



# Palm Beach County Commission on Ethics

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Steven P. Cullen

March 19, 2014

Ms. Christy L. Goddeau, Esq.  
Law Offices of Glen J. Torcivia, P.A.  
701 Northpoint Parkway, Suite 209  
West Palm Beach, FL 33407

Re: RQO-14-005  
Voting Conflict

Dear Ms. Goddeau,

Your request for an advisory opinion to the Palm Beach County Commission on Ethics has been received and reviewed. The opinion rendered is as follows:

### **QUESTION:**

Whether Commissioner Szerdi is correct in his intention to refrain from voting on any matter which may come before the City of Lake Worth City Commission (City Commission), which would result in a special financial benefit to himself or Hudson Holdings, LLC, a customer or client of his outside employer or business?

### **ANSWER:**

Commissioner Szerdi correctly concluded that he cannot use his position in any way when he knows that it would result in a special financial benefit, not shared with similarly situated members of the general public, to himself or Hudson Holdings, LLC, a customer or client of his outside employer or business. In order to comply with the Code of Ethics, he will need to publicly disclose the nature of the conflict before the City Commission discusses the matter, abstain from participating and voting on the matter, and file a state voting conflict form (8B).

### **FACTS:**

The facts, from your email dated March 4, 2014, as we understand them, are as follows:

John Szerdi is a commissioner for the City of Lake Worth. At times, the City Commission renders voting decisions on development projects and related issues. Commissioner Szerdi is a licensed architect and President of LDG Florida Architects, Inc. (LDG). LDG has supplied services to Hudson Holdings, LLC in excess of \$10,000 in the previous 24 months. Hudson Holdings, LLC is a fully integrated real estate company involved in the acquisition and development of commercial and residential real estate. LDG's services to Hudson Holdings, LLC are limited to projects in the City of Delray Beach, and LDG is not providing any services or receiving any compensation for projects Hudson Holdings, LLC may have or may pursue in the City of Lake Worth. Hudson Holdings, LLC recently announced on its website a redevelopment project in the City of Lake Worth (<http://hudsonholdings.com>). Commissioner Szerdi has advised Hudson Holdings, LLC that he cannot provide them any services or receive any compensation related to projects in the City of Lake Worth.

**LEGAL BASIS:**

The legal basis for this opinion is found in Sections 2-443(a)(1 and 5) and 2-443(c) of the code:

Section 2-443(a)(1 and 5) prohibits Commissioner Szerdi from using his official position to give himself or a customer or client of his outside business a special financial benefit, in a manner which he knows or should know with the exercise of reasonable care will result in a special financial benefit not shared with similarly situated members of the general public.<sup>1</sup> A customer or client is defined as a person or entity to which an official's outside business has supplied goods or services in excess of \$10,000 over the previous 24 months.<sup>2</sup> According to the facts presented, Hudson Holdings, LLC is a customer or client of LDG.

Section 2-443(c) similarly prohibits Commissioner Szerdi from voting on an issue or participating in a manner that would result in a special financial benefit attributable to himself or his outside business or customer as previously described. This section addresses the scenario whereby an official would violate the misuse of office prohibitions of the code by voting. In such a scenario, Commissioner Szerdi must 1) disclose the nature of his conflict before the City Commission discusses the issue; 2) abstain from any discussion or vote or otherwise participate in the matter; and 3) file a state voting conflict form (8B), submitting a copy to the City Commission's clerk and the Palm Beach County Commission on Ethics.<sup>3</sup>

This opinion construes the Palm Beach County Code of Ethics Ordinance and is based upon the facts and circumstances that you have submitted. It is not applicable to any conflict under state law. Inquiries regarding possible conflicts under state law should be directed to the State of Florida Commission on Ethics.

Please feel free to contact me at 561-355-1915 if I can be of any further assistance in this matter.

Sincerely,



Steven P. Cullen,  
Executive Director

CEK/gal

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<sup>1</sup> §2-443(a)

<sup>2</sup> §2-442

<sup>3</sup> §2-443(c)