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ADMINISTRATIVE INVESTIGATION
REPORT OF FINDINGS

IN THE MATTER OF

The City of Anaheim Investigation

INVESTIGATED BY:

JL GROUP, LLC
July 1, 2023

TO: CITY OF ANAHEIM

FROM: JL GROUP, LLC

SUBJECT: CITY OF ANAHEIM INVESTIGATION

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I. PRELIMINARY MATTERS

This matter was conducted as an administrative investigation (Investigation) in accordance with the scope of work (Scope of Investigation) requested by the City of Anaheim (City). This matter was undertaken under the attorney-client privilege/attorney work product doctrine. The standard of proof utilized by the JLG Group (“JLG,” “us,” “we,” “team,” and/or “our.”) was a preponderance of evidence or the greater weight of the credible evidence uncovered in this Investigation. The team was comprised of two attorneys, two senior investigators, three support members, including an accountant, and an electronic forensic examiner.

The team worked under the direction of the Honorable Clay M. Smith (Judge Smith), retired Orange County Superior Court judge, affiliated with Judicate West. Our team met on a weekly basis with Judge Smith to discuss the investigation, coordinate activities, strategize, and plan for additional investigative actions going forward. The mandate of the team was to utilize an evidence-based approach as neutral fact finders and to conduct a forensic accounting, review various documents, including nearly 1,000,000 emails and over 50,000 pages of documents, forensically capture and review data and information from electronic devices, as well as interview various individuals who may have relevant information to the matters at hand. This Report of Findings (Report) is the culmination of that effort.

This Report is protected by attorney client privilege/attorney work product, and contains confidential City employee information, not subject to public release. On May 2, 2023, the City Council voted to hire J. Scott Tiedemann from the law firm of Liebert Cassidy Whitmore as a Special Counsel Attorney to advise the City Council on preparing a properly redacted version of this confidential/privileged Report suitable for public disclosure/release.
City employees, during their respective interviews, were advised that they were not to be retaliated against for participating in this Investigation. Many City employees who were interviewed in this matter voiced their concerns over possible retaliation in response to their participation in this Investigation and were advised to report any such behavior to the City’s Human Resources Department, or any other official State and/or Federal reporting agency.

This Report and the supporting exhibits provided concurrently herewith, to the City, are incorporated by reference within this Report. The JL Group will not act as the custodian of records of these items and will retain information/documents only as required by our engagement agreement with the City.

II. BACKGROUND OF THE INVESTIGATION

On July 15, 2022, the City posted a Request for Qualifications (RFQ) for investigative services to undertake an independent investigation into potential political corruption at the City of Anaheim. The RFQ was based on Anaheim City Council action, predicated by an FBI investigation that was made public in May 2022. The JL Group proposed to undertake this Investigation based on our experience and training, and on August 9, 2022, the JL Group appeared before the City Council where a decision was rendered by the City Council to engage our team. However, once our team engaged in the preliminary investigation, and due to the vagueness of the original Scope of Investigation, it was clear that there would be additional needed time and assets to complete a comprehensive and independent investigation.

On February 28, 2023, the City Council, upon request of the team, provided additional funding and additional time to complete this Investigation and produce this Report.

Commencing in earnest on August 10, 2022, this Investigation involved the review of nearly 1,000,000 emails relating to City staff operations relevant to this Investigation; the review of over 50,000 documents; a forensic examination of various electronic devices; a forensic accounting of political contributions, independent expenditures, and their relationship to awards of City contracts and/or agreements; and interviewing witnesses. In all, approximately 157 interviews were conducted of more than 120 witnesses.

After the Investigation was well underway, the City Council gave direction that the team’s Report would be made public “immediately” upon delivery to the City Clerk. Because of this development, certain witnesses, whose trades or occupations in the political realm which depend on discretion concerning their relationships with various individuals and entities, were obviously reticent to speak with JLG Investigators. We did utilize certain confidential assets in the form of confidential informants to provide background information to the team. Findings herein are not based on confidential informants, but rather, are based on known witness statements, tangible evidence, and other credible evidence and facts discovered during the course of this Investigation. Therefore, we will not discuss the identities of these confidential assets or other such sources and/or methods in order to protect those sources.
III. STATEMENT OF THE NEUTRAL ADMINISTRATOR

The Honorable Clay M. Smith, a retired judge of the Orange County Superior Court (the “Administrator”), was retained by the City to function in the role of the neutral administrator of the investigation. The actual investigative process, conducting interviews, obtaining and analyzing written communications and other documents, scrutinizing transactions, etc. has been performed by representatives of the JL Group. The role of the Administrator has primarily consisted of the following five areas:

A. Formulation and Adoption of Guiding Principles and Adherence Thereto.

At the very inception of the project the Administrator and the principals of JLG discussed and agreed that the Investigation would be guided by the following three key principles.

First, the Investigation would be as thorough and complete as time and resources permit. Every reasonable effort has been made to interview each person potentially having relevant information, review all potentially relevant documents, and consider every germane transaction. Of course, there have been some practical limitations. Foremost among those limitations is that the team did not possess the power of subpoena or other means to compel the production of documents or testimony. (This is one reason why the team shared some of its early findings with the Orange County District Attorney.) In addition, two key organizations, The Walt Disney Company (Disney) and Angels Baseball, declined our repeated requests for interviews. In fact, both organizations flatly refused to cooperate at all. Finally, there is always another person who could be interviewed or another avenue that could be pursued and, ultimately, we had to determine that we had reached the limit of what reasonably could be done. Nevertheless, we are confident that we have done everything necessary to produce a report which meets our standards and expectations and those of the City.

Second, from day one of our efforts, we have acknowledged the potential for the report to reflect adversely on other persons or institutions. We have therefore committed not to allow the report to contain rumor or innuendo. Thus, we have been careful to include only information which is both relevant and supported by the greater weight of the evidence. Assertions and accusations that we have not been able to corroborate have not been included in the report.

Third, we have made every effort to stay within the scope of our mandate. Information that has come to us that is not within the confines of our scope has not been included in the report.

In summary, our guiding principles have been (i) be thorough and complete, (ii) avoid unsupported or corroborated material, and (iii) stay in the channel. Both the Administrator and the JLG have been constantly mindful of and guided by these principles.

B. Protect the Integrity and Independence of the Investigation.

We believe it is very important that no assertion can be made that the Investigation and resulting Report have been influenced, narrowed, or directed by any outside source. The Administrator has been available to the investigative team to provide any necessary guidance and to shield JLG Investigators from any external influence.
This role proved to be real, rather than theoretical. When it became apparent that JLG would need to increase its budget to meet the desired standard of completeness and thoroughness, it requested additional time and funding. That request was met with significant pressure to truncate the investigation. A decision at that point to curtail or even conclude the investigation would have rendered the Report incomplete and frankly of little value. The Administrator supported that request and urged the City to provide the necessary additional funding and time. The Administrator’s effort in this regard was consistent with his role of neutrality and was intended solely to protect the integrity of the process and ensure that the final report would not subject either JLG or the City to accusations or criticism that the report was incomplete.

We gratefully acknowledge and sincerely appreciate that the City granted the additional funding for JLG and did not truncate the Scope of Investigation. As a result, the final Report meets the City’s and our high standards for thoroughness and completeness.

C. Advocate for Actions Important to the Success of the Investigation.

At times it has been necessary for the Administrator, as a neutral professional retained to ensure the successful completion of the Investigation, to request actions deemed important for the ultimate success of the Investigation. Specifically, three situations arose which required such action by the Administrator. First, as noted above, the Administrator requested from the City an increase in funding and additional time for JLG. This additional time and funding were essential for the final Report to be thorough. Second, the Administrator urged the City to reconsider its plan to release the Report to the public immediately upon its receipt. The Administrator took this action to protect the City and others. The Administrator and JLG had serious concerns that such immediate release could conflict with statutory and privacy rights of persons identified in the Report and could unintentionally divulge information properly protected by the attorney-client privilege. Here again, the City was responsive to the Administrator’s concerns and has taken appropriate measures to protect such rights and privileged information. Third, the investigative team concluded that it would be appropriate to share its early findings with the Orange County District Attorney because that office possesses investigative tools the team does not. The Administrator requested permission for JLG to meet with the District Attorney and the City promptly gave that permission.

D. Provide Limited Legal Support.

Although the Administrator was not engaged to function in the role of legal counsel to the investigative team, the Administrator has provided some focused legal guidance on various issues. These issues include the Brown Act, the statutes of limitations for various State and Federal crimes, witness confidentiality, and public employee rights in connection with required participation in investigations.

In addition, early in the Investigation, the Administrator prepared a detailed matrix of potentially applicable crimes. This matrix includes an identification of the elements which constitute each particular crime. The matrix has been used as a lens through which various actions and events have been examined to determine if potential criminal activity has occurred.¹

¹ See Addendum 2 for Matrix of Potentially Applicable Crimes.

Finally, the Administrator has provided limited administrative support to the investigative process. This effort includes establishing a pattern of weekly all-hands meetings and a conducive venue for such meetings, providing a neutral-turf location for key face-to-face interviews, and making suggestions regarding investigative contacts and avenues. In addition, the Administrator constantly provided neutral oversight by ensuring that proposed investigative steps remained within the Scope of Investigation and the applicable budget.

IV. EXECUTIVE SUMMARY

This Investigation was undertaken by JLG for the City. The Scope of Investigation consisted of conducting a forensic audit of campaign contributions and expenditures over the last 10 years and to compare individuals and entities that donated with the awarding of City contracts or agreements. The purpose of this was to determine whether there were any issues of political undue influence, otherwise referred to as “pay to play.”

Added to this, direction was given to JLG to investigate issues of corruption and inappropriate conduct in the proposed sale of Angel Stadium under the direction and leadership of then-Mayor, Harry Sidhu. Additionally, JLG was to investigate suspicious or questionable campaign donations to elected City officials; to investigate the City’s financial interactions and joint projects with the Anaheim Chamber while it was under the leadership of former President and CEO, Ament; to investigate any potential Brown Act violations by elected City officials, which would include serial communications that would be relative to any significant City project; to investigate consultants and lobbyists that did business with the City; to investigate significant City Council actions, in which improprieties may have arisen or taken place in connection with those actions; to review the applicability of local ordinances, and to make appropriate recommendations relative to improving the transparency, ethical conduct, and interaction of City of Anaheim political officials, City staff, and those doing business with the City.

JLG’s Investigation began with the review of numerous emails and documents, as well as records of political contributions, independent political expenditures, lobbying activities, and City contracts and agreements awarded over the last 10 years. Reviewing these various documents and data helped direct the path taken in this Investigation. The team quickly developed a list of potentially relevant witnesses2 and focused on conducting the relevant tasks, research, inquiries, and other investigative measures necessary to complete the scope of our inquiry.

Information derived from FBI documents released to the public in or about May 2022 indicated that there was a “cabal” of individuals who were seemingly united in some close association with a collective aim of promoting their private, political, and financial interests, while acting as a shadow government. The FBI documents referenced throughout this Report identified and helped shed light on various factions, such as the interests of the City’s resort community, the Chamber of Commerce, local non-profits, lobbyists, and Political Action Committees (PACs). The findings of the Investigation tended to reinforce the FBI’s observations, and we identified individuals that could be seen as part of this “cabal” or the Anaheim clerisy class and its politics.

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2 A comprehensive list of witnesses interviewed, as well as individuals and entities who declined to be interviewed, is included at Section XVI. in this Report.
This Investigation was more focused, though, on attempting to understand various suspicious activities and to determine, based on the greater weight of the credible evidence, what had occurred, who the relevant participants were, and potential motivations for such behaviors. We conducted a thorough review of the Angel Stadium purchase and sale transaction, as well as those individuals involved in the process. We have also crafted recommendations addressed at preventing such behavior in the future.

Concerning the suspicious activities that we discovered, the Anaheim Chamber of Commerce, while headed by CEO and President Todd Ament, featured largely in these issues. We examined the Anaheim Enterprise Zones Program, the first of several no-bid contracts awarded by the City to the Anaheim Chamber. We examined an emergency temporary shelter project that was constructed in late 2018 through early 2019 soon after the election of former Mayor Sidhu. We found irregularities in the accounting and costing of this project and its relationship to Visit Anaheim, the City’s visitors’ bureau. Additionally, we noted that there were a number of no-bid contracts awarded to the Anaheim Chamber over many years with the City, wherein the scope of work and/or deliverables required of the Chamber in return seemed vague and amorphous, and appeared to be work that the Anaheim Chamber was already undertaking. This included the projected $250 million Anaheim First project.

It appeared to us, based on our Investigation, that there was seemingly no real bargained-for exchange between the City and the Anaheim Chamber concerning the payment of these funds. It was as if the City was merely subsidizing the Anaheim Chamber with infusions of money on a near-yearly basis.

Our Investigation determined that the Anaheim First initiative appeared to be the brainchild of Ament and the Anaheim Chamber in conjunction with the newly-formed City Council Districts. These Council Districts were created in order to allow local input as to City spending, infrastructure, and other projects. Even though this approach to local government input and control was laudable, the approach and suspicious future plans of Anaheim First appeared inconsistent with the best interests of the City as a whole.

We determined that Anaheim First's initial creation was essentially a political data-mining operation wherein information from individuals attending and participating in local District meetings was captured and thereafter used improperly for political purposes. Additionally, there was evidence to show that Anaheim First was a mechanism used to freeze out the City Council’s political minority, who represented certain Districts. With the onset of the COVID-19 pandemic, Anaheim First was relegated to inaction.

This fact-finding Investigation also evaluated the issue of $6.5 million in COVID recovery funds essentially given to Visit Anaheim under the auspice of a grant. Our Investigation determined that then-Mayor Sidhu directed these “grant” funds to Visit Anaheim and then orchestrated the firing of then City Manager, Chris Zapata (Zapata) after he merely suggested that the $6.5 million given to Visit Anaheim should be a loan that would be repaid to the City with interest. As we discovered in our Investigation, the $6.5 million COVID money “grant” to Visit Anaheim was not spent consistent with the direction of the City Council.
Indeed, JLG found that $1.5 million of the $6.5 million sent to Visit Anaheim was diverted by Visit Anaheim to an Anaheim Chamber-controlled non-profit organization. We determined that there was a conspiracy between then Mayor Sidhu, Ament, and the CEO and President of Visit Anaheim, Jay Burress (Burress). The facts showed that then-Mayor Sidhu directed Burress to divert $1.5 million to the Anaheim Chamber’s controlled non-profit and that Ament instructed Burress to report, if asked about the $1.5 million, that it came from other reserve funds from Visit Anaheim. This cover story was created in order to provide some sort of plausible deniability for the unlawful diversion of this $1.5 million.

This Investigation also reviewed the issues concerning the proposed Cannabis Ordinance and its tentacles, reaching back to the initial FBI investigation that led to the arrest warrant and indictment of Ament. It was clear that Ament and Lobbyist Jeff Flint (Flint) were involved in this operation, as well as the Anaheim Chamber, which acted virtually as a money-laundering operation.

We also reviewed various lobbyists involved in the City. We found that a number of lobbyists were not properly reporting their lobbying activity or even registering as lobbyists. Those identified as engaging in this behavior were Flint, Ament, and Curt Pringle (Pringle). A review of lobbying reports demonstrated a lack of completeness and/or proper reporting as required by City law.

The review of Brown Act violations was also part of this investigative overview. We had received information concerning individuals’ observations of elected officials and others texting one another during City Council proceedings. These communications, if true and involving the City business being discussed at the meeting, could violate the Brown Act. However, these are challenging violations to sustain, based on the difficulty in discovering communication details to form a factual basis to support such allegations. As such, there was insufficient credible evidence to show that any of these prohibited communications took place.

There was credible information to conclude that then Mayor Sidhu had leaked an appraisal of the Angel Stadium property and other confidential information to the Angels Baseball organization during the course of the negotiations for sale of that City asset. The facts proved that these documents were part of City Council Closed Session discussions, and the leak of these documents through Mayor Sidhu’s private email to Ament and Flint was a direct violation of the Brown Act. Furthermore, there was evidence to conclude, based on statements attributed to Ament, that Ament engaged in serial communications relating to ongoing development projects that would also violate the Brown Act.

As part of this Investigation, we interviewed Isa Bahu, the owner of property located at the intersection of at La Palma and Imperial Boulevard in Anaheim. Bahu had attempted to build an Arco gas station on his property that had previously been approved by the City’s Planning Commission. Not long after, Bahu appeared in front of the City Council for final approval, only to be told that his project had been denied. Bahu suspected that there had been some degree of political favoritism involved in this denial. Our Investigation revealed that, in fact, a competing gas station owned by a family that was friendly to then-Mayor Sidhu and who also contributed to Sidhu’s mayoral campaign. It is our belief that then-Mayor Sidhu, considering these political contributions and using his power over the majority of the City Council, went about wrongfully denying Bahu his development plans due primarily to the competing gas station owner’s political contributions to Sidhu’s campaign.
Our investigation also revealed influence peddling at the hands of Mayor Sidhu and his de facto agent, Ament. For instance, we investigated and determined that Mayor Sidhu had interfered in a routine procurement process requiring a Request for Proposal (RFP) for the lease of property at 30 Carl Karcher Way, Anaheim. This property had formerly been leased by UCI. The facts demonstrated that Mayor Sidhu intervened in this RFP process and through Ament brought potential tenants to the location, advising them that they could lease the property but that tenant improvements would need to be done through Anaheim Chamber Board Member and ally of Ament, Ross McCune’s construction company, Caisteal Builders, Inc.

We learned that during discussions with these potential tenants of this City-owned property, Ament told them that he knew that he had the votes on the City Council to allow these individuals to have this property, that he had spoken with various elected officials, and that the vote would be “5 to 1” in favor of Ament’s proposal. This issue demonstrated not only influence peddling, but also the application and activities of a serial Brown Act violation.

Additionally, a local car dealer attempted to obtain information concerning a lot that they wanted to develop for a car dealership. This individual was contacted by an individual thought to be Ament, who essentially demanded money for the Mayor's Prayer Breakfast event in order to assist this potential project in being successful. Again, this demonstrates an influence-peddling scheme by Ament and Sidhu.

We also discerned that there were certain preferred developers in the City who were friendly with Ament, Sidhu, and generally the Anaheim Chamber. These developers, Shopoff Development and Greenlaw Partners, seemed to have preferred status in the City based on various City employees' observations. Mayor Sidhu “pushed” City staff to use these two developers for certain projects.

Overall, we observed that Sidhu had a close connection to Ament and the Anaheim Chamber and engaged in what could only be described as influence-peddling through Ament. The evidence pointed to the fact that individuals who wanted to meet with the Mayor had to first go through Ament and then pay some form of tribute in order to reach Mayor Sidhu. This could include donations to political organizations, joining the Anaheim Chamber, or participating in other pet projects favored by then Mayor Sidhu.

We noted that over time and with the constant turnover of City Managers, many of which were “election sensitive” positions, that the City has been on a slow but steady trajectory away from a Manager/Council form of government to a Strong Mayor form of government wherein the Mayor wields power and operation direction that is inconsistent with the Character of the City of Anaheim (City Charter). We believe that this phenomenon lead to corruption and influence-peddling culminating in Mayor Sidhu’s observed behaviors.

We also noted that Anaheim First, but for the pandemic and Ament’s arrest by the FBI, was to be a potential funding mechanism for the Anaheim Chamber and its political activities. Ament attempted to resurrect this political machine after the pandemic in December of 2020 at a “Retreat,” as described in the FBI documents, but was ultimately unsuccessful.
We observed that there has been a lack of oversight and meaningful enforcement concerning lobbying in the City. We believe that lobbying efforts can often lead to serial Brown Act violations, yet lobbying reports were void of many communications by lobbyists and those acting as lobbyists. Furthermore, we observed that the Anaheim Chamber had been awarded contracts for large sums of money with little or no oversight or meaningful deliverables.

At the conclusion of this Report, we made numerous suggestions and recommendations for changes and best practices to certain activities, guidelines, and rules at the City. Those recommendations are detailed at Section XV. in this Report.

V. SCOPE OF THE INVESTIGATION

The initial Scope of Investigation was provided to the JL Group by the City. In February 2023, when the JL Group sought additional funds and time to complete this Investigation, the City Council requested the team refine the Scope of Investigation. The team refined the scope of investigation, which was approved by the City Council, along with additional funding and an extension of time to complete the Investigation. The refined Scope of Investigation did not increase or decrease the original scope of work; it merely clarified the original wording. The refined Scope of Investigation approved by the City Council on February 28, 2023, is as follows and may include:

A. Investigate issues of corruption or inappropriate conduct in the proposed sale of Anaheim Stadium (Angel Stadium) under Mayor Sidhu, to include the related Angel Stadium lease controversy. Also examine local corruption issues identified in the recent FBI investigation(s). This includes investigating the conduct of concurrent City and local elected officials, City staff, consultants, lobbyists, and others with direct involvement in these events.

B. Investigate suspicious or questionable campaign donations to Anaheim elected officials which may have led to undue influence in any Council decisions or direction from 2012 through 2022. Where possible, identify specific expenditures for which the donations were used by the elected officials.

C. Investigate the City’s financial interactions and joint projects with the Anaheim Chamber of Commerce while under the leadership of Todd Ament. This should include financial interactions with Visit Anaheim, Anaheim First, and any PACs or charitable entities associated with the Chamber.

D. Investigate any Brown Act violations by elected City officials, including serial communications, relative to any significant City project, event, or contract over the last ten years, that may have involved financial interest or undue influence.

E. Investigate consultants and lobbyists, that did business with the City on significant projects or contracts, that failed to properly report their involvement, and/or that made campaign contributions to elected City officials, over the last ten-year period.
F. Investigate significant City Council actions, including contracts, projects, and other official decisions, over the last ten years, in which improprieties may have arisen in connection with those actions, specifically relative to issues of public corruption.

G. Review the applicability of local ordinances, policies, or procedures. Make appropriate recommendations relative to improving the transparency, ethical conduct and interactions of Anaheim political officials, City staff, and those doing business with the City.

VI. INVESTIGATION STRATEGY

The investigation strategy of the team was to review details from the initial forensic audit, review of emails and City-provided documents, and to further review those available documents related to the Federal Bureau of Investigation (FBI) investigation that had been revealed in May of 2022. With this information, we identified suspicious activity related to our scope of investigation and thereafter established a list of potential witnesses, prioritizing the list as an investigative aid.

Additionally, we conducted weekly meetings with all team members, overseen by the Neutral Administrator, Judge Smith, wherein we discussed previous activities, planned future activities, and reiterated and refined our strategy of investigating this matter going forward. The team utilized various investigatory tools to conduct this protracted and comprehensive investigation. Those tools are described in the sub-sections that follow.

A. Forensic Accounting

The City produced a compilation of Excel spreadsheets, representing all contributions and independent expenditures reported during political campaigns to those candidates who were elected to City office from 2012 through 2022. These contributions and those who contributed were then examined and tracked against the awarding of City business and/or contracts and/or other agreements awarded by the City. The purpose of this audit was to determine if there were any correlations between political giving and the awarding of contracts or other business with the City.

It is important to note that a mere contribution where a contract is later and/or previously awarded does not, in and of itself, demonstrate undue political influence. We independently attempted to establish the requisite specific intent to demonstrate that any political figure may have been influenced by a contribution that led to some City benefit, such as a contract and/or an award or other similar type of actions. The role of the forensic accounting portion of this Investigation was merely to focus JLG Investigators to examine certain suspicious activities.

B. Review of Known/Suspected or Suspicious Activities

We also acquired knowledge of certain suspected or suspicious activities that were provided to us through media sources, available FBI materials and information, and confidential sources of information. As noted above, certain individuals provided the team with confidential information, fearing retaliation largely due to their concerns about their politically-based occupations should they be known as being informants in this Investigation or, more broadly, to law enforcement. This information provided a wealth of leads for JLG Investigators to follow up on.
C. **Review of Known FBI Materials and Information**

The known FBI materials and information additionally provided a wealth of details that the team’s Investigators could focus on. It was clear that the FBI had been engaged in a long-term, protracted investigation concerning public corruption that led to disclosures in an Affidavit in Support of an Arrest Warrant for Todd Ament (Ament). Ament, as detailed in this Affidavit, was the President/CEO of the Anaheim Chamber of Commerce at the time and, as we learned, was engaged in several nefarious acts as expanded upon and detailed in this Report. The FBI did not readily identify certain subjects of their investigation. However, though public and confidential sources, our Investigation was able to identify a majority of those individuals involved in the FBI investigation materials.

D. **Email Analysis**

We were provided with over 900,000 emails of City employees that had been subject to a “litigation hold” and retained by the City after there had been a threat of litigation concerning the Angel Stadium transaction. These emails were from various City employees that were in any way involved in the Angel Stadium transaction. They provided a great deal of information to investigators in conducting our investigative analysis. Emails were used as evidence and interview assistance by JLG Investigators.

E. **Electronic Forensic Analysis**

The JL Group obtained various electronic devices, including desktop computers, cellphones, tablets, laptop computers, and other information, which were forensically examined to develop any potential evidence or investigative leads. Some of this items were apparently sanitized and/or wiped of information prior to being given to our Forensic Examiner. Any manipulation of any data appears to have been done by the City employee/elected official to whom the device was issued and not any City employee who subsequently gained custody of these devices for JLG’s review.

F. **Analysis of Witness Credibility.**

As part of this Investigation, we analyzed the credibility of all witnesses that we formally interviewed and/or spoke with as well as witnesses who provided information by other means. Additionally, we detailed information concerning potential witnesses JLG contacted to request an interview, but who refused and/or declined to participate in any interview with JLG Investigators. Likewise, some witnesses who would only submit to interrogation by written questions submitted to them, mostly though their attorneys, were likewise noted and commented upon.

G. **Review of Law and Administrative Policies**

As part of the scope of our work, the City had directed us to review current City law and administrative policies and make recommendations in areas that we felt appropriate. Where possible, we enlisted information from City employees to help shape these recommendations. As such, we reviewed various laws, both Local and State, as well as City administrative policies that concerned the scope of our work, generally. Many of our recommendations, noted below, address certain areas that
we feel could be revised and improved upon with the aim of avoiding future issues of political corruption or undue political influence.

VII. METHODOLOGY

This Investigation involved the review of documents, media sources, FBI criminal investigation public documents, confidential sources, forensic accounting, and electronic evidence analysis, as well as the conducting of interviews of certain City employees and other relevant witnesses. Once factual evidence was developed, the various statements of the witnesses were compared and contrasted with one another, as well as other developed credible evidence, and determinations of credibility were established. Once credibility was established along with a factual framework of the investigated events, conclusions were formed based on the greater weight of the credible evidence. For the purpose of findings, direct and circumstantial evidence may be given equal weight. The investigation also involved:

A. Reviewing applicable City/State and Federal laws, rules, policies and regulations;

B. Reviewing applicable City provided and/or available documents including contracts, City Council actions, audio files, video files, emails, electronic evidence, verified media accounts, criminal investigation documents, political contributions, and other items;

C. Interviewing relevant witnesses;

D. Following-up on other evidentiary leads; and

E. Providing additional services as may be requested by the Client.

VIII. INVESTIGATION IMPEDIMENTS

Because this Investigation related to certain political issues and decisions in the past, it appeared that there were political interests in the City that were at play. As such, we understood that we may face some degree of political backlash in our pursuit to determine objective truth as to what had occurred related to the Scope of Investigation. We also understood that we would face other challenges in completing our mission. We have detailed some of those challenges here.

A. Lack of Power to Subpoena Records

A significant impediment in this Investigation was JLG Investigator’s inability to subpoena records needed to fully advance our Investigation. For instance, the Anaheim Chamber of Commerce (Anaheim Chamber), a focus subject of this Investigation, refused to provide any documents to these fact finders related to this Investigation. Even though this refusal provides an inference upon which we can reasonably conclude that potential inculpatory evidence may be contained therein, the inability to obtain and review those records hampered this Investigation. There were several other incidents like this, wherein subpoena powers would have been helpful to obtain potentially valuable records and/or information from individuals and/or institutions that would have greatly aided the efficiency, impact, and thoroughness of this Investigation.
B. Delays in Receiving Materials

Although not uncommon in administrative investigations, JLG encountered some degree of difficulty in that we did not receive certain requested materials in a timely fashion and/or at all. For instance, we requested the 900,000 emails required for analysis in late August of 2022. However, we did not receive them until mid-December that year. Delays such as this hindered the advance of our Investigation.

Additionally, there was a significant delay in our receipt of electronic devices that might contain relevant communications and/or information to advance our Investigation. This delay appeared to be tied to a somewhat confusing City policy concerning such devices. For instance, the City allowed their employees to use their own personal electronic devices for City business, yet there was no City policy in place to address this sort of usage or the public records that would be resident on an individual’s personal electronic devices. Furthermore, it appeared that the City had a decentralized policy concerning the issuance of cellular phones, such that each Department would issue their own phones, even choosing their own carriers and types of phones, where phones were issued to City employees. This caused a degree of confusion and led to a significant delay, particularly with regard to obtaining cellular phones utilized by City employees, which were needed for forensic examination.

C. The Chilling Effect of a “Public Report” on Potential Witnesses Fearing Retaliation

After we were retained to conduct this Investigation, the City Council made and passed a motion that the JLG Report would be a public report and would be released “immediately” upon receipt by the City. This was widely reported in the news media and had a chilling effect on potential witnesses yet to be interviewed by us. We found several occasions wherein key witnesses were reticent to be interviewed and, in some instances, it appeared that those who were formally interviewed or others who spoke to JLG were holding back potentially important information.

A common theme encountered by JLG was that many witnesses we aimed to speak with worked in the political consulting realm and feared retaliation, rejection, and/or being blacklisted from further work if they were seen as providing information in this Investigation and/or the broader criminal investigations taking place. We attempted to overcome some of this lack of cooperation and candor by developing confidential sources of information. However, confidential information cannot be used to prove or disprove a material fact but instead is merely an investigative tool to direct the focus of an investigation.

D. Pending Potential Litigation and Lawyers not Allowing Access to Potential Witnesses and Materials

Another impediment to this Investigation was the issues of potential and/or pending litigation, as well as possible criminal prosecution that may result from a witness’ participation in this Investigation. This caused personal legal counsel to deny JLG access to their clients and thus disallow full access to potential witnesses. For instance, the City and the Angels Baseball organization were embroiled in potential and eventual litigation, such that Angels employees that would normally be interviewed by us were not made available because counsel for the Angels organization did not allow access to these witnesses for interviews.
Likewise, the attorney for the Anaheim Chamber, while allowing interview access to the current President of the Chamber, Laura Cunningham (L. Cunningham), and a member of the Chamber’s Executive Board to be formally interviewed, disallowed any access to vital documents that were directly related to the Scope of Investigation. Because JLG undertook this Investigation as attorneys with licensed investigators acting as our agents, we had an ethical obligation to refrain from directly contacting any individuals represented by legal counsel without first contacting their designated legal representatives prior to attempting to gain cooperation. In most cases, prospective witnesses represented by attorneys declined to be interviewed, particularly in the case of any employees or representatives of the Disney and Angels organizations.

In some cases, witnesses requested that our team submit written questions to their legal counsel that they could respond to in writing. We have found that this method of obtaining evidence rarely leads to any useful information. In our experience, we have found that answers to written questions rarely yield meaningful or useful information and are heavily redacted and/or written by the respondent’s attorney, making them generally scripted. Furthermore, submitting written questions and receiving answers by mail or by email does not allow us to review the witness in-person to additionally make important determinations of credibility based on the witness’ behavior. In the case of Disney employee Carrie Nocella (Nocella), written questions were submitted, but Nocella’s attorney ultimately declined to have Nocella respond to our written questions or participate as a witness at any level in this Investigation.

E. The District Attorney and the Potential Criminal Activity Discovered by JLG

During the course of this Investigation, JLG was contacted by the Orange County District Attorney’s Office, (District Attorney), who expressed concern over potential lapses in the statutes of limitations applicable to potential criminal actions that may be unveiled through this Investigation. We received this call after being publicly questioned by the City Council and asked to disclose if we had uncovered any potential violations of criminal law. After answering in the affirmative to this public inquiry, the District Attorney became concerned that any criminal actions uncovered through this Investigation might be barred from prosecution, should any applicable statute of limitations expire prior to completion and delivery of this Report.

After this inquiry by the District Attorney, JLG, with the assistance of the Neutral Administrator, immediately requested permission from the City Council to contact and disclose certain information developed during Our Investigation. On February 28, 2023, the City Council granted JLG’s request to contact the District Attorney for the purposes of discussing potential criminal misconduct. Soon thereafter, on March 8, 2023, Jeff Love, Jeff Johnson and Judge Smith met with the District Attorney and approximately 15 of his staff members, to discuss possible criminal activities that we believed were sufficient to warrant a criminal investigation. Specifically, we revealed information concerning what we believed was a potential criminal conspiracy and a theft/wrongful diversion of $1.5 million dollars of public funds to the Anaheim Chamber related to COVID relief funds that were provided by the City to Visit Anaheim in 2020. (This matter is discussed in more detail in a later section of this Report).
The District Attorney and his staff met with us, listened to our comments, and asked questions. However, JLG has had no further contact with the District Attorney’s staff in relationship to this meeting about the Investigation. It is not known whether the District Attorney’s Office is engaged in their own investigation at this time. It was our hope that the District Attorney’s Office would open its own investigation and would, if possible, share subpoenaed information with the JLG so as to bolster our ability to more efficiently investigate the aspects of our investigation that we felt were potentially criminal in nature.

F. Potential Outside Interference in the Investigation

Although JLG has limited definitive proof, we became concerned that certain entities and/or individuals outside of City staff may have potentially attempted to interfere in our investigation. We believe that this interference may have been in the form of pressuring certain elected officials to not support our Investigation, to criticize our work, to dissuade witnesses from participating in our Investigation, and/or to undermine our Investigation by way of derogatory public comments directed at our team.

IX. ELECTRONIC FORENSIC FINDINGS AND COMMENTS

A. Summary

Computer Forensics International (CFI)\(^3\) (Forensic Examiner) was engaged by JLG approximately six months into JLG’s Investigation. CFI performed consulting and digital forensic investigative services in support of JLG’s Investigation by assuming responsibility for documenting, collecting, preserving, investigating, and returning electronic devices and sources of Electronically Stored Information (ESI).

Initially, JLG and CFI focused on collecting ESI from 38 custodial City employees in the form of mobile devices, laptops, and email. It was later expanded to include desktops, USB Drives, Call Detail Records, Backup of Email, Personal Network Folders, Network Application Backups, Cloud Storage, and the Office 365 application (O365). Certain ESI was uploaded to JLG’s online investigative platform or provided directly to the team for their review. The focus number of City employee ESI custodians was reduced to seven. The chain of custody for all original devices received for forensic analysis was maintained and ultimately the devices were returned to the City for safekeeping.

B. Information Systems Environment

1. Overview

The City’s Information Technology (IT) environment is managed by the Information Services Division (ISD) reporting to the Finance Department. The City’s IT is comprised of mobile devices (iPhones and iPads), Laptops, Desktops, email, and file servers. The City also uses a Laserfiche Document Management System to manage Public Record requests. The City’s ISD uses a mix of employees and Science Applications International Corporation (SAIC) contractors to support its users.

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\(^3\) Computer Forensics International (CFI) was engaged by JLG to conduct the ESI Forensic Examination, with Mark J. McLaughlin, JD assigned as the Forensic Examiner for this Investigation.
and manage their technology environment. Users are allowed to connect their personal devices to the City’s network and access certain software applications. Certain archival devices and ESI Sources are backed up by the City. The City currently uses O365 for its email and office automation needs. Each user is assigned a One Drive personal network folder that is linked to their O365 account. This allows users to move their workspace between computers without the need to physically copy their ESI and then save it to a new computer. Their wireless cellular carrier is Verizon and each City Department manages their own subscriber accounts.

2. **City Inventory of Electronic Devices**

Inventory management of City electronic devices is performed by SAIC contractors who maintain the City’s asset management database. This database should contain every device issued to an existing City employee, elected official, or contractor. However, while searching for certain devices, this Forensic Examiner determined that City’s inventory is not accurate.

While this is troubling for JLG’s Investigation, it is a common struggle of most information technology managers to maintain an accurate device inventory. Additional follow-up would be necessary to determine a complete listing of all devices assigned to certain City employee custodians. However, due to time limitations, we were not able to obtain that list.

3. **Office 365 Application Accesses**

The City uses an O365 application, which is an Internet-based office automation suite from Microsoft. This suite of applications includes a Microsoft Outlook email client, Word, Excel and PowerPoint. ISD stated there are no backups of their Office 365 system. However, JLG was apprised of a litigation hold that was placed on the O365 accounts of certain City employee custodians involved in this Investigation. It was determined the City only preserved the O365 email and not the associated office automation files and logs.

4. **Bring Your Own Device Agreement**

Initially, ISD Administration apprised JLG that the City does have its own Bring Your Own Device (BYOD) Agreement that City employees and officials must agree to abide by when using their personal devices on the City’s network and when conducting City business. An ISD Administrator advised that he would conduct research and email us a copy of the agreement. However, we were later advised the City does not, in fact, currently have a BYOD Agreement in place. The City’s ISD Administrator did state that when a City employee user sets up a personal device, specifically for City email, there is a “banner screen” advising them of certain requirements associated with using their personal device on the City’s system.

5. **Mobile Device Call Detail Records**

Verizon is the wireless cellular carrier for the City. ISD Administration has the ability to log into their Verizon account from a desktop and download Call Detail Records (CDRs) for any City Verizon account. ISD Administration believes the record retention period is at least one year, but they

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4 See Section VIII. B. of this Report regarding delays in receiving documents and other information.
were not certain. ISD requested a date range related to JLG’s search requests, and stated they would determine if the resulting report could be delivered. We were advised to make the request through our main contact with the City to obtain those electronic records. However, after making the request, no records were ever presented for examination.

We conducted an Internet search for Verizon Wireless Record Retention Periods and discovered the following: subscriber records are maintained for three to five years; CDRs are maintained for one year; cell tower dumps are maintained for one year; and Internet usage is maintained for 187 days. Because we were limited to the one-year timeframe, it may be possible to search the City’s payment history for the Verizon accounts and possibly locate CDR Billing Records associated with City employee custodian’s accounts for any period beyond one year.

6. Backup of Mobile Devices

ISD Administration explained they create backups of existing mobile devices prior to deploying a new device to a City employee user. They accomplish this by backing up the device to iTunes on iCloud and then copying that back up to the new device. Or, they will use the Radio Frequency Identification capability by putting two iPhones together and then electronically transferring ESI from the old device to the new device. In both instances, they only retain the backups of the original devices long enough to confirm that the backup installed on the new device is working properly. Once that has been established, any backups they created from the original device are deleted. The older device may or may not be reset after that procedure, and it is totally dependent on ISD’s redeployment needs of that specific device to another user.

7. Backup of Computers and Servers

ISD Administration explained that their email system uses a Microsoft Exchange server. Each user is assigned an email address that is unique to them. The retention of active email on their Exchange system is 30 days for City employees and 90 days for City elected officials. All users have the ability to save to their One Drive Account certain messages they do not want automatically deleted after the retention period expires.

Archive backups of City’s servers cover a two-year period. However, the City only contains the server folders and the personal network folders of users. The City also has what they term as “Immutable” backups, which are done on a daily basis and only retained for 90 days. This backup could contain personal network folders of users and possibly email that the City wanted to save beyond the retention period. The last type of backup is referred to as their Disaster Recovery Backup, and the City is currently building that out now. Thus, it is the Forensic Examiner’s understanding that there is no restorable ESI available for the time periods involved in JLG’s Investigation.

8. Utility ISD Management

ISD Administration stated the City’s Utility Department is managed by three entities: the City regarding bills, the City Customer Service Department regarding the database of customers and payments, and a SCADA (Supervisory Control and Data Acquisition) system that manages the operation of the utility through computers rather than hardware. The Forensic Examiner was apprised it is likely that a database of customers could be obtained from either the City’s Utility Billing or the
Customer Service Departments. But it was emphasized that it is the City ISD that manages that database containing customer contact information.

C. **Devices Examined**

There were initially 38 City employee custodians of ESI identified to JLG by the City involving mobile devices, laptops, and email. Subsequent to CFI’s engagement, the scope of the repositories of evidence was expanded to include desktop computers, USB Drives, Call Detail Records, Backups of Email, Personal Network Folders, Network Application Backups, Cloud Storage, and O365 files. A Custodian Electronic Evidence Status Matrix was created and distributed weekly to the JLG investigative team that summarized the Forensic Examiner’s activities regarding devices and sources for the 38 City employee custodians.

The following is the final Matrix recap of the initial 38 City employee custodians. Each category summarizes the actual examination of the device/source, out of the total of custodians sought.

<table>
<thead>
<tr>
<th>Desktop</th>
<th>Laptop</th>
<th>Desktop/Laptop Archive Backups</th>
<th>USB Drives</th>
<th>City Mobile Phone</th>
<th>iTunes Cloud Backup</th>
<th>Tablet</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/1</td>
<td>2/18</td>
<td>0/0</td>
<td>1/1</td>
<td>6/15</td>
<td>0/0</td>
<td>2/12</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Call Detail Records</th>
<th>City Email</th>
<th>City Email Backups</th>
<th>Network Personal Folder</th>
<th>Network Archive Backups</th>
<th>Cloud Storage</th>
<th>Office 365</th>
</tr>
</thead>
<tbody>
<tr>
<td>0/0</td>
<td>38/38</td>
<td>0/0</td>
<td>0/0</td>
<td>0/38</td>
<td>0/0</td>
<td>0/38</td>
</tr>
</tbody>
</table>

The following is the final Matrix recap of the seven City employee custodians:

<table>
<thead>
<tr>
<th>Desktop</th>
<th>Laptop</th>
<th>Desktop/Laptop Archive Backups</th>
<th>USB Drives</th>
<th>City Mobile Phone</th>
<th>iTunes Cloud Backup</th>
<th>Tablet</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/1</td>
<td>2/7</td>
<td>0/0</td>
<td>0/0</td>
<td>4/7</td>
<td>0/0</td>
<td>1/7</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Call Detail Records</th>
<th>City Email</th>
<th>City Email Backups</th>
<th>Network Personal Folder</th>
<th>Network Archive Backups</th>
<th>Cloud Storage</th>
<th>Office 365</th>
</tr>
</thead>
<tbody>
<tr>
<td>0/0</td>
<td>7/7</td>
<td>0/0</td>
<td>0/0</td>
<td>0/7</td>
<td>0/0</td>
<td>0/7</td>
</tr>
</tbody>
</table>

Once the ESI categories were expanded, the Forensic Examiner learned that many of the devices/sources had previously been secured by the City in advance of JLG’s Investigation for distribution to JLG or law enforcement.

The Forensic Examiner made the following specific written requests to ISD Administration describing the custodians, devices, and sources that we needed to obtain for forensic examination:

1. **Desktop computer** – describe, preserve and produce for forensic imaging, include passcode or Bitlocker Key.
2. Laptop computer - describe, preserve and produce for forensic imaging, include passcode or Bitlocker Key.

3. Tablet – describe, preserve and produce for forensic imaging, include passcode or Bitlocker Key.

4. Desktop/Laptop Backups – describe, preserve and produce any available backups from 2017 to present.

5. USB Drives – describe, preserve and produce any found in their workspace or storage bags for forensic imaging.

6. City Mobile Phone – describe, preserve and produce for forensic imaging, include passcode.

7. Mobile Phone Call Detail Records – describe, preserve and produce all available records from 2017 to present.

8. City Email Backups – describe, preserve and produce any available backups from 2017 to present.

9. Network Personal Folder – describe, preserve and produce any available.

10. Network Archive Backups – describe, preserve and produce any available backups from 2017 to present. Please advise the dates of each available backup and we’ll advise which ones we’d like restored.

11. Cloud Storage – describe, preserve and produce any available cloud based current storage or backups from 2017 to present.

12. Office 365 – user documents, history and logs, exclude email, from 2017 to present.

These requests were emailed by the Forensic Examiner directly to Senior ISD Management because CFI believed a working relationship was already established, and they would be the best contact to facilitate the timely delivery of the requests.

Shortly thereafter, the City Clerk contacted JLG and directed JLG to submit all requests directly to the City Clerk for fulfillment. Although the City already had copies of the requests, JLG followed up with the City to ensure they understood the requests. City Administration was not responsive in delivering those items for forensic examination. Based on CFI’s experience, it is likely the requested devices/sources would have assisted the JLG Investigation Team.

**D. Mike Lyster Devices**

Initially, the JLG received information that the City’s Public Information Officer Mike Lyster (Lyster) was not issued any City mobile and computer devices. In speaking with the City’s ISD
Administration, they advised the Forensic Examiner that Lyster does indeed have a City issued high-end desktop workstation that was installed in September 2022. It is unknown if his replaced desktop was still available or if it had been reassigned. We learned that Lyster’s workstation was at ISD Support for repair, and Lyster was issued another laptop as a loaner. During that time, the Forensic Examiner was able to forensically acquire the ESI from the new desktop hard drive. City ISD Administration checked their online inventory and determined that Lyster did not have a City-issued mobile device (phone or tablet). Thus, it was determined that Lyster had been using a personal mobile device to conduct City business.

This lack of access to Lyster’s device or records hampered JLG’s Investigation. This is because any City employee custodian’s personally-owned devices should be within the scope of ESI associated with a City employee custodian just like their City-owned devices. The Forensic Examiner indicated that a City agreement should be crafted by ISD that explains the responsibilities of employees, officials, and contractors to cooperate with the City by making their personal devices used for City business available for examination, subsequent to an internal investigation or legal discovery demand.

E. Unlocking Sidhu and O’Neil’s Mobile Phones

The Forensic Examiner was presented with an iPhone, purported to be previously assigned to former Mayor, Harry Sidhu, for forensic imaging. This device did not include a passcode to facilitate access to its ESI. City ISD Administration logged into their Airwatch Mobile Device Management (MDM) program, which is now called Workspace, and identified the device that is associated with Sidhu. Because the device was locked, there were no external model or serial numbers present on the case. Thus, the Forensic Examiner was unable to identify the model or serial number of the Sidhu iPhone by examining the case. City ISD Administration advised the Forensic Examiner that the Sidhu iPhone in their inventory list was an iPhone 12. City ISD attempted to make wireless contact to access the device and reset the passcode. However, the device was not recognized by the MDM software, and the ESI on the device was not accessible.

The Forensic Advisor then presented City ISD Administration with former Councilmember Trevor O’Neil’s iPhone 7, which was also locked with no passcode provided. In searching the ISD MDM database, City ISD noted that former Councilmember O’Neil was actually assigned an iPhone 12, so the device that CFI was provided and purported to be assigned to former Councilmember O’Neil, was inaccurate. City’s ISD Administration suggested they did not know how former Councilmember O’Neil would have used this device in place of his City-issued device. City ISD Administration also indicated to the Forensic Examiner that sometimes City employees will give their newly-issued City devices to a family member and use an older City-issued device in place of the new one. City ISD Administration provided the Forensic Examiner with a printout of the user configuration record for both former Mayor Sidhu’s and former Councilmember O’Neil’s City-assigned mobile phones.

1. Locked Mobile Devices

Two iPhone mobile devices were purportedly surrendered by City employee custodians former Mayor Sidhu and former Councilmember O’Neil for forensic examination, but they were locked and no passcode was given. There was no chain of custody records associated with those devices presented for examination, other than the representation that they were previously assigned to those City employee custodians (Sidhu and O’Neil). When a device is locked, repeated input of an incorrect
passcode can permanently lock the device and preclude any future access. City ISD Administration MDM software was unable to unlock either device remotely because those devices were not registered in their electronic inventory system. Thus, it is possible that these devices are not the original ones that were issued to Sidhu and O’Neil by the City.

The technology exists to unlock these devices for forensic examination using third-party GrayKey software or Cellebrite Advanced Services. Anaheim Police Department (APD) routinely utilizes GrayKey to unlock mobile devices for their investigations. Contact was made with Police Department Administration requesting they assist this Investigation by utilizing their licensed GrayKey software to unlock those devices. But after repeated requests, Police Administration refused to provide assistance using GrayKey. JLG was advised such usage would violate the terms of their user license agreement by unlocking a device that was not involved in a Departmental criminal investigation. An inquiry was made directly to Cellebrite Advance Services. However, JLG ultimately decided not to formally request APD’s assistance, as by this point, the Investigation was approaching completion. Both of these devices were returned to the City Clerk’s Office for safekeeping. The Forensic Examiner was advised by City IPD, in writing, that they should not reset or reassign those devices. This was because of a potential future law enforcement interest in those devices that utilize an unlocking capability.

2. **Additional O’Neil Mobile Device Reset**

The City Clerk presented JLG with another City iPhone 7 purported to be assigned to former Councilmember O’Neil for forensic examination. Along with the device, we were presented an email printout from Lylyana Bogdanovich addressed to City Clerk, Theresa Bass, dated April 19, 2023, at 10:46 a.m., with no subject. The following is the text of that message:

> Here’s a note that Karen left with the phone when she received it on April 7, 2023 from Caleb.

> - Caleb Peterson dropped off this phone, says it is Trevor O’Neils past work phone. He was told by Cameron it was needed, he said he wiped it. He stated they only ever took pictures of Trevor. Phone Password is 777777. Caleb’s cell in case you or someone has questions. 858-337-6799.

CFI’s examination of this device showed the iPhone 7 was reset as evidenced by the multi-lingual Apple welcome screen. Therefore, CFI did not attempt to forensically acquire the device ESI and returned it to the City Clerk for safekeeping.

**F. Unauthorized Release of Utility Customer Records**

CFI was tasked with investigating a potential release of the City’s Utility Customer Records for political campaign purposes. City ISD Administration was interviewed by the Forensic Examiner and was advised that the City’s Utility Department is managed by three entities: the City regarding bills, City Customer Service Department regarding the database of customers and payments, and a SCADA (Supervisory Control and Data Acquisition) system, which manages the operation of the utility through
computers rather than hardware. They stated it is likely that a database of customers would have been obtained from either the City’s Utility Billing or the Customer Service Departments; however, they emphasized that it was the City’s ISD that is responsible to manage the Customer Contact Information database.

In advance of conducting in-person interviews of City ISD personnel, a list of 12 questions was prepared by the Forensic Examiner to garner the names of responsible persons and the workflow necessary to generate and export a Customer Contact List. The following is a list of those questions:

1. What ISD department manages the City’s Utility Customer Billing Records?

2. Who is the manager/supervisor of that ISD department?

3. What are the names of the staff members of that department?

4. Who were the staff members of that department during the 2017-2019 timeframe?

5. Who needs to authorize an export of customer records from the City’s Utility Customer database?

6. What documentation is necessary to request an export of the City’s Utility Customer Records?

7. Are ISD Support Tickets generated for an export of customer records from the City’s Utility database and how long are they maintained?

8. When exporting Utility Customer Billing Records what are the available file formats?

9. What computers/workstations would have been used to facilitate any exports of Utility Customer Billing Records?

10. Would any of those computers/workstations be included in the City backups?

11. What security measures are in place to ensure that Utility Customer Records are only available to authorized employees/individuals?

12. Where would any exports of Utility Customer Records be stored and how long would they be retained?

As previously mentioned, these questions were emailed directly to City Senior ISD Management because CFI believed a working relationship was already established and they would be the best contact to facilitate the timely delivery of the requests. In response, the City Clerk contacted JLG and directed CFI to submit all requests to the City Clerk’s Office for fulfillment. Although the City already had copies of the requests, JLG followed up to ensure the City understood the requests.
Based on JLG’s experience, it is likely that some response to the information requested would have assisted the JLG Investigation Team.

G. Conclusions

While the City was somewhat cooperative in providing access to certain IT devices and sources for examination, the City was somewhat deficient at providing timely responses to information requests and the production of devices and sources. As such, this hampered JLG’s Investigation.

X. RELEVANT RULES AND LAW AND STANDARD OF PROOF

As noted in the Statement from the Neutral Administrator, early in the Investigation, the Administrator prepared a detailed matrix of potentially applicable crimes. This matrix includes an identification of the elements that constitute each particular crime. The matrix was a valuable resource for the investigative team regarding the relevant rules of law, and has been included with this report as an Addendum 2.\(^5\) It is important to note, however, that the Matrix was prepared and provided to JLG as a general guide and outline in this investigation, not in the preparation of a criminal case.

All sustained findings or conclusions of fact expressed in this Report meet the evidentiary standard of a “preponderance of the evidence,” generally defined as “more likely to be true than not true.” CACI No. 200.\(^6\) That said, it is our firm belief that a number of these findings and conclusions surpass that standard, rising to the level of “clear and convincing” evidence (a standard used in actions such as civil fraud cases) (CACI No. 201). In our view, the evidence supporting many of these findings even meets the standard of “beyond a reasonable doubt,” the standard used in criminal cases. See Evidence Code section 115.

XI. CREDIBILITY OF THE WITNESSES

The analysis of the credibility of the witnesses is an important aspect of a fact-finding investigation. As an accepted rule of evidence, a fact finder can disregard the statements of a witness who has been found to have provided false or unreliable information during their testimony in a matter. Those witnesses’ statements can be disregarded in their entirety and not believed unless there is compelling evidence to conclude that individual statements otherwise are true. (CACI No. 5003.) Concerning the witnesses’ statements, the fact finders considered:

(a) The witness’ demeanor while providing a statement and the manner in which he/she provided the statement.

(b) The character of the witness’ statement.

(c) The extent of the witness’ capacity to perceive, to recollect, or to communicate any matter about which he/she gave a statement.

\(^{5}\) See Addendum 2 attached to this Report.

(d) The extent of the witness’ opportunity to perceive any matter about which he/she gave a statement.

(e) The witness’ character for honesty or veracity or their opposites.

(f) The existence or nonexistence of a bias, interest, or other motive.

(g) A statement previously made by the witness that is consistent with his/her statement during the fact-finding investigation.

(h) A statement made by the witness that is inconsistent with any part of his/her statement during the fact-finding investigation.

(i) The existence or nonexistence of any fact given in statement by the witness.

(j) The witness’ attitude toward the fact-finding investigation in which he/she gave a statement or toward the giving of a statement.

XII. FORENSIC ACCOUNTING AND AUDIT FINDINGS AND COMMENTS

A. Scope of Forensic Accounting and Audit

Our Forensic Accounting and Audit (Audit) was intended to investigate and evaluate questionable campaign donations to City-elected officials that may have led to undue influence in any City Council actions, decisions, and/or directions from 2012 through 2022. Where possible, the JLG Auditor (Auditor) was asked to identify specific expenditures for which the donations were used by/for the elected official(s).

B. Report on the Schedule of Expenditures of Form 460 - Campaign Statements

We have audited the Contributions and Schedule of Expenditures from the California FPPC Form 460-Campaign Statements from 2012 to 2022 as produced by the City to JLG in Excel spreadsheet format, which contains data captured from electronically-filed Form 460s and maintained for public inspection the City at https://public.netfile.com. The actual 460 forms and the related lists of contracts and/or agreements were provided by the City of Anaheim.

More detail about specific Political Action Committees (PAC) contributions are discussed in the Lobbying section of this Report, which addresses the paper Form 460 filings (those not submitted electronically). In this case, the JLG Auditor obtained the actual filed 460 forms from public.netfile.com and the amounts were added manually into the Excel spreadsheet provided by the City. It is important to note that due to the inconsistent data provided, the amounts quoted in this portion of the report are an estimate based on the Auditor’s best ability with the data provided by the City.

