



STATE OF CALIFORNIA
FAIR POLITICAL PRACTICES COMMISSION
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July 24, 2025

Christina M. Burrows
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City of Culver City
9770 Culver Boulevard
Culver City, CA 90230-0507

Re: Your Request for Informal Assistance
Our File No. I-25-072

Dear Ms. Burrows:

This letter responds to your request for advice on behalf of Culver City (“City”) Vice Mayor Freddy Puza, City Council Member Yasmine-Imani McMorris, and Planning Commissioner Alexander van Gaalen regarding the conflict of interest provisions of the Political Reform Act (the “Act”).¹ Because your inquiry is general in nature, we are treating your request as one for informal assistance.²

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.

QUESTION

Under the Act, may Vice Mayor Puza, Council Member McMorris, or Planning Commissioner van Gaalen take part in governmental decisions relating to the Fox Hills Specific Plan—including decisions related to neighborhood mobility, amenities, and residential unity density zoning—given that each official has a real property interest in their respective residence located in the Fox Hills neighborhood?

¹ 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.

² Informal assistance does not provide the requestor with the immunity provided by an opinion or formal written advice. (Section 83114; Regulation 18329(c)(3).)

CONCLUSION

Because the Fox Hills Specific Plan will involve determining which parcels will be subject to zoning changes, Council Member McMorris and Planning Commissioner van Gaalen are generally prohibited from taking part in the Specific Plan decisions due to their respective interests in their residential properties. Vice Mayor Puza will be prohibited from taking part in Specific Plan decisions if the decisions would change the market value or character of his leased residential property. All of the officials may seek additional advice regarding specific decisions once additional details are available if any of the officials are still uncertain of their responsibilities under the Act.

FACTS AS PRESENTED BY REQUESTER

The Culver City General Plan 2045 and Zoning Code update went into effect on October 9, 2024. Under the new plan and zoning code, existing commercial areas of the Fox Hills neighborhood were designated Mixed Use Medium (MU-M) and Mixed Use High (MU-H), allowing commercial uses with residential density up to 65 (MU-M) and 100 (MU-H) dwelling units per acre (“du/ac”). The existing commercial areas include large parcels with mostly underutilized office space and surface parking, providing an opportunity to introduce additional housing and community amenities to the area. Fox Hills is also home to existing apartment and condominium buildings of up to 70 units per acre.

The Fox Hills neighborhood is identified as a special study area in the General Plan 2045. To help shape the new density in the neighborhood and provide amenities for existing and future residents, the City has initiated the Fox Hills Specific Plan project. The Fox Hills Specific Plan is similar to a General Plan or a generally applicable zoning ordinance in that it applies broadly to the Fox Hills neighborhood. It is an extension of the recently adopted General Plan and is intended to guide development in the neighborhood. The Specific Plan will study the neighborhood in greater detail and is intended to provide regulations for the development of public and private realms, roadway standards, and guidance for parks and other public amenities. Per the City’s webpage on the Specific Plan, the Plan will “guide the redevelopment of the Fox Hills neighborhood from an existing suburban office park with surface parking and underutilized commercial lands into a walkable, mixed use neighborhood with transit access.”

The Specific Plan development process is estimated to last through Spring 2026 and will include extensive outreach and community participation activities. The Specific Plan Objectives include the following:

- Guide new development to provide community amenities for existing and future residents.
- Break up existing large blocks with through streets to improve access and promote walking and biking.
- Create a cohesive, connected neighborhood with abundant housing choices with transit links to the rest of the City and the wider region.

The Planning Commission heard an initial presentation on the Fox Hills Specific Plan at the April 9, 2025 Planning Commission meeting. Planning Commissioner van Gaalen recused himself

from the discussion. At the initial presentation, staff sought Planning Commission input on the following specific plan issues:

- What mobility improvements should be included? Options include paseos breaking up large blocks and better connections to the transit system.
- How should park access and amenities be improved? Options include renovating the park, adding new trail connections, and a new community center.
- What changes should be made in residential density/location? Mixed Use High has a density of 100 units/acre and Mixed Use Medium has a density of 65 units/acre.

The Planning Commission (with Planning Commissioner van Gaalen recused) provided input to staff. Staff then made a similar presentation to the City Council at the April 28, 2025 City Council meeting (with Vice Mayor Puza and Council Member McMorris recused³). Members of the public made public comments requesting that the City Council consider changes to residential density in the Fox Hills Specific Plan. The City Council did not provide direction to staff and instead continued the discussion to a future date to allow council members to seek FPPC advice.

