



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

March 18, 2026

Steve Mattas  
City Attorney  
Town of Los Altos Hills  
300 Frank H. Ogawa Plaza, Suite 430  
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**Re: Your Request for Advice  
Our File No. A-25-162**

Dear Mr. Mattas:

This letter responds to your request for advice on behalf of the Town of Los Altos Hills City Councilmember Stanley Mok regarding the gift and conflict of interest provisions of the Political Reform Act (the “Act”).<sup>1</sup>

Please note that we are only providing advice under the conflict of interest provisions of the Act and not under other general conflict of interest prohibitions such as common law conflict of interest or Section 1090.

Also note that we are not a finder of fact when rendering advice (In re Oglesby (1975) 1 FPPC Ops. 71), and any advice we provide assumes your facts are complete and accurate. If this is not the case or if the facts underlying these decisions should change, you should contact us for additional advice. Further, the Commission is not authorized and does not provide formal advice concerning past conduct. (Regulation 18329(b)(6)(A).) However, in limited circumstances, informal assistance can be provided related to past conduct to the extent the assistance “regards corrective action to satisfy requirements of the Act, such as filing delinquent or amended statements or reports.” (Regulation 18329(c)(4)(A).) Therefore, informal assistance is being provided regarding the reporting of the payments previously received by Councilmember Mok under the Act’s gift provisions. Formal assistance is provided regarding his ability to participate in the decisions described below.

### QUESTION

Does Councilmember Mok have a disqualifying financial interest in Sophia Huang as a source of gifts due to the meals and beverages he received within the last 12 months that would preclude his participation in the Town of Los Altos Hills’ (“Town”) decisions to amend the 6th

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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 18104 through 18998 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.

Housing Element Cycle (“Housing Element amendments”) or the related zone changes to implement the Town’s certified Housing Element as those amendments relate to property in which Ms. Huang has an ownership interest?

### **CONCLUSION**

So long as he does not receive additional gifts, Councilmember Mok does not have a disqualifying interest in Ms. Huang as a source of gifts, because the benefits he received occurred more than 12 months ago, and the facts state that the aggregate value is below the \$630 threshold. However, we caution that based on the facts provided, we must informally advise that the payments appear to be reportable gifts, which do not meet any exception to the Act’s gift restrictions. It further appears that those gifts would have triggered a reporting duty for the calendar year in which the gifts from Ms. Huang reached \$50 in value, which appears to be 2024. Accordingly, it is advisable that any previously filed Statement of Economic Interest (SEI) be amended with the correct information regarding the gifts received. To the extent that Ms. Huang’s gifts met the reporting threshold by aggregating \$50 in value in 2025, the gifts are reportable on the official’s upcoming annual SEI filing.

### **FACTS AS PRESENTED BY REQUESTER**

The Los Altos Hills City Council is considering amendments to its Housing Element covering the 8-year period from 2023-2031, as well as zoning modifications to implement the Town’s certified housing element. The Housing Element amendments and the proposed zoning amendments would include changes that would impact a 13.5-acre property referred to as the “Twin Oaks” property (“Property”), which is owned, in part, by entities in which Sophia Huang has an ownership interest.

From October 2024 to January 2025, Councilmember Mok and Ms. Huang periodically met for three lunches, a dinner, walks, and two meetings in Councilmember Mok’s office. This is not an ongoing relationship. Councilmember Mok states that he and Ms. Huang did not, and still do not, have a business relationship, and describes the relationship as a platonic friendship. He states that in the first meeting with Ms. Huang in 2024, Councilmember Mok made it clear to Ms. Huang that he intended to maintain as close a balance to “zero dollars” as possible between the two of them for the payment of any meals. The two parties would take turns paying for each meal and would exchange cash to even out any remaining balance between meals. Councilmember Mok and Ms. Huang first met in 2005, when they each had children attending the same school. They were reintroduced on September 16, 2024, by the City Manager, Peter Pirnegad, by means of a text message.

Councilmember Mok and Ms. Huang shared three lunches between October 2024 and December 2024. They also shared a dinner in November 2024 and had two office meetings on unspecified dates. Beverages were only offered during the two office meetings. Ms. Huang would offer Kombucha, and Councilmember Mok would offer coffee in return. Ms. Huang would also occasionally offer, and Councilmember Mok would accept a glass of wine during these meetings.

Councilmember Mok maintains that he and Ms. Huang made efforts to split the value of the meals equally. Each lunch or dinner was anywhere between \$40-\$80 total. The total approximate value of all four meals would therefore range from \$160-\$320. Councilmember Mok states that if there was a differential in the amount of money spent on these meals, it would not have been more than \$75 due to his intentional efforts to evenly split the costs.

