



Ethics Commission

**ANNUAL REPORT
2024**

MISSION STATEMENT

To preserve public confidence in City government through education, advice, and the prompt and fair enforcement of local governmental ethics laws.

DUTIES AND RESPONSIBILITIES

The City of San Diego Ethics Commission works to preserve public trust in government and prevent corruption by administering, teaching, and enforcing the City's governmental ethics laws. The six-member Commission staff conducts audits and investigations; provides technical legal advice to those within the Commission's jurisdiction; conducts legal training sessions for the regulated community; ensures the community is informed as laws change; and proposes governmental ethics law reforms.

The City's governmental ethics laws include the Ethics Ordinance, Election Campaign Control Ordinance, and Municipal Lobbying Ordinance, as well as the state ethics laws they incorporate. The Commission investigates complaints regarding alleged violations of ethics laws and protects individuals from retaliation for reporting violations. The Commission may impose fines for each violation of local ethics laws.

Those who fall within the jurisdiction of the Ethics Commission include:

- Elected Officials: The Mayor, Councilmembers, City Attorney, and their staffs
- City Employees: Unclassified managerial employees, including employees of City agencies who file Statements of Economic Interests (Forms 700 or SEIs)
- Campaigns: City candidates, political committees, and campaign treasurers
- City Boards: Members of City boards and commissions who file SEIs
- City Consultants: Consultants designated to file SEIs
- Lobbyists: Registered, Organization, and Expenditure Lobbyists; Lobbying Firms

As an independent City department, the Commission does not report to the Mayor or City Council. Instead, the Executive Director reports directly to the seven-member, appointed Ethics Commission board. The Mayor appoints Commissioners to four-year terms; appointments are confirmed by the City Council.

Commission staff reports to the Executive Director. In 2024, staff included four attorneys (the Executive Director and three program managers), one auditor, and one program manager handling administration and training compliance. Christina Cameron serves as the Commission's outside counsel.

In addition to managing the \$1.8 million department, the Commission's Executive Director, Sharon Spivak, works across all five of the Commission's programs.

2024 COMMISSIONERS AND STAFF

Chair

Paul Cooper

Vice Chair

Jimmie Slack

Commissioners

Hon. Laura W. Halgren

James Hauser

Tom Hebrank (resigned effective January 8, 2024)

Tom Lincoln (appointed March 4, 2024)

Caridad Sanchez

Deval Zaveri

Staff

Sharon Spivak, Executive Director

Rosalba Gomez, Audit Program Manager

Ryan O'Connor, Education Program Manager

Kristina Gagné, Investigative Program Manager

Megan Curran, Legislative Program Manager

Victoria Velasquez, Program Manager – Administration & Training

General Counsel

Christina Cameron

Devaney Pate Morris & Cameron LLP

INTRODUCTION

2024 Was a Landmark Year for the Ethics Commission

The Ethics Commission ended 2024 having just accomplished the most significant legislative changes in its 23-year history: Thanks to team efforts, and as detailed in this Report, voters overwhelmingly approved City Charter amendments that will transform the Commission. The Charter amendments increase the Commission's independence, ensure its stability and sufficient funding, and bring the Commission in line with the best practices of similar Commissions statewide.

The Commission also succeeded in proposing and pursuing amendments to the San Diego Municipal Code that significantly increased the maximum amount of the fines the Commission can impose in an enforcement matter. The Commission thus begins 2025 in a much stronger position to accomplish its goals, with more meaningful enforcement tools to deter potential misconduct.

These legislative accomplishments were legacy projects for the Commission's Executive Director, Sharon Spivak, who will be retiring in March 2025.

Highlights of the work of each Commission program follow below.

LEGISLATIVE PROGRAM

Working with the Executive Director, Legislative Program Manager Megan Curran has primary responsibility for overseeing and implementing the Commission's Legislative Program. This year the work was especially meaningful: As detailed above, 2024 was arguably the biggest legislative year for the Ethics Commission since its formation in 2001.

