

RESOLUTION NO. 5404

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE UPDATING THE TICKETS AND PASSES DISTRIBUTION POLICY, A POLICY GOVERNING THE RECEIPT AND DISTRIBUTION OF TICKETS AND PASSES PURSUANT TO TITLE 2, SECTION 18944.1 OF THE CALIFORNIA CODE OF REGULATIONS

WHEREAS, the Fair Political Practices Commission (FPPC) regulates the distribution of tickets and passes by public agencies to government officials and certain employees of their agency; and

WHEREAS, from time to time, the City may receive complimentary or discounted tickets or passes from outside sources or may purchase tickets or passes for distribution to City officials and certain City employees; and

WHEREAS, Title 2, Section 18944.1 of the California Code of Regulations requires the City Council of the City of Arroyo Grande ("City") to adopt a written policy governing the distribution of complimentary tickets and passes that includes the public purposes of the agency for which tickets or passes may be distributed; and

WHEREAS, the distribution and use of such tickets and passes serves legitimate public purposes when adopted under the authority of Section 18944.1; and

WHEREAS, on May 13, 2014, City Council adopted Resolution No. 4580 establishing a Tickets and Passes Distribution Policy; and

WHEREAS, the City Council now desires to amend its Tickets and Passes Distribution Policy in accordance with Section 18944.1; and

WHEREAS, the updated policy governing the receipt and distribution of tickets and passes received by the City seeks to maintain a fair and equitable process for the distribution to City officials and certain City employees to a facility, event, show or performance for entertainment, amusement, recreational or similar purposes, in compliance with Section 18944.1; and

WHEREAS, the FPPC recognizes the discretion of the City Council to determine whether the distribution of a ticket or pass serves a legitimate public purpose of the City, provided the determination is consistent with state law; and

WHEREAS, the proposed policy does not qualify as a "project" under CEQA because the action will not result in a direct or reasonably foreseeable indirect physical change in the environment. (State CEQA Guidelines section 15060, subd. (c)(2), (3).) The policy, as amended, provides the method that tickets and passes may be distributed in accordance with state law, meaning it does not authorize actions that could cause a direct physical or reasonably foreseeable indirect physical change to the environment; and

WHEREAS, on December 10, 2024, the City Council held a duly-noticed public meeting, considered the staff report, recommendations of staff, and any public testimony regarding this proposed Resolution; and

WHEREAS, all legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Arroyo Grande as follows:

1. All recitals above are true, correct, and incorporated herein.
2. The updated Tickets and Passes Distribution Policy is hereby approved as set forth in Exhibit A, attached hereto and incorporated herein by this reference in substantially final form.
3. Adoption of the updated Policy is done pursuant to California Code of Regulations Title 2, Division 6, Section 18944.1, and hereby supersedes any previous version of the Policy.
4. Consistent with the requirements of Section 18944.1(c), the City Council hereby directs the City Clerk to post the Policy in a prominent location on the City Website and to send the website link by e-mail to the Fair Political Practices Commission within 30 days of adoption of this Resolution.
5. This Resolution shall take effect immediately upon its adoption.

On motion of Council Member Guthrie, seconded by Council Member Secrest, and on the following roll call vote, to wit:

AYES: Council Members Guthrie, Secrest, Loe, Maraviglia, and Mayor Ray Russom

NOES: None

ABSENT: None

the foregoing Resolution was adopted this 10th day of December 2024.



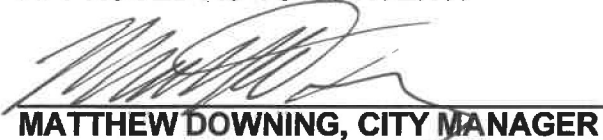
CAREN RAY RUSSOM, MAYOR

ATTEST:



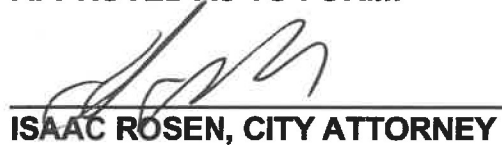
JESSICA MATSON, CITY CLERK

APPROVED AS TO CONTENT:



MATTHEW DOWNING, CITY MANAGER

APPROVED AS TO FORM:



ISAAC ROSEN, CITY ATTORNEY

**CITY OF ARROYO GRANDE
TICKETS AND PASSES DISTRIBUTION POLICY**

PURPOSE: The purpose of this Tickets and Passes Distribution Policy (the "Ticket Policy") is to establish a fair and equitable process for the distribution of tickets and passes in compliance with the requirements of Title 2, Section 18944.1 of the California Code of Regulations as now exist or may hereafter be added or amended by the Fair Political Practices Commission.

