



## FAIR POLITICAL PRACTICES COMMISSION

428 J Street • Suite 620 • Sacramento, CA 95814-2329  
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May 16, 2012

John Taylor, Councilmember  
City of San Juan Capistrano

**REDACTED**

Warning Letter Re: FPPC No. 11/477, John Taylor

Dear Mr. Taylor:

The Fair Political Practices Commission ("Commission") enforces the provisions of the Political Reform Act ("Act"),<sup>1</sup> found in Government Code section 81000, et seq. This letter is in response to a sworn complaint filed against you that alleged you violated the conflict of interest provisions of the Act. Specifically, the complaint alleges that you, in your capacity as a member of the San Juan Capistrano City Council, made a governmental decision that had a reasonably foreseeable material financial effect on your economic interests.

The Commission has completed its investigation of the facts in this case, and has found that you violated Section 87100 when you voted to adopt San Juan Capistrano Community Redevelopment Agency ("CRA") Resolution No. 11-03-15-01, which approved an amendment to the Owner Participation Agreement between the CRA and 26755 Verdugo, LLC, at the March 15, 2011, CRA board meeting. The Commission has decided to close this case with this warning letter.

Under the Act, no public official at any level of state or local government may make, participate in making, or in any way use or attempt to use his official position to influence a governmental decision in which he knows or has reason to know he has a disqualifying conflict of interest. (Section 87100.)

As a member of the San Juan Capistrano City Council, you were a public official under the Act. (Section 82019 and 82048.) At the March 15, 2011, CRA board meeting, you voted to pass CRA Resolution No. 11-03-15-01, which approved an amendment to the Owner Participation Agreement between CRA and 26755 Verdugo, LLC, in regards to the Paseo de Verdugo project. You own property on at 31661 Los Rios Street, which is within 500 feet of the

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<sup>1</sup> The Political Reform Act is contained in Government Code sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in sections 18110 through 18997 of Title 2 of the California Code of Regulations. All regulatory references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

boundaries of the Paseo de Verdugo project, making your property on 31661 Los Rios Street directly involved in the decision. By voting on a formal action of the City Council regarding a property that is within 500 feet of your real property interests, you made a governmental decision under the Act. There is a presumption of materiality for directly involved property interests. Therefore, you had a conflict of interest when you voted on the amendment of the Owner Participation Agreement.

However, because the public harm of the violation was minimal, you have no history of enforcement actions by the Commission, and you were cooperative in the Commission's investigation of this matter, we are closing this matter with a warning letter.

This letter serves as a written warning. The information in this matter will be retained and may be considered should an enforcement action become necessary based on newly discovered information or future conduct. Failure to comply with the provisions of the Act in the future will result in monetary penalties of up to \$5,000 for each violation.

A warning letter is a Commission case resolution without administrative prosecution or fine. However, the warning letter resolution does not provide you with the opportunity for a probable cause hearing or hearing before an Administrative Law Judge or the Commission. If you wish to avail yourself of these proceedings by requesting that your case proceed with prosecution rather than a warning, please notify us within ten (10) days from the date of this letter. Upon this notification, the Commission will rescind this warning letter and proceed with administrative prosecution of this case. If we do not receive such notification, this warning letter will be posted on the Commission's website ten (10) days from the date of this letter.

Please feel free to me at 916.323.6272 with any questions you may have regarding this letter.

Sincerely,

**REDACTED**

Milad Dalju  
Commission Counsel  
Enforcement Division