Charter Amendments to Strengthen the Commission's Independence

Ms. Curran, Investigative Program Manager Kristina Gagné, and the Executive Director worked for more than a year with former City Attorney Mara Elliott on what became Measure D on the November 5, 2024 ballot. As stated in the voter pamphlet, Measure D was a "good governance" measure to strengthen the independence of the Ethics Commission by empowering it to control its investigations and resources without political interference. The measure was approved by 72% of City voters.

Measure D added new Charter section 41.3. Among other things, the section:

- Cements the Commission's existence in the Charter so the Commission cannot be eliminated without a vote of the people.
- Protects the Commission's ability to do its work by ensuring it has "sufficient" resources from the City budget to operate its programs.

- Empowers the Commission to hire its Executive Director without the need for Council confirmation.
- Empowers the Executive Director to authorize investigations, removing the requirement of board authorization and mirroring the procedure for other California Ethics Commissions and the state’s Fair Political Practices Commission.
- Authorizes the Commission to divulge evidence of possible unlawful conduct to other government or law enforcement agencies during an investigation.
- Defines the Commission’s responsibilities, qualifications, and term limits.
- Vests power in Commission staff to subpoena witnesses and records, compel attendance and testimony, and conduct investigations.

City Attorney Elliott proposed and sponsored the legislation, working with Commission staff throughout to draft the measure and advance the legislation. The Commission board provided input into the proposed Charter language and approved its submission to Council. Councilmember Joe LaCava supported the legislation and drafted the argument in its favor for the voter pamphlet.

The work to amend laws to strengthen the Commission was a legacy project for City Attorney Elliott (who was completing her final term in office) and the Executive Director, Ms. Spivak (who is retiring in 2025).

Municipal Code Amendments to Increase Maximum Fines for Misconduct

The Legislative Program Manager, Investigative Program Manager and Executive Director also succeeded in gaining Council approval of an ordinance amending the Municipal Code to increase the maximum amount of the fines that the Commission can impose in an enforcement action. City Attorney Elliott also proposed a fine increase. Commission staff and the board supported a \$15,000 cap, as it is identical to the amount that voters approved for the Los Angeles Ethics Commission.

The cap on Commission fines had not been increased since it was set in 2002. The increase was warranted to ensure the Commission has the tools it needs to provide an effective deterrent against violations of the City’s ethics, campaign, and lobbying laws. Larger fines can help to deter misconduct and ensure better compliance by those the Commission regulates.

Commission fines had been capped at \$5,000 per violation, even for egregious and intentional misconduct. Unlike commissions in other cities, San Diego’s Ethics Commission had not had the ability to increase fines through a multiplier such as a treble damages provision. Respondents in cases, such as large firm lobbyists, may dismiss such a low fine as a “cost of doing business,” rather than a deterrent to ensure their compliance with governmental ethics laws.

The amendments now allow the Commission to impose a fine in an enforcement matter of either:

(a) up to \$15,000 per violation; or

(b) up to three times the amount the person or entity failed to properly report or unlawfully contributed, expended, gave, or received.

The amendments also provide for potential increases to the \$15,000 cap every two years, based upon changes to the Consumer Price Index. This would ensure that the Municipal Code does not need to be amended repeatedly to raise the limit in the future.

Legislative Updates & Tracking

In addition to the projects above, Ms. Curran continued her work tracking state laws, monitoring programs of similar commissions, and proposing, drafting, and updating the City's ethics, lobbying, and campaign laws. Additionally, she tracked local, state, and federal court decisions as well as statutory and regulatory amendments relevant to the City's ethics laws. The Legislative Program Manager also closely follows events at both the San Diego City Council as well as the state's Fair Political Practices Commission.

For the second straight year, a large focus of this legislative work included continued analysis and tracking of significant legislation known as the Levine Act, which took effect January 1, 2023. Under this law, local elected officials became subject to a state law designed to prohibit "pay-to-play" politics in California. Government Code section 84308 applied previously existing state laws to local government agencies, including city councils, for the first time. Significantly, the law requires elected officials to recuse themselves from certain proceedings and prohibits them from receiving certain campaign contributions. Impacts continued to change as the FPPC continued updating the law. Ms. Curran helped to ensure the community was updated about legislative changes through Commission press releases, the Commission's website, and communications through e-mail lists.

