



# CITY OF PALO ALTO OFFICE OF THE CITY ATTORNEY

December 14, 2015

The Honorable City Council  
Palo Alto, California

## **Adoption of an Ordinance Amending Municipal Code Section 2.07.010 to Update Post Government Employment Regulations to Include all City Department Heads**

### **Recommendation**

The Policy and Services Committee unanimously recommends that Council adopt the ordinance attached as Exhibit A to update Palo Alto's local revolving door ordinance to apply to all department heads.

### **Background**

State law restricts certain local officials, for a period of one year after leaving office or employment, from representing any other person or entity, for compensation, by appearing before or communicating with their former agency in an attempt to influence the agency's decisions in an administrative or legislative action, whether quasi-legislative or quasi-judicial, or any action involving a permit, contract or transaction involving the sale or purchase of property or goods. (Gov. Code Section 87406.3; 2 Cal Code Regulations 18746.2; 18746.3.)

The purpose of the restrictions is to reduce actual or perceived conflicts of interest between the government official and the body on which the official formerly served, and to prevent private entities from gaining or being perceived to gain an unfair advantage. These restrictions are often referred to as "revolving door" regulations because they attempt to limit the influence of officials who move between public service and the private sector.

The state law prohibition applies to local elected officials and city managers or chief administrative officers of cities.

State law allows cities to adopt their own more restrictive ordinances or policies that limit the activities of former government officials. The City of Palo Alto has adopted such an ordinance. Palo Alto's ordinance expands the number of officials covered by the one-year ban to include all employees whose appointments are confirmed by the City Council. These include the City Attorney, City Clerk, City Auditor, Assistant City Managers, most department heads and senior attorneys in the City Attorney's Office.

At the City Council retreat in January 2015, a Council Member suggested that Palo Alto explore adopting amendments to the City's revolving door ordinance to strengthen its provisions. Council subsequently referred the matter to the Policy and Services Committee for review and recommendation. Policy and Services considered the issue on October 27, 2015.

The Committee considered several potential changes to Palo Alto's local revolving door ordinance. First, staff identified that Palo Alto's ordinance has not completely kept up to date with the changes in the City organization and includes most but not all department heads. Policy and Services unanimously directed staff to bring an ordinance to Council updating the revolving door regulation to apply to all department heads. That item is before you here.

Second, the Committee discussed other potential changes to the local regulation. The Committee directed the Clerk to survey current and former members of the Architectural Review Board (ARB) and Historic Resources Board (HRB), and ARB/HRB applicants, regarding their willingness to serve if the local regulation were amended to bar appearance before the ARB/HRB on a local project. The results of that survey and other related policy questions are scheduled for further consideration in Committee in the new year. Any additional recommendation will return to Council for adoption.

### **Discussion**

Policy and Services unanimously recommends that the local revolving door ordinance be updated to apply to all department heads.

### **Resource Impact**

Adoption of this ordinance will have no impact on staff resources.

### **Policy Implications**

This action is consistent with current City policy.

### **Environmental Review**

This is not a project for the purposes of the California Environmental Quality Act.

### **ATTACHMENTS:**

- Attachment A: Ordinance Amending Post Government Employment Regulations (PDF)

Department Head: Molly Stump, City Attorney

Ordinance No. \_\_\_\_\_  
Ordinance of the Council of the City of Palo Alto Amending Section  
2.07.010 of the Municipal Code to Provide that Post-Government  
Employment Regulations Apply to All Department Heads

The Council of the City of Palo Alto does ORDAIN as follows:

SECTION 1. Section 2.07.010 of Chapter 2.07 Post-Government Employment Regulations of the Palo Alto Municipal Code is amended to read as follows:

“2.07.010 No representation for compensation.

No city officer, department head, or city employee whose appointment requires confirmation by the city council under Title 2 of this code, shall, for compensation, act as agent or attorney for, or otherwise represent any other person or entity, by making any formal or informal appearance, or by making any oral or written communication, before the city council, any city board or commission, or any officer or employee of the city, if the appearance or communication is made for the purpose of influencing administrative or legislative action, or influencing any action or proceeding involving the issuance, amendment, awarding or revocation of a permit, license, grant, entitlement or contract, or the sale or purchase of goods, services or property. Administrative action does not include any action that is solely ministerial. This limitation shall expire one year after the officer, department head or employee has left employment with the city.”

SECTION 2. The City Council finds that this ordinance is exempt from the provisions of the California Environmental Quality Act pursuant to Section 15061(b)(3) of the California Environmental Quality Act Guidelines, because it can be seen with certainty that there is no possibility of significant environmental effects occurring as a result of the adoption of this ordinance.

SECTION 3. This ordinance shall become effective upon the commencement of the thirty-first day after the date of its adoption.

INTRODUCED

PASSED:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

ATTEST:

APPROVED:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor

APPROVED AS TO FORM:

\_\_\_\_\_  
City Manager

\_\_\_\_\_  
City Attorney