

City of Glendale
Information Sheet- Campaign Finance Ordinance
CITY CONTRACTS

In August 2011, the Glendale City Council adopted Ordinance No. 5744, which became effective on September 9, 2011 (“Ordinance”). The Ordinance prohibits campaign contributions from parties who contract with the City of Glendale, Redevelopment Agency or the Housing Authority and proscribes Council Members from voting on matters pertaining to contracts with persons who have provided campaign contributions.

I. What acts does the Ordinance prohibit?

With respect to contracts with City of Glendale (“City”), Glendale Redevelopment Agency (GRA), or Housing Authority of the City of Glendale (“HA”), the Ordinance does the following:

1. Prohibition No. 1 – Prohibits any “person” with a “contract” from making a campaign contribution while the contract is in effect
2. Prohibition No. 2 – Prohibits any Council member, the City Clerk, or the City Treasurer from receiving any contribution from a “person” with a “contract” while the contract is in effect.
3. Prohibition No. 3- Prohibits any “subcontractor” who has a “subcontract” through a contract with City/GRA/HA from making a contribution to an elected Council Member, City Clerk, or City Treasurer.
4. Prohibition No. 4- Prohibits any elected official from receiving any contribution from any “person” who has a subcontract through a contract to which the City/GRA/HA is a party.
5. Prohibition No. 5- Prohibits any Council Member, Redevelopment Agency member or Housing Authority member who has received a contribution from a person within the period of 12 months prior to consideration of a contract, amendment or modification from voting on said contract, amendment or modification if that person is the proposed contracting party or has, or been promised, a subcontract with the contracting party.

II. Whose contributions are regulated by the Ordinance?

The Ordinance regulates campaign contributions from any “person”- a party or prospective party to the contract with City, GRA, HA.

“Persons” also include:

1. For Contractors:
 - The individual or entity that is the party to the contract.
 - Any individual whose relationship with the entity that is the party to the contract is any of the following:
 - Chairperson, Chief Executive Officer/President, Chief Operating Officer, or Chief Financial Officer
 - Any member of the Board of Directors
 - Any individual who owns a 10% or more ownership interest (could be as a partner, member, director, shareholder etc.)
 - An entity that owns a 10% or more of the contracting party
 - Any campaign committee controlled or sponsored by the contracting party

2. For Subcontractors:

- The Individual or entity that is the party to the subcontract
- Any individual whose relationship with the entity that is the party to subcontract is any of the following:
 - Chairperson, Chief Executive Officer/President, Chief Operating Officer, or Chief Financial Officer
 - Any member of the Board of Directors
 - Any individual who owns a 10% or more ownership interest (could be as a partner, member, director, shareholder etc.)
- Any entity that owns 10% or more of the subcontracting party
- Any campaign committee controlled or sponsored by the subcontracting party

III. What contracts does the Ordinance apply to?

- 1) Any contract that requires approval by City Council, GRA or HA, and
- 2) Involves a contract, agreement, amendment or modification for one or more of the following:
 - Rendering of personal services
 - Construction and/ or furnishing of any materials, supplies, or equipment (see Section IV below for exemption).
 - Sale, lease, exchange, or transfer of any land or building to or from the City/GRA/HA, or
 - Grant, loan, loan guaranty, land writedown or similar form of financial assistance.

IV. What contracts does the Ordinance not apply to?

Contracts awarded under the City Charter's competitive bid process are exempt. This applies only to contracts where the City must award the contract to the lowest responsible bidder. Contracts awarded under sole source, requests for proposals, requests for qualifications etc. are subject to the ordinance where the Council, Redevelopment Agency or Housing Authority has discretion to award or approve a contract to a party other than the lowest responsible bidder.

V. Which contractors and subcontractors does the Ordinance apply to?

- A contractor that has a contract or combination or series of contracts in effect where the total value or anticipated value of the contract or series of contracts is \$25,000 or more in a fiscal year. Examples could include:
 - Property owner or Real Estate Developer
 - Construction Contractor
 - Engineering, Design (including landscape) or Architectural Services
 - Equipment purchases
- A subcontractor who has a subcontract or series of subcontracts in effect where the total value or anticipated value of the subcontract or series of subcontracts is \$25,000 in a fiscal year. Examples could include:
 - Construction Contractor
 - Engineering, Design or Architectural Services (including landscape designer or architect)
 - Equipment purchases