

RESOLUTION NO. 1

A RESOLUTION OF THE SUCCESSOR AGENCY OVERSIGHT BOARD OF THE FORMER PORT HUENEME REDEVELOPMENT AGENCY ADOPTING A CONFLICT OF INTEREST CODE FOR THE BOARD

The Successor Agency Oversight Board of the former Port Hueneme Redevelopment Agency resolves as follows:

Section 1. The Oversight Board does hereby find, determine, and declare as follows:

- A. The Political Reform Act (Government Code Sections 81000, et al) requires the adoption of a Conflict of Interest Code; and
- B. Government Code Section 87306 requires every agency to amend its Conflict of Interest Code when changes in the law occur and when changes include: the creation of new positions which must be designated positions, the deletion of old positions, and relevant changes in the duties assigned to existing positions; and
- C. The attached Exhibits accurately set forth those positions which should be designated and the categories of financial interests which should be made reportable; and
- D. The public peace, health, safety, and general welfare require the adoption of this Resolution.

Section 2. The Political Reform Act requires state and local government agencies to adopt and promulgate a Conflict of Interest Code. The Fair Political Practices Commission (FPPC) has adopted a regulation, 2 Cal. Code of Regulations Section 18730, which contains the terms of a standard Conflict of Interest Code that can be incorporated by reference and which may be amended by the FPPC to conform to amendments in the Political Reform Act after public notice and hearings. The terms of 2 Cal. Code of Regulations Section 18730, and any amendments to it duly adopted by the FPPC, are hereby incorporated by reference. These provisions, along with their Exhibits A, B, and C, attached hereto and incorporated herein by this reference, constitute the Conflict of Interest Code of the Successor Agency Oversight Board. The Successor Agency Oversight Board is considered the "Agency" within the purview of this Code.

Section 3. Persons holding designated positions on and after the effective date of this Resolution shall file Statements of Economic Interests pursuant to the Conflict of Interest Code with the Port Hueneme City Clerk, on behalf of the Successor Agency; the originals of which shall be on file with the City Clerk's Office. The City Clerk shall be, and perform the duties of, the Filing Officer for the Successor Agency Oversight Board.

Section 4. Any change provided for in this Conflict of Interest Code shall not affect or excuse any offense or act committed or done or omission or any penalty or forfeiture incurred or accruing under any other Conflict of Interest Code, nor shall affect any prosecution, suit or proceeding pending, or any judgment rendered, in connection with any other Conflict of Interest Code.

Section 5. The City Clerk shall certify to the adoption of the Resolution.

PASSED, APPROVED, AND ADOPTED this 4th day of April, 2012.

OVERSIGHT BOARD



JONATHAN SHARKEY
CHAIR

ATTEST:



MICHELLE ASCENCION
SECRETARY

APPROVED AS TO CONTENT:



DAVID J. NORMAN
STAFF LIAISON

CONFLICT OF INTEREST CODE OF THE OVERSIGHT BOARD OF THE PORT HUENEME REDEVELOPMENT AGENCY SUCCESSOR AGENCY

SECTION 1. Purpose. Pursuant to the provisions of Government Code §87300, et seq., the Successor Agency Oversight Board (hereinafter referred to as "Oversight Board") hereby adopts the following Conflict of Interest Code. The provisions of this Code are in addition to those contained in Title 9, Chapter 7 of the Government Code (§87100 et seq.). Except as otherwise indicated, the definitions contained in Title 9, Chapter 2 of the Government Code (§82000 et seq.) are incorporated herein and apply to this Code. It is the purpose of this Code to provide for the disclosure of assets and income of designated employees which may be materially affected by their official actions, and, in appropriate circumstances, to provide that designated employees should be disqualified from acting in order that conflicts of interest may be avoided.

SECTION 2. Designated Positions. The positions listed in Exhibit "A" are designated positions. Officers and employees holding those positions are designated employees and are deemed to make or participate in making decisions which may foreseeably have a material effect on a financial interest.

SECTION 3. Disclosure Statements. Designated positions shall be assigned to one or more of the disclosure categories set forth in Exhibit "B." Each designated employee or official shall file an annual statement disclosing that employee's or official's interest in investments, business positions, interests in real property and source of income designated as reportable under the category to which the employee's or official's position is assigned in Exhibit "B."

