



STATE OF CALIFORNIA
FAIR POLITICAL PRACTICES COMMISSION
1102 Q Street • Suite 3050 • Sacramento, CA 95811

January 22, 2026

Karl H. Berger
City Attorney
City of Monterey Park
1770 Iowa Avenue, Suite 240
Riverside, CA 92507-2479

**Re: Your Request for Advice
Our File No. A-25-147**

Dear Mr. Berger:

This letter responds to your request for advice on behalf of City of Monterey Park Councilmember Thomas Wong 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. Finally, the Commission is not authorized and does not provide advice concerning past conduct. (Regulation 18329(b)(6)(A).) Therefore, nothing in this letter should be construed to evaluate any conduct that may have already taken place, and any conclusions contained in this letter apply only to prospective actions.²

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.

² We note that it is our understanding that Councilmember Wong previously took part in recommendations regarding the utilization of Saturn Park as a member of the Saturn Park Advisory Review Commission. Moreover, recommendations by the Saturn Park Advisory Review Commission specifically included the proposal to include data centers as a permitted use within Saturn Park. Generally, the recommendations regarding permissible uses are distinct from the specific decisions now before the City Council. However, we do caution that the Commission does not provide advice pertaining to past conduct. Accordingly, we express no opinion regarding Commissioner Wong’s previous involvement with the recommendations by the Saturn Park Advisory Commission.

QUESTIONS

1. Under the Act, may Councilmember Wong participate in decisions concerning the Saturn Park Data Center Project, given his employment and income interest in a utility company that would provide expanded electrical services to the project?

2. Under the Act, may Councilmember Wong participate in decisions concerning the Garvey Avenue Improvement Project (“Garvey Project”), given that he owns a residence located within 500 feet of the project?

CONCLUSIONS

1. Based on his employer’s projected revenue resulting from the decisions, it is reasonably foreseeable decisions concerning the Saturn Park Data Center Project will have a material financial effect on Councilmember Wong’s source of income interest in the employer. Councilmember Wong may not take part in the decisions.³

2. It is reasonably foreseeable decisions concerning the Garvey Project will have a material financial effect on Councilmember Wong’s real property interests, located within 500 feet of the Project. Under applicable regulations, a financial effect on property within 500 feet of a project is presumed material absent clear and convincing evidence of no measurable effect. Based on the facts provided, evidence to overcome the presumption of materiality has not been presented, and Councilmember Wong may not take part in the decisions.

FACTS AS PRESENTED BY REQUESTER

Monterey Park is a general law city with five council members elected by district. Councilmember Wong represents District 1. Councilmember Wong is employed by Southern California Edison (“SCE”) and earns more than \$2,000 per year. According to publicly available reports, SCE’s earnings for the Second Quarter of 2025 reached nearly \$440 million.

Saturn Park Data Center Project

The City’s 2020 Land Use Element (“LUE”) renamed a business park as “Saturn Park” with an “innovation/technology” land use designation. Under the LUE, the City Council is directed to revitalize Saturn Park into a destination for research and development, light industrial, professional offices, and other uses.

As the 19 parcels within Saturn Park are developed in accordance with the LUE, one or more developers will seek entitlements, permits, or other approvals from the City Council. You state that SCE does not own any of the affected 19 parcels, nor would SCE be an applicant or

³ We note that Councilmember Wong must recuse himself from the decisions as specified under Regulation 18707. Requirements under this regulation include identifying the disqualifying financial interest on the public record prior to the consideration of the item and leaving the room prior to any further discussion.

proponent of any anticipated Saturn Park project. SCE does, however, serve as the electricity provider for Saturn Park.

