries of the PRA definitions, and references to the specific code sections containing the full definitions, are provided below. However, the following definitions and summaries are intended for reference purposes only, and do not replace the definitions contained in the PRA, which shall be controlling in interpreting this chapter.

“Business Entity” means any organization or enterprise operated for profit, including, but not limited to, a proprietorship, partnership, firm, business trust, joint venture, syndicate, corporation, or association (see California Government Code Section [82005](#)).

“Gift” means any payment that confers a personal benefit on the recipient, including a rebate or discount in the price of anything of value unless the rebate or discount is made in the regular course of business to members of the public without regard to official status. Gifts from a source outside the City’s Jurisdiction are not required to be reported if the purpose of disclosure of the source of the gift does not have some connection with or bearing upon the functions or duties of the position for which the reporting is required (see California Government Code Section [82028](#) for a full definition of “gift”; see also Fair Political Practices Commission regulation 18730.1).

“Income” includes gifts, loans and travel payments; other than gifts, it does not include income from any source outside the Jurisdiction of the City and not doing business within the Jurisdiction, not planning to do business within the Jurisdiction, or not having done business within the Jurisdiction during the two years prior to the time the statement of economic interests is required to be filed (see California Government Code Section [82030](#) for a complete definition of “Income”).

“Interest in Real Property” includes any leasehold, beneficial or ownership interest or an option to acquire such an interest in real property located in the Jurisdiction, owned directly, indirectly or beneficially by the filer, or his or her immediate family if the fair market value of the interest is \$2,000 or more (see California Government Code Section [82033](#) for a full definition of “Interest in Real Property”).

“Investment” is limited to interests in Businesses Entities that have property in the City, do business in, plan to do business in, or have done business within the last two years in the City (see California Government Code Section [82034](#)).

“Jurisdiction” means the City of Chula Vista and any other geographical area in which the City has jurisdiction. Real property is “within the Jurisdiction” of the City if it is within, or not more than two miles outside the boundaries of, the City, or within two miles of any land owned or used by the City (see California Government Code Section [82035](#) for a complete definition of “Jurisdiction”).

B. City-Defined Terms.

“City,” as used in this Chapter, means the City of Chula Vista for officials, designated employees, and consultants of the City of Chula Vista; and means the Chula Vista Bayfront for officials, designated employees, and consultants of the Chula Vista Bayfront Facilities Financing Authority.

“City Goods and Services” means leased facilities, goods, equipment, vehicles, machinery, or services (including training or consulting services) of the type used by the City.

“Departmental Authority” means the regulatory, permitting, or licensing authority of the City department in which you work, the Board, Commission, or Committee on which you serve, or both.

“Departmental Goods and Services” means leased facilities, goods, equipment, vehicles, machinery, or services (including training or consulting services) of the type used by the City department in which you work, the City department associated with the Board, Commission, or Committee on which you serve, or both.

2.02.030 Conflict of interest code of the City of Chula Vista.

- A. The PRA requires local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation, Title 2 of the California Code of Regulations, Section 18730, which contains the terms of a standard model conflict of interest code, which may be incorporated by reference, and which may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act after public notice and hearings. Accordingly, the terms of Title 2 of the California Code of Regulations, Section 18730, and any amendments to it, except Section 9.5, duly adopted by the Fair Political Practices Commission, are hereby incorporated by this reference and constitute the conflict of interest code of the City of Chula Vista.
- B. The City Council shall set forth by resolution the officials, designated employees, and consultants who are required to file statements of economic interests and the disclosure categories under which each such official, designated employee and consultant shall file. By this reference, the resolution, and any amendments to it, is incorporated into this conflict of interest code. The City’s disclosure categories are set forth below (**please refer to the definitions within this chapter and the PRA for capitalized terms in bold type**):
1. *Disclosure Category 1.* Report all of the following:
 - a. **Investments** in, and business positions held with, any **Business Entity** located in or doing business within the City’s **Jurisdiction**, or doing business with the City; and
 - b. **Income** from any source, regardless of the jurisdiction in which the source resides or does business.
 2. *Disclosure Category 2.* Report any **Interest in Real Property** for such real property located within the **Jurisdiction** of the City.
 3. *Disclosure Category 3.* Report all of the following:
 - a. **Investments** in, and positions held with, any **Business Entity**, that is subject to **Departmental Authority**; and
 - b. **Interests in Real Property** if the real property is subject to **Departmental Authority**; and
 - c. **Income** from any source which is subject to **Departmental Authority**.

4. *Disclosure Category 4.* Report all of the following:
 - a. **Investments** in, and business positions held with, any **Business Entity** that engages in land development, construction, or the acquisition or sale of real property, within the **Jurisdiction** of the City; and
 - b. **Income** from any source that engages in land development, construction, or the acquisition or sale of real property, within the **Jurisdiction** of the City.

5. *Disclosure Category 5.* Report all of the following:
 - a. **Income** from any source that provides **City Goods and Services**; and
 - b. **Investments** in, and business positions held with, any **Business Entity** which provides **City Goods and Services**.

6. *Disclosure Category 6.* Report all of the following:
 - a. **Income** from any source that provides **Departmental Goods and Services**; and
 - b. **Investments** in, and business positions held with, any **Business Entity** which provides **Departmental Goods and Services**.

7. *Disclosure Category 7.* Report all of the following:
 - a. **Income** from any source that is of the type that receives grants or other monies from or through the City; and
 - b. **Investments** in, and business positions held with, any **Business Entity**, including nonprofit organizations, that is of the type that receives grants or other monies from or through the City.

2.02.040 Exception for solely advisory boards and commissions.

- A. The City Council finds that certain of the City's boards and commissions are solely advisory within the meaning of Government Code Section [87100](#), and are, therefore, not required by law to be governed under the City's conflict of interest code.

- B. For those boards and commissions not required by law to be governed under the City's conflict of interest code, the City Council declares that people serving as volunteers on those boards and commissions shall not be required to complete and submit statements of economic interests and shall not be required to disqualify themselves from deliberations or decision making for economic reasons.

Section II. Severability

If any portion of this Ordinance, or its application to any person or circumstance, is for any reason held to be invalid, unenforceable or unconstitutional, by a court of competent jurisdiction, that portion shall be deemed severable, and such invalidity, unenforceability or unconstitutionality shall not affect the validity or enforceability of the remaining portions of the Ordinance, or its application to any other person or circumstance. The City Council of the City of Chula Vista hereby declares that it would have adopted each section, sentence, clause or phrase of this Ordinance, irrespective of the fact that any one or more other sections, sentences, clauses or phrases of the Ordinance be declared invalid, unenforceable or unconstitutional.

Section III. Construction

The City Council of the City of Chula Vista intends this Ordinance to supplement, not to duplicate or contradict, applicable state and federal law and this Ordinance shall be construed in light of that intent.

Section IV. Effective Date

This Ordinance shall take effect and be in force on the thirtieth day after its final passage.

Section V. Publication

The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be published or posted according to law.

Presented by

Approved as to form by

Kerry K. Bigelow, MMC
City Clerk

Marco A. Verdugo
City Attorney