SECTION 4. Place and Time of Filing.

- (a) All designated employees or officials required to submit a Statement of Financial Interests (FPPC Form No. 700) shall file the original with the Office of the City Clerk of Port Hueneme, on behalf of the Successor Agency.
- (b) The City Clerk's office shall make and retain a copy of the statement.
- (c) A designated employee or official required to submit an initial Statement of Financial Interests, (FPPC Form No. 700), shall submit the statement within thirty days after the effective date of this Code, disclosing interests held including investments, business positions, and interests in real property on the effective date of this Code, and income received during the twelve (12) months prior to the effective date of this Code.
- (d) All persons appointed, promoted or transferred to designated positions shall file initial statements not more than thirty (30) days after assuming office.
- (e) The first statement of Financial Interests filed by a designated employee shall disclose the designated employee's reportable investments, business positions, and interests in real property existing as of the effective date of this Code or the date the designated employee assumed office, whichever is later, and income received during the preceding twelve (12) months.

- (f) Annual statements shall be filed by April 1 of each year by all designated employees. Such statements shall disclose reportable investments, business positions, interests in real property and income held or received at any time during the previous calendar year or since the designated employee took office if during the calendar year.
- (g) A designated employee required to file a Statement of Financial Interest with any other agency which is within the same territorial jurisdiction and whose disclosure requirements are comparable may comply with the provisions of this Code by filing a duplicate copy of the statement filed with the other agency in lieu of filing an entirely separate statement.
- (h) Every designated employee who leaves office shall file, within thirty (30) days of leaving office, a statement disclosing reportable investments, business positions, interests in real property and income held or received at any time during the period between the closing date of the last statement required to be filed and the date of leaving office.
- (i) A designated employee who resigns his/her position within twelve months following initial appointment or within thirty days of the date of a notice mailed by the filling officer of the individual's filing obligation, whichever is earlier, is not deemed to assume or leave office, provided that during the period between appointment and resignation the individual does not make, participate in making or use the position to influence any decision of the Oversight Board or receive or become entitled to receive any form of payment by virtue of being appointed to the position. Within thirty days of the date of a notice mailed by the filing officer, the individual shall do both of the following:
 - (1) File a written resignation with the appointing power.
 - (2) File a written statement with the filing officer on a form prescribed by the commission and signed under the penalty of perjury stating that the individual, during the period between appointment and resignation, 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.

SECTION 5. Contents of Disclosure Statements. Disclosure statements shall be made on forms supplied by the City Clerk's office (FPPC Form No. 700) and shall contain the following information:

- (a) Contents of Investment and Real Property Reports. When an investment or an interest in real property is required to be disclosed, the statement shall contain:
 - (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 indicating whether the fair market value of the investment or interest in real property equals or exceeds one thousand dollars (\$1,000), but does not exceed ten thousand dollars (\$10,000), whether it exceeds ten thousand dollars (\$10,000) but does not exceed one hundred thousand dollars (\$100,000), or whether it exceeds one hundred thousand dollars (\$100,000). For purposes of this Code, "interest in real property" does not include the principal residence of the designated employee or any other property which the designated employee utilizes exclusively as the employee's personal residence.
 - (5) For purposes of this subdivision (a) of Section 5, "interest in real property" does not include the principal residence of the filer or any other property which is utilized exclusively as the personal residence of the filer.
- (b) Contents of Personal Income Reports. When personal income¹ is required to be disclosed under this Code or pursuant to the Political Reform Act (PRA), the statement shall contain:
- (1) The name and address of each source of income aggregating two hundred fifty dollars (\$250) 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 indicating whether the aggregate value of income from each source, or, in the case of a loan, the highest amount owed to each source, was at least two hundred fifty dollars (\$250) but did not exceed one thousand dollars (\$1,000), whether it was in excess of one thousand dollars but not greater than ten thousand dollars (\$10,000), or whether it was greater than ten thousand dollars;
 - (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 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.
- (c) Contents of Business Entity Reports. When the designated employee's pro rata share of income to a business entity, including income to a sole proprietorship, is required to be reported, the statement shall contain:

¹ Income is defined in Title 9, Chapter 2 of the Government Code (Section 82030). That definition is attached hereto as Exhibit "C."

