

City of San José, California
COUNCIL POLICY

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| TITLE DISTRIBUTION OF TICKETS OR PASSES TO CITY/AGENCY OFFICIALS | PAGE 1 of 7 | POLICY NUMBER 9-11 |
| EFFECTIVE DATE September 2, 1993 | REVISED DATE November 19, 2013 | |
| APPROVED BY COUNCIL ACTION 9/2/1993, Item 9g; 9/29/2009, Item 9.2a, Res. No. 75115; 11/19/2013, Item 2.16, Res. No. 76851 | | |

BACKGROUND

In 1993, in anticipation of the opening of San José Arena, the City Council adopted Council Policy 9-11 entitled "Distribution of Arena Tickets." Under this Policy, the City designated to the Arena Authority administrative oversight and responsibility of a comprehensive Arena ticket distribution program. As the program administrator, the Arena Authority was charged with the distribution of tickets to the City suite, tickets in the Arena Club seating area and related parking passes for all Arena events.

In September 2009, the City revised Council Policy 9-11 to incorporate new Fair Political Practices Commission (FPPC) Regulation 18944.1 relating to the distribution of all event tickets to public officials. As a result, all City Officials (elected, appointed or designated employees of the City of San José) receiving complimentary tickets report their acceptance of tickets per FPPC regulations.

Council Policy 9-11 is now revised to incorporate amendments to FPPC Regulation 18944.1, to incorporate the dissolution of redevelopment agencies in 2012, and to clarify some provisions.

PURPOSE

To establish a comprehensive policy relating to the distribution of complimentary tickets by the City to all City Officials and designated employees established by the State of California's Fair Political Practices Commission (FPPC).

Application of Policy

As used in this Policy, the term "Ticket" shall mean: tickets or passes that provide admission to a facility or event for entertainment, amusement, recreational or similar purposes, and are obtained by the City through one of the following means:

1. Controlled by the City as owner or sponsor of a facility or event.

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2. Received by the City from a third party who does not earmark the use of the Ticket for a specific official; and the use of the Ticket is in the sole discretion of the City.
3. Purchased by the City or received pursuant to a sponsorship or similar contract.

This Policy does not apply to:

1. Tickets provided to a City Official by sources other than the City, which are subject to the City's Gift Ordinance at Chapter 12.08 of the San José Municipal Code.
2. Tickets for which the City Official pays the City the value of the ticket.

POLICY

The City of San José may distribute complimentary Tickets to appropriate recipients, including City Officials, solely for the public purpose of participating in:

1. Ceremonial occasions.
2. Official welcoming of visiting dignitaries.
3. Economic development outreach.
4. Recognition for direct involvement in City-related projects/programs.
5. Attracting or rewarding volunteer public service.
6. Encouraging or rewarding significant academic, athletic or public service achievements by City students, residents or businesses.

Residual Use

To the extent that the Arena Club seats are not reserved for any event, the Arena Authority shall sell the Tickets and parking passes with the goal of maximizing revenue potential. The revenue shall be used to support the Arena Authority activities in order to enable reduced support from the City General Fund.

Ticket Transfer Limitations

Tickets received by City Officials under this Policy are for the purpose of having that Official participate in the event. No person who receives a Ticket pursuant to this Policy shall transfer the Ticket to anyone.

Each Ticket recipient may be offered one (1) additional Ticket for a guest. Such Tickets are not considered gifts requiring disclosure on the Official's annual Form 700.

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Disclosure and Reporting Requirements

This Policy shall be posted on the City website. The City Clerk shall post the completed FPPC Form 802 on the City website within thirty (30) days following the date of the ticketed event.