SECTION 1. DEFINITIONS.

Unless otherwise expressly provided herein, words and terms used in this Ticket Policy shall have the same meaning as that ascribed to such words and terms in the California Political Reform Act of 1974 (Government Code Sections 81000, et seq., as the same may from time to time be amended) and the Fair Political Practices Commission ("FPPC") Regulations (Title 2, Division 6 of the California Code of Regulations, Sections 18110 et seq., as the same may from time to time be amended).

- A. "City" or "City of Arroyo Grande" shall mean and include the City of Arroyo Grande, and any other affiliated agency created or activated by the Arroyo Grande City Council, and any departments, boards and commissions thereof.
- B. "City Official" shall mean every officer, agent and employee of the City who is obligated to file an Annual Statement of Economic Interests (FPPC Form 700) under state law or the City's current conflict of interest code.
- C. "City Venue" shall mean and refer to any facility owned, controlled or operated by the City.
- D. "Fair Value" shall have the same meaning as that in Title 2 CCR section 18946(d)(1).
- E. "FPPC" shall mean and refer to the California Fair Political Practices Commission.
- F. "Immediate Family" shall mean and refer to the spouse and dependent children of the City Official. The term spouse includes registered domestic partners recognized by state law and dependent children shall mean a child, including an adoptive child or stepchild, of a City Official who is under 18 years old and who the City Official is entitled to claim as a dependent on his or her federal tax return.
- G. "Ticket Policy" shall mean and refer to this Tickets and Passes Distribution Policy governing the distribution of tickets and passes in accordance with 2 CCR section 18944.1.

- H. "Ticket" shall mean and refer to a "ticket" or "pass," as those terms are defined in 2 CCR section 18946, as amended from time to time, but which currently defines a "ticket" as anything that provides access, entry, or admission to a specific future event or function and for which similar tickets are sold to the public to view, listen to, or otherwise take advantage of the attraction or activity for which the ticket is sold and includes any benefits that the ticket provides, and "pass" is a ticket that provides repeated access, entry, or admission to a facility or series of events and for which similar passes are sold to the public.
- I. "Ticket Administrator" shall mean and refer to the individual(s) selected to coordinate requests for tickets. For the purpose of implementing this Ticket Policy, and completing and posting the FPPC California Form 802, the Ticket Administrator shall be the "Agency Head."

SECTION 2. APPLICATION OF POLICY.

- A. This Ticket Policy shall be applicable to every officer, agent and employee of the City who is obligated to file an Annual Statement of Economic Interests (Form 700) under state law or the City's Conflict of Interest Code.
- B. This Ticket Policy governs the distribution of Tickets received by the City that are either:
1. Gratuitously provided to the City by an outside source;
 2. Acquired by the City by purchase;
 3. Acquired by the City as consideration pursuant to the terms of a contract for the use of a City venue; or
 4. Acquired and distributed by the City in any other manner.

SECTION 3. GENERAL PROVISIONS.

- A. No Right to Tickets: The use of Tickets is a privilege extended by the City and not the right of any person to which the privilege may from time to time be extended.
- B. Limitation on Transfer of Tickets: Tickets distributed to a City Official pursuant to this Ticket Policy shall not be transferred except to members of the person's immediate family solely for their personal use or to no more than one guest solely for their attendance at the event.
- C. Prohibition Against Sale of or Receiving Reimbursement for Tickets: No person who receives a Ticket pursuant to this Ticket Policy shall sell or receive reimbursement for the value of such Ticket.

SECTION 4. TICKET ADMINISTRATOR.