- (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 designated employee's pro rata share of gross receipts from such person was equal to or greater than ten thousand dollars (\$10,000) during a calendar year;
 - (3) Income of a business entity is required to be reported only if the direct, indirect or beneficial interest of the designated employee and his or her spouse in the business entity aggregates a ten percent (10%) or greater interest. In addition, for purposes of subparagraphs 2 and 3 of this subsection, the disclosure of persons who are clients or customers of a business entity is required only if it is reasonably foreseeable that the client or customer may be materially affected by the decisions of the designated employee;
 - (4) When a payment, including an advance or reimbursement for travel is required to be reported pursuant to (b) and (c) of this Section 5, it may be reported on a separate travel reimbursement schedule which shall be included in the filer's statement of economic interest. A filer who chooses not to use the travel schedule shall disclose payments for travel as a gift, unless it is clear from all surrounding circumstances that the services provided were equal to or greater in value than the payments for the travel, in which case the travel may be reported as income.
- (d) Contents of Business Position Disclosure. When business positions are required to be reported, the designated employee shall list the name and address of each business entity in which he/she is a director, officer, partner, trustee, employee or in which he/she holds any position of management, a description of the business entity in which the business is engaged, and the designated employee's position with the business entity.
- (e) Acquisition or Disposal During a Calendar Year. If any otherwise reportable investment or 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.

SECTION 6. Disqualification. Designated employees shall disqualify themselves from making, participating in the making of, or in any way using their official position to influence a governmental decision when it is reasonably foreseeable that the decision will have a material financial effect distinguishable from its effect on the public generally, on the designated employee, 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 interest worth one thousand dollars (\$1,000) or more;

- (b) Any real property in which the designated employee has a direct or indirect interest worth one thousand dollars (\$1,000) 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 two hundred fifty dollars (\$250) or more in value provided to, received by or promised to the designated employee within twelve (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 two hundred fifty (\$250) 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.

For purposes of this section, indirect investment or interest means any investment or interest owned by the spouse or dependent child of a designated employee, by an agent on behalf of a designated employee, or by a business entity or trust in which the designated employee, the designated employee's agent, spouse, and dependent children own directly, indirectly, or beneficially a ten percent (10%) interest or greater.

No designated employee shall be required to disqualify himself/herself with respect to any matter which could not legally be acted upon or decided without his/her participation.

A designated employee required to disqualify himself/herself shall notify the Port Hueneme City Manager and the City Clerk in writing, and the City Clerk shall record the person's disqualification.

SECTION 7. Violations. Pursuant to Government Code §87300, this Code "shall have the force of law" and any violation of any provision of this Code shall be punishable in accordance with Government Code §9100 to §91015 and include criminal and civil sanctions.

EXHIBIT "A"

Designated Oversight Board Employees and Disclosure Categories

The following positions entail the making or participation in the making of decisions that may foreseeably have a material effect on financial interests:

<u>DESIGNATED POSITION</u>	<u>CATEGORY</u>
Board Member	1
City Attorney, on behalf of the Successor Agency	1
City Clerk, on behalf of the Successor Agency	2
City Manager, on behalf of the Successor Agency	1
Community Development Director, on behalf of the Successor Agency	1
Community Development Programs Manager, on behalf of the Successor Agency	2
Consultant ¹	1
Deputy City Attorney, on behalf of the Successor Agency	1
Finance Director, on behalf of the Successor Agency	1

¹ Consultants shall be included in the list of designated employees and shall disclose all of the information required to be disclosed by designated employees subject to the following limitation: The City Manager (or his/her designee) may determine in writing that a particular consultant, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in this Section. Such written disclosure shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The City Manager's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code.

EXHIBIT "B"

Categories of Reportable Economic Interests

Designated Persons in Category "1" Must Report:

All investments, interests in real property, income and a business entity in which the person is a director, officer, partner, trustee, employee, or holds any position of management. These financial interests are reportable only if located within or subject to the jurisdiction of the City of Port Hueneme, or if the business entity is doing business or planning to do business in an area subject to the jurisdiction of the City of Port Hueneme, or has done business within an area subject to the jurisdiction of the City of Port Hueneme at any time during the two years prior to the filing of the statement.