The City circulated a draft initial study/mitigated negative declaration (“IS/MND”) for a proposed data center within Saturn Park (the “Data Center Project”). Based on the study, the Data Center Project will demand 49,999 kilowatts (“kW”) at peak and consume about 438 million kW-hours (“kWh”) per year. Approximate energy charges based on this projected use will be \$0.041–\$0.043 per kWh, plus separate demand and facilities-related charges. Applying this rate, the Data Center Project’s forecasted annual use would generate approximately \$17.96–\$18.83 million in gross annual revenue to SCE. Any applicable demand or facilities charges would further increase SCE’s gross revenues. SCE is the sole provider of electricity for Saturn Park.

Garvey Avenue Improvement Project

The Garvey Project is a City Capital Improvement (“CIP”) project that will improve capacity and operations along Garvey Avenue, a vital east-west corridor. Garvey Avenue provides the connectivity to Monterey Park’s downtown area and community facilities (City Hall, Barnes Park, US Post Office) to the heart of the City’s residential areas. With the culture and heritage established in the downtown area, Garvey Avenue is also a major destination for many of the greater Los Angeles area for its markets, restaurants, and local businesses. It is classified as a minor arterial (four lanes) with on-street parking.

The Garvey Avenue Improvements Project will make travel safer and easier by easing congestion, improving bus service, and creating safer, more welcoming spaces for people walking and biking. By modernizing the street, the project will strengthen connections across Monterey Park and improve daily travel for residents, workers, shoppers, and visitors. Key upgrades include better transit operations and bus facilities, ADA-compliant curb ramps, pedestrian safety improvements, and new bikeways and mobility upgrades on Newmark and Emerson Avenues parallel to Garvey Avenue.

Based on City records, Councilmember Wong’s private residence is within 500 feet of the Garvey Project. Specifically, your office confirmed that Councilmember Wong’s residence is 462 feet from the nearest property line of the Garvey Project. The Garvey Project extends through three voting Districts: 1, 4, and 5. There are 2,828 residential properties in Councilmember Wong’s District 1. You estimate that 15 percent of the residential parcels within District 1 are within a 1,400-foot radius of the project.

ANALYSIS

Under Section 87100 of the Act, “[a] public official at any level of state or local government shall not make, participate in making or in any way attempt to use the official’s position to influence a governmental decision in which the official knows or has reason to know the official has a financial interest.” “A public official has a financial interest in a decision within the meaning of Section 87100 if it is reasonably foreseeable that the decision will have a material

financial effect, distinguishable from its effect on the public generally, on the official, a member of the official's immediate family," or on certain specified economic interests. (Section 87103.)

Among those specified economic interests are:

- Any real property in which the public official has a direct or indirect interest worth two thousand dollars (\$2,000) or more.
- Any source of income, except gifts or loans by a commercial lending institution made in the regular course of business on terms available to the public without regard to official status, aggregating five hundred dollars (\$500) or more in value provided or promised to, received by, the public official within 12 months prior to the time when the decision is made.

(Section 87103 (b) and (c).)

Relevant to the facts presented, Councilmember Wong has interests in his employer, SCE, as a business entity and as a source of income. Councilmember Wong also has a real property interest in his residence.

Foreseeability and Materiality

Foreseeability standards vary depending on whether an interest is explicitly involved in a governmental decision. A financial effect is presumed to be reasonably foreseeable when it is explicitly involved in a decision. Financial interests that are explicitly involved include an interest that is a named party in, or subject of, a government decision. "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, and includes any governmental decision affecting a real property financial interest as described in Regulation 18702.2(a)(1)-(6)." (Regulation 18701(a).)

Where an official's financial interest is not explicitly involved in the governmental decision, the applicable standard for determining the foreseeability of a financial effect on the financial interest is found in Regulation 18701(b). That regulation provides, "[a] financial effect need not be likely to be considered reasonably foreseeable. In general, if the financial effect can be recognized as a realistic possibility and more than hypothetical or theoretical, it is reasonably foreseeable. If the financial result cannot be expected absent extraordinary circumstances not subject to the public official's control, it is not reasonably foreseeable."

