

ED GAINEY  
MAYOR



LEANNE DAVIS  
EXECUTIVE DIRECTOR

CITY OF PITTSBURGH  
**ETHICS HEARING BOARD**  
CITY-COUNTY BUILDING

## FORMAL ADVICE

February 19, 2025

**To the Requester:**

Rudy McBride, Case Manager (EARN)  
*Via electronic mail*

**RE:** 25-A-002 Ethics Opinion on URA Housing Opportunity Fund Assistance

Dear Mr. McBride:

**Issue:** You ask the City of Pittsburgh Ethics Hearing Board ("Board") if the ethics rules permit you to receive downpayment and closing cost assistance from the Urban Redevelopment Authority ("URA").

**Short Answer:** Yes, you may receive URA financial assistance. The prospective conduct does not describe an actual or prospective conflict of interest violation. Furthermore, this URA program does not violate contracting restrictions.

**Statement of Facts:** Advice is issued based on the facts submitted, with no independent investigation as to facts presented or potentially omitted. City of Pittsburgh Code of Ordinances ("Code") § 197.13. It is the burden of each requesting party to truthfully disclose all material facts relevant to the inquiry.

The facts as given are: You are an employee of the City of Pittsburgh ("City"). Your job is a Case Manager and is affiliated with the Pittsburgh Partnership. [Job Description, Case Manager Employment Retention Advancement Network \("EARN"\)](#). Your job duties involve the "independent judgment and analysis related to the assessment, intake, referral, placement, retention and follow-up" of EARN program participants. *Id.* Some duties include determining EARN eligibility in accordance with state and federal policy guidelines, and verification of applicant eligibility. A successful employee in this position "[o]rganizes, coordinates, and conducts off-site recruitment and eligibility screening sessions." *Id.*

Your job is a part of the City's Department of Human Resources & Civil Service. You are not involved with City policy or budgeting. The decisions, official actions, and recommendations you make in your job neither influence nor involve the URA or matters affecting the URA.

Your requested housing assistance of downpayment and closing costs. The URA administers this program, in compliance with the Code of Federal Regulations, which requires ethics approvals such as this letter.

The housing assistance at issue is funded at least in part by a City contract relating to the Housing Opportunity Fund. It is my understanding that OwnPGH funds are sourced from the Pittsburgh Development Fund along with a deferred forgivable loan from Housing Authority of the City of Pittsburgh. In this case, while the Pittsburgh Partnership, or your role with the City, may be at least partially funded by CDBG, the URA funds and programming are derived fully from the local sources detailed above and do not involve HUD/CDBG funding.

URA housing assistance programs help residents of Pittsburgh with qualifying income to become first time homeowners or to rehabilitate their homes. These programs are open to all city residents.

### Legal Analysis

**Relevant Law:** At issue are conflict of interest and contracting laws including the Public Official and Employee Ethics Act (“Ethics Act”) 65 Pa.C.S. §§ 1103 and 1102; Code § 197.03(a); City of Pittsburgh Home Rule Charter (“Home Rule Charter”) § 706; and Code § 161.17. The full text of these laws and related definitions are attached at the end of this letter.

**Public Employee Status:** Based on a review of the available objective materials relating your job description, your position meets the legal definition of a “public employee” as you are authorized to act or recommend official action which would create a greater-than-insignificant economic impact on the interests of any person. 65 Pa.C.S. § 1102. In the aspect of determining public employee status, your authorized duties are similar to an Income Maintenance Caseworker, which has been found to be a public employee even though both positions must follow established policy in decision making. Quaglia v. State Ethics Comm’n, 986 A.2d 974, 982 (Pa.Cmwlth. 2010).

**Conflict of Interest:** As your position is a “public employee” under state law, you are subject to conflicts rules. Conflict of interest rules generally provide that you cannot use the authority of your City job or City resources for private gain to yourself, your family, or to a business or other entity associated with you or your family.

The “authority” in the concept of the use of authority is broadly interpreted. Conflicts arise from taking advantage of opportunities that exist because of one’s public role. Juliante, Order 809 (Use of office “encompasses every facet of that position.”); Short, Order 1629 (“But for Short’s employment with the PLCB, Short would not have been in a position to come to know specific PLCB vendor representatives or to receive anything of value from them.”).

The “use” of that authority requires awareness of the potential for a private gain and an action aligned with that goal. Kistler v. State Ethics Comm’n, 22 A.3d 223 at 227 (Pa. 2011)(holding “to violate

subsection 1103(a), [the State Ethics Act,] a public official must act in such a way as to put his office to the purpose of obtaining for himself a private pecuniary benefit. Such directed action implies awareness on the part of the public official of the potential pecuniary benefit as well as the motivation to obtain that benefit for himself.”).

