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City of San Diego Ethics Commission
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5 Petitioner
6

7 **BEFORE THE CITY OF SAN DIEGO**
8 **ETHICS COMMISSION**
9

10 In re the Matter of:) Case No.: 2013-23 (CEZ)
11 NUESTRO PUEBLO UNIDO PARA EL)
PROGRESO IN SUPPORT OF BLANCA) **STIPULATION, DECISION, AND**
12 LOPEZ-BROWN FOR CITY COUNCIL 2013) **ORDER**
SPONSORED BY THE LINCOLN CLUB OF)
13 SAN DIEGO COUNTY, ALAN ENGLISH,)
and T. J. ZANE,)
14 Respondents.)
15)
16)

17 **STIPULATION**

18 **THE PARTIES STIPULATE AS FOLLOWS:**

19 1. Petitioner Stacey Fulhorst is the Executive Director of the City of San Diego Ethics
20 Commission [Ethics Commission]. The Ethics Commission is charged with a duty to administer,
21 implement, and enforce local governmental ethics laws contained in the San Diego Municipal
22 Code [SDMC] relating to, among other things, the provisions of the Election Campaign Control
23 Ordinance [ECCO], SDMC section 27.2901, et seq.

24 2. At all times mentioned herein, Nuestro Pueblo Unido Para el Progreso in support of
25 Blanca Lopez-Brown for City Council 2013 (ID # 1356263) [Committee], was a City committee
26 primarily formed to support the candidacy of Blanca Lopez-Brown for City Council in the
27 Council District Four special election on March 26, 2013. As of April 1, 2014, the Lincoln Club
28 of San Diego County [Lincoln Club] was the sponsor of the Committee; the Committee's name

1 was subsequently changed to Nuestro Pueblo Unido Para el Progreso in support of Blanca
2 Lopez-Brown for City Council 2013 Sponsored by the Lincoln Club of San Diego County.

3 3. At all times mentioned herein, Alan English [English] and T. J. Zane [Zane] were
4 the principal officers of the Committee. Zane was also the Executive Director of the Lincoln
5 Club.

6 4. The Committee, English, and Zane, are collectively referred to herein as
7 "Respondents."

8 5. This Stipulation will be submitted for consideration by the Ethics Commission at its
9 next scheduled meeting, and the agreements contained herein are contingent upon the approval
10 of the Stipulation and the accompanying Decision and Order by the Ethics Commission.

11 6. This Stipulation resolves all factual and legal issues raised by the Ethics
12 Commission with regard to the named Respondents' involvement in this matter without the
13 necessity of holding an administrative hearing to determine Respondents' liability.

14 7. Respondents understand and knowingly and voluntarily waive any and all
15 procedural rights under the SDMC, including, but not limited to, a determination of probable
16 cause, the issuance and receipt of an administrative complaint, the right to appear personally in
17 any administrative hearing held in this matter, the right to confront and cross-examine witnesses
18 testifying at the hearing, the right to subpoena witnesses to testify at the hearing, and the right to
19 have the Ethics Commission or an impartial hearing officer hear this matter. Respondents agree
20 to hold the City of San Diego harmless from any and all claims or damages resulting from the
21 Commission's investigation, this stipulated agreement, or any matter reasonably related thereto.
22 Respondents further agree that the terms of this Stipulation constitute compliance with the
23 provisions of SDMC section 26.0450 in that the Stipulation includes a recitation of facts, a
24 reference to each violation, and an order.

25 8. Respondents acknowledge that this Stipulation is not binding upon any other law
26 enforcement or government agency and does not preclude the Ethics Commission from referring
27 this matter to, cooperating with, or assisting any other law enforcement or government agency
28 with regard to this or any other related matter.

1 14. On March 19, 2013, the Committee filed a Form 410 identifying Respondent
2 English as its sole principal officer. The Committee's Form 410 did not identify Respondent
3 Zane as a principal officer, nor did the Committee ever file an amended Form 410 to add
4 Respondent Zane as a principal officer. The Committee's terminating Form 410, filed on May
5 23, 2013, also failed to identify Respondent Zane as a principal officer.

