ORDINANCE NO. 5975

AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, CALIFORNIA AMENDING SECTIONS 1.10.030, 1.10.060 AND 1.11.020 OF THE GLENDALE MUNICIPAL CODE, 1995, RELATING TO CONFLICT OF INTEREST, USE OF CAMPAIGN FUNDS, AND DISCLOSURE REQUIREMENTS

WHEREAS, the City Council has considered the Reports dated July 13, 2021, August 24, 2021, October 5, 2021 and October 19, 2021 by the City Attorney regarding changes relating to Glendale Municipal Code, 1995 (GMC) provisions pertaining to the conflict of interest, use of campaign funds, and disclosure requirements; and

WHEREAS, attorneys representing parties with claims or litigation adverse to the City may from time to time make campaign contributions to councilmembers and in order to avoid any actual or perceived corruption that may be associated with campaign contributions, the City Council desires to also include said attorneys to be bound by the City's campaign contribution conflict provisions; and

WHEREAS, the City Council, by this Ordinance amends the provisions of GMC Sections 1.10.030, 1.10.060 and 1.11.020.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GLENDALE:

SECTION 1. Section 1.10.030 of the Glendale Municipal Code, 1995, is hereby amended to read as follows:

1.10.030 Campaign contribution limits.

- A. No intended candidate for any elected city office, and no committee acting on behalf of such candidate, shall solicit or accept, or cause to be solicited or accepted, any contribution for use in any election for such office unless and until such candidate shall have complied with the requirements of the Political Reform Act of 1974 as amended.
- B. No person shall contribute a total of more than one thousand one hundred forty dollars (\$1,140.00) to any candidate for city council, city clerk, city treasurer, and to his or her controlled committee for a single election cycle. A candidate for city council, city clerk or city treasurer, and his or her controlled committee shall not accept any contribution or contributions totaling more than one thousand one hundred forty dollars (\$1,140.00) from any person in a single election cycle. Except as provided herein, no person shall make, and no candidate for city council, city clerk or city treasurer, or his or her controlled committee, shall solicit or accept, any contribution or contributions outside of the election cycle; provided however, nothing in this section is intended to prohibit a candidate for city council, city clerk or city treasurer or the candidate's controlled committee acting on behalf of such candidate, from expending funds which the candidate or the candidate's controlled committee already has for any lawful purposes

including the payment of outstanding campaign loans, or to limit the amount a candidate can contribute to his or her candidacy directly or by a personal loan from his or her own personal funds outside of an election cycle. Contributions made to a candidate, or the candidate's controlled committee acting on behalf of such candidate, after the date of the election, shall be deemed to have been lawfully made for the single election cycle that ended on that election date, provided the contribution was made for the purpose of repayment of campaign debts pursuant to Section 1.10.090.

- C. Contributions by a husband and wife shall be treated as separate contributions and shall not be aggregated. Contributions by children under eighteen (18) years of age shall be treated as contributions by their parents and attributed proportionally to each parent—one-half (1/2) to each parent or the total amount to a single custodial parent.
- D. Contributions made or received on the day immediately after an election shall only be used for the payment of debts as set forth under Section 1.10.090. Excess or surplus funds held pursuant to Section 1.10.080 may be used only as permitted under the State Political Reform Act (Government Code Section 89511 et seq.) as it now exists or may hereafter be amended, or to establish an officeholder's account pursuant to Section 1.10.085.
- E. Contributions may be solicited and received by a holder of elected office for an officeholder's account up to a maximum annual limit of ten thousand dollars (\$10,000.00) subject to the contribution limits and the limit on fund raising to replenish the account as set forth in this chapter.
- F. The contribution limits set forth herein shall be reviewed in July of each odd-numbered year commencing July 1, 2019 and shall be adjusted, by resolution adopted by the city council, consistent with the cost of living index (CPI-All Urban Consumers) Los Angeles, Long Beach, Anaheim. The adjustment shall be rounded up to the nearest ten dollars (\$10.00).

