

REPORT

DATE ISSUED: January 23, 2009

REPORT NO: HCR 09-022

ATTENTION: Chair and Members of the Housing Commission
For the Agenda of February 20, 2009

SUBJECT: Action to Amend Appendices A and B of Housing Commission PO101.000

REQUESTED ACTION:

Approval of the amendment of Appendices A and B to Policy 101.000 "Conflict of Interest Code and Related Provisions."

STAFF RECOMMENDATION:

That the Housing Commission Board approves the amendment to Appendices A and B to Policy 101.000 "Conflict of Interest Code and Related Provisions" as revised by the Housing Commission's General Counsel.

BACKGROUND:

California Government Code §87307 permits a local government agency to amend its conflict of interest code on its own initiative. Recent review of the Housing Commission's Policy 101.000 revealed potentially confusing language in Appendix A concerning the requirement of Housing Development Partners' directors to file a Statement of Economic Interest and in Appendix B addressing the types of interests that must be disclosed on a Statement of Economic Interest. These Appendices have been revised to clarify the disclosure requirements of designated employees and positions with the Housing Commission.

The Housing Commission has the authority to adopt and amend its conflict of interest code. San Diego Municipal Code §98.0301 grants the Housing Commission administrative authority to approve a conflict of interest code and grants the authority to adopt such codes to the Housing Authority of the City of San Diego. The Housing Authority has since delegated the responsibility for enacting revisions to certain operational policies, including the amendment of its conflict of interest code, to the Housing Commission. Furthermore, under Appendix C of PO101.000, the President and CEO of the Housing Commission has the authority to amend Appendix A without Board approval. Since Appendix B also requires amendment at this time, these changes are being presented to the Board together.

FISCAL CONSIDERATIONS:

No fiscal impact is anticipated as a result of amending Appendices A and B of PO101.000 "Conflict of Interest Code and Related Provisions".

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

The Conflict of Interest Code and Related Provisions Policy was originally issued in November 1994 and has been revised periodically since. On September 19, 2008, the Housing Commission conducted a review of and approved revisions of Policy 101.000 "Conflict of Interest Code and Related Provisions" pursuant to California Government Code §87306.5, which requires all public agencies to review their conflict of interest codes every even-numbered year. On July 17, 2001, the Housing Authority delegated the responsibility for certain operational policies to the Housing Commission, including the conflict of interest policies.

January 23, 2009

Action to Amend Appendices A and B of Housing Commission PO101.000

Page 2

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

Not applicable.

ENVIRONMENTAL REVIEW:

This proposed transaction is not a “project” pursuant to the California Environmental Quality Act (CEQA); no CEQA environmental review is required. Because no federal funding would result from this action, processing under the National Environmental Policy Act (NEPA) is not required.

KEY STAKEHOLDERS & PROJECTED IMPACTS:

No changes have been made to the Conflict of Interest Code itself, the changes presented are to Appendices A and B. These Amendments will have an impact on the directors of Housing Development Partners and all Housing Commission members, staff and consultants previously required to file a Statement of Economic Interest – Form 700 under the conflict of interest code.

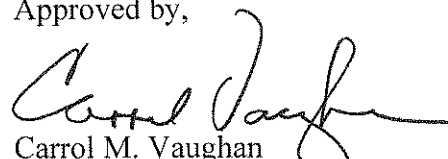
Appendix A has been amended to clarify that all directors of Housing Development Partners are required to file a Statement of Economic Interest, rather than just those members who also must file due to positions with the Housing Commission. They will be required to file an assuming office Form 700 within thirty (30) days of the approval of this amendment. This change impacts only the directors of Housing Development Partners because the directors previously did not file Statements of Economic Interests. No other impact is anticipated through the amendment of Appendix A.

Appendix B has been amended to clarify that only interests (i.e. gifts, loans and travel expenses) received from persons and/or businesses doing business with the San Diego Housing Commission and/or Housing Authority of the City of San Diego must be disclosed by all categories of filers. Prior to this amendment, the Conflict of Interest Code required disclosure of any gifts, loans or travel expenses regardless of the person’s or business’s connection to the Housing Commission. This will impact all Housing Commission members and staff who file a Statement of Economic Interest by limiting the types of gifts, loans and travel expenses that must be reported on the Statement of Economic Interest, to those received from persons or business doing business with the Housing Commission and/or the Housing Authority. No other impact is anticipated through the amendment of Appendix B.

Respectfully submitted,

Charles B. Christensen
Charles B. Christensen, Esq.
General Counsel
San Diego Housing Commission

Approved by,


Carrol M. Vaughan
Executive Vice President &
Chief Operating Officer

- Attachments: 1. Policy 101.000 “Conflict of Interest and Related Provisions” Redline Version
2. Policy 101.000 “Conflict of Interest and Related Provisions” Final Version

Copies available for review during business hours at the Housing Commission offices at 1122 Broadway, San Diego, CA 92101, Main Lobby and at the Office of the City Clerk, 202 C Street, San Diego, CA 92101.

San Diego Housing Commission
POLICY

Subject: CONFLICT OF INTEREST CODE AND RELATED PROVISIONS

Number: PO101.000

Effective Date: 11/3/94

Page 1 of 4

1. BACKGROUND

- 1.1 Federal, State and Local Conflict Laws Incorporated by Reference. All employees, Commissioners, consultants for the Commission, contractors doing business with the Commission, agents of the Commission, and each of them, shall comply with and adhere to all applicable conflict of interest provisions contained in the applicable federal, state and local law to the full extent required by the applicable federal, state and local law.
- 1.2 The Political Reform Act, Government Code Section 81000, et seq., requires state and local government agencies to adopt and promulgate Conflict of Interest Codes. The Fair Political Practices Commission has adopted a regulation, 2 Cal. Code of Regulations Section 18730, which contains the terms of a standard Conflict of Interest Code, which can 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. Therefore, the terms of 2 Cal. Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission, along with the attached Appendices in which officials and employees are designated and disclosure categories are set forth, are hereby incorporated by reference and together constitute the Conflict of Interest Code of the San Diego Housing Commission.
- 1.3 Pursuant to Section b(4) of the Standard Code, designated employees shall file statements of economic interests with the Clerk of the City of San Diego and copies will be made available to any person upon request.