Ticket Administrator

1. Each Council Appointee and Department Head (subject to approval by the City Manager) will designate a Ticket Administrator responsible for implementing this Policy. The Administrator will oversee the distribution of Tickets in compliance with this Policy and will take all steps necessary to ensure the Ticket recipients are aware of, and comply with, this Policy.
2. Elected City Officials. For Tickets acquired by the City for use by an elected City official, the office of the elected City official shall be responsible for reporting the distribution of the Tickets as provided below.
3. The Ticket Administrator will establish procedures for the distribution of Tickets in accordance with this Policy. At a minimum, the Ticket Administrator will:
 - a. Manage the receipt, distribution and accounting for all Tickets subject to this Policy.
 - b. Ensure Tickets distributed by the City under this Policy serves one of the public purposes as defined above.
 - c. Ensure Tickets distributed pursuant to this Policy are disclosed on the FPPC Form 802 (see attached). The disclosure form shall include the following information:
 - i. The name(s) of the recipient of the Tickets.
 - ii. A description of the event for which Tickets were distributed.
 - iii. The face value of the Ticket. If the Tickets do not have a face value stated or state something to the effect of "complimentary" or "promotional," the Ticket Administrator will determine the value of the tickets or passes based on the reasonable cost for attendance at such an event.
 - iv. The number of Tickets provided to each person.
 - v. A description of the public purpose furthered by the Ticket distribution.
 - d. Sign each disclosure form verifying that the distribution of Tickets is in accordance with the provisions of FPPC Regulations 18944.1 and 18942.
 - e. No later than fifteen (15) calendar days from the date of the event, submit Form 802 to the City Clerk and the FPPC.

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Arena Ticket Procedures

The Arena Authority shall develop procedures for the use of the City Suite and the Club Seats. At a minimum, the procedures shall include:

1. Use of the Suite shall require designation of a "Responsible Party" from the City or one of its subsidiary agencies who shall be required to supervise the use of the Suite and ensure that the use does not result in charges to the City or the Arena Authority.
2. Recipients of tickets for the Suite can bring additional guests at the cost of a Club Seat ticket to the extent space in the City Suite permits.
3. Procedures with regard to the purchase of food and merchandise from the City Suite.
4. Procedures to ensure compliance with the FPPC's limitation of gifts to state, county and local officials.

DEFINITIONS

"City Official" shall mean every officer, agent and employee of the City of San José or the Successor Agency to the San José Redevelopment Agency who is obligated to file an Annual Statement of Economic Interests (Form 700) pursuant to State law and the City's Conflict of Interest Code.

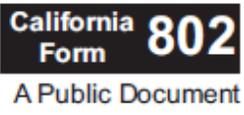
"FPPC" shall mean the California Fair Political Practices Commission.

"Ticket" shall mean tickets or passes that provide admission to a facility, event, show or performance for an entertainment, amusement, recreational, or similar purpose (defined in FPPC Regulations 18944.1 and 18946(d)).

"Arena Tickets" shall mean the tickets owned by the City pursuant to the Management Agreement with the San José Arena Management LLC, including the use of the City's Suite, and the use of seats in the "Club seating" area of the Arena, with associated parking passes.

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**Agency Report of:
Ceremonial Role Events and Ticket/Pass Distributions**



This form is for use by all state and local government agencies. The form identifies persons that receive admission tickets and passes and describes the public purpose for the distribution. This form was prepared by the Fair Political Practices Commission (FPPC) and is available at www.fppc.ca.gov.

General Information

FPPC Regulation 18944.1 sets out the circumstances under which an agency's distribution of tickets to entertainment events, sporting events, and like occasions would not result in a gift to individuals that attend the function. In general, the agency must adopt a policy which identifies the public purpose served in distributing the admissions. The Form 802 serves to detail each event and the public purpose of each ticket distribution. FPPC Regulation 18942 lists exceptions to reportable gifts, including ceremonial events, when listed on this form.

When the regulation procedures are followed, persons, organizations, or agencies who receive admissions are listed on a Form 802. Agency officials do not report the admissions on the official's Statement of Economic Interests, Form 700, and the value of the admission is not subject to the gift limit.

