



MEMORANDUM

TO: City Council

FROM: Jessica Matson, Director of Legislative & Information Services/
City Clerk

SUBJECT: Conflict of Interest Code Biennial Review and Resolution Amending
the City of Arroyo Grande Conflict of Interest Code

DATE: September 24, 2024

RECOMMENDATION:

Adopt a Resolution approving an amended Conflict of Interest Code for designated positions.

IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

There are no fiscal or personnel impacts as a result of the proposed action.

BACKGROUND:

The California Political Reform Act requires every local government agency to adopt a Conflict of Interest Code ("COI Code"). The COI Code designates positions within the City required to file Statements of Economic Interests and assigns disclosure categories specifying the types of financial interests to be reported. Further, the Political Reform Act contains specific provisions setting forth any circumstances under which designated positions or categories of designated positions must disqualify themselves from making, participating in the making, or using their official position to influence the making of any decision.

Certain officials, including the Mayor, members of the City Council, candidates for City offices, members of the Planning Commission, City Manager, City Attorney, and City Treasurer are not governed by the City's Conflict of Interest Code as they are all otherwise statutorily required to file disclosure statements pursuant to Government Code Section 87200 (commonly known as "87200 filers"). The City's COI Code and list of designated positions supplement those statutory requirements by including employees, consultants, and members of City advisory bodies who are not 87200 filers. It is important to note that the list of designated positions includes members of the Successor Agency of the Dissolved Arroyo Grande Redevelopment Agency. Because the City Council also serves as board members of this authority, members of the Council are required to include this

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position on their Statements of Economic Interest Form 700 when filing their disclosure statements.

ANALYSIS OF ISSUES:

In 1987, the City adopted the State's standard Conflict of Interest Code by reference which, along with the Appendix of Designated Positions and the Appendix of Disclosure Categories, constitutes the City of Arroyo Grande COI Code.

Under the Political Reform Act, local agencies are required to review its COI Code biennially to determine whether the COI Code is accurate, or if revisions are needed due to organizational changes, including the creation of new positions, elimination of positions, position title changes, and/or relevant changes in the duties assigned to existing positions.

The City's COI Code was last updated in September 2022. A review of the designated positions has been completed and it has been determined that a revision to the City's Conflict of Interest Appendix of Designated Positions is required at this time.

In January 2023, the City Council adopted Resolution 5252 (Attachment 2) approving a salary classification for an Assistant Projects Manager position in the Public Works Department.

On [October 25, 2022](#)¹, the City Council modified the Community Service Grant Program Committee to consist of five members appointed by each City Council Member, to serve as an advisory body to the City Council.

It is recommended that these changes be reflected in the City's COI Code to ensure that it is current and accurate, including the addition of the Assistant Projects Manager position and Community Service Grant Program Committee Member to the list of designated filers.

Staff has completed the biennial review of the current COI Code and has determined that no other amendments are necessary at this time. The City's COI Code accurately designates all positions that make or participate in the making of governmental decisions; the disclosure categories assigned to those positions accurately require the disclosure of all investments, business positions, interests in real property and sources of income which may foreseeably be affected materially by the decisions made by those designated positions; and the COI Code includes all other provisions required by Government Code Section 87302.

¹<https://pub-arroyogrande.escribemeetings.com/Meeting.aspx?Id=daf4a55f-3372-4f03-befd-73a68a6bd231&Agenda=PostMinutes&lang=English>

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ALTERNATIVES:

The following alternatives are provided for the Council's consideration:

1. Adopt the Resolution approving an amended Code for designated positions
2. Modify and adopt the Resolution; or
3. Provide other direction to staff.

ADVANTAGES:

Adoption of the proposed Resolution will meet the requirements of the Political Reform Act concerning biennial review of the City's COI Code.

DISADVANTAGES:

There are no identified disadvantages related to adoption of the proposed Resolution.

ENVIRONMENTAL REVIEW:

No environmental review is required for this item.

PUBLIC NOTIFICATION AND COMMENTS:

The Agenda was posted at City Hall and on the City's website in accordance with Government Code Section 54954.2.

ATTACHMENTS:

1. Proposed Resolution (with Redline)
2. Resolution 5252