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7 As reflected on the City’s website page for campaign contributions, “The Export E- Filed FPPC Form 460 - 496 - 497 - 461 - 465 transactions by year to Excel” download contains the e-filed transactions within the year selected from the drop-down. It is important to note the download covers the transactions in that year and not for filings in that year. Transactions from Paper filings will not be represented here.” (emphasis added).
City.

One example of such located inconsistency of paper versus electronically-filed data is found in a 2014 entry related to “H & S Ventures, LLC.” The City’s site public.netfile.com shows a “paper” Form 460/461. However, the same data was shown on the Excel spreadsheet data pulled from the same site, even though public.netfile.com disclaimer stated otherwise.

C. Auditor’s Responsibility

This Audit involved performing procedures to obtain audit evidence about the amounts, frequencies, and disclosures of contributions and independent expenditures provided by the City and other government sources as compared to agreements and/or contracts with the City. The procedures selected depended upon the Auditor’s judgment, including the assessment of the risks of material misstatement of the data provided, whether due to fraud or error. In making those risk assessments, the Auditor considered internal controls relevant to the City’s preparation and fair presentation of the Form 460s in order to design audit procedures that are appropriate for the circumstances. The assessments were not made for the purpose of expressing an opinion on any alleged undue political influence scheme. Accordingly, the Auditor expresses no such opinion.

D. Methodology

The City provided the Auditor a list of contributions and independent expenditures generated from electronically filed Form 460s from 2012 to 2022. Additionally, the City also provided the Auditor with a list, compiled by the City and purportedly representing contracts and/or agreements awarded by the City from 2012 to 2022 for all purposes.

The Auditor analyzed the amounts of contributions and/or independent expenditures, year of the contributions, frequencies, and to whom the individuals and/or companies contributed. The Auditor then compared these contributions and expenditures against the list of awarded contracts and/or agreements compiled and provided by the City. The goal of this exercise was to try and correlate certain contributor(s) and/or PAC expenditures to the awarding of certain contracts and/or agreements by the City. This connection could lead to evidence of potential undue political influence that could be further explored by the JLG Investigators.

The Auditor also noted that it is not an uncommon practice for an individual and/or a company to contribute to an individual political candidate and/or a PAC under one name and then be awarded a contract and/or agreement under a different name or as an entity tied to the initial contributing individual/company. In these instances, the Auditor then performed further research on the individuals and/or the organizations in an attempt to match the contributions to individuals and/or companies. There are many instances where the owner of the entities cannot be readily discovered, such as in the

8 See the California FPPC Form 460-Campaign Statements from 2012 to 2022 as produced by the City to JLG in Excel spreadsheet format. See example, paper filed version of H&S Ventures, LLC’s 2014 Form 460/461 (Exhibit 1).
9 The Auditor used random sampling techniques to test the validity of the data provided by the City and found some random errors in the listing of contributions and/or independent expenditures. These errors were generally de minimis, corrected in the final analysis, and did not affect the overall evaluation of the data.
10 The State of California FPPC Form 460/461 is the required reporting mechanism filed by recipient political committees to report expenditures and contributions.
case of an LLC that only identifies the Registered Agent for Service of Process.

As part of obtaining a reasonable assurance as to whether the data produced by the City is free from material misstatements, we performed a random test of the data arrayed in an Excel spreadsheet against the actual corresponding Form 460 and found some discrepancies. However, these discrepancies do not change the material facts used to determine who contributed and who was awarded a contract and/or agreement by the City.

As mentioned in the “Report on the Schedule of Expenditures of Form 460 - Campaign Statement,” section, it is important to note that the amounts quoted in this Report are estimates to the best of the Auditor’s capability. The Auditor cannot provide an actual amount due to inconsistent data provided.

Additionally, the Auditor was not initially advised of suspected misconduct by certain actors and/or entities so as to avoid any confirmation bias in this analysis. Once the initial analysis was completed, a more targeted approach was initiated based on input from the investigative team.

E. **Purpose of this Forensic Audit**

The purpose of this Audit was to:

1. Interrogate the contributions and/or independent expenditures from the Form 460s and match those spendings against any contracts and/or agreements with City.

2. Identify any unusual pattern of contributions.

3. Provide operation intelligence of these findings to the investigative team to focus on in their Investigation.

4. The Auditor was not to provide an opinion as to issues of any alleged undue political influence scheme.

F. **Qualified Opinion**

The data provided by the City simply identifies who contributed, when the contribution and/or independent expenditure was made, and when, if at all, contracts and/or agreements potentially tied to the contribution and/or independent expenditure were awarded.

We believe that the Audit evidence we have obtained is not sufficient nor appropriate to provide a sole basis to demonstrate a potential undue political influence scheme absent further evidence, whether direct and/or circumstantial, that is to be discovered and developed as part of this overreaching investigation.

G. **Findings**

Some of the notable findings are:
1. **Overall Contributions**

Based on ten years of campaign contribution data (2012-2022) provided by the City, the analysis demonstrated that the election cycle of 2018 experienced the largest contribution amounts within that 10-year period of time. There were a number of factors that contributed to this. The Mayor’s race was hotly contested with frontrunner Harry Sidhu (Sidhu) running against Ashleigh Aitken with the message of keeping the Angels in Anaheim. Sidhu won by a narrow margin of just over 500 votes due, in part, to the PAC support he received.

Additionally, Measure L was strongly opposed by hoteliers, Disney, and the Anaheim Chamber as it was designed to require hospitality-industry employers that receive City subsidies to pay a minimum wage of $15 an hour, effective January 1, 2019, and to increase the minimum wage by $1 each year through January 1, 2022. Two PACs were formed to fight this ballot measure alone with expenditures over $1 million dollars.

In 2020, the Anaheim Orange County Hotel & Lodging Association (AOCHLA) PAC and Anaheim Chamber PAC saw an increase in donations from apartment management companies. This may have been due to the proposed rent control ordinance to be introduced at that time, as well as the general shared political interests of the contributors.

2. **Contributions to Harry Sidhu’s 2018 Mayoral Campaign**  

According to campaign Form 460s filed in 2018, the following PACs spent the majority of their contribution funds in support of Sidhu.

<table>
<thead>
<tr>
<th>PAC</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anaheim Chamber of Commerce PAC - ACC PAC</td>
<td>$237,422.26</td>
</tr>
<tr>
<td>Anaheim Orange County Hotel &amp; Lodging Association - AOCHLA PAC</td>
<td>$89,123.26</td>
</tr>
<tr>
<td>Citizens For Anaheim’s Future</td>
<td>$76,050.27</td>
</tr>
<tr>
<td>Anaheim Neighborhood Association</td>
<td>$88,753.34</td>
</tr>
</tbody>
</table>

In the same year, 2018, the AOCHLA PAC spent more than $100K to oppose Ashleigh Aitken’s run for Mayor.

The Auditor’s analysis found there were a number of contributors who gave significantly to multiple PACs. The Anaheim Chamber of Commerce (ACC) PAC generally contributed to the above-listed PACs as well. Though the same applies to Support Our Anaheim Resort Area (SOAR), it appears that SOAR did not contribute to Harry Sidhu in 2018, but instead made sizeable contributions toward the Councilmember campaigns of Trevor O’Neil, Jordan Brandman, and Mitch Caldwell, in the same year (2018).

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11 Per an affidavit filed by FBI Special Agent Brian Adkins, Sidhu was under investigation for violating various Federal statutes. These Federal statutes included, honest services fraud, theft or bribery concerning programs receiving Federal funds, wire fraud, mail fraud, false statements, obstruction of justice, and witness tampering.
Several of the contributors illustrated in the above chart, such as the Anaheim Chamber, Wincome Hospitality (FJS Inc., and Goodhope International), Greenlaw, Caisteal Builders, and others, all appeared to have received multiple contracts and/or agreements with the City. 

3. **Anaheim Chamber of Commerce PAC (ACC PAC)**

In 2018, the ACC PAC spent more than 71% of its contribution funds received on Sidhu’s mayoral election.

<table>
<thead>
<tr>
<th>Name of Candidates</th>
<th>Chamber PAC</th>
<th>TA Consulting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Harry Sidhu</td>
<td>&gt;$230k in 2018</td>
<td>$2000.00 in 2018</td>
</tr>
<tr>
<td></td>
<td>$2000.00 in 2019</td>
<td></td>
</tr>
<tr>
<td>Stephen Faessel</td>
<td>$500.00 in 2018</td>
<td>$500 in 2018</td>
</tr>
<tr>
<td>Trevor O’Neil</td>
<td>$2000.00 in 2018</td>
<td>$2000 in 2018</td>
</tr>
<tr>
<td></td>
<td>$2000.00 in 2019</td>
<td></td>
</tr>
</tbody>
</table>

---

12 Summary of Contributions from 2012 to 2022 against Contracts/Agreements from 2012-2022 (Exhibit 2).
The ACC PAC also contributed to the Stephen Faessel (Faessel) and Trevor O’Neil’s (O’Neil) campaigns. They then followed in 2019 to the same three candidates, Mayor Sidhu, O’Neil, and Faessel.

Todd Ament (Ament), who was President and CEO of the Anaheim Chamber, also made contributions through his consulting firm, TA Consulting, to the Sidhu, O’Neil, and Faessel during the 2018 campaigns.

These are the same individuals (Ament, O’Neil, and Faessel) who attended the Anaheim Chamber’s organized “Retreat” on December 2, 2020. Based on the FBI affidavit, it appeared that this “Retreat” was attended by those who the FBI described in their affidavit in support of Ament’s arrest warrant as “Cabal” members. This Audit makes no findings concerning the issue of who was a “member” of the so-called, “Cabal” or any possible illegalities associated with that group of individuals.

It did not go unnoticed that Anaheim First, a “Non-Profit Public Benefit Corporation,” founded by Anaheim Chamber and formed in 2018 during the same period in which the ACC PAC, spent over $230,000 on Sidhu’s run for Mayor.

On April 16, 2019, led by newly elected Mayor Sidhu, a majority of the City Council approved a $250,000 grant award to Anaheim First. Records obtained from the California Secretary of State’s website reveal that on April 11, 2019, Anaheim First filed its Articles of Incorporation (Non-Profit Public Benefit Corporation). This was only five days prior to the City Council’s vote to fund the $250,000 grant awarded to Anaheim First, with only one day’s notice before the relevant City Council agenda was made public.

This information, coupled with Ament’s Federal indictment on several fraud charges, makes

13 Questions and Answers – Anaheim First (Exhibit 3).
the timing of this grant award somewhat questionable/suspicious. The Anaheim Chamber, which historically, did not contribute a significant amount to any candidates, did so in 2018, spending over $230,000 on Sidhu’s mayoral campaign the same year that Anaheim First was essentially formed by the Anaheim Chamber. Within months of Sidhu’s election to Mayor, Anaheim First received a $250,000 grant from the City.

It is important to note that ultimately, on July 1, 2022, Todd Ament pled guilty to Federal criminal charges for defrauding a cannabis company, fraudulently obtaining a COVID-relief business loan worth nearly $62,000, making false statements to a bank while seeking a federal loan for a $1.5 million dollar second home, and failing to declare income on his federal taxes.

4. Angels Baseball Contribution – Angel Stadium Land Sale

Angels Baseball is a regular contributor to the local officials’ elections. However, the amount contributed to Sidhu increased notably in 2021 after the Angel Stadium land sale was executed in December 2019 with SRB Management as the buyer. Although contributions from Angels Baseball and affiliated employees and contractors are relatively small, the FBI investigation revealed former Mayor Sidhu’s aspirational goals of obtaining a large independent expenditure from Angels Baseball essentially in exchange for helping the Angel Stadium land sale close.

It should be noted that this Audit analysis of campaign contributions did not find measurable credible evidence to say that any member and/or associate of Angels Baseball made an “unusual” amount of contributions to Sidhu, nor that any contribution arrangements between members of Angels Baseball and Sidhu were necessarily discussed or agreed upon.

It is important to note that Flint, a lobbyist through his company FSB Core, represented SRB Management in the Angel Stadium land sale. The Department of Justice website states, “An investigation outlined in the affidavit revealed that Ament and the political consultant had a close relationship for several years, one that included leading a small group of Anaheim public officials, consultants, and business leaders. That group –described by Ament and the political consultant as a
‘family’ and a ‘cabal’ – met regularly at ‘retreats’ to allegedly exert influence over government operations in Anaheim, according to the affidavit.” There is a general belief that Flint was the “political consultant” mentioned, therein.

5. **Correlations between Anaheim Chamber, Anaheim Chamber PAC (ACC PAC) and Anaheim Chamber Initiatives with Contracts/Agreements Awarded to Companies**

The Auditor noted some correlations between the following companies’ contributions to the ACC PAC and Anaheim Chamber Initiatives with various contracts and/or agreements awarded by the City from 2012 through 2022.¹⁴

![Contributions to ACC PAC and Anaheim Chamber Initiatives](image)

*Figure 4-Contributions to ACC PAC and Anaheim Chamber Initiatives*

The relevant projects related to these companies during these periods:


C. **Ajesh Patel and William O’Connell – The JW Marriott Hotel**, started in 2017 and opened in 2020. William O’Connell, through Best Western Stovall Inn in 2019, also contributed to the Anaheim Orange County Hotel Lodging Association (AOCHLA) in the amount of $5000.00.

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¹⁴ *Summary of Contributions from 2012 to 2022 against Contracts/Agreements from 2012-2022 (Exhibit 2).*
6. **Caisteal Builders Inc. and the Anaheim Chamber**

Caisteal Builders, Inc. is owned by Ross McCune (McCune), who is also a Board Member of the Anaheim Chamber.\(^{15}\) His company, Caisteal Builders, received a no-bid contract from the City in January 2019 to build a temporary homeless shelter. Although there was no competitive bid process for this contract, it should be noted that this no-bid contract was awarded under “*time-sensitive circumstances.*”\(^{16}\)

![Caisteal Builders - Ross McCune Contributions](image)

*Figure 5 - Caisteal Builders Contributions*

7. **Greenlaw Partners LLC**

Figure 7, below, illustrates that Greenlaw Partners, LLC (Greenlaw) did not appear to contribute to elections until 2016. The facts show that Greenlaw was awarded several City contracts and/or agreements between 2016 and 2020. Sidhu was a Councilmember in 2016 prior to his election to Mayor in 2018. In 2020, Greenlaw spent over $6,000 on Sidhu’s 2018 campaign fund, which was funded by three individuals associated with Greenlaw, namely, Wilbur Smith, Derek Meddings, and Robert Mitchell. Additionally, according to Form 460 filings, Greenlaw contributed $25,000 to the ACC PAC in 2020. Shortly thereafter, a Greenlaw project was approved.

It has been reported that Greenlaw owns the building and is the landlord for space occupied by the Anaheim Chamber and Visit Anaheim. Additionally, according to research, Flint was also a tenant in this building.

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\(^{15}\) As listed on caistealbuilders.com.

\(^{16}\) This no-bid contract to build a Temporary Homeless Shelter is discussed in further detail in Section XIV. of this Report.
8. Support Our Anaheim Resort Area PAC (SOAR PAC)

One of the major contributors to City Council campaigns from 2012 through 2022 was the Support Our Anaheim Resort PAC (SOAR PAC). The SOAR PAC is funded primarily by Disney, with smaller contributions from [SOAR] Board Members and other supporters. The SOAR PAC has spent a considerable amount on City Council election campaigns since its inception. However, SOAR PAC City Council campaign contributions significantly increased between 2018 and 2022. According to various filings, the SOAR PAC contributed over $1M in each of these campaigns to support candidates seen as resort friendly – approximately $1.2 million dollars in 2018, $1.38 million dollars in 2020, and $1.2 million dollars in 2022. In 2018, Disney invested its campaign contributions in three City Council seat races and opposed Measure L, but did not support Sidhu for Mayor, except with a nominal contribution.

Additionally, it was noted that there have been at least 24 projects in the Anaheim Resort Area in the same period (see Figure 7). In 2018, over $1 million dollars of independent expenditures were spent by SOAR of which 32.37% went to support the Brandman campaign, 34.59% to support the O’Neil campaign, and 32.86% to support the Caldwell campaign. In 2022, SOAR spent over $1.2M - $546,937.19 went to support Natalie Meeks, $379,818.70 went to Natalie Rubalcava, and $302,287.07 went to Gloria Ma’ae.

As noted, Disney is the largest contributor to the SOAR PAC, with smaller donations from SOAR members. They contributed over $1.2 million dollars in 2018 and over $1.5 million dollars in 2019. During this period, Disney completed two projects in 2019 and one project in 2021, with one project still to be completed and pending.17

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17 *The Anaheim Resort Development Update, Revised May 26, 2022* (Exhibit 4).
9. Correlations Between the Anaheim Chamber PAC (ACC PAC), Support Our Anaheim Resort PAC (SOAR PAC), and the Anaheim Orange County Hotel & Lodging Association PAC (AOCHLA PAC)

There appears to be some correlation between ACC PAC, SOAR PAC, and AOCHLA PAC giving. Those who contributed to any one of these PACs generally seemed to contribute to the rest of the other resort-based PACs. The AOCHLA PAC was formed in 2018 and became very active immediately, with significant contributions from major hoteliers and property management companies. The increased interest in the 2018 election was likely driven by opposition to Measure L, which, if passed, would increase the minimum hourly wage, directly affecting hoteliers.

In 2020, the AOCHLA PAC and ACC PAC saw an increase in donations from apartment management companies. This increased support was likely due to a proposed rent control ordinance scheduled to be introduced for a vote by the City Council at/around that time, as well as the general shared political interests of the contributors who may well have supported similar business/landlord interests.

XIII. GENERAL SCOPE OF INVESTIGATION - DISCUSSION AND FINDINGS

A. Investigate issues of corruption or inappropriate conduct in the proposed sale of the Anaheim Stadium (Angel Stadium) under Mayor Sidhu, to include the related Angels Stadium lease controversy. Also examine local corruption issues identified in the recent FBI investigation(s). This includes investigating the conduct of concurrent city and local elected officials, City staff, consultants, lobbyists, and others with direct involvement in these events.
A. Investigation by United States Attorney’s Office and the Federal Bureau of Investigation

1. How the Federal Affidavits Came to Public Attention

On May 13, 2022, the California State Attorney General, Rob Bonta, was made aware of and was provided a true and correct copy of a Federal Search Warrant Affidavit submitted by Federal Bureau of Investigation Special Agent Brian Adkins. The warrant was signed on May 12, 2022, by United States Magistrate Judge Douglas G. McCormick and authorized the search of then-Mayor Harry Sidhu’s telephone, personal email, his person, and a helicopter he recently purchased. The affidavit stated probable cause was established due to allegations of political corruption related to the sale of Angel Stadium to SRB Management, LLC on behalf of the Angels Baseball Organization. The affidavit also alleged potential Brown Act Violations related to the negotiation of the sale of Angel Stadium, whereby then-Mayor Sidhu potentially divulged confidential information through a lobbyist and the President of the Anaheim Chamber to the Angels’ negotiators. Additionally, the affidavit alleged that Mayor Sidhu planned to solicit $500,000 to $1,000,000 for Political Action Committee (PAC) contributions that would be funneled to his future political campaigns upon completion of the sale of the stadium. On May 16, 2022, the Los Angeles Times published the allegations of Mayor Sidhu’s potential corruption related to the Angel Stadium sale.18

On May 17, 2022, State Attorney General Rob Bonta filed an ex parte motion as part of ongoing litigation related to an alleged violation of the Surplus Land Act (SLA) during the sale of Angel Stadium property. Agent Adkin’s search warrant for Harry Sidhu’s electronics and helicopter was Exhibit #1 of the ex parte motion for a (60) day stay of the Angel Stadium sale and Stipulation for Entry of Judgement.

Also on May 17, 2022, the Los Angeles Times reported that Federal Bureau of Investigation Special Agent Brian Adkins had submitted a Federal Criminal Complaint and Arrest Warrant Affidavit for the President & CEO of the Anaheim Chamber, Todd Ament (Ament). On May 16, 2022, Ament’s Criminal Complaint and Arrest Warrant were signed by United States Magistrate Judge Autumn D. Spaeth. The affidavit alleged probable cause based on allegations of false statements to a federally insured financial institution, honest services fraud, wire fraud, money laundering, bank fraud, fraudulently obtaining a loan under the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”), as well as the fact that the Internal Revenue Service had been investigating Ament for tax-related violations.19

2. Overview of Federal Affidavits

Mayor Sidhu, Political Consultant Jeff Flint, and Anaheim Chamber President & CEO Ament appear to be consistently intertwined in both the financial and political aspects of multiple questionable political maneuvers and transactions in several arenas. These arenas include political actions such as

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lobbying, PAC contributions, cannabis legalization and enforcement, and fund divergence. The two Federal Affidavits, Ament’s Criminal Complaint, and the Sidhu Search Warrant also cross over in timeframe and involve these same parties.

The FBI’s investigation began in April 2018 in the City of Irvine and was focused on claims of bribery and corruption of City Council Members facilitated by Melahat Rafiei (Rafiei) in connection with a cannabis proposal. It migrated in September 2019 to the City of Anaheim through Rafiei’s practice of charging Cannabis Companies for access to drafts of ordinances and Rafiei’s alleged influence on the Anaheim City Staff and Council. The conduits for the influence were Flint’s unreported lobbying and Ament’s Chamber Cannabis Task Force, as well as Ament’s influence as then-Mayor Sidhu’s chief adviser.

Also in September 2019, as the investigation was continuing, it intersected with Mayor Sidhu’s potential political corruption related to the sale of Angel Stadium and Flint and Ament’s involvement in the negotiations. According to Ament, in September 2019, Mayor Sidhu leaked the figures of the Angel Stadium property Appraisal to be shared with the Angels Baseball Organization following a Closed Session of the City Council. Again, in July 2020, Mayor Sidhu had provided confidential documents prepared by the City’s outside counsel via email to Flint and Ament to be provided to the Angels. This email contact was not reported on Flint’s SRB Management Lobbying report.

In October 2019, the FBI arrested Rafiei related to the City of Irvine bribery case. She agreed to cooperate and advised that the Anaheim Chamber was a lobbying organization that writes and introduces policy to the Anaheim City Council. She also confirmed that her Cannabis Client had spent $220,000, which was funneled through the Anaheim Chamber of Commerce to Ament, Flint, and possibly Anaheim City elected officials.

During the FBI’s investigation as the month of November 2020 was coming to a close, intercepted calls revealed that Flint, Ament, and a close group of confidents were planning a “Retreat” for what they characterized as the “Cabal” or “Family Members Only.” The discussion went into great detail assessing who to invite and who to exclude as well as the rationale. There was a candid description of each Councilmember’s allegiances and concerns. The implication and assertion made in the affidavit by the FBI Agent was that unelected individuals were influencing and manipulating City elected officials with reminders of previous and future campaign support or positions on the City Council such as Mayor Pro Tem.

Invitations were sent out by the Anaheim Chamber to select City employees and City Council members who later admitted attending once the Affidavit became public.

In September 2021, Ament was arrested and elected to cooperate with the FBI. In October 2021, Ament recorded a conversation with then Mayor Sidhu in which he mentions asking the Angels’ representative for half a million dollars after the Angel Stadium sale was complete. In subsequent calls, Mayor Sidhu said he was going to ask for a million dollars and suggested Ament ask for three million total for Political Action Committees or PACs. In December of 2021, Ament met again with then Mayor Sidhu who suborned Ament to commit perjury during his Orange County Grand Jury testimony by denying his involvement in the Angel Stadium negotiations or passing of confidential information.
or documents. Mayor Sidhu reiterated that he had only used his personal emails and texts and that he had erased and not provided them.

During email review and interviews over the course of this Investigation it was determined that the FBI subpoenaed records from the City of Anaheim related to Councilmember Jordan Brandman’s recall election and Norris Realty Advisors valuation of the Angel Stadium property. The FBI subpoenaed City Attorney Fabela and City Clerk Theresa Bass. Both had calendar entries to meet with FBI Special Agent Neatles (sp?) [Nieblas] on December 3, 2020. Deputy City Manager Greg Garcia (Garcia) was subpoenaed. Public Information Officer Mike Lyster (Lyster) was subpoenaed and instructed to bring all Angel Stadium sale negotiation communications and anything he forwarded to the Anaheim Chamber, Flint, Ament or the Angels/SRB Management. City Manager Jim Vanderpool was subpoenaed but met with the FBI Agents after which the subpoena was cancelled. Former City Manager Chris Zapata has spoken with the FBI as well.

Private Investigator Craig Hunter (Hunter) was contacted by the FBI to discuss Sidhu’s involvement in the situation involving the denial of Bahu’s Arco gas station project.

Early in our Investigation, JLG made contact with the FBI Agents who prepared the Sidhu Search Warrant and the Ament Criminal Complaint affidavits. Due to the ongoing nature of their investigation, they were not able to provide us with any information. They contacted us as our investigative deadline was nearing and requested a copy of our Report. We explained that we were under contractual obligation with the City and not permitted to discuss JLG’s Investigation with any outside entities. JLG obtained special permission from the Anaheim City Council to meet with the Orange County District Attorney’s Office. We recommended that the FBI subpoena Our final Report from the City of Anaheim after submission to the City, advising that we were contractually unable to discuss the Investigation.

Over the course of its investigation, the FBI tracked funds solicited by Flint and Ament through wire transfers and checks written by cannabis companies supporting legalized cannabis in the City of Anaheim. The funds were tracked through the Anaheim Chamber bank accounts to Flint’s company identified in the Affidavit as Firm A [FSB Core Strategies et. al.] and on to Ament’s TA consulting business. Ultimately some of the funds were transferred or deposited into Ament’s joint personal checking account where they were used to pay personal expenses. This was done to mask Flint and Ament’s involvement and flout the City of Anaheim’s Lobbying rules.

The Anaheim Chamber’s goal was to solicit $1,000,000 from prospective Anaheim cannabis businesses. The assertion was made that the ordinance would be rubber stamped by City Staff and approved by the City Council.

Similarly, Ament caused funds to be sent from the Anaheim Chamber’s account to his TA Consulting company, while soliciting funds from Flint via his Consulting company, Firm A [FSB Core Strategies et. al.] to facilitate the purchase of a home in Big Bear, California. During the process of purchasing the home, Ament made false claims regarding the origin of the funds and an out of escrow payment to the owners that was not reported to the Federal bank making the million-dollar loan. Ament
also fraudulently obtained a Small Business Administration EIDL Loan for $61,900 which was included in his guilty plea.\(^{20}\)

Mayor Sidhu, likewise, purchased a helicopter and fraudulently registered it in the State of Arizona to avoid paying California taxes.

3. **2019-2022 Cannabis Ordinance**

A review of the affidavit for Ament’s Federal Criminal Complaint and Arrest Warrant determined that the genesis of the FBI case stemmed from an investigation into corruption in the nearby Orange County City of Irvine. In 2012, the FBI developed a Confidential Human Source, designated CHS1, following an arrest for Nonsufficient Fund Check Fraud. CHS1 was involved in a State legal cannabis business and at some point, became a confidential informant for the FBI. The FBI developed a second Confidential Human Source, designated CHS2, who was also involved in legal cannabis but had no criminal history. The Affidavit states, “CHS1 and CHS2 agreed to assist the FBI because they were motivated by patriotism and wish to minimize corrupt public officials in the United States.” The Agent included, “Based on my training and experience, I have found CHS1 and CHS2 to be credible and reliable as their information has been corroborated by other evidence obtained, including recorded meetings and calls.”

In 2018, CHS1 and CHS2, at the direction of the FBI, assisted with an investigation into political corruption and bribery involving the Irvine City Council related to a potential cannabis ordinance. In June of 2019, the FBI obtained a Federal Wiretap for an individual identified in the affidavits as Confidential Witness 1, designated (CW1), later determined to be Rafiei by her own admission and guilty plea.

Rafiei and her Associate, Designated CW1’s Associate, indicated they had an opportunity to assist CHS1 with establishing a cannabis business in the City of Anaheim.

On September 5, 2019, Melahat Rafiei and CW1’s Associate, who represented a different cannabis company, met with CHS1 and explained:

\[\text{So now we’ve found the middle ground scenarios, which now is presenting itself in Anaheim. Middle ground. There’s people who want money. Big money, because it’s fucking Anaheim. Chamber people, people like that all over the place, whatever, consulting groups, and they’re not saying we’re going to guarantee a license. Now we listen, oh, you’re not going to guarantee me a license? Perfect. What are you going to guarantee me? We’ll let you write the buffers, tell us how you want the ordinance drafted, tell us how, not that we’re going to not let everybody play, everybody gets to participate, but if you say you have a building and its 650 feet from residential...whatever, you want it that way, we’ll make it that way...but then, once we open that baby up, then everybody can come in...But you just get all the input. You tell us you, we want this, it goes in the ordinance.}\]

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When asked what the Chamber’s role was in the operation, CW1’s Associate stated, “They’re just there to drive political cover and give policy makers what they need as far as ammunition to deal with the loud mouth haters that are out there.”

The cost of inside access was between $200,000 and $300,000 dollars which was to be paid to the Anaheim Chamber and then paid out to lobbyists, consultants, the Chamber and possibly City elected officials. However, when asked specifically the name of the company, CW1’s Associate said it was Firm A [FSB Core Strategies et. al.], “but that they were just the one consultant. They’re not taking any of the cash or anything. They’re just the ones that tell you who to go talk to.”

At the direction of the FBI, CHS1 requested a meeting with the management of the Chamber. On September 18, 2019, Flint, Ament, Rafiei, CW1’s Associate, and CHS1 met at the Anaheim Chamber to discuss the Anaheim cannabis ordinance. The FBI conducted a surveillance of the meeting at the Anaheim Chamber office which at the time was also shared by Flint’s Firm A [FSB Core Strategies et. al.] as well as the non-profit Visit Anaheim. During the meeting Flint and Ament explained that the Anaheim Chamber routinely spends millions of dollars to ensure business friendly candidates are elected to the Anaheim City Council. Ament explained that the Anaheim Chamber creates business friendly policy, and then hires Firm A [FSB Core Strategies et. al.] to interact with the City elected officials to ensure business friendly policy is adopted by the City Council.

During the meeting Flint explained to CHS1 that access to the information for cannabis licensing and zoning would be gained prior to its release to the general public only to those cannabis companies willing to pay $350,000, “to contribute to the effort.” This comment was made in front of Ament. Flint went on to explain that Anaheim has a lobbying ordinance and that they would run it through the Chamber Task Force and that way he did not need to register with the City as lobbyist for CHS1 and CHS2’s company, later determined to be Terra Tech.

Following the meeting, CW1’s Associate informed CHS1 that the Chamber was soliciting money from other cannabis companies with a goal of collecting a total of one million dollars.

On October 28, 2019, Rafiei was arrested by FBI Agents Adkins and Nieblas for her involvement in the City of Irvine bribery case.

Additional research determined that Rafiei was the secretary of the California Democrat Party and representative to the Democratic National Committee. She was a campaign manager for Irvine

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21 The meeting was surreptitiously recorded at the FBI’s direction by CHS1. Verbatim excerpts of the conversation were included in the Ament Affidavit.
22 Terra Tech has previously been involved in FBI corruption investigations, including the 2015 indictment of UFCW Executive Dan Rush, for which the CEO Derek Peterson provided a statement regarding Terra Tech’s cooperation with the FBI. This is likely the previous cooperation noted in the FBI Agent’s footnote as the indictment overview is similar to the allegations and investigative methods employed in both the Irvine and Anaheim probes. Dan Rush conspired with attorney Marc L. Terbeek to refer cannabis businesses he encountered in his union role to Terbeek’s law practice who specialized in worker’s compensation. He was also convicted of depositing illegal drug proceeds into the Federal banking system. Based on the January 19, 2023, Press Release by the United States Attorney’s Office, Rafiei plead guilty to wire fraud charges. The release indicates that in April of 2018, Rafiei, a principal and founder of Progressive Solutions Consulting, a Long Beach-based political consulting firm, agreed to pay at least $225,000 in bribes to Irvine City Council members in exchange for introducing and passing a cannabis ordinance. (Exhibit 8).
Mayor Farrah Khan and Anaheim Mayoral Candidate Ashleigh Aitken, as well as former Anaheim City Council Member Jordan Brandman. Council Member Brandman appointed Rafiei to the Anaheim Cultural and Heritage Commission. In September of 2021, California Governor Gavin Newsom appointed her to the Orange County Fair Board. She is also a Co-founder of WeCann, a Santa Ana full-service Cannabis advisory firm, according to the company website.

Independent of the Ament Affidavit, our Investigation determined that an email demonstrated that on September 20, 2019, a meeting was scheduled for September 26, 2019, the subject was Cannabis Ordinance with the following list of attendees; Chris Zapata, Greg Garcia, David Belmer, Ted White, Flint, Melahat Rafiei, Chris Glew and Arturo M. Sanchez. This meeting was not reported by Flint on his 2019 Registered Lobby Report.

On September 20, 2019, an email from Anaheim City Manager, Zapata forwarded from Arturo Sanchez of Terra Tech to Lisa Hughes to schedule the September 26, 2019 meeting, Arturo Sanchez wrote, “Joining us in this meeting would be Jeff Flint, CEO of FSB Core Strategies representing the Chamber of Commerce, Chris Glew, and Melahat Rafiei.”

On October 29, 2019, a meeting was scheduled with Anaheim Mayor Sidhu, City Councilmember Trevor O’Neil, Greg Garcia, Theresa Bass, and City Attorney Fabela. Ament and Flint were included in the body of the invite but not on the To or CC fields. This meeting was not reported by Flint in his 2019 Registered Lobbying Report.

On November 18, 2019, Flint emailed a Proposed Cannabis Ordinance Dispensary screening application packet to Anaheim Senior Assistant City Attorney Kristin Pelletier (Pelletier). On November 19, 2019, Flint sent an Anaheim Cannabis Regulation Code which the metadata indicated was authored by Dirk Voss. Also, on November 18 and November 19, 2019, City Attorney Fabela sent Pelletier an email from his iPhone with an attachment which was a photograph of a 3-page Chamber Cannabis Task Force Outline. The third page included the following roster; Todd Ament-Anaheim Chamber, Jeff Farano Sr.-SA, Michaela Brown-The Catch, Peter Mitchell-Political Analyst, Ross McCune-Caistead Builders, Jeff Flint-Consultant, Fred Brown-Resort Rep, Chuck Farano-Legal Consultant, Dirk Voss-Consultant-Urban Magmnt [sic] Strategies, Mark Himmelstein- Consultant, Peter Argawal-Consultant. The photograph attachment was titled-JotDot_11-18-2019.pdf. With the exception of Dirk Voss and Mark Himmelstein, all those rostered contributed to Mayor Harry Sidhu’s campaign. Peter Argawal was the bank representative on the Anaheim Chamber of Commerce Board.

On November 19, 2019, a Pelletier email included the aforementioned Chamber Cannabis Task Force outline minus the roster. The metadata fields indicated it was authored by Alex [No further info] and was last modified by Dirk Voss on October 24, 2019.
A review of City employee emails by JLG revealed that Flint and Ament were on a conference call with then Acting City Manager Greg Garcia, City Attorney Fabela and Pelletier. In the email exchange, Pelletier

On January 8, 2020, Dirk Voss sent Pelletier an attachment with a projected annual cost for the Anaheim Cannabis Task Force Ongoing Expenses at $2,234,216. Dirk Voss, with Urban Management Strategies, was registered as a Lobbyist with the City of Anaheim in 2019. His client was Jeremy Zachary of Gold Coast Industries. On his 2019 Lobbying report he listed meeting in April of 2019 with Mayor Sidhu and in May of 2019 with City Councilmember Jordan Brandman. The topic for both meetings was “Business Development Opportunities.” A review of the 2019 Anaheim Annual Lobbying report included that Dirk Voss met with City Councilmember Moreno in January of 2019, but he had no entries for the 3rd and 4th Quarters of 2019 which would have been when he was forwarding the proposed ordinance and supporting documents to Pelletier.

On January 10, 2020, Pelletier informed City Attorney Fabela,

On January 10, 2020, a meeting was scheduled by Lucille Kring for Bill Dalati titled, “Cannabis Discussion.” On January 13, 2020, Garcia sent Pelletier and City Attorney Fabela an email

On January 15, 2020, a meeting was scheduled by Lisa Hughes for January 17, 2021. The comments read: Meeting is being scheduled at the request of the Mayor and will include: Mayor Sidhu, Chris Z, Greg G, Rob F, David B, Ted W, Todd Ament and Flint (Annie will invite and Todd). Flint and Todd Ament’s email addresses were not included in the email invitation. The actual January 17, 2020, calendar event was not included in the email records provided as part of the litigation hold but

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31 November 19, 2019 Email between Fabela and Pelletier (Exhibit 15).
32 January 8, 2020 Email Voss to Pelletier attaching projected Anaheim Cannabis Task Force Budget (Exhibit 16). A document production pursuant to JLG’s request to the City yielded a comprehensive set of documents related to cannabis which included the one-page Cannabis Task Force On Going Expense document which was page 4 of 4. The document included in the email previously mentioned did not have a page number at the bottom and was likely an earlier draft. The preceding pages included maps.
33 2019 City of Anaheim Q2 Lobbying Report for Urban Management (Exhibit 17) and 2019 City of Anaheim Registered Lobbying Annual Report (Exhibit 18).
34 January 10, 2020 email Pelletier to Fabela re Cannabis Discussion meeting (Exhibit 19).
35 January 10, 2020 email confirming January 30, 2020 Belal Delati meeting with Councilmember Kring re cannabis discussion (Exhibit 20).
36 January 13, 2020 email from Pelletier to Fabela and Garcia re Cannabis Discussion meeting (Exhibit 21). On March 21, 2022, Belal Dalati filed a ballot petition to legalize cannabis. He withdrew his petition on May 16, 2022, which will be discussed later in further detail.
37 January 15, 2020 Email re Cannabis Discussion meeting (Exhibit 22).
was retrieved during a forensic download of Annie Mezzacappa’s laptop in response to Duane Roberts’ CPRA request.

On January 15, 2020, Pelletier began an email thread which was sent to Mike Rubin and Jennifer Farrell of Rutan & Tucker which read,

Jennifer Farrell was the consultant hired by the City of Anaheim to assist with drafting the cannabis ordinance. Jennifer Farrell

She wrote:

City Attorney Fabela is CC’d on the email thread. 38

On February 24, 2020, City Attorney Mark Facer sent Pelletier an email which read,

Pelletier forwarded the email to Deputy City Manager Garcia

Pelletier responded,

email was sent from Pelletier to Fabela on February 25, 2020. The email was titled

Pelletier informs Fabela

On March 3, 2020, John Yonai of Terra West Advisors sent an email titled Updated City ordinance-TWA bringing copies. The email included Garcia, Lylana Bogdanovich (Bogdanovich), Pelletier, Tania White, Jennifer Farrell, Ruben Rojas, Louis Morles, Rose Yonai and Dirk Voss. In the email he advised that he will bring 15 copies for the team to review and write on. There appears to be an attachment to the email. 39

On March 4, 2020, Amanda Edinger scheduled a meeting which was titled Meeting with JF on Cannabis. 40 The meeting included Nam Bartash (Bartash), Stephen Faessel (City Councilmember Faessel) and Susan Faessel. The reference to JF is likely Flint. Flint, as a Lobbyist for FSB Public Affairs Inc., reported lobbying for several clients, but none of his reported entries were cannabis related, nor did he report meeting with Council Member Faessel on March 4, 2020. 41

38 January 10-24, 2020 Email thread - Jennifer Farrell (Rutan & Tucker) and Pelletier (Exhibit 23).
39 March 3, 2020 John Yonai (Tierra West) Email with Ordinance (Exhibit 24).
40 February 24, 2020 Edinger Email (Exhibit 25).
41 FSB Public Affairs Inc., is one of several companies owned or controlled by Flint. For purposes of this Report references in the FBI affidavit to Firm-A have [FSB Core Strategies et. al.] include. See 2020 Anaheim Registered Lobbyist Report (Exhibit 35).
On April 6, 2020, the City Manager Zapata sent an email regarding his brief with the Mayor (Sidhu). He indicated that the Mayor wants to revisit the cannabis ordinance and the online travel agencies (OTA) tax.

On April 17, 2020, Pelletier sent an email to Garcia which CC’d Jennifer Farrell [Rutan & Tucker] and Arturo Sanchez [Tierra West Advisors and Attorney] regarding

On April 19, 2020, Pelletier sent an email to Garcia which CC’d Jennifer Farrell [Rutan & Tucker] and Arturo Sanchez [Tierra West Advisors and Attorney] regarding

On April 22, 2020, Pelletier sent an email to Ted White (T. White) which read,

In the email thread, Pelletier wrote,

On May 8, 2020, City Attorney Fabela and Deputy City Attorney Dan Payne (Payne) exchanged emails regarding

On May 11, 2020, Pelletier sent an email to the individuals working on the cannabis ordinance which read,

On May 15, 2020, City Attorney Fabela authored a letter to the Fair Political Practices Commission (FPPC) regarding Mayor Sidhu’s potential conflict of interest related to voting on cannabis related ordinances considering his 23-year-old son, Rohan S. Sidhu’s, small business in 2018

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42 April 19, 2020 email from Pelletier cc: to Garcia (Exhibit 26).
43 May 8, 2020 email thread Payne and Fabela. Note: this email was re-sent from Payne to City Attorney Fabela on February 4, 2021, almost a year later, with (Exhibit 27).
was to provide “engineering consulting” to individuals and businesses working in the cannabis industry.”

On June 8, 2020, City Attorney Fabela responded to a request from Duane Roberts for a copy of the response letter from the FPPC regarding Mayor Sidhu’s potential conflict of interest related to voting on cannabis related ordinances in light of his son’s cannabis consulting. The attached letter was dated May 27, 2020. City Attorney Fabela to Melissa Merrill.

On June 4, 2020, City Attorney Fabela sent an email to Garcia and Pelletier in which he wrote,

Garcia responded.

On June 5, 2020, Pelletier authored an email to Leonie Mulvihill (Mulvihill) titled,

Mulvihill provided a response.

The Counsel Action Agenda for June 9, 2020, read: City Council Meeting, Agenda Item #28, Cannabis Measure in discussion JB/LK [Jordan Brandman/Lucille Kring] increased the distance from schools from 600 feet to 750 feet and not allow retail cannabis within 500 feet of each other and limit a maximum of 18 retail licenses citywide and no more than three per district. Mayor Sidhu, Council Members Kring and Brandman were Ayes; Noes Mayor Pro Tem Faessel and Council Members Barnes, Moreno, and O’Neil. During discussion of Agenda Item #29, Mayor Sidhu stated his vote on Item No. 28 was “no.” The City Clerk confirmed the vote 2-5, motion failed.

On October 7, 2020, after the cannabis ordinance failed, Pelletier sent an email to Garcia and City Attorney Fabela. She wrote:

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44 May 15, 2020 letter prepared by Fabela to FPPC re advice on Mayor Sidhu’s potential conflict of interest on cannabis issue (Exhibit 28).
45 May 27, 2020 letter from FPPC in response to Fabela’s request for advice (Exhibit 29).
46 June 4, 2020 email thread Fabela-Garcia (Exhibit 30).
47 June 5, 2020 Pelletier email indicating (Exhibit 31).
48 The meeting was during the COVID-19 protocols and was virtual. The audio recording is clear that Mayor Sidhu voted in favor. Mayor Sidhu later indicated he was confused about which item they were voting on. Councilmember Moreno indicated that Mayor Sidhu clearly voted yes and now wanted to change the record and made a comment, “That ladies and Gentlemen is called politics. Wow. Wow. Mayor doesn’t want to be on the record for voting yes on something. Even though he did.”
49 June 9, 2020 City Council Action Agenda (Exhibit 32).
4. Avoidance of Reporting Lobbying Activity

Flint and Ament were having conference calls with City Staff regarding a cannabis ordinance during the Fall of 2019. The Ament Federal Complaint alleges that on October 28, 2019, following her arrest, Rafiei agreed to cooperate and implicated the Anaheim Chamber as a “Lobbying Organization” headed by Anaheim Chamber President Ament. She advised that Flint and Ament had used, “the same pitch they used on CHSI on September 18, 2019,” to get her Cannabis Client, later identified as From the Earth, to pay $225,000 to the Anaheim Chamber. That particular meeting was surreptitiously recorded by the FBI. From the Earth was told that they would have access to the Anaheim Chamber’s “Task Force.” According to Rafiei, “The Task Force” was an “illusion and entity that was created just for show” to facilitate a draft of an ordinance that would include language in favor of From the Earth or any other client who paid. The ordinance would then be rubber stamped by the “Task Force” and then be sent to the City Manager. When questioned by the Agent why she was under the assumption that it was going to be rubber stamped by City Staff, she replied, “That’s what we’ve been told.”

The FBI was able to subpoena the bank records for the Anaheim Chamber of Commerce, Firm A and Ament’s consulting company, TA Consulting, as well as Ament’s joint checking account. Firm A is likely FSB Public Affairs Inc., FSB Core Strategies or one of several businesses recently acquired that were associated with and or controlled by Flint. The transactions are listed on a financial transaction flow chart created by JLG Investigators for illustration.51

A review of the records listed in the Ament Affidavit determined that beginning on July 18, 2019, From the Earth wired $85,000 from their bank to the Anaheim Chamber. That same day a $20,000 check was written from the Chamber to Firm A [FSB Core Strategies et. al.], a company controlled by Flint. Again, on the same day, July 18, 2019, a check was written from Firm A [FSB Core Strategies et. al.] to T/A Consulting, Ament’s company and namesake. Funds were then transferred from TA Consulting to Ament’s joint account with an individual identified as Person A in the affidavit which were then used for personal expenses.

On October 3, 2019, and October 15, 2019, there were two additional wire transfers between From the Earth and the Anaheim Chamber’s bank account for $70,000 each. On October 16, 2019, a $15,000 check was written from the Chamber to Firm A [FSB Core Strategies et. al.]. That same day a check was written payable to Ament for $15,000 which he then deposited into his joint personal account.

A total of $310,000 was documented as being sent by From the Earth and Rafiei’s Associate’s cannabis business to the Anaheim Chamber bank account. A total of $234,700 was tracked into Flint’s Firm [FSB Core Strategies et. al.]

50 October 27, 2020 email Pelletier to Fabela and Garcia regarding [redacted] (Exhibit 33).

51 See Cannabis Transaction Chart (Exhibit 34).
In the Ament Affidavit, Flint provided Rafiei and CW1’s Associate with a spreadsheet of expenses for their client’s expenditures. The spreadsheet was prepared by the Anaheim Chamber but was presented by Flint and not Ament, the Anaheim Chamber President and CEO. On September 3, 2020, Rafiei and CW1’s Associate confronted Flint in person regarding the inconsistency and suspicious billings but expressed concern about challenging or being too aggressive with Flint for fear that Flint and Ament would retaliate against their clients.

Rafiei and CW1’s Associate confronted Flint regarding a $28,000 payment to a consultant who cut and pasted a bunch of excerpts from various ordinances together as the proposed ordinance. The confrontation stated, “My kindergartner can print these out on fucking his iPad. It’s so shady and fucked up.” There was a comment that the consultant had a name like a porn star name. This is likely a reference to Dirk Voss who was on the roster for the Chamber Cannabis Task Force, which was also mentioned during the confrontation. As referenced earlier, he had emailed Pelletier a draft ordinance in November of 2019, which included metadata indicating that he was an author or modifier of the document along with Flint. Additionally, when Pelletier was interviewed in this Investigation, she confirmed that it was obvious that the draft ordinance she was sent was a cut and paste of other documents based on the fact that the documents did not flow as it would if it had a single author.

The confrontation also included the fact that their competitor’s attorney, listed as Attorney A, had been paid $10,000. During their interviews both Spiker (Spiker), of Spiker Rendon Consulting, and Dan Zaharoni (Zaharoni), partner of From the Earth, suggested that the attorney may have been Chris Glew. The September 20, 2019, email invitation for a September 26, 2019 meeting included Chris Glew, along with Flint and Rafiei regarding the cannabis ordinance.

During the discussion, Rafiei asked Flint, “How many people does it take, except for the Chamber, to manage this when literally with all due respect, brought this to you on a silver platter, Here’s what we need, here’s how we can do it, we’ll pay off [Former Anaheim Elected Official]’s debts, how so we help [Elected Official 1], what do we do?” This appears to be an offer to pay off a former elected official’s campaign debt while helping Elected Official 1, who is believed to be Mayor Sidhu, in exchange for approval of the cannabis ordinance.

On March 31, 2021, Rafiei called Flint regarding Ament being on Flint’s payroll. Flint admits he did share some of what he got paid with Ament. Four minutes later, Flint called Rafiei’s competitor, CW1C [Spiker], and discussed Rafiei’s “contentious” phone call. During that same call they went on to discuss a ballot measure and that Spiker had potential clients.52

According to the Ament Affidavit, on November 13, 2020, Flint and Ament had a discussion during a phone call regarding moving funds between the Anaheim Chamber’s bank accounts and the Anaheim Chamber PAC account. Flint said, “Yeah, are going to have to go back and amend a bunch of old PAC reports so.” Ament replied, “Don’t want to do that.” Flint then said, “Ok, then let’s, um, I’m just going to tell her to pay them all from the Chamber and we’ll just adjust on our end.” Ament replied, “And then we’ll figure out how to deal with the PAC.”

52 Spiker and the Cannabis Ballot measure are discussed in greater detail later in this Report.
Ament and Flint made a series of fund transfers to facilitate Ament’s purchase of a home in Big Bear for $1,650,000. On November 12, 2020, Flint called an employee of his Firm, [FSB Strategies et. al.], referenced as FE1, and told them, “Thanks for sending out the wire. You’ll see an email from me to [Chamber Employee 2] at the Chamber on them paying all of the stuff that they owe us.” FE1 acknowledged saying, “I saw that.” Flint said, “The deal is, I didn’t want to put this in writing, but um, so they’re going to pay us two hundred and something thousand dollars right, whatever that amount is. When Todd [Ament] repays that loan after his house closes that’s when we can pay the chamber all the back rent, so that’s.” FE1 replied, “Got it.” Flint reiterated:

So that’s basically the transaction, they owe us two hundred thousand dollars, we owe them two hundred thousand dollars in rent and Todd [Ament] needed two hundred thousand dollars in reserves in his bank account to close his escrow so he’s basically paying us all now, we’re going to loan that money back to him so it sits in his bank account for a couple of weeks and then he closes on his new house and then he’ll give us that money back and then we pay the chamber the rent, so you get the math, right?

FE1 replied, “Yep.”

The same day, Flint called Ament and said:

Hey on the wire, phone authorization on a wire, we have a seventy-five thousand dollar per day limit, I’m trying to get, the problem is the bank’s in Sacramento so I have to have somebody else sign onto the account which is my two old original partners go in and sign the hand authorization one which is -- one is they’ll say why are you wiring Todd two hundred and five thousand dollars so which he’ll do if I tell him to do it, I’ll tell him to shut the fuck up and sign it.

Ament replied, “Can we do three different -- go ahead.” Flint then replied, “One thing I could easily do is do seventy-five [thousand dollars] today and seventy-five [thousand dollars] on Monday and fifty-five [thousand dollars] on Tuesday but if you need it all today and I’m either gonna just have to tell [Firm A Employee 2] or [Firm A Employee 3] go to the bank and sign it and don’t ask questions.” Todd Ament responded, “OK, I’ll send you two other accounts.”

Fourteen (14) minutes after the conversation, there was text confirmation from Flint that he received the information for (3) bank accounts at Bank of America from Ament. The same day calls were intercepted from the bank confirming the wire transfers to Ament’s joint account with Person A and his company, TA Consulting.

5. Political Consultant 2, Unidentified

On December 1, 2020, Political Consultant 2, who has yet to be identified, stated that it was easier to get, “the construction and labor side” to pay into something that already exists. Political Consultant 2 stated, “Which is why when I talked to you before about funneling the money through, you know, whatever, either setting up a (c) 3 or (c) 4 or just having the money go through.” Flint responded, “We have existing ones, so we have the Anaheim Economic Development Corporation, it’s a (c) 3, it’s really run and managed by the Chamber, but as you know my office down here, we work out of the Chamber.” Political Consultant 2 agreed, after which Flint stated, “And so, we have complete
control over that, so if they put money in there, we would know that it would go to the project, and to uh, and to pay the consultant that’s running the program.” Flint went on to explain that if they, “Distribute money not only to pay for the funds, but also to pay for your and mine services, through another third party, I think that would be the way to go.

On November 13, 2020, Firm A wired funds in the amount of $75,000 to TA Consulting.

On November 16, 2020, Firm A wired funds in the amount of $55,000 to Ament’s personal account.

On November 17, 2020, Firm A wired funds in the amount of $75,000 to a bank account held jointly between Ament and Person A.

On November 17, 2020, Firm A wired a $95,000 check made payable to Ament which was deposited into Ament’s Joint account with Person A.

On December 31, 2020, Flint sent a personal check to Ament for $150,000.

All total, between November 12, 2020, to December 31, 2020, Ament received $450,000 from Flint and/or his holdings.

A review of Ament’s loan application for a $1,159,000 loan determined that, although he reported to the bank that the agreed upon purchase price was $1,450,000, he made an unreported out of escrow payment to the seller’s plumbing business of $200,000 bringing the actual purchase price of the home to the full appraised value of $1,650,000. When questioned by Chase Bank about the discrepancy, he falsely reported to the bank in a letter that he and the seller negotiated the lower price and made no mention of the $200,000 out of escrow payment. He also made several other fraudulent claims or omissions on his loan application to the federally insured Chase Bank. 53

December 28, 2020, four (4) days prior to the closing of escrow, Ament wired $200,000 from his TA Consultant account to the seller’s plumbing business account.

December 23, 2020, Ament received two (2) deposits in his TA Consulting account from the Anaheim Chamber of Commerce where he was the CEO and President. The first was a check made out to Ament for $35,000 and the second was a wire transfer for $45,000.

Ament sent $61,797 toward the $200,000 out of escrow payment to the sellers. On December 31, 2020, he sent an $80,000 wire to the Anaheim Chamber with a comment, “Repay loan approved by [Chamber Official 1].”

6. Cannabis Client

On May 25, 2023, Dan Zaharoni (Zaharoni) consented to a recorded telephonic interview with JLG Investigators. Zaharoni was active as a cannabis entrepreneur between 2016 and 2022. He was

53 A demonstrative chart prepared by JLG Investigators shows the flow of funds in connection with Ament’s purchase of the Big Bear Property (Exhibit 36).
one of three founders of From the Earth, a retail cannabis company along with Jayson Quinones and Kintu Patel. Zaharoni was asked specifically if the reference in the Federal Affidavit to “Cannabis Client” was a reference to him personally. It was his understanding that the reference was for his company, From the Earth.

Zaharoni stated that he and his partners hired Rafiei as a consultant to assist with a few cannabis license opportunities. Rafiei had extensive contacts in Anaheim government. The City was considering licensing cannabis in Anaheim. His belief was that she was working with the Anaheim Chamber and other entities within the City who he assumed would be the Economic Development Manager, City Attorney, City Manager, and some of the Councilmembers, but he could not say if she had said that specifically to him.