2. POLICY AND ADOPTION OF CODE

- 2.1 Compliance with Applicable Laws. All employees, officers, commissioners of the San Diego Housing Commission, consultants, contractors, subcontractors, grantees, and borrowers shall, to the full extent required by the applicable law, comply with all applicable laws including, but not limited to, HOME, CDBG, etc., and all other federal conflict requirements and provisions, if federal funds and/or programs are involved, including 24 CFR 570.611, 24 CFR Part 982, 24 CFR Part 92, 24 CFR Part 85, and any and all other federal applicable federal conflict provisions. State conflict provisions shall include, but are not limited to, Government Code Sections 87100, et. seq., Government Code Sections 1126, et. seq., Government Code Sections 1090, et. seq., Government Code Section 19990 et. seq., and Health and Safety Code Section 34281 et. seq. Local conflict of interest provisions shall include San Diego Municipal Code Sections 27.3501 et. Seq. (San Diego Ethics Ordinance) and any and all administrative regulations promulgated by the President & Chief Executive Officer, or designee, to implement the federal, state and local conflict laws, if any.

Supersedes Policy 101.000, Issued 11/3/94; Rev: 4/23/96, 11/26/96, 12/08/98, 11/14/00, 8/16/02, 12/15/06, 9/18/08.

Deleted:

Authorized

Carrol M. Vaughan
Executive Vice President & Chief Operating Officer

Deleted: Interim President & Chief Executive Officer

Date

Date

Deleted: E:\CLIENTS\SDHC\2008 Biennial Conflict Code Review\SDHC PO 101.000 Rev.2008.doc

Deleted: 09/2008

Rev. 01/2009

San Diego Housing Commission
POLICY

Subject: CONFLICT OF INTEREST CODE AND RELATED PROVISIONS

Number: PO101.000

Effective Date: 11/3/94

Page 2 of 4

- 2.2 The Standard Code as referenced in 2 Cal. Code of Regulations Section 18730 is hereby adopted by the San Diego Housing Commission. A true and correct copy of the standard code contained in 2 Cal. Code of Regulations Section 18730 may be obtained by contacting the San Diego Housing Commission offices, located at 1122 Broadway, San Diego, CA 92101. Said copy of the Code of Regulations is incorporated herein by reference.
- 2.3 2 Cal. Code of Regulations 18730. Provisions of Conflict of Interest Code. Incorporation by reference of the terms of this regulation along with the designation of employees and the formulation of disclosure categories in the Appendix referred to below constitute the adoption and promulgation of a conflict of interest code within the meaning of Government Code Section 87300 or the amendment of a conflict of interest code within the meaning of Government Code Section 87306 if the terms of this regulation are substituted for terms of a conflict of interest code already in effect. A code so amended or adopted and promulgated requires the reporting of reportable items in a manner substantially equivalent to the requirements of Article 2 of Chapter 7 of the Political Reform Act, Government Code Sections 81000, et seq. The requirements of a conflict of interest code are in addition to other requirements of the Political Reform Act, such as the general prohibition against conflicts of interest contained in Government Code Section 87100, and to other state or local laws pertaining to conflicts of interest.
- 2.4 General Definitions:
- A. Designated Employees, Disclosure Categories, Definitions: The designation of officers and employees, disclosure categories, and definitions referenced in the conflict of interest code amended or adopted and promulgated pursuant to this regulation are as follows:
- (i) Designated Employees The persons holding positions listed in Appendix A are designated employees. It has been determined that these persons make or participate in the making of decisions which may have a foreseeable material effect on financial interests.
- (ii) Disclosure Categories This Code does not establish any disclosure obligation for those designated employees who are also specified in Government Code Section 87200 if they are designated in this code in that same capacity or if the geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction in which those persons must report their financial interests pursuant to Article 2 of Chapter 7 of the Political Reform Act, Government Code Sections 87200, et seq.¹ Such persons are covered by this code for disqualification purposes only. With respect to all other designated employees and positions, the disclosure categories set forth in Appendix B specify which kinds of financial interests are reportable. Such a designated employee or position shall disclose in his/her statement of economic interests those financial interests he/she has which are of the kind described in the disclosure categories to which he/she is assigned in Appendix A. It has been determined that the financial interests set forth in a designated employee's or position's disclosure categories are the kinds of financial interests which he/she foreseeably can affect materially through the conduct of his/her office.

¹ Designated employees who are required to file statements of economic interests under any other agency's Conflict of Interest Code, or under Article 2 for a different jurisdiction, may expand their statement of economic interests to cover reportable interests in both jurisdictions, and file copies of this expanded statement with both entities in lieu of filing separate and distinct statements, provided that each copy of such expanded statement filed in place of an original is signed and verified by the designated employee as if it were an original. See Government Code Section 81004.

Deleted: E:\CLIENTS\SDHC\2008
Biennial Conflict Code Review\SDHC
PO 101.000 Rev.2008.doc

Deleted: 09/2008

Subject: **CONFLICT OF INTEREST CODE AND RELATED PROVISIONS**

Number: **PO101.000**

Effective Date: 11/3/94

Page 3 of 4

(iii) Definitions The definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission (2 Cal. Code of Regs. Sections 18100, et seq.), and any amendments to the Act or regulations, are incorporated by reference into this conflict of interest code and in Appendix C.

B. Other Definitions: The following definitions are applicable to all portions of this policy except as referenced herein in Section 2.4 (A) above.

(i) "Contractor" means any individual or firm that enters into an agreement with the Housing Commission or the Housing Authority of the City of San Diego for the provision of goods and services, construction, architect/engineering, consulting services, loans and/or grants.

(ii) "Contract" means any mutually binding legal relationship obligating the seller to furnish supplies or services (including construction) and the buyer to pay for them. Examples include, but are not limited to, contracts, and amendments thereto, purchase orders, leases, maintenance agreements, and ordering agreements. Contract also includes loans and/or grants.

(iii) "Solicitation" means any informal or formal request for prices, bids, proposals, and/or qualifications that are issued in anticipation of making a contract, award and/or loan or grant.

2.5 Mandatory Disclosure of Interests by Prospective Contractors, Consultants, Suppliers, etc.

A. Purpose

To establish principles for determining the name and identity of any and all persons directly or indirectly involved in the proposed transaction, the precise nature of all interests of all persons therein, and other data pertinent to the award of a contract, including grants and/or loans.

B. Policy

No employee, officer, or agent of the Housing Commission or of the Housing Authority of the City of San Diego shall participate directly or indirectly in the selection or in the award or administration of any contract if a conflict, real or apparent, would be involved. Such conflict would arise when a financial or other interest in a firm selected for award is held by an employee, officer or agent involved in making the award or his/her Spouse and/or dependent children.