In a follow-up email, you clarified that the Planning Commission will make recommendations, not final decisions, on the Fox Hill Specific Plan issues. The Planning Commission will receive guidance from the City Council as to the density/zoning for specific parcels or areas in Fox Hills, as well as development standards within the zoning areas. The City Council will also provide guidance, which may be specific, on open space requirements for particular blocks within Fox Hills.

Per the City's Planning Department, there are specific decisions to be made by the City Council related to the Fox Hills Specific Plan. The City Council could concurrently change the density/zoning of specific parcels/areas, as well as other development standards that could be modified within those zones in Fox Hills (setbacks, height etc.). The City Council will also provide more general feedback on open space and mobility items, though that could also be specific, such as changing open space requirements, requiring paseos to break up blocks, etc. There is no final decision making before the Planning Commission – the Planning Commission would only make a recommendation to City Council.

The Planning and Development Director also explained that the City Council could be presented with a staff recommendation to modify the density and zoning regulations in Fox Hills. Most of the impacted parcels (where the City has active development applications or anticipates future development) are designated/zoned Mixed Use High and Mixed Use Medium (100 du/acre and 65 du/acre). There have been some community concerns expressed throughout the General Plan and Specific Plan processes that the zoning should be reduced to Mixed Use Medium throughout the balance of the neighborhood due to the number of development applications that are now utilizing the Mixed Use High zoning (resulting in 3,000+ proposed units). There have also been community requests to lower the densities in the Mixed Use High category and/or rezone the Mixed Use Medium zoning along Slauson Ave., west of Sepulveda Blvd.

³ Council Member McMorris made a public comment requesting the City Council continue the item to allow her time to seek FPPC advice.

To modify the zoning would likely require multiple other actions by the City, including amending the General Plan Land Use Element, the Housing Element, the Housing Element Adequate Sites Inventory List, the Zoning Code, as well as HCD review/approval of such actions. After the Planning Commission is able to hold a study session with the City Council, the Planning Commission will have a better idea as to whether a majority of the Council would like the Planning Commission to investigate lowering the zoning/densities in Fox Hills and specifically where those parcels are located.

Vice Mayor Puza has an annual leasehold interest in his residence located within the boundaries of the Fox Hills Specific Plan. This leasehold interest is his only financial interest related to the Fox Hills Specific Plan. Council Member McMorris and Planning Commissioner van Gaalen own their respective residences within the boundaries of the Fox Hills Specific Plan.

Public Generally Exception Data

City staff reviewed the Geographic Information System (GIS) data, census data, and business license data. The data shows that Fox Hills has:

- 21% of the businesses and 19% of the nonprofits in Culver City;
- Approximately 10.7% of the total real property in Culver City;
- 0% of the commercial-zoned real property in Culver City;
- Approximately 10% of the residential-zoned real property in Culver City; and
- Approximately 5,422 out of 40,779, or 13.3%, of the total population of Culver City as of the 2020 Census.

ANALYSIS

Under Section 87100 of the Act, “[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 official’s position to influence a governmental decision in which the official knows or has reason to know the official has a financial interest.” “A public official has a financial interest in a decision within the meaning of Section 87100 if it is reasonably foreseeable that the decision will have a material financial effect, distinguishable from its effect on the public generally, on the official, a member of the official’s immediate family,” or on certain specified economic interests. (Section 87103.) Among those specified economic interests is “[a]ny real property in which the public official has a direct or indirect interest worth two thousand dollars (\$2,000) or more.” (Section 87103(b).) Section 82033 defines “interest in real property” to include a leasehold if its market value is \$2,000 or more. However, an “interest in real property” or “leasehold interest” does not include the interest of a tenant in a periodic tenancy of one month or less. (Regulation 18233.)

Council Member McMorris and Planning Commissioner van Gaalen have real property interests in their owned residences, while Vice Mayor Puza has a real property interest in his condominium leasehold.

Regulation 18701(a) provides the applicable standard for determining the foreseeability of a financial effect on an economic interest explicitly involved in the governmental decision. It states,

“[a] financial effect on a financial interest is presumed to be reasonably foreseeable if the financial interest is a named party in, or the subject of, a governmental decision before the official or the official’s agency. A financial interest is the subject of a proceeding if the decision involves the issuance, renewal, approval, denial or revocation of any license, permit, or other entitlement to, or contract with, the financial interest, and includes any governmental decision affecting a real property financial interest as described in Regulation 18702.2(a)(1)-(6).”

