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2 City of San Diego Ethics Commission
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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 (WN)
11 WILLIAM NOON,) **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, William Noon was the owner Historic Racing Sales
23 and Service, a purveyor of classic race and road cars based in San Diego, California. Mr. Noon is
24 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 4. This Stipulation resolves all factual and legal issues raised in this matter by the
2 Ethics Commission concerning the Respondent's conduct without the necessity of holding an
3 administrative hearing to determine Respondent's liability.

4 5. Respondent understands and knowingly and voluntarily waives any and all
5 procedural rights under the SDMC, including, but not limited to, a determination of probable
6 cause, the issuance and receipt of an administrative complaint, the right to appear personally in
7 any administrative hearing held in this matter, the right to confront and cross-examine witnesses
8 testifying at the hearing, the right to subpoena witnesses to testify at the hearing, and the right to
9 have the Ethics Commission or an impartial hearing officer hear this matter. Respondent agrees
10 to hold the City of San Diego harmless from any and all claims or damages resulting from the
11 Commission's investigation or this stipulated agreement, or any matter reasonably related thereto.
12 Respondent further agrees that the terms of this Stipulation constitute compliance with the
13 provisions of SDMC section 26.0450 in that the Stipulation includes a recitation of facts, a
14 reference to each violation, and an order.

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

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

24 **Summary of Law and Facts**

25 8. ECCO imposes limits on contributions to City candidates in order to prevent the
26 corruption and appearance of corruption that would result if candidates for elective City office
27 were permitted to accept large campaign contributions. At all times mentioned herein, the
28 contribution limit for City candidates was \$500 per election. SDMC § 27.2935.

1 9. In order to prevent circumvention of the \$500 contribution limit, ECCO prohibits
2 any 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 1994 through 2010, Respondent was a sales representative
12 employed by Symbolic Motor Car Company [Symbolic], a luxury automobile dealership doing
13 business in La Jolla, California. Additionally, Symbolic was a client of Respondent's company,
14 Historic Racing Sales and Service, which he has operated for approximately twenty years.

15 12. In December of 2011, Marc Chase [Chase], the owner of Symbolic, asked
16 Respondent to contribute \$1,000 to the Bonnie Dumanis for Mayor 2012 committee [Dumanis
17 Mayoral Committee] in the names of Respondent and his spouse (\$500 each). Respondent asked
18 Chase if he would reimburse him for the contributions and Chase agreed to do so. 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. Jose Susumo Azano Matsura [Azano], a customer of Symbolic, was the source of the
26 \$1,000 cash that Chase gave to Respondent. Consequently, at the time Respondent made his
27 \$500 contribution to the Dumanis Mayoral Committee, Azano was the true source of the
28 contribution, and Respondent was acting as an intermediary for Azano, a fact that was not

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

8 **Counts**

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

10 14. Respondent violated SDMC section 27.2944 when he made a \$500 contribution to
11 the Dumanis Mayoral Committee on behalf of someone else without disclosing that he was not
12 the 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 comply with all
21 provisions of ECCO in the future.

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

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1 19. Respondent agrees to pay a fine in the amount of \$10,000 for violating SDMC
2 sections 27.2944 and 27. 2991. This amount must be paid no later than July 3, 2014, by check or
3 money order made payable to the City Treasurer. The submitted payment will be held pending
4 Commission approval of this Stipulation and execution of the Decision and Order portion set
5 forth below.

[REDACTED]

7 DATED: _____

_____ STACEY FULHORST, Executive Director
ETHICS COMMISSION, Petitioner

[REDACTED]

11 DATED: _____

_____ WILLIAM NOON, Respondent

14 **DECISION AND ORDER**

15 The Ethics Commission considered the above Stipulation at its meeting on July 10,
16 2014. The Ethics Commission hereby approves the Stipulation and orders that, in accordance
17 with the Stipulation, Respondent pay a fine in the amount of \$10,000.

[REDACTED]

19 DATED: _____

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