SECTION 2. Section 1.10.060 of the Glendale Municipal Code, 1995, is hereby amended to read as follows:

1.10.060 Contribution prohibition—Contractors or subcontractors doing business with the city or applicants seeking entitlement; prohibition on voting.

A. Definitions. For purposes of this section the following words and phrases are defined as follows:

"Affected party" shall mean a party to a city contract, a subcontractor under a city contract, an applicant seeking entitlement, a contractor of applicant seeking entitlement, or a subcontractor of applicant seeking entitlement.

"Applicant seeking entitlement" means any person who has filed an application or letter seeking approval of an entitlement with the city, successor agency, or housing authority, or any person who is an owner or lessee of property on whose behalf an application or letter seeking approval of an entitlement is filed.

"Application is pending" means an application or letter which is subject to review, hearing or consideration by the council, successor agency, and/or housing authority and

the application or letter seeking an entitlement has been filed and, either will be set for review, hearing or other consideration by the council, successor agency, or housing authority as a matter of right, or has been formally appealed to the council, successor agency, or housing authority. The three (3) examples set forth below are intended to provide interpretive guidance:

- 1. An application for a zone change is filed. Since a zone change can only be effectuated by the council, upon filing the application it would be pending before the council;
- 2. An application for a conditional use permit is filed. Only at such time as the grant or denial of a conditional use permit is appealed to the council would it be pending before the council;
- 3. An application for a variance in the downtown specific plan area is filed. Since the council has original jurisdiction, the variance application would be pending before the council when filed.

"Attorney representative" means legal counsel representing any party with a pending claim (pursuant to the Government Claims Act as defined in California Government Code Section 810 et seq., or any successor legislation) or pending litigation adverse to the city.

"City contract" means any agreement or contract, including any amendment or modification to an agreement or contract, with the city, successor agency, or housing authority, where such contract or agreement is subject to approval by the council, successor agency, or housing authority for: (1) the rendition of personal services; (2) construction and/or the furnishing of any material, supplies or equipment; (3) the sale, lease, exchange, or transfer of any land or building to or from the city, successor agency, or housing authority; or (4) a grant, loan, loan guaranty, land write down, or other similar form of financial assistance. Contract does not include a contract awarded pursuant to a competitive bidding process under the Charter of the city of Glendale, a transfer or exchange of land to or from one public agency to another public agency, or the transfer of an easement, license, or right-of-way in the ordinary course of a development project.

"Contractor of applicant seeking entitlement" means a person who is, or has been promised to be, a party to a contract as an architect, design professional, engineer, or general or prime contractor with an applicant seeking entitlement, as defined herein, which contract has, or would have a total anticipated or actual value of fifty thousand dollars (\$50,000.00) or more.

"Council" means the city council of the city of Glendale.

"Design professional" means a person who performs services in the nature of designing structures, buildings, interiors, landscape and/or hardscape but does not have any particular license.

"Entitlement" means permit, license, conditional use permit, variance, architectural or design review (at any stage), franchise, administrative exception, parking reduction, review of plans, development agreement, disposition and development agreement, exclusive negotiation agreement, owner participation agreement, affordable housing

agreement, financial assistance for a proposed project, or any other land use entitlement.

"Housing authority" means the housing authority of the city of Glendale.

"Person" shall have the meaning ascribed to it in Section 1.10.020.

"Related persons" includes any of the following persons with respect to a party with a city contract, a subcontractor under a city contract, applicant seeking entitlement, contractor of applicant seeking entitlement, and subcontractor of applicant seeking entitlement: a member of its board of directors, its chairperson, its chief executive officer/president, its chief financial officer, its chief operating officer, any person with ownership interest of more than ten (10) percent in such person, and/or any committee, as defined in this chapter, that is owned or controlled by such person.

"Subcontract" means a contract subordinate to another contract made between the contracting parties which includes an agreement for a subcontractor to perform all or part of certain work to be performed by an architect, design professional, engineer, general or prime contractor.

