BEFORE THE CITY OF SAN DIEGO
ETHICS COMMISSION

In re the Matter of: Petitioner

SAN DIEGANS FOR TRANSPARENCY &
ACCOUNTABILITY IN SUPPORT OF
KELVIN BARRIOS FOR CITY COUNCIL
2020, SPONSORED BY LABORERS’
INTERNATIONAL UNION OF NORTH
AMERICA LOCAL 89; AND RIVER CITY
BUSINESS SERVICES,

Respondents.

STIPULATION

THE PARTIES STIPULATE:

1. Petitioner Sharon Spivak is the Executive Director of the City of San Diego Ethics Commission (the Commission). The Commission is charged with administering, implementing, and enforcing local governmental ethics laws in the San Diego Municipal Code (SDMC), relating to, among other things, the provisions of the Election Campaign Control Ordinance (ECCO), SDMC section 27.2901, et seq.

2. At all times mentioned herein, San Diegans for Transparency & Accountability in support of Kelvin Barrios for City Council 2020, sponsored by Laborers' International Union of North America Local 89 (Committee), was a primarily formed committee organized to support 2020 District 9 candidate Kelvin Barrios. The Committee was registered with the State of California (Identification No. 1421468).

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3. At all times mentioned herein, River City Business Services (RCBS) was the treasurer for the Committee.

4. The Committee and RCBS will be referred to herein as “Respondents.”

5. This Stipulation will be submitted for the Commission’s consideration at its next scheduled meeting. The agreements outlined in this Stipulation are contingent upon the Commission’s approval of the Stipulation and the accompanying Decision and Order.

6. This Stipulation resolves all factual and legal issues raised in this matter by the Commission without needing an administrative hearing to determine the Respondents’ liability.

7. Respondents understand and knowingly and voluntarily waive any procedural rights under the SDMC including, but not limited to: a determination of probable cause, the issuance and receipt of an administrative complaint, the right to appear personally in any administrative hearing held in this matter, the right to confront and cross-examine witnesses testifying at the hearing, the right to subpoena witnesses to testify at the hearing, and the right to have the Commission or an impartial hearing officer hear this matter.

8. Respondents agree that the terms of this Stipulation constitute compliance with SDMC section 26.0450 in that the Stipulation includes a recitation of facts, a reference to each violation, and an order.

9. Respondents agree to hold the City of San Diego harmless for any claims or damages resulting from the Commission’s investigation of the Committee in Case No. 2024-01, this stipulated settlement, or any matter directly related to the Commission’s investigation of the Committee in Case No. 22024-01, or this stipulated settlement.

10. Respondents acknowledge that this Stipulation is not binding upon any other law enforcement or government agency and does not preclude the Commission from
referring this matter to, cooperating with, or assisting any other law enforcement or
government agency regarding this or any other related matter.

11. The parties agree that if the Commission refuses to accept this Stipulation, it
shall become null and void. Respondents further agree that if the Commission rejects
the Stipulation and a full evidentiary hearing before it becomes necessary, no member
of the Commission or its staff shall be disqualified because of their prior consideration of
this Stipulation.

Summary of Law and Facts

12. ECCO defines “committee” as any person or combination of persons who,
within a single calendar year, raises $2,000 or more or makes expenditures of $1,000 or
more to support or oppose a City candidate or ballot measure. SDMC § 27.2903.

13. The Committee raised more than $2,000 and made expenditures of more
than $1,000 to support Kelvin Barrios, a candidate for San Diego City Council District 9,
in the 2020 election cycle. The Committee meets the definition of a “committee” under
ECCO and is therefore required to comply with all the provisions of ECCO.

14. ECCO requires committees to email the Commission within three business
days of receiving $10,000 (in the aggregate) or more from a single contributor. The
committee’s email to the Commission must include (1) the name and identification
number of the committee, (2) the name of the contributor, and (3), if applicable, the
contributor’s identification number. SDMC § 27.2975. The Commission then posts the
information on its website as a list of major donors, providing the public with readily
accessible information concerning the major sources of funding to committees formed to
support and oppose City candidates and measures.

15. Respondents failed to notify the Commission about the following
contributions, so the contribution information was not posted for the public on the
Commission’s major donor page:

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(A) On December 27, 2019, Laborers Pacific Southwest Regional Organizing Coalition PAC contributed $25,000 to the Committee. Respondents’ deadline to notify the Commission about the contribution was January 2, 2020.

(B) On March 3, 2020 (the primary election date), Newland Sierra, LLC contributed $10,000 to the Committee. Respondents’ deadline to notify the Commission about the contribution was March 6, 2020.

Counts

Counts 1 and 2 – Violations of SDMC section 27.2975

16. Respondents violated SDMC section 27.2975 by failing to timely notify the Commission within three business days of receiving contributions made by two contributors totaling $10,000 or more each, as described above in paragraph 15.

Factors in Mitigation

17. Respondents fully cooperated with the Commission’s investigation.

18. During the same election cycle, Respondents timely notified the Commission of four contributions of $10,000 or more.

19. The Committee reasonably relied on RCBS, the Committee’s professional treasurer, to promptly provide the Commission with the required information about each $10,000 or more contributor to the Committee. RCBS has taken full responsibility for the violations described herein and will be responsible for paying the fine in paragraph 22 below.

Conclusion

20. Respondents agree to take necessary and prudent precautions to ensure compliance with all provisions of the City’s Election Campaign Control Ordinance in the future.

21. Respondents acknowledge that the Commission may impose increased fines concerning future violations of the City’s Election Campaign Control laws.

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22. Respondents agree to pay a fine in the amount of $1,000 for violating SDMC sections 27.2975. This amount must be paid by check or money order made payable to the City Treasurer by March 1, 2024. The payment will be held pending Commission approval of this Stipulation and execution of the Decision and Order portion set forth below.

DATED: ______________

[REDACTED]

Sharon Spivak, Petitioner
SAN DIEGO ETHICS COMMISSION

DATED: ______________

[REDACTED]

Valentine Macedo, Principal Officer
SAN DIEGANS FOR TRANSPARENCY & ACCOUNTABILITY IN SUPPORT OF KELVIN BARRIOS FOR CITY COUNCIL 2020, SPONSORED BY LABORERS’ INTERNATIONAL UNION OF NORTH AMERICA LOCAL 89

DATED: ______________

[REDACTED]

Denise Lewis, E.A., Political Reporting Manager
RIVER CITY BUSINESS SERVICES

DECISION AND ORDER

The Ethics Commission considered the above Stipulation at its meeting on March 14, 2024. The Ethics Commission hereby approves the Stipulation and orders that, per the Stipulation, the Respondents pay a fine in the amount of $1,000.

DATED: ______________

[REDACTED]

Caridad Sanchez, Chair
SAN DIEGO ETHICS COMMISSION