Where an official’s economic interest is not explicitly involved in the governmental decision, the applicable standard for determining the foreseeability of a financial effect on the economic interest is found in Regulation 18701(b). That regulation provides, “[a] financial effect need not be likely to be considered reasonably foreseeable. In general, if the financial effect can be recognized as a realistic possibility and more than hypothetical or theoretical, it is reasonably foreseeable. If the financial result cannot be expected absent extraordinary circumstances not subject to the public official’s control, it is not reasonably foreseeable.”

You have identified that the initial questions regarding the Fox Hills Specific Plan involve the officials at issue providing input on three broad areas—that is, options for improving neighborhood mobility, improving park access and amenities, and potential changes to residential density standards (e.g., the Mixed Use High designation currently has a density standard of up to 100 residential units per acre). Due to the lack of details regarding specific decisions within these broad areas, we are unable to provide definitive advice for each official at this time. Instead, we are providing general advice and, once additional details are available, the officials may seek more tailored advice if they are still uncertain of their duties under the Act.

Regulation 18702.2 contains the standards for determining the materiality of a financial effect on an interest in real property. First, where the official’s property is explicitly involved in the decision, The reasonably foreseeable financial effect of a governmental decision on an official’s real property parcel that is not a leasehold interest, is material whenever the governmental decision:

- (1) Involves the adoption of or amendment to a development plan or criteria applying to the parcel;
- (2) Determines the parcel’s zoning or rezoning, other than a zoning decision applicable to all properties designated in that category; annexation or de-annexation; inclusion in or exclusion from any city, county, district, or local government subdivision or other boundaries, other than elective district boundaries;
- (3) Would impose, repeal, or modify any taxes, fees, or assessments that apply to the parcel;
- (4) Authorizes the sale, purchase, or lease of the parcel;
- (5) Involves the issuance, denial or revocation of a license, permit or other land use entitlement authorizing a specific use of or improvement to the parcel or any variance that changes the permitted use of, or restrictions placed on, the property; or
- (6) Involves construction of, or improvements to, streets, water, sewer, storm drainage or similar facilities, and the parcel will receive new or improved services that provide a benefit or detriment disproportionate to other properties receiving the services.

(Regulation 18702.2(a).)

Additionally, where the decision involves property located 500 feet or less from the property line of the official's non-leasehold real property, the reasonably foreseeable financial effect of a governmental decision is considered material unless there is clear and convincing evidence that the decision will not have any measurable impact on the official's property. (Regulation 18702.2(a)(7).) A governmental decision also has a material financial effect on an official's non-leasehold real property where the decision involves property located more than 500 feet but less than 1,000 feet from the property line of the official's parcel, and the decision would change the parcel's:

- (A) Development potential;
- (B) Income producing potential;
- (C) Highest and best use;
- (D) Character by substantially altering traffic levels, intensity of use, parking, view, privacy, noise levels, or air quality; or
- (E) Market value.

(Regulation 18702.2(a)(8).)

In contrast, where the governmental decision involves property 1,000 feet or more from the property line of the official's property, the decision is presumed not to have a material financial effect. This presumption may be rebutted with clear and convincing evidence the governmental decision would have a substantial effect on the official's property. (Regulation 18702.2(b).)

Council Member McMorris and Planning Commissioner van Gaalen

Council Member McMorris and Planning Commissioner van Gaalen both own real property within the boundaries of the Fox Hills Specific Plan area. As noted above, the reasonably foreseeable financial effect of a governmental decision on a parcel of real property in which an official has a financial interest, other than a leasehold interest, is material whenever the governmental decision determines the parcel's zoning or rezoning, other than a zoning decision applicable to all properties designated in that category. The Fox Hills Specific Plan may involve amending zoning and residential unit density standards within the Fox Hills neighborhood, an area that does not include all residential property in the City. To the extent that the City Council will consider which areas or parcels within the Fox Hills Specific Plan Area that the zoning changes will apply to, and the officials properties are not excluded from that consideration by law or other set factors outside the Council's control, Council Member McMorris and Planning Commissioner van Gaalen are prohibited from taking part in Specific Plan decisions, per Regulation 18702.2(a)(2), unless an exception applies.