"Subcontractor" means a person who has entered into a contract for the performance of all or a portion of the work undertaken under an agreement with an architect, design professional, engineer, or general or prime contract, usually by a general or prime contractor.

"Subcontractor of applicant seeking entitlement" means a person who is, or has been promised to be, a party to a subcontract as an architect, design professional, engineer, or to perform other work with a "contractor of applicant seeking entitlement" as defined herein, which subcontract has, or would have a total anticipated or actual value of twenty-five thousand dollars (\$25,000) or more.

"Successor agency" means the successor agency to the Glendale Redevelopment Agency.

- B. No person who is a party to a city contract, as defined in subsection A, shall make a contribution to an individual holding city elective office where the city contract has a total anticipated or actual value of fifty thousand dollars (\$50,000) or more, or a combination or series of such contracts or agreements having a value of fifty thousand dollars (\$50,000) or more.
- C. No member of the council, nor the city clerk or city treasurer shall receive a contribution from a person who is a party to a city contract, as defined in subsection A, where the city contract has a total anticipated or actual value of fifty thousand dollars (\$50,000) or more, or a combination or series of such contracts, having a value of fifty thousand dollars (\$50,000) or more.
- D. No person acting as a subcontractor under a subcontract through a city contract, as defined in subsection A, shall make a contribution to a council member where an individual subcontract has a total anticipated or actual value of twenty-five thousand dollars (\$25,000.00) or more, or a combination or series of such individual subcontracts with the same subcontractor, for the same or different projects with the aggregate value of twenty-five thousand dollars (\$25,000.00) or more.

- E. No member of the council shall receive a contribution from a person who is party to a subcontract under a city contract, as defined in subsection A, where the subcontract has a total anticipated or actual value of twenty-five thousand dollars (\$25,000.00) or more, or a combination or series of such subcontracts having a value of twenty-five thousand dollars (\$25,000.00) or more.
- F. No applicant seeking entitlement, contractor of an applicant seeking entitlement or a subcontractor of an applicant seeking entitlement shall make a contribution to a council member while such application is pending before the council, redevelopment agency, or housing authority and for a period of twelve (12) months after the last and final approval by the council, redevelopment agency, or housing authority has been granted. This subsection shall also apply to attorney representatives as defined in this chapter.
- G. A member of the council, successor agency, or housing authority who has received a campaign contribution from an affected party within the twelve (12) months preceding the consideration by the council, successor agency, or housing authority on any of the following matters shall not participate in said matter and shall be considered disqualified from voting on said matter: (1) approval of a city contract, as defined in subsection A; (2) award of a proposal in response to a request for proposals; (3) conditional use permit; (4) variance; (5) approval of architectural or design review (at any stage); (6) award of a franchise; (7) administrative exception; (8) parking reduction; (9) approval of a development agreement; (10) approval of a disposition and development agreement; (11) approval of an exclusive negotiation agreement; (12) approval of owner participation agreement; (13) approval of an affordable housing agreement; (14) financial assistance for a proposed project; (15) or any other land use; (16) any consideration of the settlement of claims or litigation adverse to the city. In addition, the member shall not be considered toward reaching a quorum. In the event that a quorum or more are disqualified from voting on a matter covered herein, members will be selected by random draw until there are the minimum number of members of the relevant body to render a lawful decision (e.g., in most cases, a quorum). As used in subsections G and H of this section only, "contribution" shall mean a contribution to the member of council, successor agency or housing authority for any federal, state or local elective office. Except for contributions made for city elective office, the provisions of this section pertaining to contributions made by an affected party to any federal or state election campaign shall not apply in the event such contribution was received by the member of the council, successor agency or housing authority on or before October 4, 2016.
- H. For purposes of subsection G, with respect to the prohibition on voting as applied to claims or litigations adverse to the city, contractors of applicants seeking entitlement or subcontractors of applicants seeking entitlement, the voting prohibition applies only where the member of the council, successor agency, or housing authority receiving the contribution knows or has reason to know of the contribution and where the information about the status of the contributor as an attorney representative (for pending claims or litigation), architect, design professional, engineer, contractor, or subcontractor is readily ascertainable through reasonably accessible information (example: where a contribution is received by a campaign treasurer, listed on a 460