Rafiei said, “She believed that if we got involved through donations or our time that we might assist in getting cannabis...ultimately to be approved in the City of Anaheim and that was our goal in getting it approved.” When asked who the contributions were made to, Zaharoni stated that he didn’t really talk to Rafiei directly and only had minimal contact with her. His partners Kintu Patel and Jayson Quinones dealt with Rafiei 95% of the time.54

Transactions #1 and #2 are the fund transfers previously mentioned from the Cannabis Client to the Anaheim Chamber, which then went on to Firm A controlled by Flint and one to Ament’s TA Consulting or joint account for personal expenses.

JLG Investigators made attempts to Interview Jayson Quinones and Kintu Patel but were unsuccessful in making contact with either of them.

Zaharoni never met Ament or Flint. All his communications were through Rafiei. He never met a single person from the City of Anaheim or the Anaheim Chamber. He does not recall ever meeting Spiker, but said the name did sound familiar, perhaps from something he read. He dealt exclusively with Rafiei.

Zaharoni advised that he and his partners did pay $220,000 via traditional banking in the form of either a wire transfer or check. Rafiei provided the account information. He could not recall the name of his CFO at the time that would have sent the funds. His current CFO is Nick Lavaso but he doesn’t think he was there when the funds were sent for the Anaheim cannabis issue. He believes the money was sent in two tranches, one for maybe $70,000 and one for $50,000. He was not sure if they sent the entire $220,000. He had no independent recollection of the name of the company to whom the money was sent. He advised that there have been hundreds, if not thousands, of transactions between his companies.

54 In a footnote on the bottom of Page 45 of the Ament Affidavit, Special Agent Adkins wrote that on May 10, 2021, he interviewed one of the three founders of the Cannabis Client [From the Earth] and that he was not familiar with all the specifics of the purpose of the payment to the Chamber. He relied on CW1’s [Melahat Rafiei] expertise including making the payment to the Chamber. The note also included a statement that CW1 [Melahat Rafiei] would not have advised Cannabis Client [From the Earth] to make the requested payments to the Chamber had CW1 [Melahat Rafiei] been told that Ament and Political Consultant 1 [Jeff Flint] intended to conduct transactions #1 and #2. The founder involved with the Cannabis Client’s [From the Earth] finance has not been interviewed.
It was Zaharoni’s understanding that the $220,000 was supposed to be used for, “Polling, campaign collateral, legal fees, drafting fees- you know all the things that kind of go into the process of determining whether an ordinance gets approved.”

Zaharoni does not believe that he or his associates submitted a draft of the ordinance. That would have come from Rafiei or the Anaheim Chamber. He said that he and his company are not in the business of writing ordinances.

Zaharoni did not consider Rafiei a lobbyist because:

_They weren’t lobbying to do anything. They were just helping the process...You know we wanted, obviously it would be in our...it would be better for a cannabis company to have a city open up cannabis licenses but we didn’t really expect anything out of this contribution other than we were hoping that cannabis would pass in Anaheim and we thought we would have a good chance to get a license there if it did so...We were not lobbying for ourselves, we were just participating in the process._

Zaharoni is not aware that any itemized accounting was provided for his company’s donation. It has been his experience that they make a donation and they do not receive an accounting of expenditures. He did read that some of the money apparently went to Ament, but he did not have any personal knowledge of how his contribution was spent.

Zaharoni was disappointed that the cannabis ordinance did not pass. They later found out that they were asked for a lot more money than some of the other cannabis companies that were involved. Some of them were asked to pay $25,000, $50,000, or $70,000. He was not sure how they became the “biggest mark.”

Rafiei had made them aware that she was working with other cannabis companies, and they knew who her clients were. When asked if they knew which company was referenced as their competitor in the FBI Affidavit, he advised that they knew at the time, but he does not recall now. He advised that they were encouraged that other cannabis companies were contributing. He thought that it appeared more legitimate if other members of the community were participating.

When Zaharoni was asked about the exclusivity regarding having input of knowledge of the cannabis ordinance ahead of others, he responded, “Again, this wasn’t a quid pro quo, I mean we weren’t expecting to get a license because we put in 220, we were hoping that cannabis would be approved in Anaheim, and we imagined that there would be anywhere from 10-25 licenses.” He went on to explain, “If 25 were granted and From the Earth got one, then 24 competitors would get the rest.”

Zaharoni advised that they were not involved in drafting the ordinance. He also discounted the argument that knowing the ordinance conditions ahead of time might be an advantage. But since there is a time delay of several months required to pass an ordinance, it is unlikely that a company is going to spend $1,000,000 to lock down a property not knowing if or when an ordinance is going to pass. In his opinion it is not really a big advantage to know the terms or conditions of licensing in advance.
Zaharoni did not know Dirk Voss and advised that Rafiei handled everything related to the ordinance.

Zaharoni was asked if he knew the identity of the attorney for his competitors referenced in the affidavit. He thought it may have been Chris Glew, but he wasn’t sure. Glew represents several cannabis clients in Orange County and has possibly even represented his company in the past.

Zaharoni did not know the identity of Rafiei’s associate referenced in the Federal Affidavit. She did have a right-hand man or woman, but he did not recall who that might have been.

Zaharoni did not have any prior ethical issues with Rafiei. She was a friend and was involved in a lot of cannabis issues and was a person who could get things done because she knew a lot of people. He was surprised to read the Affidavit and learn that she was working with the FBI. Zaharoni’s company cut off all communication with Rafiei upon learning about her involvement with the FBI.

Zaharoni has not been contacted by the FBI or any law enforcement entity. He is not aware of any notices of interception being received. He has been contacted by the press, but no other investigators. He advised that he believes that Jayson Quinones (Quinones) was contacted by the FBI and may have testified before a grand jury or was questioned by the FBI. Quinones was questioned regarding the Chamber of Commerce/Cannabis investigation.

7. **CW1’s Competitor, “CW1C”**

On May 26, 2023, Adam Spiker (Spiker) consented to a recorded telephonic interview with JLG Investigators. Spiker is a cannabis consultant/lobbyist. His company is Spiker Rendon Consulting. Spiker was familiar with the Ament Federal Affidavit. He started reading through the Affidavit when it first came out but had not read it in its entirety when he was contacted by the press, possibly the Voice, while at an unrelated family event. The reporter indicated Spiker was in the Affidavit which surprised him because he was under the impression it had to do with the Stadium and prior transgressions with a cannabis ordinance that he had nothing to do with.

Spiker doubted he was in the Affidavit, but then he read the complete Affidavit that night and emailed the reporter to apologize. The reference in the Affidavit was to a conversation between himself and Flint that he did recall. Spiker was characterized as a competitor of Melahat.

Spiker thought he was referenced in the Affidavit as Political Consultant 2. However, when the portion of the Affidavit was read back to him which was related to organized labor and where to contribute funds to a 503 (c) 3 back in December of 2020, he advised that it was not him.

The conversation he recalled was Flint calling him to complain about Rafiei accusing him of taking money. He independently recalled that conversation.\(^{55}\)

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\(^{55}\) Page 79 of the Ament Affidavit references CW1’s Competitor who is then referenced thereafter as “CW1C.” As previously referenced, the conversation is with Flint and is a discussion complaining about Rafiei accusing him of stealing money and the fact that he [Flint] had reached out to CW1C [Spiker] to discuss a ballot measure. This conversation was in March of 2021, long after the cannabis ordinance was not approved by the Anaheim City Council in June of 2020.
Spiker had approached Flint after the cannabis ordinance had failed and advised that he had some clients who were interested in pursuing a ballot initiative. He believes he was introduced to Flint via an email and eventually sat down and had a chat with him. He believes Ament was there as well.

When everything came to light, he walked away from the signature gathering and killed the whole idea.

Spiker was part of the funding for the signature gathering to qualify the ballot measure. He had clients at the time interested in the cannabis ballot. They had an arrangement with Flint. The Anaheim Chamber was not involved at that point.

Spiker did meet with Ament in person, regarding the ballot initiative, a couple of times. Looking back at the dates in the Affidavit, he realized that he probably met with Ament for breakfast in Anaheim after he was already involved with the FBI, which left him with a “scummy feeling.”

When asked what Ament’s involvement was in the process, Spiker replied:

*It was pretty early on that it became just a Jeff and me [Spiker] thing....I say that because their [Flint and Ament’s] offices, which are adjoined and you know, went over there but you know after a meeting or two I don’t think Todd was ever involved again. Todd was more like a 30,000-foot person and we were, we were in like kind of the development.*

They were working on drafting the nuances of ballot initiative. Spiker said, “*Jeff was the cerebral guy of dissecting policy.*”

Spiker did not know Dirk Voss. He believes that an Orange County attorney by the name of Chris Glew was involved in the outside Chamber of Commerce Task Force development. Glew was involved in Santa Ana’s “cannabis stuff.” He also heard that the Anaheim Chamber, Tierra West and a committee in the City may have been involved, but he was not sure.

Spiker stated that, in the case of Anaheim after the ordinance failed, he simply had clients that were involved statewide in cannabis and were interested in exploring a ballot measure. When asked if he was a lobbyist for the cannabis industry, he replied, “*In Anaheim I wasn’t. I don’t know the City well enough to do that I mean. That’s what Jeff was for.*”

When asked if Flint was acting as a lobbyist regarding the ballot measure, Spiker said he could argue both ways. The reason being was that they were approaching it from the outside, which meant that they did not need the City's approval. Conversely, Spiker stated:

*I wanted feedback from those who could give it on, you know, what they could tolerate, what they couldn’t stand, what they would support, you know what I mean. And so, Jeff did do that kind of fact-finding, so that’s why I think it’s kind of...I don’t think that’s lobbying but I don’t want to jump into a, you know, a legal battle. He wasn’t advocating for a piece of policy or a client or anything. We were just fact-finding to see if it would help us with anyone that would talk to him about how to land on a draft and a piece of*
policy that didn’t just have arrows thrown at it from day one from prominent people on the Council body...We didn’t want to propose something they all hated. That wouldn’t make much sense.

Spiker was given a hypothetical in which an individual is paid a substantial amount of money by a cannabis client, submits a draft of a cannabis ordinance and the accompanying budget and expense proposal, then contacts employees at the City via conference call to assist in creating the ordinance while advocating for approval. Would he consider that set of circumstances lobbying? His response was:

All I can say is for me, I would feel like I’m lobbying. You’re kind of checking a lot of the boxes that constitute lobbying, getting compensated, having a piece of policy, having a position, trying to fight for that position. That’s just me though. I don’t know the ethical guidelines in Anaheim or their lobbying procedures, but I can give you my opinion that that would feel like lobbying.

When Spiker first heard about the Ament Federal Affidavit, he got a call from Rafiei during which she bad-mouthed Flint and others before he had a chance to read it. He then read some of it and called Flint. They spoke briefly about keeping their heads down and needing more funding for signature gathering.

Spiker was asked if it was a regular business practice for cannabis companies to make donations to Chambers of Commerce. He advised that they do on occasion, but it is usually when the ordinance has been approved and people begin posturing for licenses. As he read the Affidavit, it was intimated that the $220,000 was given toward funding and producing an ordinance. He advised that regardless, “220 Large is more than I’ve heard of.”

Spiker made the point that, although he does not know if there was a contract involved, other than that you would have to go to people and say that it was fraud and take a look at it. Rafiei’s position that it was a donation did not make sense, in that, when you make a donation, you do not ask for an accounting of expenses. He said, “I just have a hard time thinking it was a donation. I’ll leave it at that. I think there were expectations and that’s probably why, you know, Melahat and her client or clients were upset.”

Spiker was asked if it would be a normal practice to contribute money to the Chamber of Commerce and then have the Chamber pay the Lobbyist/Consultant, in this case, Flint, and then in turn, pay for the signature gathering. He advised that there is no signature gathering for an ordinance, only for a ballot measure. The expenses for an ordinance are polling, drafting the ordinance and lobbying the council. It all comes down to votes.

Spiker did meet with people with the City. The arrangements were made by Flint. He recalls meeting with the former Mayor and a Councilmember. He thinks he was in a chat with the City Attorney to figure out the title and summary at some point. He was not lobbying; he was just updating them.
Spiker said he did not face any real opposition to the ballot measure. He met with a few Councilmembers and they seemed to be in favor. His biggest worry was Disney. He said, “If they don’t like something, they’re going to kill it.” Spiker never spoke with anyone from Disney. Flint said he had a working relationship with Disney. He took Flint at his word that he had spoken with Disney on several occasions about the ballot measure and they were okay with it as long as they kept it away from Disney.

Spiker met with Mayor Sidhu after the ordinance failed (after June 9, 2020) and he was fine with the ballot measure and indicated he was not going to keep working on the ordinance. He also thought he had a conversation with the City Manager.

Spiker was asked if there was an advantage to knowing what the ordinance was going to be before it was approved by the City Council. He said definitely and that one that popped up for him was that an applicant was going to need to have,

> site control of an eligible complied property in order to even have a chance to apply for the licenses that were available. And so, if you are part of the drafting, you know the section about land use you’re proposing and what sensitive uses, what zones are going to be allowed, so you can get a head start on finding property before it goes public.

Spiker was asked if it was a common practice to dedicate expenditures toward securing a property before an ordinance is passed. He explained that the amount of opportunity, versus those who want it, is really lopsided. He advised, “Most application processes that require site control, there are folks grabbing it before an ordinance is done. I’m just going to be very honest with you.”

Spiker explained that the minute there is a town hall or a study session related to a city considering legalizing cannabis, it goes on servers and goes national, if not beyond that, to people who subscribe wanting to see where the next cannabis opportunity is.

As Spiker recalled, the ordinance was zoned for industrial property only and Anaheim has a low supply of industrial property as opposed to commercial.

Spiker said that some people think he is an FBI informant because he is the only one in pleadings that has not been in trouble. He believes this case will set back the legalization movement in Orange County.

Spiker has not been contacted by the FBI or any law enforcement entity regarding the cities of Anaheim or Irvine.

Spiker was involved in the 2017 legalized cannabis ballot measure in Los Angeles which was approved by the voters by over 80%. He had some trepidation about the actual rollout of the measure some six years later.

8. Cannabis Ballot Measure

According to the Ament Affidavit, on November 30, 2020, Flint and Ament were intercepted during a telephone call. Ament said he thinks he got through to Elected Official 1 [Mayor Sidhu]
regarding the cannabis measure. Ament said, “Yeah, umm, I have, I think I got through to Elected
Official 1 [Mayor Sidhu] that this is not an overnight thing. We all agree it’s a first quarter thing for
next year [2021].” Flint responded, “Right.”

On December 7, 2020, Flint and Rafiei were intercepted discussing talking to Elected Official
1 [Mayor Sidhu] and Elected Official 5 [Jordan Brandman] twice at the “Retreat” about cannabis being
wrapped in in January [2021].

Later in the conversation, Flint told Rafiei, “By the time he got to the Retreat, you know, if
Elected Official 1 [Mayor Sidhu] was talking about trying to go in January, people had already talked
him out of that.” Rafiei then said, “I’m sorry, when you say people have already talked him out of that,
who are those, I know it’s not you, I’m not blaming you, but who are these people who have talked him
out of it?” Flint responded, “I don’t know, I mean I would speculate that Todd [Ament] probably would
advise him that it would be better if he’s not a part of it, um, and I can’t argue with the advice…”

According to the Ament Affidavit, based on the conversations, it appears that Ament lobbied
Elected Official 1 [Mayor Sidhu] to delay a cannabis vote against the best interest of Rafiei, the
Cannabis Client [From the Earth], and CW1’s Associate’s client having been paid to lobby in favor of
the cannabis ordinance.

After a long pause, Rafiei complained:

If Todd’s [Ament] advising Elected Official 1 [Mayor Sidhu] that clearly means to me
that there’s somebody else that’s paying, our money has disappeared, right, he’s
already used our money to buy a boat, or do whatever else he wanted to fucking do.
Our money is gone. The money that my clients and [CW1’s associate’s] client gave him
has already been burned up so now he’s got some new dumb cannabis [UI] he’s trying
to convince he can get something done for, and this is being delayed for them. And
everything we worked for, everything my clients paid for, whether it’s paying for those
asshole consultants you guys should never have hired, or call the other bullshit, it’s
been completely thrown out the window now.

On October 15, 2021, the City received a cannabis ordinance Proposal filed by Stacy Silva,
who was later tied to the UFCW Union and Union Official Derek Smith. Duane Roberts later sent an
email to City Clerk Bass questioning the status of the ordinance. She responded that the deadline to
file the petition for Notice of Intent to Circulate a Petition was never filed.

On March 21, 2022, at 5:06 p.m. in an email which is part of a CPRA response, a year after
Spiker’s March 21, 2021, call with Flint discussing a possible cannabis ballot measure, City Clerk Bass
notified the City Council that Balal [sic] “Bill” Dalati filed a ballot initiative for Commercial cannabis.
In an article included in the CPRA response, Belal Dalati is identified as a former City Planning

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56 This was a reference to the December 2, 2020, “Retreat” planned and scheduled by the Anaheim Chamber which is
discussed in greater detail later in this Report.
57 See Stacy Silva Cannabis Initiative Filing received by City on October 15, 2021 (Exhibit 37).
Commissioner and Farmers Insurance businessperson who is concerned about illegal pot shops in the area.  

On March 21, 2022, at 5:11 pm, five (5) minutes after receiving the email, Mezzacappa, using her ActingAnnie@gmail.com account, forwarded City Clerk Bass’ email to Flint and L. Cunningham while CC’ing Mayor Sidhu at Harry@harrysidhu.com. She did not use his official City of Anaheim email address, which is HSidhu@Anaheim.net.

Further review of the CPRA response noted the following tendencies:

Mezzacappa forwarded:

Fwd: November 8, 2022, General Election - Important Dates on February 11, 2022, (39) minutes after it was received from City Clerk Bass using her personal email address and Mayor Sidhu’s personal email address in the same manner as above to Flint and L. Cunningham.

Mezzacappa also forwarded:

Fwd: Initiative-Status (Healthcare Facility Employee Minimum Wage Initiative) on March 10, 2022, (2) minutes after it was received from City Clerk Bass. Using her personal email address and Mayor Sidhu’s personal email address in the same manner to Flint and L. Cunningham.

Mezzacappa also forwarded:

Fwd: Special Meeting Item No. 01 - Attachment No. 1 on April 26, 2022, (26) minutes after it was received from City Clerk Bass, using her personal email address in the same manner as Flint and L. Cunningham. Mayor Sidhu was not CC’d on the email. This filing was by the Anaheim City Attorney. The email read: Item No. 1 on tonight’s Special Meeting agenda, please find attached the correct document for Attachment No. 1 to the staff report, Notice of Violation, dated December 8, 2021, from California Housing and Community Development Department. The email included a letter to Robert Fabela titled: RE: Notice of Violation of the Surplus Land Act Regarding Property Located at 2000 East Gene Autry Way and 2200 East Katella Boulevard in Anaheim, CA

Mezzacappa also forwarded:

Fwd: March 2022 TOT Snapshot on May 4, 2022, (7) minutes after it was received from City Clerk Bass, using her personal email address and Mayor Sidhu’s personal email address in the same manner to Flint and L. Cunningham. This filing was by the Anaheim City Attorney.

58 The CPRA is 86 pages. Page 25 is the first page of Belal Dalati’s Intent to Circulate an Initiative, titled “The Anaheim Cannabis Regulation and Land Use Measure,” which was filed on March 21, 2022 (Exhibit 38).
The same CPRA response included a screen capture of a text message from Flint to Mezzacappa requesting the Healthcare Employee Minimum Wage Initiative once it was published by the City Clerk or City Attorney. Mezzacappa responded, “Sending.” Flint responded, “Ty.”

These are the same emails that City Manager Vanderpool referred to when he wrote that it would be inappropriate for him to send information to SOAR because it is a PAC and said that he did nothing of the sort. However, he did forward the email to Tony Bruno, the Managing Director of the Anaheim/Orange County Hotel & Lodging Association who operates the PAC. According to FSB Public Affairs, Inc. registered lobbyist Brooke Bushart's (Bushart) interview, this is the same PAC that was controlled by Flint who was not on their Board. He raised the funds and decided where the funds would be spent.59

As part of the City’s litigation hold, a voicemail from Pelletier to Greg Garcia dated March 21, 2022. Pelletier left the following message,

On March 22, 2022, Pelletier sent an email to Greg Garcia in which she wrote,

On May 16, 2022, based on a CPRA Response to Duane Roberts #05182022-5, Belal Dalati notified City Clerk Bass that he was withdrawing his Cannabis Initiative petition. There was also a handwritten note from Dalati dated May 16, 2022, stating that he withdrew his petition for legalizing cannabis.62

On June 28, 2022, City Clerk Bass responded to an inquiry by Attorney Cisneros regarding Cannabis Ballot Initiatives. Bass responded that Stacy Silva’s petition had expired without filing the necessary signatures and Belal Dalati had withdrawn his petition.63

On August 2, 2022, in Pelletier’s folder, there was a screen capture from “BT” “Bill” which read: As to background, Bill Dahlati [sic] was forced into filing the petition by Flint and other “dope dealer” promoters. He was actually threatened by them to not withdraw the petition. We convinced him that it was the right thing to do.

59 In 2022 Belal Dalati contributed $1,000 to Sidhu’s Mayoral Campaign.
60 Although she did not identify herself, the corresponding voicemail provided the phone number for the voicemail as [redacted]. On June 30, 2022, Pelletier emailed Council Member Avelino Valencia regarding [redacted] and provided her cell phone number as [redacted]. See (Exhibit 39). The audio file attached to this voicemail notification email is available to be produced upon request.
61 March 22, 2022 email Pelletier to Garcia (Exhibit 40).
62 Exhibit 41.
63 Exhibit 42.
On April 25, 2023, Bill Taormina was interviewed. He stated the Arabic community on Brookhurst Avenue is strong and continues to grow and Belal “Bill” Dalati is their spokesperson who is highly regarded, hardworking, and very involved in the community. Dalati was approached by Flint and others to represent his community and Anaheim in allowing marijuana dispensaries to come to the city. Dalati had a conference call with Paul Kott and Taormina asking if he could meet with them in person. When they met, according to Taormina, Dalati told them that they were pressuring him to support marijuana and they wanted him to take a petition to the city clerk so it would become public record and people could sign it to support the sale of marijuana. When they asked Dalati his viewpoint, he told them he does not support or believe in it.

They all agreed the petition should be revoked. Kott and Taormina went to the City Clerk’s office and retrieved the petition and then Taormina called the Los Angeles Times newspaper. A Los Angeles Times newspaper reporter and photographer met with Dalati and he told them he does not believe in the marijuana initiative, saying he was pressured and ripped up the petition. No stories were ever written, or photos published by the newspaper, but Taormina has his own photos of the events. City Manager Zapata was gone at this point.

During the same time, Taormina said he was approached by marijuana distributors at least twenty-five times offering him three times the going rate to lease his properties and that he turned away all the offers.

Lucille Kring’s husband Ron Kring ran for City Council, and he was in favor of marijuana. Taormina confronted both of them saying it would not be good for Anaheim and told them it was clear they were being paid as puppets of the marijuana faction. Shortly thereafter, Kring rescinded from running. He believes the Krings’ were getting paid by Flint to support the marijuana initiative although he has no proof.

Taormina said, he can describe Harry Sidhu in three words, “The perfect puppet.” He states Sidhu was desperate to prove himself as the ‘American dream businessman’ as he owned multiple fast-food restaurants. He states Sidhu was backed by Republican heavy weights to run for city council because it would feed his ego and he would make the perfect puppet. Former Mayor Tom Tait was one that backed Sidhu. Carrie Nocella (Disney Government Affairs) also backed Sidhu and he states Nocella knows how to just stay out of the fray because she is a smart attorney and owned Lucille Kring, Ron Kring, Jordan Brandman, Kris Murray, and Sidhu.

In the end, on June 9, 2020, the cannabis ordinance failed with a 5-2 vote and the cannabis ballot initiatives did not advance to a ballot.

9. Aftermath of the Release of Ament and Sidhu’s Federal Affidavits Related to the Cannabis Ordinance and Ballot Measure

On May 12, 2022, United States Magistrate Judge Douglas G. McCormick signed and issued a Federal Search Warrant for Harry Sidhu’s telephone, personal email and helicopter as well as potential Brown Act Violations related to Angel Stadium Sale to the Angels.

On May 16, 2022, United States Magistrate Judge Autumn D. Spaeth signed a Federal Criminal Complaint for Ament requesting an arrest warrant.
On May 16, 2022, the *Los Angeles Times* ran an article alleging corruption based on the Sidhu Search Warrant and subsequent filing by California State Attorney General Bonta’s *ex parte* filing related to the SLA litigation. The following day, May 17, 2022, the *Los Angeles Times* ran an article regarding Ament’s criminal complaint.

On May 23, 2022, Robert Fabela sent an email to Pelletier. He wrote,

Later in the same email thread on June 30, 2022, Robert Fabela sent an email to Erin Tinoco regarding Flint’s failure to register as a lobbyist in light of Ament’s Federal Criminal Complaint. Robert Fabela wanted to pursue Flint’s failure to register.

On June 30, 2022, Rob Fabela sent an email to Erin Tinoco, Brian Foxx and Michael Easterson. He asked if one of them could assist in determining if there was a potential violation that they should take to the DA [District Attorney] against Flint.64

On September 12, 2022, Pelletier and Fabela

On May 11, 2023, Senior Assistant City Attorney Pelletier was interviewed and asked about the 2019-2020 cannabis ordinance and the 2022 cannabis ballot measure. She said, “So I remember that I was told oh no, the Chamber’s been working on a draft, um, and, or there, there’s a task force that’s been working on a draft that somehow I had a Chamber rep or something, so, um, I remember that Greg Garcia was interacting with them. They had gone in and pasted, cut and pasted from different ordinances. It was a hot mess.”

She confirmed that she did speak with Flint about the ordinance and her recollection was that a proposed ordinance was sent to her by Greg Garcia. She then said, “They had gone in and just pasted, cut and pasted from different ordinances. It was a hot mess.”

She said it wasn’t consistent and that they used different terms for the same thing. She then added, “It was like a mishmash, and I remember reading in the affidavit, now that I think about it, that somehow the Chamber got some money for that, right? Somebody, that’s part of the, the, the cannabis money that was supposed to go to something, was used to create this hot mess that I threw in the trash.”

Pelletier did recall that Flint was involved in the cannabis ordinance. She believes that both Flint and Ament were at the early meetings. She did recall reading that someone was paid 30,000 to write the ordinance she threw in the trash and said, “I mean, it wouldn’t have been a Chamber Task

64 Exhibit 43.
65 Exhibit 44.
“Force without Todd being involved, right?” She didn’t have a specific recollection of the conference call in which she didn’t doubt that she might have had trouble hearing him or that the conversation took place.

She was asked if it would be considered a lobbying activity if Flint had, in fact, sent the proposed ordinance or caused the ordinance to be sent and was compensated for it. She replied, “If they were paid, so I’m just going to go back to the terms of if, if Jeff were being paid by a client to advocate for an ordinance and he were communicating with the right level of governmental official, then yeah, I think that would be, I, I think that would be lobbying, yeah.”

Pelletier said she takes her time carefully constructing ordinances. She said, “I don’t want to write something that’s bad law.”

She was asked if the initial draft she was provided had any influence on her ultimate draft. She replied, “No.”

She did recall that the vote failed and that there was some confusion over Mayor Sidhu’s vote. She said he had first voted for it and then against it. He is hard of hearing, and it was during Covid. Either way it failed with or without his vote.

Pelletier was asked about the ballot measure that followed the failed cannabis ordinance vote by council. She said she did compare the ordinance she wrote against the initiative petition that was submitted. She recalled that her ordinance had been changed and that it would require an operating history and funding which would benefit only people who are already in business. She said, “You’re creating a narrow group of people who qualify for permits.” She added, “I know I didn’t like that, and I felt like that didn’t create a level playing field for everybody who might want a permit. I think they changed some of the distance requirements and where they could go to, and I didn’t like that. I didn’t, I didn’t like them changing my ordinance. I’ll be honest with you.”

Pelletier was asked about her emails following the release of Ament’s criminal complaint affidavit from Robert Fabela perjury statues. She said, “I, to the best of my recollection, it was .” When asked if the case was ever pursued by the City Attorney or referred to law enforcement she responded, “I think your question is, ‘Did we ever refer that to a law enforcement agency?’ No, I think they thought was it was being looked at, um, but I, I definitely remember some concerns about whether the lobbying reports were accurate by Flint.” She went on to explain that they would generally refer a case of that nature to the District Attorney or the State Attorney General for consideration.

10. Angel Stadium Deal Political Action Committee Solicitation

A review of the Sidhu Search Warrant revealed that on October 29, 2021, Mayor Sidhu was surreptitiously recorded by Ament saying, “And here’s the thing, if the Angels deal goes through, by the end of the year, then I’m gonna ask ah, [Angels’ Representative 1]. Right? I’ll just call [Angels
Representative 1] up and say [Angels Representative 1], we need at least a half a million dollars of support for you to come with the IEs.” This was while negotiations were taking place for the sale of Angel Stadium to SRB Management, LLC on behalf of the Angels Baseball Organization.66

A diagram of the individuals discussed in the Sidhu Search Warrant affidavit was created by investigators to provide a visual illustration. The diagram includes Elected Officials, Anaheim Employees, Company A Employee, and the cannabis industry involved parties as they related to Ament and Flint.67

On December 6, 2021, Ament met with Mayor Sidhu and surreptitiously recorded their conversation. Mayor Sidhu said, “Because I, I’ve said, you gotta at least, minimum of a million dollars to come up with my election. They have to. And of course, you know, if Disney, I mean, if Angels [stadium sale] would conclude next year is approved hopefully, we’ll push for them at least have a million dollars. You know, for [Angels Representative 1] to say ‘no’ is bad, for them not to say no on that.”

On January 28, 2022, Ament met with Mayor Sidhu and surreptitiously recorded their conversation. Ament said, “Um, you had mentioned you wanted to try to get [Angels Representative 1] a higher level. Up to the million-dollar level. Do you think [Angels Representative 1] will go there? Do you have a reason to think [Angels Representative 1] will go higher? [Angels Representative 1]’s never gone there before.” Mayor Sidhu responded, “Gone? Gone where?” Ament replied, “To, to a million, for re-election. To help with the PACs.” Mayor Sidhu then said, “At least, you know, you should shoot for 3 million total?” Ament answered, “Okay.” Mayor Sidhu replied, “You should. Because I am hoping to get at least a million from I’m going to be pushing it. [Angels Representative 1] actually asked me. [Angels Representative 1] said, ‘What can I do for your election’ I said, ‘Let me finish your deal first, and then we’ll talk about that.’” Ament answered, “Ok.” Mayor Sidhu said, “So I’m going to be asking for a million dollars from [Angels Representative 1].”

11. Political Corruption, the “Cabal”, the “Family” and the “Retreat”

As previously mentioned, a Retreat was planned and scheduled by Flint, Ament, Elected Official 1 [Mayor Sidhu] and Company A [Disney] Employee 1. On November 3, 2020, Flint and Ament were intercepted discussing who to invite to the Retreat. Flint said, “Well, so you know, I was a little bit rethinking that now. I agree with the premise that we need to keep [Elected Official 2] close but does that mean that we include him in the second Retreat but not the first Retreat, because the first Retreat needs to be, you know, family members.”

In the affidavit, the special agent goes on to opine based on the conversation that, “Elected Official 1, Anaheim Employee 1, Chamber Employee 1, Company A Employee, Consultant 2, and Political Consultant 1 would attend the Retreat.” Based on the context and footnotes, it appears that Elected Official 1 is Mayor Sidhu. Company A Employee is Disney’s Carrie Nocella. Consultant 2 is also footnoted as a former council member, and Political Consultant 1 is Flint.68

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66 Based on the tenor of the conversation and Ament’s involvement with the Chamber PAC, it is likely that the reference to “IEs” is “Independent Expenditures” or a Political Action Committee [PAC].
67 A diagram of the individuals discussed in the Ament Criminal Complaint affidavit was created by JLG Investigators to provide a visual illustration. The diagram includes Elected Officials, Anaheim Employees, Company A Employee, and the cannabis industry involved parties as they related to Ament and Flint (Exhibit 46).
A little later in the same conversation, Ament and Flint were discussing if they could trust Elected Official 2 when Ament said, “For me, we know [Elected Official 2] this much right, so if we go take him into the cabal and he’s playing double agent, then we are all screwed.” Flint responded, “Right, that’s my point, I think, like for example, at the Retreat, I want to have a topic being, how much do we trust [Elected Official 5]? How much do we trust [Elected Official 2]? I don’t have any doubt about [Elected Official 7]. I’m not advocating that we invite him, I’m just saying I don’t think we need to worry about him. I think ideologically he is a true believer.”

This was the first time in the Ament Affidavit that the term “Cabal” was used to identify the select individuals who supported Flint and Ament’s politics or position. The conversation continued with Ament saying, “Cause I was either gonna be zero [City Council Members at the Retreat] beyond [Elected Official 1], there was even a part of me that said let’s leave [Elected Official 1] out of this, candidly, and say let’s build the plan on what needs to be the ship cause [Elected Official 1]’s very good at participating in a meeting, but he knows if we need to cover topics, you know 90% of time he lets us go, without saying, ‘Nope this is how it’s gonna be,’ and I think today was a perfect example, the more people in the room that gets a little more awkward.”

Flint responded:

Do we include any other council members? If we do, I’m kind of defaulting to back to [Elected Official 3] and [Elected Official 4] at this first one. [Elected Official 3] may do a little bit of self-promoting, but at the end of the day, he’s going to be loyal to the team. [Elected Official 4] the same. Almost to the point, [Elected Official 4], we tell [Elected Official 4], we got you reelected, we expect you to be a loyal member of the team, you know for purposes, we’re going to do a little bit more with [Elected Official 2] to keep him close, and that means there’s a couple you get excluded from, and it’s not because we don’t love you anymore, it’s because strategically that’s what we need to do for the next two years. You’ll always have your voice, plus you -- give him the Mayor Pro Tem and tell him he’s always gonna be our number one guy, but we’re gonna keep [Elected Official 2] close. [Elected Official 3] is up for reelection so he’s gotta be at more of the meetings, but hopefully [Elected Official 4] won’t whine about that, but it would be do we invite [Elected Official 4] and tell him that at the Retreat, I was thinking about that.

At the end of the conversation, Flint and Ament decided to only invite Elected Official 3 and invite Elected Official 4. In Ament’s words, “Keep the family close.”

A review of emails, which included some CPRA production, revealed in one response a file titled Binder of Text Messages which included screen captures of L. Cunningham, a former Senior Vice President and successor to Ament as President & CEO of the Anaheim Chamber. The text messages were produced by Council Aide Cameron Wessel for Mayor Pro Tem Trevor O’Neil. It was not clear if they were from O’Neil’s personal or City device. In a correspondence with Trevor O’Neil, Laura

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69 Avelino Valencia was interviewed and indicated that having read the affidavits based on the descriptions provided he believed the person referenced as a “Double Agent” was likely a reference to himself, which is consistent with the description of Elected Official 2.
Cunningham confirms the Anaheim’s Hills Community Council’s sponsored event in which he was invited as a guest speaker and Mayor Sidhu was scheduled to handle the welcome address. She mentions that they have received over a 100 RSVP’s. There is also discussion regarding the OC Tax and OCBC BIZPAC endorsement for upcoming elections, including the fact that Annie Mezzacappa had already been asking on behalf of Harry [Sidhu]. Ament is also on the thread and there is mention of Todd hearing O’Neil’s reporting of the increase in TOT tax numbers when he was at the S.O.A.R. event.

On May 26, 2022, then Mayor Pro Tem O’Neil responded to several questions posed to him by *Epoch Times* reporter Brad Jones in regard to the “FBI Probe and the stadium deal.” The questions and O’Neil’s responses were as follows:

**Q-1. Can you confirm Company A is Disney?**

* A- 1. I cannot confirm, though it is widely speculated by many that Company A is Disney.

**Q-2. Can you confirm Carrie Nocella is Company A Employee?**

* A-2. I cannot confirm, but others have speculated that Company A Employee is Carrie Nocella.

**Q-3. Who else can I contact to confirm that Company A is Disney, and that Company A Employee is Anaheim?**

* A-3. I can’t help with that component of your investigative reporting.

**Q-4. Who is the Angels representative? Is it Dennis Kuhl?**

* A-4. Dennis Kuhl is the Chairman of Angels Baseball, but I do not know if he is who is referenced as Angels Representative 1.

**Q-5. You are Elected Official 3, and Stephen Faessel is Elected Official 4, correct? (I just want to independently confirm this fact.)**

* A-5. Based on what I have read in the affidavit, I believe that I am Elected Official 3. Besides myself, the two other elected officials present at the meeting held on December 2, 2020, were Mayor Sidhu and Stephen Faessel, and based on my reading of the transcripts I believe Mayor Sidhu is Elected Official 1 and Stephen Faessel is Elected Official 4.

**Q-6. Did Melahat Rafiei try to take the heat off herself and her own arrest for allegedly trying to bribe Irvine elected officials to create favorable conditions for Cannabis retailers by deflecting it to towards the Anaheim mayor, city councilors, and Todd Ament with whom she was obviously angry?**

* A-6. I can't [sic] speak for Melehat's motivations.70

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70 Former Councilmember Trevor O'Neil’s emailed responses to *Epoch Times*, Brad Jones (Exhibit 47).
O’Neil, Vanderpool and Faessel have all admitted to being present for the December 2, 2020, “Retreat 12/2020 at the JW Marriot.” An email from Pang Yang of the Anaheim Chamber of Commerce dated November 30, 2020, was retrieved during the investigation from litigation hold records, however it is erroneously dated December 3, 2020. Included with the invite were two documents; one was a proposed Resort LPMR Bond Measure and the other centered around the Neighborhood Revitalization Plans. This was confirmed by Councilmember Faessel during his interview, however he provided three handouts he retained following the “Retreat”.\footnote{Handouts from the December 2, 2020 Retreat provided by Councilmember Faessel at his interview with JLG Investigators (Exhibit 48).}

12. “The Retreat”

The FBI reported on the “The Retreat,” which was a meeting that appeared to have been organized by Todd Ament and Jeff Flint on December 2, 2020 and held at the JW Marriott Hotel, which included both City staff members, elected officials and individuals representing resort interests. Our Investigation revealed that this meeting, as well as previous and possibly subsequent meetings likely had three specific purposes. We base this on documents discovered, as well as statements of three active participants present at the meeting.

The three participants who were willing to submit to an interview were, Councilmembers Stephen Faessel, Former Councilmember Trevor O’Neil, and City Manager Jim Vanderpool. Even though Faessel provided copies of three of the handouts from the meeting, he seemed to have limited recollection of what was discussed or who was present at the Retreat.

Councilmember Faessel’s stated to investigators:

Mr. Johnson: In hindsight, we obviously know that Todd Ament was all about Todd Ament. He was trying to find money, he would call electeds regularly to ask for money—solicit money for the Chamber. We know that, based on the FBI report, that this was part of his scheme, to get money.... Was there any discussion [at the Retreat] about how the Chamber was going to be compensated for all this? Obviously, the Chamber’s calling this meeting. It’s their meeting. They’re not doing it out of the kindness of their heart.... So, what was the angle?

Mr. Faessel: Hmm, as far as I was concerned...we were there to meet to discuss the financial condition of the City going forward.

Mr. Johnson: And Ament never mentioned any type of compensation that would either directly or indirectly come to the Chamber based on those discussions?

Mr. Faessel: Not that I remember in the discussion, anything like that.

Former Councilmember Trevor O’Neil stated that he believed Todd Ament ran the meeting, and that Jeff Flint, Hari Sidhu, Carrie Nocella, Kris Murray, and possibly some of the hoteliers were
present, he could not recall specifics, stating, “I probably had forty or fifty meetings with Todd Ament and Jeff Flint, sometimes apart, sometimes together;” in the past.

O’Neil did make one noteworthy comment regarding the topics discussed at the meeting. He indicated there was “Certainly discussion around Councilmember Moreno and his agenda, and potential things that this council could do to deflate those issues and take control of some of the issues, and find solutions that were more palatable to our majority.” It seemed that this meeting was partisan and strategic, not only to support the majority agenda, but to “take control” and “deflate” the opposition.

O’Neil also indicated they commonly referred to this retreat as a Strategic Planning Session. He added they had at least one and possibly two such similar sessions in 2019, within a year prior to this meeting.

Although we could not say all three retreat witnesses were entirely forthcoming in their statements, City Manager Jim Vanderpool appeared to be the most willing to discuss what occurred during the meeting. The meeting was organized and run by Todd Ament.

“So, the one I attended, and I was never invited back; the one I attended, it was a good meeting,” claimed Vanderpool. When he returned to City Hall, he had a conversation with Assistant City Manager Greg Garcia about it.

_I came back [from the retreat]and told Greg—he got so pissed at me because I was the new guy telling him how to run his city, right? I told him ‘the Chamber’s filling a void. I’m getting better information than I’m getting from our Finance Department, and it’s a problem.’ And so, he was defending, and I said, ‘I’m telling you, they’re filling a void, and as long as [the Chamber] is existing, they’re doing what we should be doing. And that’s why they are who they are.’_

Vanderpool was unable to provide a complete list of attendees, but it was noteworthy that Laura Cunningham, current Chamber president, was present.

The three primary topics of discussion, which appeared organized by Ament and Flint, included: 1) the LPMR anticipated funding windfall, 2) the goal to resurrect the Anaheim First/district revitalization major funding, and 3) the Resort/ARTIC transportation project, which had apparently been a goal of Disney’s since Mayor Curt Pringle’s tenure, which persisted through Mayor Tom Tait’s term, and which Mayor Sidhu embraced as early as his coming to office.72

a. **LPMR Funding**

In 1996, the City agreed to provide funding for Disney’s Mickey and Friends parking structure through the resort usage taxes. The structure would be fully paid for by the issuance of resort bonds over 30 years, repaid by the usage tax. After the bonds were paid off, the City would then have full access on an ongoing basis to the resort TOT taxes used to pay off the bonds. Although they were 30-

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72 Although additional topics were allegedly broached at the Retreat, e.g., vaccination, resort reopening, City deficit, election recap, etc., it seemed clear the three topics discussed here were emphasized and paramount.
year bonds, it was estimated they may be paid off as early as 2027-8. The funds were labeled Lease Payment Measurement Revenues (LPMR).

There was a handout provided by Ament at the retreat that outlined the LPMR revenue source, yearly revenue, and when it would be available to the City.73

Vanderpool seemed interested with the possibilities.

*Todd [Ament] was in the weeds on the LPMR, and what the City should do with the LPMR once those funds became available to the City. 100 million bucks a year! Why is the chamber guy in the Mayor’s ear about how to spend 100 million bucks a year, annually, in perpetuity, and why aren’t we doing that?*

When asked by the investigator what he believed was Ament’s motive in doing that, he responded,

*You know, well I think his motivation was the chatter that—we always heard this ‘30-30-30-10’ was his percent split. He talked about doing a ballot initiate, to kind of lock those [LPMR] funds up. Not even sure it’s constitutional…. So, Todd’s in the weeds on how that money is going to be spent when we get our hands on it.*

When asked what Ament’s personal percentage of the revenue would be, Vanderpool replied, “*Well I can tell you what the 10% is—the ten is the Chamber of Commerce. So, you take 10% of a hundred twenty million; that’s real money.*”

Vanderpool was asked directly,

*Mr. Johnson: What does the Chamber do to earn that?*

*Mr. Vanderpool: So, it was never—it would be contracts for; you know, business retention, business attraction. It’s all the stuff that we should be doing in Economic Development; that’s what it would be for.*

This justification appeared extraordinary assuming that the Chamber could be receiving in excess of $10 million a year (on top of the estimated $700,000 it is currently receiving yearly from the Visit Anaheim TID revenues), since the City currently has its own Economic Development Department and is capable of performing most or all of the tasks the Chamber was considering.

When asked what the other three 30% categories would include, Vanderpool responded,

*So, the 30-30 was, like, 30 went to, like, this is off the top of my head so bear with me. Like, 30 would go to debt repayment, 30 would go to community projects, and 30 would go to I believe it was like, reserve restoration. And 10 would go to the Chamber.*

Vanderpool was asked if any of those funds would be directed to Anaheim First.

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73 Exhibit 48.
Mr. Johnson: Was Anaheim First on that list?

Mr. Vanderpool: Oh, I think Anaheim First was—there you go—I think Anaheim First was the 30% for the community benefit. I believe that was their bucket. And 10% to the Chamber to administer that and other stuff. Definitely Anaheim First. Definitely.

When asked if Todd Ament had any other proposed City projects using the 30-30-30-10 split formula, Vanderpool stated Ament also talked about building a “huge, big sports complex” at the Dad Miller Golf Course. Visit Anaheim (Jay Burress) was in favor of that project, as well.

Vanderpool indicated that after this meeting he was able to convince Mayor Sidhu they needed an Economic Development Department, to replace the old redevelopment model which was then defunct. The Economic Development Department was implemented shortly thereafter.

Trevor O’Neil was also aware of Ament’s 30-30-30-10 percent concept. “The idea behind this, was we were looking on the horizon of the LPMR bonds.” When asked who was involved in that discussion, he recalled Todd Ament, Jeff Flint, Carrie Nocella, and Hari Sidhu, “Those who were in the pro-resort, pro-economic development faction.” He indicated one of the main reasons they wanted to divide the LPMR into pre-designated categories was to keep it from “all coming into the general fund.” He continued,

Our position and my position is you don’t want to just flood the general fund with tens of millions of dollars in new money, because you’re going to have every interest group going after it, wanting a piece of it, particularly the unions. The idea of this, a third a third and a third or the 30-30-30-10 was to say ‘Let’s proactively come up with a policy initiative to then essentially earmark where that money would go.’ And the different categories that were floated around were infrastructure, capital improvements, neighborhood investments, but this is the first I’ve heard any of it would go to the Chamber.

When asked how he believed the 10% remainder would be designated, he replied he believed it would be applied to the City’s general fund. However, upon reflection, he stated, “When we were talking about the 10%, that was a component that would be set aside in reserves.”

He indicated that Ament had proposed, and he agreed, there should be a ballot initiative to “tie up” the LPMR funds into those designated categories, so that the funding designations could not be “undone” by future city councils.

It was clear that Todd Ament and Jeff Flint were interested in the LPMR revenue, and that a large portion of it—30% or $30 million (plus) a year would be devoted to Anaheim First, an entity that the facts tend to show Ament and Flint were vested in.
b. **Anaheim First/District Revitalization**

The details of Anaheim First and its ties to the Chamber, Todd Ament and Jeff Flint, are documented in a separate section of this report. However, this entity was apparently the brainchild of Ament. He seemed to have developed this idea of the program over many years, including experiencing the Community Development Block Grant (CDBG) Program, originating in the early 1990s while working at the YMCA, and later through other Anaheim community revitalization programs. He likely had hopes for its profitability. At least until the pandemic hit in early 2020.

The Retreat was held during the pandemic. Anaheim First had completed its final report on favored projects that were worth millions and proposed to be funded, yet at that point it appeared to be a on hold due to the pandemic and its resultant diverting of public resources, and the City’s and public reticence to commit to future capital investment. Anaheim First had yet to secure a funding source for its funding goals, although Ament and Flint had previously sought funding from the Angel Stadium sale.74

From Ament’s perspective, Anaheim First could accomplish three important goals which served the Chamber’s interests. 1) It would bypass elected officials in the City Council minority by establishing Anaheim First district councils in every councilmanic district that could direct the vast capital and economic city resources—originally proposed at $250 million—to accomplish Ament and the Council majority goals. 2) To obtain Anaheim First contacts/meeting rosters of the involved diverse citizens to be used for campaign outreach to support favored candidates. 3) It would provide millions of dollars in lobbying, development and building costs that could go directly to Ament, Flint, and other trusted individuals and entities.

As stated by Jim Vanderpool, Ament proposed that 30% of the LPMR revenue be given directly to Anaheim First. It was Ament’s second chance to succeed where he had previously failed with Anaheim First. Unfortunately for him, he would find himself embroiled in an FBI investigation that would sidetrack any ambitions he had concerning this activity.

Councilmember Stephen Faessel also provided a handout he claimed he received at the retreat, entitled *Neighborhood Revitalization Strategies for the City of Anaheim*.75 This document identified eleven neighborhoods for which revitalization/redevelopment were proposed as a part of the Anaheim First resurrection.76 Faessel said Ament also proposed an expansion of the Convention Center with periodic “betterments” or updates.

When Councilmember Faessel was asked if the topic of Anaheim First came up at the Retreat, he answered, “Possibly.” This, was in contrast to Vanderpool’s statement, in which he made it clear Anaheim First was “definitely” a topic of conversation and major proposed funding recipient. Trevor O’Neil stated Anaheim First was “probably” discussed at the Retreat.

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74 Ted White interview.
75 Neighborhood Revitalization Strategies for the City of Anaheim (handout) (Exhibit 48).
76 Stephen Faessel interview.
c. Resort/ARTIC Transportation

This topic, more specifically identified as the Streetcar Project, appears to have been a topic of conversation during the Retreat, which may explain the presence of Carrie Nocella at the meeting. This project was originally proposed and backed by Disney Resort toward the end of Mayor Pringle’s term in 2010, and later pushed during Mayor Tait’s term. Tait observed he thought it was odd that, even after he and the Council majority agreed the Streetcar was impractical and would not work for Anaheim, Disney kept supporting it, lobbying Orange County Transit Authority (OCTA) to build it. When asked why the project continued to be discussed, Tait responded, “I think Disney was behind it,” along with OCTA and Orange County Business Council. He could think of no other explanation. He added Carrie Nocella was involved in the project. He thought this was “kind of odd.” He could not understand why Disney wanted the project. He speculated it could have been to help with future expansion plans that may require an Environmental Impact Report (EIR), and the streetcar could show a reduction in pollution and greenhouse gases.

Mayor Sidhu made it a priority to resurrect the project early in his term in 2019 by forming his Transit Option Task Force.

Annie Mezzacappa, Mayor Sidhu’s Chief of Staff and policy advisor, declined to be interviewed during our Investigation, but agreed to answer a series of written questions we submitted through her attorney. Although generally superficial in her responses, we found her comments on Sidhu’s plan to resurrect the defunct Streetcar Project telling in the context of Disney’s plans for the future as focused on in the retreat discussion and goals.

If this question is referencing the “Mayor’s Transit Option Task Force,” - during his March 5, 2019, Anaheim State of the City address, former Mayor Sidhu outlined taking a fresh look at all options to foster connectivity and mobility between The Anaheim Resort and the Platinum Triangle encompassing Anaheim’s major neighborhood, employment and activity centers. On June 4, 2019, the City Council adopted a Resolution expressing support for the study of taking a fresh look at such transit connectivity which allowed the City to consider transit technologies and designs that may provide for quick and easy loading of passengers, defined minimum hours of operation and frequency, with supplemental service to serve peak periods for before and after events, and consideration of how the transit option would help alleviate traffic congestion and improve mobility. This Resolution also called for the initial phase of any transit option to include an east/west minimum defined route connecting The Anaheim Resort and the Platinum Triangle, with stops at the Anaheim Convention Center and the Anaheim Regional Transportation Intermodal Center (ARTIC). Additionally, the Resolution rescinded two previous City Council Resolutions expressing opposition to streetcar systems in the City of Anaheim in order to allow all transit options, including updated streetcar technology, to be evaluated. At that meeting, the “Mayor’s Transit Option Task Force” was established in order to start exploring potential transit solutions. The Task Force met between September 2019 to February 2020 discussing transit goals, potential routes, operations & maintenance requirements, ridership

77 Tom Tait interview.
78 Written answers received from Mezzacappa in response to JLG Investigators’ written questions.
forecasting methodologies, case studies of comparable projects (including costs and implementation schedule). However, due to the impacts of COVID-19 and changes in City leadership, the Anaheim Tourism Improvement District (ATID) Transportation Committee concluded the Mayor’s Transit Task force in December 2022. Again, if this question is referencing the “Mayor’s Transit Option Task Force” and ATID Transportation Component Fund allocation to support that effort, In FY 2019/2020, the ATID Transportation Committee allocated $350,000 in ATID Transportation Component funds to support the effort. ...through FY 2021/2022, a total of $88,476 in ATID funds were expended, which at the end of FY 2021/22 left a remaining balance of $261,524. In December of 2022, the ATID Transportation Committee apparently returned these funds to the ATID Transportation Component Fund general account in order to support other future transportation projects.

By December 2022, Sidhu had resigned as Mayor, and his initiatives were generally considered by public officials to be toxic and subject to question. Disney’s desire to get the streetcar project approved suffered another setback.

The “Retreat” was, by all appearances, a strategy session for the Mayor and Council majority members to gain more control over the direction of the City, primarily by controlling its funding. Underlying this was Todd Ament and Jeff Flint’s plans to obtain and/or direct part to the projected LPMR windfall. A key vehicle to the windfall would include Anaheim First, the mechanism that could enabled them to continue a pattern of secret lobbying, consulting, construction projects, and capital projects where their “ten percent” could be realized.

The Disney resort’s special interests were clearly included and given a priority in this session. In addition to their concern with resort reopening, Covid, LPMR, etc., the Streetcar Project was on their list of favored projects they wished to receive with the help of those attending this retreat. It appears Ament and Flint understood the financial value that could be realized by them by accommodating and supporting the resort’s interests.

As Ament and Flint continued their conversation regarding the Retreat, Ament said, “To me, I don’t think Elected Official 7, I think this would be a lot for him to absorb in his first week [as an elected member of the Anaheim City Council]. It’s kind of like when SOAR took how the sausage was made to the SOAR. Board to show them how polling works and how we manipulate it. That’s when half of SOAR kind of went off the deep end.”

On November 30, 2020, Flint had a conversation with Elected Official 1 [Mayor Sidhu] during which they discussed who would be invited to the “Retreat” and the fact that Flint and Ament were still working on the agenda. Elected Official 1 [Harry Sidhu] asked Flint, “Did you invite [Elected Official 7] and [Elected Official 2]?” Flint responded, “No, I talked about it with Todd [Ament] and [Company A Employee]. We felt like for this first one we’ll kinda keep things big picture and stick with um, with um, [Elected Official 4] and [Elected Official 3]. And part of what we’ll talk about is our plan to manage our relationship, you know particularly with [Elected Official 2].” They went on to discuss Elected Official 2 [Avelino Valencia]. Flint said, “I think he’s on the team, but he’s just gonna take some management because he’s got competing pressures and things.”

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79 Council Member Jose Diaz was elected in November of 2020. This conversation took place on November 23, 2020.
On March 23, 2021, Flint received an incoming text message from Elected Official 1’s assistant that read, “Please let me know if there are any further changes to [version 6] of [Elected Official 1]’s Comments on Item #2.” Political Consultant 1 replied, via text message, “[Company A] asked to delete reference to [Company A]’s parking lot. Will send to you.”

On June 11, 2023, in her written responses to multiple questions, Annie Mezzacappa stated that Carrie Nocella was Disneyland Resort External Affairs Director and was, “one of many general business community supporters of former Mayor Sidhu’s leadership vision to encourage thriving business community and economic development that creates jobs and housing and that meet the needs of residents and business.”