C. Disclosure Required

To ensure that all potential conflicts of interest are identified, all contractors, including grantees and borrowers, selected for award of contracts in excess of \$25,000, including options, for architect/engineering and professional consultants, and all contractors selected for award of contracts in excess of \$49,999, including options, for construction and goods and services, shall be required to submit a Statement for Public Disclosure.

D. Failure to Submit

Failure to submit a Statement for Public Disclosure, or failure to fully disclose all of the information enumerated in the Statement for Public Disclosure, shall be grounds for

Deleted: E:\CLIENTS\SDHC\2008
Biennial Conflict Code Review\SDHC
PO 101.000 Rev.2008.doc

Deleted: 09/2008

Subject: **CONFLICT OF INTEREST CODE AND RELATED PROVISIONS**

Number: **PO101.000**

Effective Date: 11/3/94

Page 4 of 4

denial of contract award and may result in forfeiture of any and all rights and privileges that have been granted heretofore.

- 2.6 Notification of Conflicts or Potential Conflicts and Manner of Abstention All legally mandated abstentions should be filled out and transmitted to the Commission in advance of a hearing, but not later than the time of the hearing, using the form attached hereto as Appendix E. Examples of required written disclosures include, but are not limited to, conflicts involving economic interests under the Political Reform Act, Government Code sections 1090, 1091 and 1091.5 disclosures, Health and Safety Code section 34281 disclosures, City's Ethics Ordinance, and disclosures required by the "rule of necessity" under Government Code section 87100, et. seq.
- 2.7 Provision Governing Former Employees. No employee or member of the Housing Commission or of the Housing Authority of the City of San Diego shall have any prohibited interest, direct or indirect, not shall profit from any Housing Commission contract to the extent prohibited by applicable federal, state or local law.
3. Promulgation of Conflict of Interest Administrative Regulations The President & Chief Executive Officer of the Commission shall, from time to time, promulgate administrative regulations to implement the various conflict of interest provisions referenced above, if and when required. Such administrative regulations shall be made available to members of the public upon request. The Board of Commissioners may, but shall not be required to, review, approve and amend such administrative regulations, at such times as the Board, in its sole discretion shall determine. Subject to such discretionary review by the Board, all authority to promulgate, amend, review and revise the administrative regulations shall be vested in the President & Chief Executive Officer of the Commission.

Note: Authority cited: Section 83112, Government Code. Reference: Sections 87300-87302, 89501, 89502, 89503, and 89504, Government Code.

HISTORY:

New Section filed 4/2/80 as an emergency; effective upon filing. Certificate of Compliance included.

Editorial correction

Amendment of subsection (b) filed 1/9/81; effective thirtieth day thereafter

Amendment of subsection (b)(7)(B) filed 1/26/83; effective thirtieth day thereafter

Amendment of subsection (b)(7)(A) filed 11/10/83; effective thirtieth day thereafter

Amendment filed 4/13/87; effective thirtieth day thereafter

Amendment of subsection (b) filed 10/21/88; effective thirtieth day thereafter

Amendment filed 8/28/90; effective thirtieth day thereafter

Amendment filed 8/7/92; effective thirtieth day thereafter

Amendment filed 2/5/93; effective upon filing

Amendment filed 3/14/95; effective upon filing

Amendment filed 4/23/96; effective upon filing

Amendment filed 11/26/96; effective upon filing

Amendment filed 12/08/98; effective upon filing

Amendment filed 11/14/00; effective upon filing

Amendment filed 8/16/02; effective upon filing

Amendment filed 12/15/06; effective upon filing

Amendment filed 09/12/08; effective upon filing

Amendment filed 02/20/09; effective upon filing

Deleted: 1/___

Deleted: E:\CLIENTS\SDHC\2008
Biennial Conflict Code Rev\aw\SDHC
PO 101.000 Rev.2008.doc

Deleted: 09/2008

APPENDIX A

DESIGNATED EMPLOYEES and DESIGNATED POSITIONS

Positions Requiring Full Disclosure Type I as set forth in Appendix B:

Assistant Director in All Departments
Board of Commissioners
Directors in All Departments
Executive Vice President & Chief Operating Officer
Legal Counsel
Directors of the Housing Development Partners of San Diego
Members of the Loan Committee
President & Chief Executive Officer

Deleted: Members

Positions Requiring Full Disclosure Type II, as set forth in Appendix B:

Secretary/Assistant to President & Chief Executive Officer

Positions Requiring Limited Disclosure Type I, as set forth in Appendix B: (contracting)

Communications Officer
Community Liaison
Community Relations Specialist
Contracts Analyst
Housing Construction Specialist
Housing Construction Supervisor/Officer
Human Resources Officer
Information Technology Officer
Purchasing Supervisor
Reinvestment Task Force Coordinator
Senior Systems/Data Base Manager

Positions Requiring Limited Disclosure Type II, as set forth in Appendix B: (services and grants)

Accountant
Accounting Supervisor
Budget Officer
Contract Employees(who make/participate in Commission decisions in Business Services, Financial Services and/or Policy & Public Affairs Departments)
Financial Specialist
Project Manager
Senior Accountant
Senior Budget Analyst
Supervisory Project Manager
Supervising Resident Initiatives Coordinator
Senior Program Analyst in Business Services
Senior Program Analyst in Financial Services
Senior Program Analyst in Policy & Public Affairs

Positions Requiring Limited Disclosure III, as set forth in Appendix B: (services/grants with RP)

Contract Employees(who make/participate in Commission decisions in Housing Finance, Facilities, and/or Rental Assistance Departments)
Housing Supervisor
Loan Management Supervisor
Loan Production Specialist
Loan Servicing Specialist
Senior Program Analyst in Housing Finance
Senior Program Analyst in Facilities
Senior Program Analyst in Rental Assistance

CONSULTANTS

"Consultant" is an individual who, pursuant to a contract with the Housing Commission either:

(1) Makes a governmental decision whether to: (a) Approve a rate, rule or regulation; (b) Adopt or enforce a law; (c) Issue, deny, suspend, or revoke any permit, license, application, certificate, approval, order, or similar authorization or entitlement; (d) Authorize the agency to enter into, modify, or renew a contract provided it is the type of contract which requires agency approval; (e) Grant agency approval to a contract which requires agency approval and in which the agency is a party or to the specifications for such a contract; (f) Grant agency approval to a plan, design, report, study, or similar item; (g) Adopt, or grant agency approval of, policies, standards, or guidelines for the agency, or for any subdivision thereof; or

(2) Serves in a staff capacity with the agency and in that capacity performs the same or substantially all the same duties for the agency that would otherwise be performed by an individual holding a position specified in the agency's Conflict of Interest Code.

