

**ETHICS COMMISSION
CITY AND COUNTY OF HONOLULU**



Advisory Opinion No. 7

Attorney X, a prospective appointee to the staff of the Corporation Counsel, requests an opinion of the Ethics Commission in connection with the following facts:

Attorney X is contemplating joining the staff of your office. He has two outside interests which he wishes to have a determination made by this Commission as to whether the retention of such interests while a member of your staff would constitute him to be in a position of conflict. The outside interests are as follows:

1. Approximately two years ago Attorney X acquired on an agreement of sale certain properties located in Punalu'u. This property has since been zoned for resort development. Attorney X's intention is to wind up the development of this property by constructing a resort development or by selling the development rights to a private developer. The development of this property by Attorney X is through a limited partnership with others.
2. Attorney X is also the president of Y Corporation which owns certain property on Kalâkaua Avenue. Because of the recent ordinance regulating the construction of apartments in business zoned properties, plans have been prepared and submitted to the appropriate city agencies in order that the construction of the apartments would meet the February 6 effective date of the aforementioned ordinance. Attorney X has an agreement with the two principal stockholders of the Y Corporation that upon completion of the apartment, X would be given a lease on the penthouse with an option to buy said penthouse in the event the development is sold as a condominium. X further has an agreement with the Corporation to manage the same at a fee. It is estimated that the apartment will be completed by the end of 1968.

The Ethics Commission is of the opinion that the involvement of Attorney X in the above two situations would not constitute a conflict of interest with his duties in the Office of the Corporation Counsel. The Commission understands that the proposed assignments of Attorney X in the Office of the Corporation Counsel would not enter into areas which would affect in any way his outside business connections. In the former situation, Attorney X is in a status of winding up a development which was acquired several years before his contemplated entry into the Office of the Corporation Counsel. In the latter instance, Attorney X has no stockholder interest with Y Corporation. The agreements which he has made with the principal stockholders are not of such a nature as to be incompatible with his prospective position with the City.

However, if at such time in the future Attorney X in his official capacity with the City should be given any assignments which may in some phase bring him in close proximity which might bear some relation to his outside interest, the Ethics Commission requests that an updated questionnaire be brought before it for consideration. At that time the new pertinent facts will also have to be considered.

Dated: Honolulu, Hawai'i, March 1, 1968.

ETHICS COMMISSION

John W. Anderson, Jr., Chairman

Harold H. Ohama, Vice Chairman

(Mrs.) Mildred P. Briner, Member

Andrew J. Salz, Member

William K.M. Chee, Member