Form, or received as an officeholder account contribution and the name of the attorney representative, architect, design professional, engineer, contractor or subcontractor is on a city list or city developed database, it would be deemed that the official should know or have reason to know that they would be precluded from voting. Should an attorney representative, architect, design professional, engineer, contractor or subcontractor not be on a city developed list or city developed database, and an elected official votes on a matter where he or she had received a contribution, no violation will be deemed to have occurred).

- 1. City staff shall develop, acquire, or modify existing systems at one time or in phases within a reasonable period of time, to establish reports which include the name of vendors, contractors, subcontractors, applicants for entitlement, contractors of applicants seeking entitlement, and subcontractors of applicants seeking entitlements, and attorney representatives as defined in this chapter. Once prepared, the reports shall be a public record.
- 2. Written notice of the campaign contribution prohibitions and voting limitations of this section shall be included in requests for proposals issued by the city, successor agency or housing authority and is to be provided to all applicants seeking entitlement from the city, successor agency or housing authority.
- 3. An applicant seeking entitlement shall disclose to the city, successor agency or housing authority the name(s) of all architects, design professionals, engineers, contractors and subcontractors (and their related persons) if known, at the time of filing an appeal or, if no appeal is required, when staff first prepares a report to the relevant agency involving consideration of any matter under subsection (G)(1) through (15). In addition, an applicant seeking entitlement shall also disclose whether they made a campaign or officeholder account contribution in the preceding twelve (12) months. The disclosure(s) shall be made under penalty of perjury.
- 4. At such time as the applicant seeking entitlement selects architects, design professionals, engineers, contractors or subcontractors, the applicant shall disclose such information (including their related persons) in writing to the city, successor agency, or housing authority within ten (10) days of the selection. Should an architect, design professional, engineer, contractor or subcontractor be substituted or added to a project which is the subject of an application for entitlement, such change or changes shall be disclosed in writing to the city, redevelopment agency, or housing authority within ten (10) days from the date of the change.
- I. The twenty-five thousand dollar (\$25,000.00) and fifty thousand dollar (\$50,000.00) values set forth herein shall be reviewed once every five (5) years commencing in July 1, 2015 and shall be adjusted consistent with the cost of living index (CPI All Urban Consumers) Los Angeles, Long Beach, Anaheim. The adjustment shall be rounded up to the nearest one thousand dollars (\$1,000.00).
- J. For the purposes of the limitations, restrictions, prohibitions and disclosure obligations set forth in this section, each person who is a party to a city contract, subcontractor under a city contract, an applicant seeking entitlement, a contractor of applicant seeking entitlement, or an attorney representative shall include not only that person (e.g., applicant seeking entitlement) as

defined in subsection A of this section but also that person's related persons. By way of example, this section's limitations, restrictions, prohibitions and disclosure obligations apply not only to a business entity that is an applicant seeking entitlement, but that business entity's related persons.

K. With the exceptions of subsections G and H of this section, the prohibitions and limitations set forth in this section pertain only to campaign contributions received for elections to elective office in the city of Glendale.

SECTION 3. Section 1.11.020 of the Glendale Municipal Code, 1995, is hereby amended to read as follows:

1.11.020 Definitions.

"Applicant" means any individual, person, entity or organization that makes an application to the city for any award, entitlement, determination or action and appears before the city council, board or commission for the consideration of said award, entitlement, determination or action. For the purposes of this chapter the term applicant includes the following:

- 1. An appellant who has appealed an act, ruling or determination of a board, commission or officer, or a denial, suspension or revocation of a permit or license allowed by a provision of this code to the city council.
- 2. A non-profit organization seeking to procure city entitlements including, but not limited to, the use of city property and/or city funding for programs to be implemented by the non-profit organization including CDBG funding.