6 15. With respect to expenditures of one hundred dollars (\$100) or more, California
7 Government Code section 84211 requires that the committee making the expenditure identify on
8 a campaign statement the name of the person or vendor providing services to the committee and
9 the amount of the expenditure. The same information must also be disclosed for expenditures of
10 \$500 or more made by a committee agent on the committee's behalf (commonly known as
11 subvendors). *Id.*

12 16. On March 23, 2013, Superior, Inc. [Superior] submitted three invoices to the
13 Committee totaling \$11,662.15 for goods and services it purportedly provided to the Committee
14 in connection with three campaign mailers. The Commission's investigation reveals that
15 Superior did not, in fact, provide any goods or services to the Committee. Instead, the work was
16 actually performed by Bieber Communications [Bieber], and subvendors retained by Bieber.
17 After Superior submitted its invoices and received payment from the Committee, Superior kept
18 \$300 and forwarded the remaining \$11,362.15 to Bieber. Bieber retained \$4,351.87 as payment
19 for consulting services, and used the remaining \$7,010.28 to make payments to various
20 subvendors that provided goods and services to the Committee.

21 17. On May 23, 2013, the Committee filed a campaign statement covering the period
22 from January 1, 2013, through May 23, 2013 (when the Committee was terminated) and
23 disclosed that Superior was paid \$11,662.15 for campaign literature and mailing. The
24 Committee did not disclose the work performed or payment received by Respondent.

25 Counts

26 **Counts 1 and 2 - Violations of SDMC section 27.2930**

27 18. Respondent Committee, by and through its principal officers, Respondents English
28 and Zane, violated SDMC section 27.2930 by failing to identify Respondent Zane as a principal

1 officer on the Committee's initial Form 410 filed on March 19, 2013, by failing to file an
2 amended Form 410 to identify Respondent Zane as a principal officer, and by failing to identify
3 Respondent Zane as a principal officer on its terminating Form 410 filed on May 23, 2013.

4 19. Respondent Committee, by and through its principal officers, Respondents
5 English and Zane, violated SDMC section 27.2930 by failing to disclose the payment made to
6 Bieber for consulting services on the campaign statement it filed on May 23, 2013, covering the
7 period from January 1, 2013, through May 23, 2013.

8 **Factors in Mitigation**

9 20. Respondent Zane cooperated with the Ethics Commission's investigation.

10 **Conclusion**

11 21. Respondents agree to take necessary and prudent precautions to ensure compliance
12 with all provisions of ECCO in the future.

13 22. Respondents acknowledge that the Ethics Commission may impose increased fines
14 in connection with any future violations of the City's campaign laws.

15 23. Respondents agree to pay a fine in the amount of \$1,500 for violating SDMC
16 section 27.2930. This amount must be paid no later than March 6, 2015, by check or money
17 order payable to the City Treasurer. The submitted payment will be held pending Commission
18 approval of this Stipulation and execution of the Decision and Order portion set forth below.

19 DATED: _____ [REDACTED]
20 STACEY FULHORST, Executive Director
21 ETHICS COMMISSION, Petitioner

22 DATED: _____ [REDACTED]
23 NUESTRO PUEBLO UNIDO PARA EL PROGRESO IN
24 SUPPORT OF BLANCA LOPEZ-BROWN FOR CITY
25 COUNCIL 2013 SPONSORED BY THE LINCOLN
26 CLUB OF SAN DIEGO COUNTY, Respondent
27 By: [REDACTED]

28 DATED: _____ [REDACTED]
ALAN ENGLISH, Respondent

[REDACTED]
DATED: _____
T.J. ZANE, Respondent

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DECISION AND ORDER

The Ethics Commission considered the above Stipulation at its meeting on April 9, 2015.
The Ethics Commission hereby approves the Stipulation and orders that, in accordance with the Stipulation, Respondents pay a fine in the amount of \$1,500.

[REDACTED]

DATED: _____

JOHN C. O'NEILL, Chair
SAN DIEGO ETHICS COMMISSION