Here, based on your job description, you are not authorized to perform any functions or responsibilities with respect to the URA, its funding, or its activities, nor are you in a position to participate in a decision-making process or gain confidential information with regard to such activities. [Id.](#) The facts do not indicate any overlap with your job duties and URA funding or programming.

There is no conflict here because your participation in the housing assistance program does not and would not involve any use of your authority, nor use of City confidential information.

**Contracting:** Our ethics rules on contracting apply to all City staff and generally make it unlawful to enter into a contract with the City, or to receive any benefit from a City contract. The Board looked at how the contracting rules apply to your situation in an earlier case, [URA](#), Opinion 23-A-002, and found receiving funds through URA housing assistance programs is not an unlawful financial gain from a City contract because the program is available to all residents and is similar to other City services.

**Reliance:** This advice is based on the facts summarized in this opinion letter. Code §§ 197.13 and 197.16(a). Advice can be reconsidered. Please contact our staff if these facts are inaccurate or incomplete – or if the facts change in the future. Code § 197.13. Requests must be in writing, describe the error in fact or law, and be received within thirty days from the date of this letter.

The Ethics Hearing Board works with the City’s Home Rule Charter, Code of Conduct, and the State Ethics Act. Code § 197.01. The State Ethics Commission is the authority on the Ethics Act. If the State Ethics Commission provides a more restrictive view than this writing, the State’s position will govern. [65 Pa.C.S. §§ 1107, and 1109](#). In complement, the Board and its staff adopt or exceed State Ethics Commission interpretations of the Act. [65 Pa.C.S. § 1111](#). HUD/CDBG-funded programs or employment may require additional levels of approval for compliance. Legal issues are multi-faceted, and you may have rights or obligations beyond the ethics laws within the EHB’s jurisdiction.

**Conclusion:** You are permitted to receive URA financial assistance, per the Board’s ruling in [URA](#), Opinion 23-A-002. The describe conduct is permitted under the conflict and contracting rules.

Thank you for contacting me for this ethics opinion. Please contact me with any questions.

Sincerely,

*Leanne Davis*

Leanne Davis, Ethics Officer

cc: Maryann Herman, Board Chair; URA Legal Counsel (*via electronic mail*)

**Relevant Governmental Ethics Provisions:**

**State Ethics Act § 1103 (a) Conflict of interest.**--No public official or public employee shall engage in conduct that constitutes a conflict of interest.

**State Ethics Act § 1102 (a) "Conflict" or "conflict of interest."** Use by a public official or public employee of the authority of his office or employment or any confidential information received through his holding public office or employment for the private pecuniary benefit of himself, a member of his immediate family or a business with which he or a member of his immediate family is associated. The term does not include an action having a de minimis economic impact or which affects to the same degree a class consisting of the general public or a subclass consisting of an industry, occupation or other group which includes the public official or public employee, a member of his immediate family or a business with which he or a member of his immediate family is associated.

**Code § 197.03 (a) - CONFLICT OF INTEREST.** No public official or public employee shall exert influence with respect to property or a business with which he or a member of his or her direct family is associated.

**State Ethics Act § 1102 (a) "Public employee."** (also at Code § 197.02)

Any individual employed by the Commonwealth or a political subdivision who is responsible for taking or recommending official action of a nonministerial nature with regard to:

- (1) contracting or procurement;
- (2) administering or monitoring grants or subsidies;
- (3) planning or zoning;
- (4) inspecting, licensing, regulating or auditing any person; or
- (5) any other activity where the official action has an economic impact of greater than a de minimis nature on the interests of any person.

The term shall not include individuals who are employed by this Commonwealth or any political subdivision thereof in teaching as distinguished from administrative duties.

**Home Rule Charter § 706:** No elected official, officer or employee shall in any manner receive benefit from the profits or emoluments of any contract, job work or service for the City, or accept any service or thing of value directly or indirectly upon more favorable terms than those granted to the public generally, from any person, firm or corporation having dealings with the City. No elected official, officer, or employee shall solicit or receive any compensation, gratuity or other thing for any act done in the course of public work. This section shall be broadly construed and strictly enforced. Any violation of this section shall cause the offending official, officer, or employee to forfeit office or employment.

**Code § 161.17 CONTRACT INTEREST OF City OFFICIALS, OFFICERS AND EMPLOYEES..** No contract shall be made with any City elected or appointed official, officer or employee, or with any corporation, partnership or other nongovernmental entity of which he or she is a member. If any official, officer or employee should, during his or her term of office or employment, knowingly acquire a proprietary or pecuniary interest in any contract, he or she shall forfeit his or her office or employment.