- A. The City Manager or his/her designee shall be the "Ticket Administrator" responsible for implementing the provisions of this Policy and completing and posting Form 802. In such case where the City Manager desires to obtain a

Ticket, the City Council authorizes the City Manager to exercise sole discretion in determining whether the City Manager's use or behest of Tickets is in accordance with the terms of this Policy.

- B. The Ticket Administrator shall have the authority, in his or her sole discretion, to establish procedures for the distribution of Tickets in accordance with this Ticket Policy. All requests for Tickets that fall within the scope of this Ticket Policy shall be made in accordance with the procedures established by the Ticket Administrator.
- C. The Ticket Administrator shall determine the value of any Ticket pursuant to its "Fair Value," as that term is defined in Title 2 CCR section 18946(d)(1). For a Ticket offered for sale to the general public, the Fair Value means the face value of the Ticket. The Fair Value of a Ticket that does not have a face value, or has a face value that is not available to the general public, is the price at which the Ticket would otherwise be offered for sale to the general public by the operator of the venue or host of the event who offers the ticket for public sale. Where the price indicated on the Ticket does not reflect the actual cost for a Ticket to a luxury box or suite, the face value shall be determined by dividing the total cost of the box or suite by the number of Tickets available for that box or suite.
- D. The Ticket Administrator, in his or her sole discretion, may revoke or suspend the Ticket privileges of any person who violates any provision of this Ticket Policy or the procedures established by the Ticket Administrator for the distribution of Tickets.

SECTION 5. PUBLIC PURPOSE FOR WHICH TICKETS MAY BE DISTRIBUTED.

Subject to the provisions of this Ticket Policy, the Ticket Administrator may distribute Tickets to a City Official, or at the behest of a City Official, under any one of the following public purposes:

- A. The City Official reimburses the City for the Fair Value of the Ticket(s).
- B. The City Official treats the Ticket(s) as income consistent with applicable federal and state income tax laws and the Ticket(s) are reported as income pursuant to Section 8 of this Ticket Policy.
- C. The distribution of the Ticket(s) to, or at the behest of, the City Official accomplishes a governmental and/or public purposes. The following is a list of public purposes that the City may accomplish through the distribution of Tickets. The list is illustrative rather than exhaustive:
 - 1. Facilitating the performance of a ceremonial role or function by a City Official on behalf of the City at an event, for which the City Official may receive enough Tickets for the City Official and each member of his or her Immediate Family.

2. Facilitating the attendance of a City Official at an event where the job duties of the City Official require his or her attendance at the event, for which the City Official may receive enough Tickets for each member of the City Official's Immediate Family.
3. Promotion of intergovernmental relations and/or cooperation and coordination of resources with other governmental agencies, including, but not limited to, attendance at an event with or by elected or appointed public officials from other jurisdictions, their staff members and their guests.
4. Economic or business development purposes on behalf of the City.
5. Promotion of City resources, community programs, and/or facilities available to Arroyo Grande residents.
6. Promotion of City-run, sponsored or supported community events, activities or programs.
7. To monitor and evaluate the value of City-run, sponsored or supported community events, activities or programs to the City including but not limited to evaluation of the venue, quality of performances and compliance with City policies, agreements and other requirements.
8. Promotion and evaluation of City venues, including but not limited to evaluation of the venue, quality of performances and compliance with City policies, agreements and other requirements.
9. Promoting, supporting and/or showing appreciation for programs or services rendered by charitable and non-profit organizations benefiting Arroyo Grande residents.
10. Promotion of City tourism on a local, state, national or worldwide scale.
11. Business retention or attraction on a local, state, national or worldwide scale.
12. Promotion of City recognition, visibility, and/or profile on a local, state, national or worldwide scale.
13. Encouraging Arroyo Grande resident and business support for and attendance at local events.
14. Encouraging participants in City sponsored programs to attend local events.
15. Attracting or rewarding volunteer public service.
16. Encouraging or rewarding significant academic, athletic, or public service achievements by Arroyo Grande students, residents or businesses.
17. Attracting and retaining highly qualified employees in the City service.