EDUCATION PROGRAM & COMPLIANCE

The Commission continued to prioritize education, advice, and training of City officials in 2024.

Compliance & Training Requirements

The Commission's Program Manager for Administration and Training, Victoria Velasquez, oversees and manages compliance of all in the Commission's regulated community who are required to attend the Commission's legal training courses. This is a large project, as various constituencies are subject to different training requirements. For example, the City's unclassified employees and elected officials are required to take the Commission's Ethics Ordinance training course within 90 days of assuming their positions and every two years thereafter. This includes more than 1,500 people whose training activities are tracked by the Program Manager.

Commission staff conducts both live online and live in-person trainings. Alternatively, the Commission also offers computer training modules for certain groups who do not attend live trainings. In addition to her numerous administrative duties, Ms. Velasquez spent 2024 working with IT staff and others to modernize training modules, which required additional funding to update. Her critical compliance work has also led to greater efficiencies and outreach to the regulated community.

Education Program

Education Program Manager Ryan O'Connor heads the Commission's extensive program to educate all within its jurisdiction and to provide ongoing, technical legal advice to those seeking guidance in interpreting nuanced ethics laws.

In 2024, this work included analysis of government ethics laws to respond to more than **478 individual requests for technical legal advice** from those in the regulated community. This number reflects an estimate of those who sought advice through calls and emails, separate from training sessions. Others, not included in this number, sought advice directly from Commission staff in person.

The education and training team includes three attorneys. Mr. O'Connor is assisted by the Executive Director, Sharon Spivak, and the Commission's Legislative Program Manager, Megan Curran, in conducting training sessions, providing advice to City officials, and ensuring the regulated community has the information it needs to understand complex ethics laws. The advice program is critical in assisting the regulated community to make decisions that comply with complex ethics laws.

The Commission's education staff works in three distinct areas. This Report details accomplishments and metrics from 2024:

Ethics Ordinance

- Commission staff responded to approximately **298 requests** for informal technical advice to assist City officials in complying with the Ethics Ordinance and its incorporated state ethics laws.
- Staff conducted four live training sessions on the Ethics Ordinance for **383 unclassified City employees** who file Statements of Economic Interests (FPPC Form 700s). These two-hour sessions routinely have up to 100 participants and are taught in January, April, July, and October.
- In June and July, Commission staff conducted live trainings on behested payment regulation for representatives of the Mayor's and City Attorney's offices.
- In September, Commission staff conducted a live training class for the Historical Resources Board at a public meeting.

- In October, Commission staff conducted a live training on financial disclosure requirements to a consulting board of a City Parking District.
- In November, Commission staff conducted a live ethics training class for the Planning Commission at a public meeting.
- Another **256 additional City Officials** (primarily City consultants and volunteer members of City boards and commissions) used the Commission's online training program to learn about the City's Ethics Ordinance and the legal requirements they face.
- An additional **81 officials** from the San Diego Housing Commission and the San Diego Convention Center used the Commission's online training program to learn about the law applicable to them under the Ethics Ordinance.
- Education staff also monitored the impacts of actions of the California Fair Political Practices Commission, including actions taken through meetings, advice letters, legal opinions, and pending legislation. Staff ensured the regulated community was aware of changes in the law, by updating website content and conducting outreach, along with the Legislative Program Manager.
- Staff updated 19 previously issued fact sheets on the Commission's website to ensure the community was aware of updates to governing law.
- Staff also worked with the City Clerk's Office to assist with questions and ensure e-filing of agency disclosures in Forms 801, 802, 803, 804, 805, 806, and 807.

Election Campaign Control Ordinance

This ordinance includes City laws governing City candidates, political committees, and campaign treasurers. It also incorporates numerous state campaign laws. In 2024:

- Commission staff responded to approximately **144** requests for informal assistance from City candidates and treasurers, as well as various political committees participating in City elections.
- Commission staff conducted one live training session for candidates and treasurers operating campaign committees in San Diego municipal elections, the last in a series of trainings for the election cycle that began in 2023.
- Commission staff monitored changes to state laws concerning campaign advertising disclosures and updated the Commission's advertising charts.
- Staff updated 18 previously issued fact sheets on the Commission's website to ensure the community was aware of updates to governing law.

