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7 Petitioner

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

10 In re the Matter of: ) Case No.: 2013-26 (EG)  
11 ELLIOT GROSSMAN, ) **STIPULATION, DECISION, AND**  
12 Respondent. ) **ORDER**  
13 )  
14 )

15 **STIPULATION**

16 **THE PARTIES STIPULATE AS FOLLOWS:**

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

22 2. At all times mentioned herein, Elliot Grossman was the owner of Iconic Car  
23 Consulting Inc., a company located in San Diego, California, in the business of matching buyers  
24 and sellers of collectible and exotic cars. Mr. Grossman is referred to herein as “Respondent.”

25 3. This Stipulation will be submitted for consideration by the Ethics Commission at its  
26 next scheduled meeting, and the agreements contained herein are contingent upon the approval of  
27 the Stipulation and the accompanying Decision and Order by the Ethics Commission.

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1           9. In order to prevent circumvention of the \$500 contribution limit, ECCO prohibits any  
2 person from making a contribution on behalf of another, or while acting as an intermediary or  
3 agent of another, without disclosing to the recipient the true source of the funds. SDMC §  
4 27.2944. Requiring the identity of the true source making a contribution serves to ensure that no  
5 one contributes more than \$500 to a candidate. Making a contribution on behalf of another  
6 without the requisite disclosure is commonly known as money laundering, and is prohibited by  
7 ECCO because it deprives the public of important information concerning the identity of  
8 campaign donors.

9           10. ECCO also prohibits any person from counseling, aiding, abetting, advising, or  
10 participating with any other person to commit a violation of ECCO. SDMC § 27.2991.

11           11. From approximately 1987 through 2008, Respondent was a sales representative  
12 employed by Vintage Motors in Encinitas, California, and Symbolic Motor Car Company in La  
13 Jolla, California, luxury automobile dealerships owned by Marc Chase [Chase].

14           12. In December of 2011, Chase, asked Respondent to contribute \$1,000 to the Bonnie  
15 Dumanis for Mayor 2012 committee [Dumanis Mayoral Committee] in the names of Respondent  
16 and his spouse (\$500 each) with the understanding that Respondent would be reimbursed in full  
17 for the contribution from funds Chase had received from Jose Susumo Azano Matsura [Azano], a  
18 customer of Symbolic Motor Car Company. Respondent agreed to this arrangement. Respondent  
19 then wrote a \$1,000 check in his name and the name of his spouse to the Dumanis Mayoral  
20 Committee, and, in exchange, Chase gave Respondent \$1,000 in cash. Neither Respondent nor  
21 Chase informed the Dumanis Mayoral Committee that the source of the two \$500 contributions  
22 was anyone other than Respondent and his spouse. The Dumanis Mayoral Committee filed a  
23 campaign disclosure statement reflecting receipt of a \$500 contribution from Respondent and a  
24 \$500 contribution from Respondent's spouse on December 29, 2011.

25           13. As described above, Azano was the source of the \$1,000 cash that Chase gave to  
26 Respondent. Consequently, at the time Respondent made his \$500 contribution to the Dumanis  
27 Mayoral Committee, Azano was the true source of the contribution, and Respondent was acting as  
28 an intermediary for Azano without disclosing that fact to the Dumanis Mayoral Committee.

1 Additionally, at the time he arranged for his spouse to make a \$500 contribution to the Dumanis  
2 Mayoral Committee, Respondent was aiding and abetting Azano in the making of a separate \$500  
3 contribution using Respondent's spouse as an intermediary, a fact that was not disclosed to the  
4 Dumanis Mayoral Committee. By failing to disclose that he and his spouse were not the true  
5 source of the two \$500 contributions, Respondent (and a series of other straw donors) enabled  
6 Azano to make contributions to the Dumanis Mayoral Committee far in excess of the City's  
7 contribution limit.

8 **Counts**

9 **Count 1 - Violation of SDMC section 27.2944**

10 14. Respondent violated SDMC section 27.2944 when made a \$500 contribution to the  
11 Dumanis Mayoral Committee on behalf of someone else without disclosing that he was not the  
12 true source of the funds.

13 **Count 2 - Violation of SDMC section 27.2991**

14 15. Respondent violated SDMC section 27.2991 by aiding and abetting Azano in the  
15 making of a \$500 contribution to the Dumanis Mayoral Committee in the name of Respondent's  
16 spouse, without disclosing that Respondent's spouse was not the true source of the funds.

17 **Factors in Mitigation**

18 16. Respondent cooperated with the Ethics Commission's investigation.

19 **Conclusion**

20 17. Respondent agrees to take necessary and prudent precautions to ensure compliance  
21 with all provisions of ECCO in the future.

22 18. Respondent acknowledges that the Ethics Commission may impose increased fines in  
23 connection with any future violations of the City's campaign laws.

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