CITY OF OAKLAND

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Public Ethics Commission

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May 5, 2017

City Council President Reid and Council Members
Oakland City Council
1 Frank Ogawa Plaza
Oakland, CA 94612

Dear Council President Reid and Council Members,

As many of you know, the Public Ethics Commission released a final report in April that reviewed the City's process and policy for distributing tickets to events at the Oakland Coliseum and Oracle Arena. Attached is a copy of the report for your convenience.

In short, the Commission found that tickets have not been consistently used and distributed for public purposes, as required by the City's policy as well as state and local law. The Commission recommended a new approach to move the distribution of city tickets under the City's executive branch and to revise the City's ticket distribution process and policy (City Council Resolution 82032) to ensure compliance with ethics laws. The Commission has begun to draft a revised ticket policy to present to City Council in the coming months.

Meanwhile, given the Warriors' current performance, we remind you that the City's existing policy, which is appended to the attached report, is still in effect and restricts the use and distribution of tickets to only the following purposes:

- Oversight of facilities or events that have received City funding or support;
- Oversight of facilities or events that may require City funding or support in the near future;
- Reviewing a facility's contribution to blight abatement within a Redevelopment Area;
- Reviewing the ability of a facility, its operator, or a local sports team to attract business and contribute to the local economy;
- Reviewing the ability of a facility or its operator to participate in the City's job creation goals or training programs;
- Reviewing the contribution of a facility or an event to the City's goals for fostering arts and culture opportunities for City residents;
- Rewarding a City of Oakland employee for his/her exemplary service to the City;

- Rewarding a community activist for his or her service to the City of Oakland;
- Rewarding a school or nonprofit organization for its contributions to the community; and
- Rewarding an Oakland student for outstanding scholastic achievement.

In addition, as stated in the City's policy, no ticket may be transferred directly by an elected official to a third party other than the official's immediate family. To reiterate the above, even tickets used by an official's immediate family must be for one of the above-listed purposes.

We note that the above-listed purposes include offering tickets to community activists, schools, or nonprofit organizations to reward them for their contributions to Oakland; or to Oakland students to reward them for their scholastic achievements. These purposes provide opportunities to ensure that tickets are used, which we highlight because the Commission's recent review disclosed that several thousands of tickets go unused each year. Although officials are prohibited from transferring tickets directly to these third parties, the current policy permits doing so through returning the ticket to ticket administrator Susan Sanchez and requesting that she provide the ticket to the third party.

The Commission is in the process of drafting a proposed revision to the City's ticket policy that aims to expand the purposes for the appropriate use of City tickets while also limiting the number of tickets that may be used by any person – elected official or otherwise. In its report, the Commission concluded that elected officials should not be using tickets more than one or two times per year to "review facilities" and that, in addition, officials also should not use high-value tickets for that purpose. These limits will be part of the Commission's future draft policy to be submitted to Council for review in the next few months.

Until the policy can be revised, and in order to ensure that elected officials and their staff comply with existing law, we urge elected officials to adhere to the existing policy and above limitations, and to properly report information into the Radar system regarding any tickets used by elected officials or earmarked for a third party to receive through Susan Sanchez.

Thank you for your consideration of this issue, and please feel free to contact me if you have any questions about what is required or allowable. We look forward to working with each of you to revise the City's ticket policy so that it provides a pragmatic framework for the distribution and use of City tickets going forward.

Sincerely,

Whitney Barazoto
Executive Director