March 12, 2025

Mira Saleh Deputy City Attorney City of Oxnard 305 West Third Street, Suite 100E Oxnard, CA 93030

Re: Your Request for Advice

Our File No. A-25-033

Dear Ms. Saleh:

This letter responds to your request for advice on behalf of Oxnard Councilmember Gabriela Rodriguez regarding the conflict of interest provisions of the Political Reform Act (the "Act").¹

Please note that we are only providing advice under the conflict of interest provisions of the Act and not under other general conflict of interest prohibitions such as common law conflict of interest or Section 1090.

Also note that we are not a finder of fact when rendering advice (*In re Oglesby* (1975) 1 FPPC Ops. 71), and any advice we provide assumes your facts are complete and accurate. If this is not the case or if the facts underlying these decisions should change, you should contact us for additional advice.

QUESTION

Does the Act prohibit Councilmember Rodriguez from taking part in future government decisions relating to professional event services management of the Oxnard Performing Arts and Convention Center ("PACC") because she owns a residence located between 500 and 1,000 feet of a portion of the PACC?

CONCLUSION

No. Given the limited scope of the nature of decisions and physical barriers between the PACC and her residential real property located between 500 and 1,000 feet away, it is not reasonably foreseeable that the decisions relating to professional event services management of the PACC would affect the development potential, income producing potential, highest and best use,

¹ The Political Reform Act is contained in Government Code Sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in Sections 18104 through 18998 of Title 2 of the California Code of Regulations. All regulatory references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

character, or market value of Councilmember Rodriguez's residence, and she may take part in these decisions.

FACTS AS PRESENTED BY REQUESTER

Oxnard Performing Arts Center

The PACC, located at 800 Hobson Way, was built in 1968 and is owned and controlled by the City. It includes an auditorium with 1,604 seats and 8 additional meeting rooms. Over the years, it has hosted Broadway musicals, acclaimed comedians, prominent guest speakers, and numerous musical acts, attracting over three million visitors. The auditorium and meeting rooms serve as a convenient venue for a wide range of cultural, educational, and entertainment events. Additionally, an enclosed patio offers space for community gatherings such as weddings, receptions, banquets, and more. The PACC provides approximately 500 onsite parking spaces and designated loading areas for event support.

The City is considering whether to renew an existing agreement with Sterling Venue Ventures, LLC ("SVV") to secure professional event services management for the PACC.

The City entered into an agreement for a five-year term with SVV for the management of event services in the PACC. The services include items such as a minimum booking requirement for events in the PACC venue, event expenses, facility preparation, janitorial services, liability insurance, equipment installation, and maintenance. The agreement is set to expire soon, and the City will vote on whether the agreement with SVV shall be renewed or whether a different manager should be retained.

As to the decision at issue, you also state that there are no foreseeable factors to suggest the council's decision will impact the existing use and types of events held at the PACC. Regardless of whether the council decides to renew its existing agreement with SVV or retain a different management firm, the scope of services that govern the use of the facility in the renewed/new agreement will remain the same.

Councilmember Rodriguez's Real Property Interest:

Councilmember Rodriguez was elected to the City Council on November 5, 2024. She resides in a single-family home she jointly owns with her parents on South E Street. Her home is within a densely developed neighborhood consisting of other single-family homes, churches, apartments, and a community park. Her residence is approximately 820 feet from the PACC property, separated by two alleys, two residential streets, and the community park.

ANALYSIS

The Act's conflict of interest provisions ensure that public officials will perform their duties in an impartial manner, free from bias caused by their own financial interests or the financial interests of persons who have supported them. (Section 81001(b).) Section 87100 prohibits a public official from making, participating in making, or otherwise using the official's position to influence a governmental decision in which the official has a financial interest. Section 87103 provides that a

public official has a "financial interest" in a decision, within the meaning of the Act, if it is reasonably foreseeable that the decision will have a material financial effect on one or more of the public official's economic interests that is distinguishable from the decision's effect on the public generally.

