BEFORE THE CITY OF SAN DIEGO
ETHICS COMMISSION

In re the Matter of: ) Case No.: 2015-03
) STIPULATION, DECISION, AND
) ORDER

SELTZER CAPLAN MCMAHON VITEK, ) Respondent.
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STIPULATION

THE PARTIES STIPULATE AS FOLLOWS:

1. Petitioner Stacey Fulhorst is the Executive Director of the City of San Diego Ethics Commission [Ethics Commission]. The Ethics Commission is charged with a duty to administer, implement, and enforce local governmental ethics laws contained in the San Diego Municipal Code [SDMC] relating to, among other things, the provisions of the Municipal Lobbying Ordinance, SDMC section 27.4001, et seq.

2. At all times mentioned herein, Seltzer Caplan McMahon Vitek [SCMV] was a lobbying firm registered with the Office of the City Clerk. SCMV is referred to herein as “Respondent.”

3. This Stipulation will be submitted for consideration by the Ethics Commission at its next scheduled meeting, and the agreements contained herein are contingent upon the approval of the Stipulation and the accompanying Decision and Order by the Ethics Commission.
4. This Stipulation resolves all factual and legal issues raised in this matter by the Ethics Commission without the necessity of holding an administrative hearing to determine Respondent’s liability.

5. Respondent understands and knowingly and voluntarily waives any and all 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 Ethics Commission or an impartial hearing officer hear this matter. Respondent agrees to hold the City of San Diego harmless from any and all claims or damages resulting from the Commission’s investigation, this stipulated agreement, or any matter reasonably related thereto. Respondent further agrees that the terms of this Stipulation constitute compliance with the provisions of SDMC section 26.0450 in that the Stipulation includes a recitation of facts, a reference to each violation, and an order.

6. Respondent acknowledges that this Stipulation is not binding upon any other law enforcement or government agency and does not preclude the Ethics Commission from referring this matter to, cooperating with, or assisting any other law enforcement or government agency with regard to this or any other related matter.

7. The parties agree that in the event the Ethics Commission refuses to accept this Stipulation, it shall become null and void. Respondent further agrees that in the event the Ethics Commission rejects the Stipulation and a full evidentiary hearing before the Ethics Commission becomes necessary, no member of the Ethics Commission or its staff shall be disqualified because of prior consideration of this Stipulation.

**Summary of Law and Facts**

8. The Lobbying Ordinance requires lobbying firms to file quarterly reports and disclose information regarding their lobbying and related activities, including specific information concerning the municipal decisions their lobbyists attempt to influence on behalf of their clients ///
as well as the campaign contributions of $100 or more made to City candidates by the firm’s owners, officers, and lobbyists. SDMC § 27.4017.


10. On October 29, 2014, Respondent filed a disclosure report covering the period from July 1 through September 30, 2014, and disclosed two contributions to City candidates totaling $400. Respondent’s third quarter disclosure report did not include one additional contribution to a City candidate in the amount of $600 that was made during the reporting period. On April 27, 2015, in response to a request from Commission staff, Respondent filed an amended quarterly report to disclose this contribution.

11. On January 28, 2015, Respondent filed a disclosure report covering the period from October 1 through December 31, 2014, and provided the following information concerning the municipal decision its lobbyists attempted to influence on behalf of Pardee Homes: “Land use law advice in connection with environmental and real estate issues relating to various projects within the City of San Diego.” Respondent’s fourth quarter disclosure report did not include information concerning the specific municipal decisions it attempted to influence, such as the name and/or location of the projects at issue. On April 27, 2015, in response to a request from Commission staff, Respondent filed an amended quarterly report to disclose the following additional information concerning the subject municipal decision: “Negotiation and preparation of affordable housing agreement for Unites 23-28 in Pacific Highlands Ranch.”

Counts

Count 1 - Violation of SDMC section 27.4016

12. Respondent failed to disclose all of the information required by SDMC section 27.4017 when it filed its 2014 third quarter disclosure report on October 29, 2014. In particular, as described above in Paragraph 10, Respondent failed to disclose all of the campaign contributions made by its owners, officers, and lobbyists to City candidates.

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Count 2 - Violations of SDMC section 27.4017

13. Respondent failed to disclose all of the information required by SDMC section 27.4017 when it filed its 2014 fourth quarter disclosure report on January 28, 2015. In particular, as described above in Paragraph 11, Respondent failed to disclose sufficient information concerning the specific municipal decision it attempted to influence on behalf of a client.

Factors in Aggravation

14. Respondent was the subject of two previous Commission enforcement actions involving the failure to disclose all of the campaign contributions made by its owners, officers, and lobbyists, and paid a $500 fine in each of these cases.

15. Respondent received two prior letters from Commission staff concerning the need to disclose specific information regarding the municipal decisions it attempts to influence in order to provide the public with detailed information concerning its lobbying activities and ensure transparency with respect to the City’s decision-making process.

Factors in Mitigation

16. Respondent fully cooperated with the Commission’s investigation.

Conclusion

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

18. Respondents acknowledge that the Ethics Commission may impose increased fines in connection with any future violations of the City’s campaign laws.
19. Respondent agrees to pay a fine in the amount of $1,000 for violating SDMC section 27.4017. This amount must be paid by check or money order made payable to the City Treasurer no later than June 19, 2015. The submitted payment will be held pending Commission approval of this Stipulation and execution of the Decision and Order portion set forth below.

[REDACTED]

DATED:__________________

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STACEY FULHORST, Petitioner
SAN DIEGO ETHICS COMMISSION

[REDACTED]

DATED:__________________

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SELTZER CAPLAN MCMAHON VITEK, Respondent
By: Erik Schraner

DECISION AND ORDER

The Ethics Commission considered the above Stipulation at its meeting on August 13, 2015. The Ethics Commission hereby approves the Stipulation and orders that, in accordance with the Stipulation, Respondent pay a fine in the amount of $1,000.

[REDACTED]

DATED:__________________

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