Outside of his duties for the Town, Councilmember Mok works as a fiduciary who provides financial counseling and wealth management services through his company, Mok Capital Management. Councilmember Mok states that during their meetings, he did not provide Ms. Huang with any financial advice or other general advice related to the development of the Property, and that discussion about the development of the Property was never intended to be the subject of those meetings.

### *City Council Decisions at Issue*

The Zoning Ordinance Amendment changes the zoning and development capacity for portions of Ms. Huang's property. Specifically, the decision would rezone 4.5 acres of Ms. Huang's property from its current single-family zone to a new multi-family zone.

Ms. Huang's property is currently in the Residential-Agricultural (R-A) district, which allows single-family, agriculture, and related accessory uses. After the proposed rezoning, 4.5 acres of Ms. Huang's 12.4-acre property will be in a new Multi-Family (MF) zone which will allow multi-family projects between 20 – 24 units per acre to be developed on approximately 3.5 acres of developable area on the property, plus certain accessory uses (such as accessory dwelling units). The new MF zone will eliminate prior single-family and agricultural uses. The rest of Ms. Huang's property would remain in the R-A zone. Consequently, the rezoning would render 4.5 acres of Ms. Huang's property available for multi-family development and preserve the remainder for single-family uses.

Likewise, the Housing Element amendments would impact Ms. Huang's property in the same manner, because the amendments are proposed to better align provisions of the Housing Element with the rezoning ordinance so that they are consistent.

### *Meetings & Discussion of Ms. Huang's Property Development*

During their discussions regarding the development of her property, Ms. Huang detailed the types of development that had been undertaken in relation to a previously approved subdivision of her property. Specifically, she discussed previously approved plans, turnabouts, grading, and expenditures for securing a hillside on her property against landslides. Ms. Huang also discussed her vision for an agricultural farm and homes surrounding it. Any plans related to her vision were not formalized and were modified with each meeting. During any discussion related to the development of her property, no substantive decisions were made, no commitments were agreed upon by either party, and Councilmember Mok asserts these discussions predated the upcoming Housing Element amendments and zoning modifications decisions before the Town.

## ANALYSIS

### *The Act's Gift Provisions*

A gift is defined under Section 82028(a) as:

... any payment that confers a personal benefit on the recipient, to the extent that consideration of equal or greater value is not received and includes a rebate or discount in the price of anything of value unless the rebate or discount is made in the regular course of business to members of the public without regard to official status.

### *Gifts to Officials: Reporting, Limits, and Disqualification*

Under the Act, payments to public officials that meet the definition of a “gift,” are subject to reporting, limits, and may create a conflict of interest in a governmental decision that financially affects the gift giver. A gift or gifts must be reported if the aggregate value is \$50 or more from a single source in *a calendar year*. (Section 87207, emphasis added.) An elected local official must not accept gifts from a single source in a calendar year with an aggregate value of \$630 or more. (Section 89503; Regulation 18940.2.) A gift may be reimbursed, in full or in part, so long as this occurs within 30 days of the gift, and the value of the gift the official received is reduced by the amount of the reimbursement. (Regulation 18941.)

Further, the Act prohibits any public official from making, participating in making, or using the official’s position to influence the outcome of a governmental decision that would have a reasonably foreseeable material financial effect upon the donor of a gift, or gifts, with an aggregate value of \$630 or more provided to, received by, or promised to the official within the *12 months prior to the date the decision* is made. (Sections 87100, 87103(e); Regulations 18700, 18702.4, emphasis added.)

### *Exceptions to the Gift Requirements: Benefits Related to a Social Relationship*

There are certain exceptions to the definition of “gift” under the Act, including: informational material, gifts that are not used and returned within 30 days of receipt and gifts from certain enumerated family members, among others. (Section 82028(b).) These benefits need not be reported and are not subject to the gift limits, as the disclosure of these types of gifts would not further the purposes of the Act. (*See Shea* Advice Letter, A-84-085.) .

Additionally, in Regulation 18942, the Commission adopted two gift exceptions to recognize that “the regular exchanges of gifts that flow from familial ties or close personal relationships were typically not made with the intent to influence or curry political favor with the official” and thereby, not the type of transactions that would likely be within policy consideration of the Act. (*Olson* Advice Letter, I-06-145 [citing *In re Cory* (1975) 1 FPPC Ops. 153].) Regulation 18942(a)(8) excludes from the definition of “gifts,” benefits that are commonly exchanged between the official and an individual on special occasions, and reciprocal

exchanges between the official and an individual who have a social relationship, so long as the value exchanged is not “substantially disproportionate.”