The Form 802 also informs the public as to whether the admissions were made at the behest of an agency official and whether the behested tickets were provided to an organization or to specific individuals.

Exception

This form is not required for admission provided to a school or university district official, coach, athletic director, or employee to attend an amateur event performed by students of that school or university.

Public Posting

This form must be maintained as a public document. A copy of all forms must be forwarded to the FPPC for posting on its website. E-mail delivery is preferred. E-mail: Form802@fppc.ca.gov; Fax: 916.322.0886; 428 J Street, Suite 620, Sacramento, CA 95814.

Forms must be sent to the FPPC as soon as possible. General business practice is no later than 45 days from the distribution.

A local agency may also post the forms on its website, but it is not required to do so.

Privacy Information Notice

Information requested by the FPPC is used to administer and enforce the Political Reform Act. Failure to provide

information may be a violation subject to administrative, criminal, or civil penalties. All reports are public records available for inspection and reproduction. Direct questions to FPPC's General Counsel.

Instructions

Part 1. Agency Identification:

List the agency's name. Provide a designated agency contact person, their phone number, and e-mail address. Mark the amendment box if changing any information on a previously filed form and include the date of the original filing.

Part 2. Function or Event Information:

Confirm that your agency has a policy for ticket distribution. Unless the ceremonial role or income box in Part 3, Section B, is marked, this form is only applicable if your agency has a policy.

Complete all of the other required fields that identify the ticket value, description of event, date(s) and whether the ticket was provided by the agency or an outside source. If an agency official behests the tickets, the official's name is also required. Use the comment field or an attachment to explain in full.

Part 3. Ticket Recipients:

This part identifies who uses the tickets. The identification requirements vary depending upon who received the tickets and are categorized into three sections. Each section must list the number of tickets received. Use the comment field or an attachment to explain in full.

Section A. Report tickets distributed to agency staff, other than an elected official or governing board member, pursuant to the agency's policy. It is not necessary to list each employee's name, but identify the unit/department for which the employee works. The agency must describe the public purpose associated with the ticket distribution. A reference to the policy is permissible.

Section B. Report: 1) any agency official who performs a ceremonial role; 2) any agency official who reports the value as income; or 3) tickets used by elected officials and governing board members (including those distributed pursuant to the agency's policy).

Section C. Report tickets provided to an organization. The organization's name, an address (website url is permissible), and a brief description of the public purpose are required.

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**Agency Report of:
Ceremonial Role Events and Ticket/Pass Distributions
Continuation Sheet**



Agency Name _____

3. Recipients

• Use Section A to identify the agency's department or unit. • Use Section B to identify an individual. • Use Section C to identify an outside organization.

| A. Name of Agency, Department or Unit | Number of Ticket(s)/ Pass(es) | Describe the public purpose made pursuant to the agency's policy |
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| B. Name of Individual <i>(Last, First)</i> | Number of Ticket(s)/ Pass(es) | Identify one of the following: |
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| | | Ceremonial Role <input type="checkbox"/> Other <input type="checkbox"/> Income <input type="checkbox"/> <i>If checking "Ceremonial Role" or "Other" describe below:</i> |
| | | Ceremonial Role <input type="checkbox"/> Other <input type="checkbox"/> Income <input type="checkbox"/> <i>If checking "Ceremonial Role" or "Other" describe below:</i> |
| | | Ceremonial Role <input type="checkbox"/> Other <input type="checkbox"/> Income <input type="checkbox"/> <i>If checking "Ceremonial Role" or "Other" describe below:</i> |
| | | Ceremonial Role <input type="checkbox"/> Other <input type="checkbox"/> Income <input type="checkbox"/> <i>If checking "Ceremonial Role" or "Other" describe below:</i> |

| C. Name of Outside Organization <i>(include address and description)</i> | Number of Ticket(s)/ Pass(es) | Describe the public purpose made pursuant to the agency's policy |
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