1	BRYN KIRVIN, Executive Director	
2	City of San Diego Ethics Commission	
	451 A Street, Suite 1410 San Diego, CA 92101	
3	Telephone: (619) 533-3476 Petitioner	
4		
5	DEEODE THE CI	TV OF SAN DIEGO
6	BEFORE THE CITY OF SAN DIEGO ETHICS COMMISSION	
7	Lillios	
8	In re the Matter of:	) Case No.: 2024-09
9		)
10	JESUS CARDENAS,	) STIPULATION, DECISION, AND ) ORDER
11	Respondent.	) )
12		) )
13		) )
14		) )
15	STIPULATION	
16	THE PARTIES STIPULATE:	
17	Petitioner Bryn Kirvin is the E	xecutive Director of the City of San Diego
18	Ethics Commission (the Commission). The	Commission is charged with administering,
19	implementing, and enforcing local governm	ental ethics laws in the San Diego Municipal
20	Code (SDMC) relating to, among other things, the provisions of the City of San Diego	
21	Ethics Ordinance (Ethics Ordinance), SDM	C section 27.3501, <i>et seq</i> .
22	2. Jesus Cardenas (Responden	t) was, during all times mentioned herein,
23	Chief of Staff for San Diego City Councilme	ember Stephen Whitburn.
24	3. This Stipulation will be submit	tted for the Commission's consideration at its
25	next meeting. The agreements outlined in t	his Stipulation are contingent upon the
26	Commission's approval of the Stipulation a	nd the accompanying Decision and Order.
27		
28	CTIDLII ATION DE	-1- CISION, AND ORDER
	STIPULATION, DE	OIOIOIN, AIND UNDER

1

11

21

27

28

///

## **Summary of Law and Facts**

- 10. In March 2016, Respondent incorporated Grassroots Resources
  Corporation ("Grassroots"). Between March 2016 and June 15, 2023, the last date
  Grassroots filed a Statement of Information with the California Secretary of State, the
  Respondent held various positions, including the Chief Executive Officer, Secretary,
  Chief Financial Officer, President, Partner, and Majority Shareholder. Grassroots was a
  business development, public relations, and marketing services company that served, in
  part, cannabis clients.
- 11. Blue Water Government Affairs LLC (Blue Water) was a lobbyist for cannabis companies and one of Grassroots' clients. The SDMC defines lobbying as a "direct communication with a City Official to influence a municipal decision on behalf of any other person." (SDMC § 27.4002).
- 12. According to the Respondent, in or around November 2020, Blue Water retained and paid Grassroots to provide digital access to campaign materials.
- 13. On November 3, 2020, Stephen Whitburn (Whitburn) won the election to serve as the City Councilperson for District 3. Whitburn hired Respondent as Chief of Staff, and Respondent assumed office on December 10, 2020.
- 14. In 2021, Whitburn's office proposed amendments to San Diego Municipal Code Section 141.0504, entitled Cannabis Outlets (the Cannabis Ordinance).

  Respondent began attending official city meetings regarding the proposed amendments.
- 15. The Ethics Ordinance requires that certain City of San Diego employees file a statement of economic interest (SEI), a document used to disclose an employee's financial interests to avoid and identify potential conflicts of interest in public service. (See SDMC § 27.3510(b)). An initial SEI is filed when employees subject to the SEI requirement assume office: "Every Filer assuming office shall file a statement of economic interests within 30 calendar days after assuming office. . ." (SDMC §

27.3510(e)). Schedule A-2 of the SEI form requires a filer to report investments, income and assets of business entities or trusts. Specifically, it requires a filer to disclose each reportable single source of income of \$10,000 or more.

- 16. Respondent reported Blue Water on his Assuming Office SEI as a source of income of \$10,000 or more to Grassroots between December 10, 2019 and December 9, 2020. According to the Respondent, the payment was for digital campaign services for a candidate in the 2020 election as referenced in paragraph 12. The payment was not compensation for anything related to the City's Cannabis Ordinance.
- 17. Between July 1, 2021 and September 30, 2021, Blue Water directly lobbied Respondent regarding "[u]pdates to city of San Diego commercial cannabis ordinances." Blue Water reported receiving \$2,000 for participating in this lobbying effort.
- 18. The Ethics Ordinance prohibits "any City Official to participate in any municipal decision where a party to the municipal decision has, within the previous twelve months, given the City Official, promised to give the City Official, or acted as an intermediary for the City Official to have, an opportunity for compensation." (SDMC § 27.3562(a)).
- 19. State law prohibits a City Official from participating in a municipal decision if it is reasonably foreseeable that the decision will have a material financial effect on any person or entity from whom the official has received income of \$500 or more within the previous twelve months. (See Cal. Gov. Code § 87100 and 87103, incorporated by reference in SDMC § 27.3503).
- 20. A public official participates in a governmental decision if the official provides information, an opinion, or a recommendation to affect the decision without significant intervening substantive review. (Cal. Code of Regs. § 87100).

26 || ///

27 || ///

1		<u>Counts</u>	
2	Count 1 – V	iolation of SDMC section 27.3562(a)	
3	21. Respondent viola	ted SDMC section 27.3562(a) by participating in a	
4	lobbying contact with Blue Wat	er on a municipal decision within 12 months of receiving	
5	more than \$500 in income from Blue Water. This contact had a material financial effect		
6	on Blue Water which was paid	\$2,000 to initiate the lobbying contact.	
7		Factors in Mitigation	
8	22. Respondent fully	cooperated with the Commission's investigation.	
9	<u>Conclusion</u>		
10	23. Respondent agre	es to take necessary and prudent precautions to ensure	
11	compliance with all provisions	of the City's Ethics Ordinance in the future.	
12	24. Respondent ackn	owledges that the Commission may impose increased	
13	fines concerning future violations of the City's Ethics Ordinance laws.		
14	25. Respondent agre	es to pay a fine in the amount of \$5,000 for violating	
15	SDMC section 27.3562(a). This amount must be paid by check or money order made		
16	payable to the City Treasurer by August 29, 2025. The payment will be held pending		
17	Commission approval of this Stipulation and execution of the Decision and Order		
18	portion set forth below.		
19		[DEDACTED]	
20	DATED:	[REDACTED]	
21		Bryn Kirvin, Petitioner SAN DIEGO ETHICS COMMISSION	
22		[REDACTED]	
23	DATED:	Jesus Cardenas, Respondent	
24		, <b>,</b>	
25			
26			
27			
28	STI	-5- PULATION, DECISION, AND ORDER	

1	
2	DECISION AND ORDER
3	The Ethics Commission considered the above Stipulation at its meeting on
4	September 11, 2025. The Ethics Commission hereby approves the Stipulation and
5	orders that, per the Stipulation, the Respondent pay a fine in the amount of \$5,000.
6	(DED A OTED)
7	[REDACTED] DATED:
8	Paul Cooper, Chair SAN DIEGO ETHICS COMMISSION
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	
28	-6- STIPULATION, DECISION, AND ORDER