Amend Title 2, Division 6, California Code of Regulations.


(a) A public official “participates in making a governmental decision,” except as provided in Title 2, California Code of Regulations, section 18702.4, when acting within the authority of his or her position the official:

(a) Negotiates, without significant substantive review, with a governmental entity or private person regarding a governmental decision referenced in Title 2, California Code of Regulations, section 18701(a)(2)(A); or

(b) Advises or makes recommendations to the decisionmaker either directly or without significant intervening substantive review, by:

(1) Conducting research or making any investigation which requires the exercise of judgment on the part of the official and the purpose of which is to influence a governmental decision referenced in Title 2, California Code of Regulations, section 18701(a)(2)(A); or

(2) Preparing or presenting any report, analysis, or opinion, orally, or, in writing, which requires the exercise of judgment on the part of the official and the purpose of which is to influence a governmental decision referenced in Title 2, California Code of Regulations, section 18701(a)(2)(A).

(a) Except as provided in subdivision (c) below, the reasonably foreseeable financial effect of a governmental decision (listed below in (a)(1) through (a)(13) 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: (See Regulation 18704.2(a).)
(1) Involves the adoption of or amendment to a general (except as provided below) or specific plan, and the parcel is located within the proposed boundaries of the plan.

(2) Determines the parcel’s zoning or rezoning (other than a zoning decision applicable to all properties designated in that category), annexation or de-annexation, or inclusion in or exclusion from any city, county, district, or other local government subdivision, or other boundaries, other that elective district boundaries as determined by the California Citizen’s Redistricting Commission or any other agency where the governmental decision is to determine boundaries for elective purposes. (See Regulation 18704.2(a)(2).)

(3) Would impose, repeal, or modify any taxes, fees, or assessments that apply to the parcel. (See Regulation 18704.2(a)(4).)

(4) Authorizes the sale, purchase, or lease of the parcel. (See Regulation 18702.4(a)(2).)

(5) Involves the issuance, denial or revocation of a license, permit or other land use entitlement authorizing a specific use of or improvement to the parcel or any variance that changes the permitted use of, or restrictions placed on, that real property. (See Regulation 18704.2(a)(3).) For purposes of this paragraph, any financial effect resulting from a governmental decision regarding permits or licenses issued to the official’s business entity when operating on the official’s real property shall be conclusively analyzed under Regulation 18702.1, rather than this paragraph, without any separate consideration for any material financial affects on the official’s real property as a result of the decision. (New.)

(6) Involves construction of, or improvements to, streets, water, sewer, storm drainage or similar facilities, and the parcel in which the official has an interest will receive new or improved services that are distinguishable from improvements and services that are provided to or received by other similarly situated properties in the official’s jurisdiction or that the official will
otherwise receive a benefit or detriment by the decision; (Modification of Regulation 18704.2(a)(6).)

(7) Would change the development potential of the parcel of real property; (See Regulation 18705.2(b)(1)(A).)

(8) Would change the income producing potential of the parcel of real property in which an official has a financial interest. However, if the real property contains a business entity, including rental property, and the nature of the business entity remains unchanged, the materiality standards under Regulation 18705.1 applicable to business entities would apply instead; (See Regulation 18705.2(b)(1)(A) plus new language.)

(9) Would change the highest and best use of the parcel of real property in which the official has a financial interest; (See Regulation 18705.2(b)(1)(B).)

(10) Would change the character of the parcel of real property by substantially altering traffic levels or intensity of use of property surrounding the official’s real property parcel, the view, privacy, noise levels, or air quality, including odors, or any other factors or affects that would affect the market value of the real property parcel in which the official has a financial interest; (See Regulation 18705.2(b)(1)(C).)

[OPTIONS]: (11) (Regional Impacts) Would consider the land use designation, location or development of a large scale project such as an entertainment facility, stadium, arena, concert venue, race track, theatre, and the property that is the subject of the decision is located within Option [one/two/five] miles of the property lines of the real property, other than commercial property, unless there are facts indicating that there would be no reasonably foreseeable measurable impact on the official’s property. (New.)
(12) (Neighborhood Impacts) Would consider the land use designation, location or
development of a commercial center, housing development, industrial park, recreational park or
similar scale land use project and the property that is the subject of the decision is located within
one-half mile of the property lines of an official’s real property, other than commercial property,
unless there are facts indicating that there would be no reasonably foreseeable measurable impact
on the official’s property. (New.)