When asked if Carrie Nocella helped write speeches for Mayor Sidhu, she replied, “To my recollection, general suggestions/input may have occasionally been provided by Carrie Nocella for the former Mayor’s deliberative thought process consideration. However, I do not recall to what extent, if any, that may have been incorporated into former Mayor Sidhu’s talking points or speeches.”

She went on to add that, “It is indisputable that speechwriting/drafting assistance is universally utilized by many senior-level elected officials.” She referenced the fact that President Joe Biden had speech writers.

She was also asked about what kind and level of influence she observed that Disney had on the operations/decisions of the City. She responded, “It has been well-established that the Disneyland Resort (Disney) has been an important partner of the City of Anaheim for nearly 68 years.” She went on to extoll Disneyland’s contributions and accomplishment but did not respond to what, if any, influence Disney had over the City’s operations and decisions.

In the affidavit, the FBI Special Agent went on to add that he reviewed Elected Official 1’s comments related to Item #2 on the Anaheim City Council consent calendar during the March 23, 2021, meeting and did not hear him reference Company A’s parking lot.

The FBI Affidavit reads: “Later that evening, likely during the City Council meeting, which was being live streamed, an incoming text message from Company A Employee to Political Consultant 1 was intercepted. Company A Employee’s text read, ‘[Elected Official 1] reads your script so poorly.’” Political Consultant 1 replied, “Lol,” followed by, “He doesn’t practice.”

13. Findings

The cannabis clients represented by Melahat Rafiei and CW1’s Associate solicited $350,000 from CHS1 and CHS2 Terra Tech and $220,000 from From the Earth for access to the drafting of a cannabis ordinance to be voted on by the City Council. Melahat Rafiei introduced both clients to Flint of Firm A and Ament of the Anaheim Chamber of Commerce to provide access to the Council and the

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80 Annie Mezzacappa was Mayor Sidhu's Chief of Staff in March of 2021.
81 A review of the March 23, 2021, Anaheim City Council meeting Agenda showed that Item #2 was a bond purchase not to exceed $210,000,000. Mayor Sidhu’s comments on the Bond Measure came at 2:40:40 into the council meeting recording (Exhibit 49).
City Staff who would be preparing the ordinance. This turned out to be confirmed when City Manager Chris Zapata scheduled a meeting with Arturo Sanchez of Terra Tech, Flint, Melahat Rafiei, and Chris Glew. In his email Arturo Sanchez mentioned “Joining us in this meeting would be Flint, CEO of FSB Core Strategies representing the Chamber of Commerce, Chris Glew, and Melahat Rafiei.”

They were granted access to the Chamber’s Cannabis Task Force that was stacked with familiar people with a common interest in the approval of the measure. By Melahat Rafiei’s own admission, the Task Force was an “illusion and entity that was created just for show.” She went on to explain that she was led to believe that the Chamber Task Force and the City Staff would rubber stamp whatever ordinance was proposed and that the City Council would vote in accordance with approving legalized cannabis in the City of Anaheim.

Melahat Rafiei’s Associate made a point to mention to CHS1 [Terra Tech], following the pitch made by Flint and Ament at the Chamber of Commerce meeting, that the Chamber planned to cumulatively collect a million dollars from cannabis businesses by granting access to the Chamber Task Force, input into the ordinance and advance knowledge of the specifics of the licenses scoring and property requirements.

Flint made a point to obfuscate the City of Anaheim’s lobbyist reporting statute by instructing the clients to send the funds to the Anaheim Chamber and not Firm A to avoid the need to register as a lobbyist with the City of Anaheim all while telling their client “They’re not taking any of the cash or anything. They’re just the ones that tell you who to go talk to.” This was explicit in his conversations and is not in dispute. The forensic accounting by the FBI confirmed the sequence of payments and path of the funds through the various accounts.

Melahat Rafiei, at the time of her arrest, confirmed that she brokered the deal for From the Earth and that Flint and Ament used the same “pitch” they used on CHS1 and CHS2 of Terra Tech. The financial deposits were tracked by the FBI from the Client, through the Chamber, to Flint’s Firm A- FSB Core Strategies et. al., and on to Ament’s TA consulting and personal account. The only fact in dispute is the claim by Dan Zaharoni of From the Earth that he made a “donation to the Chamber” and that there was “no quid pro quo.” This is highly suspect based on Melahat Rafiei and her Associate’s demand for specific accounting of the funds. Even though it appeared to be a fraudulent accounting of the disbursement of funds, it was, nonetheless, a demand for accounting of individual expenses, not a regular expectation for donations to a cause or organization.

Adam Spiker, the vice president of a multigenerational cannabis consulting and lobbying firm, laughed at the proposition that a cannabis company would make a $220,000 donation to a Chamber of Commerce before an ordinance was passed. He also contradicted Dan Zaharoni’s claim that there was no real advantage to having input and specific information regarding an ordinance before it was made public. Spiker made a convincing argument that there are more people seeking cannabis licenses than are available and that the Anaheim ordinance required, “site control of an eligible complied property in order to even have a chance to apply for the licenses that were available.” He also made the point that signature gathering and the expenses Zaharoni alluded to related to his “donation,” are not incurred for an ordinance. They are incurred for a ballot measure. Spiker’s comment, “The expenses for an ordinance are polling, drafting the ordinance and lobbying the council. It all comes down to votes,” is
more likely what From the Earth was paying for along with input and advanced information regarding the ordinance.

Again, early in the process, in January of 2020, Jennifer Farrell, the City’s paid consultant She wrote that

She added,

Although Spiker was open about being a cannabis industry lobbyist, when it came to the Anaheim ballot measure, he was asked if he was acting as a lobbyist. His response was, “In Anaheim I wasn’t. I don’t know the City well enough to do that. I mean, that’s what Jeff was for.”

He made a clear point that it was he and Flint working on collecting signatures and working through the ballot measure process and that Flint had all the contacts, not only at the City, but also at Disneyland. His biggest worry was Disney. He said, “If they don’t like something, they’re going to kill it.”

Spiker was given a hypothetical in which an individual is paid a substantial amount of money by a cannabis client, submits a draft of a cannabis ordinance and the accompanying budget and expense proposal, then contacts employees at the City via conference call to assist in creating the ordinance while advocating for approval. Would he consider that set of circumstances lobbying? His response was, “All I can say is for me, I would feel like I’m lobbying. You’re kind of checking a lot of the boxes that constitute lobbying, getting compensated, having a piece of policy, having a position, trying to fight for that position. That’s just me though. I don’t know the ethical guidelines in Anaheim or their lobbying procedures, but I can give you my opinion that that would feel like lobbying.”

Spiker’s point is made that From the Earth paid a substantial amount of money to have both input and access to city employees and to lobby for the vote of council members while the individuals receiving the money avoided having to report their activity.

Several practices such as meeting with staff, sending drafts and reports, and then meeting with at least three councilmembers, namely Lucille Kring, Stephen Faessel and Mayor Sidhu, regarding the ordinance is the definition of paid political lobbying. None of the meetings appear in the City of Anaheim’s Annual Lobbying Report. Both Lucille Kring and Mayor Sidhu had calendared meetings with Flint specific to cannabis and made specific requests that were forwarded to the City Attorney for consideration in drafting the ordinance.

Based on their emails, the City Attorney’s

Mayor Sidhu’s request for a two-year suspension of utilities for illegal dispensaries was also a working on the ordinance. Flint and Melahat Rafiei discussed speaking
with Mayor Sidhu and Elected Official 5 [Jordan Brandman] twice at the “Retreat” about cannabis being wrapped up in January [2021].

The impropriety of Flint and Ament’s unreported lobbying activity was of instant concern for the Anaheim City Attorney Fabela upon release of the FBI’s affidavits concerning Flint. This was evidenced by him sending emails to his staff to explore whether Flint violated Anaheim’s lobbying ordinance or if signing his lobbying reports could be construed as a potential perjury charge. He understood that Flint was involved in conference calls and meetings specific to cannabis with himself and his Assistant and Deputy City Attorneys, yet he failed to report as a lobbyist.

Pelletier stated that [redacted]

In emails where Pelletier [redacted]

Pelletier was resolute that the proposed ordinance sent to her did not have any bearing on the ordinance that she and her fellow attorneys drafted for Council consideration and vote. She was steadfast that she threw the proposed ordinance in the trash and was adamant that she did not, “want to write something that’s bad law.”

[redacted] in Pelletier’s email to Greg Garcia and Robert Fabela

When presented with the ballot initiative in March of 2022, Pelletier completed an assessment of the measure and [redacted] Based on Bill Taormina’s text message and interview, it appears that Flint orchestrated the filing of the ballot measure by Belal Dalati. Dalati withdrew his request two months later, in May of 2022, at the urging of Taormina and Paul Kott.

The greater weight of credible evidence indicates that Melahat Rafiei, CW1’s Associate, Flint and Ament took great care in camouflaging their payments to avoid registering as lobbyists in furtherance of a cannabis ordinance and later a cannabis ballot measure for financial gain. They obfuscated the City of Anaheim’s lobbying ordinance and offered exclusive input to the drafting of the ordinance, the license scoring, and potential procurement of site control eligible properties, to their clients in advance of public disclosure. They provided access to the Chamber’s Cannabis Task Force that was stacked with familiar people with a common interest in the approval of the measure, the majority of which were campaign contributors to Mayor Sidhu.
By Rafiei’s own admission, the Chamber Task Force was an “illusion” that, along with City Staff, would rubber stamp the proposed ordinance for legalized cannabis and ensure a favorable vote by the City Council, which is the essence of influence peddling.

Even though it did not result in the ordinance or ballot measure being approved, the money was paid and there was an expectation of political favor and insider priority for the contributor. Lucille Kring’s vote in favor, along with Jordan Brandman and Mayor Sidhu “Aye”/ “Nye” vacillation, were consistent with the staff communications and the Ament Affidavit.

In regard to the failure to report lobbying activity, not only did they not report their efforts in forwarding a cannabis ordinance or ballot measure and disguise their payment, but they also deliberated with Political Consultant 2 to launder presumably unrelated lobbying payments from labor and construction unions by depositing the funds in a nonprofit 503 (c) 3 instead of their respective consulting firms’ accounts.

It was clear that Flint and Ament had control over the Anaheim Chamber’s accounts as well as their non-profits and PACs. They openly discussed moving funds between the Anaheim Chamber’s Accounts and their PAC accounts regardless of the reason for the expense.

The discussion with Political Consultant 2 during which Flint responded, “We have existing ones, so we have the Anaheim Economic Development Corporation, it’s a (c) 3, it’s really run and managed by the Chamber, but as you know my office down here, we work out of the Chamber,” demonstrated his willingness to thwart the reporting of lobbying payments. He went on to explain, “We have complete control over that, so if they put money in there, we would know that it would go to the project, and to uh, and to pay the consultant that’s running the program.” Flint left no ambiguity that payments made by unions would be funnel through the nonprofit and be spent to cover expenses for, “your and mine services, through another third party.”

The greater weight of credible evidence indicates that Flint and Ament, along with Political Consultant 2, deliberated to subvert reporting and potentially laundered funds through the Chamber, Political Action Committees and the Anaheim Economic Development Corporation, a nonprofit 503 (c) 3.

In regard to an unelected, select group of individuals controlling or unduly influencing the Anaheim City Government, their own use of the term “Cabal” or the “Family Members” to denote specific individuals whom they trusted was telling. As Flint and Ament planned for the December 2, 2020, “Retreat” they discussed who would be invited and their respective rationale in great detail. Although every conversation was not included in this report, a review of the Ament Affidavit made it clear that they were assessing the level of trust and how each member of the City Council could or could not be manipulated. The brutal assessment and description of each elected official made it blatantly obvious who they were discussing, to the point that Trevor O’Neil was convinced he was Elected Official 3 and Avelino Valencia was convinced that he was the “Double Agent” Elected Official 2.

The Chamber invitation to the Retreat included two items for the agenda which were a $210 million-dollar bond measure and the Neighborhood Revitalization Plan which was very similar to
Anaheim First. These two issues involved a significant amount of money that would be ultimately dispersed to various causes, organizations and community functions. Councilmember Faessel, who admitted to attending the Retreat, had a copy of the handouts and confirmed that they were indeed a topic of discussion at the Retreat.

Ament’s comment during the preparation for the Retreat is significant. He said, “I think this would be a lot for him to absorb in his first week as an elected member of the Anaheim City Council. It’s kind of like when SOAR took how the sausage was made to the SOAR Board to show them how polling works and how we manipulate it. That’s when half of SOAR kind of went off the deep end.” Ament was a member of SOAR’s (19) member Board of Directors. They are a large Political Action Committee with access to a substantial amount of money, largely funded by Disney.

L. Cunningham’s text messages with Trevor O’Neil demonstrate the Chambers’ direct involvement with securing PAC campaign endorsements and the interaction between the Chamber, Politicians and Ament. The comments regarding SOAR are a reminder of how closely intertwined Ament was with Mayor Sidhu and the PACs.

City Manager Jim Vanderpool made a point to send an email expressing that sharing information with SOAR related to the Notice of Intent to Circulate Initiative Petition-Hotel/Event Center Worker Minimum Wage would be inappropriate. He did forward the email to Tony Bruno, the Managing Director of the Anaheim/Orange County Hotel & Lodging Association, who operates their own respective PAC. The same PAC that, according to fellow FSB Public Affairs, Inc. registered lobbyist Brooke Bushart, was exclusively controlled by Flint. Flint raised the funds and decided where the funds would be spent.

The March 23, 2021, exchange between Flint and Annie Mezzacappa, in preparation for Mayor Sidhu’s speech, in which Flint intentionally removed Company A’s parking structure from his comments before the City Council related to a $210 million dollar bond measure demonstrated the influence Company A had on Mayor Sidhu. The “parking structure” was part of LPMR bond, for which the City was going to start receiving a large amount of money, and which was the central topic of Retreat. It was clear that they wanted to avoid all reference to it while they schemed to control that funding source.

Annie Mezzacappa minimized Flint and Disney’s Carrie Nocella’s influence on Mayor Sidhu. However, she made a point to quickly forward notices regarding filings emailed to her by City Clerk Bass to Flint and Chamber of Commerce President L. Cunningham within minutes of receipt via her personal email while CC’ing Mayor Sidhu’s personal email. In March of 2022 when she forwarded a Healthcare Facility Employee Minimum Wage Initiative to Flint, he responded with a text message. He requested that she please send the initiative his way if it became published. She advised that she was sending it and he thanked her.

The greater weight of credible evidence indicates that the December 2, 2020, “Retreat” was the first of more to come. The assessment and consideration of attendees and agenda demonstrated that Flint, Ament and Company A planned the Retreat and had future plans to continue affecting the City of Anaheim through the manipulation of Elected Officials, creating a shadow government of sorts or as the Agents wrote in the affidavit a specific, covert group of individuals that wielded significant
influence over the inner workings of Anaheim’s government. The fact that a request to remove a reference to Company A’s parking structure was obliged by Flint in preparing the Mayor’s speech before the City Council is evidence of their influence on a $210 million dollar debt obligation undertaken by the City.

The fact that Mayor Sidhu emailed confidential documents that were part of the Angel Stadium sale negotiations to Flint, who was a registered lobbyist for SRB Management, and Ament is further evidence of the influence and access they both had on Mayor Sidhu. Mayor Sidhu’s multiple recorded comments that he was going to solicit $1,000,000 from the Angels upon completion of the sale and his suggestion to Ament that he solicit a total of $3,000,000 for “IEs” suggest the pay for play or *quid pro quo* nature of Mayor Sidhu’s mayorship. However, in this instance the money was to be paid after the action was to be taken.

The greater weight of credible evidence indicates that Flint, a registered lobbyist, intentionally avoided registering as a lobbyist for From the Earth in accordance with the City of Anaheim Lobbying rules related to the development of legalized cannabis. Flint and Ament used and abused their fiduciary positions to launder money through a series of transactions in an unsuccessful effort to avoid detection. Their history, not only with Melahat Rafiei and From the Earth, but their movement of funds to facilitate a fraudulent federal loan and contributions from trade and labor unions through nonprofit organizations and PACs, demonstrates the levels and measures they were willing to undertake in order to avoid detection and thwart the intent of Anaheim’s lobbying rules.

**B. Angel Stadium Deal**

The Angel Stadium land area is an approximate 150-acre parcel owned by the City of Anaheim and leased to the Angels Baseball Organization. The lease has been in effect since 1996 with the provision that the Angels could terminate the lease with a one-year notice. In late 2018, the Angels exercised the option and gave notice to terminate the lease in late 2019. In 2019, the Angels and the City entered into an agreement to extend the lease termination rights to 2020 in order to accommodate continuing negotiations to sell the property to the Angels.

City staff, primarily then City Manager Zapata and City Attorney Robert Fabela, began negotiating for a lease extension option. As of July of 2019, an agreement had not yet been reached. During this time and until the time the sales agreement fell apart due to revelation of the FBI probe, the City and Angels Baseball were under the terms of the existing lease. After two council meetings regarding selecting a sale negotiating team, the City Council selected Mayor Sidhu as the Council’s sole representative to work in conjunction with City Staff for negotiations.

As the negotiations proceeded, the City Council met in closed session in August, September, November, and December of 2019 regarding the Stadium sale. The agenda included in the description, “*Price and Terms of Payment.*” In November of 2019, the Angels submitted an offer to purchase the Stadium site. On December 6, 2019, the City published notice of the City’s upcoming December 20, 2019, meeting, where the City would consider staff’s recommendation to sell the Stadium site to SRB Management Company, LLC, which was established on November 22, 2019.
On December 20, 2019, following four hours of public input from over 70 people and several hours of deliberation, the City Council voted and approved the sale of the Stadium site to SRB Management, LLC. for $325 million dollars.\(^\text{82}\)

Following the approval of the sale of the Stadium site, on February 28, 2020, a writ of mandate citing \textit{Brown Act} violations was filed on behalf of the People’s Homeless Task Force of Orange County (People’s Homeless Task Force) or (PHTFOC) by Attorney Kelly Aviles.\(^\text{83}\) On March 21, 2022, Judge David A. Hoffer ruled in favor of the City and allowed the sale to proceed.\(^\text{84}\)

On September 29, 2020, the City and SRB Management came to terms and voted to approve the sale of the Angel Stadium site for $319,12,179 with SRB Management LLC, agreement to build 466 affordable housing units valued at $127, 677,843 an obligation to construct and maintain 7-acre Park valued at $46,233,094 and a $100,000,000 note to be paid in five annual installments.

On April 28, 2021, the California Attorney General’s Office, Department of Housing and Community Development (HCD), notified the City that the Stadium sale violated the \textit{Surplus Land Act}\(^\text{85}\) (\textit{SLA}). On April 26, 2022, the Mayor of the City of Anaheim moved to approve a stipulation with HCD which included a $96 million settlement for housing, which was carried in a 5 to 2 vote by the Anaheim City Council.\(^\text{86}\)

On May 13, 2022, the State Attorney General Rob Bonta was made aware of a Federal Search Warrant affidavit for Mayor Sidhu’s telephone and email submitted by Federal Bureau of Investigation alleging possible \textit{Brown Act} violations and corruption by Mayor Sidhu. On May 17, 2022, the State Attorney General’s Supervising Deputy Attorney General David Pai filed an \textit{ex parte} motion as part of the ongoing \textit{SLA} litigation which included Mayor Sidhu’s search warrant as an exhibit. The FBI also released a Criminal Complaint for Arrest of Ament. The affidavit alleged Mayor Sidhu, Anaheim Chamber of Commerce President and CEO Ament, and lobbyist Flint were part of a covert group of individuals that wielded significant influence over the inner workings of Anaheim’s government which they referred to as the “\textit{Cabal}” or “\textit{Family Members}.” In many private communications, they refer to this group as a “\textit{cabal}” who shape and affect decisions by elected officials.

On May 25, 2022, the City terminated the Purchase Sale Agreement with SRB Management, LLC ending the sale of the Stadium site.

1. \textbf{Timeline of Stadium Sale}

On January 7, 2019, a review of related emails revealed a draft speech titled, “\textit{Statement of Mayor Harry Sidhu on Angels One-Year Extension (Once News Out via Leak or Agenda Public on}

\(^{82}\) December 19, 2019 City Council Special Meeting Action Agenda (Exhibit 77).

\(^{83}\) February 28, 2020, Writ of Mandate filed on behalf of People’s Homeless Task Force (Exhibit 79).

\(^{84}\) March 21, 2022 Judge Hoffer’s Ruling on People’s Homeless Task Force Writ of Mandate (Exhibit 80).

\(^{85}\) \textit{California Government Code} section 54220-54234. The \textit{SLA} is a “\textit{right of first refusal}” law that requires all local agencies to offer surplus land for sale or lease to affordable home developers and certain other entities before selling or leasing the land to any other individual or entity. Any time a local agency disposes of land, it must follow the \textit{SLA} unless the land qualifies as exempt surplus land. Dispositions include both sales and leases (unless the lease is less than five years or where no demolition or development will occur during the term of the lease.

\(^{86}\) April 26, 2022 City Council Special Meeting Action Agenda (Exhibit 81).
Metadata analysis of this document demonstrated that the draft speech had been created by Flint for Mayor Sidhu and was included in Robert Fabela’s email archive.  

In February of 2019, while City Manager Zapata was in negotiation with the Angels, in April of 2019, the City Council authorized an appraisal of Angel Stadium by Steve Norris of Norris Realty Advisors. A declaration of Steve Norris was included in filings by the City during the People’s Homeless Task Force litigation providing his involvement in the appraisal of Angel Stadium.

JLG Investigators conducted a recorded interview with former City Manager Zapata. Zapata indicated that it became clear to him that the new City Council was in “lock-step” with Mayor Sidhu when the Angels issued a letter that they wanted out of Anaheim, which gave the Angels one year to leave. Zapata recalled that Sidhu told him, “I want to give them [the Angels] another year.” Zapata responded by asking how much the City was going to charge the Angels for giving them another year, suggesting that around this same time period, the City of Oakland was looking to charge the Oakland Raiders $6-7 million to stay in Oakland under similar circumstances. Zapata said that Mayor Sidhu did not want to charge the Angels anything for giving them another year. He indicated that he found this interesting. While he believed the City needed more time to negotiate a deal with the Angels, he thought they should ask the Angels for money for more time to make the deal.

Zapata stated that he told Mayor Sidhu that if he did not want to ask the Angels for money, Chris wanted something in exchange from Mayor Sidhu. He said he wanted to appoint David Belmer, Greg Garcia, and Linda Andal to permanent positions, as they were then only serving as “acting” members in their respective positions. Zapata said Mayor Sidhu agreed to support those permanent appointments. However, approximately one month later, on the Friday afternoon prior to the City Council meeting wherein the permanent appointments of Belmer, Garcia and Andal were to be formalized, Mayor Sidhu called him and informed him that he (Mayor Sidhu) was not going to support those permanent appointments. Zapata contacted City Attorney Fabela to He subsequently advised Andal that they would have to “battle” to get her the Human Resources Director position.

Zapata said that, as the discussions concerning the Angels remaining in Anaheim were going forward, Mayor Sidhu gave him a six-month schedule that Ament had prepared. Zapata told Mayor Sidhu that such a schedule was not realistic. He noted that they would need to hire consultants to help work out a deal with the Angels. Zapata asked Tom Morton, the Executive Director of Convention and Facilities, to recommend an economic development consultant, a land use consultant, and a sports facility consultant that could help the City with the Angels deal. Zapata said he discussed this plan with Mayor Sidhu, but he told Zapata, “No.” His response to Mayor Sidhu was, “How can we do the work if we don’t have people that are gonna work with our team here to understand the dynamics of the economics, to understand the land use applications, to understand what other cities around in other

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87 Mayor Sidhu’s speech prepared by Flint re Angel’s Lease Extension (Exhibit 51).
88 Exhibit 52. The FBI later subpoenaed the Norris Realty Advisors appraisal of Angel Stadium Steve Norris Dec in PHTOFC matter (Exhibit 53).
sports are doing when they are confronted with the challenge of trying to negotiate an extension on a lease deal?” Zapata indicated that in the meantime, City Attorney Fabela had hired some legal assistants to help him (Fabela) with the deal, but Mayor Sidhu did not want to bring in the consultants Zapata wanted to hire.

Zapata stated that he had a preliminary conversation with Angels President John Carpino about the condition of the Stadium prior to the start of negotiations. There were concerns that the Stadium was dated and had some ADA-compliance issues that were problematic. Zapata indicated that he also met with Dennis Kuhl who was mostly involved in connecting the Angels organization with the Boys and Girls Club. Zapata was invited to sit at a table at one of their fundraisers. He further stated that he also attended a “team outlook” rally event in support of the Angels put on by the Chamber of Commerce but he never met in person with Arte Moreno.

Zapata indicated that when Mayor Sidhu gave him the six-month schedule that Ament had prepared, Mayor Sidhu made the comment, “Hey, you should come out to Arizona in Tempe, you know, get together ... with the team and Moreno ... you know, just get to know ‘em.” He said he told Mayor Sidhu he was not interested in doing that. Zapata restated that he had never met Moreno, nor had he even been in the same room with him. He did say that he heard that Ament and Mayor Sidhu had attended a kind of Spring Training game, but not that they had ever met Moreno at the Visit Anaheim/Chamber office. He also offered that it would not surprise him if they had met at the Visit Anaheim/Chamber office at some point.

Zapata said that Mayor Sidhu explained that instead of bringing in consultants to advise the City on the project, he (Sidhu) wanted to be on the Angels deal negotiating team. He indicated that Mayor Sidhu’s request to be on the Angels deal negotiating team was then agendized as an item for the next City Council meeting. Zapata said that he informed Mayor Sidhu of his plans saying, “I’m hiring ... two consultants without your authority because the City Manager in Anaheim can hire a consultant up to $50,000.00.” He hired Dan Barrett and Larry Kosmont, “the sports guy and the economic guy,” while City Attorney Fabela hired another consulting firm to assist on the entitlement side. Zapata could not recall the name of Fabela’s consultant.

Zapata said that the Angels deal negotiation team for the City included Mayor Sidhu, City Attorney Fabela, Belmer (Land Use), Morton (knowledge from previous deal), Mike Lyster (Public Information), Larry Kosmont (Economic), and Dan Barrett (Sports Firm). The Angels negotiation team consisted of Angels President, John Carpino, Alex Winters, their developer (could not recall his name), and Moreno’s “money guy” Chip. Zapata stated that the negotiation teams never met at the Visit Anaheim offices: instead, they always met at the Convention Center. He noted that Ament was never at any of the negotiation meetings.

JLG Investigators’ email review revealed that on January 31, 2020, a private lunch was scheduled before the meeting with the City’s negotiating team prior to meeting with the Angels negotiators. The invitation was sent to Mayor Sidhu, Fabela, Belmer, Morton, Lyster, Barrett, Kosmont, Andrea Austin, John Erskine and Katie Goertzen. In the CC portion of the email, the address “Harry4anaheim@harrysidhu.com” was included.
When asked if he could think of any reason why Moreno would have met with Ament and Mayor Sidhu at the Visit Anaheim offices, Zapata stated, “Sure. To get the deal he wanted . . . to understand what the parameters . . . maybe what the appraisal was . . . you know, to lay down the ask.” When asked if it would be unusual for Moreno to be in a meeting with only Mayor Sidhu and Ament, Zapata stated, “very. It would be suspicious . . . especially, because Harry was on the negotiating team, if it happened during that period, . . . I think it’s kind of bad optic . . .”

Zapata stated that once the negotiations started, Mayor Sidhu began to lead the negotiations. He noted, “I was really surprised at how prepared he [Sidhu] was. He was absolutely prepared. He would come to our meetings. He would have term sheets. He would have strategies, and it was obvious to me that he was talking to somebody else but not our [the City] team . . .” Zapata added, “We (the City) were always on the backside of hearing the terms and strategies, and then had to meet later to discuss the actual intent of what was presented.”

According to Zapata, concurrently with the Angels negotiations, was the establishment of Anaheim First, which Mayor Sidhu wanted the City to fund over ten years in $25 million increments for a total amount of $250 million. He indicated that the City only had $14 million to fund the first year of Anaheim First. At that time, the City was involved in labor negotiations, and needed money. Zapata told Sidhu that the City needed to, “Get out of the baseball business,” in order to fund the programs Sidhu wanted to support. Zapata pointed out, “If you ever see the audits of Angels . . . and their net impact to the City of Anaheim . . . from 2017 to 2020, I believe is about a million dollars a year on that lucrative property.” Zapata noted that essentially, the Angels were paying $1 million per year on 125 acres, which he described as, “Not a good deal for the community.”

Zapata said he told Mayor Sidhu, “We need to get out of the baseball business. We need to make that land work. It’s fallow two thirds of the year.” Zapata added that the Stadium is old and money was needed toward making improvements, such as making it ADA compliant. Zapata advised Mayor Sidhu that it would be best to sell the Stadium, get out of the baseball business and use the money to fund programs he desired, particularly Anaheim First. He noted that at first Mayor Sidhu did bring forth actions moving in that direction, such as obtaining an appraisal of the Stadium property. He said that the City hired Norris Realty to conduct the initial appraisal. They valued the property at $270 million, which the community felt was too low, as some thought it should be valued at $500 million. Zapata noted that the lower $270 million valuation was due to parking requirements for the next ten years—“125 acres wasn’t a blank canvas for someone to build on. So, anyone that bought it had to consider the parking.”

Zapata noted something odd that occurred during the negotiations with the Angels. After exchanging numbers with the Angels organization for purchase of the 125 acres, the Angels indicated that they also wanted to buy Angel Stadium. Zapata felt that there had to have been a leak on the appraisal amount, such that the Angels would agree to purchase the Stadium and the land for $270 million.

Zapata stated that he encountered problems with Mayor Sidhu over the need for money to fund Mayor Sidhu’s proposed programs, as well as the need for funds to meet the City’s upcoming labor negotiations. He indicated that the deal that was being constructed with the Angels included “milestones.” with each particular milestone required a non-refundable deposit from the Angels,
escalating from $5 million to $10 million, depending on how much of the project was completed. Zapata referred to this as a “developer risk” such that if the deal was not completed, it was the money the developer lost because of the work the City had put into the plan. In his last meeting with Mayor Sidhu, Zapata told him (Sidhu), “Even if this doesn’t work, you know, we’re looking at about $20 million.” Mayor Sidhu’s response was, “That’s not gonna happen . . . this is all going to be refundable.” Zapata reminded Mayor Sidhu, “That’s not what the document said.” Zapata stated that Mayor Sidhu told him, “This is going to be refundable . . . because if the elections are not good, I don’t want Jose Moreno to have this money.” Zapata indicated that Council Member Moreno was one of the minority opponents of Mayor Sidhu’s majority.

Investigators conducted a recorded interview with former City Councilmember Avelino Valencia. Although he was not on the Council when the Angel Stadium deal was approved, he was asked if the thought the Stadium sale was rushed. His response was, “One hundred percent.” Valencia comes from a small business background. He understands basic permitting, zoning and the bureaucracies of City Hall. He made the comment before council, “It was baffling to see how it’s more complicated to, ah and time consuming to get a 7-11 approved in the City of Anaheim than it did this deal, and that’s the truth. How it was ramrodded through.”

Valencia was also upset that the City Manager Vanderpool did not notify the City Council that the State Housing and Community Development Department (HCD) had sent a letter to the City in April of 2021 regarding the potential SLA violation. City Manager Vanderpool advised him that Mayor Sidhu was aware of the letter and that he wanted Valencia to be aware of it because of his position and connection with State Assembly Member Tom Daly. According to Valencia, this letter was dated and his conversation with City Manager Vanderpool was several months later. Valencia made Vanderpool aware that he should notify the full City Council about the HCD letter. He was the first person to mention the letter at the next City Council meeting to make sure the City Council was informed. Some of his colleagues appeared surprised. He encouraged investigators to review the City Council recording and focus on Councilmember Jordan Brandman’s reaction.

Our review of emails determined that, in a response to LA Times reporter Bill Shaiken, the City produced a 26 page PDF file that included text messages between Valencia, former Councilmember Moreno, City Manager Vanderpool and Deputy City Manager Garcia. There were also email communications including a series of questions and answers related to the April 26, 2021, HCD letter between Moreno and Vanderpool. The emails were consistent with Valencia’s characterization of the lack of transparency by Vanderpool and Sidhu to the City Council and his communications with California Assemblymember Daly. The second page of the PDF included a screen capture titled, “Introductory Meeting-Angels and Avelino Valencia” dated December 15, 2020. The invitation was sent by Flint and included John Carpino and Molly Jolly, both with the Angels.

JLG Investigators conducted an interview with Jay Burress of Visit Anaheim. The Visit Anaheim offices are co-located with the Anaheim Chamber offices. Burress stated that on at least two occasions, he observed Mayor Sidhu, Ament, and Flint meeting with Angels owner Moreno in the Visit Anaheim board room. He did not hear what they were saying. In those meetings, Moreno would bring a “delegation” with him. There were no other City personnel present. In one of the meetings, Burress was in the board room after just having finished a meeting when Moreno entered. Burress introduced

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89 Exhibit 54.
himself and then left. He also recalled seeing Ament after at least one meeting. He asked Ament how it was going. Ament replied, “It’s good! It’s good!”

As reported in the press, Mayor Sidhu has refused to turn over the emails from his personal email accounts. In an email Fabela wrote on August 25, 2022, he indicated that Mayor Sidhu’s Attorney, Paul Meyer, had invoked his client’s 5th Amendment rights as a justification for not responding to CPRA request.

On November 9, 2022, Attorney Kelly Aviles filed a lawsuit on behalf of the LA Times based on Nathan Fenno’s failed CPRA request for Mayor Sidhu’s personal email, Harry@harrysidhu.com. There were only three emails produced from Mayor Sidhu’s personal emails. Those emails were in a CPRA response from Annie Mezzacappa regarding Flint, where she forwarded information to the Harry@HarrySidhu.com email address.

Following Kelly Aviles’ lawsuit, a Judge ordered the City to produce the CPRA records. On October 13, 2021, Lauren Torres sent an email regarding the court ordered production in accordance with the Judge’s order. The period of the CPRA records request was from November 2018 through February 2020. On October 14, 2021, Annie Mezzacappa responded to Lauren Torres’ email on behalf of the Mayor and on her own behalf by reiterating that everything should have already been produced during the first CPRA. She submitted a form and checked off the box attesting that neither she nor Mayor Sidhu used their personal emails for City Business.

Our investigation revealed that Annie Mezzacappa’s emails were forwarded by her from her Amezzacappa@Anaheim.net email to her personal ActingAnnie@gmail.com address. On December 3, 2019, an email in Ted White’s email archive from Jeff Flint@FSBCorestrategies.com address included several other recipients; ActingAnnie@gmail.com, Todd@chamber.org and Jburress@visitanaheim.org. Both organizations, “Chamber of Commerce” and “Visit Anaheim” were listed as court ordered search terms. This email was sent in the middle of the date range request of the court ordered CPRA production. We could not find this email in Annie Mezzacappa’s email archive or anything else in the date range with the Actingannie@gmail.com account in her archive.

In Mayor Sidhu’s archive there was one email on November 18, 2019, which is specific to the City’s Angel Stadium Negotiating Team. Included in the CC’d addresses is Harry4Anaheim@harrysidhu.com, one of Mayor Sidhu’s personal emails.

In Mezzacappa’s written responses, through her attorney, she provided the following for a list of emails that she and Mayor Sidhu used for City business:

- hsidhu@anaheim.net which was also forwarded by the City IT Dept. to both harry4anaheim@harrysidhu.com and amezzacappa@anaheim.net

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90 Exhibit 55.
91 August 25, 2022 Email from Fabela to Vanderpool, Garcia and City Clerk Bass indicating that per former Mayor Sidhu’s attorney, Paul Meyer, Sidhu had invoked his 5th Amendment rights (Exhibit 76).
92 See Annie Mezzacappa CPRA Responses Form for Her and Sidhu (Exhibit 56).
93 December 4, 2019 “ActingAnnie” Email from Ted White (Exhibit 57).
94 As discussed further in another section of this report, Mayor Sidhu kept his City-issued phone locked and did not provide the correct pass code, therefore, an attempt to complete a forensic examination of his City phone was unsuccessful.
Once the City received the Angels’ Proposal on November 15, 2019, to purchase the Stadium site, City Staff began preparing for negotiations. On November 18, 2019, as Tom Morton, Robert Fabela, Chris Zapata and David Belmer were preparing a negotiations summary for the City Council, they included at the end of the draft specific language regarding the limits of closed session. The section reads, “For purposes of our closed session meeting tomorrow, by law, the discussion must be limited to ‘price and terms’ of the real estate transaction.” The Attorney General has opined that closed session under the Brown Act can include, “(1) the amount of consideration that the local agency is willing to pay or accept in exchange for the real property rights to be ... transferred in the particular transaction; (2) the form, manner, and timing of how that consideration will be paid; and (3) items that are essential to arriving at the authorized price and payment terms... More general topics about the transaction, without a reasonable connection to price and terms for payment of the real estate, would be inappropriate for closed session.”

On September 29, 2020, the City Council convened a meeting where they voted on terms to finalize the sale of the Stadium property to SRB Management, the Angels Baseball Organization.

Following the announcement of the sale, a lawsuit filed by the People’s Homeless Task Force argued that the City had committed a Brown Act Violation. Attorney Aviles, who represents the People’s Homeless Task Force, filed a lawsuit against the City alleging violation of the CPRA. Eventually, the City agreed to settle costs with Attorney Aviles for $121,000, based on an email from Gregg Audet to Robert Fabela and Pelletier.

2. SLA - Potential Violation

As discussed in a previous section, in May 2022, State Attorney General Rob Bonta was made aware of a Federal Search Warrant Affidavit submitted by Federal Bureau of Investigation Special Agent Brian Adkins. The affidavit alleged potential Brown Act Violations related to the negotiation of the sale of the Angel Stadium whereby Mayor Sidhu potentially divulged confidential information through a lobbyist and the president of the Anaheim Chamber to the Angels’ negotiators. A few days later, Bonta filed an ex parte motion as part of ongoing litigation related to an alleged violation of the

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95 Morton Email with Brown Act Admonition at the bottom (Exhibit 58).
96 Fabela Email to Pelletier (Exhibit 59).
During the sale of Angel Stadium, Agent Adkin’s search warrant for Harry Sidhu’s electronics and helicopter was Exhibit #1 of the *ex parte* motion for a (60) day stay of the Angel Stadium Sale and Stipulation for Entry Judgement. On May 16, 2022, the *Los Angeles Times* published the allegations of Mayor Sidhu’s potential corruption related to the Stadium sale.

### 3. Chronology of the Events Related to the SLA

Attorney John Erskine of Nossaman, LLP was retained as outside counsel by the City to assist with the sale of the Angel Stadium site.

On November 25, 2019, in an email reply from John Erskine sent to Robert Fabela, In the initial email Robert Fabela wrote:

An organizational chart of City staff was prepared by JLG Investigators.  

On November 27, 2019, in an email thread, Pelletier and Robert Fabela

On November 27, 2019, in an email, John Erskine

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97 Anaheim Organization Chart (Exhibit 60).
98 November 29, 2019 Email from Fabela to Pelletier (Exhibit 61).
On November 29, 2019, in an email from Pelletier to Robert Fabela,

On December 2, 2019, Pelletier authored an email to Robert Fabela

On December 2, 2019, in an email thread between Mike Lyster and the negotiating team titled, “Talking Points for City of Anaheim re Angels Negotiation,” there was a discussion regarding the Purchase Sale Agreement (PSA) and a California Environmental Quality Act (CEQA) and getting into “foul territory.” John Erskine, [redacted] Mike Lyster wanted to confirm that his press release would adhere to the proper terms delineated by the attorneys.

On December 6, 2019, in an email thread, Pelletier, Leonie Mulvihill and Robert Fabela

On December 19, 2019, in a letter they both signed, State Senator Thomas Umberg and Assembly Member Tom Daly raised the SLA (SLA) issue. There were also emails and a voicemail indicating that the Kennedy Center might be filing a lawsuit based on SLA issues. Later, the Kennedy Center did file a letter in opposition, but no record of a lawsuit was discovered.

On December 20, 2019, the City Council held a special meeting that lasted over eight and a half hours. The purpose of the meeting was to discuss the proposed sale of the Stadium, during which representatives from Anaheim’s negotiating team, the City Council, representatives from the Angels, and members of the public spoke. The City agreed to begin the land sale process at a starting price of $325 million.

On December 23, 2019, John Erskine sent an email

On January 19, 2020, Kelly Aviles filed a Brown Act Demand for Cure and Correction and California Public Records Act request. She also filed a CPRA the same day.

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99 December 2, 2019 Email from Pelletier to Fabela (Exhibit 62).

100 December 19, 2019 Letter - State Senator Umberg and Assemblymember Daly re SLA issue (Exhibit 78).
On February 4, 2020, a staff report was prepared regarding the Brown Act claim by Attorney Aviles. The signature block is for Pelletier; however, it is unsigned.  

As previously mentioned, on February 28, 2020, a lawsuit was filed in Orange County Superior Court by Kelly Avlies on behalf of the People’s Homeless Task Force, for violation of the Brown Act.

On March 11, 2020, Deputy City Attorney Gregg Audet

On March 31, 2020, Fabela, in an email, advised that Thomas Brown from Burke, Williams & Sorensen, LLP would be working on the People’s Homeless Task Force Lawsuit. It also mentioned the Joint Defense Agreement that had yet to be signed, but would include Alex Winsberg with the Angels and Allan Abshez with Loeb & Loeb.

On September 9, 2020, the City Council approved the Angel Stadium sale to SRB Management.

On October 1, 2020, the HCD’s Housing and Community Development Specialist Harrison Anixter emailed Robert Fabela advising that the HCD may be subject to the SLA. He then asked if staff was available for a call on the applicability of the SLA.  

On April 28, 2021, the California Attorney General’s Office of Housing and Community Development notified the City that the Angel Stadium sale violated the SLA. In the email there was mention that the City had provided previous responses to HCD’s request on January 25, 2021. The HCD letter argued that the City was not exempt from the current SLA due to the fact that the sale did not take place until December 20, 2019, which was after the September 30, 2019, deadline to qualify for exemption. California Department of Housing and Community Development (HCD), issued a notice regarding the City’s alleged violation of the SLA based on the following actions:

- Failure to declare the subject property as “Surplus Land” in violation of Government Code Section 54221(b)(1);

- Failure to send a Notice of Availability to organizations certified by the state to construct affordable housing projects in violation of Government Code Section 54222; and

- Failure to provide HCD with information and documents before agreeing to terms to dispose of the property in violation Government Code Section 54230.5(b)(1).

On June 10, 2021, Robert Fabela discussed preparing a response letter to HCD regarding the City’s response to the Angel Stadium sale violation of the SLA. He initially included several people in the email thread: Allan Abshez of Loeb & Loeb, Alex Winsberg of the Angels, Molly Jolly of the Angels, Greg Garcia City of Anaheim, Jim Vanderpool City of Anaheim, Amrit Kulkami of Meyers

101 City Council Closed Session Memo regarding the potential Brown Act Violation (Exhibit 63).
102 (Exhibit 64).
103 October 1, 2020 Email to Fabela from Harrison Anixter at HCD (Exhibit 65).
104 April 28, 2021 Response by HCD to City of Anaheim regarding the Stadium Sale (Exhibit 66).
Nave and Flint Core Strategic Group. Flint responded, “Can we set a time ASAP for our team to brief you on our ‘fact-finding’ meeting with HCD to help prepare your official response?”

Flint was working for SRB Management, although he did not register as a lobbyist with the City for SRB Management, LLC until September 4, 2020, according to the Anaheim registered lobbying report. We were not able to determine at what point Flint was engaged by SRB Management, but on August 31, 2020, he was included in an email for a Stadium Town Hall Meeting. On July 26, 2021, in an email, Flint asked Robert Fabela and City Clerk Bass if his assistance on the HCD response needed to be reported as lobbying. Based on the email, it appears they did not think his involvement was considered lobbying. Pelletier indicated that she called and left Flint a message.105

On June 11, 2021, Flint weighed in with his analysis of the SLA issues to the negotiating group. His position was that the pre-existing lease encumbered the property until 2023 unless the city negotiated a deal with the Angels to release the property for development. He added that the City took the step to prioritize 15% as affordable housing as part of that accelerated housing opportunity. He closed the email with, “The state should be celebrating this deal, not standing in the way of it.”

Later, in the thread he sent only to Amrit Kulkami, Pelletier and Greg Garcia, Rob Fabela included a comment:

On June 14, 2021, Robert Fabela purportedly drafted a 10-page letter to the HCD dated June 14, 2021,106 in which he argues that the parties were engaged in an exclusive negotiation agreement prior to September 30, 2019.107

SRB Management, LLC was not formed until November 20, 2019; and in prior correspondence from the City dated January 25, 2021, they claimed their lease agreement between the City and the California Angels constituted a valid legal restriction. The response from HCD was as follows:

The existing lease is not a valid legal restriction for at least three reasons. First, the properties the City wishes to sell to SRB include more than just the property currently being leased. Second, even if the parcels surrounding the leased premises are subject to a license to use provision, the City has not shown that the lease would prohibitively restrict its ability to offer the site for housing development under the SLA with the current lease in place. Most notably, the fact that the City reached an agreement to

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105 July 26, 2021 Flint email re “lobbying” question (Exhibit 67).
106 The version of letter dated June 14, 2021, but the email archive of the attachment is dated February 2, 2022 (Exhibit 68).
107 On January 15, 2019, City Councilmember Jose F. Moreno moved to require a binding exclusive negotiation agreement and the motion failed.
develop housing on the Property demonstrates that there was, in fact, a feasible method
to satisfactorily mitigate any prohibition of housing on the site. Third, even if we assume
that an existing lease qualifies as a ‘valid legal restriction’ under Government Code
Section 54221(f)(1)(G), the fact that the City is a party to the lease and the owner of the
leased Property makes any such restrictions ‘imposed’ by the City. Thus, the Property
does not qualify as ‘exempt surplus land’ under Government Code Section
54221(f)(1)(G) as argued by the City in their June 14, 2021, letter.

On June 15, 2021, Pelletier sent an email to the working group including Flint regarding the
HCD issues. ¹⁰⁸

On March 22, 2022, Judge Hoffer ruled in favor of the City regarding the People’s Homeless
Task Force lawsuit filed by Kelly Aviles alleging a Brown Act violation.

On December 8, 2021, the HCD responded with a letter which indicated that the Stadium sale
violated the SLA.

On April 26, 2022, the Mayor of the City of Anaheim moved to approve a stipulation which
included a 96-million-dollar settlement for housing, which was carried in a 5 to 2 vote by the Anaheim
City Council.

On May 6, 2022, Robert Fabela received a voicemail from Supervising Deputy Attorney
General David Pai indicating that he was getting a lot of incoming calls regarding the LA Times
article that Angel Stadium sale was going to result in 80 percent less affordable housing. David Pai said, “I
wanted to make sure they were copasetic and aligned with our messaging. And you know is so far as
you guys and your staff were [inaudible] in your reports before the Planning Commission can kind of
emphasize the leveraging aspect of it. That would go a long way in some of these reported inquiries
that were a getting.” ¹⁰⁹

A May 6, 2022, article by Bill Shaiker at the LA Times mentioned the 80 percent reduction in
housing and the $96 million dollar fine to be paid by Arte Moreno for affordable housing. The article
mentioned that the settlement with the City had been reached the prior week. ¹¹⁰

In September of 2021, Ament was arrested and elected to cooperate with the FBI. Based on the
search warrant for Mayor Sidhu’s phone, email and helicopter the following details were gleaned from the
affidavit:

4. Todd Ament Arrest and Cooperation with the FBI

According to the Ament Criminal Complaint Affidavit, on July 21, 2020, while negotiations
were ongoing, Mayor Sidhu sent an email from his personal email account, Harry@Harrysidhu.com,

¹⁰⁸ See the email from Pelletier to working group, including Jeff Flint, regarding HCD Response (Exhibit 69).
¹⁰⁹ Record of voicemail received by Fabela from Attorney General David Pai (Exhibit 70). The audio file attached to this
voicemail notification email is available to be produced upon request.
¹¹⁰ On April 26, 2022, the City reached a settlement agreement with the HCD on the SLA and the City Council voted to
approve the settlement.
to Ament and Flint. No members of the City’s negotiating team, aside from Mayor Sidhu, were included in the email. The subject line of the email read, “4844-8343-9299.2 Key Issues - Stadium Transaction Agreements.docx.” Attached to the email was a Microsoft Word document with the same title as the subject line of the email (“The Key Issues document”). The FBI obtained the email from Ament.

The FBI affidavit describes the document as, “The Key Issues document is approximately three pages in length and contains a table with two columns and approximately 10 rows. The two column titles read ‘TOPIC’ and ‘DISCUSSION ISSUES,’ respectively. Each row contains a separate topic title, followed by bullet points addressing Anaheim’s concerns in their negotiations with the Angels pertaining to the respective topics.”

Based on the FBI’s analysis of the metadata of the document, the author was “Anaustin” and the company was Husch Blackwell, LLP. Husch Blackwell LLP was outside counsel for the City of Anaheim in the Angel Stadium negotiations. Their analysis also noted that the date of the draft document was July 20, 2020, one day before it was sent to Ament and Flint.


Based on our email review, on November 30, 2019, Andrea Austin sent an email to Robert Fabela and Pelletier and CC’d Kevin Kelley.

On September 24, 2019, the Anaheim City Council held their regularly scheduled meeting. According to the City Council agenda, they addressed Angel Stadium, Angels Baseball, and “Price and Terms” as the subject under negotiation in the closed session.

According to Ament, “After the September Closed Session meeting where the Stadium appraisal is believed to have been discussed, but before the appraisal figures were made available to the public, SIDHU provided the appraisal figures to CW2 [Todd Ament] to be shared with representatives from the Angels.” The appraisal was not shared with the public until December of 2019, two months later.

Included in a footnote of the affidavit was the fact that the FBI spoke with an Attorney for the People’s Homeless Task Force who advised that they did not receive any emails from Mayor Sidhu in response to their Public Records Act request. It would appear that the Appraisal and Key Issues Document would have been subject to their request.
A review of the Sidhu search warrant revealed that on October 29, 2021, while negotiations were taking place for the sale of Angel Stadium to SRB Management, LLC on behalf of the Angels Baseball Organization, Mayor Sidhu was surreptitiously recorded by Ament saying, “And here’s the thing, if the Angels deal goes through, by the end of the year, then I’m gonna ask ah, [Angels’ Representative 1]. Right? I’ll just call [Angels Representative 1] up and say [Angels Representative 1], we need at least a half a million dollars of support for you to come with the IEs.”

A diagram of the individuals discussed in the Sidhu Search Warrant affidavit was created by JLG Investigators to provide a visual illustration. The diagram includes Elected Officials, Anaheim Employees, Company A Employee, and the cannabis industry involved parties as they related to Ament and Flint.

According to the Sidhu search warrant Affidavit, on December 6, 2021, Ament met with Mayor Sidhu and surreptitiously recorded their conversation. Mayor Sidhu said:

> Because I, I’ve said, you gotta at least, minimum of a million dollars to come up with my election. They have to. And of course, you know, if Disney, I mean, if Angels [Stadium sale] would conclude next year is approved hopefully, we’ll push for them at least have a million dollars. You know, for [Angels Representative 1] to say “no” is bad, for them not to say no on that.

On January 28, 2022, Ament met with Mayor Sidhu and surreptitiously recorded their conversation. Ament said, “Um, you had mentioned you wanted to try to get [Angels Representative 1] a higher level. Up to the million-dollar level. Do you think [Angels Representative 1] will go there? Do you have a reason to think [Angels Representative 1] will go higher? [Angels Representative 1]’s never gone there before.” Mayor Sidhu responded, “Gone? Gone where?” Ament replied, “To, to a million, for re-election. To help with the PACs.” Mayor Sidhu then said, “At least, you know, you should shoot for 3 million total?” Ament answered, “Okay.” Mayor Sidhu replied, “You should. Because I am hoping to get at least a million from I’m going to be pushing it. [Angels Representative 1] actually asked me. [Angels Representative 1] said, ‘What can I do for your election?’ I said, ‘Let me finish your deal first, and then we’ll talk about that.’” Ament answered, “Ok.” Mayor Sidhu said, “So I’m going to be asking for a million dollars from [Angels Representative 1].”

On December 17, 2021, Todd Ament received a letter from the Orange County Grand Jury. He notified the FBI and provided them with a copy of the letter. The letter indicated that the 2021-2022 Orange County Grand Jury was seeking information about the purchase and sale of Angel Stadium of Anaheim. The letter included a confidential admonition advising that the matter was confidential and not to be released to the public or shared with anyone not directly involved in responding to the letter without prior authorization of the Orange County Superior Court.

On January 12, 2022, at the direction of the FBI, Ament met with and recorded his conversation with Mayor Sidhu to discuss the Orange County Grand Jury, among other matters. Transcriptions of

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113 Based on the tenor of the conversation and Ament’s involvement with the Chamber PAC, it is likely that the reference to “IEs” is “Independent Expenditures” or a Political Action Committee (PAC).

114 Exhibit 45.
the conversation were included in the affidavit. The reference to Political Consultant 1 is believed to be Flint. Mayor Sidhu said, “So, who else got called on, is [Political Consultant 1] also got called on the, ah, on [the OC Grand Jury]?” Ament replied, “That’s why I’m trying to meet with [Political Consultant 1] tomorrow, because, so, I got, I’m sure the same letter?” Mayor Sidhu responded, “Yeah.” Ament said, “Yeah, so umm, I haven’t talked to [Political Consultant 1] since the holidays. So we texted last week and said, ‘Hey we gotta catch up.’ And umm, so it actually went to the Chamber and so [Chamber Employee 1] and I got it. And I said, ‘Hey tell [Political Consultant 1] I gotta touch base with him on this.’ So we’re touching base tomorrow at 2. Ah, [Angels Employee 1] from the Angels, the old attorney, he’s...” Mayor Sidhu, “[Angels Employee 1] from the Angels?” Ament said, “Yeah, he wants to meet. Ah, just to catch up, but I said, you know, ‘Did you get a letter?’ I don’t know. I asked him something like that, and he said ‘Yeah.’ ” Mayor Sidhu replied, “So this is the [Angels Employee 1] that used to be the previous attorney?” Ament replied, “Yeah. Right.” Mayor Sidhu said, “Because they also got it.”

As the conversation continued, Ament said, “Mine is, I don’t know, obviously somebody, if it’s you, me, [Political Consultant 1], and Angels, somebody saying ok, what information did they share? And so like I’m worried. I don’t wanna lie.” Mayor Sidhu said, “Right.” Ament went on, “Because I’m afraid if I lie, and they have something, and then all of a sudden we’re in their crosshairs.” Mayor Sidhu said, “Right.” Ament, “For lying to a grand jury. So like you know, appraisal information, any of that. Is any of that in your text or emails? Of you gave us kind of the ranges of the appraisal.” Mayor Sidhu responded, “I have not given any of the emails that was going on between you, me, and [Political Consultant 1].” Ament said, “Ok.” Mayor Sidhu said, “Nothing at all.” Ament, replied, “Ok.” Mayor Sidhu said, “So it’s not there.” Ament responded, “Ok.” Mayor Sidhu said, “So that, because remember nothing came from the city hall going to you right off.” Ament replied, “Ok. Right, right.” Mayor Sidhu said, “It was my private emails on even my text and all that with you, I erased everything.” Ament responded, “OK.” Mayor Sidhu said, “So, if you, if they ever say that you meet with the mayor, just say, ‘Yeah, occasionally we talked because I wanted to know the economic development.’” Ament said, “Yeah.” Mayor Sidhu said, “This is part of the project that the Chamber was working on.”

