COUNCIL AGENDA: 05/23/2023 ITEM: 3.4



## Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: Councilmember Jimenez

Councilmember Cohen

SUBJECT: See Below DATE: May 19, 2023

Approved Date 05.19.2023

3.4 Board of Fair Campaign and Political Practices Recommended Revisions to the City's Ethics and Open Government Provisions Under Title 12 of the San José Municipal Code and Resolution No. 79187 Governing the Board's Regulations and Procedures.

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## RECOMMENDATION

Approve the actions recommended by the Rules and Open Government Committee on May 10, 2023, with the following modifications:

- 1. Retain and amend Section 12.10.020(E) to read: "Nonprofit organization" means an entity which would qualify as a 501(c)(3) under the federal Internal Revenue Code and has engaged in programs or projects which have received financial or other formal support from the City Council or Redevelopment Agency board within the past five years.
- 2. Amend 12.10.030 to read: "No city or agency official or designated employee, for-two years one year after terminating city or agency office or employment, may..."

## **ANALYSIS**

This modification will exempt all nonprofit organizations from the Revolving Door Ordinance, regardless of any prior "financial or other formal support" received from the City Council.

Nonprofits play an important role in lifting the voices of the most marginalized members of our community. Furthermore, these community-based organizations have the ability to reach underserved communities in opportunities zones much more effectively than the City. They also often work in collaboration with the city and benefit from hiring people with experience working on the same issues. The benefits of not-for-profit services greatly outweigh the need for a revolving door policy. We disagree with the recommendation from the BFCPP's to strike the

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non-profit exemption "so that the same rules apply" to both nonprofit organizations and forprofit businesses. Lastly, we seek to align our revolving-door restrictions with state law, which specifies a waiting period of one year rather than two years for work on related legislative or administrative matters.

The signers of this memorandum have not had, and will not have, any private conversation with any other member of the City Council, or that member's staff, concerning any action discussed in the memorandum, and that each signer's staff members have not had, and have been instructed not to have, any such conversation with any other member of the City Council or that member's staff.