Consultants shall make Full Disclosure subject to the President & Chief Executive Officer's (or his/her designated authority's) determination, 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 determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The President & Chief Executive Officer'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. Nothing herein excuses any such consultant from any other provision of this Conflict of Interest Code.

OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

Director of Financial Services/Budget Officer - This position manages public investments and will file a Statement of Economic Interests pursuant to Government Code §87200.

APPENDIX B

DISCLOSURE CATEGORIES

Full Disclosure – Type I

You are required to disclose the following interests:

- any and all interests in real property that are within the jurisdiction* of the San Diego Housing Commission;
- any and all investments, business positions and sources of income from a person or business in the jurisdiction* of the Housing Commission. A business is in the jurisdiction of the Housing Commission if it is currently doing business in the City of San Diego, is planning on doing business in the City of San Diego or has done business in the city of San Diego in the last two (2) years; and
- any and all gifts, loans, travel expenses, etc. from any person or business entity doing business with the San Diego Housing Commission and/or the Housing Authority of the City of San Diego ("Housing Authority").

Deleted: , regardless of where located

Full Disclosure – Type II (excluding interest in real property)

You are required to disclose the following interests:

- any and all investments, business positions and sources of income from a person or business in the jurisdiction* of the Housing Commission. A business is in the jurisdiction of the Housing Commission if it is currently doing business in the City of San Diego, is planning on doing business in the City of San Diego or has done business in the city of San Diego in the last two (2) years; and
- any and all gifts, loans, travel expenses, etc. from any person or business entity doing business with the Housing Commission and/or the Housing Authority.

Deleted: , regardless of where located

Limited Disclosure – Type I (contracting)

You are required to disclose the following interests:

- any and all investments, business positions and sources of income from a person or business in the jurisdiction* of the Housing Commission that provides leased facilities, goods, equipment, machinery, vehicles, and/or services, including training and/or consulting services, of a type utilized by your department. A business is in the jurisdiction of the Housing Commission if it is currently doing business in the City of San Diego, is planning on doing business in the City of San Diego or has done business in the City of San Diego in the last two (2) years; and
- any and all gifts, loans, travel expenses, etc. from a person or business doing business with the Housing Commission and/or the Housing Authority, that provide leased facilities, goods, equipment, machinery, vehicles, and/or services, including training and/or consulting services, of the type utilized by your department.

Deleted: c

Deleted: ,

Deleted: regardless of where located

Limited Disclosure – Type II (grant/service providers)

You are required to disclose:

- any and all investments, business positions and/or income from any person or business (including a non-profit entity) doing business in the jurisdiction* of the Housing Commission and that provides goods and/or services of a nature similar to those utilized by your department. A business is in the jurisdiction of the Housing Commission if it is currently doing business in the City of San Diego, is planning on doing business in the City of San Diego or has done business in the City of San Diego in the last two (2) years;

Deleted: c

- any and all investments, business positions and/or income from any person or business (including a non-profit entity) within the jurisdiction* of the Housing Commission that is of the type to receive grants or other monies from or through the San Diego Housing Commission. A business is in the jurisdiction of the Housing Commission if it is currently doing business in the City of San Diego, is planning on doing business in the City of San Diego or has done business in the City of San Diego in the last two (2) years; and

Deleted: c

- any and all gifts, loans, travel expenses, etc. from a person or business doing business with the Housing Commission and/or the Housing Authority that provides goods or services of a nature similar to those utilized by your department.

Deleted:

Limited Disclosure – Type III (grant/service providers with disclosure of real property interest)

- any and all interests in real property that are within the jurisdiction* of the San Diego Housing Commission;

- any and all investments, business positions and/or income from any person or business (including a non-profit entity) doing business in the jurisdiction* of the Housing Commission and that provides goods and/or services of a nature similar to those utilized by your department. A business is in the jurisdiction of the Housing Commission if it is currently doing business in the City of San Diego, is planning on doing business in the City of San Diego or has done business in the City of San Diego in the last two (2) years;

Deleted: c

- any and all investments, business positions and/or income from any person or business (including a non-profit entity) within the jurisdiction* of the Housing Commission that is of the type to receive grants or other monies from or through the San Diego Housing Commission. A business is in the jurisdiction of the Housing Commission if it is currently doing business in the City of San Diego, is planning on doing business in the City of San Diego or has done business in the City of San Diego in the last two (2) years; and

Deleted: c

- any and all gifts, loans, travel expenses, etc. from a person or business doing business with the Housing Commission and/or the Housing Authority that provides goods or services of a nature similar to those utilized by your department.

Deleted:

* "Jurisdiction" means the geographical area encompassing the City of San Diego, as depicted on the map in Appendix D. Real property is considered to be "within the jurisdiction" if the property or any part of it is located within or not more than two miles outside the boundaries of the City of San Diego or within two miles of any land owned or used by the San Diego Housing Commission. (82035)

APPENDIX C

General Provisions

When a designated employee is required to disclose investments and sources of income, the employee need only disclose investments in business entities and sources of income that do business in the jurisdiction or have done business in the jurisdiction, within the past two years. In addition to other activities, a business entity is doing business within the jurisdiction if it owns real property within the jurisdiction.

When a designated employee is required to disclose interests in real property, the employee shall disclose real property located whole or in part within or not more than two miles outside the boundaries of the jurisdiction or within two miles of any land owned by the local government agency. (The boundaries of the Housing Commission's jurisdiction are depicted and described on Appendix D.)

Designated employees or designated positions shall disclose their financial interest pursuant to the appropriate disclosure category(ies) as indicated in the chart in Appendix A.

Late Filing. The filing officer may impose penalties for statements of economic interests that are filed late. The fine is \$10 per day beginning the day after the filing deadline, up to a maximum of \$100. Late filing penalties can be reduced or waived under certain circumstances.

Amendment to Appendix A: The President & Chief Executive Officer is authorized to implement proposed revisions to the Designated Positions List as classifications are added and deleted. Changes to the approved Designated Positions List will be forwarded for document approval during the biennial review process per City Council Resolution 287239.

APPENDIX D

"Jurisdiction" means the geographical area encompassing the City of San Diego, as depicted on the map in Appendix D. Real property is considered to be "within the jurisdiction" if the property or any part of it is located within or not more than two miles outside the boundaries of the City of San Diego or within two miles of any land owned or used by the San Diego Housing Commission.