Later in the conversation Mayor Sidhu reiterated that, when asked by the Orange County Grand Jury, just indicate that they talked but that it was after the negotiations were done and that it was about economic development. Mayor Sidhu instructed Ament to write down the questions right after he came home so they could meet, and he could let Mayor Sidhu know what happened.

On February 8, 2022, at the direction of the FBI, Ament met with Mayor Sidhu in person where the two discussed potential State and Federal government investigations into the Angel Stadium sale. Prior to the meeting, the FBI provided a ruse Federal Grand Jury Subpoena to Ament to be shown to Mayor Sidhu. The ruse subpoena indicated it was seeking communications related to the sale of Angels Stadium. The FBI instructed Ament to show Mayor Sidhu the subpoena and tell Mayor Sidhu that it had been served by the FBI.

During the meeting, Mayor Sidhu expressed his concern that the government may have been monitoring his phones and/or emails. During the conversation, Mayor Sidhu told Ament that a person, only referred to in the affidavit as Anaheim Employee 1, had been served to appear in front of the federal grand jury. Mayor Sidhu went on the say, “Appear in front of the grand jury. Let me ask you the thing is all this thing is only valid unless you guys got paid for this. Right?” Ament said, “No, did
not.” Mayor Sidhu asked, “You didn't get paid?” Ament replied, “No.” Mayor Sidhu then added, “So the thing is only time that fraud is involved, in my opinion. That if there’s a money exchanged. Right?” Ament’s response, “That’s my understanding. I mean, that’s what we always said I didn’t you know, with [a former Anaheim employee], you know, I didn't want to hide that we were talking to the Angels and things. Right? [Anaheim Employee 1] knew.” Mayor Sidhu said, “Right.” Ament said, “I mean we all work together on all these terms we did and tried to help bring it home. I agree with you but they definitely know of conversations. Know of emails, know of text. So they for the lawsuit, when with the city thing? Did you ever look at what all they got? And what documents that they pulled off your emails and other people's emails?” Mayor Sidhu replied, “I, most of the emails, I erased it.”

The Affidavit mentioned that Anaheim Employee 1 was served with a Federal Grand Jury subpoena on February 7, 2022, the day before Ament’s meeting with Mayor Sidhu.

Based on JLG Investigators’ review of City employee emails, we determined that on February 9, 2022, Robert Fabela sent himself an email.

It should be noted that there is a reference to Anaheim Employee 1 in the Ament Arrest Complaint Affidavit as well. During his interview and in emails, Jim Vanderpool admitted to being present at the December 2, 2020, “Retreat” which is consistent with the reference in the Ament Affidavit as to Anaheim Employee 1. Additionally, Jim Vanderpool was served with a Federal Grand Jury subpoena on April 14, 2021, during his scheduled meeting with the FBI. The subpoena’s appearance date was April 21, 2021. City Manager Vanderpool stated that he met with the FBI agents and the subpoena was cancelled. 

Following the Attorney General’s ex parte filing on March 17, 2022, the City Council elected to withdraw from the Purchase and Sale Agreement (PSA) between the City and SRB Management. On May 25, 2023, a draft letter was emailed by Russell Morse of Meyers Nave to resend the PSA. The attached letter retrieved in the email had yet to be signed and was a draft.

5. Orange County Grand Jury

Following complaints from citizens and the media regarding a lack of transparency preceding the sale of the Angel Stadium property, Orange County convened a Grand Jury. On June 22, 2022, the Orange County Grand Jury sent a confidential letter titled, “The Big Lack of Transparency.” City Manager Vanderpool prepared and sent a response to the Orange County Grand Jury report. 

The Grand Jury was convened due to public scrutiny over the sale of Angel Stadium with very limited public interaction. The three cited reasons for the Grand Jury probe were the lack of public hearings and information, the People’s Homeless Task Force Lawsuit, and the State Attorney General's

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115 Fabela (Exhibit 71).
116 Vanderpool Federal Grand Jury Subpoena (Exhibit 72).
117 May 25, 2022 Russell Morse Email to Fabela (Exhibit 73).
118 Orange County Grand Jury Report (Exhibit 74).
119 City’s Response to Orange County Grand Jury Report (City Manager, Vanderpool) (Exhibit 75).
opinion that the City violated the SLA. The fact that Mayor Sidhu testified in the People’s Homeless Task Force Lawsuit was mentioned in the Grand Jury report, as was the current FBI investigation into Mayor Sidhu’s alleged witness tampering and negotiating irregularities.

The Orange County Grand Jury recommendations were:

R1 Any future agreement regarding the City’s disposition of the Stadium Property should allocate low and very low-income affordable housing units for the local workforce including individuals who work in the entertainment, leisure, hospitality, and health services industries.

R2 By December 31, 2022, the City Council should develop and implement guidelines to ensure a minimum 30-day period of public analysis and Council discussion of any public property sale and/or lease transactions.

R3 By October 4, 2022, the Anaheim City Council should revise Policy 1.6 so that any member of the City Council may place an item on its regular meeting agenda. (F4)

In City Manager Vanderpool’s response, he takes issue with the fact that the report indicates that Mayor Sidhu testified in the People’s Homeless Task Force Lawsuit in front of Judge Hoffer and the fact that the People’s Homeless Task Force appealed the outcome of the trial. Vanderpool made the point that Mayor Sidhu did not testify during the pendency of the trial. Vanderpool also made the point that People’s Homeless Task Force had yet to file a brief of objections in furtherance of their appeal. He also took exception to the presumption that the Department of Housing and Community Development’s findings of an SLA violation was tantamount to a final decision on the merits. Vanderpool made note that the HCD is not the final arbiter for legal disputes and that legal issue is ultimately up to a court to make a determination. Vanderpool also pointed out that the City met or exceeded each requirement of the Brown Act in relation to proper notification and timeliness of notification related to public and/or closed session meetings.

6. Conclusions

The sale of the Angel Stadium site has been the source of litigation, oversight scrutiny and media attention. One aspect of the case, allegations of a Brown Act Violation, resulted in a trial presided over by Superior Court Judge David Hoffer. He heard testimony, reviewed evidence, listened to arguments and found in favor of the City. This was before the FBI released two FBI Affidavits alleging malfeasance on the part of Mayor Harry Sidhu who was directly involved in the negotiation process. Considering the revelation of the Affidavit, in short order, the California Attorney General’s Office filed a motion to stay the Angel Stadium sale and the City rescinded the Purchase Sale Agreement.

Although a litigation preservation order for electronic communications was sent to City, both at the time of the People’s Homeless Task Force lawsuit filing and following the termination of the Angel Stadium site sale, the City of Anaheim’s electronic retention policy did not necessarily include
all electronic communications. The inability to conduct a forensic examination of former Mayor Sidhu’s and former Councilmember O'Neil's telephones impeded this Investigation.

The review of the electronic communication provided to JLG by City staff, which was voluminous, did present a clear picture of the inordinate number of communications and reports that were exchanged amongst City Staff and consultants. Electronic communications, primarily in the form of email, presented a useful sequence of events as the Angel Stadium sale unfolded. Based on a review of meetings and participants, it became clear which City staff and City’s outside counsel were involved in the purchase and sale negotiations, as well as participants from SRB Management, LLC and the Angels.

Regarding the accelerated sale of Angel Stadium creating a negative position for the City, it is clear that the City quickly marshaled the necessary resources and identified the potential impediments to the sale. The SLA was identified as a possible legal hurdle. It was briefed, arguments were prepared, and the potential consequences were delineated. Both the City and the Angels took the SLA as a serious legal concern that had been considered and made decisions in drafting the PSA that was approved by the City Council on December 20, 2019.

Former City Manager Zapata received push back from Mayor Sidhu when he sought to hire consultants, but the issue appeared to have been resolved since the City did hire several consultants to assist staff in participating rigorously in the PSA and the SLA issues. The fact that Mayor Sidhu came to Stadium sale negotiation sessions with his own reports and information is troubling in that there was no indication of the source or accuracy of the data set he utilized in the negotiation process. One would assume the negotiation team would collectively be working with consistent information prepared by City staff. They did make a point to schedule meetings as a group prior to sitting down for negotiations.

A significant point was made by Former City Councilmember Avelino Valencia when he commented that the Angel Stadium sale was 100% rushed and that it was baffling that it was more complicated and time consuming to get a 7-11 Store approved in the City of Anaheim than it was to approve the sale of the Stadium. It also proved relevant that he was concerned that City Manager Vanderpool had notified Mayor Sidhu about the HCD/SLA violation letter but had not informed the rest of City Council.

As early as November 27, 2019, in an email, Pelletier and Robert Fabela were

It was widely reported that Mayor Sidhu campaigned on a platform of keeping the Angels in Anaheim. His push to complete the sale of Angel Stadium had several potential motives, none of which are mutually exclusive: Political capital in achieving his campaign promises, completing the sale to avoid the potential negative financial ramification of the SLA, hopes of a contribution to an
independent expenditure fund or PAC to be spent on his future campaigns, or the relief of campaign debt.

We considered the Ament Criminal Complaint Affidavit and the Harry Sidhu search warrant Affidavit as credible due to the fact that they were both sworn under oath. JLG made our best effort to determine the identity of the anonymized individuals referenced in the Affidavits and to independently corroborate the allegations alleged in the Affidavits through interviews and the review of electronic communications. It was clear that Elected Official 1 was Mayor Harry Sidhu, Political Consultant 1 was Flint and Confidential Witness 2 was Ament. Also, through self-admission and court action, it became clear that Confidential Witness 1 was Melahat Rafiei. These individuals were the central participants in the two Affidavits.

According to the Sidhu search warrant Affidavit, at the FBI’s direction, Ament did record Mayor Sidhu expressly stating that his intention was to solicit a million dollars, after the sale of Angel Stadium was completed from the Angels. He also implored Ament to drive the total to three million dollars. This was not a traditional *quid pro quo* in that the payment for services rendered was to take place after the fact or the quid before the quo. There was no evidence presented in the Affidavit that Sidhu ever made the overture to the Angels directly. Since the sale was terminated, it is likely that he never did.

Based on JLG’s email review and interviews, it was clear that once the Council voted to move forward with the sale of the Stadium site and upon the November 15, 2019, offer from the Angels/SRB Management, the City staff began in earnest to put together a PSA. By November 18, 2019, Robert Fabela and his staff were putting together points for the council while being careful to include a reminder of the restrictions of the *Brown Act* during closed session relative to the negotiations.

As early as November 25, 2019, Robert Fabela wrote

> JLG made a request to speak to members of the Angels negotiating team, but those requests were denied by their counsel.

> The greater weight of credible evidence indicates that the City of Anaheim made an informed decision and entered into an agreement to sell the Angel Stadium site to the Angels. The evidence supports that there was a rush to complete the sale for a multitude of reasons, however it could not be determined if Mayor Sidhu’s push to complete the sale had a negative effect on the sale. Although the price and terms changed over time and settlement of the *SLA* issues, the sale remained essentially the same. The City appeared to meet all their benchmarks based on Judge Hoffer’s decision that the sale was made in good faith.

Regarding a possible *Brown Act* violation, as referenced in the FBI affidavits, the People’s Homeless Task Force filed a lawsuit alleging such a violation but did not prevail in the trial court and later settled for $121,000 in fees in 2022 after the revelation of the Ament and Sidhu Affidavits. The HCD came to terms without a trial and were prepared to agree on a stipulation even communicating a
joint message in response to press concerns based on David Pai’s voicemail. Once the California Attorney General's Office became aware of the Sidhu and Ament Affidavits, they filed their *ex parte* motion, and the stay was issued. The deal collapsed, hence there was no additional litigation to determine if there was, indeed, a *Brown Act* violation.

The FBI is not generally in the practice of releasing search warrant affidavits prior to indictment, as they did concerning Mayor Sidhu’s telephone, email and helicopter. Likewise, the timing of Ament’s Criminal Complaint Affidavit being released at the same time appears to be more of a tactical decision to thwart the Angel Stadium sale, than a coincidence. Although efforts were made by JLG to discuss the case with the FBI, those efforts were fruitless.

It is logical to suggest that the FBI, as their affidavit enumerates, was concerned about potential violations of the *Brown Act* that were not brought before Judge Hoffer while making his ruling in the People’s Homeless Task Force matter. The FBI Affidavits discuss the interception of telephone conversations, text messages, and emails, however it is not within our purview to know what they have or have not intercepted. They also have numerous recordings. Only small portions of transcripts were included in the Affidavit, presumably only what they deemed necessary to establish probable cause. It is not incumbent on law enforcement to include every item of incriminating evidence in an affidavit; just enough to establish probable cause. Conversely, law enforcement is required to include exculpatory evidence due to the fact that arrest complaints and search warrants are *ex parte* filings before the court.

Federal Law Enforcement is required to leave a copy of the search warrant at time of service; however, they do not provide the probable cause affidavit to the party on whom the warrant is served. The search warrants are generally returned under seal until an indictment is handed down or an arrest warrant is issued to maintain the confidentiality and integrity of the investigation. In the case of Mayor Sidhu, there is no indication he has been indicted or arrested; therefore, why has the affidavit been made available to the State Attorney General Rob Bonta’s Deputy David Pai to attach as Exhibit #1 to his *ex parte* motion?

One can reasonably conclude that the real time evidence collection by the FBI rose to a level to which they felt the necessity to intercede and shed light on Mayor Sidhu, Flint and Ament’s malfeasance and preclude the potentially tainted sale of one of the largest public land purchases in recent history.

The July 21, 2020, *Key Issues-Stadium Transaction Agreements* attachment that Ament provided to the FBI following his arrest was, indeed, an attachment to an email Andrea Austin of Husch Blackwell, LLC had sent to related parties, however Mayor Sidhu was not a recipient. It was apparent that City Attorney Robert Fabela found the FBI affidavit’s reference to the document relevant enough to email it to himself the day the news broke.

It is worth noting that Mayor Sidhu was observed meeting with Arte Moreno, Flint and Ament at the Chamber of Commerce/Core Strategies offices during the negotiation process. However notable, it does not in itself denote a *Brown Act* violation. Absent knowledge that Mayor Sidhu provided information discussed during a City Council Closed Session meeting, it is not possible to make the determination that there was a *Brown Act* violation. It is of concern that Ament reported that Mayor
Sidhu provided a copy of possibly confidential work product and the Angel Stadium Appraisal prior to public dissemination.

The greater weight of credible evidence indicates that it is reasonable to conclude that the United States Attorney’s Office and FBI divulged their investigation prematurely to prevent the Angel Stadium sale in an abundance of caution. Having all the evidence before them, they provided their redacted, yet substantive Affidavits to the California Attorney General to facilitate the filing of their ex parte motion to request a stay of the Angel Stadium sale. The judge concurred and issued the stay.

Regarding Mayor Sidhu suborning Ament to commit perjury before the Orange County Grand Jury, it was clear that when Ament was sent a letter to appear before the Orange County Grand Jury, the FBI utilized the opportunity to conduct an integrity assessment of Mayor Sidhu. When Ament met with Mayor Sidhu, he (Sidhu) implored him to lie to the Orange County Grand Jury and not reveal any of the documents that were provided by the Mayor to Ament. Discussion between Mayor Sidhu and Ament further encouraged denial of Ament’s involvement in Stadium negotiations. Mayor Sidhu instructed Ament to provide false testimony that he only met with and discussed the Stadium sale after the sale had been made and to indicate that their meetings and conversations were about the innocuous term “economic development.” When Ament feigned concern that recent court actions might have already resulted in their email exchanges and text messages being discovered, Mayor Sidhu made the point that their communications were not exchanged on Sidhu’s City email or phone and that he had erased everything already.

The fact that Mayor Sidhu did not produce emails pursuant to CPRA requests by multiple organizations and individuals, including the People’s Homeless Task Force and the LA Times, demonstrates his willingness to obstruct a lawful CPRA request, all while willfully destroying the very records being sought. Mayor Sidhu’s Chief of Staff, Annie Mezzacappa, submitted a response to a court ordered CPRA production where she checked the box that she and the Mayor did not use their personal email addresses for City business, however that did not appear to be the case. In her written response to questions, she appeared to imply it was the City’s IT Department who forwarded her emails to her personal accounts.

After Mayor Sidhu’s resignation, his attorney claimed Mayor Sidhu's emails were a 5th Amendment issue and refused to produce them.

This was not an act of omission. It was an act of commission and self-preservation. Had the fact that Mayor Sidhu provided the appraisal that was discussed during a Closed Session meeting of the City Council to Ament, Flint or by proxy, the Angels’ negotiators, become known, it may very well have been a potential Brown Act violation and had a substantial effect on Judge Hoffer’s ruling or other potential litigation.

The FBI also prepared a ruse Federal Grand Jury Subpoena that was presented by Ament to Mayor Sidhu. Again, Mayor Sidhu made the comment that he had erased their communications. Mayor Sidhu also offered a perfunctory defense when he said, “So the thing is only time that fraud is involved, in my opinion, Todd. That if there’s money exchanged. Right?” The fact that the sale was not completed, and the money was not exchanged does not diminish Mayor Sidhu’s intent to profit upon completion of the sale. An argument may be made that Sidhu’s comments constitute a conspiracy;
however, conspiracy requires an act in furtherance. At this juncture, sufficient facts have not been provided to establish that an overt act has been committed.

The greater weight of credible evidence indicates that Mayor Sidhu willfully induced Ament to give false testimony to the Orange County Grand Jury by instructing him to lie or to lack candor about his involvement in the Stadium negotiations and by destroying the evidence and documents that were being pursued by the Orange County Grand Jury.

B. Investigate suspicious or questionable campaign donations to Anaheim elected officials which may have led to undue influence in any City Council decisions or direction from 2012 through 2022. Where possible, identify specific expenditures for which the donations were used by the elected officials.

C. Sidhu, Ament, and Preferred Developers

During the course of this Investigation, several of the witnesses made statements regarding Ament and Mayor Hari Sidhu’s involvement in development projects that were awarded within the City of Anaheim.

There were concerns raised about Ament’s possible role as a lobbyist who was being paid by developers to assist them in obtaining positive results on their proposed projects. It should be noted that Ament was not registered as a lobbyist with the City of Anaheim and was employed as the CEO of the Anaheim Chamber of Commerce during this time period.

There were also concerns raised about Sidhu’s attempts to influence City Staff into utilizing specific contractors or developers who had relationships with Mayor Sidhu on City projects.

One of the projects that was brought up by several witnesses was a development project at the corner of Euclid and Lincoln. This was a property that was partially owned by the City’s Redevelopment Agency at one time and had been designated by City Staff to be developed as a commercial project.

1. Shopoff Development

   a. Discussion

   During her interview with JLG Investigators, Mishal Montgomery[120] brought up the subject of a project that Shopoff Development had acquired at the corner of Lincoln and Euclid. Montgomery stated that James O’Malley from Shopoff Development was in a meeting with Ament and Harry Sidhu to get a general plan amendment, and O’Malley told Wally Courtney (from Kott Realty) that he was “paying Ament to get this deal done.” Montgomery stated that there were concerns about Ament receiving taxpayer funds from the City (for the Chamber of Commerce) and then sitting in on meetings with developers at City Hall and negotiating deals for them while getting paid by these developers directly. She felt that this may have violated the law or at the very least was ethically wrong.

[120] Mishal Montgomery interview.
Wally Courtney\textsuperscript{121} recalled a situation in which a developer came to Kott Realty with a project at Lincoln and Euclid. Courtney stated that he had spoken to all the property owners who would be affected by this development and was able to get nine properties in escrow with this developer to move his project forward. He stated that the developer met with John Woodhead (Director of Community Development) and explained what his project would look like, which would be a mix of commercial and residential development. He said that Woodhead told the developer that the City did not want any residential development at this location, and it needed to be a commercial development. Courtney stated that this ultimately caused the deal to fall apart as the developer did not feel it could be profitable without the residential component.

Courtney stated that after this deal fell apart, he heard that Shopoff Development wanted to “take a stab at it.” He said that Shopoff was told to speak with Kott Realty because they “already knew all of the property owners over there.” Courtney went on to say, “Unbeknownst to me, they were also talking to someone else at City Hall and they wanted to build residential.”

Cindy Corby\textsuperscript{122} stated that she was working for the City of Anaheim as a consultant with the Community and Economic Development Office when the Shopoff project at Euclid and Lincoln was being negotiated. Corby stated that she recalled Kott Realty being involved in negotiations for this property early in the process, and they had requested consideration for a residential component but were told no. She stated that the Planning Department had initially recommended that this project should be a commercial development only and stated that “we all felt that this would be the best use of this property, but the Council chose otherwise.”

When asked how the residential component became approved for this project, Corby chuckled and stated, “Well, Bill Shopoff and Harry [Sidhu] knew each other. I didn’t know that firsthand but had heard they had a personal connection.”

John Woodhead\textsuperscript{123} brought up the fact that certain developers began to change their “attitude towards me, and I go, ‘Okay, you have done whatever you need and now you don’t need to listen to me. I have lost all my leverage; I have been de-leveraged. I suspect I know who de-leveraged me, I don’t know exactly how to the tune of what, but I know I have been de-leveraged, you are no longer listening to me.’” He went on to say, “You are basically telling me to my face, ‘No this is how we are going to do things.’” He said, “I felt this several times, and that is how I knew it was time to go.”

Woodhead was asked if the Shopoff project at Euclid and Lincoln was one of the projects that he was referring to regarding being de-leveraged, and he replied, “Definitely, yeah. Shopoff had never done real business in the City and had finally worked his way in.” He went on to say that staff had told other developers what was required to make this project (at Euclid and Lincoln) work, and then “here comes Shopoff and you have seen all these other people fail and they all of a sudden tell you, ‘Well we don’t really need all those properties.’ Really? For the last fifteen years we have said you need all the properties, and they say, ‘No, we don’t need all the properties. It is too expensive and this what we are going to do. You should go talk to your mayor.’”

\textsuperscript{121} Wally Courtney interview.  
\textsuperscript{122} Cindy Corby interview.  
\textsuperscript{123} John Woodhead interview.
During her interview, Grace Stepter\textsuperscript{124} (Director of Community and Economic Development) was asked about the sudden retirement of Woodhead, and she replied, "There were a lot of things going on with John. The demise of redevelopment certainly took a toll on him." She went on to say, "In all candor, there was a point when Harry Sidhu came into power and John felt like he was being ostracized from deals." She went on to say that she wasn’t entirely shocked when Woodhead decided to leave.

Stpter was asked if there were any projects that Sidhu had inserted himself into that she felt were inappropriate. She responded, "Not that I was directly involved in but shared to me by John Woodhead—the Shopoff deal on Euclid and Lincoln." She stated that "John was frustrated with this project because of price and what the right product type, and the meetings that were being had with Harry Sidhu and basically that John was being told what was going to happen as opposed to being allowed to give advice on how best to proceed." She stated that these messages typically came from the City Manager’s Office, from either James Vanderpool or David Belmer.

David Belmer\textsuperscript{125} (Interim City Manager) said he recalled the Planning Department being involved in a land-use debate about whether the city/planning would allow a whole scale conversion or residential. Belmer said he only supported commercial development if it could be proven to have viable market support. Belmer’s first conversations about this location were with Mayor Tait, who did not support the location for stand-alone residential, nor did Belmer.

Stpter was asked if she recalled that the property at Euclid and Lincoln was originally supposed to be commercial only with no residential units, and she stated, "Yes, that is what I recall."

James O’Malley\textsuperscript{126} (from Shopoff Development) was asked about this project initially being a commercial project only, and he stated, "Yeah, we had to rezone it from commercial to residential."

O’Malley stated that on this project, "more retail in this area would never get financed, because in that part of town it is blighted, and all cities are anxious for residential."

O’Malley stated that "there was nothing coy, unusual, backdoor or anything like that at all during the entire process. This was a classic application and then answering questions, and quite honestly, the piece we purchased from the City was well above market value and nobody would have bought it for what we paid for it."

Kevin Clausen\textsuperscript{127} (Senior Project Manager with Housing and Community Development) said that reflecting back with his experience now, "It was a little odd how involved the Chamber was because we are providing recommendations to council who is giving us directions, but it’s not directives from outside groups. Ament was also involved in a site assemblage by Lincoln and Euclid and there were maybe six different owners of parcels, so I remember the Chamber tried to facilitate conversations with the property owners to try and bring a deal together." Clausen said Ament was involved as well. Clausen did not work on this project; it was handled by his colleague Laura Alcala, who has since retired, and a consultant named Cindy Corby. There were many iterations of this project; initially it

\textsuperscript{124} Grace Stepter interview.
\textsuperscript{125} David Belmer interview.
\textsuperscript{126} James O’Malley interview.
\textsuperscript{127} Kevin Clausen interview.
was to be a commercial site, but then discussions ensued to add residential. Eventually residential was deemed a viable option at that location.

Lisa Stipkovitch\textsuperscript{128} (previous Community Development Director prior to John Woodhead) stated that after she retired, it appeared that Woodhead did not have the same type of control over projects that she had. She surmised that this was due to Sidhu’s and Ament’s involvement in development.

Stipkovitch was asked about the development project at Euclid and Lincoln, and she thought she may have been the person who purchased this property for the City originally but was not involved after that. She did remember that it was designated to be used for commercial use only.

The Director of Economic Development, Sergio Ramirez,\textsuperscript{129} was asked about a Shopoff project at Euclid and Lincoln, and he stated he was aware of that site but not the details of this project because the negotiations happened while he was employed by the City of Long Beach. Ramirez did recall that before he left for Long Beach, “that site had never been anticipated for residential, and former Mayor Curt Pringle had wanted that site to be a retail center.” (Ramirez initially worked for the City of Anaheim, left for a position in Long Beach, and then returned to the City of Anaheim.)

Ramirez stated that he did not know what happened to cause this project to pivot to a residential project. Ramirez stated that “before I left, I had to deliver the message to Brandywine Homes that this location could not be developed residential, and they had actually proposed a mixed-used concept kind of similar to what now is playing out there, and it would have been much nicer and so that message was delivered very emphatically by myself that that site would never go residential.”

Courtney stated that on April 8, 2019, he was asked to come to City Hall for a meeting with Sidhu about this real estate project with Shopoff Development. He explained that he was sitting in the lobby at City Hall waiting for the meeting to start when someone named James O’Malley from Shopoff introduced himself. He stated that O’Malley told him, “Todd Ament suggested that we talk to you because you guys know this property really well.” Courtney said that he asked O’Malley, “How is Todd involved in this?” He stated that O’Malley responded, “We are paying Todd to get our deal approved.”

Woodhead stated, “James O’Malley was arrogantly empowered and wasn’t shy about showing that off, voicing that to me, my staff. That he did the same to Wally doesn’t surprise me.”

Courtney stated that when they entered the meeting, “Todd was sitting at the head of the table, next to him was Harry Sidhu, next to him was Harry’s assistant, next to him was Trevor O’Neil and his assistant, next to him was Steve Faessel, and then me and O’Malley.”

Trevor O’Neil stated that he did not recall ever attending a meeting on this project that involved Courtney. He did state that he attended numerous meetings regarding this project.

\textsuperscript{128} Lisa Stipkovitch interview.  
\textsuperscript{129} Sergio Ramirez interview.
Courtney stated that Ament ran the entire meeting, and he was “flabbergasted at this meeting that everyone thought it was okay for Todd to be running the meeting.”

Courtney stated that Ament was explaining to the mayor and council members that Shopoff would be including residential in this project and that they should approve this. Courtney went on to say that this was surprising as Woodhead had told him that no residential would be allowed when he (Courtney) came to him with his original proposal.

Courtney stated that ultimately this project was approved, and Shopoff was able to build residential properties on this development. Courtney reiterated, “O’Malley told me that they paid Todd to get this project approved and it got approved, completely opposite of what the head of Community Development (Woodhead) had told me he wanted to see there.”

Courtney could not recall if O’Malley had ever stated how much he had paid Ament to help him with this project. Courtney agreed that it appeared Ament was acting as a lobbyist for Shopoff Development on this project and confirmed that Ament was the CEO for the Anaheim Chamber at this time.

O’Malley stated that they did have meetings with Mayor Sidhu on this project to “keep him informed.” O’Malley stated that the mayor was in favor of this project, and they only had one ‘no’ vote at the City Council.

O’Malley was asked about a meeting that may have taken place at City Hall that included Mayor Sidhu, Trevor O’Neil, Steve Faessel, Wally Courtney, and Ament concerning this project, and he stated, “I don’t ever remember meeting with those three together.” O’Malley was asked if he recalled speaking with Wally Courtney prior to a meeting at City Hall and he responded, “No, I don’t remember that.”

Woodhead was asked if he was aware of Ament being paid by Shopoff for his assistance in this project, and he stated, “No, you know, I don’t know how to delicately put this. I always wondered where Todd was getting his money, because again I knew that the Chamber was running a little threadbare throughout its entire existence and was reliant on these ill-advised contracts with the City.” He went on to say, “And then all of a sudden he is with this FSB Group, and they have these nice offices overlooking Angel Stadium.”

Stepter was asked if Woodhead ever mentioned Ament’s involvement in this project, and she replied, “Yes, Todd Ament and Jeff Flint both at some point. We kind of chuckled and named Todd Ament and Jeff Flint the actual City Managers.”

Corby stated that her interactions with Ament were limited, but she recalled him trying to get Anaheim First “off the ground.” She went on to say that she remembered Ament attending meetings for a developer that he was being paid to represent. She stated that she was overseeing this project and went on to say, “Todd would run interference when the developer was complaining about something.” When asked if this was the Shopoff project, Corby stated, “Yep, that would be it.” She confirmed that this was the project on Euclid and Lincoln.
O’Malley was asked about Ament’s role in this project and whether Ament was acting as a lobbyist for Shopoff Development. He replied, “Yes, I would call him a staff liaison, which isn’t uncommon in our business.” O’Malley confirmed that Shopoff Development did pay Ament for his work on this project. He stated, “Todd was very good with people, and they never had any issues with him.” When asked how this partnership between Ament and Shopoff Development started, O’Malley stated, “I met him through the Chamber of Commerce.”

O’Neil was asked if he was aware that Ament had been hired by Shopoff to assist with this project and he stated, “only after the fact.” He stated that O’Malley was the person that told him Shopoff had hired him to work as a consultant or lobbyist on this project.

O’Malley was asked again how the partnership with Ament developed, and he stated, “I don’t remember how it happened or when it happened, but it was probably at a Chamber event.” When asked if he approached Ament for help on this project, O’Malley replied, “No, people approach us.”

When asked to describe what a ‘staff liaison’s’ duties would be, O’Malley stated that “he would schedule meetings with certain departments, and then he had relationships with certain department heads, and he would get us engaged with staff at different levels on different topics.” He went on to say that “he would make contact with planning, public works and the city manager’s office to get the project moving forward.”

When asked if these were the same things a lobbyist would do, O’Malley stated, “No, like a registered lobbyist, I never used one. I don’t think I have used one.” He went on to say, “You can call it whatever you want, like an entitlement consultant, lobbying, staff engagement, staff liaison—it’s a very common profession in our business. They know the City, they know the codes, they know the people, they have the pulse. They help negotiate a parcel that we acquired from the City, things like that.” It should be noted that according to the City of Anaheim Lobbyist Registry, Shopoff Realty Investments utilized Stephanie Graves (registered lobbyist) from Lee Andrews Group as a lobbyist from March 8, 2019, through December 31, 2019.

O’Malley stated that regarding City staff, it is “not really their job as a staff member to take opinion on land use; it’s really the decision makers to make that decision. They will give you input, they will look at your application, but they don’t vote, but you do want their support.” O’Malley stated that he felt he got along well with City staff and treated them respectfully.

Woodhead brought up the comment that developers (when receiving pushback from City staff) had made the statement ‘Maybe you should talk to your mayor,’ and he replied, “[O’Malley] was the most brazen, and quite frankly Bill Shopoff, I don’t care much for him at all. I don’t know him well, but I had a meeting with him.” He went on to say, “I was never treated that way by anyone else, a total disregard for the discussion, you probably have had that before—I don’t need to talk to you, I’ve spoken with the boss’—and well, you’re right if you have spoken with my boss.”

Woodhead stated that Bill Shopoff had called this meeting to let Woodhead know that he was delivering a message: “He [Woodhead] is not listening to James [O’Malley], and you’re right, I am not going to listen to James…. I don’t work for you, but you are also telling me to go talk to the mayor, in no uncertain terms.”
Woodhead stated that the Mayor had also told him that he needed to go speak with Shopoff. He explained that the impetus for this meeting was that O’Malley felt he was not getting what he needed from Woodhead during the Euclid and Lincoln negotiations.

Corby was asked if Woodhead expressed his disappointment with how this project ended up being developed, and she stated, “Yes, he was not happy about this project.” She went on to say that David Belmer had also expressed his concern with the outcome of this project.

Stepter stated that developers had mentioned that they needed to start with Ament and by the time it got to the City staff level, “the deals had already been cut.” Stepter stated that once she became the director, it seemed like Flint became more prevalent than Ament, and he was copied on a lot of correspondence that was typically just administrative. If staff pushed back on any of these projects, Flint would become involved.

Stepter stated that she was frequently told by developers that “we have already been to the Chamber.” She went on to say that this comment was made to let her know that a particular project had already been vetted at a level above her.

Ramirez stated that when he came back to the City in 2021, he was told by City Manager Vanderpool that the Anaheim Chamber had grown close to the Mayor, and they had filled a void in the area of economic development that had been created when John Woodhead left. He went on to say that Vanderpool wanted to have the Economic Development Department work on bringing that back into City Hall because he did not think that the Anaheim Chamber should be involved in this area. Ramirez was asked if he felt the Anaheim Chamber’s role in property development was the appropriate place for them to operate, and he replied, “No, no, no.”

O’Malley made a recommendation that when someone files an application with the City and there is any controversy or disagreement, they could utilize study sessions to alleviate the concerns of any of the stakeholders.

When asked if there was anything that stood out to him regarding this project that seemed unusual, O’Malley stated, “No, not that I can think of. There were no Brown Act violations, certainly not with Shopoff or myself.” He went on to say that this was a “classic entitlement effort and it was incredibly non-controversial.”

Woodhead was asked if there were other projects (besides the Shopoff project) with which he felt pressure or believed that deals had been made behind the scenes, and he stated that “basically any project that didn’t already have sticks coming out of the ground, I felt pressure with. Westgate or Stinkin’ Lincoln or whatever you want to call Lincoln and Beach.” He went on to say that he would be told, “‘Let’s replace that developer.’ I go, ‘Wow, this sounds familiar. ‘I have heard those things, any property that we didn’t have a contractual relationship with, ‘Hey, I got a guy.’” When asked if that came from the mayor, Woodhead stated, “Yeah, the mayor or Todd, or a cold call (from a developer) where so and so suggested I gave you a ring.”
Woodhead recalled another project that Sidhu was involved in while he was a City Councilman. “We had an awful experience with one of his developer friends [ADI Builders] who basically he kept pushing for, and we had a fairly significant deal that was falling apart, and he kept advocating for this developer and well, we were getting word from a judge that these people were not on the up and up.” He went on to say that this developer was “committing serious crimes and I don’t want to work with these people and the deal has failed, and he [Sidhu] is saying, ‘Well, my buddy is now working with this new group,’ and I go, ‘But it is still your buddy, and he is the root cause of all these investigations’.”

Woodhead felt that the deal this developer had offered was not a good deal economically, and when they started to hear about the FBI investigations, he was surprised that Sidhu continued to advocate for them so strongly. He went on to say that Sidhu had told them the developer was reorganizing and now they were a silent partner, and the City should still give them a chance.

Stipkovitch was asked for her opinion of Sidhu as a City Councilperson, and she stated that “He was more likely to question developer selection and wanna be involved in it. Not outright saying ‘You have to do this or do that,’ but wanting to influence the process.” She went on to say, “He would definitely try to push the process in a certain way.”

Stipkovitch was asked if Sidhu had any developers that he seemed to push harder than others and she stated, “Well, he did have one affordable housing developer he pushed for more than other, that was ADI. ADI subsequently got into a lot of trouble, and they fled the country.” She explained that the development that they worked on in Anaheim was okay, but there were other developments that ADI was involved in with other cities that ended up being investigated by the FBI.

Stipkovitch stated that Sidhu was friendly with the owners of ADI, but she never heard what the final result was with the FBI because the owners had fled the country.

Stipkovitch stated that they were told by the FBI that ADI was falsifying documents and charging for products and labor that were never used on those projects in question. She explained that part of the FBI investigation also involved the bribing of public officials and bringing in immigrants from India to work for them and then paying them almost nothing once they got here.

Stipkovitch stated that Sidhu would show a lot of interest in projects for which developers that he knew had submitted proposals. She stated that he would want to see what was submitted and go over things, pointing out how the proposals of the people he had relationships with may have been better than the other proposals.

Stipkovitch stated, “He never told me I had to pick a certain developer, but he would point out the proposal from the person that he knew and tell me how much better that proposal was, even if it wasn’t the best one.”

Stipkovitch was asked if Sidhu’s involvement ever made her feel uncomfortable, and she said, “Yeah, sure, sure, I don’t like that. I was in charge of a lot of projects, and I had to make sure that we were doing things appropriately.”
Ramirez stated that he had limited contact with Sidhu as a council member but felt that he was supportive of staff. He recalled that there were rumors “of him kind of trying to have the executive director at that time, Lisa Stipkovitch, kind of work with his friends, but I have not personally ever observed anything like that.” Ramirez stated that he believed he had heard that comment from Stipkovitch.

Woodhead was asked if he could think of any other developers who had complained about the political atmosphere in the City during Sidhu’s term, and he stated, “Yeah, Shaheen Sadeghi would be a good one. He is with the LAB [Little America Business] Holdings. He and I were pretty close, and I know he was directed to go speak with the mayor and I know he was not happy with that.”

Woodhead stated that Sadeghi had been burned in the past at other cities regarding local politician interference. He stated that “Mr. Sadeghi and Mayor Sidhu did not get along at all, and that became very, very strained over time.”

Sadeghi was asked if it appeared that Sidhu was inserting himself into Woodhead’s business, and he stated, “I was surprised when he got elected (as mayor), and I definitely felt a cultural change in the City. I had heard a lot about Harry, and I had my one incident with him.”

Sadeghi stated, “I can recall, I mean I can share with you, my incident.” He explained that during the election cycle, many people ask to put signs up on their projects, but they had decided not to get involved in any of the politics and chose not to put up any signs for Sidhu’s or anyone else’s campaign during the cycle that included Sidhu’s run for mayor.

Sadeghi stated that after Sidhu was elected as mayor, he called Sidhu’s office and requested an informal meeting over a cup of coffee to get to know him, but he never heard back. He stated that he waited a few months and tried again but was told that the mayor was too busy. He stated, “In the past when I called Curt Pringle or Tom Tait, yeah they were busy too, but we would always find time to meet for coffee or lunch.” Sadeghi stated that he called a third time, and Sidhu’s secretary told him, “‘He is just too busy,’ and then I realized, you know, there is something going on here.”

Sadeghi stated that he had stayed in touch with Curt Pringle over the years and would occasionally meet him for lunch, “maybe twice a year.” He went on to say, “I mentioned to him, I said, ‘Hey Curt, what’s the deal with this guy [Sidhu]? I called him like three times, and he won’t meet with me.’ Curt said, ‘Well, he is a pay to play mayor,’ and I told him [Pringle] that I am pretty much done with my projects, and I wasn’t really looking for anything from him [Sidhu].” Sadeghi went on to say, “‘That is kind of funky. It reminds me of the old country,’ and he [Pringle] said, ‘Yeah, that is just the way he operates,’ and I was pretty taken back by that quite honestly.”

Sadeghi was asked why he felt Sidhu was refusing to meet with him, and he stated, “I can only speculate, but I have been in business for a long time, and we are long-term stakeholders with City governments, and I think because I didn’t contribute to his campaign is why he wouldn’t meet with me.”

\[130\] Shaheen Sadeghi interview.
Another situation involving Sidhu came up during Larry Pasco’s interview. Pasco stated that he worked for the City for approximately twenty-five years and retired as the Director of Community Services.

Pasco recalled when Sidhu was serving as a councilperson prior to becoming Mayor, saying, “I was exposed to the way Harry did things.” He went on to say, “For example, [Sidhu] not being open to the bidding process. We really had to be sure he understood the fairness of a public bid and why things needed to go through a bid instead of selecting someone without doing the required bidding process for contracts.”

Pasco explained that this concern was not on a large scale, but it did happen nonetheless. He said, “I did wonder what would happen with him [Sidhu] in charge, and I think a lot of staff were concerned about that aspect.” Pasco clarified that his concerns were possible abuse of the RFP process.

Pasco recalled an incident with Sidhu, when he was serving as a council person, not following the RFP process, which affected Pasco directly. He stated, “We were going to buy some playground equipment and he [Sidhu] wanted us to use a particular vendor that we were not familiar with . . . . And he [Sidhu] was rather put off that we couldn’t just go with this particular company.” He went on to say, “This was just the tip of the iceberg I guess.” Pasco stated that it appeared that this vendor had some type of relationship with Sidhu. Pasco stated that this project did not move forward from this point.

Pasco brought up the issue of Mayor Sidhu asking to see all City contracts before they went to council, and he stated, “Well, like I said about the contracts, when he first told me that, we were in a meeting with Greg Garcia, and Harry said, ‘I want to see every contract before it’s brought forward.’ I thought that was very odd and that was a level of involvement that I have never seen, especially how strong his opinion was on this.”

Woodhead was asked how Sidhu would approach them with suggestions to use certain developers and whether he would explicitly order them to use certain companies, and he replied, “It was mostly pressure, I want you to talk to so and so, and I think you can work this out. But we had been talking with them and it’s not working out and we are going in another direction.” He went on to say, “There was an awful lot of pressure [from Sidhu] to do those sorts of things, like ‘Why don’t you just dump that developer’.”

Woodhead stated that they would specifically include language in the contracts they wrote with developers to protect them from the pressure that they would get from City Council members to switch developers mid-stream. He stated that Sidhu “hated this and would tell us they wouldn’t have his vote and the disappointment was definitely there.”

Woodhead stated it became personal because he wanted everyone to have a fair opportunity on these City projects. He had built up relationships over the years with these developers and they had been let down, and it affected his reputation. He went on to say that there were developers who stopped working in the City because of the pressure they were receiving politically. When asked if he could remember any specific developers that fell into this category, Woodhead stated, “Brookfield Homes,”

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131 Larry Pasco interview.
again this would be hearsay, but they would say that the environment within the City isn’t anything they want to be associated with any longer.”

b. **Conclusions**

The facts in this matter indicated that Ament did act in the role of a lobbyist for Shopoff Realty Investments. Several witnesses stated that Ament was advocating for Shopoff Realty Investments and assisting them with receiving approval for a residential component for the Lincoln and Euclid project. O’Malley stated that Ament was being paid by Shopoff for his efforts on this project.

Courtney and Ramirez both stated that other developers had expressed interest in developing this project with a residential component included but had been told by City staff that this site had been designated as a commercial project. Woodhead, Stepter, Clausen, Ramirez, Belmer, Stipkovitch and Corby all stated that it was their understanding this location would be utilized for commercial purposes only.

The greater weight of credible evidence suggested that Ament was able to utilize his influence with the Mayor and the City Council to get a residential component of this project approved after several other prospective developers had been denied the same opportunity. There were no records of Ament being registered as a lobbyist with the City of Anaheim. Ament’s access to information and to elected officials, specifically Mayor Sidhu, is concerning due to the appearance of certain developers receiving special treatment during the negotiation process while Ament was receiving compensation from those developers.

The facts in this matter also indicated that Sidhu used his position as a City Councilmember and as Mayor to exert influence on City staff regarding awarding contracts to outside vendors that may have had a personal relationship with him. While it did not appear that Sidhu threatened or demanded that staff use these specific individuals or organizations, City staff witnesses felt undue pressure by Sidhu in this area and subsequently were placed in an extremely awkward position. Pasco’s statement that Sidhu had asked to see every contract before it went to the City Council raises concerns about Sidhu’s motive for such a request.

While donating to an elected official’s campaign is not unusual, and it would not be inappropriate for a donor to be awarded a City contract, the greater weight of credible evidence suggested that Sidhu may have used his position to exert pressure on City staff to use companies that were friendly toward his campaigns and/or had a personal relationship with him.

2. **Greenlaw Partners, LLP**

a. **Discussion**

There was some concern and conjecture, according to City staff, as well as relating to campaign donation records, that Greenlaw Partners, LLP (Greenlaw) was a “favored” City developer with ties to
Major Sidhu, then Anaheim Chamber President Ament and Lobbyist Flint. The primary Principal at Greenlaw concerning City of Anaheim contacts has been Rob Mitchell.132

On July 30, 2019, the City Council approved a Disposition and Development Agreement (DDA) with Zelman Anaheim, LLC and the subject project applicant, Greenlaw Partners, LLC. The DDA provides for the construction of approximately 38,000 square feet of retail/restaurant uses, mixed-uses, and up to 65 townhomes. This was the 39 Commons Project. 39 Commons was a joint venture of Irvine-based Greenlaw Partners and Zelman Development Co. that involved the purchase of a City-owned 30-acre parcel at the northeast corner of Beach Boulevard and Lincoln Avenue and developing it as a shopping center, homes and community space.

Flint was hired as the lobbyist on this project on behalf of Greenlaw and lobbying reports indicate that Flint met with City Councilmembers, City staff and Mayor Sidhu from May 1, 2019 continuously up until the vote on July 30, 2019. Those lobbied included, Jim Vanderpool, Jordan Brandman (and his aide Daniel Fiero), Harry Sidhu, John Woodhead, Ted White and Lucille Kring.

Flint’s lobbying for Greenlaw ceased in about May of 2022 soon after the FBI Affidavits concerning Mayor Sidhu and Ament went public. Flint was paid $30,000 in 2019 by Greenlaw for his services lobbying politicians and City staff regarding various developments.

The facts show that Greenlaw entered an exclusive negotiation agreement with the City over the eight acres of City-owned land by the Ball Road and Anaheim Boulevard intersection in August 2019, which was prior to FBI affidavits going public. It was noted that Greenlaw donated $25,000 to Anaheim Chamber of Commerce PAC on November 10, 2020. This was one week after the 2020 election.

Ted White, the Building and Planning Director for the City of Anaheim, told us that the 39 Commons/Greenlaw project was already involved with the City on that project when he (White) returned to the City as Director in 2019. White’s team’s involvement had been trying to pass the land use entitlement piece. According to White, Greenlaw’s Principal, Rob Mitchell would make it known that he supported Mayor Sidhu in his campaign and White knew that Mitchell had a good relationship with both Mayor Sidhu and the Anaheim Chamber.

Mishal Montgomery, former Chief of Staff for Mayors Tait and Pringle, described Greenlaw partners as having the “most favored” status in Anaheim. She felt that Greenlaw partners has benefitted more than any other firm doing business in the City. She stated that Rob Mitchell and Flint are behind this group.

Stepter, the current Director of Economic Development, stated “Greenlaw, I’m sure that name has come up a few times . . .” When asked for her opinion on how Greenlaw is involved in City development or how it has evolved. Stepter stated “So, uh, the City has two parcels of land one at the corner of Beach and Lincoln and another one at Euclid, one was under the purview of Economic Development and the other under Housing Authority.” She stated staff was trying to determine what the best course of action would be for these properties. She said Greenlaw bought an adjacent property

132 Mitchell was invited to participate in this investigation, however, he never responded.
to the Housing Authorities property and under the previous rules “if you are an adjacent owner, you potentially can negotiate for the rest of the site.” She went on to say that those negotiations became very “contentious.” She stated Woodhead was the Director at this time and he “had a lot of heated discussions about the appropriateness of having Greenlaw be the developer of the whole site because they were for profit and that site had been bought with Housing Authority dollars.”

Stepter said the same thing happened at Anaheim and Ball because the Housing Authority, “had some skin in the game there and there is always some push and pull as to if there is a place for affordable housing.”

She went on to say,

what became frustrating was when Greenlaw, the principal, Rob Mitchell became particularly assertive about how things were going to go. He had no problem coming in and attempting to direct staff and would sit in the chair as if he was our Director, and on occasions when we were much more verbal in terms of what staff felt should happen, he (Mitchell) would look John straight in the eye and say ‘you and I are going to have to talk to Harry because that is not what Harry wants’ and this was said in the presence of staff.

Stepter stated that he (Mitchell) was “very forthcoming, in his candor about speaking to Harry and once I talk to Harry, this is what Harry is going to want.” She went on to say, “at some point John [Woodhead] and I had some very candid conversations about how staff was feeling.”

Stepter stated that she told Woodhead that she would compromise and let Greenlaw develop the property on Ball and Anaheim, but she wanted to keep the property on the southeast corner of Beach and Lincoln to ensure some type of affordable housing was included in that development. She stated that Woodhead told her that he was surprised she gave in so easily on this project, and she basically told him that she was tired of the fight.

When asked if Mayor Sidhu had any direct involvement in those projects, Stepter remarked, “So later on the surplus land act kicks in and the state says that anything that the City or the Housing Authority owns has to be announced to everyone so that affordable housing can have an opportunity, so we declared this land as surplus and got five proposals of varying sorts and reported that back to the City Manager’s Office.”

Stepter went on to say that they determined Greenlaw was not the leading contender based on Surplus Land Act rules and recalled that this issue was not very well received. Stepter stated, “At one point, Harry Sidhu did tell me that ‘you will figure out how Greenlaw gets that deal’.” She could not remember the date of this statement but recalled that this took place in the Mayor’s Conference Room and the context of the conversation was “Rob will build the townhouses and you know I am looking at Dad Miller Golf Course and there is going to be housing there and so you will get your affordable housing at Dad Miller.” She could not recall who else was present during this meeting.

Stepter noted that Corby worked for the City as a consultant and eventually became a person that worked a lot of the development deals. She stated that Colby’s position with the was eventually
terminated. Stepter stated that Corby would have a lot of relevant information, but she was not certain if she would actually speak to us based on her relationship with Greenlaw.

Stepter stated that after she became the Director, Corby told her that she should rethink her relationship with the Chamber of Commerce and understand that they are critical to our work.

Stepter was asked if she had ever heard the comment that Mayor Sidhu told people if they wanted to speak with him, they needed to go through Ament and she replied “yes, I heard it from developers as well as Cindy Colby who made a statement that Rob Mitchell is getting tired of having to pay off Sidhu’s campaign debts.”

Cindy Corby was interviewed by JLG Investigators and asked about the project that had been proposed by the City Council to address the motels on Beach Blvd and look into some type of redevelopment in this area. She stated that she contacted four different developers initially, but it never went further than that. When asked if she was ever told that Greenlaw would be the only developer involved in this project, she stated “that never happened, I think that was Harry’s and Todd’s preference probably, but it never really came to be.” Corby noted, “Yes there was a preference expressed for Greenlaw, but it never went anywhere after that.”

Corby was asked if she felt that Greenlaw had “preferred status” in the City of Anaheim and she replied, “I think Rob [Mitchell] worked very hard to acquire property and did his due diligence.” Corby acknowledged that it was no secret that Mitchell was very involved in participating in Sidhu’s fundraisers. She was asked if she ever told Stepter that Rob Mitchell had complained about donating to Sidhu, and she replied, “I do not recall Mr. Mitchell ever making a statement about ‘having to pay off Harry’s campaign debt.’”

Corby was asked if she felt that developers may have felt pressure (during Mayor Sidhu’s term) to contribute financially in order to get projects approved, and she replied, “I do personally, yes.” Corby added, “It seemed like Todd was at the table a lot and appeared to be tied at the hip with Harry.”

Shaheen Sadeghi, with LAB holding, LLC, told us that after Corby was brought in as a consultant with the City Sadeghi’s company stopped receiving calls about upcoming projects and it seemed like everything was going to Greenlaw Partners. He speculated that Corby had a relationship with Greenlaw and they always got first shot at new projects. He stated, “prior to Cindy coming on, we would get a call that there was a lot coming up on an RFP and maybe we would like to consider putting a bid on this project, but then the calls stopped coming in completely.”

Sadeghi stated that he always had a good relationship with Corby, but he thought that she had actually worked for Greenlaw at one-point and when the City hired her it seemed like Greenlaw was getting “all of the deals.”

Sadeghi stated that he just recently (past few months) got off of the Board of Director’s for the Anaheim Transportation Network. He stated that Greenlaw came in “and kind of bulldozed the corner and some funky stuff went on.” He explained that this was concerning an ATN property that they owned and was going to be developed. He had a hard time recalling the specifics of the construction deal with Greenlaw and he suggested that we should speak with the “Diana” or the Board Chairman.
Stepter stated that she has heard a lot of rumors about having to go through Ament to get to Mayor Sidhu but she didn’t have any specific examples other than hearing that Mitchell had complained about his level of contributions.

Stepter stated that she would frequently be told by developers that “we have already been to the Chamber.” She went on to say that this comment was made to let her know that a particular project had already been vetted out at a level above her.

Stepter stated that developers had mentioned that they needed to start with Ament and by the time it got to the City Staff level, “the deals had already been cut.” Stepter stated that once she became the Director it seemed like Flint became more prevalent than Ament and he was copied on a lot of correspondence that was typically just administrative. If staff pushed back on any of these projects Flint would become involved. Stepter stated that she had voiced her concerns about Greenlaw to Vanderpool and he would tell her that he would talk to Flint and Ament about these issues.

Stepter was asked if she felt that Vanderpool was controlled by Sidhu, and she stated “yes.” When asked if that control could be to a fault and possibly lead to bad decisions she stated “potentially, yes, yes.” She went on to say that in her opinion, “Jim is a chameleon, so he will adapt to the political environment.” She felt that at times Vanderpool shared information with Mitchell that probably should have stayed within the City Staff. She stated that she may have specific information regarding information being leaked out, but she would have to look through her written notes.

Stepter stated that Mitchell seemed to have direct access to the Mayor Sidhu and Flint and could speak to them whenever he wished. She went on to say that he (Mitchell) was “very cavalier about it.”

Stepter stated that she recently was asked by Vanderpool to have a meeting with Mitchell concerning the Ball and Anaheim project. She said she had to reiterate to Mitchell how the Surplus Land Act works and “competition means real competition, not how we are going to walk you through to make your project win.” She explained that Mitchell was used to the “old way of conducting business” and she was asked if anything changed with Mitchell when Sidhu was no longer the Mayor. She replied “He [Mitchell] did not so much, um, because he felt like his next line of defense was the City Manager.” She went on to say that at times, “Rob would just say, I am going to call Jim, and a lot of conversations about negotiations and what he wanted, had been handled directly by Jim Vanderpool. Rob doesn’t call me very often, he calls Jim.” She stated that Vanderpool would act as the intermediary to “talk to Rob when I say no, and why I am saying no, and then calling me back and saying, ‘is there a way, are we sure, I told Rob we might do x, y, and z’ can you check into this, leaving wiggle room.” She felt this happened quite regularly with Mitchell.