The exception for proportional reciprocal exchanges in a social relationship has two additional limitations: it will not apply to any single payment equal to or greater than \$630, the gift limit; and if the total value of the payments received by the official in the calendar year are substantially disproportionate to the amount paid by the official, then the official has received a “gift” of the excess amount. We have advised that the “exchange” of gifts may occur at a later time, such as another occasion. (*Olson, supra.*)

We advise that the meals and drinks received by Councilmember Mok are not reciprocal exchanges between the official and someone with whom he has a social relationship and, therefore, do not meet the exception. The facts indicate that theirs is a friendly, but not ongoing social relationship. The City Manager brought them together through a text message, and they discussed Ms. Huang’s property and development possibilities, among other conversation topics, at meetings in Councilmember Mok’s office. Considering their introduction through the City Manager after Councilmember Mok took office, as well as the time frame of the discussions of Ms. Huang’s desire to develop her property with the payments in question, the facts provided do not indicate that the payments were based on a social relationship. Moreover, the public has an interest in the disclosure of the payments. Based on the facts provided, we advise that the gift exception in Regulation 18942(a)(8) does not apply.

As no exception applies to the gifts received by Councilmember Mok, the full value of the gifts must be reported on the Councilmember’s annual Statement of Economic Interests if the aggregate value from Ms. Huang exceeds \$50 in a calendar year. In this case, Councilmember Mok states the two “took turns” paying for meals and “exchanged cash to even out any remaining balance between meals.” However, under the Act’s gift rules, this type of arrangement does not change the fact that the official has received a reportable gift. He estimates that the meals he received that were paid for by Ms. Huang were approximately \$40-\$80 each, for a total of \$80-160 in value received. To the extent that he paid down the value of the meal(s) he received within 30 days, the value of the gift is reduced by the cash amount of his reimbursement. To the extent that he received cash from Ms. Huang, any cash received in excess of the value of her meal is a gift to him. No estimate is provided for the beverages he received during the meetings, including coffee, kombucha, and wine. Thus, we must advise that Councilmember Mok should amend any previous SEI filed to the extent the payments received from Ms. Huang, including the two meals valued at \$80-160, any cash he may have received from her in excess of her meal costs that he paid, as well as the value of the beverages he received during meetings with Ms. Huang, exceeded \$50 in the calendar year, as the gifts apparently did in 2024.<sup>2</sup>

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<sup>2</sup> Apart from reimbursements made within 30 days as detailed above, Councilmember Mok cannot “offset” the gifts he received based on payments he provided to Ms. Huang. We assume that these gifts meet the \$50 disclosure level in 2024 based on his information that he had a “differential” of \$75 in benefits he received from Ms. Huang, despite his reported attempts to take turns and exchange cash for meals. However, we caution the value of the gifts must ultimately be calculated by Councilmember Mok and appear to exceed \$75. Councilmember Mok

*Conflict of Interest: Source of Gifts*

You ask whether Councilmember Mok must recuse himself from the zoning ordinance and Housing Element amendments decisions, which will affect Ms. Huang's zoning and the development criteria that apply to her parcel. As stated above, Section 87100 prohibits any public official from making, participating in making, or otherwise using their official position to influence a governmental decision in which the official has a financial interest. A public official has a "financial interest" in a governmental decision, within the meaning of the Act, if it is reasonably foreseeable that the decision will have a material financial effect, distinguishable from its effect on the public generally, on one or more of the public official's interests, including:

- Any donor of a gift or gifts aggregating \$630 within the 12 months prior to the time the decision is made. (Section 87103(c).)

Here, the facts indicate that the gifts of meals and beverages, valued at \$80-\$160 for the meals, the cash he received, and the yet-to-be-estimated value of the beverages occurred from October 2024 to January 2025. The facts do not indicate at what point in that time period the aggregate value reached the \$50 reporting threshold. It is now March 2026. So long as there are no further gifts in the twelve months prior to the decisions that aggregate to \$630 or more, Councilmember Mok does not have a disqualifying interest in Ms. Huang that would prohibit his participation in the decisions.

If you have other questions on this matter, please contact me at KHarrison@fppc.ca.gov.

Sincerely,

Dave Bainbridge  
General Counsel

L. Karen Harrison

By: L. Karen Harrison  
Senior Counsel, Legal Division

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must include all payments made my Ms. Huang to his benefit when determining the aggregate value of the gifts received, with the limited exception of payments reimbursed within 30 days.