- Staff updated top ten lists for City Candidates and Committees Making Independent Expenditures to inform the public about the most frequent campaigning rules in the jurisdiction.
- Staff assisted with advice and as a partner with the City Clerk’s Office to help facilitate e-filing of City campaign and ballot measure committee financial disclosures through FPPC Forms 410, 425, 450, 460, 462, 470, 496, and 497.

Lobbying Ordinance

This ordinance includes the City’s laws governing lobbyists, covering a range of activities, from those who are registered City lobbyists to non-profit organizations that spend money to lobby City officials. In 2024:

- Commission staff responded to approximately **36 requests** for informal advice and assistance concerning the City’s lobbying laws.
- Upon request, Commission staff met with individual lobbyists to answer questions related to their activities under the ordinance.
- Among those subject to the ordinance, **10 lobbying firm and organization lobbyists** also took the Commission’s online training on the City’s lobbying laws.
- Staff periodically updated a list of candidates and committees active in recent election cycles to assist lobbyists to disclose required campaign activities on quarterly reports.
- Staff updated 9 previously issued fact sheets on the Commission’s website to ensure the community was aware of updates to governing law.
- Staff updated a top ten list for lobbying entities to inform the public of the most frequent lobbying restrictions in the jurisdiction.
- Staff also worked with the City Clerk’s Office to assist with questions and ensure e-filing of financial disclosures by lobbying firms, organization lobbyists, and expenditure lobbyists, through Forms 601, 602, 603, 604, and 605.

Additional Disclosure and Outreach Activities

Education staff’s efforts to ensure outreach and proper disclosures in 2024 also included the following:

- **\$10,000+ Donors**: To provide the public with information regarding the persons and entities largely funding the committees that support or oppose City candidates and measures, the Commission maintained a list on its website of each committee’s \$10,000+ donors, the amount contributed, and occupation and employer information when applicable.

- Website materials: Staff frequently updated the Commission’s website (www.sandiego.gov/ethics) to provide the public with timely information regarding Commission meetings, legislative proposals, educational efforts, and enforcement activities.

AUDIT PROGRAM

The Ethics Commission audits campaign committees as part of its core functions, with all audits conducted by a single auditor - Audit Program Manager Rosalba Gomez.

Campaign committees are audited depending upon the total amount of all contributions (monetary and non-monetary) and loans the committee received. Committees are automatically audited if their level of financial activity is \$100,000 or more. Committees with lower levels of financial activity are subject to a random drawing, which selects a percentage of additional committees for audit: 75% of qualifying committees with financial activity between \$50,000 and \$99,000 are audited; 25% of qualifying committees with financial activity between \$15,000 and \$49,999 are audited. The random drawings occur in September of the odd-numbered year following a general election.

Background on the Audit Program

Audits are an essential function of the Commission, serving as a check and balance on campaign activity and at times revealing violations that proceed to enforcement. Campaign committees are required to keep documents for four years in anticipation of a Commission audit. Both candidate committees and ballot measure committees may be audited.

Final Audit Reports are posted on the Commission’s website after the Commission board accepts them at a public meeting.

The Audit Program Manager routinely has more committees to audit from presidential election years than midterm election years. This is because the City Charter sets elections for 7 of 11 City offices (Mayor, City Attorney, and 5 Council seats) for a cycle that is the same for presidential elections. The other four Council seats have terms that coincide with midterm elections. More ballot measures are generally placed on City ballots in presidential election years, due to increased voter turnout.

Audit Work in 2024

The Audit Program Manager completed the following audits in 2024:

2020 Election Cycle

Audits of the following **7 campaign committees from the 2020 cycle**:

Cory Briggs for City Attorney 2020

San Diegans for Transparency & Accountability in support of Kelvin Barrios for City Council 2020, sponsored by Laborers' International Union of North America Local 89

Toni Duran for City Council 2020

Kevin Beiser for San Diego for City Council 2020 Dist 7

Yes on C! For a Better San Diego– Sponsored by the San Diego Regional Chamber of Commerce, San Diego & Imperial Counties Labor Council, ALF-CIO¹ and Manchester Grand Hyatt San Diego

Yes on Measure A - Homes for San Diegans, Sponsored by a Coalition of Civic Nonprofits and Housing Providers

San Diegans for Justice in support of Measure B

2022 Election Cycle

Audits of the following **3 campaign committees from the 2022 cycle:**

Kent Lee for City Council 2022

San Diegans Against Discrimination, Opposing Measure D, Sponsored by the Associated General Contractors of America San Diego Chapter, Inc.

