



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Richard Doyle  
City Attorney

**SUBJECT:** Proposed Lobbyist and Revolving  
Door Ordinance Amendments

**DATE:** June 18, 2007

## SUPPLEMENTAL MEMO

An ordinance amending Chapters 12.10 (Revolving Door) and 12.12 (Lobbyist) of the San Jose Municipal Code was distributed to the City Council and posted on the City's website on June 8, 2007. The following two sections reflect changes since the proposed ordinance was distributed to more accurately reflect Council direction and should be considered as part of the Council discussion for the meeting on June 19, 2007, under Item No. 9.1.

**Section 12.12.090.D** (exemption from the lobbyist regulation) would define owner of a business, for the purpose of this section, as "any individual with more than a fifty percent (50%) interest in the business."

**Section 12.12.300 (Contingent Compensation and Lobbying Activity)** now provides that:

- A. No A person may not accept compensation for lobbying activity when the compensation is directly dependent on the result of legislative or administrative action(s) that are the subject of the lobbying activity.
- B. A person may not accept compensation for engaging in lobbying activity when the compensation depends on both:
  1. The result of legislative or administrative action(s) that are the subject of the lobbying activity, and
  2. Additional condition(s) or event(s) which are not the subject of the lobbying activity.
- C. A person engaged in lobbying activity may accept compensation for services, other than lobbying activity, when the compensation directly depends on the result of legislative or administrative action(s) that are the subject of the lobbying activity.
- D. A person engaged in lobbying activity may accept compensation for services, other than lobbying activity, when the compensation depends on both:

1. The result of legislative or administrative actions that are the subject of the lobbying activity, and
2. Additional condition(s) or event(s) which are not the subject of the lobbying activity.

Examples of when Section 12.12.300 would apply are set forth in the following:

**Section 12.12.300.A**

Lobbyist A enters into an agreement where he or she is paid \$100,000 for lobbying services on approval of PD Zoning for a development project. This compensation would be prohibited,

**Section 12.12.300.B**

Lobbyist B enters into an agreement where he or she is paid \$200,000 for lobbying services after approval of PD Zoning for a residential development project **and** sale of the first house. This compensation would be prohibited.

**Section 12.12.300.C**

Lobbyist C is a civil engineering firm that engages in lobbying activity. Lobbyist C prepares surveys for a proposed project and payment for the survey work is on approval of the project. This compensation must be disclosed.

Lobbyist C is a civil engineering firm that engages in lobbying activity. Lobbyist C will not secure an agreement to provide engineering services for the build out of the project unless the project is approved. This compensation must be disclosed.

**Section 12.12.300.D**

Lobbyist D is a real estate broker who engages in lobbying activity. Lobbyist D provides brokerage services and will not be paid for the brokerage services until after the project is approved **and** the real estate transaction closes. This compensation must be disclosed.

RICHARD DOYLE  
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By   
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cc: Les White  
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