18. Recognizing or rewarding meritorious service by a City Official.
 19. Promoting enhanced City employee performance or morale.
 20. Promotion of open government and/or community relations by City Official appearances, participation, or availability at business or community events.
 21. Sponsorship agreements involving private events where the City specifically seeks to enhance the City's reputation both locally and regionally by serving as hosts or sponsors providing the necessary opportunities to meet and greet visitors, dignitaries, and residents.
 22. Special outreach programs for veterans, teachers, emergency services, medical personnel and other civil service occupations.
 23. Charitable 501(c)(3) fundraisers for the purpose of networking with other community and civic leaders.
 24. As an incident to the above public purposes, allowing for the Immediate Family of the City Official to accompany the City Official to events to accomplish any of the purposes listed in this Resolution.
- D. When a public purpose involves the oversight or inspection of facilities by a City Official, the City Official is required to provide a written inspection report and/or recommendation.
 - E. Subject to the provisions of this Ticket Policy, Tickets obtained by the City pursuant to terms of a contract for use of public property, or, by purchase at fair market value, may be distributed to City Officials. Any distribution must accomplish a public purpose in accordance with Section 5.C. above.
 - F. Any City Official, any member of the City Official's Immediate Family, or guest of the City Official may return any unused ticket to the Ticket Administrator for redistribution pursuant to this policy.

SECTION 6. TICKETS DISTRIBUTED AT THE BEHEST OF A CITY OFFICIAL.

- A. Only the following City Officials shall have authority to behest Tickets: City Council Members, the City Manager, and Department Heads.
- B. Tickets shall be distributed at the behest of a City Official only for one or more public purposes set forth in Section 5.C. above.
- C. If Tickets are distributed at the behest of a City Official, such City Official shall not use one of the Tickets so distributed to attend the event.

SECTION 7. OTHER BENEFITS.

- A. The distribution of Tickets pursuant to this Policy shall not constitute a "gift" to the City Official receiving the Ticket, however, other benefits, such as food or

beverage or other gifts provided to the City Official that are not part of the admission provided by the Ticket, will need to be accounted for as gifts.

B. If the City receives Tickets that are earmarked by an outside source for particular City Officials, then the Tickets are considered gifts to that particular City Official. If these Tickets are not returned unused to the provider within thirty (30) days of receipt, then the City Official must comply with the applicable FPPC gift limit regulations and reporting regulations.

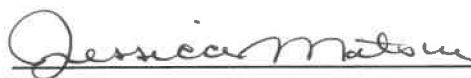
SECTION 8. POSTING AND DISCLOSURE REQUIREMENTS.

- A. This Ticket Policy shall be posted on the City's website. The City shall, within 30 days of adoption or amendment, send to the FPPC by email a website link that displays the Ticket Policy.
- B. The distribution of Tickets pursuant to this Ticket Policy which the Public Official treats as income pursuant to Section 5.B. above, or which are distributed for one or more public purposes described in Section 5.C. above, shall be documented by the preparation and certification of FPPC Form 802, as amended from time to time by the FPPC. This form must be maintained as a public record, and subject to inspection and copying as required under Government Code section 810008. Within forty-five (45) calendar days of the distribution of a Ticket, the Ticket Administrator shall prepare and certify a Form 802 and shall post it on the City's Website. A copy of each Form 802 shall be forwarded to the FPPC.
- C. Tickets distributed by the City for which the City receives reimbursement from the City Official shall not be subject to the disclosure provisions set forth herein.
- D. For Tickets distributed to a department or other unit of the City, and not used by a City Councilmember, City Manager, political appointee, or department head, the City may report the name of the department or other unit of the City and the number of Tickets provided to the department or other unit in lieu of posting the name of the individual employee(s) as otherwise required.

OFFICIAL CERTIFICATION

I, **JESSICA MATSON**, City Clerk of the City of Arroyo Grande, County of San Luis Obispo, State of California, do hereby certify under penalty of perjury, that the attached Resolution No. 5404 was passed and adopted at a regular meeting of the City Council of the City of Arroyo Grande on the 10th day of December, 2024.

WITNESS my hand and the Seal of the City of Arroyo Grande affixed this 16th day of December, 2024.

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JESSICA MATSON, CITY CLERK