Section 87103 also describes the interests from which a conflict of interest may arise under the Act. As pertinent to the facts provided, those economic interests include "[a]ny real property in which the public official has a direct or indirect interest worth two thousand dollars (\$2,000) or more." (Section 87103(b).) Accordingly, Councilmember Rodriguez has an economic interest in her residential real property and we must determine if it is reasonably foreseeable the decisions regarding event management at the PACC will have a material financial effect on the property.

When a public official's economic interest is explicitly involved in a governmental decision, Regulation 18701(a) provides that "[a] financial effect on a financial interest is presumed to be reasonably foreseeable if the financial interest is a named party in, or the subject of, a governmental decision before the official or the official's agency. A financial interest is the subject of a proceeding if the decision involves the issuance, renewal, approval, denial, or revocation of any license, permit, or other entitlement to, or contract, with the financial interest, including any decision affecting a property interest as described in Regulation 18702.2(a)(1)-(6)." (Regulation 18701(a).)

Where the financial interest is not explicitly involved in a decision, the financial effect is reasonably foreseeable if it can be recognized as a realistic possibility, more than hypothetical or theoretical. (Regulation 18701(b).) Based on the facts provided, Councilmember Rodriguez's interest is not a named party in, or the subject of, the decision. As such, her real property interest is not explicitly involved in the decision. Under Regulation 18701(b), she will have a financial interest in the proposed decision if there is a realistic possibility that the decision will have a material financial effect on her real property interest.

Regulation 18702.2 provides the materiality standards for real property interests, which vary depending on the proximity of the decision's impacts to the official's property interest. Councilmember Rodriguez's residence is located approximately 820 feet from the PACC property. As such, the decision involves property located more than 500 feet, but less than 1,000 feet from Councilmember Rodriguez's residence.

As pertinent to the decisions regarding event management at the PACC, the reasonably foreseeable financial effect of a governmental decision on a parcel of real property in which an official has a financial interest, other than a leasehold interest, is material whenever the governmental decision involves property located more than 500 feet but less than 1,000 feet from the property line of the parcel, and the decision would change the parcel's:

- (A) Development potential;
- (B) Income producing potential;
- (C) Highest and best use;
- (D) Character by substantially altering traffic levels, intensity of use, parking, view, privacy, noise levels, or air quality; or
- (E) Market value.

(Regulation 18702.2(a)(8).)

Councilmember Rodriguez's residence is located within a densely developed neighborhood consisting of other single-family homes, churches, apartments, and a community park. Her residence is approximately 820 feet from the PACC property, separated by two alleys, two residential streets, and the community park. The PACC includes approximately 500 onsite parking spaces and designated loading areas for event support. Significantly, the facts do not suggest the decision to either renew the existing agreement or to select another management firm will impact the existing use and types of events held at the PACC, and that the scope of services that govern the use of the facility in a renewed or new agreement will remain the same. Because the decisions would relate solely to a contract for management services, the decisions would not impact the development potential, income-producing potential, highest and best use, or market value of Councilmember Rodriguez's residence. Additionally, there is no indication the decisions would affect the types of events held at the PACC or result in any other change that would impact the character of Councilmember Rodriguez's residence, which is separated from the PACC by over 800 feet and numerous physical obstacles.

Based on the facts presented, there are no indications that the decisions relating to the renewal of an existing agreement professional event services management of the PACC will affect the traffic levels, intensity of use, parking availability, or views at Councilmember Rodriguez's residence. Accordingly, it is not reasonably foreseeable the decisions will have a material financial effect on the residence, and Councilmember Rodriguez is not prohibited from taking part in the decisions.

If you have other questions on this matter, please contact me at znorton@fppc.ca.gov.

Sincerely,

Dave Bainbridge General Counsel

Zachary W. Norton

By: Zachary W. Norton

Senior Counsel, Legal Division

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