Affordable Homes for San Diego led by Chris Cate – Yes on Measure C

In the coming year, the Audit Program Manager expects to complete work on the remaining 2022 campaign committee audits.

The random drawing of campaign committees subject to audit from the 2024 election cycle is expected to be held in September 2025.

ENFORCEMENT PROGRAM

Kristina Gagné, Investigative Program Manager, leads the Ethics Commission's enforcement program. As detailed above, Ms. Gagné played a critical role in drafting, benchmarking, and updating the Commission's governing laws in the Charter and Municipal Code in 2024. Her work was essential to the development and passage of Measure D, and to the amendments that have increased the Commission's maximum fines. Her contributions to these legislative updates were essential, resulting in greatly enhanced tools for the enforcement program.

¹ Typo for AFL-CIO was in its formal name, in the committee's filed formation documents.

Regarding investigations and enforcement, Ms. Gagné’s work is detailed to the extent possible in a public report. Due to confidentiality laws that protect the investigative process, Commission staff are limited in what they can include in this report.

Complaints – Summary and Statistics

Complaints are submitted through the Ethics Commission’s online complaint submission portal, as well as via email, telephone, referral, and in person.

In 2024, Commission staff processed 139 formal and informal complaints (including 8 staff-initiated complaints).

Of these complaints, 123 complaints either:

- (1) contained insufficient information to support an allegation of a violation; or
- (2) alleged a violation that fell outside the Commission’s jurisdiction.

Most of these matters did not state allegations regarding potential violations of the City’s ethics, campaign, or lobbying laws. This included 105 informal complaints, 17 formal complaints, and one staff-initiated complaint. The Commission’s Chair and Vice Chair reviewed these complaints and staff’s determinations. Often, such complaints alleged wrongdoing related to “unethical behavior” and “immorality” unrelated to the Commission’s enforcement areas. They also alleged personal disputes (landlord-tenant matters, etc.). When appropriate, Commission staff referred matters to other enforcement entities or assisted the complaining party in finding the appropriate entity with which to file their complaint.

With this background, Commission staff reports the following statistics for 2024:

Informal complaints

Investigations of informal complaints authorized - 8

Informal complaints processed but dismissed before investigation - 105

Formal complaints

Investigations of formal complaints authorized - 0

Formal complaints processed but dismissed before investigation – 17

Staff-initiated complaints

Investigations of staff-initiated complaints authorized - 8

Staff-initiated complaints processed but dismissed before investigation - 1

Complaints processed and authorized for investigation alleged the following violations of law:²

- 10 complaints alleged a violation of the Ethics Ordinance;
- 6 complaints alleged a violation of the Lobbying Ordinance; and
- 4 complaints alleged a violation of the Election Campaign Control Ordinance.

Investigations – Summary and Statistics

In 2024, 16 new complaints were approved for investigation. These matters joined 8 cases in which an investigation was authorized in previous years but still ongoing.

These 24 matters resulted in the following dispositions during 2024:

- Eleven matters were investigated by Commission staff; the Commission later dismissed the matters after considering the results of staff investigations. Some matters were resolved after the involved parties took mandatory corrective actions, cooperated with the investigation, and Commission staff educated them on the relevant laws.
- One matter was presented to the Commission, and the Commission voted to take no further action.
- Five matters resulted in stipulated settlements after investigations.
- Seven of the matters were still pending and under investigation as of December 31, 2024.