(Map of Jurisdiction)

APPENDIX E

WRITTEN DISCLOSURE OF CONFLICT OR POTENTIAL CONFLICT OR
OTHER REASON FOR ABSTENTION AND NOTICE OF INTENTION TO
ABSTAIN FROM PARTICIPATION AND ACTION ON THE ITEM

DATE: _____

TO: The Clerk of the City of San Diego, President & President & Chief Executive Officer,
Secretary and General Counsel of the San Diego Housing Commission

FROM: _____ (Name) _____ (Title)

SUBJECT: San Diego Housing Commission Item _____
for Meeting Scheduled on _____ (“the Item”)

NATURE OF CONFLICT OR POTENTIAL CONFLICT OR OTHER REASON
FOR ABSTENTION:

The undersigned requests that this written disclosure be made part of the public record and incorporated into the minutes of the meeting, if, and to the extent, required by law, including but not limited to Government Code Sections 87100, 87101, 1090, 1091, 1091.5, Health and Safety code Section 32481, City’s Ethics Ordinance and the applicable regulations, including, but not limited to 2 Cal. Regs. 18730(b)(10).

Executed this _____ of _____, at San Diego, California.

(Name Printed or Typed)
Commissioner or Employee of the
San Diego Housing Commission

San Diego Housing Commission POLICY		
Subject: CONFLICT OF INTEREST CODE AND RELATED PROVISIONS		
Number: PO101.000	Effective Date: 11/3/94	Page 1 of 4

1. BACKGROUND

- 1.1 Federal, State and Local Conflict Laws Incorporated by Reference. All employees, Commissioners, consultants for the Commission, contractors doing business with the Commission, agents of the Commission, and each of them, shall comply with and adhere to all applicable conflict of interest provisions contained in the applicable federal, state and local law to the full extent required by the applicable federal, state and local law.
- 1.2 The Political Reform Act, Government Code Section 81000, et seq., requires state and local government agencies to adopt and promulgate Conflict of Interest Codes. The Fair Political Practices Commission has adopted a regulation, 2 Cal. Code of Regulations Section 18730, which contains the terms of a standard Conflict of Interest Code, which can 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. Therefore, the terms of 2 Cal. Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission, along with the attached Appendices in which officials and employees are designated and disclosure categories are set forth, are hereby incorporated by reference and together constitute the Conflict of Interest Code of the San Diego Housing Commission.
- 1.3 Pursuant to Section b(4) of the Standard Code, designated employees shall file statements of economic interests with the Clerk of the City of San Diego and copies will be made available to any person upon request.

2. POLICY AND ADOPTION OF CODE

- 2.1 Compliance with Applicable Laws. All employees, officers, commissioners of the San Diego Housing Commission, consultants, contractors, subcontractors, grantees, and borrowers shall, to the full extent required by the applicable law, comply with all applicable laws including, but not limited to, HOME, CDBG, etc., and all other federal conflict requirements and provisions, if federal funds and/or programs are involved, including 24 CFR 570.611, 24 CFR Part 982, 24 CFR Part 92, 24 CFR Part 85, and any and all other federal applicable federal conflict provisions. State conflict provisions shall include, but are not limited to, Government Code Sections 87100, et. seq., Government Code Sections 1126, et. seq., Government Code Sections 1090, et. seq., Government Code Section 19990 et. seq., and Health and Safety Code Section 34281 et. seq. Local conflict of interest provisions shall include San Diego Municipal Code Sections 27.3501 et. Seq. (San Diego Ethics Ordinance) and any and all administrative regulations promulgated by the President & Chief Executive Officer, or designee, to implement the federal, state and local conflict laws, if any.

Supersedes Policy 101.000, Issued 11/3/94; Rev: 4/23/96, 11/26/96, 12/08/98, 11/14/00, 8/16/02, 12/15/06, 9/18/08

Authorized

Carrol M. Vaughan
Executive Vice President & Chief Operating Officer

Date

Date

San Diego Housing Commission
POLICY

Subject: **CONFLICT OF INTEREST CODE AND RELATED PROVISIONS**

Number: **PO101.000**

Effective Date: 11/3/94

Page 2 of 4

2.2 The Standard Code as referenced in 2 Cal. Code of Regulations Section 18730 is hereby adopted by the San Diego Housing Commission. A true and correct copy of the standard code contained in 2 Cal. Code of Regulations Section 18730 may be obtained by contacting the San Diego Housing Commission offices, located at 1122 Broadway, San Diego, CA 92101. Said copy of the Code of Regulations is incorporated herein by reference.

2.3 2 Cal. Code of Regulations 18730. Provisions of Conflict of Interest Code. Incorporation by reference of the terms of this regulation along with the designation of employees and the formulation of disclosure categories in the Appendix referred to below constitute the adoption and promulgation of a conflict of interest code within the meaning of Government Code Section 87300 or the amendment of a conflict of interest code within the meaning of Government Code Section 87306 if the terms of this regulation are substituted for terms of a conflict of interest code already in effect. A code so amended or adopted and promulgated requires the reporting of reportable items in a manner substantially equivalent to the requirements of Article 2 of Chapter 7 of the Political Reform Act, Government Code Sections 81000, et seq. The requirements of a conflict of interest code are in addition to other requirements of the Political Reform Act, such as the general prohibition against conflicts of interest contained in Government Code Section 87100, and to other state or local laws pertaining to conflicts of interest.

2.4 General Definitions:

A. Designated Employees, Disclosure Categories, Definitions: The designation of officers and employees, disclosure categories, and definitions referenced in the conflict of interest code amended or adopted and promulgated pursuant to this regulation are as follows:

(i) Designated Employees The persons holding positions listed in Appendix A are designated employees. It has been determined that these persons make or participate in the making of decisions which may have a foreseeable material effect on financial interests.

(ii) Disclosure Categories This Code does not establish any disclosure obligation for those designated employees who are also specified in Government Code Section 87200 if they are designated in this code in that same capacity or if the geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction in which those persons must report their financial interests pursuant to Article 2 of Chapter 7 of the Political Reform Act, Government Code Sections 87200, et seq.¹ Such persons are covered by this code for disqualification purposes only. With respect to all other designated employees and positions, the disclosure categories set forth in Appendix B specify which kinds of financial interests are reportable. Such a designated employee or position shall disclose in his/her statement of economic interests those financial interests he/she has which are of the kind described in the disclosure categories to which he/she is assigned in Appendix A. It has been determined that the financial interests set forth in a designated employee's or position's disclosure categories are the kinds of financial interests which he/she foreseeably can affect materially through the conduct of his/her office.