Saturn Park Data Center Project

Under Regulation 18702.1, a governmental decision's reasonably foreseeable financial effect on a public official's financial interest in a business entity, not explicitly involved in the decision, is material if the decision may result in the business receiving a financial benefit or loss of \$1,000,000 or 5 percent of the business's gross annual revenues or more. (Regulation 18702.1(a)(2).)

Based on the facts provided, SCE is not explicitly involved in the Data Center Project. Nonetheless, applying only the published rate of approximately \$0.041–\$0.043 per kWh charge and excluding all demand and facility charges, the Data Center Project’s forecasted 438 million kWh of annual use would generate approximately \$17.96- \$18.83 million in gross annual revenue to SCE. Well above the \$1 million materiality threshold found in Regulation 18702.1. Any applicable demand or facilities charges would further increase SCE’s gross revenues. Therefore, it is reasonably foreseeable that the Data Center Project decisions will have a material financial effect on SCE, and Councilmember Wong is disqualified from taking part in the decisions.

Garvey Avenue Improvement Project

Councilmember Wong’s private residence is within 500 feet of the Garvey Project. His property interest is not explicitly involved in the decision. Under the applicable standards, 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 500 feet or less from the property line of the parcel unless there is clear and convincing evidence that the decision will not have any measurable impact on the official’s property. (Regulation 18702.2(a)(7).) Here, the facts provided do not establish clear and convincing evidence that the decision on the Garvey Project would have no measurable impact on Councilmember Wong’s property interest. Accordingly, Councilmember Wong is disqualified from taking part in the decision.

Public Generally Exception

Commonly referred to as the “public generally” exception, Regulation 18703(a) permits a public official to take part in a governmental decision that affects one or more of the official’s interests if the decision’s financial effect on the interest is indistinguishable from its effect on the public generally. (See Section 87103.) A governmental decision’s financial effect on a public official’s financial interest is indistinguishable from its effect on the public generally if the official establishes that a significant segment of the public is affected and the effect on the official’s financial interest is not unique compared to the effect on the significant segment. (Regulation 18703(a).)

Saturn Park Data Center Project

When the interest an official has in the governmental decision is in a business entity, as indicated by the facts of the Data Center Project, a “significant segment of the public” is at least 25 percent of all businesses or non-profit entities within the official’s jurisdiction. (Regulation 18703(b)(1)(A).)

Here, the financial effect on SCE results from its role as a public utility, as it is the sole electricity provider for Saturn Park. The facts do not suggest that a significant segment of businesses would be affected by the decisions concerning the approval of the Saturn Park Data Center Project. Further, the facts provided indicate that this decision would have a unique effect on SCE, resulting in approximately \$17.96 to \$18.83 million in gross annual revenue. As such,

the facts presented do not establish that the public generally exception applies to the decision on the Data Center Project, and Councilmember Wong is disqualified from taking part in decisions relating to the Data Center Project.

Garvey Avenue Improvement Project

When the only interest an official has in the governmental decision is the official's primary residence, as indicated by the facts of the Garvey Project, a "significant segment of the public" is at least 15 percent of residential real property within the official's jurisdiction. (Regulation 18703(b).)

You state that there are 2,828 residential properties in Councilmember Wong's District 1. For purposes of the "public generally" analysis relative to Councilmember Wong's primary residence, a significant segment requires effects on approximately 424 residential parcels (15 percent of 2,828 residential parcels). Based on your estimate, 424 residential parcels are within 1,400 feet of the project. However, Councilmember Wong's residence is 462 feet from the nearest property line of the Garvey Project, which is significantly less than other residential properties. Based upon this proximity, the facts indicate that the effect on the Councilmember's residence, and those homes within similar close proximity, would be unique compared to the effect on the residences farther away from the Garvey Project.

Therefore, the public generally exception does not apply to decisions regarding the Garvey Project, and Councilmember Wong is disqualified 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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