Enforcement - Stipulations

During 2024, the Commission resolved five matters after investigation through stipulated settlements. For more details on each matter, please see the Stipulations posted on the Commission’s website after approval by the Ethics Commission Board. A summary follows here:

- Midway Village. Midway Village was a redevelopment team in a bid process for selection by the Mayor and City Council to redevelop the Sports Arena site. Respondent did not win the bid. Respondent paid a \$7,500 fine for failing to file five expenditure lobbyist disclosure reports.
- Raul Campillo. Respondent was a City Council District 7 candidate during the 2020 election cycle. Respondent won and currently occupies the seat. Respondent paid a \$2,200 fine for maintaining two campaign checking accounts,

² Some complaints alleged violations of more than one ordinance.

failing to disclose and itemize six contributions of \$100 or more, and failing to report 17 expenditures of \$500 or more made by Committee agents.

- San Diegans for Transparency & Accountability in support of Kelvin Barrios for City Council 2020, sponsored by Laborers' International Union of North America Local 89 and River City Business Services. San Diegans for Transparency was a primarily formed committee organized to support 2020 District 9 candidate Kelvin Barrios. Respondent relied on its Treasurer, River City Business Services (RCBS), to provide the Commission with required information about any \$10,000 or more contributors to the committee. RCBS took responsibility for failing to notify the Commission about two \$10,000 or more contributors and paid a \$1,000 fine.
- Todd Gloria. Respondent paid a \$10,500 fine for 10 counts of failure to timely file Forms 803 to disclose behested payments.
- Larry Turner. Respondent was a candidate for Mayor in the 2024 election cycle. Respondent advanced to the general election but lost. He was fined \$500 for distributing a campaign flyer without the required "Ad paid for by" disclosure and failing to disclose a contribution of \$100 or more.

All fines are paid to the City of San Diego's General Fund and are not credited to the Commission's operating budget.

Review of Lobbyist, Committee, and SEI Filings

In addition to the enforcement efforts discussed above, Commission enforcement staff reviews certain documents filed with the Ethics Commission or the City Clerk's Office. As the Investigative Program Manager identifies issues, she follows up with officials to ensure compliance with disclosure requirements. In 2024, for example:

- Enforcement staff spot-checked a sampling of Statements of Economic Interests filed by City employees for missing and inaccurate data. In 2024, Commission staff reviewed at least 30 employee SEIs to assess compliance with the City's ethics laws.
- Enforcement staff reviewed lobbyist registrations and quarterly reports. In 2024, staff examined the registration forms and quarterly reports filed by 151 lobbying firms and organization lobbyists. Reviews assess whether lobbyists have adequately disclosed legally required information. Commission staff conducts outreach to lobbyists to seek more robust disclosures and amendments or to request disclosure of missing information.
- Enforcement staff reviewed filings by primarily formed committees and sent 14 letters to principal officers informing them of their duties under the law.

This work can lead to Commission investigations and fines.

ADMINISTRATION

In addition to numerous administrative duties, Program Manager for Administration and Training Victoria Velasquez worked with City departments to facilitate the Commission board's hiring process for its next Executive Director. Although the board hires its Executive Director, Commissioners are not City employees and do not work within the City's management structure. Ms. Velasquez thus worked with the Executive Director for more than 10 months to coordinate the hiring process with other City departments. This work was critical to facilitating the board's ability to conduct its confidential hiring process. This included work with an outside search firm, Personnel, Human Resources personnel and others.

An Ad Hoc Committee of three Commissioners, the Hon. Laura W. Halgren, Caridad Sanchez and Jimmie Slack, worked with the outside search firm to interview and select finalists for the full board's consideration. Commission staff was not involved in the selection process. In October, the board selected the next Executive Director. The City Council confirmed the appointment in November. Deputy District Attorney Bryn Kirvin was scheduled to join the Commission in January 2025 for a three-month "overlap" training period with the current Executive Director. Ms. Kirvin will assume the position upon the current director's retirement in March 2025.

LEGAL

The Commission recognizes the essential contributions of its General Counsel, Christina Cameron, and thanks her for the support she provided the Commission board and staff in 2024. Her work as counsel for all Commission programs has been critical to their success.

For more information about the Ethics Commission, please visit our website, www.sandiego.gov/ethics, or contact our office at ethicscommission@sandiego.gov or by phone, (619) 533-3476. The website provides detail about the Commission, its procedures, and the City's ethics laws, as well as a portal through which the public can file ethics complaints that fall in the Commission's jurisdiction.