Stepter was asked if she was nervous or concerned about participating in this interview and she stated:

There have been occasions that I know there was an attempt to influence, I recognized that pretty early on, um, in all candor I have sought legal counsel on this stuff on occasion applied to do different jobs and was ready to leave because of this and if you have any ounce of integrity, this stuff makes your blood boil.
She remarked that she has seen people that she cares about leave or have their careers cut short and that bothers her. She stated that she has told Vanderpool that she is “not going to put my reputation that I have established at the State and Federal level in jeopardy for some local shenanigans.” She stated that she has had those conversations with Garcia and Vanderpool on numerous occasions and it is typically regarding issues with Greenlaw.

Stepter was asked about a meeting with Councilmember Moreno and Vanderpool regarding an affordable housing project that he (Vanderpool) needed Moreno’s support to move it forward. She stated, “that was an intense meeting and me and my office were torn about advancing this project or letting it die.” She explained that she had decided that they should not move forward with the project at this time, but Vanderpool called her and said he had an idea to bring Moreno in and see if they could get his support. She explained how Greenlaw had obtained adjacent properties to this project and Moreno had serious concerns about Greenlaw’s involvement in these projects.

Stepter was asked if Vanderpool, during this meeting, asked Moreno to “turn a blind eye” to the fact that Greenlaw may be involved in this project and she replied, “He did, I was involved in that discussion.” She went on to say, “Jose was very upset and said, ‘you haven’t given a shit about what I care about all this time, and you want my opinion now. All these years I have taken all these jabs, and this isn’t even my District.’”

When asked if it appeared that Vanderpool was trying to help Greenlaw get this project approved, Stepter said “Yes he was.” She went on to say that she has heard Vanderpool state several times “this will help Rob out.” She stated this continued to occur even after Mayor Sidhu resigned.

Both Moreno and Vanderpool recall this exchange and that when Vanderpool made the request of Moreno to support this project, Moreno observed that Vanderpool was asking him to “turn a blind eye” to the project and support it even though it was outside his District and involved Greenlaw. Vanderpool reasoned that he might be able to salvage this project by appealing to Moreno’s desire to see more affordable housing. This project, according to Vanderpool, had a very affordable housing component serving the poorest that he thought Moreno would support, albeit, it was a Greenlaw project and concerning the then recent revelations concerning Mayor Sidhu and his apparent support of this developer. Eventually, Vanderpool did not persuade Moreno to support this project.

It appeared to us that Greenlaw exerted a great deal of power at the City and that Mitchell leveraged his connections with Major Sidhu, Vanderpool and the Anaheim Chamber in pressuring City staff. There were hearsay statements from Stepter repeating what she was told by Corby, a consultant working with Greenlaw, concerning Mitchell’s frustration with paying off Mayor Sidhu’s campaign debt. There was direct evidence, based on Stepter’s statement to us that Mayor Sidhu wanted Greenlaw to get favorable treatment in these development agreement awards. Such direction to City staff is a direct violation of the City Charter, as only the City Manager has the authority to direct staff operations. Greenlaw was not the only entity pushed by Mayor Sidhu. Section 604 of the Charter of the City of Anaheim empowers the City Manager and not members of the City Council to conduct the operation of the City. Section 604 states, in relevant part:133

133 Charter of the City of Anaheim.
Section 604. POWERS AND DUTIES.

The City Manager shall be the chief administrative officer and head of the administrative branch of the City Government. Except as otherwise provided in this Charter, the City Manager shall be responsible to the City Council for the proper administration of all affairs of the City. Without limiting the foregoing general grant of powers, responsibilities and duties, subject to the provisions of this Charter, including the personnel provisions thereof, the City Manager shall have power and be required to:

* * *

(f) Prepare rules and regulations governing the contracting for, purchasing, inspection, storing, inventory, distribution and disposal of all supplies, materials, equipment and services required by any office, department or agency of the City government and recommend them to the City Council for adoption by ordinance, and administer and enforce the same after adoption.

(g) See that the laws of the State pertaining to the City, the provisions of this Charter and the ordinances, franchises and rights of the City are enforced.

(h) Exercise control of all administrative offices and departments of the City and of all appointive officers and employees except those directly appointed by the City Council and prescribe such general rules and regulations as he or she may deem necessary or proper for the general conduct of the administrative offices and departments of the City under his or her jurisdiction.

Violations of most provisions of the City Charter are deemed misdemeanor criminal conduct, unless specified as an infraction. The City Charter states, in relevant part:

Section 515. PENALTY FOR VIOLATION OF ORDINANCES.

A violation of any ordinance of the City shall constitute a misdemeanor unless by ordinance it is made an infraction. Any such violation may be prosecuted in the name of the People of the State of California and/or may be redressed by civil action. The maximum fine or penalty for conviction of any misdemeanor shall be the maximum fine or term of imprisonment, or both, as authorized by Section 19 of the Penal Code of the State of California, or any successor provision thereto. The maximum fine or penalty for conviction of any infraction shall be as provided by state law.

In our interview with former Director of Economic Development, Woodhouse, he pointed out an instance of Mayor Sidhu pressuring City staff to support a developer with whom Mayor Sidhu was apparently friendly. Woodhead told us about Mayor Sidhu inserting himself into City staff work, and he stated, “we had an awful experience with one of his developer friends [ADI Builders] who basically he kept pushing for and we had a fairly significant deal that was falling apart, and he kept advocating for this developer and well, we were getting word from a judge that these people were not on the up and up.” He went on to say that this developer was “committing serious crimes and I don’t want to
work with these people and the deal has failed, and he [Sidhu] is saying ‘well, my buddy is working with this new group’ and I go but it is still your buddy, and he is the root cause of all these investigations.”

Woodhead felt that the deal this developer (ADI Builders) had offered was not a good deal economically and when they started to hear about the FBI investigation, he was surprised that Mayor Sidhu still continued to advocate for them so strongly. He went on to say that Sidhu had told them the developer was reorganizing and now they were a silent partner, and we should still give them a chance.

Woodhead reported how Sidhu would approach them with suggestions to use certain developers and if he (Sidhu) would outright order them to use certain companies and he replied “it was mostly pressure, I want you to talk to so and so, and I think you can work this out. But we had been talking with them and it’s not working out and we are going in another direction.” He went on to say, “there was an awful lot of pressure to do those sorts of things, like why don’t you just dump that developer [from Sidhu].”

Woodhead told us that the City would specifically include language in the contracts they wrote with developers to protect them from the pressure that they would get from the City Council to switch developers’ mid-stream. He stated Sidhu “hated this and would tell us they wouldn’t have his vote and the disappointment was definitely there.”

Woodhead noted that the development project with ADI Builders was the probably the most egregious example of Sidhu exerting influence on staff, but there were other examples of this, but he would have to spend some time to really think about who those other projects were with.

Woodhead stated that Sidhu’s efforts to align his friends with projects in the City “became more and more prominent in his MO.” He went on to say that as a result of the dissolution of redevelopment “we were in charge of disposing of a number of development properties, and of course Harry saw that as a means by which he could steer business to people with whom he had a relationship with.” He stated Sidhu was constantly “badgering us about this property or this group of properties, here is an idea, Oh I talked to somebody, and you should really talk to them. So he was dreaming up his own schemes for this property that we had, and he saw this as an opportunity.”

Woodhead was asked if it was awkward and/or troubling to have a City Councilmember come directly to him as opposed to going through the City Manager and he stated that it was uncomfortable and that City Councilmembers had a very narrow view that was attached to the next election cycle and the City Manager would typically have a much wider vision that was more of a benefit to the City.

Woodhead was asked if it seemed like this pressure from Sidhu increased after he was elected to Mayor and he replied “Yes, more so, and he had a Council majority that for me was very shocking how readily they went along with him.” He stated that he would express his disappointment to the some of the other City Councilmembers about their willingness to follow Sidhu and they would pragmatically remark, “Oh John, the votes are there, and I can’t stop this.” He stated that he recalled having conversations with Councilmember Faessel about these issues.

134 Attempts by JLG Investigators to conduct a second interview with Woodhouse were unsuccessful.
b. Conclusions

The greater weight of the credible evidence showed that Mayor Sidhu wrongfully took a direct hand in pushing City staff toward certain developers that he favored. This behavior that essentially directed staff violated the City Charter concerning Mayor Sidhu’s official powers as an elected official. Such authority is reserved for the City Manager. Greenlaw was no exception concerning this preferential treatment and advocacy by Mayor Sidhu. Mayor Sidhu’s influence was further bolstered by Flint’s lobbying efforts to other elected officials and City staff on behalf of Greenlaw, the Anaheim Chamber, as well as Ament’s influence over Mayor Sidhu on this and other projects, all of which was seemingly done with the City Manager Vanderpool’s imprimatur and/or active support.

3. Gas Station Case – Isa Bahu

a. Discussion

Isa Bahu\(^\text{135}\) stated that his family has operated the Arco gas station that was formerly located at the southeast corner (5702 E. La Palma) of La Palma Avenue and Imperial Highway since 1967. Bahu explained that in the mid-1990s the City of Anaheim decided to widen the street and subsequently enacted eminent domain on their property.

Bahu stated that this resulted in Atlantic Richfield (Arco) and the Bahu family filing a lawsuit against the City of Anaheim for the loss of business they would incur due to losing a portion of their property.

Bahu stated that the initial estimate was “a twenty-million-dollar settlement for us and who knows how much Arco was going to get.” He went on to say that after Arco was bought out by British Petroleum (BP), “Anaheim put the squeeze on them and basically tossed our whole lawsuit.” He said that suddenly BP said this was not a desirable location and did not want to build there any longer. Bahu stated that the original lawsuit was for several million dollars, but he ended up settling for $140,000 because BP had changed their stance on this project. Bahu stated that he was told by a friend of his, Robert Lizano (Lizano), that BP wanted to build three new AM/PM stations in Anaheim, and the City put pressure on them to drop their portion of the lawsuit in order to get approval for any future projects.

Lizano\(^\text{136}\) is a retired Field Consultant who worked for Arco and BP, and the Bahu station was one of his clients. He explained that his job responsibilities included weekly visits to his assigned stations to ensure that they were in compliance with Atlantic Richfield standards. He stated that he never had any issues with the Bahu family, and they were always in compliance.

When asked about the comments that Bahu had made regarding the City of Anaheim putting pressure on BP to drop their portion of the lawsuit, Lizano stated, “That was a long time ago, and I cannot recall the exact comments that were made regarding this issue, but I do know that it was inferred that this was happening and it was very unusual that BP all of a sudden lost interest in this project.” Lizano stated, “BP needed to obtain alcoholic beverage licenses for their upcoming projects, and in

\(^\text{135}\) Isa Bahu interview.  
\(^\text{136}\) Robert Lizano interview.
order to maintain a good relationship with the City, it became a ‘tit for tat’ situation.” Lizano explained that he never participated in the conversations regarding the Bahu location, but it was clear they “became a sitting duck.”

Lizano was asked if this location was not desirable for a gas station and he stated:

*it was the exact opposite. This was a dynamite location, and it always was a dynamite location. This would be the first station that people would come to after exiting the freeway, and their only other option was to make a U-turn at the stop light or turn left on La Palma and then be required to make another U-turn to come back to the Shell station on the opposite corner.*

He stated that if the Arco station was open, it would alleviate these U-turns and would actually be much safer for the motorists trying to purchase fuel.

Lizano stated that he has been in the fuel business for many years, and the traffic volume generated at this intersection is exactly what oil companies are looking for. He stated that in his experience, every City is looking for ways to increase tax revenues, and this location would have been a prime opportunity for that to occur.

Lizano stated that the Shell station across the street was able to capture the fuel market in that area because the Bahus were not able to re-open their station. He went on to say:

*as a result, the Shell station is now able to play with gas prices as high as they want and enjoy the extra margins, and this is all unfortunately at the expense of the Anaheim residents. They [Shell station] didn’t want competition to come in because they would have to lower their price and that would lower their margins, but at the end of the day the winner would be the Anaheim consumer.*

Lizano explained, “Think about it. When the Bahus opened this station in 1967, there was no Shell station across the street, and when the Shell station opened, the Bahus never went to battle with the City because everyone knew the population was growing and you were trying to provide a convenience for customers on both sides of the intersection.” He said that unfortunately the Shell owner did not take this approach, and now they are “making juicy, juicy margins over there.”

Lizano stated that any oil company would jump on this location based on the traffic volume. He conceded that the lot size is not as large as some would like to see, but nonetheless it would still generate high fuel sales. He reiterated that the consumer would benefit from this station re-opening because in the fuel business, the only thing that brings down prices is direct competition. He stated again that “the people that will benefit from this station are the residents of Anaheim, and the competition will definitely bring the price of fuel down in this area.”

Bahu stated that he ended up in a lawsuit with Arco over this issue; ultimately, he was successful in this lawsuit, and they (Arco) had to sell him the property in 2003. Unfortunately, the site had soil contamination that had to be cleaned by Arco before they could sell the property, and the only way to clean it was to remove the existing station.
Bahu stated, “We never objected to the station being torn down because the City had been telling us that they would allow us to rebuild the station.” He went on to say that the cleanup process took several years, and when they started the rebuilding project, his father passed away.

Bahu stated that one point his father had considered building a retail center on this property, but he passed away before he could follow through with that idea. He stated that originally, they (the City) had authorized the building to be eight or nine thousand square feet but then “shrunk it down to five thousand square feet.” He went on to say that this lower square footage made it unrealistic from a business perspective, and the idea of a retail center ended there.

Bahu stated that they were initially negotiating with Natalie Meeks (Meeks) (the City’s then Public Works Director), and the only thing that made sense from a business perspective was to rebuild a gas station on this property. He stated that he was never really concerned about building another station because everyone at the City kept telling him it would not be a problem.

On October 28, 1999, Meeks sent a letter\textsuperscript{137} to Eric Cahn from Atlantic Richfield regarding the access rights described in the Notice of Intention to Adopt a Resolution of Necessity on the property at La Palma Avenue and Imperial Highway. In this letter, Meeks states, “The acquisition of these access rights does not impact your rights to access along La Palma Avenue. The City’s project does include reconstruction of the two driveways on La Palma Avenue that provide access to your property.” Bahu stated that there was never a conversation about removing one of his driveways at this location.

Bahu stated that at some point the City removed one of his driveways on La Palma Avenue and replaced it with a solid curb line. Bahu stated that he was never notified that this driveway would be removed. He stated that he went to City Hall to find out why one of the driveways to his property had been taken out and if they could tell him who closed it. He stated that they told him, “‘No,’ and I said I didn’t close it, so you’re telling me some ghost contractor showed up in the middle of the night and closed my entrance? You have to put street stuff, permits—they wouldn’t give me any information.” During a meeting with Ted White\textsuperscript{138} from the Planning Department, he determined (via Google satellite images) that the driveway was taken out sometime in the 2007-2008 range. White stated that Public Works would have been the City Department that handled any driveway reconstruction and any inquiries on this subject should be directed toward them.

Rudy Emami\textsuperscript{139} (the City’s Public Works Director) was asked how the decision was made to remove the west driveway to Bahu’s property off La Palma Avenue, and he stated that Meeks was the Director of Public Works during the time of this construction project.

Emami stated that when the intersection was pulled back during the eminent domain process, it caused this driveway to be too close to the intersection. He also stated that this affected the bus pad for OCTA, and if the driveway had been left in place, it would have created an issue for the bus stop.

\textsuperscript{137} October 28, 1999 Meeks Letter to Cahn (Arco) (Exhibit 82).
\textsuperscript{138} Ted White interview.
\textsuperscript{139} Rudy Emami interview.
Emami was asked if it was unusual for the City Council to overturn a decision by the Planning Commission, and he stated, “I wouldn’t say it is normal or that it happens often, but where I have seen it happen aside from the gas station were a couple of development projects in the hills that were quite large.” He went on to say that there was another assisted living for seniors’ project that was overturned by the City Council.

Emami was asked if it was unusual for so many people, such as Pete Mitchell, Fred Whitaker and the Police Association to oppose a project like this, and he stated that “that was unusual. I mean it was unusual on both ends. What I found unusual was that the property owner was adamant that the property could no longer be a gas station even with all of the accommodations that the City gave him…but he was adamant that the business was no longer viable.”

Emami stated that if a new development had occurred on this property, the driveway would have had to be removed at Bahu’s cost, and “if anything he now had a benefit that the driveway is not there.” Emami stated that he would search for any documentation regarding the removal of Bahu’s driveway, but as of this date he has not been able to locate any of the associated paperwork.

Meeks was deposed on March 11, 2002, in the lawsuit that Atlantic Richfield brought against the City of Anaheim. In her deposition, Meeks was asked about any conversations she had regarding dedications required for the rebuilding of this gas station.

- On page 113, line 5 of the deposition, Meeks replied, “The municipal code requires new developments, prior to building permit, to dedicate to the ultimate right-of-way and improve that right-of-way to its ultimate street width, according to the City’s general plan. And that, of course, is subject to a nexus or an increase in the use of the property. So if they were to increase the size of their mini-mart or do something more intense on the property, then they could be subject to those requirements.”

- She was then asked, “But if they did not propose to intensify the use, just give it a nice face lift, would the dedication requirements that you spoke of be imposed?” Her counsel objected to this question as being incomplete, inappropriate, and calling for speculation.

- On page 113, line 24 of the deposition, Meeks replied, “What do you mean by a face lift? Like the existing building structures, whatever, but just a face lift to them? Just exterior improvements?”

- She was asked, “Well let’s assume the building’s torn down and a new one’s built, and it’s the same size.” Her counsel objected again to this question.

- On page 114, line 8 of the deposition, Meeks replied, “It does call for some speculation. But it’s very feasible that if they built back the exact same intensity of use, so you have the same number of pumps and same square footage of mini-marts, and the same usage on the sites, they may not have to dedicate or improve, but the requirements to setback from the ultimate right-of-way would still be there, you could not utilize that future right-of-way for anything else.”
On October 23, 2015, Bahu filed an application for a conditional use permit to rebuild his station.  

Bahu stated that the City Planner who was assigned to him was Lucita Tong (Tong). He stated that she was extremely professional and sympathetic to his case. He stated several times that she felt he was not being treated fairly by the City and that the elected officials had become suspiciously involved in this project. Bahu stated that Tong told him, “The mayor was down here, Todd was here, Trevor O’Neal was here. They don’t come down to check on projects like gas stations; it’s not worth their time. They went in the office with my boss, ‘You are going to get voted down.’” He stated that Tong told him that she explained to the Mayor, Ament, and O’Neil that all of the mitigating issues had been addressed and this project was safe. (Tragically, Tong passed away prior to this Investigation and subsequently was never interviewed.)

Bahu stated that he was told to hire a consultant to help him, and “they recommended Curt Pringle, and Pringle said that this was a small project, and I don’t want to do it, and he said it is going to be too expensive.” Bahu went on to say that he asked Pringle, “‘What is too expensive?’ and he said, ‘Fifty grand’ and I said, ‘Done’. He said, ‘I don’t know if I have time,’ and I told him, ‘If you get it approved, I will give you another fifty’.” He said that Pringle said, “No, no, I have someone that is cheaper.”

Bahu stated that he hired Grant Henninger, (Henninger)a consultant whom Pringle recommended, and at one point this consultant told him, “Hey Isa, it would look really good, because they are short on Fourth of July money for the parade [Anaheim Hills], if you put some money towards it. ‘I said, ‘Okay, what do they want?’” He ended up writing a check for the parade, and his consultant delivered it. His consultant told him, “‘This will go a long way with the people in the middle. You’re helping the community,’ and I said, ‘We have always sponsored and done stuff for the community.’” He stated that he was told he would get a booth at the Fourth of July parade, and he thought that this would be a great way to display a model of his project and gather signatures from people that were supportive of his gas station. He explained that after he sent in the check, “They wouldn’t return my call, they wouldn’t give me my booth position, nothing, I called Todd and left him a million messages. Nobody would return my call and they didn’t cash my check.”

Bahu stated that he had heard the rumors that his donation was being described as inappropriate, but he never looked at this donation to the parade as a bribe, but more of a way to get his story out there, but he also admitted that he was so underwater with the amount of money that he invested into this project, he would have paid anything to get it approved.

Bahu stated that he ended up cancelling the check he had written, but when he called the bank, they said it had never been deposited anyway. He later was told that the check bounced when they tried to deposit it, but he feels that they never cashed the check because they knew they were going to have to give him a table at the parade and they did not want his information being open to the public. He went on to say, “This would not be good for them. The people that live in Anaheim Hills, it would literally knock twenty to fifty cents a gallon off of every gas station in Anaheim Hills.”

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140 October 23, 2015 Bahu Application for Conditional Use Permit (Exhibit 83).
Henninger explained that he has served on the Anaheim Planning Commission in the past and is currently serving another term on the Planning Commission. He stated he was appointed by Mayor Aitken for the current term. Henninger stated, “I loved working with Isa and having him as a client, but he is a handful.”

Henninger stated, “We didn’t have to do a lot of work in regard to priming the Planning Commission because this was a pretty simple project.” He went on to say that this was a small site, but it was totally acceptable for a gas station as long as you can make it fit. He explained that he has been on the Planning Commission prior to this term, and the variances that Bahu was asking for would get “approved without batting an eye.”

Henninger stated that “with the City Council we had to do a lot more work, and we went to speak with the ones that would agree to meet. There were some that I told Isa he should do the meetings without me. I ran for City Council in 2018 against Trevor O’Neil and obviously he won, and he doesn’t like me that much.”

Henninger was asked if he was surprised that the City Council went against this project after it had been approved at the Planning Commission, and he replied, “I was not surprised at the hearing. I knew what was going to happen based on the meetings I had had with the Council members.”

Henninger stated, “For instance, we met with Jordan Brandman, and Jordan and I are friends. I worked as a paid person on his 2012 campaign, I helped out on his 2016 campaign, and we supported one another in our 2018 campaigns.” He went on to say that “we met with him, and what he told me was that to get his vote, we had to get the Mayor’s vote, and he was unwilling to vote against the Mayor. I haven’t talked to Jordan since that day. To me, I don’t want a Councilperson that doesn’t think for themselves.”

Henninger stated that “to not even make an effort to find a reason to vote against this project and to say, ‘I am going to do what the Mayor tells me to do,’ I didn’t want to be friends with somebody that had that point of view on what their responsibility to the City was.”

Henninger stated, “It was interesting how the Mayor would come out with his scripts, and after listening to public comments [at City Council meetings] and the staff reports, he would have a prepared script that clearly showed that he was not listening to any public comment.”

Henninger was asked if he became aware of the relationship between Mayor Sidhu and Malik (owner of the Shell station), and he stated, “Yeah, we were aware of that. I have known about their relationship for years.” Henninger asked if he was concerned that the relationship between Sidhu and Malik was going to influence how this project was going to turn out, and Henninger said, “Oh, there is no question in my mind. None at all.”

Henninger stated, “Harry will always vote for whoever gives him the most money for his campaign. Is that illegal, probably not. Is it corrupt, certainly.” He went on to say, “So the fact that he is going vote for his friend that has the gas station across the street was not surprising to me. The fact that all of the other Council members would vote with him without question was surprising.”

141 Grant Henninger interview.
Henninger was asked if Brandman stated that he was only voting against this project because the Mayor was voting against it, and he replied, “Yes, and it was very explicit. I am not interpreting his words, I am not paraphrasing, it was ‘If you want my vote, you need the Mayor to vote for it.’ That is a quote from Jordan.”

Henninger was asked if it was normal for the City Council to overturn a Planning Commission decision, and he stated, “No, it is very unusual. I can think of it happening one other time, but it is rare.”

Henninger was asked if it was unusual to have so many people who had significant roles in Orange County (Pete Mitchell, Fred Whitaker, etc.) come out to speak against this project at a City Council meeting, and he replied:

Yes, I mean absolutely, that was incredibly unique and not something that you would expect to see, but once I realized where the Mayor was on this I wasn’t shocked. You know Jordan worked for Pete, and Pete worked for the police union and was able to pull them into this, that really surprised me.

Henninger further stated, “This kind of showed me that the Mayor had significant influence because he was able to pull in all of these people to provide cover for him.”

Bahu stated that when he started working with the Planning Department on this project, his sister, May Bahu (May Bahu), started to receive text messages from Ament offering to help get their project through the City. He stated, “Todd Ament kept calling my sister and asking if we needed any help, ‘I can help you.’” He went on to say that he knew Ament when he was growing up but did not have a high opinion of him. He stated, “I didn’t need any help building a gas station, I know what to do, we had one there.” He said at that point they felt like everything was going fine and they would not need any help. He felt it was odd that Ament kept calling and, at some point, wondered what Ament knows that he didn’t know.

May Bahu stated that while their family was going through the process of rebuilding their gas station, she began to receive text messages from Ament asking if they needed any help with their project. May Bahu stated, “Todd keeps texting me saying he can help us get it through the City, and then I realized that he was trying to get us to pay him to help us get it through the City.” She went on to say, “He was hinting to me that ‘you need help,’ not ‘do you want help’.”

May Bahu stated that they never felt there were any issues getting this project approved with the City, but once they realized that the owner of the Shell station was friends with Mayor Sidhu, it became clear that they were “facing an uphill battle.”

Bahu was asked if Ament gave him an amount that he would charge to help them with this project, and he stated, “Fifty grand. Yep, he is out of his mind, for a consultant, like that’s crazy. I paid ten grand for the last guy, and this was way before it got challenged.”
Bahu stated that Ament kept calling his sister over and over, and when he finally spoke with Ament, he told him, “‘Todd, I am almost done,’ and he said ‘You are going to need help. There is some opposition’ and I said, ‘What opposition, everyone here wants this, they hate the guy [Malik].’”

Bahu was asked if Ament ever mentioned that he was working directly with Mayor Sidhu regarding this project, and he stated, “[Not directly, but everyone knew he ran Harry].” Bahu stated that he spoke with Ament one week prior to the appeal hearing and asked him “‘Todd, what do I have to do?’ and he goes ‘You’re screwed’ and I said, ‘How do you know I’m screwed?’ I said, ‘So there is no amount of money at this point?’ and he said, ‘No. A year ago when I talked to you, yes.’” He went on to say that Ament told him that “if you would have hired me a year ago, you would be fine.”

Bahu stated, “I didn’t know how hooked in the guy across the street was to these politicians.” He confirmed this was the owner of the Shell station, Navaz Malik (Malik). He said, “I didn’t realize how incestuous these people are.” In the July 5, 2019, edition of the OC Weekly, writer Gabriel San Roman documented the relationship between Malik and Sidhu. This article includes a photograph of Malik speaking with Sidhu at Sidhu’s victory party after winning the election for Mayor. This article also brought up that in 2007, Malik helped host a fund-raiser at the Ayres Hotel for Sidhu’s campaign for State Senate. In 2016, Malik contributed $2,200 to Sidhu’s campaign for a State Assembly seat, and on September 27, 2017, Malik donated $2,000 to Sidhu’s mayoral campaign. A review of the City of Anaheim City Contract/Agreement Audit showed that between September 29, 2017, and November 13, 2021, Navaz Malik, Amir Malik, and Fozia Malik (all listed as owners of the Shell Station) gave a total of $8,600 toward Sidhu’s mayoral campaigns.

Bahu explained that Malik did not want the competition to his fuel prices that his (Bahu’s) store would bring and stated that “in our business you are either low cents-high volume or low volume-high cents. He is both which is impossible and the difference of me being there or not being there is a couple of million dollars a year profit.”

During the Planning Department process of evaluating this project, Rafael Cobian (Cobian) (Associate Engineer from the Traffic Engineering Department) prepared a memorandum stating that no traffic study was needed based on the information provided that the project was not anticipated to generate more than 100 new peak-hour trips. The first review was completed on 11-25-15, the second review was done on 7-7-16, the third review was done on 4-27-17, the fourth review was done on 9-14-17, and the fifth review was done on 8-30-18.142

On March 14, 2016, Darnell and Associates (Traffic Engineering firm) sent a memorandum to Cobian regarding a trip generation assessment of the Imperial Highway and La Palma Avenue intersection.143

On September 25, 2017, an email from Siddiqui in the Cal Trans Department of Transportation was sent to Valerie Salampessy regarding Cal Trans right-of-way questions. Cal Trans states in this

142 Memorandum (undated) from R. Cobain, City’s Traffic Engineering Department re no need for traffic study on Bahu project (Exhibit 84).
143 March 14, 2016 Memorandum from Traffic Engineering Firm (Darnell and Assoc.) re trip generation assessment (Exhibit 85).
email that they anticipate low traffic volumes at this location and that it may not have a significant impact on SR-39. Therefore, Traffic Operations have no comments.\textsuperscript{144}

On March 18, 2019, the Planning Commission put out a Public Notice regarding Bahu’s project and the upcoming Planning Commission Meeting to discuss the project that the Planning Department had been working on with Bahu.\textsuperscript{145}

On April 1, 2019, the Planning Commission met to discuss Bahu’s project.\textsuperscript{146}

The Planning Department prepared a report for the Planning Commission that recommended approval of Bahu’s project, CUP #2015-05835, Variance #2017-05091, and Public Conveyance or Necessity #2019-00144.

After review of this project and recommendations for approval by all of the City Departments involved, the Planning Commission, at their April 1, 2019, meeting, approved this project to move forward.

On April 2, 2019, Bahu received a letter from the Planning Department that his project had been approved.\textsuperscript{147}

On April 1, 2019, Edgar Hampton (Hampton) (President of the Anaheim Police Association) sent a letter to the Planning Commission opposing Bahu’s project due to public safety concerns that he felt had not been addressed and included a document that showed the traffic accidents for that intersection for the past year.\textsuperscript{148}

On April 4, 2019, Malik submitted a request for appeal of the Planning Commission decision regarding Bahu’s project.\textsuperscript{149}

On April 10, 2019, Cal City Corp submitted a request for appeal of the Planning Commission decision regarding Bahu’s project.\textsuperscript{150}

A notice of a Public Hearing on June 4, 2019, to hear the appeal of the Planning Commission’s approval of Bahu’s project was published.\textsuperscript{151}

The City Council Agenda for the June 4, 2019, meeting was published.\textsuperscript{152}

\textsuperscript{144} September 25, 2017 email from Cal Trans Dept. of Transportation re low traffic volumes and no Traffic Operations comments (Exhibit 86).
\textsuperscript{145} March 18, 2019 Planning Commission Public Notice re Commission meeting to address Bahu project (Exhibit 87).
\textsuperscript{146} April 1, 2019 Transcript of Hearing before Planning Commission on Bahu project (Exhibit 88).
\textsuperscript{147} April 2, 2019 Letter from Planning Commission documenting approval of Bahu project (Exhibit 89).
\textsuperscript{148} April 1, 2019 Hampton Letter in opposition to Bahu project (Exhibit 90).
\textsuperscript{149} April 4, 2019 Malik Request for Appeal of Planning Commission’s approval of Bahu project (Exhibit 91).
\textsuperscript{150} April 10, 2019 Cal City Corp Request for Appeal Planning Commission’s approval of Bahu project (Exhibit 92).
\textsuperscript{151} Notice of June 4, 2019 Public Hearing on appeal of Planning Commission’s approval of Bahu project (Exhibit 93).
\textsuperscript{152} June 4, 2019 City Council Special and Regular Meeting Agenda (Exhibit 94).
Dr. John Bollinger from the Mentor Group submitted a document outlining his rationale to overturn the Planning Commission’s approval of this project.153

On May 22, 2019, Mobius Planning submitted a rebuttal letter to the Mentor Group’s arguments and supported the Planning Commission’s approval of this project.154

Tesoro Fuels drafted a letter to the Anaheim City Council detailing their plan to ensure the safe delivery of fuel to this location, and if unexpected challenges relating to fuel delivery ever arise, they were offering to make late-night deliveries during non-peak traffic times or utilize a smaller single-tank delivery truck.155

Anaheim residents drafted thirty-four emails in support of Bahu’s project and submitted ninety-one letters to the City Council. Bahu stated that he counted over eleven hundred positive comments on Facebook in support of his project.

Anaheim residents drafted twenty-six emails to the City Council opposing Bahu’s project.

One of the former City Managers from the City of Anaheim, James Ruth, sent a letter to the City Council in support of Bahu’s project. In a portion of his letter, Ruth states, “I have read the appeal response by Dr. John Bollinger of the Mentor Group recommending Council deny the above-mentioned application. In reviewing his recommended actions it became obvious that his arguments opposing the project lacked substance and were basically focused more on protecting the ownership of the Shell station (across the street) from any competition”.156

On June 4, 2019, the Anaheim City Council heard public opinion and voted to overturn the Planning Commission’s approval of Bahu’s project; the transcript of the City Council meeting detailed the arguments for and against Bahu’s project.157

On June 18, 2019, the Anaheim City Council met again to vote on upholding their June 4, 2019, decision to overturn the Planning Commission’s approval of Bahu’s project. The transcript from the June 18, 2019, City Council meeting show that the Council did uphold their previous decision.158

On July 1, 2019, Bahu filed a request for a re-hearing with the City Council.159

The City Clerk responded to Bahu’s request for a re-hearing and sent him a letter stating that the Council will discuss the re-hearing possibility at their meeting scheduled for July 16, 2019.160

153 Mentor Group (John Bollinger) Report in opposition to Bahu project (Exhibit 95).
155 April 29, 2019 Tesoro Fuels Letter (Exhibit 97).
156 May 28, 2019 Ruth Letter in support of Bahu project (Exhibit 98).
157 Transcript of June 4, 2019 City Council Meeting (Exhibit 99).
158 Transcript of June 18, 2019 City Council Meeting (Exhibit 100).
159 July 1, 2019 Request for Rehearing filed by Bahu (Exhibit 101).
160 July 9, 2019 Letter from City Clerk Bass to Bahu scheduling rehearing for the July 16, 2019 City Council Meeting (Exhibit 102).
At the July 16, 2019, City Council meeting the Council rejected the request for a re-hearing of Bahu’s project. The transcripts of this meeting reflect the Council’s decision to not entertain a re-hearing of Bahu’s case.\footnote{Transcript of July 16, 2019 City Council Meeting (Exhibit 103).}

Bahu stated that when he started to realize his project was not going to go as smoothly as he had been anticipating, he hired former Anaheim Assistant Chief of Police Craig Hunter (Hunter) to assist him, and he “\textit{found pictures of the guy [Malik] across the street, and the Mayor [Sidhu] had told me ‘Hey I don’t know him. I met him a couple times.’ We found out he has donated money, his friends have donated money, he [Malik] goes to his [Sidhu’s] house for Christmas, they obviously knew each other.”} Hunter\footnote{Craig Hunter interview.} stated that he has retired from the Anaheim Police Department and now owns a private investigator’s business. He stated that he began to investigate the business dealings between Dada (Dada) (Cal City Corp) and Malik and discovered that they are business partners in several businesses. It should be noted that Dada and Malik were the two individuals that filed the appeal to the Planning Commission’s approval of Bahu’s project.

Hunter stated that after the City Council meeting in which Mayor Sidhu voted against Bahu, he received contact from the FBI to discuss Sidhu’s involvement in this situation. Hunter stated that he was concerned that the traffic studies that the Anaheim Police Association gave to Pete Mitchell to use in his arguments opposing Bahu’s project may not have been obtained appropriately and should have gone through a CPRA request.

Bahu stated that the letter written by Edgar Hampton (Hampton) (President of the Anaheim Police Association) was later rescinded by them (APA).

Hampton\footnote{Edgar Hampton interview.} stated that he was the President for the Anaheim Police Association for approximately six years. When asked about the traffic survey he had given to Pete Mitchell, Hampton explained that there is a program called Anaheim Anytime where anyone can look up traffic collisions, and this was open-source information that was available to anyone.

It should be noted that a review of the Anaheim Anytime website did not show any traffic collision information. Anaheim Deputy Chief Rick Armendariz was shown a copy of the traffic information that had been provided to Mitchell. After conducting some research, Chief Armendariz stated that it appears this data was printed from an internal police department program called Crime View. Chief Armendariz stated, \textit{“This is a data- and intelligence-gathering system that allows officers to aggregate systems data, and it taps in directly to the department’s records management system.”} He confirmed that the data in this format is not available to citizens and that this is for police officers to use in their investigative process.

Hampton stated that he had given this information to Mitchell after Mitchell had requested it. When asked why Mitchell wanted this information, Hampton replied, \textit{“I am not sure, maybe it was for}
something that they wanted to look at to stop a project. I wasn’t interested in getting down into the weeds on something like this.”

Hampton was asked about drafting a letter that stated the police association opposed this project and later rescinding this letter, and he replied, “No, I don’t recall. It might have been just looking at the traffic and if concessions had been made.” When asked again if he recalled drafting a letter opposing this project and then later taking that letter back, Hampton stated, “It was probably because of that, because it started to get messy, I didn’t need any headaches like that.” Hampton was asked if he felt this issue was getting too political, and he replied, “Yeah, I just didn’t want that and it was a bad look, you know what I mean, I didn’t want our reputation linked with stopping something or starting something for cronyism.”

Hampton stated, “I was asked a specific question regarding impact on traffic and that is what I went forward with. The next thing I know, hey this guy is related to this guy.” Hampton explained that he is not in the business to stop a project, and this issue became very uncomfortable.

It should be noted that Hampton’s original letter opposing this project was not an official determination made by the Anaheim Police Department or the Traffic Division of the Anaheim Police Department. Mitchell is a political consultant who works directly for the police union.

Bahu stated that prior to the appeal hearing in July 2019, he had spoken with Councilmembers Kring and Faessel, and they both stated that if the Planning Commission approved of this project, they would more than likely support it as well. He said that he did not know what changed their minds, but they both voted against him.

Bahu stated that prior to the appeal hearing, he reached out to his friend who owns Taps Restaurant to facilitate contact with Carrie Nocella from Disney. Bahu called Nocella asking for help, and he said that her reply was “I really like your buddy Chris (Taps’ owner), but there is nothing I can do. It’s already done. ‘This was weeks before it even came up for a vote. They all knew, they had all already talked about it and it was a forgone deal.”

Fire Chief Patrick Russell (Chief Russell)\textsuperscript{164} was asked about being approached directly by City Council members for specific projects, and he was giving several examples when he stated, “One other time it ended up being a minor deal, but it was a little strange that he [Mayor Sidhu] would call me directly. At Imperial and La Palma there was a gas station going in and he had concerns on the safety of this gas station because he didn’t think it was a big enough footprint for a fire engine to pull in and there wasn’t a hydrant close.”

Chief Russell said he went to the City Manager and the Fire marshal to discuss this and asked them to look at the situation, and it turned out he (Bahu) was in compliance “and there were no issues from a fire code or life safety point of view.” Chief Russell told Mayor Sidhu the results of his inquiries, “and he did not seem happy.” Chief Russell added that it’s usually the opposite type of situation where people are trying to get businesses open and asking the Fire Department to work on making it happen. Chief Russell said he had heard second hand “that the Mayor was friends with the owner of a Shell station that was located across the street from the proposed new gas station.”

\textsuperscript{164} Patrick Russell interview.
Linda Andal (Andal)\(^{165}\) (HR Director and former Interim City Manager) was asked about Bahu’s project at Imperial Highway and La Palma Ave. She stated that she recalled this vividly, and when asked for her opinion on this she stated, “I was aghast. It was very dirty, in my opinion.” She recalled walking into the City Council meeting where this discussion took place and seeing Hunter (former Assistant Chief of Police) and the POA consultant, Mitchell. She recalled Hunter referencing records that had been accessed inappropriately at the Police Department. She felt that there was no reason for the POA to have such a strong presence at this meeting, and after the project was denied, she thought to herself, “We are going in a different direction.” She followed the comment up by explaining that it appeared to her that it came down to whom you know when these decisions were being made now.

Andal stated that the POA President at this time was Hampton. When asked if it was typical to have the POA participate in these types of meetings, she stated that the Department may be involved, but the only other time she recalled the POA being involved was when the POA President came out in favor of legalizing cannabis.

David Belmer\(^{166}\) (former interim City Manager) was asked about the Arco gas station project on Imperial and La Palma that had been approved by the Planning Commission and was later denied by the City Council. Belmer said, “I can’t say it any more simply than the Council did not want or support the project. I assume they felt it was not good development and would not stand the test of time and would cause traffic issues.” Belmer said he is aware that Sidhu is friends with the owner of a Shell gas station across the street, and the Shell owner did not want the Arco station approved.

Belmer said the fact the City Council did not approve the project is not a regular occurrence, it can certainly happen, but it’s more uncommon than common. He said, “When the police union got involved, people were asking what is going on here? And in my six years there, the police union was never involved in any other planning issue.”

Kevin Clausen (Clausen)\(^{167}\) (Senior Project Manager with Housing and Community Development) was asked about the application for an Arco gas station to be built at La Palma and Imperial Highway. Clausen was not involved directly but said, “I was surprised the Council denied it because typically the City does not deny development applications. There’s usually some engineering fix or something that can be done to bring the project forward and let the property owners develop within their property rights. I remember that being odd.”

Lori Galloway (Galloway)\(^{168}\) (Executive Director of the Eli Home and former City Councilmember) was asked about the gas station issue at La Palma and Imperial Highway, and she stated, “I think they got really, totally screwed” (she confirmed that she was referencing the Arco owner, Bahu). When asked why she felt that Bahu did not get treated appropriately, she replied, “Because I know the people that Shell hired, I know the lobbyist that Shell hired to make sure that Arco

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\(^{165}\) Linda Andal interview.  
\(^{166}\) David Belmer interview.  
\(^{167}\) Kevin Clausen interview.  
\(^{168}\) Lori Galloway interview.
didn’t open, Pete Mitchell.” She went on to say, “When a property owner doesn’t get the right to develop their own property, I just don’t like that.”

Galloway was asked if it was unusual for the City Council to go against the Planning Commission’s recommendation, and she replied, “Whenever the Council goes against staff it is political.” She was asked if she was aware of any type of relationship between Mayor Sidhu and the owner of the Shell Station and if they were friends, and she replied, “Yes.”

Galloway was asked if it was normal for so many significant players in the political arena of Orange County (Pete Mitchell, Fred Whitaker, etc.) to attend a City Council meeting for an appeal hearing and she stated, “Absolutely not. It’s friendships, it’s connections, it’s the influence that Pete has.”

John Woodhead\textsuperscript{169} (former Economic Development Director) was asked about the gas station at Imperial and La Palma and if he was involved in this project at all. He stated that he was not involved in this project, but “if there was a public safety concern, it should have been raised by staff, not the owner of the gas station across the street.” He went on to say, “Why is the mayor stepping in over his experts [Planning Commission]?” He stated most people take cover in their experts, and he felt this would be odd for the Council not to rely on them.

Ted White\textsuperscript{170} (Planning Director) was asked if he had any concerns regarding the optics on this project and he stated “Yes, when I was involved in it, I remember meeting with the owner of the Arco station at the City Attorney’s Office and they were in settlement negotiations and my involvement was related to the records and making sure things were in order. He [Bahu] was describing what he believed to be was unethical and undue influence, accusing the Mayor because ‘I got screwed’.” Ted White stated that he thought the Mayor’s involvement seemed very suspicious.

Leonie Mulvihill (Mulvihill)\textsuperscript{171} (Assistant City Attorney) stated that in regard to Bahu’s project, any land use decision is entirely up to the City. She went on to say that at this location she recalled there were true circulation issues. Mulvihill stated that she did have concerns when it was appealed, and by whom it was appealed, saying the attorney for the project applicant said it was appealed because of the campaign donors for Mayor Sidhu. That caused enough concern for Mulvihill to state she did not want any part of it. She added that if she felt the deal was compromised in any way, she would have said something or quit. She stated it bothered her that the applicant felt he did not receive a fair process.

On December 10, 2019, City Attorney Fabela responded to an email from Pelletier

On September 6, 2021, Mark Austin from BWS Law sent an email to Mulvihill and Pelletier stating:

\textsuperscript{169} John Woodhead interview.
\textsuperscript{170} Ted White interview.
\textsuperscript{171} Leonie Mulvihill interview.
On June 6, 2022, Councilmember Moreno sent an email to Vanderpool and Fabela. Fabela forwarded this email to Mulvihill and Pelletier.

Bahu stated that while he was going through the planning process with the City, he began to receive, what he felt was, an increase in attention from the City’s Code Enforcement Department. Bahu stated that typically when you get a violation from Code Enforcement, there is a time period in which to correct the violation, but his began to go straight to a fine. He said that “this would happen because you are a gross offender. I wasn’t a gross offender. I hadn’t had a violation until after all of this stuff happened.”

Bahu stated that his violation notices from the City started to include Malik’s name in the address line. He stated that he called the City to determine if Malik was receiving a copy of his violations, and they told him, “‘No, that must be a printing error.’ [Bahu states] Do you know a computer that writes the guy’s name across the street as a printing error? I asked if Navis is the one that called in these violations, and they said, ‘No, no, no, we made a mistake’ and then I got letters [violations] a few months later with the same thing [Malik’s name] on the top.”

Bahu discussed a political banner for Ashley Aitken that had been placed on his fence during the last election cycle and was subsequently taken down by Code Enforcement. He stated that Code Enforcement had come to his property on a Saturday (during a rainstorm) and “yelled at the people

172 Exhibit 105.
173 Exhibit 106.
who were renting my property” and ultimately removed Aitken’s banner from his fence. Bahu stated that he called Anaheim Police and made a request to file a report for theft of the $4,000 sign.

Bahu stated that the Police Officer reviewed the video from the hotel and determined that it was Code Enforcement that removed the sign. Bahu stated, “Miraculously, the cop calls me and goes, ‘Let me call code enforcement.’ Now do you think in your wildest dreams that anyone in code enforcement is going to answer on a Saturday night at 8:00 pm? Twenty minutes later he calls and says, ‘I talked to code enforcement; they got your banner.’”

Bahu stated that he went and picked up the banner the following Monday, and after putting it back up on the fence, he began to receive violations. He went on to say that he was told the banner restricted the vision of people making a right turn, and he replied, “Well, that’s odd. You guys told me to put up a green fence, like the skirt that goes around the fence so that you can’t see the property. What’s the difference if it is a green fence or a white sign? No difference in visibility because you can’t see through either one of them. They just didn’t want her [Aitken’s] sign there.”

Bahu stated that originally the Code Enforcement Officer stated that he did not know anything about the sign. He was shown a picture taken from the surveillance cameras and asking him, “This is not you? And I showed him the picture from the videotape, and he said, ‘Oh yeah,’ and I said, ‘Where is my sign?’ and he said, ‘Well, we have it’ and he changed his tune.”

Bahu stated that the code enforcement officer at one point said that the sign was taken because it was a political sign. When asked if the code enforcement officer ever mentioned anything about the sign becoming loose and causing a hazard, Bahu stated, “No, that thing had an eyelet every foot and it was zip-tied all the way around the fence and it was impossible for it to come loose, plus the fence is 15 feet from the street. Are you going to tell me that all of the eyelets broke loose at the same time? Impossible.”

Bahu stated that the Code Enforcement Officer ripped the sign down from all four corners and actually ripped the vinyl. He explained that this was a very expensive sign that was double stitched in the corners and had reinforced eyelets and cost several thousand dollars. He stated that the officer destroyed the sign by ripping the vinyl.

Bahu stated that there were employees from the Halloween Haunted House (that were renting his property) who witnessed this event. They told Bahu someone from the City had been there earlier “yelling at them and told them they need to take this down earlier in the afternoon.” He stated that this person left, and then Code Enforcement showed up later and took the sign down. Bahu said that he was told the original person that complained about the sign was a City Councilmember (unknown which one).

Abel Perez\textsuperscript{174} stated that he has been renting Bahu’s property at La Palma Avenue and Imperial Highway for the past thirteen years during the holiday season. He explained that he sells Christmas trees at that location and on occasion he also does a haunted house and pumpkin sales at this location.

\textsuperscript{174} Abel Perez interview.
Perez was asked about an issue that had occurred regarding a banner that had been put up for Mayor Aikens, and he stated that approximately three or four days after the banner was installed, “a lady that was also running for mayor, she had black hair, and Adam who was actually there at the time, said she came in and started yelling and screaming at us that we are not allowed to put a sign up that is that big.” Perez stated that he later determined the woman who had yelled at his staff about the banner was Lori Galloway.

Perez stated that approximately a week later, someone tore down the banner, and they caught his image on surveillance cameras and watched him carry the banner into the motel parking lot and place the banner inside his truck.

Perez stated that “the thing that disturbed me the most was that they just yanked it off and ripped the holes in the grommets and this was a very expensive sign. I thought, what jerks for them to just rip it like that.”

Perez stated that they would take the sign down every night around 5 p.m. so that vehicles could see the lights of the haunted house. He explained that they would put the sign back up every night after the haunted house closed.

Perez stated, “If it was code enforcement, you would think they would talk to the people at the haunted house or at least throw it over the fence as opposed to tearing it down and taking it away.” Perez was asked if the sign ever appeared to be loose or causing a hazard, and he said, “No, we always put it back up very carefully and tied every single grommet. If anyone said that it wasn’t installed properly is a numb nut.”

Perez stated that every time he was there, the sign was put on tightly and was never loose. He suggested that we speak with Adam Lablounk (Lablounk), who ran the haunted house, about that specific day.

Lablounk stated that he was operating the haunted house on the Bahu property through the month of October. Lablounk stated that Lori Galloway (Mayoral Candidate) had stopped at their location with her campaign manager, and they were “hootin’ and hollerin’ about the size of their sign.” He said that he did not know the rules about campaign signs, but this sign was very large and “she didn’t like it one bit.”

Lablounk stated that when he arrived at the location a few days later, he observed that the sign was gone, and “we had to go to the motel and watch their surveillance videos to see what happened.” He stated that while they were reviewing the video, the manager from the motel said, Oh, the City was over here for an unrelated issue, and they happened to go over to your property and take the sign down.”

Lablounk stated that “this was very unprovoked and very strange.” He went on to say that no one attempted to speak with his employee that was working on-site at the haunted house. He conceded

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175 Adam Lablounk interview.
that his employee was probably working inside the haunted house at the time, but regardless, no one made contact with him.

Lablounk stated that the Police Department responded to investigate the situation, but he never spoke with them directly.

Lablounk was asked if he ever observed the banner become loose or cause a hazard by blowing into the street, and he stated that “there were a few times when we had to repair a grommet or make a new hole for the zip ties, but it was never at a point where it was flopping around or causing a hazard. We would always repair the grommet or zip tie to make sure that it never came loose.” Lablounk stated that it was their responsibility to make sure that the sign was secure every day, and they would have known if it ever became loose or was an issue.

Lablounk stated it was interesting that the City came to this property to take down political signs, but directly across the street at the Shell station they didn’t touch any signs, and those signs stayed up throughout the entire election cycle.

176 was asked if he recalled ever giving his co-workers enforcement direction in regard to signage at Bahu’s property and he stated “Yes.” He went on to say that recently he was asked to remove signs from this property and over the years he has directed his subordinates to remove signs from the fence.

176 stated that has been given direction multiple times to remove signs from this fence. He stated that traditionally, this property has had “authorized and unauthorized banners and signs placed on this fence.”

was asked if they are required to have permission from a property owner to remove a sign that is on private property and he stated, “Yes we do, and I thought we did [for this location] but I checked later, shortly after the elections in November of last year when I did extensive research to find that authorization letter, I couldn’t find it.”

was asked if they had been operating under the impression that they had an authorization letter from Bahu that gave them permission to go on to his property to remove signs and he stated, “Over the years, yeah.”

explained that without an authorization letter they would not go on private property to remove a sign and would “send out a notification letter.”

was asked if he was given direction to remove the ‘Ashley Aitken for Mayor’ banner from Bahu’s property and he stated, “Yes I was.” When asked by who, he stated “My supervisor.” When asked why he was being directed to remove the sign he stated, “we had been receiving complaints about over-sized political signs and it was beyond the limitations of a political banner.”

was asked if he had conducted his research into whether there was an authorization letter from Bahu before or after he removed the banner and he stated “after” and then stated that he

176 interview.
would not have taken down the sign if he knew there was no authorization letter and would have sent out a notice of violation.

stated that the violation he observed was that “the banners were too large and there was no special events permit.” He went on to say that the Anaheim Municipal Code has a section that addresses political sign size, but he could not recall the section off the top of his head.

stated that in this case they did not open a code case because they were under the assumption that they had an authorization letter from Bahu. He stated, “I went through every single case we have had on that property, and I couldn’t find anything, and I looked through all of the attached documents to see if I could find it that way, but I couldn’t.”

was asked if he was aware of a City Councilmember complaining about the banner at that location and he stated “Yes.” He was asked if he knew which Councilmember it was and he stated, “I am horrible with names.” When asked if it could have been Trevor O’Neil, he stated “it was.” He could not recall how he became aware of O’Neil making a complaint about this location, but he was certain that he was aware that he (O’Neil) had complained about this banner either through an email or his, supervisors.

confirmed that he had drafted a synopsis of the enforcement action that had been taken at this location for . He was not aware that his email documenting the enforcement action had been forwarded to O’Neil.

was asked if that documentation would be something that they would provide to citizens or City Council persons and he stated, “through a [CPRA, yes.”

was asked who would be able to review the notice of violations that had been issued to a specific property and he stated, “well just internally in code enforcement, unless someone submits a public records request.” was unsure if a City Councilmember would have special access to these records.

stated if a citizen was interested in the enforcement action taken at a specific location he would “forward them the form and then that form would go to the person that processes them.” He went on to say that is very common for the public to ask for these and he provides CPRA request forms on a regular basis, at least once a week.

was asked what his supervisor’s response was after the sign was removed and he stated “we were troubled, we couldn’t find the letter, or if we were mistaken. We had been doing it for so long, but obviously we turned a page, and we were not going to be taking anything down from there anymore.”

stated that he has several conversations with Bahu and that he (Bahu) was professional and treated him fairly.
explained that the typical code enforcement activity that they operate under is complaint driven and they do not operate in a pro-active manner. He explained the typical process that is followed if they get notified of a possible violation and said they will initially notify the owner with a courtesy notice and if the owner does not comply a second civil notification letter is sent out. If there is still no compliance, then the next step is to issue a citation. He stated that if the same location has another similar violation within the year, they will skip the first step and send the second civil notification letter immediately.

stated that he could not recall if he had ever spoke with Bahu or the owner of the Shell station located across the street.

was asked if he was ever directed by his supervisors to conduct enforcement action at Bahu’s vacant lot and he stated “I remember being asked to remove signs from the chain-link fence, but that is about it.” stated that this request came from his .

was asked if they typically enter private property to remove signs and he stated, “it was my understanding that on that intersection, we have authorization to remove the signs, that is what I was told that the owners had given the City authorization to remove any unauthorized signs.” He stated that is the person that told him they had authorization from the property owner. He said that he removed signs from this location approximately three to five times. stated that he had never seen the authorization paperwork from Bahu giving them permission to remove signs and he relied on statements.

was asked what the protocol is for political signs and their removal, and he stated, “we are instructed to remove signs that are in the public right of way, especially on the medians or the parkways that may create a line-of-sight issue, anything on private property is allowed.”

was asked if he recalled a sign for Mayor Aitken being taken down from Bahu’s property and he stated, “I recall about a sign that said he was asked to remove and at the end it turned out it shouldn’t have been removed, but I don’t know if it was that address, but that was in the last month that I heard that.” When asked who had told to remove the sign in question, stated “His supervisor, .” He went on to say, “I just vaguely remember him being told to remove a sign and then finding out that he shouldn’t have.”

was asked if a sign would be taken down if it impeded the view of a motorist and he stated “yes, but we could only remove them if they are on City property, if they are on private property and they are creating a line-of-sight issue then we notify the owner.” He went on to say, “we don’t remove signs on private property, if there is a violation then we notify the owner.”

stated that he has heard the rumor that the owner of the Shell Station and Mayor Sidhu were friends, but he has no first-hand knowledge of that.

stated that the Code Enforcement office operates on a complaint-based system, and they do not typically look for violations on their own.