"Business relationship" means, in addition to those business relationships which are subject to disclosure by law and pursuant to the Political Reform Act of 1974, a former coownership of a business, whether in the form of a partnership, limited liability partnership, limited liability corporation, or other business entity or joint venture, in the preceding five (5) years, between a councilmember, board or commission member and applicants or individuals appearing before the city council, board or commission if the councilmember, board or commission member and applicant or individual each owned ten (10) percent or more interest simultaneously at some point in the preceding five (5) years.

"Boards and commissions" means those city boards and commissions which have decision making authority relating to land use and/or the expenditure of funds on behalf of the city.

"City" means the city of Glendale.

"City council" means the Glendale city council pursuant to the City Charter.

"Disclosing party" means an applicant and/or any individual or representative appearing on behalf of the applicant for the purpose of advocating in favor or on behalf of the applicant before the city council, board or commission. For the purposes of this section disclosing party includes plural disclosing parties.

"Familial relationship" means a relationship involving a councilmember, board or commission member and one or more family member(s), as defined in this section.

"Family member" means, in addition to those familial relationships subject to disclosure under law and pursuant to the Political Reform Act of 1974, a person related to a councilmember, board or commission member within the first degree by consanguinity (blood) which includes father, mother, son, daughter, siblings, grandparents, aunts, uncles, first cousins, or affinity (marriage) which includes a spouse, father-in-law, mother-in-law, son-in-law, daughter-in-law, siblings-in-law, step-children, or step-siblings.

"Non-profit organization" means an entity that has been granted tax-exempt status by the Internal Revenue Service because it engages in furthering a social cause and provides a public benefit.

"Organizational relationships and memberships" means, in addition to those relationships subject to disclosure under law and pursuant to the Political Reform Act of 1974, membership by a councilmember, board or commission member and/or a councilmember's, board member's or commission member's spouse or domestic partner and applicants or individuals appearing before the city council, board or commission in the same civic, fraternal, religious or non-profit organizations. For the purposes of this section the definition of organizational relationships and memberships also includes instances where a sub-organization of a parent organization in which a councilmember, board or commission member and/or a councilmember's, board or commission member of and that suborganization is appearing before the council, board or commission, or vice versa.

SECTION 4. Compliance with California Environmental Quality Act.

The City Council finds and determines that this ordinance is not subject to the California Environmental Quality Act (CEQA) and, therefore, an environmental review is not required since there is no possibility that the adoption of this ordinance will have a significant effect on the environment and the that the amendments of the Glendale Municipal Code, 1995 are exempt from CEQA. Accordingly, under provisions of Section 15061(b)(3) and section 15305 of Division 6 of Title 14 of the California Code of Regulations (the CEQA Guidelines) the adoption of this ordinance is not subject to the requirements of CEQA.

SECTION 5. Severability.

This Ordinance is adopted under the authority of the Charter of the city of Glendale and State law. If any section, subsection, clause or phrase is declared invalid or otherwise void by a court of competent jurisdiction, it shall not affect any remaining provision hereof. In this regard the city council finds and declares that it would have adopted this measure notwithstanding any partial invalidity hereof.

SECTION 6. Effective Date.

This Ordinance shall take effect and be in force thirty (30) days after the date of its passage.

Passed by the Council of the City of Glendale on the 19thday of October , 2021.

Houla Devise
Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM

CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS.
CITY OF GLENDALE)

I, Aram Adjemian, City Clerk of the city of Glendale, certify that the foregoing Ordinance No. $__5975$ was passed by a majority vote of the Council of the city of Glendale, California, at a regular meeting held on the $_19th$ day of $_0ctober$, 2021, and that the same was passed by the followed vote.

Ayes: Brotman, Agajanian, Kassakhian, Najarian, Devine

Noes: None

Absent: None

Abstain: None

City Clerk