



STATE OF CALIFORNIA
FAIR POLITICAL PRACTICES COMMISSION
1102 Q Street • Suite 3050 • Sacramento, CA 95811

May 9, 2024

Peter Blake
435 Ocean Avenue
Laguna Beach, California 92651
Via Electronic Mail Delivery Only: Peter@PeterBlakeGallery.com

Warning Letter Re: FPPC No. 2020-00815; In the Matter of Peter Blake

Dear Peter Blake:

The Enforcement Division of the Fair Political Practices Commission (“FPPC”) enforces the provisions of the Political Reform Act¹ (the “Act”). The FPPC had received a sworn complaint that as councilmember you failed to properly follow the procedures as outlined in Government Code Section 87105 (entitled “Manner of Disqualification”), during a vote (Council Item No. 14 - “Downtown parking structure study”) taking place at a September 8, 2020, City of Laguna Beach City Council (“Council”) meeting. The allegations specifically pertain to a proposed parking garage at 725 Laguna Canyon Road, which was before the Council. Those allegations were investigated, and after careful consideration of various mitigating and aggravating factors, we have determined that it is appropriate to issue a warning letter for the violation and not further pursue an administrative enforcement action. This letter outlines the terms of the warning letter being issued. All references to the law are based on the Act of 2020, when the violations occurred.

On September 8, 2020, as a public official, you abstained from voting on this specific matter, but did not publicly announce your potential conflict of interest as it pertained to the proposed parking garage and your art gallery and did not leave the Council chambers while the vote was taking place, thereby violating the Act. The Act requires an official, including local officials, that have a reasonably foreseeable and material financial interest, pursuant to Section 87100², to follow the appropriate recusal procedures outlined in Section 87105. The investigation determined that there was a reasonably foreseeable material financial effect from the governmental decision regarding the parking garage. Since the parking garage was within 500 feet of your art gallery, which was determined during the investigation, the reasonably foreseeable material financial effect was established under Regulation 18702.2, subdivision (a)(7). Consequently, you were required to properly recuse yourself under Section 87105. You abstained from the vote, but you failed to properly announce the potential conflict and leave the room where the meeting was taking place. Therefore, you violated Section 87105 of the Act.

¹ The Political Reform Act is contained in Government Code sections 81000 through 91014, and all statutory references are to this code. The regulations of the Fair Political Practices Commission are contained in Sections 18104 through 18998 of Title 2 of the California Code of Regulations, and all regulatory references are to this source.

² Section 87100 states that “a public official at any level of state or local government shall not make, participate in making, or in any way attempt to use the public official’s official position to influence a governmental decision in which the official knows or has reason to know the official has a financial interest”

However, there are several important mitigating factors present in this case. You sought out advice from the City Attorney assigned to the Council and were informed that you did not likely have a conflict. Also, you cooperated with the investigation and do not have a prior history of this type of violation. Additionally, and most importantly, you abstained from voting on the specific matter before the Council (governmental decision), which prevented you from also violating Section 87100 since you had a financial interest (the art gallery) in the governmental decision. While your reasoning for abstaining was not entirely due to your understanding that you had a conflict, you ultimately did not partake in the governmental decision. There is also no evidence that you participated in any other governmental decisions pertaining to the parking garage.

This letter serves as a written warning. However, 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 may result in monetary penalties of up to \$5,000 for each violation.

A warning letter is an FPPC Enforcement Division case resolution mechanism without administrative prosecution or fine. The Commission has adopted Regulation 18360.1 to authorize the Enforcement Division to issue warning letters to conclude cases in specified circumstances. However, the warning letter resolution does not provide you with the opportunity for a hearing before an Administrative Law Judge or the Commission. If you wish to avail yourself of administrative proceedings by requesting that your case proceed with prosecution rather than this warning, please notify us within ten (10) days of the date of this letter. Upon this notification, the Enforcement Division will rescind this warning letter and proceed with administrative prosecution of this case. Specifically, the next step in your matter would be the issuance of a public accusation since a finding of probable cause was already made. 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.

If you have any questions regarding this letter, please contact me at 279-237-3760 or aberjikly@fppc.ca.gov.

Sincerely,

Artin Berjikly

Artin Berjikly, Senior Commission Counsel
Enforcement Division