¹ Designated employees who are required to file statements of economic interests under any other agency's Conflict of Interest Code, or under Article 2 for a different jurisdiction, may expand their statement of economic interests to cover reportable interests in both jurisdictions, and file copies of this expanded statement with both entities in lieu of filing separate and distinct statements, provided that each copy of such expanded statement filed in place of an original is signed and verified by the designated employee as if it were an original. See Government Code Section 81004.

Subject: **CONFLICT OF INTEREST CODE AND RELATED PROVISIONS**

Number: **PO101.000**

Effective Date: 11/3/94

Page 3 of 4

(iii) Definitions The definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission (2 Cal. Code of Regs. Sections 18100, et seq.), and any amendments to the Act or regulations, are incorporated by reference into this conflict of interest code and in Appendix C.

B. Other Definitions: The following definitions are applicable to all portions of this policy except as referenced herein in Section 2.4 (A) above.

(i) "Contractor" means any individual or firm that enters into an agreement with the Housing Commission or the Housing Authority of the City of San Diego for the provision of goods and services, construction, architect/engineering, consulting services, loans and/or grants.

(ii) "Contract" means any mutually binding legal relationship obligating the seller to furnish supplies or services (including construction) and the buyer to pay for them. Examples include, but are not limited to, contracts, and amendments thereto, purchase orders, leases, maintenance agreements, and ordering agreements. Contract also includes loans and/or grants.

(iii) "Solicitation" means any informal or formal request for prices, bids, proposals, and/or qualifications that are issued in anticipation of making a contract, award and/or loan or grant.

2.5 Mandatory Disclosure of Interests by Prospective Contractors, Consultants, Suppliers, etc.

A. Purpose

To establish principles for determining the name and identity of any and all persons directly or indirectly involved in the proposed transaction, the precise nature of all interests of all persons therein, and other data pertinent to the award of a contract, including grants and/or loans.

B. Policy

No employee, officer, or agent of the Housing Commission or of the Housing Authority of the City of San Diego shall participate directly or indirectly in the selection or in the award or administration of any contract if a conflict, real or apparent, would be involved. Such conflict would arise when a financial or other interest in a firm selected for award is held by an employee, officer or agent involved in making the award or his/her Spouse and/or dependent children.

C. Disclosure Required

To ensure that all potential conflicts of interest are identified, all contractors, including grantees and borrowers, selected for award of contracts in excess of \$25,000, including options, for architect/engineering and professional consultants, and all contractors selected for award of contracts in excess of \$49,999, including options, for construction and goods and services, shall be required to submit a Statement for Public Disclosure.

D. Failure to Submit

Failure to submit a Statement for Public Disclosure, or failure to fully disclose all of the information enumerated in the Statement for Public Disclosure, shall be grounds for

San Diego Housing Commission
POLICY

Subject: **CONFLICT OF INTEREST CODE AND RELATED PROVISIONS**

Number: **PO101.000**

Effective Date: 11/3/94

Page 4 of 4

denial of contract award and may result in forfeiture of any and all rights and privileges that have been granted heretofore.

- 2.6 Notification of Conflicts or Potential Conflicts and Manner of Abstention All legally mandated abstentions should be filled out and transmitted to the Commission in advance of a hearing, but not later than the time of the hearing, using the form attached hereto as Appendix E. Examples of required written disclosures include, but are not limited to, conflicts involving economic interests under the Political Reform Act, Government Code sections 1090, 1091 and 1091.5 disclosures, Health and Safety Code section 34281 disclosures, City's Ethics Ordinance, and disclosures required by the "rule of necessity" under Government Code section 87100, et. seq.
- 2.7 Provision Governing Former Employees. No employee or member of the Housing Commission or of the Housing Authority of the City of San Diego shall have any prohibited interest, direct or indirect, not shall profit from any Housing Commission contract to the extent prohibited by applicable federal, state or local law.
3. Promulgation of Conflict of Interest Administrative Regulations The President & Chief Executive Officer of the Commission shall, from time to time, promulgate administrative regulations to implement the various conflict of interest provisions referenced above, if and when required. Such administrative regulations shall be made available to members of the public upon request. The Board of Commissioners may, but shall not be required to, review, approve and amend such administrative regulations, at such times as the Board, in its sole discretion shall determine. Subject to such discretionary review by the Board, all authority to promulgate, amend, review and revise the administrative regulations shall be vested in the President & Chief Executive Officer of the Commission.

Note: Authority cited: Section 83112, Government Code. Reference: Sections 87300-87302, 89501, 89502, 89503, and 89504, Government Code.

HISTORY:

New Section filed 4/2/80 as an emergency; effective upon filing. Certificate of Compliance included.

Editorial correction

Amendment of subsection (b) filed 1/9/81; effective thirtieth day thereafter

Amendment of subsection (b)(7)(B)l. filed 1/26/83; effective thirtieth day thereafter

Amendment of subsection (b)(7)(A) filed 11/10/83; effective thirtieth day thereafter

Amendment filed 4/13/87; effective thirtieth day thereafter

Amendment of subsection (b) filed 10/21/88; effective thirtieth day thereafter

Amendment filed 8/28/90; effective thirtieth day thereafter

Amendment filed 8/7/92; effective thirtieth day thereafter

Amendment filed 2/5/93; effective upon filing

Amendment filed 3/14/95; effective upon filing

Amendment filed 4/23/96; effective upon filing

Amendment filed 11/26/96; effective upon filing

Amendment filed 12/08/98; effective upon filing

Amendment filed 11/14/00; effective upon filing

Amendment filed 8/16/02; effective upon filing

Amendment filed 12/15/06; effective upon filing

Amendment filed 09/12/08; effective upon filing

Amendment filed 02/20/09; effective upon filing

APPENDIX A

DESIGNATED EMPLOYEES and DESIGNATED POSITIONS

Positions Requiring Full Disclosure Type I as set forth in Appendix B:

Assistant Director in All Departments
Board of Commissioners
Directors in All Departments
Executive Vice President & Chief Operating Officer
Legal Counsel
Directors of the Housing Development Partners of San Diego
Members of the Loan Committee
President & Chief Executive Officer

Positions Requiring Full Disclosure Type II, as set forth in Appendix B:

Secretary/Assistant to President & Chief Executive Officer

Positions Requiring Limited Disclosure Type I, as set forth in Appendix B: (contracting)