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177 interview.
178 interview.
stated that he has conducted enforcement at Bahu’s property, and he stated that he was receptive to the complaints and said “yes, it took him a little bit of time, he did eventually get it all taken care of.” He stated that he observed that Bahu had put the green screen material on his chain link fence, and this improved the look of his property.

was asked what their policy is regarding political signs that are on private property and if they have the ability remove signs from private property and he stated, “We do not, because it is private property.” He was asked what his response would be if a sign caused an obstruction of the view for a pedestrian or a motorist and he stated, “I would open a code case or I would speak to the owner directly and probably send them a notice that they are obstructing the line of sight.” stated that he has never taken a sign down without going to the owner first.

stated that her position is to .

stated that she is aware of Bahu’s property.

stated that Code Enforcement is typically complaint driven but the officers do have the ability to be pro-active and initiate enforcement on their own if needed. stated that typically there would always be a record of who filed a complaint with Code Enforcement, but they will accept anonymous complaints as well.

was asked if she was aware of any supervisors directing staff to conduct enforcement action at Bahu’s location and she stated: “If I remember correctly in the last eleven months, I believe there was a complaint that came in about a banner on the corner of the chain link fencing and the Senior Officer and the Code Enforcement Officer were directed to go and investigate, and if the violation was there to open a case and proceed with enforcement.” stated that she was the person that directed the supervisor to have officers respond to this location.

was asked who directed her to have this Code Enforcement action taken and she stated, “it could have come from Ted [White], City management [CMO] but typically most of my direction comes from Ted.” She went on to say that someone came to her and asked her to have officers respond to that location, but she could not remember who that person was.

was asked if the officers can enter private property to remove a sign or banner and she stated that if there is a safety issue, they can take immediate action and remove the sign. was asked if she was aware that the banner was placed on a fence that had green screen attached to it and she stated that she was not aware of that.

was asked if she was aware of any City Councilmembers inquiring about that banner and she stated “no.” She was asked if Ted White had asked her for additional information on the banner situation and she replied, “he asked me for information as far as what action code enforcement took and I provided him with the case information I had.”

was asked if Ted White told her why he needed that information and she stated, “I just assumed someone above him was asking.” was read an email chain between Ted White

179 interview.
and Councilmember O’Neil that she was copied on regarding O’Neil’s request for a summary of code enforcement activity and his request for copies of the notice of violations. [Redacted] was asked if she recalled O’Neil asking about the banner situation through Ted White and she replied, “I don’t remember it, but it is possible, it could have come that way.” She went on to say that during the political season they get a high volume of complaints about signs on a daily basis.

[Redacted] was asked if a notice of violation or citation has been issued, who is permitted to see that documentation or if someone wanted to review that information what would be the process, and she replied, “they need to do a public records request, if it is the outside public.” She was asked if a City Councilmember wanted to see this information could they come in and review it and she replied “no, they would have to do a public records request.”

Ted White (Planning Director) was asked if he recalled the discussion that had taken place regarding a political banner that had been removed by Code Enforcement from the Bahu property on La Palma and Imperial Highway and he stated “yes.”

Ted White was asked if he recalled who had made the initial complaint regarding these signs on the Bahu property and he stated “I didn’t recall that, no.”

Ted White was asked if he would be able to locate the initial complaining party by researching the records on that location and he replied “Yes, our practice is to include the complainant in our records, yes.” Ted White stated that he would research this and get back to these investigators as soon as possible.180

Ted White was asked about an email chain between himself and O’Neil (White was read the email chain) and if those emails may have refreshed his memory on who the initial complainant was for the political banner at the Bahu property and he stated “no, it didn’t jog my memory but the potential of the complainant being related to those emails wouldn’t surprise me.”

Ted White was asked if he recalled directing [Redacted] to have someone take enforcement action at the Bahu property and he stated that he didn’t recall that, but it would not be unusual for him to ask her to do that.

Ted White was asked about O’Neal asking for a rundown on the enforcement actions taken at the Bahu property and after reading the email between them, he (White) stated that it did refresh his memory “and it certainly sounds like my voice and my writing and it would have been related to a conversation and it’s clear that it would have been related to a conversation that I had with Councilman O’Neil about those signs.”

When asked to confirm if after hearing these email, would it be safe to say that the complaint probably came from O’Neil, he (White) stated “I think so, that is certainly the conclusion I would come to.”

180 Ted White stated that after researching City records he could not locate the name of the complaining party.
Ted White was read the rest of the email conversations between himself and O’Neil and asked about O’Neil’s requests for copies of the notice of violations and if he recalled that portion of the email chain and he replied “yes, that all sounds familiar.”

A summary of the email chain between Ted White and Councilmember O’Neil:

- On October 20, 2022, Planning Director Ted White sent an email stating, “a full rundown of enforcement activities related to these signs has been requested by Councilmember O’Neil. Apparently, there is even more back story on these signs. Like, they’ve been removed more than once after complaints were received – I’m not sure – and they keep going back up. Apparently, they are now back up again. So two requests: 1) rundown of complaints received and actions taken related to these signs; and 2) note that another complaint was received relating to these signs today, so please send an officer out there to inspect again.”

- On October 24, 2022, Ted White sent Councilmember Trevor O’Neil an email stating, “Councilmember, provided below is a summary of code enforcement activities related to sign removals at 5702 East La Palma Ave. Please let me know if you have any further questions.”

- On October 24, 2022, O’Neil responds to White’s email stating, “Thanks Ted. Are there no subsequent reports, actions or notices of violations since the signs went back up?”

- On October 24, 2022, White responds, “Code inspected again on Friday and a new notice of violation will be sent to the property owner today. Attached are two pics from Friday.”

- On October 24, 2022, O’Neil responds to this email, stating, “Can you send me a copy of the notice of violation? And the previous one if there was one issued.”

- On October 28, 2022, O’Neil sent White an email regarding several items; one request was as follows: “I would still like to get copies of the notices of violations for the signs on the Bahu property, which are still there.”

- On October 28, 2022, White responds to O’Neil’s email stating, “MPT, attached is the recent notice (2022) and staff included a notice from 2012 for reference. These are the two notices we have on file.” There were two attachments to this email: the first attachment (ID#765932) had a copy of the October 25, 2022, courtesy notice of violation to 5702 E. La Palma Ave included. The second attachment had a copy of the June 22, 2012, courtesy notice of violation to 5702 E. La Palma Ave included. It should be noted that the owner’s name and address was redacted from these documents.

On June 27, 2023, a follow up interview was conducted by JLG Investigators with former City Councilmember O’Neil. O’Neil was asked about the signs being removed from Bahu’s property and...
he stated “yes, there were illegally placed political signs that Bahu had put up repeatedly and there were a number of code enforcement cases on this, he was cited they came down and they went back up again, and he was cited again, he was just playing games.”

When asked if he recalled having conversations with Ted White regarding these signs O’Neil stated “Yes, yes I do.” He was asked if he recalled receiving information regarding the enforcement action taken at Bahu’s property and O’Neil stated “yes, but I don’t recall specifically what they were, and I am taking you on your word that you saw the email and what was attached to it. I don’t have the email any longer, I looked at it and didn’t really do anything with it, I relied on staff to do its job and cite violators essentially.”

O’Neil confirmed that he did receive the notice of violations given to Bahu from Ted White. O’Neill stated that the purpose of requesting this information was to determine if his political opponent (Aitken) had illegally placed these signs, but in the end, they were not able to confirm that had happened.

O’Neil stated that he contacted Ted White because he was being told by his supporters that these signs kept getting put up and he wanted to see the enforcement action because he knew that it had been reported but nothing seemed to have happened.

Bahu stated:

Trevor and the Mayor during public meetings said that they would support anything else being built there, a Starbucks or a McDonalds, anything but a gas station. Any of those type of businesses would generate way more traffic than my station would, they just didn’t want any competition for their buddy across the street.

O’Neil was asked about whether this type of information should be forwarded to someone outside of the Code Enforcement Department or if it should be obtained through the CPRA process. He replied:

Yep, I see that there is an argument for that, um I guess I felt that it was not unlike other issues where code violations came into my office where I wanted to know what the situation was and what the enforcement activity had been. If you remove the political issue from this and it wouldn’t have been any different than if someone reports a code violation and wants to know what the status of it is.

O’Neil stated that he made several attempts to negotiate with Bahu on this project and he felt that if some changes were made to the original proposal and size of the project, he would have supported it. He described the meetings with Bahu as “challenging.”

JLG Investigators went to the corner of Imperial Highway and La Palma Ave in the City of Anaheim to verify that the fence around Bahu’s property did, in fact, have green screen attached to the chain link fence and We confirmed that it did. We also monitored traffic at this intersection for approximately one hour. It should be noted that this occurred on a Wednesday morning at 11:00 a.m. and during non-peak traffic volume.
While monitoring the traffic flow, we observed that the traffic signal for northbound traffic on Imperial Highway has a no U-turn sign for the left turn pocket to westbound La Palma Avenue. For vehicles that turn left onto westbound La Palma Avenue, there is a traffic signal west of the Shell station with a left turn pocket to enter a commercial shopping/restaurant area on the southside of La Palma Avenue. This left turn pocket also has a no U-turn sign attached to it. In essence, for vehicles that are traveling north on Imperial Highway and want to utilize the Shell station on the southwest corner of Imperial Highway and La Palma Avenue, the only legal method would be turn left on to westbound La Palma Avenue, then turn left into the shopping center parking lot, then manipulate a U-turn in the parking lot at some point and exit the parking lot back onto eastbound La Palma Avenue in order to turn into the Shell station.

It should also be noted that while monitoring the traffic flow (for one hour) at this intersection, we observed six vehicles make an illegal U-turn at Imperial Highway and La Palma Avenue. Five of those vehicles entered the Shell station after making the illegal U-turn. We also observed five vehicles make an illegal U-turn at the traffic light on La Palma Avenue west of Imperial Highway. Four of those vehicles entered the Shell station after making an illegal U-turn. There were concerns brought up by Malik and Dada about traffic issues that Bahu’s project would create. While we acknowledge that we are not traffic engineers, it would appear that a gas station on Bahu’s property would give vehicles travelling northbound on Imperial Highway a much safer alternative to purchase fuel, as opposed to making multiple left turns and then a U-turn inside a commercial parking lot in order to get to the Shell station. It should be noted that vehicles leaving the proposed gas station on Bahu’s property could either continue eastbound on La Palma Ave or they would need to make a U-turn to return to Imperial Highway. At a minimum the facts would appear to suggest that offering motorists an alternative, especially for northbound traffic, may actually create less congestion.

b. Conclusions

The facts in this matter suggest that there has been a personal relationship between Sidhu and Malik that has been in place for several years, dating back to at least 2007. Campaign donation records showed that the Malik family has donated to Sidhu’s political campaigns since 2016. While campaign donations in and of themselves would not necessarily indicate a personal relationship, other factors appear to show that Malik’s relationship with Sidhu is more than just a campaign donor. An OC Weekly article published on July 5, 2019, highlighted a photograph of Sidhu and Malik talking to each other at Sidhu’s Mayoral election victory party at his (Sidhu’s) home. Several of the witnesses interviewed during this Investigation commented on the friendly relationship between Sidhu and Malik.

The greater weight of credible evidence suggested that the relationship between Sidhu and Malik impacted the Mayor and City Council’s decision to overturn the Planning Commission’s approval of Bahu’s project. The comments by Assistant City Attorney Pelletier in an email stating that she, “was not comfortable with the Council action on this project at the time, and we were concerned that Bahu was going to contend in the lawsuit that the Mayor had a personal interest/bias/conflict. Fortunately that did not happen,” provides a good summary of the general comments made by City Staff concerning this issue. The vast majority of witnesses in this Investigation commented that the decision by the City Council to overturn the Planning Commission was not motivated by actual concerns regarding the safe operation of this project and many felt it was not a fair process. It was clear
that the addition of a new gas station on Bahu’s property would have a significant impact on the profitability of Malik’s operation at the Shell station and it appeared that this played a significant role in Mayor Sidhu’s opposition to Bahu’s project.

It should also be noted that Ament’s alleged attempts to “help” the Bahu’s get this project approved during the early stages of the process indicate that Ament had some type of knowledge that this project was already facing significant opposition. This appeared to be another example of Ament utilizing his relationship with Mayor Sidhu and his access to information in a manner that could benefit Ament financially.

The greater weight of credible evidence suggests that the decision to overturn the Planning Commission’s decision and subsequently deny Bahu’s appeal and request for re-hearing by the City Council may not have been fair and objective based on Henninger’s statement that former Councilmember Brandman (on City Council at the time) specifically told him that if you wanted his vote you had to have the Mayor’s vote first. This is a troubling statement as it suggests that decisions by the City Council had been decided before a meeting had actually taken place, or that the majority of the Council may have had a predetermined vote based on which way the Mayor voted. This sentiment was voiced by several witnesses who brought up concerns that Mayor Sidhu would listen to hours of public comments during a Council meeting and then read a prepared statement at the end that would not align with the comments made earlier.

While investigating this issue, Bahu brought up the increased attention he was receiving from Code Enforcement during this time. It did not appear that Code Enforcement had engaged in any type of targeted enforcement that was generated from anything other than actual complaints they had received. It did appear that Malik (from the Shell station) was the complainant on several of these enforcement actions based on the clerical error at Code Enforcement in which Malik’s name appeared on Bahu’s notice of violations. Obviously, this created a level of distrust from Bahu as he felt that Malik was receiving copies of his enforcement activity and was working directly with Code Enforcement to harass him.

During the interviews of City Code Enforcement personnel and review of emails between City staff and elected officials it appeared that there were examples of a City Councilmember (O’Neil) going directly to a Department Director (Ted White) and requesting information, and possibly directing staff, as opposed to working through the City Manager.

In regard to the political banner being taken down from Bahu’s property, then Mayor Pro Tem O’Neil had exchanged several emails with Planning Director Ted White asking for a summary of the enforcement activity at Bahu’s property. It appeared that this was politically driven as the banner that was removed from Bahu’s property was for O’Neil’s political opponent during that election cycle, Ashley Aitken. It was also concerning that O’Neil asked for copies of the notices of violations that Bahu had received, and subsequently did receive those copies of violations. According to the Public Records Act these types of documents need to be requested through the Public Records Act process and they are not considered general public information.

189 It should be noted that JLG Investigators attempted to interview former Councilmember Brandman multiple times, without success.
The facts in this matter also indicated that there were significant hurdles to overcome with Bahu’s project, but the Planning Commission and City staff had spent a considerable amount of time addressing these issues and developing a comprehensive plan that would result in a project that would be safe and ultimately benefit the citizens of Anaheim. Henninger stated that Bahu can be a “handful” and Bahu himself stated that he can be a lot to deal with at times, but all he wanted was a “fair shake” and he is hoping that with a new City Council that might happen. It appears that he was mistaken in this belief.

4. Car Dealership Matter

a. Discussion

During the course of this Investigation there were numerous comments made about Ament contacting developers, individuals or business entities directly to solicit donations to Mayor Sidhu’s campaigns or to suggest that they become a member of the Anaheim Chamber of Commerce. These solicitations allegedly implied that in return for these monetary investments, Ament would assist these donors in getting their projects the necessary attention needed to be successful.

During JLG Investigator’s interview with the Public Works Director, Emami190, Emami recalled a situation in which he was working with a consultant on a project that was located off Imperial Highway between the river and the freeway. This property was owned by Caltrans.

Emami stated that the negotiations for this project originally started while Tom Tait was the Mayor, and after Sidhu became Mayor, the negotiations continued. The plan was to build a car dealership on half of the Caltrans property, and they would develop a new park with soccer fields, restroom facilities and a trailhead to the Santa Ana River Trail on the remaining portion of this property.

Emami stated that the consultant representing the car dealership was Pete Pirzadeh (Pirzadeh)191, a former Caltrans employee and an engineer. Emami went on to say that he remembered Pirzadeh make a comment to him after a meeting with Mayor Sidhu that he was contacted by somebody, which could have been Ament, looking to assist him.

Emami stated, “I remember him saying to me, ‘Is this a pay-to-play City?’ and I said no.” Emami stated that he recalled whoever contacted Pirzadeh had “hit him up to help sponsor/buy a table at the City’s Prayer Breakfast or some event like that.”

Pirzadeh recalled having a meeting with Mayor Sidhu and Emami regarding a proposed joint project with the City of Anaheim. He confirmed that the proposal for this project actually started when Tom Tait was the Mayor.

Pirzadeh explained that when the new City Council was elected, they had an introductory meeting with Mayor Sidhu, one other council member, and the Mayor’s Chief of Staff, Annie Mezzacappa (Mezzacappa). He stated that shortly after this meeting he received a call from the Anaheim Chamber of Commerce regarding an event that the Mayor would be attending, and they

190 Rudy Emami interview.
191 Pete Pirzadeh interview.
(Pirzadeh and his client) were encouraged to purchase tickets for this event. Pirzadeh could not recall the specifics of this event.

Pirzadeh stated that after conferring with his client, they decided to purchase the tickets, but neither of them actually attended the event.

Pirzadeh stated that “after sending in a check for the tickets, there ensued on a regular basis to attend or participate in fund-raisers and all of that.” He went on to say that these requests never came from the Mayor, but always through the Anaheim Chamber of Commerce. Pirzadeh stated that he advised his client that he did not feel this was appropriate and subsequently declined any further requests for donations after their original purchase of tickets.

Pirzadeh stated that he could not recall if the requests came from an individual or through email, but he did state that they definitely had his email address, and he never did any business with the Chamber and did not know who gave them his information.

Pirzadeh stated that Mezzacappa was at the initial introductory meeting with Mayor Sidhu, and then Councilmember O’Neill. He went on to say that the Director of Community Development was also at this meeting. He felt that Mezzacappa was the person who forwarded his information to the Anaheim Chamber.

Pirzadeh stated that he did not necessarily say that he asked if this was a “pay-to-play City,” but the fact that he received a request from the Chamber just days after their meeting with the Mayor and then subsequent requests that seemed to come after he called Mezzacappa led him to believe that it was something along those lines. He went on to say, “I have been around the block for forty years and I kinda put two and two together.”

Pirzadeh stated that he told Emami that it seemed like “the Chamber wanted their participation but neither he nor his client wanted to get involved in politics.”

Pirzadeh stated that a portion of this project required action by Cal Trans, and he was told that the Mayor would be taking an active role and would use his contacts at Cal Trans to help facilitate this project. He went on to say that it seemed like every time he called the Mayor’s Office to inquire where they were with Cal Trans, he would get another request to participate in fundraisers from the Anaheim Chamber several days later. While he never received a direct comment that it would help his project if he participated in these fundraisers, he felt it was “certainly inferred.”

Pirzadeh stated that in the end this project never went through. When asked if he felt that his lack of participation in fundraisers for the Mayor may have been the reason for this projects demise, he stated, “No, that would not be a fair statement. I think it was more because of issues with Cal Trans.”

It should be noted that Pirzadeh was very cautious about participating in this interview due to possible negative impacts on his business, and he did not feel comfortable revealing his client’s name for the same reasons.
In a similar situation, Wally Courtney (Commercial Realtor at Paul Kott Realty for over forty years) stated that he had a client who was interested in bringing a car dealership to the City of Anaheim and who had an unusual experience with Ament. I gave Courtney the basic detail of Pirzadeh’s project, and he stated that his client was not the same person or project as Pirzadeh’s client.

Courtney then went on to explain the experience one of his clients had concerning Ament. He stated that “I don’t know if I can tell you who the party is, but someone else interested in land over there, went all by himself to the City Planning counter and said he was interested in putting a car dealership on a site over here, and asked, ‘What’s my chances of that happening?’ to whatever planner he talked to at the counter.” He went on to say that his client received a call a few days later from Ament. He stated that his client told him Ament said, “Hi this is Todd Ament., I am the Mayor’s representative and I understand that you want to bring a car dealership to Anaheim. We are having a fundraiser for Mr. Sidhu next week. Can we count on ten thousand dollars from you?”

Courtney stated that this individual who had inquired about building a car dealership called him a few days later and stated, “What the hell, all I did was talk to one planner and I get a call for a shakedown to put money into the Mayor’s campaign to get my deal looked at.” Courtney stated that he did not know how this information about his client’s inquiry at the Planning Department had been forwarded to Ament.

Courtney stated that he would contact this person to determine if he would be willing to speak with us but surmised that it was unlikely because he is still trying to get a project approved by the City, and he fears that he would face retaliation for speaking out and subsequently his project request would be denied.

During the Investigation into the issues involving the proposed gas station at Imperial Highway and La Palma Avenue, the owner of the property, Isa Bahu, alleged that Ament contacted him and his sister to assist them with this project. He stated, “Todd Ament kept calling my sister and asking if we needed any help, ‘I can help you.’” He went on to say that he knew Ament when he was growing up but did not have a high opinion of him. He stated, “I didn’t need any help building a gas station., I know what to do, we had one there.” He said at that point they felt like everything was going fine and they wouldn’t need any help. He felt it was odd that Ament kept calling and, at some point, wondered what Ament knew that he didn’t know.

May Bahu (Isa Bahu’s sister) stated that while their family was going through the process of rebuilding their gas station, she began to receive text messages from Ament asking if they needed any help with their project. Bahu stated, “Todd keeps texting me saying he can help us get it through the City, and then I realized that he was trying to get us to pay him to help us get it through the City.” She went on to say, “He was hinting to me that ‘you need help,’ not ‘do you want help.’”

Bahu was asked if Ament gave him an amount that he would charge to help them with this project, and he stated, “Fifty grand. Yep, he is out of his mind, for a consultant, like that’s crazy. I paid ten grand for the last guy, and this was way before it got challenged.”

192 Wally Courtney interview.
193 Isa Bahu interview.
194 May Bahu interview.
Bahu stated that he spoke with Ament one week prior to the appeal hearing for his project and asked him, “‘Todd, what do I have to do?’ and he goes ‘You’re screwed’ and I said, ‘How do you know I’m screwed?’ ‘I said, ‘So there is no amount of money at this point?’ and he said, ‘No. A year ago when I talked to you, yes.’” He went on to say that Ament told him that “if you would have hired me a year ago, you would be fine.”

The facts in this matter suggest that Ament would routinely contact individuals or businesses that were conducting business in the City of Anaheim to solicit donations to Mayoral events or to suggest that they become members of the Anaheim Chamber of Commerce.

It appeared that Ament would receive information either directly or indirectly from Mayor Sidhu’s office on potential projects being proposed in the City. Mezzacappa\(^{195}\) stated that she would forward business card-type of information to the Anaheim Chamber.

While it does not seem unreasonable for the Chamber of Commerce to try to expand their membership and develop a healthy network of business entities within their organization, it appeared the lines became blurred, and individuals were feeling pressure that in order for their projects to be successful, they needed to make a financial investment toward one of the events suggested by Ament.

It should be noted that several of the individuals interviewed regarding these allegations were clear that these requests were implied, and there was not a specific request for money in exchange for a guaranteed approval of their project. Regardless, they felt that the timing of these requests for donations taking place during the initial phases of obtaining approval for their projects put them in an uncomfortable situation.

\(b.\) Conclusions

The greater weight of credible evidence suggests that Ament and/or representatives of the Anaheim Chamber of Commerce did solicit donations from individuals or businesses that were in the process of getting approval from the City for their projects. It is reasonable to believe that these requests, regardless of the specificity, could be inferred to have an impact on the success of these projects. Had the requests been made after a project’s completion and couched in a manner that the City or the Chamber would like to continue a partnership with these entities and looked forward to future projects together, this would have helped alleviate any concerns about the intentions of these requests.

5. UCI Property Matter

\(a.\) Discussion

During the course of this Investigation, the subject of Mayor Sidhu’s circumventing the City’s Request For Proposal (RFP) process came up several times. The RFP process is designed to eliminate favoritism and cronyism, avoid misuse of public funds, and stimulate fair marketplace competition. The City of Anaheim website states (regarding RFPs): “The City’s policy is to award bids to the lowest

\(^{195}\) Written responses to question submitted to Mezzacappa.
responsive and responsible bidder. Requests for proposals are awarded to the company whose proposal provides the best overall value and best meets the needs of the City.”

The Anaheim Municipal Code section 10.06.050 outlines the process of utilizing an RFP prior to procuring a Design-Build Contract. The Anaheim Municipal Code also addresses competitive bids in section 1.04.270, and section 1.04.250 outlines that a “centralized purchasing system has been established for the purpose of the procurement of all materials, supplies and contractual services by any and all departments of the City.”

Sjany Larson-Cash (Larson-Cash)\textsuperscript{196} is the current Director of Community Services, and during her interview with JLG Investigators, she brought up concerns that had been expressed to her by Grace Stepter about Mayor Sidhu not aligning with bid processes put in place at the City. When asked to clarify what she meant by not aligning with process, she stated, “Like we put out RFPs, we put out bids and we have processes. We go through these processes to decide if we go with the best qualified person or the lowest bid depending on what you are working on.”

Larson-Cash was asked if she had been involved in any projects that Mayor Sidhu may have inserted himself into, and she stated, “Yes, it just came to me, it is a little bit different than what you are communicating. We have a building that is being vacated by a long-term user, the UCI Medical Center.” She explained that this was a smaller healthcare building, not a medical center, but more of a neighborhood health clinic. She stated that her Department was preparing to put an RFP out for this property and her boss, Larry Pasco (prior Director of Community Services), had been contacted by Mayor Sidhu, who had a contact that wanted to use this building for COVID-related purposes. She went on to say that the Mayor’s contacts were Eric Morgan (Morgan), Moe Tamary (M.Tamary), and Firas Tamary (F. Tamary) from Path Labs (also known as Diagnostic Lab Services or DLS). Larson-Cash explained that any lease agreement is required to go before the entire City Council for approval, and the lease of the UCI building would typically be required to go to the city council body for approval.

During his interview, Pasco\textsuperscript{197} was asked about the former UCI property on Carl Karcher Way for which Community Services was responsible, and he stated, “Harry, through the one-on-one meeting process with Department heads, made it clear that he wanted to see every contract before it came to Council, so we obliged with that.” In this specific situation, Pasco stated that they had put the RFP process into motion and Mayor Sidhu asked to see the RFP. Pasco stated that this was around the time he was leaving employment with the City, so Larson-Cash had taken over this project.

Larson-Cash estimated that Mayor Sidhu had asked to review the RFP for this property somewhere around October 2020 (based on a handwritten note she found). She went on to say that the negotiations with Path Labs started in February 2021.

Pasco stated that the only thing he remembered was that the Mayor had made a comment that whoever went into this property “needed to be a revenue-generating entity and we need to make some money off it and that was a little different than what we had thought of because there were a number of non-profits that could have provided needed resources.” Pasco stated that he recalled speaking with

\textsuperscript{196} Sjany Larson-Cash interview.
\textsuperscript{197} Larry Pasco interview.
Greg Garcia (Deputy City Manager) about this, and they decided to follow the Mayor’s direction but realized this was his request and not necessarily that of the full City Council. Pasco stated that he left prior to any final decisions that were made regarding this property, but he heard that Access California now occupies this property.

Larson-Cash stated that one of her employees, Holly Unruh (Unruh), who no longer works for the City, was the person responsible for showing this property to Mayor Sidhu’s contacts from Path Labs, and while touring the property, Unruh overheard the gentlemen from Path Labs make numerous comments about Sidhu and Ament. Larson-Cash stated, “We were not really happy because we wanted this to be a community, a use to benefit the community, and so we were not happy with what we were being asked to do, but it aligned with Covid, and we were working on Covid issues.”

Unruh\(^{198}\), during her interview with JLG Investigators, stated that the Community Services Department was responsible for a property in Anaheim that UCI had been leasing for several years. She stated that she was the contract manager for this property. Unruh stated that UCI had decided that they no longer needed the use of this location. She went on to say that the Community Services Department did not have a need for this building, and they decided to look for a new partner that would be able to utilize this property.

Unruh stated, “We discussed what type of organization would best serve the community by taking over this property, and the typical process would be to open up this location to a Request for Proposal (RFP) and give outside vendors an opportunity to propose what they may use this location for.”

Unruh stated that she had created an RFP for consideration of a lease agreement to see who might be interested in this location. She stated there were questions about “what benefit they would give to the City and what their financial contribution would be to the City.”

Unruh stated, “I had worked for the City for over fifteen years, and I had done many RFPs, and this was the first time that I ever had the Mayor’s Office ask to look at one of my RFPs before it went out.” On February 24, 2021, Julie Parker (Senior Administrative Analyst in Community Services) drafted an email regarding insurance requirements for this project to Tracey Matthews stating, “Since that time, Administration asked us to hold off on the RFP and instead directed us to work with a potential tenant on an agreement”\(^{199}\)

Unruh stated that they ultimately held off on this RFP, and she had the understanding that there may be some interest in using this property for COVID-related testing by a medical testing laboratory. She went on to say that she met with the owners of this company, Path Labs, at the property several times to determine if this space might work for them.

Unruh stated that every time she met with these gentlemen, the name “Todd Ament came up regularly.” She said that these gentlemen made comments such as “Todd said this, and the City told us we could do this.”

\(^{198}\)Holly Unruh interview.

\(^{199}\)February 24, 2021 Julie Parker Email (Exhibit 116).
Larson-Cash stated that Unruh would come back to the office and discuss her concerns about how this arrangement was progressing. Larson-Cash stated that the project did not go through, and they were happy about that. She went on to say, “It was sleazy in our opinion, and as we were putting the puzzle pieces together, I will be very honest, I didn’t in my sense really know that there was this level of politics going on prior to this event.” She stated that after the deal with Path Labs fell through, they (Community Services) were eventually able to put out an RFP, which was the correct process to find a tenant for this property.

Unruh was asked if she recalled where the direction initially came from to hold off on the original RFP process so that Path Labs could look at the UCI location, and she stated, “That came from the Mayor’s Office.”

Larson-Cash stated that another concern came up after Path Labs began to complain about the perceived requirement to use Ross McCune for the construction portion of this project. She stated that they (Community Services) told the gentlemen from Path Labs that there was no requirement to use any specific contractor and they could use whomever they chose.

Unruh stated that the owners of Path Labs brought a contractor with them to look at the property and determine what the property needed to meet their needs. She went on to say that she knew this contractor, and when asked who he was, Unruh stated, “Ross McCune, the Chamber of Commerce’s Vice President.”

Unruh stated that the gentlemen looking at the property kept saying, “The City told us we have to do this, and the City told us we have to do that.” Unruh said she asked them, “What do you mean the City, because I am the representative of the City that you are working with.” She went on to say that “to them, Todd was the City, and they had concerns about the tenant improvements and how expensive they were going to be and why couldn’t they use a different contractor?”

Unruh stated that she recalled them stating that the City said they had to use “Ross for this project, and I said, no, the City does not dictate who you have to use for these projects.”

Unruh stated that she made it very clear to these gentlemen from Path Labs that she was the City liaison for this project and Ament was not an employee for the City. She clarified that she made this statement due to the number of times that they referred to the direction they were given by Ament.

Unruh was asked if it appeared that Ament was acting as a lobbyist on behalf of the testing company, and she replied, “If I had to categorize it, yeah I would say he was acting on their behalf.”

Unruh stated that she currently works as a legislative staffer for a City Councilperson at another City, and some of things that she saw in Anaheim are even more alarming to her now because she does not see that in the City she currently works for. Unruh stated that where she currently works “it seems like there are a lot more boundaries.”
During their interviews with JLG Investigators, Mo and Firas Tamary\(^{200}\) stated that they are brothers and the owners of Diagnostic Laboratory Science (DLS) and Path Lab Services in Garden Grove. F. Tamary stated that Ament became acquainted with one of the sales representatives for DLS (Eric Morgan) at a bar in the City of Orange called the Post.

F. Tamary stated that their relationship with Ament began a couple of months prior to Covid. Once Covid hit, Firas stated that “Eric was trying to find enterprise businesses that would need to test for Covid, any business, and part of that was the Chamber of Commerce.” F. Tamary stated that Ament told them that he had been working for the Anaheim Chamber for quite a few years and was looking to retire from that position and start something on his own. F. Tamary said, “He saw how much money was attached to Covid and he wanted to be part of that.”

F. Tamary stated that in February of 2021, Path Labs considered leasing a property at 300 W. Carl Karcher in the City of Anaheim. This property was owned by the City and being managed by the Community Services Department of Anaheim.

F. Tamary stated that he and his brother hired Ament as a consultant for about ninety days. When asked how DLS became aware of the UCI building at 300 Carl Karcher in Anaheim being available, M. Tamary stated, “Todd came to us and said he found a building, it is a free building that the City is going to give to us, we are going to own the building after ten years. Why, because in the back of that building there is a park, and the park has five more years to decide if they are going to expand. If the park expands, we will have to leave, if not we will own the building.” M. Tamary went on to say that Ament told him, “This is a done deal. The City would also put up money to fix it.”

M. Tamary stated that he met with Unruh several times at this property for walk-throughs. M. Tamary stated that Unruh was confused at the first meeting regarding how this negotiation had developed. He went on to say that Ament was not at the first meeting with Unruh, but he (Ament) was present at the second meeting. M. Tamary stated that McCune was also at the second meeting with Ament. M. Tamary felt it was odd because every time they began to speak in front of Unruh, “Todd would say, ‘Let’s go talk in the back’.” M. Tamary said he didn’t understand what Ament was trying to hide.

F. Tamary stated that this deal became more complicated because Ament wanted to be a part owner of that building and was willing to put money down on the property for 25% ownership. F. Tamary stated that he told Ament it would not make sense for a contractor/consultant to become an owner with them. F. Tamary stated that “this was the first ‘no’ to Todd, and he didn’t like it.”

M. Tamary stated that Ament also asked for shares of the business and the property, but not under his name. He thought that Ament had said it would be under something called “Phantom Equity, which my understanding was that [in this arrangement] he doesn’t own anything until the business is sold.”

\(^{200}\) Mo and Firas Tamary (joint) interviews.
Eric Morgan (Sales Rep for Path Labs) was asked about the UCI Building in Anaheim that DLS was considering using for laboratory services. He stated, “Yeah, that building on Carl Karcher Way.” Morgan stated that Unruh would meet them at this location and let them tour the facility. He went on to say that there was another gentleman named “Ross, I think.” He stated that Ross McCune was going to prepare an estimate for construction services on this project.

Morgan was asked if he was told that if they wanted to move forward with this project, they would need to use McCune for the construction portion, and he replied, “Yeah, I mean he, you know Todd was infamous for creating back-door deals and getting money from here and there.”

M. Tamary stated that he was told by Ament that McCune was the contractor being used by the City for all of their projects, and if the City saw that they were using this contractor, then it is a done deal. F. Tamary went on to say that this was because of the permits and that everything would be approved if they used McCune.

Morgan stated that in regard to the UCI Building, they told Ament that they were looking at another building in a different city in case the Anaheim location did not come through. Morgan stated, “Todd told us, no you don’t understand how this works. It’s already approved like 5 to 1. We run around and talk to everyone behind the scenes” (Morgan was referring to City Council approval).

F. Tamary stated that it was difficult to understand how the City of Anaheim works, and Ament would always tell them that he would be able to get anything done that needed to get done. F. Tamary explained that “all of Todd is very fishy. When you meet Todd or speak to Todd there is something not comforting about Todd, something is not right.”

Morgan stated that they did not pay Ament specifically for this project because he was working directly for them as a “consultant during this time period.”

When negotiations with Path Labs failed, Larson-Cash drafted a memorandum to the City Council on April 27, 2021, stating the vacant property at 300 W. Carl Karcher would be seeking proposals from interested and qualified entities by means of a Request for Proposal process. Access California participated in this process and is currently leasing this property.

b. Conclusions

The facts in this matter indicated that the City’s Community Services Department was responsible for the City-owned property located at 300 Carl Karcher in the City of Anaheim. This property had been leased to UCI for several years.

When UCI notified the City that they no longer needed the use of this facility and wanted to terminate their lease, the Community Services Department began the process of putting out an RFP to determine interest in this location. After the RFP process had been started, the Community Services

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201 Eric Morgan interview.

202 April 27, 2021 Memorandum authored by Larson-Cash (Exhibit 117).
Department was notified to place the RFP on hold and to meet with a potential client (Path Labs) that was interested in leasing this property.

Witnesses interviewed on this subject stated that this request to hold off on the RFP came from the Mayor’s Office. Witnesses stated that Ament was directly involved in the negotiations for this property with the potential client recommended by Mayor Sidhu. It also appeared that the client was under the impression that any construction services needed at the property should be completed by Caisteal Builders, Inc. (owned by McCune).

The facts in this matter further indicated that on the surface, it appeared this client (Path Labs) may have been able to provide a service to the community in the form of COVID testing, but statements by the owners of Path Labs clearly described actions by Ament that would financially benefit him (Ament) or McCune.

It was concerning that Ament was acting in several roles during these negotiations. According to the Tamarys, he was working for Path Labs and was on their payroll as a consultant, while also serving as the CEO of the Anaheim Chamber of Commerce. It raises suspicion as to why the Mayor would stop an RFP process that was in progress in order to allow Ament’s employer the opportunity to acquire the lease of this property before anyone else had the ability to bid on it. The statement made by the Tamarys that Ament reassured them he already had the votes needed (5 to 1) for the approval of Path Labs to get this lease suggests that there was either significant discussion with City Council members on this subject prior to an official meeting, or Mayor Sidhu was confident that if he voted in favor of this project the Council majority would follow his lead. This could have been a serial Brown Act violation had there been or was to be a collusion of agreement by a majority of the City Council on a matter under their review, decision and/or vote.

The greater weight of credible evidence indicated that the RFP process may have been circumvented to give Ament an opportunity to allow his employer (Path Labs) the ability to secure the lease to this property before a competitive process had been completed. It also appeared that Ament had a financial interest in this transaction that provided no benefit to the City. The City clearly has well-defined systems in place to ensure a fair procurement process, and it appeared that Ament’s relationship with Mayor Sidhu afforded him the opportunity to bypass those systems.

This situation is another example of a pattern by Mayor Sidhu potentially using his position and access to information to provide a benefit and/or special treatment to people that had a personal relationship with him.

c. Additional Information

While interviewing the Tamarys, JLG Investigators learned there were significant discussion that took place regarding Ament’s business relationship with them regarding COVID testing. The issues discussed below raise the opportunity for a bias by the Tamarys toward Ament, but many of their statements regarding the UCI property were corroborated by other witnesses. While the details of the business relationship between Ament and the Tamarys moves outside the scope of this Investigation, it does offer additional insight into Ament’s character and thought process.
F. Tamary noted that once the COVID business started to take off, Ament came up with an idea that the lab would need someone to administer the tests and conduct the actual swabs needed for the lab to test. He went on to say that Ament resigned from his consultant position because he wanted to start his own business that would collect the swabs to be tested by the labs. M. Tamary stated that Ament’s new business to collect swabs was named “Accurate Healthcare.”

F. Tamary recalled that they were initially okay with using Accurate Healthcare as a third-party partner to collect swabs, but he did not feel comfortable with being actual business partners with Ament. He explained that Ament “doesn’t understand healthcare, and the rules that apply to healthcare are different: Any small amount of money that goes the wrong way is considered a kickback, and we are very cautious about that.”

F. Tamary remarked that from that point, they used Accurate Healthcare to conduct the swab portion of their testing process, and they gave Ament a set price for each swab collected. F. Tamary stated that they agreed on the Medi-Cal rate of swab collection, and he stated that was not negotiable because it was the law. He went on to say that at some point “Todd became smart and said that it wasn’t enough for me or feasible to work for $23.46 per swab, so I want a little more money from the actual test.” We explained to Ament that “this was against the law.” He explained that they could only pay Ament for the services he performed and anything above and beyond that could be considered a kickback.

F. Tamary stated that Ament told him that he had vetted this through his attorney and that they could do a joint venture which would be legal. He said he told Ament, “All of what you are talking about are schemes that in the past have been busted by the Feds. It just doesn’t work. What is in healthcare is different than what you did in the outside world. JV [Joint Venture] structures do not apply in healthcare, that’s the bottom line. It’s considered a violation.”

F. Tamary told us that Ament used Jeff Farano as his attorney, and he (F. Tamary) felt Farano was “corrupt.” M. Tamary stated, “He is a bad attorney.” F. Tamary stated that Farano’s job was to make things look like they were “compliant.” He said that Farano was Ament’s “sidekick and was always with him.” F. Tamary stated that Ament also brought his employees from the Chamber with him to most of their meetings. He said the Chamber employees were Pang Yang and Chris Nguyen. Morgan stated that he was at the Chamber “a lot, and his little data guy, Chris Nguyen, was involved in everything with Todd.”

F. Tamary stated that DLS had received a large contract with the Santa Ana Unified School District that was worth over 100 million dollars to conduct daily COVID testing on all of the staff and students. He stated that Ament told him they had an inside connection and that “they already have the votes” for this contract, and everything had already been worked out behind the scenes prior to it becoming public.

F. Tamary stated that everything started out fine until Ament began to demand more money per swab, and when DLS would not agree to his terms, he found another lab to work with. He went on to say that this is when Ament basically stole the Santa Ana Unified School District contract from DLS.
F. Tamary recalled that the second “no” to Ament occurred when “Todd came to me and said he had a second lab that was willing to give him a joint venture on top of the $23.00 dollars that you are talking about. They are willing to give me 40%.” F. Tamary stated that he told Ament “Listen, this is a ECRA and a Welfare Code and a Business and Profession Code violation.” F. Tamary stated that they checked with their attorney and explained what Ament had proposed, and he (their attorney) unequivocally said, “No.”

Morgan stated that eventually Ament told DLS and Path Labs that the Santa Ana Unified School District wanted to terminate their contract with them and utilize the services of a different lab.

Morgan stated that Med Labs and COVID Clinic ended up taking over the school district contract, and “Todd wanted to make money on every test for the second school semester.” He went on to say that “Todd sold Accurate Healthcare to Matt Collins (Med Labs) for ten million dollars three days before he got indicted.”

M. Tamary stated that at one point Ament contacted DLS and said that he was holding data that they needed and agreed to return that data if DLS paid him a fee. He stated that Ament had sold Accurate Healthcare to Matt Collins (Med Labs) but had opened another company with the exact same name, Accurate Healthcare; however, this company was in the state of Delaware, and that is where he wanted DLS to send the payment to. The Tamarys speculated that Ament was trying to create a way to work around Collins now.

F. Tamary explained that he also owns a cannabis lab in Long Beach and that the son of the “corrupted mayor (Sidhu)” came to them and wanted 5% equity in their cannabis operation. F. Tamary stated that they met the Mayor’s son through Ament.

When asked why the Mayor’s son would feel that he should receive 5% equity in the company, F. Tamary stated, “He told us there is no cannabis lab in Anaheim, but we have the leverage and the power to get you the permit, and you would be the only lab in Anaheim.”

F. Tamary clarified that it was Ament that told them he could get the permits needed to open a cannabis lab in Anaheim.

Morgan was asked about Mayor Sidhu’s son becoming involved in the Tamarys cannabis-testing facility in Long Beach, and he stated, “Yeah, Todd said Rohan [Sidhu] was a consultant of some sort for the cannabis industry and Rohan met with Firas, but nothing ever materialized.”

On June 20, 2023, We reached out to Matt Collins from Med Labs in order to clarify some of the statements made by Morgan. On June 21, 2023, Collins’ attorney (Alex Porter) called back to

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203 City of Anaheim PIO, Mike Lyster, provided a reference on behalf of Matt Collins to Disney related to COVID testing.
inquire what questions we had for Collins, and after a short discussion he stated that he would confer with his client and get back to us. As of the date of this report we have not heard back from Collins’ attorney.

C. Investigate the City’s financial interactions and joint projects with the Anaheim Chamber of Commerce while under the leadership of Todd Ament. This should include financial interactions with Visit Anaheim, Anaheim First, and any PACs or charitable entities associated with the Chamber.

D. Anaheim Chamber of Commerce

1. A Historical Review of Todd Ament

The Anaheim Chamber of Commerce was founded in 1895, according to its website. Its history is relatively uneventful—at least for the purposes of this report—until the arrival of Todd Ament as Chamber CEO and President in 2004. Ament grew up in and around Anaheim.

   a. YMCA

   Ament was much later hired by the YMCA, where he worked for a number of years. Paul Kott, an Anaheim real estate broker and former YMCA board member, stated he has known Todd Ament for over 50 years. At some point, the YMCA Board asked Ament to be the Director. He was subsequently hired by the Anaheim Chamber of Commerce.

   Sandy Morales is a former employee of the Anaheim Chamber of Commerce, where she worked as the Events Director from 2005 to 2015. Prior to that, she worked at the Anaheim YMCA from 2000-2002. She stated that Ament, her boyfriend at the time, “brought me over” to the Chamber to work. She also previously worked at the YMCA with Ament. She indicated that while she was at the YMCA, Ament “was my boss.”

   Morales and Ament were involved in a “personal relationship” for twelve years (2002-2015). She believed Ament also had one or more sexual harassment claims against him while working at the YMCA. She believed the female employee, CFO Joan Ring, who claimed sexual harassment by Ament may have also been the one who tipped off the YMCA Board that Ament had a fake college diploma.

   b. Ament at the Chamber

   Morales stated at the time Ament went to work at the Chamber he “Pretty much let go all staff and created his own new staff.”

   When Morales came to work at the Chamber, shortly after Ament, she indicated the Chamber Board was fully aware she and Ament were involved in a personal relationship. She indicated working with her “significant other” at the Chamber could be “very challenging.” Ament was “controlling,” and she felt “pretty much under his thumb.”
She agreed that Ament was active in attempting to solicit funds from the City of Anaheim and other sources. It was a struggle for Morales to keep things on the “up and up,” and that Ament kept things from her. When asked specifically what things she questioned Ament about, Morales replied,

*He was just very disingenuous with council and city staff, you know, and he would say whatever he had to say to get in their good graces. And then he’d hang up the phone and he’d be saying horrible things [to me] about them, so it was just hard to listen to.*

Mr. Johnson: So, he was trying to use them?

Ms. Morales: Oh, absolutely!

Mr. Johnson: Ok. And was he successful?

Ms. Morales: Oh yeah! He’s a master at that!

Todd Ament had his “own agenda,” according to Morales. “It was all about power and money and status…whoever he needed he knew how to get into their good graces. Like I said, he was an expert at that, getting people to buy into the Kool-Aid, so to speak.”

The more financially successful the Chamber was, the more financially successful Ament became. “Honestly, he would, a lot of times back in those days, use the Chamber as his personal account, so to speak. He would do things that I would question all the time.”

When asked about specifics regarding instances Ament misused Chamber funds for his personal enrichment, Morales stated,

*Back then it was mostly things; like, he would buy, all of a sudden, these big, huge flat screens [TVs] would show up at the Chamber, and suddenly, they weren’t at the Chamber anymore, they were at the house.*

This included other things like furniture and “all those things” that would end up in their home. This was “very common” according to Morales.

When asked about money or liquid Chamber assets Ament was embezzling or misappropriating, Morales stated she was unsure about this, because Ament kept his finances separate from hers later in the relationship. Early in the relationship they had joint accounts, “At the beginning we did, when I had all the money,” according to Morales, “And then he spent it all, and that’s when we separated accounts.”

She was asked if she had any additional knowledge regarding Chamber funds used by Ament for personal reasons. She reiterated they had separate finances at that point, and she was not involved in any of the Chamber financial accounting.
Todd is an expert at hiring people that he can control, so he would hire people that he knew to do the accounting. For instance, early on he hired his dad, sweet man who has since passed, because he could control his dad and control everything.

This occurred at the beginning of Ament’s time at the Chamber in 2004 or 2005. This continued for a few years. She indicated it was during this time that the Chamber was “. . . compelled to pay [taxes] that we did not pay. It was because Todd instructed his dad not to pay, because we didn’t have the money.” Ament later denied knowing anything about the delinquent taxes when the issue came to light. “He let Sarah Bartczak [Chamber VP] take the blame for it, and she didn’t have anything to do with it.”

When asked if there were ever any audits performed regarding the Chamber finances, income and expenditures, Morales replied, “Not at that time. Not until enterprise zones.”204 She was unaware if the Chamber’s by-laws required audits, but she was unaware of any audit ever conducted by the Chamber of any of its financial records.

Mr. Johnson:  Do you know if there was ever an audit? An internal audit?

Ms. Morales:  No, there was not.

One of the Chamber board members, Doug Shively, started doing the chamber’s taxes after Ament’s father passed away.

Mr. Johnson:  Now, was Doug kind of like—you described that [Ament] only hired people he could control. Was Doug a person he could control?

Ms. Morales:  Yes.

Mr. Johnson:  Because he was a board member?

Ms. Morales:  Yes.

She described Doug as a “good man,” adding, “But again, Todd is a master manipulator. So, anytime someone doesn’t have a strong personality, there’s no hope.”

c. Jeff Flint

Morales was asked about Jeff Flint and his involvement with the Chamber and Morales’ Chamber projects. She indicated she had “a lot of interaction” with Flint, “. . . eventually he had an office in our office. He was there quite a bit.” She believed Flint moved in with them because their new offices were expensive and “very lavish,” and Flint rented space to “help offset some of that.” This occurred when they were “deeply involved” in the Enterprise Zone project.

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204 The Chamber’s 2013 Enterprise Zone contract with the City amounted to at least $2.9 million. The audit was performed by the City, not the Chamber, and was presumably mandated by the State.
She did not have a lot of interaction with Flint with the exception of the Enterprise Zone and Fourth of July fireworks show. “Jeff was right in the middle of all that.”

d. Mayor Curt Pringle

Paul Kott stated Todd Ament aspired to be like Curt Pringle and to wield the same type of power and influence. As an example, Pringle was the California State Assembly Speaker and then became Mayor of “a city he has never lived in.” Prior to becoming Mayor, Pringle lived in Garden Grove. “I feel Curt believed that Todd could be a good front man for Curt’s initiatives.” When asked if he believed Pringle used Ament for this purpose, he replied, “Yes, 100 percent.”

Mishal Montgomery, former Chief of Staff for Mayor Pringle, confirmed that Pringle was instrumental in getting Ament hired at the Chamber. She specifically recalled that Pringle made a call to the Chamber of Commerce suggesting that they consider Ament for the open CEO position. She further stated that Pringle knew Ament’s weaknesses and was able to exploit him. She recalled being put off by the fact that Ament would call her and demand to be involved in the important meetings at City Hall. She noted the Chamber of Commerce operated like a typical Chamber prior to Todd Ament's arrival. He was constantly trying to figure out ways to increase his revenue but when she asked for documentation on his proposals he would not come through.

Montgomery and other City staff witnesses indicated that Ament would call them begging for money, sometimes in tears. She thought this was highly unusual that he seemed so desperate for funds. “[Pringle] was very instrumental in getting Todd the job at the Chamber,” according to Sandy Morales. While Ament was still working at the Anaheim YMCA as a part of management, two board members became dissatisfied with the director at the time. The YMCA was in financial straits, and the director “. . . butted heads with the City.” This made for a great deal of internal dissatisfaction with the Director. Apparently, Ament saw the opportunity and started developing a relationship with Curt Pringle, to assist him in getting the director position at the YMCA. Pringle also encouraged Ament to apply for the Chamber CEO job, believing Ament was “pro-city” and that was who he wanted in that position.

Ament got the Chamber job while Pringle was Mayor. Morales came over to work at the Chamber in 2005. She and Ament were in a romantic relationship at that time, and would later become engaged. During this time, they were guests at Pringle’s home, and got to know Curt and his wife, Lexie, very well.

Ament “lobbied” Pringle for the Chamber to take over the City’s Prayer Breakfast. Pringle subsequently allowed the Chamber to run the event. She indicated that for the Prayer Breakfast, they received a “stipend” from the City to cover the expenses. If there was money left over, it went to a separate Prayer Breakfast account to be used for the next year, as far as she was aware.

She contrasted this with other events the Chamber took over, like the Anaheim Hills July 4th fireworks show and parade. With this event, she believed after the Chamber took the event over, it received all leftover funds after expenses were paid. When asked what the Chamber cleared on the July 4th event, Morales replied, “Maybe $60,000 or so.”
Jeff Flint worked with TNT Fireworks to get a ballot initiative passed that legalized fireworks in the City (“Safe & Sane Fireworks,” Measure E) and also get them involved in Anaheim Hills Fourth of July event. This opened the way for TNT to get exclusive franchise rights to sell fireworks at the Honda Center to the public. That was a “big Deal” because,

*We knew fireworks cost $20,000, [for the Anaheim Hills show] and so Todd wanted the contract, I think it was $40,000 maybe? In order, and pushed, to get fireworks only sold [to the public] at the Honda Center, and if they would do that, he would get the money from TNT, which I believe was $40,000, something like that, I could be wrong, but it transpired something like that...I think TNT paid the Chamber...He [Ament] was all about that $40,000.*

The intent was to get all the public fireworks contracts for TNT, so Ament could get kickbacks for exclusively getting TNT all the City business. “I think TNT paid the Chamber, because they wanted to be the sole proprietor [of fireworks sales] at the Honda Center. And so, Todd promised them he would get that, but they had to pay to be the top sponsor of the [Anaheim Hills] fireworks for $40,000.”

Mr. Johnson: *So, it was a kickback?*

Ms. Morales: *Yes.*

Mr. Johnson: *Ok. Did that ever go through?*

Ms. Morales: *Uh-huh. [Yes]*

She believed this occurred in 2013 or 2014. The ballot initiative was passed in June 2014.

It should be noted that prior to this, in July 2013, Todd Ament was appointed to the Anaheim Charter Review Committee that was tasked with reviewing and recommending amendments to the City Charter, which was right after Pringle resigned his position on the committee. On February 4, 2014, the Committee presented their report to the City which included a proposal (Measure 4) for the inclusion of a new section (1214) to the City Charter to permit the sale, possession and use of safe and sane fireworks in the City of Anaheim.\(^\text{205}\) This became Measure E, which was placed on the June 2014 primary ballot. TNT donated $105,000 to the effort as indicated on a flyer paid for by Citizens for a Safe Fourth of July and 460 PAC form. Todd Ament is also pictured on the flyer.

Ament and Pringle would also have worked closely on the formation of Save Our Anaheim Resort (SOAR) in 2007. According to Paul Kott, who has served on the board since its inception, the idea of SOAR was brought forth by Todd Ament and he assembled all the charter members with people who would move in a direction that would garner public support for the resort area. Cynthia Ward,\(^\text{206}\) who was also an original board member, said Pringle was involved from the beginning but never served on the board of directors. The group eventually formed a PAC in 2010 and would hold fundraisers.

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\(^\text{205}\) February 4, 2014 Charter Review Committee Recommendations.

\(^\text{206}\) Cynthia Ward interview.
Kott told us that Ament had an alliance with Pringle and Jeff Flint and he called them the “triumvirate.” He said they always tried to run the show, and SOAR became a vehicle to raise money quickly. It also gave Ament power. Kott related that Ament would appoint people to be members of SOAR that would align with his political positions to stack things in his favor and described him as an “influence peddler.” If someone was being groomed as an Anaheim elected official and were in Ament’s graces, he would have them join SOAR.