We note that under Regulation 18706, an agency may segment a decision in which a public official has a disqualifying financial interest, subject to specific criteria, in order to allow the official to take part in the remaining decisions.⁴ If those criteria can be satisfied, Council Member

⁴ In order to permissibly segment decisions, all of the following conditions must apply: (1) The decision in which the official has a financial interest can be broken down into separate decisions that are not inextricably interrelated to the decision in which the official has a disqualifying financial interest; (2) The decision in which the official has a financial interest is segmented from the other decisions; (3) The decision in which the official has a financial interest is considered first and a final decision is reached by the agency without the disqualified official's participation in any way; and (4) Once the decision in which the official has a financial interest has been made, the

McMorrin and Planning Commissioner van Gaalen may be able to take part in non-zoning-related decisions pertaining to the Fox Hills Specific Plan.

However, with respect to governmental decisions concerning improvements to neighborhood mobility, park access, and amenities, depending on the location of such improvements, Regulation 18702.2(a)(6) may also prohibit Council Member McMorrin and Planning Commissioner van Gaalen from taking part in decisions if their properties would receive a benefit or detriment disproportionate to other properties receiving the respective service.

Additionally, the officials will also generally be disqualified from any governmental decision involving property located 500 feet or less from the officials' respective property, unless there is clear and convincing evidence of the decision(s) having no measurable impact on the officials' property. For decisions affecting property between 500 and 1,000 feet from the officials' property, Regulation 18702.2(a)(8) will apply. Without specific decisions to consider, we cannot advise on every scenario in which Council Member McMorrin or Planning Commissioner van Gaalen would be prohibited from taking part in or permitted to take part in. Once additional details regarding specific decisions are available, either or both officials may request additional advice with respect to those specific decisions.

Vice Mayor Puza

Vice Mayor Puza has an annual lease for his residence. Under the Act, a different standard applies for determining whether a governmental decision would have a material financial effect on an official's leasehold interest. Under Regulation 18702.2(c), the reasonably foreseeable financial effects of a governmental decision on any real property in which a governmental official has a leasehold interest as the lessee of the property is material only if the governmental decision will:

- (1) Change the termination date of the lease;
- (2) Increase or decrease the potential rental value of the property;
- (3) Change the official's actual or legally allowable use of the property; or
- (4) Impact the official's use and enjoyment of the property.

Based on the general description of the three categories of decisions that are anticipated to be presented to the City Council, it appears unlikely that any decision would change the termination date of Vice Mayor Puza's lease or change the actual or legal use of the property. With respect to the remaining two factors under Regulation 18702.2(c), we generally advise that Vice Mayor Puza will have a disqualifying interest in any decision where it is reasonably foreseeable that the decision would change the potential rental value of his residence or would impact the use and enjoyment of the property due to the amenities added to his neighborhood or changes in housing density. (See, e.g., *Mooney* Advice Letter, No. A-23-091 [councilmember with leasehold interest disqualified from design standards decisions that would impact potential rental value by encouraging particular type of intensity of housing developments applicable to the councilmember's leased property].) We

disqualified public official's participation does not result in a reopening of, or otherwise financially affect, the decision from which the official was disqualified. (Regulation 18706(a).)

advise that Vice Mayor Puza seek additional advice, as needed, once more information is known about a particular decision .

Public Generally Exception

Commonly referred to as the “public generally” exception, Regulation 18703 permits a public official to take part in a governmental decision that affects one or more of the official's interests if the decision’s financial effect on the interest is indistinguishable from its effect on the public generally. (See Section 87103.) A governmental decision’s financial effect on a public official's financial interest is indistinguishable from its effect on the public generally if the official establishes that a “significant segment” of the public is affected and the effect on the official’s financial interest is not “unique” compared to the effect on the significant segment. (Regulation 18703(a).)

Relevant to these facts, a significant segment of the public includes at least 15 percent of residential real property within the official’s jurisdiction if the only interest an official has in the governmental decision is the official’s primary residence. Fox Hills includes less than 15 percent of the jurisdiction’s residential real property and, consequently, the decisions at issue would not affect a significant segment of the public based on residential real property. Therefore, it appears unlikely that the public generally exception would apply to any of the officials.

If you have other questions on this matter, please contact me at (916) 322-5660.

Sincerely,

Dave Bainbridge
General Counsel

By:



Kevin Cornwall
Senior Counsel, Legal Division

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