Communications Officer
Community Liaison
Community Relations Specialist
Contracts Analyst
Housing Construction Specialist
Housing Construction Supervisor/Officer
Human Resources Officer
Information Technology Officer
Purchasing Supervisor
Reinvestment Task Force Coordinator
Senior Systems/Data Base Manager

Positions Requiring Limited Disclosure Type II, as set forth in Appendix B: (services and grants)

Accountant
Accounting Supervisor
Budget Officer
Contract Employees(who make/participate in Commission decisions in Business Services, Financial Services and/or Policy & Public Affairs Departments)
Financial Specialist
Project Manager
Senior Accountant
Senior Budget Analyst
Supervisory Project Manager
Supervising Resident Initiatives Coordinator
Senior Program Analyst in Business Services
Senior Program Analyst in Financial Services
Senior Program Analyst in Policy & Public Affairs

Positions Requiring Limited Disclosure III, as set forth in Appendix B: (services/grants with RP)

Contract Employees(who make/participate in Commission decisions in Housing Finance, Facilities, and/or Rental Assistance Departments)
Housing Supervisor
Loan Management Supervisor
Loan Production Specialist
Loan Servicing Specialist
Senior Program Analyst in Housing Finance
Senior Program Analyst in Facilities
Senior Program Analyst in Rental Assistance

CONSULTANTS

"Consultant" is an individual who, pursuant to a contract with the Housing Commission either:

(1) Makes a governmental decision whether to: (a) Approve a rate, rule or regulation; (b) Adopt or enforce a law; (c) Issue, deny, suspend, or revoke any permit, license, application, certificate, approval, order, or similar authorization or entitlement; (d) Authorize the agency to enter into, modify, or renew a contract provided it is the type of contract which requires agency approval; (e) Grant agency approval to a contract which requires agency approval and in which the agency is a party or to the specifications for such a contract; (f) Grant agency approval to a plan, design, report, study, or similar item; (g) Adopt, or grant agency approval of, policies, standards, or guidelines for the agency, or for any subdivision thereof; or

(2) Serves in a staff capacity with the agency and in that capacity performs the same or substantially all the same duties for the agency that would otherwise be performed by an individual holding a position specified in the agency's Conflict of Interest Code.

Consultants shall make Full Disclosure subject to the President & Chief Executive Officer's (or his/her designated authority's) determination, 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 determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The President & Chief Executive Officer'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. Nothing herein excuses any such consultant from any other provision of this Conflict of Interest Code.

OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

Director of Financial Services/Budget Officer - This position manages public investments and will file a Statement of Economic Interests pursuant to Government Code §87200.

APPENDIX B

DISCLOSURE CATEGORIES

Full Disclosure – Type I

You are required to disclose the following interests:

- any and all interests in real property that are within the jurisdiction* of the San Diego Housing Commission;
- any and all investments, business positions and sources of income from a person or business in the jurisdiction* of the Housing Commission. A business is in the jurisdiction of the Housing Commission if it is currently doing business in the City of San Diego, is planning on doing business in the City of San Diego or has done business in the city of San Diego in the last two (2) years; and
- any and all gifts, loans, travel expenses, etc. from any person or business entity doing business with the San Diego Housing Commission and/or the Housing Authority of the City of San Diego ("Housing Authority").

Full Disclosure – Type II (excluding interest in real property)

You are required to disclose the following interests:

- any and all investments, business positions and sources of income from a person or business in the jurisdiction* of the Housing Commission. A business is in the jurisdiction of the Housing Commission if it is currently doing business in the City of San Diego, is planning on doing business in the City of San Diego or has done business in the city of San Diego in the last two (2) years; and
- any and all gifts, loans, travel expenses, etc. from any person or business entity doing business with the Housing Commission and/or the Housing Authority.

Limited Disclosure – Type I (contracting)

You are required to disclose the following interests:

- any and all investments, business positions and sources of income from a person or business in the jurisdiction* of the Housing Commission that provides leased facilities, goods, equipment, machinery, vehicles, and/or services, including training and/or consulting services, of a type utilized by your department. A business is in the jurisdiction of the Housing Commission if it is currently doing business in the City of San Diego, is planning on doing business in the City of San Diego or has done business in the City of San Diego in the last two (2) years; and
- any and all gifts, loans, travel expenses, etc. from a person or business doing business with the Housing Commission and/or the Housing Authority, that provide leased facilities, goods, equipment, machinery, vehicles, and/or services, including training and/or consulting services, of the type utilized by your department.

Limited Disclosure – Type II (grant/service providers)

You are required to disclose:

- any and all investments, business positions and/or income from any person or business (including a non-profit entity) doing business in the jurisdiction* of the Housing Commission and that provides goods and/or services of a nature similar to those utilized by your department. A business is in the jurisdiction of the Housing Commission if it is currently doing business in the City of San Diego, is planning on doing business in the City of San Diego or has done business in the City of San Diego in the last two (2) years;
- any and all investments, business positions and/or income from any person or business (including a non-profit entity) within the jurisdiction* of the Housing Commission that is of the type to receive grants or other monies from or through the San Diego Housing Commission. A business is in the jurisdiction of the Housing Commission if it is currently doing business in the City of San Diego, is planning on doing business in the City of San Diego or has done business in the City of San Diego in the last two (2) years; and
- any and all gifts, loans, travel expenses, etc. from a person or business doing business with the Housing Commission and/or the Housing Authority that provides goods or services of a nature similar to those utilized by your department.

Limited Disclosure – Type III (grant/service providers with disclosure of real property interest)

- any and all interests in real property that are within the jurisdiction* of the San Diego Housing Commission;
- any and all investments, business positions and/or income from any person or business (including a non-profit entity) doing business in the jurisdiction* of the Housing Commission and that provides goods and/or services of a nature similar to those utilized by your department. A business is in the jurisdiction of the Housing Commission if it is currently doing business in the City of San Diego, is planning on doing business in the City of San Diego or has done business in the City of San Diego in the last two (2) years;
- any and all investments, business positions and/or income from any person or business (including a non-profit entity) within the jurisdiction* of the Housing Commission that is of the type to receive grants or other monies from or through the San Diego Housing Commission. A business is in the jurisdiction of the Housing Commission if it is currently doing business in the City of San Diego, is planning on doing business in the City of San Diego or has done business in the City of San Diego in the last two (2) years; and
- any and all gifts, loans, travel expenses, etc. from a person or business doing business with the Housing Commission and/or the Housing Authority that provides goods or services of a nature similar to those utilized by your department.