Designated Persons in Category "2" Must Report:

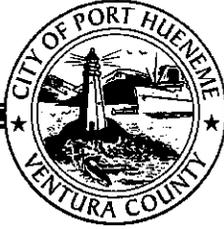
- A. All investments in real property located within or subject to the jurisdiction of the City of Port Hueneme.
- B. Investments in any business entity that within the last two years has a contracted or in the future foreseeably may contract with the City of Port Hueneme.
- C. Income from any source that within the last two years has contracted or in the future foreseeably may contract with the City of Port Hueneme.
- D. His or her status as a director, officer, partner, trustee, employee or holder of a position of management in any business entity which within the last two years has contracted or in the future foreseeably may contract with the City of Port Hueneme.

EXHIBIT "C"

82030. Income.

- (a) "Income" means, except as provided in subdivision (b), a payment received, including but not limited to any salary, wage, advance, dividend, interest, rent, proceeds from any sale, gift, including any gift of food or beverage, loan, forgiveness or payment of indebtedness received by the filer, reimbursement for expenses, per diem, or contribution to an insurance or pension program paid by an person other than an employer, and including any community property interest in the income of a spouse. Income also includes an outstanding loan. Income of an individual also includes a pro rata share of any income of any business entity or trust in which the individual or spouse owns, directly, indirectly or beneficially, a ten percent (10%) interest or greater. "Income", other than a gift, does not include income received from any source outside the jurisdiction 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 any statement or other action is required under this title.
- (b) "Income" also does not include:
- (1) Campaign contributions required to be reported under Chapter 4 (commencing with Section 84100.)
 - (2) Salary and reimbursement for expenses or per diem received from a state, local, or federal government agency and reimbursement for travel expenses and per diem received from a bona fide educational, academic, or charitable organization.
 - (3) Any devise or inheritance.
 - (4) Interest, dividends, or premiums on a time or demand deposit in a financial institution, shares in a credit union or any insurance policy, payments received under any insurance policy, or any bond or other debt instrument issued by any government or government agency.
 - (5) Dividends, interest, or any other return on a security which is registered with the Securities and Exchange Commission of the United States Government or a commodity future registered with the Commodity Futures Trading Commission of the United States Government, except proceeds from the sale of these securities and commodities futures.
 - (6) Redemption of a mutual fund.
 - (7) Alimony or child support payments.

- (8) Any loan or loans from a commercial lending institution which are made in the lender's regular course of business on terms available to members of the public without regard to official status if:
 - (i) Used to purchase, refinance the purchase of, or for improvements to, the principal residence of filer; or
 - (ii) The balance owed does not exceed ten thousand dollars (\$10,000).
- (9) Any loan from an individual's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, uncle, aunt, or first cousin, or the spouse of any such person, provided that a loan from any such person shall be considered income if the lender is acting as an agent or intermediary for any person not covered by this paragraph.
- (10) Any indebtedness created as part of a retail installment or credit card transaction if made in the lender's regular course of business on terms available to members of the public without regard to official status, so long as the balance owed to the creditor does not exceed ten thousand dollars (\$10,000).
- (11) Payments received under a defined benefit pension plan qualified under Internal Revenue Code Section 401(a).
- (12) Proceeds from the sale of securities registered with the Securities and Exchange Commission of the United States Government or from the sale of commodities futures registered with the Commodity Futures Trading Commission of the United States Government if the filer sells the securities or the commodities futures on a stock or commodities exchange and does not know or have reason to know the identity of the purchaser.



City of Port Hueneme

CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF VENTURA) SS:
CITY OF PORT HUENEME)

I, Michelle Ascencion, duly appointed and qualified Deputy City Clerk of the City of Port Hueneme, do hereby certify that the foregoing **Resolution No. 1** is a true and correct copy passed, approved, and adopted by the Oversight Board of the Successor Agency to the Port Hueneme Redevelopment Agency at its Special Meeting of April 4, 2012 by the following vote:

AYES: Members Greg Brown, Paul Derse, Christine McCloskey,
Mary Anne McNeil; Vice Chair Abbe Berns, Chair Jonathan
Sharkey.

NOES: None.

ABSTAINING: None.

ABSENT: None.


Michelle Ascencion, CMC, Deputy City
Clerk of the City of Port Hueneme and
ex-officio Clerk of the Council, on behalf
of the Successor Agency.

Dated: April 5, 2012