(13) (Localized Impacts) Would consider a permit or license for an ongoing operational
activity on real property located either within one-half mile driving distance on any route to or
from the official’s real property. (New.)

(14) Would consider any decision affecting real property located within 500 feet of the
property lines for the official’s real property, other than commercial property. Notwithstanding
this prohibition, the Commission may provide written advice allowing an official to participate
under these circumstances if the Commission determines there are sufficient facts to indicate that
there will be no reasonably foreseeable measurable financial impact on the official’s property.
(New.)

(15) Would cause a reasonably prudent person, using due care and consideration under
the circumstances, to believe that the governmental decision is of such a nature that its
reasonably foreseeable financial effect will influence the market value of the official’s property
(New.)

(b) Leasehold Interests. Except as provided in subdivision (d) below, the reasonably
foreseeable financial effects of a governmental decision on any real property in which a
governmental official has a leasehold financial interest is material whenever governmental
decision will: (See Regulation 18705.2(a)(2).)
(1) Change the termination date of the lease; (See Regulation 18705.2(a)(2)(A).)

(2) Increase or decrease the potential rental value of the property; (See Regulation 18705.2(a)(2)(B)&(C).)

(3) Increase or decrease the rental value of the property, and the official has a right to sublease the property; (See Regulation 18705.2(a)(2)(B)&(C).)

(4) Change the official’s actual or legally allowable use of the real property; (See Regulation 18705.2(a)(2)(D).)

(5) Impact the official’s use and enjoyment of the real property. (See Regulation 18705.2(a)(2)(E).)

(c) Exceptions:

(1) The decision solely concerns repairs, replacement or maintenance of existing streets, water, sewer, storm drainage or similar facilities. (See Regulation 18704.2(b)(2).)

(2) The decision solely concerns the adoption or amendment of a general plan and all of the following apply: (See Regulation 18704.2(b)(3).)

(A) The decision only identifies planning objectives or is otherwise exclusively one of policy. A decision will not qualify under this subdivision if the decision is initiated by the public official, by a person that is a financial interest to the public official, or by a person representing either the public official or a financial interest to the public official. (See Regulation 18704.2(b)(3)(A).)

(B) The decision requires a further decision or decisions by the public official's agency before implementing the planning or policy objectives, such as permitting, licensing, rezoning, or the approval of or change to a zoning variance, land use ordinance, or specific plan or its equivalent. (See Regulation 18704.2(b)(3)(B).)
(C) The decision does not concern an identifiable parcel or parcels or development project. A decision does not "concern an identifiable parcel or parcels" solely because, in the proceeding before the agency in which the decision is made, the parcel or parcels are merely included in an area depicted on a map or diagram offered in connection with the decision, provided that the map or diagram depicts all parcels located within the agency's jurisdiction and economic interests of the official are not singled out. (See Regulation 18704.2(b)(3)(C).)

(D) The decision does not concern the agency's prior, concurrent, or subsequent approval of, or change to, a permit, license, zoning designation, zoning variance, land use ordinance, or specific plan or its equivalent. (See Regulation 18704.2(b)(3)(D).)

(d) Definitions -- General Plans. The definitions below apply to this regulation: (See Regulation 18704.2(c).)

(1) A decision "solely concerns the adoption or amendment of a general plan" when the decision, in the manner described in Sections 65301 and 65301.5, grants approval of, substitutes for, or modifies any component of, a general plan, including elements, a statement of development policies, maps, diagrams, and texts, or any other component setting forth objectives, principles, standards, and plan proposals, as described in Sections 65302 and 65303. (See Regulation 18704.2(c)(1).)

(2) "General plan" means "general plan" as used in Sections 65300, et seq. (See Regulation 18704.2(c)(2).)

(3) “Specific plan” or its equivalent means a plan adopted by the jurisdiction to meet the purposes described in Sections 65450, et seq. (See Regulation 18704.2(c)(3).)

(4) Real property in which an official has a financial interest does not include any common area as part of the official’s ownership interest in a common interest development as
defined in the Davis-Stirling Common Interest Development Act (Civil Code Sections 1350 et seq.) (New.)