* "Jurisdiction" means the geographical area encompassing the City of San Diego, as depicted on the map in Appendix D. Real property is considered to be "within the jurisdiction" if the property or any part of it is located within or not more than two miles outside the boundaries of the City of San Diego or within two miles of any land owned or used by the San Diego Housing Commission. (82035)

APPENDIX C

General Provisions

When a designated employee is required to disclose investments and sources of income, the employee need only disclose investments in business entities and sources of income that do business in the jurisdiction or have done business in the jurisdiction, within the past two years. In addition to other activities, a business entity is doing business within the jurisdiction if it owns real property within the jurisdiction.

When a designated employee is required to disclose interests in real property, the employee shall disclose real property located whole or in part within or not more than two miles outside the boundaries of the jurisdiction or within two miles of any land owned by the local government agency. (The boundaries of the Housing Commission's jurisdiction are depicted and described on Appendix D.)

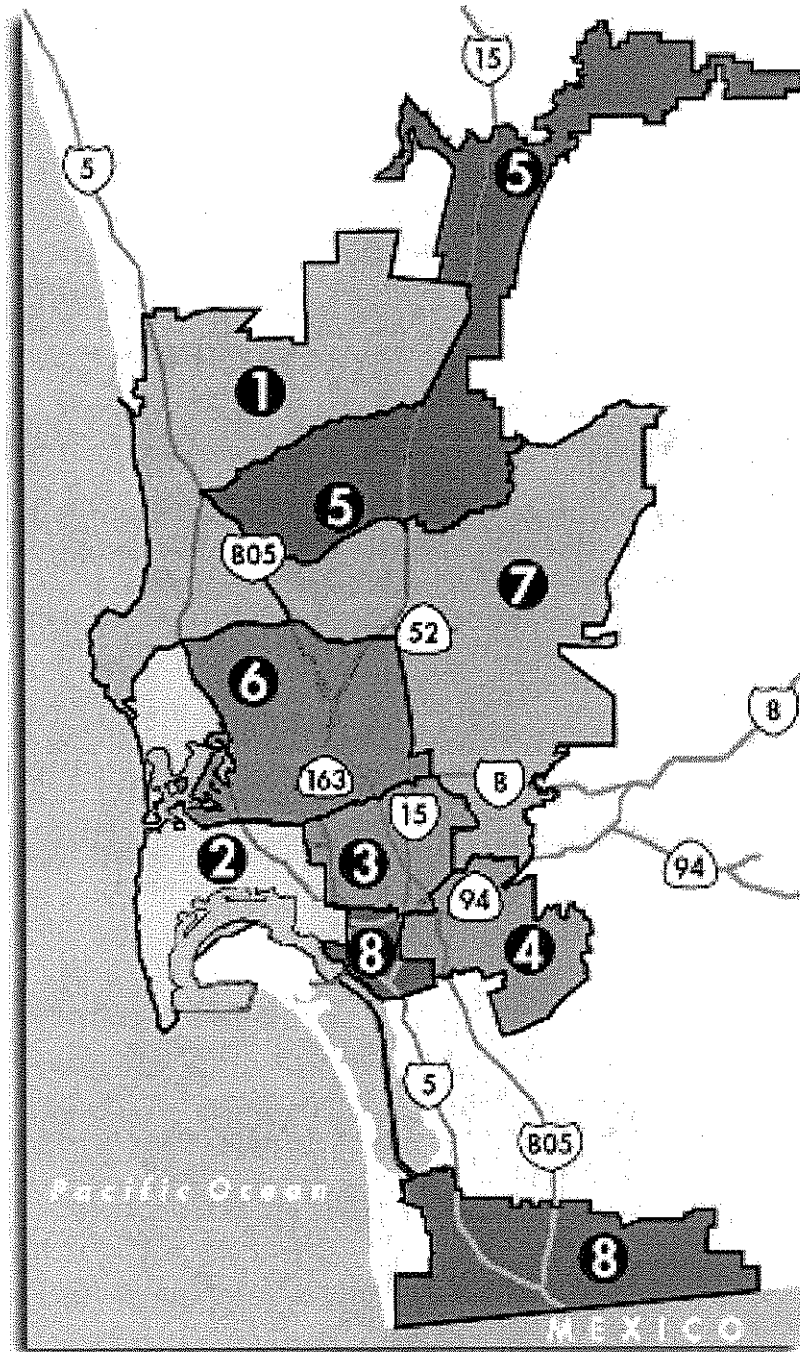
Designated employees or designated positions shall disclose their financial interest pursuant to the appropriate disclosure category(ies) as indicated in the chart in Appendix A.

Late Filing. The filing officer may impose penalties for statements of economic interests that are filed late. The fine is \$10 per day beginning the day after the filing deadline, up to a maximum of \$100. Late filing penalties can be reduced or waived under certain circumstances.

Amendment to Appendix A: The President & Chief Executive Officer is authorized to implement proposed revisions to the Designated Positions List as classifications are added and deleted. Changes to the approved Designated Positions List will be forwarded for document approval during the biennial review process per City Council Resolution 287239.

APPENDIX D

"Jurisdiction" means the geographical area encompassing the City of San Diego, as depicted on the map in Appendix D. Real property is considered to be "within the jurisdiction" if the property or any part of it is located within or not more than two miles outside the boundaries of the City of San Diego or within two miles of any land owned or used by the San Diego Housing Commission.



COUNCIL DISTRICTS OF THE CITY OF SAN DIEGO

APPENDIX E

WRITTEN DISCLOSURE OF CONFLICT OR POTENTIAL CONFLICT OR
OTHER REASON FOR ABSTENTION AND NOTICE OF INTENTION TO
ABSTAIN FROM PARTICIPATION AND ACTION ON THE ITEM

DATE: _____

TO: The Clerk of the City of San Diego, President & President & Chief Executive Officer,
Secretary and General Counsel of the San Diego Housing Commission

FROM: _____ (Name) _____ (Title)

SUBJECT: San Diego Housing Commission Item _____
for Meeting Scheduled on _____ (“the Item”)

NATURE OF CONFLICT OR POTENTIAL CONFLICT OR OTHER REASON
FOR ABSTENTION:

The undersigned requests that this written disclosure be made part of the public record and incorporated into the minutes of the meeting, if, and to the extent, required by law, including but not limited to Government Code Sections 87100, 87101, 1090, 1091, 1091.5, Health and Safety code Section 32481, City’s Ethics Ordinance and the applicable regulations, including, but not limited to 2 Cal. Regs. 18730(b)(10).

Executed this _____ of _____, at San Diego, California.

(Name Printed or Typed)
Commissioner or Employee of the
San Diego Housing Commission