Additionally, Kott said he saw SOAR,

. . . transition from a group of people that saw maintaining the area would be beneficial to the resort, to all of a sudden this political wing in terms of support mechanism for political candidates and political candidates that I felt weren’t necessarily interested in doing good things for Anaheim.

At a certain point, SOAR “became a fundraising mechanism. It became a group that wanted to grow into several thousands of associate memberships to people that were outside of the main core group,” (the core group was just 20 people).

When asked what caused the change in SOAR from what is was originally intended to be (from a community organization to a fundraising vehicle), Kott said, “I think it really changed as a result of Todd Ament’s leadership.” While Kott had admiration for Ament as a “smart guy” and someone who had a “heart for Anaheim,” he noticed through the years that,

. . . everything he [Ament] seemed to do year after year led me to believe that his efforts were not driven by what’s good for Anaheim but what’s better for him, and what’s better for him became this kind of a power broker model where he got to kind of be the guy people would seek to help run their campaigns, to fund fundraisers and raise campaign dollars for City Council in particular, and he would groom people for City Council.

Curt Pringle will be discussed more specifically in another section of this report, but it appears clear he was a significant part of the catalyst for Ament and the Chamber’s rise to power and influence in Anaheim.

When asked to describe the difference in leadership style between Mayor Pringle and Mayor Tait, current Human Resources Director Linda Andal207 stated that she enjoyed working with both and described Pringle as being very effective, while Tait is more nurturing. She believed that you always knew where Tait stood on an issue, while Pringle was very strategic in his thought process and speech. If Pringle wanted to get a project done, he would go to the City Manager, but would also go directly to the Department Heads and give them the same direction. When asked if this caused issues with the Mayor going around the City Manager to other staff, she stated that it didn’t cause issues for her, but it did open the door to potential problems as that policy became more lax due to all of the different City Managers that were employed over a short time period. Andal observed that it is written in their City Charter that the Mayor should go to the City Manager with requests and not give staff specific direction.

207 Linda Andal interview.
e. Mayor Tom Tait

Tom Tait succeeded Pringle as mayor in 2010. According to Sandy Morales, Ament did not like Tait. “Tom has high integrity and couldn’t be swayed by Todd. And anyone who couldn’t be swayed by Todd, he wanted to destroy.” When asked if she knew how Tait viewed Ament, she replied, “The more he saw of Todd, I think, the less he liked him.” Ament printed some anti-Tait mailers during the election through the Chamber’s PAC. Ament made numerous derogatory remarks about Tait. Tait became aware of this. It did not help their relationship.

Bill Taormina\(^{208}\) stated he donated $25,000 to a PAC because Curt Pringle asked him to do so. The funds were then used to run a “hit piece” against Tom Tait who was running for mayor. He did not know this was how the money was going to be used and it put a crimp in he and Tait’s relationship for a while. This effort was likely aided by Ament.

Tom Tait confirmed that from the outset he had a bad feeling about Ament. An example of this was, early on in his tenure, the State of the City event, which the Chamber ran. Ament told Tait that he didn’t want him addressing some of the controversial issues of the day - the officer-involved shooting, the Garden Walk subsidy issue, etc. Tait said he had to address these things. Ament and the Council majority, in response, threatened that Kris Murray would give the State of the City address. “That’s how bizarre this was. I think we had a meeting of business leaders that were concerned about my State of the City. I think Dennis Kuhl was there from the Angels. I’m like, ‘you’re not going to tell me what I’m going to say in my State of the City.”’ Despite this, Ament had Jeff Farano, who was on the Chamber Board, give a short State of the City statement before Tait spoke.

After the Gardenwalk vote, Tait did not communicate with Ament. Previously Tait knew him from the YMCA. He thought he was very talented and had somewhat favored him. However, Tait became concerned that after Ament got fired from the YMCA, he was appointed President of the Chamber.

Tait became involved in the Anaheim Hills Community Council/Fourth of July Parade. He stated he facilitated a meeting with the neighborhood group at first. He thought the Chamber could help. This was before the Chamber took over the event. It was just a community group that put on the fireworks show. Tait was not aware at the time of money funneling to the Chamber from this organization, but he did know that they created a campaign email list from the names of community members who participated in Fourth of July events. Tait recounted the story of a friend of his, a former Marine colonel from Tustin, who ran in the Fourth of July race. He said he got a campaign flyer from Harry Sidhu after his participation.

Tait said this group became political. They took over a Facebook page called the Anaheim Buzz and focused on “pumping their candidates.” They even had an administrator for it. They posted pro-Sidhu messages, stating, “How great Harry is, how he saved the parade, how great Trevor O’Neil has been. It’s like a political arm of those guys.” He added, “It’s run like a PAC but even deeper because it’s like all year round, constantly pumping their candidates up.”

\(^{208}\) Bill Taormina interview.
Tait said there were several Council votes (Tait was in the Council minority the first six years of his tenure as mayor) to give the Chamber sponsorships or award contracts that didn’t make sense. He said there were about five sponsorships where the city “would just give them money.”

Tait took the Mayor’s Prayer Breakfast back from the Chamber. He said he did this because “I didn’t want to fund the Chamber because I thought they were corrupt.” He also took back the State of the City event from the Chamber. After taking it back, they made about $80,000 from it, which they turned over to charity for at-risk kids. Most of the funds came from sponsorships.

Tait thought the Chamber received about $400,000 per year from Visit Anaheim. He believed Curt Pringle put this deal together when he was Mayor. The source of that income was a tax assessment district for the hotels and resort (TID). When this was implemented, it was intended to fund Visit Anaheim, which is essentially the visitors’ bureau for Anaheim. Tait was aware there was a deal made with the Chamber for $400,000 a year, or a percentage of the Visit Anaheim income.

Visit Anaheim CEO Jay Burress confirmed this was the case, and that the Chamber is still receiving these funds. He estimated that for the current year (2023), the Chamber will receive an estimated $700,000.209 Burress stated Visit Anaheim receives 75% of the TID hotel tax. The Chamber of Commerce receives a portion of that, although Burress has been attempting to modify that agreement. “A few years ago, I went to Todd and the Chamber and said, ‘My board is paying you too much, we need to cap it.’” Of course, Ament had no interest in cutting that lucrative funding source.

When Burress first came to Visit Anaheim in 2013, he stated the Chamber was receiving about $250,000 a year under the agreement. It has now gotten to the point where Burress is projecting $700,000 for the Chamber this year. It is based on a percentage of Visit Anaheim’s income from the TID. Burress claimed he has not been able to modify the agreement because by contract, both boards must approve it, which appears on its face to be an unusual requirement. This agreement was entered into by Burress’ predecessor [Charles Ahlers] and Todd Ament in 2010. When asked about Mayor Pringle’s involvement in this decision, Sandy Morales stated, “Curt was definitely instrumental in [that decision].” She added that by that time Pringle and Ament were “very much aligned” in their thinking and goals.

The Letter of Intent, signed by Charles Ahlers on July 23, 2010, as the President of the Anaheim/Orange County Visitor & Convention Bureau (AOCVCB), which was the direct predecessor to Visit Anaheim, indicates that the AOCVCB would be getting a total of 2% of the Tourism Improvement District (TID) tax, paid by the hotels and resort, and that the Chamber would be getting 3.5% of the “Anaheim Sales and Marketing” portion of AOCVCB’s total TID. As the TID increased, so would the Chamber’s cut.

However, Jay Burress’ claim that the contract required both boards to vote to end the agreement does not appear accurate. Although it requires both entities to meet and confer yearly to agree upon the “Program of Work” for the Chamber (based on enumerated criteria), it further states that final approval of the Chamber’s work program shall be based on “reasonable evaluation of the chamber’s

209 Jay Burress interview.
performance under the Program of Work and the needs of TID members as well as the [Chamber’s] ability to carry out this Program of Work.”

Despite this, Mishal Montgomery and other witnesses indicated that during this time Ament would often contact the City begging for money.

\textit{f. Mayor Harry Sidhu}

When asked if Ament became more visible around City Hall after Mayor Sidhu was elected, Andal stated “Yes, as soon as the election was over.” Andal was asked if she had ever heard the observation that if you wanted to speak with the Mayor you need to go through Ament and she replied “That has been shared with me, but I have never personally heard it.” She stated that statement was common knowledge amongst City staff.

When asked if the relationship between Sidhu and Ament was problematic she replied, “I think when anyone outside of the City payroll is involved in policy-making and implementation it is challenging.”

When asked her general opinion of Ament, Andal stated, “I would keep him at a distance when it was work related.” She went on to say that if she said something to Ament, it would likely get told to someone else, and in her words “The trust factor was not there.” When asked if she was surprised when the allegations against Ament became public, Andal stated “No.”

When asked about Ament’s presence at meetings with staff at City Hall, Andal stated that numerous staff members had voiced concern about his attendance at so many meetings.

Joanna Sosa,\textsuperscript{210} Director of Membership Services at the Chamber, stated that she had heard about Todd Ament’s father being the bookkeeper for the Chamber of Commerce and that he “cooked the books for Todd.” She indicated that it was reported that Ament treated his father very harshly and was not nice to him. Ament’s father seemed like a very nice man, but there was a lot of talk about inappropriate accounting taking place. She stated that she never saw this first-hand but it was definitely a subject of discussion.

Sosa was asked if she had any specific information regarding her statement about “cooking the books.” She stated it was a common discussion in the office but she had no proof. Melody Farr and Sandy Morales were probably involved in those discussions and everybody knew something was going on.

Sosa claimed that Ament would send her to obscure places such as Pechanga Casino to try and get Chamber memberships. She stated that if anyone was conducting business in the City, even if it was temporary, such as a movie film shoot, he would send her to those locations to get memberships.

Sosa believed it became problematic because everything that was promised to these small businesses joining the Chamber never happened. They would be promised ribbon-cutting and events.

\textsuperscript{210} Joanna Sosa interview.
such as those, but it seemed that all of the attention from the Chamber was devoted to a select group of large businesses such as Disney, Yellow Cab and the Angels.

After the inception of SOAR, Ament started having a significant increase in the number of closed-door meetings, and they stopped having Chamber Staff meetings altogether. She stated that the secretary Sheri Cowan complained that they were no longer having meetings at the Chamber and Ament became unavailable. Most of Ament’s meetings now were focused on the SOAR group and she noticed Carrie Nocella being involved in a lot of meetings. She stated that Chamber business came to a “slow crawl.” Mayor Pringle and Councilmember Faessel seemed to be at the Chamber more often during this time period as well.

Sosa became very vocal at the Chamber regarding the shift in focus and the small businesses being ignored during this time. At one point a secondary Chamber of Commerce was formed for all of the smaller businesses, and if they were still in operation, the members of this group would be disgruntled towards Ament and the original Chamber.

The salesmen working for the Chamber began to leave and/or got fired during this time period and they went from six salespeople down to two.

According to Sosa, people in the community would complain that in order to get anything done in the City you had to go through the Chamber or contribute to campaigns. When asked for specifics, Sosa stated that she couldn’t think of a specific name, but this was a common theme she heard from people.

According to Sosa, Ament and Jeff Farano were “tied at the hip” during this time and they were involved in most of the Chamber business that took place. She had heard there was a falling out at some point, but she could not confirm that. She thought that they had some type of business together. If Ament and Farano were having a meeting and you tried to walk in, they would shut the door in your face. She added that almost every meeting involving them was behind closed doors.

Jerry Amante,211 who worked closely with Jeff Flint for several years as his corporate counsel, stated that he was not certain of the timing, but he learned that Flint and Todd Ament were working together privately, which had nothing to do with the enterprises. When Amante later read the FBI indictment, he first learned about their other activities. He said the more he got to know Todd Ament over time the less he liked him because he gave off the impression that he was a “hustler.” Amante describes the way Ament treated FSB staff as condescending, misogynistic and full of “self-puffery.”

Brooke Bushart,212 another FSB employee confirmed this attitude in our interview. She said Ament would ask her to do things for him, despite the fact that she didn’t work for him. She let him know that and declined to comply with his requests.

Flint and Ament approached Amante asking him to take on the role of Chief Operating Officer (CEO) for the Anaheim Chamber of Commerce, which Amante turned down. He believed the time frame was late 2017 or early 2018 when the offer was made. The reason behind the request was that

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211 Jerry Amante interview.
212 Brooke Bushart interview.
Ament no longer wanted to be the frontman for some of the “political stuff” they were doing for elected officials, and he did not want to be required to speak on behalf of the Chamber. He wanted someone else to be the Chamber CEO so he could operate in the background.

When asked for his opinion of Ament, John Woodhead, Former Community Development Director, stated that he was aware of Ament’s mismanagement at the YMCA and hence did not have a favorable view. He added,

The way the Chamber had worked out an agreement to get money from the City to support them, I have always believed very strongly that the City should not have had a close relationship with the Chamber. In other jurisdictions, I saw that and saw how poisonous that could become and I was the attorney charged with drafting that first Chamber contract.

He continued,

I screamed and yelled behind closed doors at Lisa and at the City Manager, I yelled repeatedly until they said that this is happening, and I said ‘I hear you, I have spoken, I have warned you, I have done all I can do.’

Woodhead stated that every time these contracts would come up, he would remind everyone that this is a bad idea, and they shouldn’t do it. He stated that towards the end they wouldn’t even have him involved in the drafting of the Chamber contracts, because there were lines “I simply was not going to cross.”

Woodhead stated that “Todd had a reputation that preceded him rightly or wrongly, but his business practices had always been a little bit suspect.” He went on to say that he recalled his group (redevelopment) having to bail out Ament at the YMCA due to mismanagement and when he came to the City asking for money at the Chamber, he felt that the same scenario was starting all over again.

Woodhead felt that the Chamber of Commerce would devolve into some sort of PAC and “We would be giving them money to do political things, bad news, you are going to politicize your council.” Woodhead viewed him as, “Todd as the Chancellor.” Ament was present at meetings that you typically would never see the Chamber CEO attending. He lamented, “He would have access to information, and you would just go, how would you know that, that has been shared with such a small group of people.”

Keith Olesen,213 Anaheim First Director, stated he first met Todd Ament in the late 1980’s when the Housing and Urban Development (HUD) was giving Community Development Block Grants (CDBG) to cities. Later, both Olesen and Ament were Neighborhood Council Chairpersons that were recipients of the grants.

Olesen believed that the success of the Neighborhood Councils was a blueprint for Ament to create Anaheim First. He thought Ament’s plans were moving along even before Harry Sidhu was

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213 Keith Olesen interview.
elected Mayor. He remembered hearing early on that $25 million generated by the Transient Occupancy Tax (TOT) would go into the City’s budget and would be transferred to Anaheim First’s efforts towards neighborhood improvements. He said the stadium’s sale was also going to be part of the funding of Anaheim First, but he could not recall who he specifically heard that from. There was also discussion of once the [LPMR] bonds were paid off, some of the money would go to Anaheim First.

Former Council Member Lucille Kring, commented that she actually felt sorry for Ament, because “He moves too fast and he trips over his own feet.” She has been to Ament’s home in Westridge, and also the home he purchased in Orange and observed they were both “million-dollar homes.” She believed Ament “likes the good things in life.” She stated at the time she wondered how he was managing to have so much, but she also knew he had a private consulting business and development connections.

Public Works Director Rudy Emami, commented on the termination of City Manager Chris Zapata. “Chris was a great guy and I still stay in contact with him, and he was a good city manager and it hurt to see him go. I think it was unfortunate because he was standing up for the right thing and doing his job and he was let go.” He said Zapata would refer to the Chamber of Commerce as “City Hall South” because of the influence it had on the City. Emami recalled that Zapata had written a letter asking for an accounting of how the $6.5 million Visit Anaheim money was spent, and it was shortly thereafter Zapata was let go.

g. Sarah Bartczak

Sarah Bartczak has a long history of working with Todd Ament, which started when he was at the YMCA. At the time, she was a recent college graduate. She started as an intern, working as a grant writer and was eventually hired as a grant coordinator in June 2003 to December 2004. Todd Ament was Vice President of Operations at the time (the number two person at the YMCA). Bartczak didn’t work directly for him but did interact with him because “he oversaw some of the larger grants related to the after-school program in particular.” She said her interactions were “fine” and that she didn’t typically meet with him one-on-one. Her impression of him was that “he was a strong personality.” When asked in what way, she replied, “He’s a large force in a room. He’s the lead in the room is I guess how I would describe that.”

When Ament left the YMCA to go to the Chamber, he recruited Bartczak and she followed him shortly thereafter (within months). She said they had been talking about her joining him at the Chamber while he was transitioning out of the YMCA. She knew about the position for some time and said he was the one who hired her to come over to the Chamber.

He asked me to come over because he knew I had a background in grant writing and he wanted to start looking at alternative funding streams. I will make this clear. This is my recollection based on information I got from him. I was told that the board was looking for alternative funding streams; the Chamber was struggling. One of those funding streams was a contract with the City of Anaheim as well as potentially external grants.

214 Rudy Emami interview.
215 Sarah Bartczak interview.
and he wanted somebody who had the ability to do/work on contracts, write grants, and understood the compliance rules.

This was something Sarah had done for the YMCA.

Bartczak said that when she started at the Chamber, the Board of Directors had prioritized “to work on a contract with the city of Anaheim, an economic development contract commensurate with what other Chambers have with a city.” They didn’t have something like this in place at the time.

Eventually, they did get a contract with the City. This was a big victory because the Chamber had been struggling financially before that.

Bartczak was asked when things changed at the Chamber—from a 30,000-foot level—and if there was a point when things changed under Todd’s leadership.

*I don’t think there was a magic point. I think that. Look, you obviously know I’ve known Todd since 2003. I’ve worked with him for a really long time. He’s a complicated and larger-than-life figure. I’m sure you’re getting a sense of that. I witnessed Todd do really incredible things and accomplish really incredible things. I also witnessed Todd operate in the gray a lot. And I can’t point to you a magic date when I was like. . . Let me put it to you this way, do you think I read the affidavit and said, ‘oh wow, they caught him?’*

She said she was surprised by the allegations even though she knew he operated in the gray.

When asked about Ament’s interactions with Harry Sidhu in 2018, Bartczak said, the first interactions between them took place in 2018 before the election. They knew each other before but their communication really “ramped up” once Sidhu made the decision to run. She said they had meetings often.

Bartczak said she was sure she attended meetings with Sidhu and Todd in which they discussed “Harry winning and wanting Harry to be Mayor.” When asked if these were strategy meetings, she replied yes. When interacting with Ament, Sidhu would call “morning, noon, night. ‘Are we doing this event? Are you doing this? What’s happening with this?’” She thought this was in 2018.

Bartczak was asked about Ament’s leadership and behavior. She said he created a frenetic atmosphere that put 40% more on his staff’s plate than could get done. She explained that Todd didn’t want accountability and didn’t hold regularly scheduled board meetings as a result. Even though meetings were scheduled for every other month, they only occurred about 3 to 4 times a year. There was an Executive Board of Directors that Ament met with more than the general board but it was still limited. Among the members were Ross McCune and Jeff Farano.

Bartczak recalled Ament becoming increasingly isolated and limiting the access people had to information and to himself. She recalled talking to Ament as a friend about his personal health, wondering if he slept at night. She commented “This can’t be healthy” because of his frenetic pace, working 80 hours, and the stress he experienced when Tom Tait was mayor. She said she attributed his isolation to the stress he was experiencing and the “foxhole mentality.”
When asked about Todd’s acquisition of assets (boats, houses, etc.), she said, “As long as I’ve known Todd, he’s always buying or selling a boat or a sandrail or a truck or something.” She mentioned his purchase of a big house in Orange and the house in Big Bear along with the house in Havasu and said there was a lot of conversation among the staff about his purchases. They didn’t know how he was going to afford the houses he was buying.

Bartczak said she was aware of what he was earning at the Chamber and recalled that it was in the $250,000 range. She was told by Ament that this was approved by the Board of Directors. She said he always had a “side hustle” too. This was true for the entire time she knew him.

When asked about Todd’s efforts to get money from various sources, Batczak said she didn’t talk to him about the actual fundraising but rather about the pace and workload. “It was always that we were doing more and trying to catch up with the fundraising. Some of that is normal fundraising hustle and some of it isn’t.” She said she never thought there was a large amount of money that Todd was putting in his pocket. Instead, she attributed his spending to the side jobs he had. Her main concern was the pace that they were running things and the “crazy side projects.”

With regard to the oversight of the financials, Barczak said Ament was intentionally vague with the financials and would overcomplicate things. Sarah said she asked him about this and he said people wouldn’t understand: “Todd’s the master of . . . hmmm, you know, ‘I want it allocated this way and I want it to look this way, and I want it to look this way on financial reports.’”

Bartczak said she did have a conversation with Ament about why he was making things so complicated and why they couldn’t just “report out what’s happening.” Ament responded, “They’re not going to understand this, we need to put the revenue with the expense.’ You know, I mean, depending on the thing.”

h. Anaheim First

Ament seemed to be a bright person. He was willing to get “into the weeds” and do a great deal of detailed analysis as far as political and policy planning was concerned. This is particularly true with the planning of Anaheim First. As noted earlier, Keith Olesen, Anaheim First Director, witnessed Ament develop the Anaheim First model over many years, first with his participation in the government Community Development Block Grant (CDBG) Program in the late 80s and early 90s, and later with the Anaheim Neighborhood Councils. His foray into the Enterprise Zones Program in 2012-14 allowed him to first test the waters on how he could acquire some of this business for himself and the Chamber.

During this time, Ament observed and learned that the big money was in these types of large government programs, always altruistically targeted at the disadvantaged and marginalized neighborhoods and people in the community. In his Anaheim First model, he found a way to not only obtain and direct large sums of money, but also to usurp control over those public officials who opposed him.

Had the Pandemic not arrived, Anaheim First would have likely seen greater success, even with its hefty $120,000,000 starting price tag.
Yet, despite the Pandemic, Ament was resilient and found a work around: LPMR bond money. This is discussed in more detail in another section of this report, but Ament identified this funding source, which was projected to provide an annual $100 million or more windfall to the City, starting as early as 2027. It was around this topic that Ament and Jeff Flint planned The Retreat, a gathering of City officials and Resort insiders on December 2, 2020. This event was also discussed in the FBI indictment of Ament.

Ament proposed to the attendees that a large portion of these funds seen as approximately a third, could be diverted from the City’s general fund, and used as a funding source to resurrect Anaheim First.

Had the FBI not interrupted his plans by inconveniently indicting him, Ament’s plan had a good chance of implementation. As had been demonstrated before, Ament appeared to have influence over Mayor Sidhu, the City Council majority, as well as the Resort.

i. City Manager James Vanderpool

In Anaheim City Manager James Vanderpool’s interview, he was complimentary of Ament and his public planning/funding skills. When asked about Ament’s planning and execution of the Retreat meeting, he observed, “So, the [retreat meeting] I attended, and I was never invited back; the one I attended, it was a good meeting,” claimed Vanderpool.

When he returned to City Hall, he had a conversation with Assistant City Manager Greg Garcia about it.

*I came back [from the retreat] and told Greg—he got so pissed at me because I was the new guy telling him how to run his city, right? I told him ‘the Chamber’ is filling a void. I’m getting better information than I’m getting from our Finance Department, and it’s a problem.’ And so, he was defending, and I said, ‘I’m telling you, they’re filling a void, and as long as [the Chamber] is existing, they’re doing what we should be doing. And that’s why they are who they are.’*

Vanderpool seemed particularly taken with the possibilities.

*Todd [Ament] was in the weeds on the LPMR, and what the City should do with the LPMR once those funds became available to the City. 100 million bucks a year! Why is the chamber guy in the Mayor’s ear about how to spend 100 million bucks a year, annually, in perpetuity, and why aren’t we doing that?*

The FBI indictment of Ament would surface long before the City would see any of the LPMR funds.

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216 James Vanderpool interview.
j. Ament’s Alternate Plan

Sometime before the FBI indictment of Ament became public, roughly from the beginning of 2021, or possibly earlier, Ament seemed to vanish from the Anaheim political scene. During COVID, he had apparently developed a lucrative COVID testing business, reaching all the way to the east coast. According to former Councilmember Trevor O’Neil, who was also an attendee at the Retreat, in the beginning of 2021, Ament started to transition out of his role and out of strategy meetings at the Chamber. O’Neil stated he could only speculate the FBI may have been involved shortly thereafter. He recalled Ament was also doing consulting work for projects in other cities. O’Neil said they were,

... working to reopen the resorts and they talked about safety precautions and policies and how to balance the public health with the economy and Ament got turned-on to the notion that there was a business opportunity, and so he started working on a COVID-related testing business.

Ament would ask O’Neil (who manages a facility in the healthcare arena) about staffing and how to recruit for the COVID business. O’Neil recalled reaching out to Ament to ask him questions and he would not get a call back. In retrospect, he did not know if in Ament’s avoiding contact, he was trying to protect O’Neil, and/or trying to not broaden the scope of the [FBI] investigation.

In the summer of 2020, O’Neil had a re-election kick-off event and Ament showed up and he remembers saying to Ament that it was nice to see him because it had been six months since they last saw one another.

Another witness involved in the COVID testing business, Eric Morgan, stated that Path Labs (DSL) secured the contract to conduct COVID testing at the Santa Unified School District on every student and staff member every day. This contract was estimated to be worth $128 million. He stated Ament had created a company called Accurate Health Partners that would be responsible for the swab collection for each test and would bring in approximately $23 million for Accurate Health Partners, Ament’s company.

Morgan related that after Med Labs (Matt Collins) took over the contract from Path Labs, he (Morgan) stayed on as a consultant for this project. After several months of working with them he “got sick of working with Todd,” and told them he would be leaving and asked to be paid for his time up to that point. Collins paid him $1.9 million and Ament paid him $1.2 million. He stated, “I could have stayed on this project and made closer to 15 million dollars but I couldn’t deal with this guy [Ament] anymore.”

Morgan added that Ament kept bringing up the idea of creating a joint venture so that he could receive a portion of the testing fees on top of his collection fees. He went on to say, “Todd finagled somehow for his wife through Care One, which is the doctor ordering side of this operation, to receive 50 percent of the profits there.” Morgan explained that they would be ordering approximately one

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217 Trevor O’Neil interview.

218 Eric Morgan interview.
million COVID testing visits and Care One would charge approximately 68 dollars a visit and his wife would get half of the profits from that.

Morgan was surprised when, “I read in the paper about Todd being head of the cabal and now I saw him do that in healthcare.”

Morgan heard that Collins had bought Accurate Health Partners from Ament for $10 million just a few days before he was indicted. Morgan called Collins and told him “Please tell me you didn’t write him a check.” Collins responded, “Dude I wired him a check two days ago.”

Morgan estimated that Ament walked away with approximately $20-30 million.

Morgan was concerned about whether Path Labs would get the Anaheim UCI Clinic property, Ament told him not to worry about it, telling Morgan, “We got five votes and we go around behind the scenes and talk to everyone, so we know how the votes are going to go ahead of time.”

Morgan stated that he was not familiar with how City government worked, but “this sounded like a pretty good deal.”

Morgan further related that Ament had expressed to him that he was looking at transitioning out of the Chamber role, and that he was,

\[
\text{Tired of being in these gray areas where, you know, we get money off bed taxes by making hotels go faster, all these little weird things. He made it seem like he was trying to go on the straight and narrow.}
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\[k. \text{ Conclusion}\]

The history of Todd Ament, his time at the Chamber of Commerce, and his influence and impact on the City of Anaheim is important to discuss. The monetary impact to the City’s public funds are potentially enormous, and his contribution to the political discord was apparent. The estimated overall impact, had he not been ultimately apprehended, along with the details of his plans and scheme, would have been troubling.

This discussion was specifically detailed to highlight Ament’s relevant history, apparent motivations, and create a timeline or account of his activities in Anaheim. What is reasonably apparent is that Ament successfully created a model that he repeated through a network of 501(c)3 organizations, PACs, political influence at City Hall and a plan to tie them all together. In doing so, he benefited personally, as has been highlighted in the recent FBI documents. He additionally left behind a roadmap of sorts for others to follow.

We have pointed out in other parts of this report that several witnesses have expressed concern that circumstances have not really changed, just the participants. We have seen some evidence of this including the fact that some of Ament’s closest allies remain on the Chamber Board of Directors (Ross McCune), and there continues to be a lack of transparency by the Chamber, in that Board members are still not listed on the website, no financial audit has been performed, or is planned, PACs still seem to
carry a great deal of weight, and lobbying efforts, while somewhat curtailed, continue with little if any accountability.

2. **$6.5 Million Dollars to Visit Anaheim**

   a. **COVID 19 Money**

      In March 2020, the COVID 19 Pandemic descended upon the United States and, in states like California, edicts were promulgated from Governors’ Offices, essentially shutting down many businesses and ceasing business activities where people met together, generally. The initial shutdowns were to be for approximately 2 weeks “to flatten the curve.” As we now know, those supposed 2-week shutdowns were extended much, much longer.

      As part of the pandemic relief, the federal government, as well as state and local governments pledged money to affected communities and agencies. This money was to be used to assist businesses that had been shuttered, as well as individuals who were affected by COVID 19 and the resultant government shutdowns. The City of Anaheim was apparently promised approximately $22 million in COVID relief funding early on.

      On March 26, 2020, Mayor Sidhu, along with the majority of the City Council, introduced a recovery effort, known as the “Anaheim Economic Recovery Plan” wherein various funds were pledged to different organizations in the city. Part of those funds paid to organizations was to be $6.5 million, which was to be awarded to Visit Anaheim, the City's visitors bureau. That award of public funds to Visit Anaheim and the disposition of these funds is the subject of this discussion.

      An idea was devised by Mayor Sidhu where the City would award Visit Anaheim $6.5 million dollars for supposed COVID recovery efforts. Eventually, a contract was crafted where City funds would be given to Visit Anaheim in three separate tranches in exchange for Visit Anaheim performing services promoting the City after the reopening from the COVID-19 pandemic. Visit Anaheim provided the details of the scope of work to this contract. That scope of work was vague and lacked oversight or specific accountability measures.

      As part of this funding, efforts were also to be made by Visit Anaheim to stay in touch with certain business entities during the pendency of the closure, such as companies who had previous booked conventions but cancelled due to the Pandemic. Remarkably, Burress said he had initially come up with a figure of $5 million dollars that he may need from the City. He acknowledged that there was no actual basis for this number, instead it was essentially invented. Burress said it was actually Mayor Sidhu who suggested the $6.5 million amount, which seemed to represent Burress’s initial request amount for $5 million plus the $1.5 million that we have now learned was actually secretly earmarked for the Chamber of Commerce’s controlled non-profit. In his interview with us, Burress said:

      Mr. Johnson:  *You told us before you didn’t know how much to ask for?*

      Mr. Burress:  *Right . . .*  

      219 March 26, 2020 City Council Meeting.
Mr. Johnson: *I'm not sure how any amount could be more than a swag. You didn’t know how long this was going to go on*--

Mr. Burress: *Nobody did.*

Mr. Johnson: *Nobody knew how much this was going to cost, so the $5 million came from somewhere.*

Mr. Burress: *It literally came out of the air.*

Mr. Johnson: *From who?*

Mr. Burress: *Me.*

Mr. Johnson: *You?*

Mr. Burress: *Yes.*

Mr. Johnson: *Ament didn’t suggest $5 million?*

Mr. Burress: *No.*

Mr. Johnson: *Did Ament or Mayor Sidhu ever suggest $6.5 million?*

Mr. Burress: *Uh, Mayor Sidhu did, and said that some of it could be used for all the relief of the other businesses in town that we were already doing with the Chamber. So, when I found out where the $6.5 [million] was coming from...that they were taking it from the Convention Center reserves, I kind of didn’t think that was right, so I decided I better account for the full $6.5 [million] in marketing and sales, so we took the other money out of reserves for the local efforts.*

When asked to clarify what he meant by that statement, Burress stated, relative to the $6.5 million, Burress remarked:

Mr. Burress: *I was given that number by Mayor Sidhu.*

Mr. Johnson: *How were you given the number?*

Mr. Burress: *I said 5 [million]; he said, ‘If I can get you 6.5 [million] could you use some of that for the local relief efforts?’ that were going on every day there, and the Chamber were the ones kind of leading those efforts, so that’s why I took the money from the reserves to go to them, because I knew since they came from the CC reserves, I thought that was wrong, and, you know, Todd and Mayor Sidhu have a target on their backs.*
Burress was asked directly, and he stated:

Mr. Johnson: Was [Mayor Sidhu] the one who asked you to give 1.5 [million] to the Chamber?

Mr. Burress: Um, I guess in a way.

Mr. Johnson: What does that mean?

Mr. Burress: He wanted to keep doing the efforts they were doing in that room, which was Chamber leading those efforts.

Mr. Johnson: But was he the one that asked, or was there somebody else who asked for that?

Mr. Burress: No, it would have been him.

Mr. Johnson: Was it him? Do you remember that specifically?

Mr. Burress: I think, yes. I’m a little foggy on it, but I don’t remember if he said to the chamber, or to keep doing what we’re doing. Either way, my impression was that amount of money needed to go toward the relief efforts . . .

Mr. Johnson: So, at some point he had to mention that amount of money. It had to be a little more specific than just that. Right?

Mr. Burress: Correct.

Mr. Johnson: I need to know who asked you that. You say it’s Mayor Sidhu; you don’t know who else it could be, right?

Mr. Burress: No, it would have been Mayor Sidhu.

Mr. Johnson: So, it was Mayor Sidhu.

Mr. Burress: Yeah.

Mr. Johnson: Ok. How did he phrase it? Was it like, ‘Hey, I got you the extra 1.5, we get that, or the Chamber should get that?’

Mr. Burress: Um, I think so, I think it was that, with the caveat of all the good we were doing in the covid relief.

Burress was asked whether he or anyone disclosed to the City that, some of the 6.5 million—up to 1.5 million—would be given to the Chamber to assist with “local relief efforts.”
Mr. Johnson: So, from the beginning, the plan was 6.5?

Mr. Burress: Uh-huh. [Yes]

Mr. Johnson: And that’s what was presented to the City. That was Mayor Sidhu’s number, not yours.

Mr. Burress: Uh-huh. [Yes]

Mr. Johnson: And the reason Mayor Sidhu wanted that number [as opposed to the original $5 million] was to use some of the extra money for other stuff, yet no one ever said 1.5 [million] was going directly to the Chamber; nobody ever said that in the proposal or in the council vote or any of that?

Mr. Burress: I don’t believe so.

Mr. Johnson: Ok, so—

Mr. Burress: —Just for local relief.

Mr. Johnson: Well, so they were trying to slide that in? Not you. I mean, am I thinking wrongly here? I’m seeing this as a shakedown. Seriously.

Mr. Burress: Well . . . [unintelligible]. . . reported where all that money was spent.

Those payments from the City to Visit Anaheim for these services were to occur in April, May and June 2020 in three separate but virtually equal payments. As indicated above, the purpose of the payments, according to the contract, was that Visit Anaheim would participate in marketing efforts related to when the pandemic had ended, and the City had reopened after Pandemic closure were lifted. Historically, the City of Anaheim enjoys robust participation by various companies who book conventions in the city at the Convention Center, and likewise enjoy the various entertainment venues, including Disneyland and California Adventure. The pandemic put an immediate stop to all these activities in March 2020.

Counselman Faessel told us that his understanding of the contract was to award funds to Visit Anaheim to keep them operating in order to maintain contact with various corporations, who had planned corporations and other associations who had planned conventions at the City of Anaheim, but yet had to cancel them due to the Pandemic. Councilman Faessel reasoned that it was essential that Visit Anaheim continue to court these associations, companies and other groups to keep them informed on relevant convention/business status and to invite them to rebook their conventions back with the City of Anaheim. Councilman Faessel said that there was a genuine fear that individuals would, instead, move their convention activities to other cities and states where there were less stringent lockdowns and government control of commerce.
During this time, the then City Manager, Chris Zapata (Zapata), publicly commented at the City Council meeting where these funds and contracts were discussed, opining that the funds to be given to Visit Anaheim should be as a loan with interest to the City and not as a grant, as Mayor Sidhu demanded. There is evidence to conclude that this concern by Zapata caused a degree of resistance and concern by Mayor Sidhu. A decision was soon thereafter made to terminate Zapata’s contract as the City Manager. The greater weight of the credible demonstrates that it was Zapata's opinion that the $6.5 million-dollar COVID money that was to be given to Visit Anaheim should be a loan with interest to the City and not a grant precipitated and caused his termination.

We interviewed Zapata early on in this Investigation. Zapata stated that with the onset of the pandemic, Anaheim turned into the “Twilight Zone. No conventions, no conferences, no baseball, no hockey, no Disneyland.” Zapata stated that he told Mayor Sidhu, “we have needs that are across three buckets; we need money for the community, we need money for the organization, and we need money for the business community.” Zapata told Mayor Sidhu, “I want $3 million in each of those buckets” to provide relief for the community, business and the City to get through the pandemic. Zapata said Mayor Sidhu responded, “good idea. I'll call you back.”

Zapata said that Mayor Sidhu followed up, telling him (Zapata) that he wanted to up the ante to $14 million. Zapata suggested $15 million--$5 million for each “bucket.” Zapata said that Mayor Sidhu agreed with the idea and advised Zapata that he would meet with his team and meet the following week. Zapata stated that the team that Mayor Sidhu brought together included Mayor Sidhu’s Chief of Staff, Annie Mezzacappa, Mayor Sidhu’s advisor, Ament, Ament’s advisor, Jeff Flint, and Jay Burress of Visit Anaheim. Zapata stated that he did not know, at the time, why Ament, Flint and Burress were at the meeting, adding that Mayor Pro Tem, Faessel; Mike Lyster; Greg Garcia; David Belmer; and himself (Zapata) were also present at this meeting. Zapata indicated that Mayor Sidhu started the meeting, saying, “this is how we’re going to split up the $15 million. We’re going to provide $6.5 million to Visit Anaheim,” which at that point, Zapata asked Mayor Sidhu, “you’re talking about a loan?” Mayor Sidhu responded, “no, a grant.” Zapata said he announced to Burress, “Jay, you’re going to pay interest on the loan,” to which Mayor Sidhu stated again, “no, we’re going to give them a grant.”

Zapata stated that in response to this development granting COVID money to Visit Anaheim, he told Mayor Sidhu, “I can’t recommend that.” Mayor Sidhu responded, “well, you weren’t here the last time when Anaheim went through SARS and we hit the ground running and we recovered faster than everyone else because we had a plan.” Zapata informed Mayor Sidhu that he could not support the grant to Visit Anaheim and warned Mayor Sidhu not to be surprised when his (Zapata’s) recommendation will be to not grant the funds as opposed to loaning the funds with interest to Visit Anaheim. Zapata said that in response this comment, Mayor Sidhu immediately called for a recess of the meeting, indicating “we need to talk amongst ourselves.” Zapata stated that Ament came into his office and asked him (Zapata), “can you figure this out?” Zapata told Ament, he could not, because it was not explainable to the public that the City of Anaheim would take $6.5 million over three months and give it to Visit Anaheim, a marketing group, not the hotels, not Disney, not the Ducks, not the Angels--why spend $6.5 million on this particular group (Visit Anaheim)? Zapata said that Ament walked out of his office. Zapata stated that at that point, he knew his “fate [as City Manager] was sealed.”
Zapata stated that typically during City Council meetings an agenda item will be introduced, the Mayor will read the agenda item, and either the staff, City Manager, department heads, and/or the City Attorney will shape the conversation concerning that agenda particular item. Zapata indicated that at the City Council meeting, the week following the meeting concerning the $6.5 million grant to Visit Anaheim, Mayor Sidhu bypassed protocol and “went straight to a prepared statement.” Zapata noted, Mayor Sidhu did not call on him, Mayor Sidhu called for a vote.

Zapata said that at that point, Council Member Moreno commented, “wait a minute . . . what are we doing here? We have a professional team, what do they opine?” Zapata stated that Council Member Moreno then asked Zapata what his opinion was, to which Zapata indicated, that he advised against giving a grant to Visit Anaheim without any oversight, parameters, or measurements. Zapata stated that a week later he was called to meet with Mayor Sidhu and the City Attorney, wherein he was told that the City was going in a new direction, meaning Zapata’s term as City Manager was ending.

We found it somewhat suspicious that Zapata’s employment with the City would be terminated relating to this matter, but it demonstrated the extent to which Mayor Sidhu and his majority lacked any tolerance for dissent. Zapata did not oppose the giving of funds to Visit Anaheim as a loan but merely opposed the granting of money and wanted oversight and accountability. Instead, he merely suggested publicly that the money should be loaned to Visit Anaheim and repaid with interest during a period of time after the COVID pandemic restrictions were lifted. The termination of Zapata, under these circumstances, focused us on determining if there were other issues concerning this COVID money220 that were at play.

We went about interviewing individuals involved in this transaction. The evidence developed in this matter shows that there was some concern voiced by Peltier, a Deputy City Attorney, regarding the sufficiency of the scope of work, which would be part of the contract concerning the $6.5 million dollars paid to Visit Anaheim. Instead of having a detailed scope of work listed within the contract, the City ultimately merely attached a brochure that had been produced by Visit Anaheim that generally detailed what activities would be performed in a very general sense. The contract was signed, and funds began to be dispensed to Visit Anaheim in three separate payments that occurred in April, May, and then in June 2020.

In interviewing Burress, the President/CEO of Visit Anaheim, he indicated that he had had discussions with Mayor Sidhu and Ament, the CEO and President of the Chamber of Commerce, and was told by them both that he should divert $1.5 million dollars of the total $6.5 million dollars payment given by the City to Visit Anaheim for COVID relief to the Chamber of Commerce’s solely controlled non-profit organization, the Anaheim Economic Development Corporation (AEDC). Initially, Burress denied that to our investigators. However, he later conceded that the money given to the AEDC was in fact money from the COVID funds that were paid by the City to Visit Anaheim. During his interview with our investigator:

Mr. Johnson:  _Was there any question in your mind that 1.5 [million] was going to go to the Chamber, or Mayor Sidhu-Chamber-Cabal coalition? Whatever you want to_

220 The funds used to pay Visit Anaheim were from Convention Center reserve funds based on certain assurances of pending funds to be received by the City though the CARES Act and other potential government funding occasioned by the pandemic.
Mr. Burress:  No.

Mr. Johnson:  There was no doubt? [Burress shakes head] Ok, and that’s because Mayor Sidhu had told you that, right?

Mr. Burress:  He told me we might get extra if we use it for this function. Now, maybe my mistake is I pulled it out of reserves, because I thought if we gave to the Chamber—

Mr. Johnson:  There’s going to be questions?

Mr. Burress:  Yeah. There’s going to be questions. And there’s going to be, because I remember a few council meetings, they were saying, you know, ‘We want to see accounting of all 6.5 of that million.’ And so, I knew we’d have to do that. So, we accounted for it in a different way.

Initially, Burress attempted to tell us that the $1.5 million given to the AEDC was from Visit Anaheim reserve funds. Burress later changed his story and acknowledged that it was part of the $6.5 million paid by the City to Visit Anaheim to assist in marketing the City's conventions and other activities once the pandemic was lifted. Burress told our investigators that Ament had instructed him that if anyone asked about the source of the $1.5 million that Burress was to falsely tell them it came from Visit Anaheim’s reserve funds. In his interview, Burress said:

Mr. Johnson:  You’re the CEO. You can choose to take [the $1.5 million] from whatever account you want. It was your choice to take it from the reserves, rather than the covid money directly?

Mr. Burress:  Yes, it may have been, Todd may have said something also, kind of, you know, ‘We’re going to get crucified for this’ …

Mr. Johnson:  So, he alluded to, that maybe you should use another fund?

Mr. Burress:  Yes, I believe so.

Indeed, Burress, upon being questioned by Garcia, the Interim City Manager at that time in 2020, told Garcia that the money to be sent to the Chamber at around that time was merely from Visit Anaheim reserves. Likewise, Burress initially told our investigators the same thing. However, the greater weight of the credible evidence demonstrates that this was merely a cover story to hide the fact that $1.5 million was diverted from the $6.5 million awarded from the City. The current City Manager, Vanderpool, as well as City Councilmembers interviewed in this matter, including Faessel, Moreno and O’Neil, were all surprised and shocked to hear that $1.5 million, or that any funds, had been diverted from the $6.5 million Visit Anaheim COVID money and given to the Chamber of Commerce or any of their organizations.
Former Councilmember Moreno told us that he had opposed the initial giving of $6.5 million to Visit Anaheim, and then later asked for an accounting and noted that it appeared that the spending budget initially provided by Visit Anaheim was seemingly approximately $1.5 million short of the total $6.5 million investment from the City. Indeed, when investigators pressed Burress for information concerning how the $6.5 million was spent, he initially provided a budget of spending to our investigators that showed a spending of just over $5.0 million. This further demonstrates that the $1.5 million dollars diverted to the AEDC was in fact part of the $6.5 million given by the City for reopening marketing by Visit Anaheim leaving them only around $5 million dollars of spending on the reopening/marketing efforts.

In Burress’s interview our investigators reviewed the document that Burress claimed accounted for the $6.5 million dollars and how it was spent. The document was included with a memorandum dated 12/20/22, from Burress to Attorney/Investigator Jeff Johnson, under the subject, Documents Requested. He stated he believed the financial information was calculated in April 2022 for this report. In the introductory memo, Burress wrote, in part,

> Attached are the documents we discussed last week. One is the report to the City Manager regarding the [accounting of the] $6.5 million recovery efforts.

In questioning Burress, investigators asked him if this report accounted for the entire $6.5 million. He replied, “Yes.” Investigators clarified, “So you zeroed it all out?” Burress again replied, “Yes.” Yet, while reviewing the document, we noted this accounting document only accounted for $5,175,600 and did not include any accounting for most or all the remaining nearly $1.5 million. Further, the document itself stated it was an accounting for “100%” of the funds. We mentioned to Burress this did not prove his assertion of the $6.5 million 100% expenditure, and in fact, appeared to be evidence that the $1.5 million was unaccounted for. When asked about the discrepancy, Burress responded, “I’ll have to ask Joy [accountant] on that, to be honest.” He could not explain the discrepancy.

Later, Burress provided a second expense report that showed the Visit Anaheim spending the entire $6.5 million for reopening efforts and marketing. However, the initial report, as provided to Investigators was seen as being the actual spending, and a second report appeared to be part of the initial cover story attempting to mask the fact that Visit Anaheim had sent $1.5 million of the $6.5 million COVID recovery money to the Chamber of Commerce controlled AEDC. The crafting of this second report to try and account for the full $6.5 million of spending demonstrated a consciousness of guilt on behalf of Visit Anaheim in an attempt to further the cover story promulgated by Ament and Burress concerning the true source of the $1.5 million from Visit Anaheim sent to the AEDC.

Further evidence that this money was inappropriately diverted from its intended purposes at Visit Anaheim, was the fact that the payments made to the AEDC mirrored the payments made from the City to Visit Anaheim. In other words, when the City of Anaheim paid Visit Anaheim, their first 1/3 payment of the $6.5 million total, a check was soon thereafter issued from Visit Anaheim to the AEDC for $500,000.00. This sort of payment arrangement occurred for all three separate payments from the City to Visit Anaheim in April, May and June of 2020 whereupon a total of $1.5 million was sent from Visit Anaheim to the AEDC in three separate payments that matched and mirrored the
payments from the City to Visit Anaheim. Checks from Visit Anaheim to AEDC were issued on April 28, 2020, June 22, 2020 and September 9, 2020 all for $500,000 dollars each. In each case, the payment from the City to Visit Anaheim for 1/3 of the $6.5 million directly preceded the payments to AEDC from Visit Anaheim.

Another suspicious component of this arrangement was that the 2020 tax returns for the AEDC corporation for which the $1.5 million was sent from Visit Anaheim in 2020 fails to show that sum of income. The total revenue listed on the 2020 AEDC tax return was for $741,00 dollars and it should be noted that all revenues were listed as having been spent. However, a review of the 2021 AEDC tax returns shows an income of $768,080. This is unusual and suspicious as in no other tax year reviewed does AEDC have revenues nearly that high. It appeared to us that the Chamber structured the $1.5 million 2020 payment from Visit Anaheim over two years in order to mask the receipt of the money that was clearly all received in 2020 alone. The combination of earnings reported on the taxes from AEDC for 2020 and 2021 was $1,509,000, which nearly equals the $1.5 dollars sent to AEDC in three equal $500,000 payments in 2020.

These tax returns were both filed by Laura Cunningham, who is the current President/CEO of the Anaheim Chamber of Commerce since Ament stepped down after being arrested by the FBI. Part of the criminal case that Ament was charged with by the FBI, and ultimately pled guilty to, was defrauding the Better Business Bureau out of COVID relief funds for Mr. Ament’s own personal business, “TA Consulting.”

Here, Burress acknowledged that he conspired with Mayor Sidhu and essentially with Ament concerning diverting the $1.5 million from the $6.5 million award from the City of Anaheim to Visit Anaheim for COVID relief efforts. Although Ament instructed Burress to tell anyone inquiring about this that the money sent to the AEDC was from Visit Anaheim’s reserves or other sources, the evidence shows otherwise. The way the payments to AEDC were structured consistent with Visit Anaheim receiving money from the City of Anaheim, as well as the lack of detail within the 2020 tax return for AEDC showing the receipt of $1.5 million dollars, and the fact that that the 2021 tax return seemingly contains the remainder of the $1.5 million of funds, all point to the nefarious scheme relating to this diversion of these public funds from their intended purposes and the attempts to hide it from oversight.

These funds were not directly from the federal government but were from the Convention Center's reserves. Even so, these were public funds, and the evidence points to the fact that these funds were diverted from their intended use and sent to the Anaheim Chamber of Commerce controlled nonprofit organization, AEDC.

An interview with Cunningham indicated that she claimed no knowledge of these funds. This Investigation could not prove whether or not Cunningham knew or would have known about the funds.

221 The details concerning the payments of the $6.5 million dollars from the City to Visit Anaheim are discussed earlier in this Section. Exhibit 118 provides evidence of $1.5 million from Visit Anaheim to the AEDC.

222 2020 Form 990 Tax Return for the Anaheim Economic Development Corporation (AEDC), a 501(c)(3) tax-exempt corporation, as signed by Laura Cunningham, the current President/CEO of the Anaheim Chamber of Commerce on September 7, 2022 (Exhibit 119) and 2021 Form 990 Tax Return for AEDC, also as signed by Laura Cunningham on November 3, 2022 (Exhibit 120).

as, at the time and the facts developed in this Investigation showed that Ament was seemingly highly controlling of the books, finances and accounting at the Chamber of Commerce. Witnesses interviewed in this matter all noted that Ament seemed to keep control over the Chamber’s accounting, and that details were routinely not shared with others.

Added to the heightened suspicion by us concerning the Chamber’s motives and activities relating to this COVID money, was the fact that the Chamber, through their attorney, refused to provide our investigators any documents to assist us in our Investigation. Even so, the facts demonstrate that Mayor Sidhu and Ament essentially conspired with Burress to divert the $1.5 million from the $6.5 million COVID recovery money that was awarded to Visit Anaheim by the City. We do not know how this money, once in the possession of the AEDC and Chamber was used, even though invoices were produced by Visit Anaheim that claimed work was done by AEDC.  

We considered the fact that Ament, who controlled the finances at the Chamber and its various other organizations, would have full knowledge of this arrangement, by virtue of receiving these funds sent to AEDC. Additionally, Ament, in his comments and direction to Burress suggested that others should be told that the $1.5 million sent to AEDC came from other funds and not the public funds that came from the City in the $6.5 million COVID award. Burress’s recollection of Ament remarking, “We’re going to get crucified for this.” relating to the diversion of the $1.5 million diversion to AEDC demonstrates knowledge of this conspiracy and the wrongfulness of diverting these public funds from their intended purposes.

There was insufficient credible evidence to conclude that any other City Council member, except for Mayor Sidhu, was aware that the funds that they voted on to award to Visit Anaheim would be sent to the Chamber of Commerce. The contract between the City and Visit Anaheim did not allow for this sort of activity and the way in which the actors in this matter concocted the cover story all tends to show the cover story of the diversion “from other funds” demonstrated their knowledge of the wrongfulness of their actions and was not consistent with the plain intent of the contract between the City of Anaheim and Visit Anaheim.

Additionally, none of the accounting, finally provided by Burress, ever mentioned any funds that were sent to the Chamber of Commerce and/or AEDC even after the spending budget was modified from its initial sum that showed approximately $1.5 million dollars of spending missing from those funds spent by Visit Anaheim. Neither the Chamber of Commerce nor any of its wholly controlled organizations, including AEDC are ever mentioned in Visit Anaheim’s spending report. It should be noted that neither Mayor Sidhu nor Mr. Ament assisted or participated in this Investigation.

In the documents provided by Visit Anaheim, there were AEDC generated invoices associated with the three payments of $500,000.00 dollars each sent to AEDC by the Visit Anaheim. These invoices detailed various actions allegedly undertaken by AEDC and appear to be boilerplate, vague and all three very similar in appearance, as to alleged activities by AEDC for all three of the invoices claiming the work was for “Anaheim Recovery & Business Assistance activities.”

224 See Exhibit 118.
225 See Exhibit 118.
In our opinion, these invoices appear to be merely part of the overarching cover story to justify the transfer of these funds and are further inconsistent with the spending report provided by Visit Anaheim to the City. Although the contract with the City and Visit Anaheim allowed for the use of independent contractors to provide services, the fact that there was a lack of disclosure concerning this spending on activities allegedly undertaken by AEDC coupled with the $1.5 million “from other funds” cover story and the Chamber’s refusal to disclose any documents to us concerning this spending and other spending at the Chamber more broadly, tends to demonstrate that these invoices do not legitimately evidence honest work provided by AEDC in service of economic service efforts on behalf of Visit Anaheim.

b. Conclusion

In summary, the greater weight of the credible evidence demonstrates that Ament, Mayor Sidhu and Burress engaged in a conspiracy to divert $1.5 million out of a $6.5 million COVID recovery fund grant given by the City of Anaheim to Visit Anaheim, and by inappropriately and secretly diverting these $1.5 million funds to the Chamber of Commerce through their non-profit organization, AEDC, as a furtherance of that plan. Mayor Sidhu suggested this scheme and Ament, who controlled the finances of the Chamber and its various Chamber controlled entities, certainly knew about this diversion of public funds by virtue of reviewing $1.5 million to AEDC, a Chamber controlled entity. Mayor Sidhu, Ament, and Burress were all the meeting with the City Manager, Zapata when this grant idea was pushed by Mayor Sidhu. Because Zapata opposed this scheme, he was quickly removed from his position with the City.

Ament hatched and perpetuated the cover story that, if questioned, Burress was instructed to merely say that the $1.5 million diverted from the $6.5 million City sponsored COVID recovery money came from some other Visit Anaheim fund, knowing it had not. The real use and/or disposition of this $1.5 million by the Chamber of Commerce and/or AEDC is unknown as of the writing of this report. Investigators had no cooperation from the Chamber of Commerce concerning receiving any documents needed in our Investigation.

Early on, according to Burress, Visit Anaheim asked for $5.0 million in COVID spending from Anaheim in discussion between Burress and Mayor Sidhu. According to Burress, it was Mayor Sidhu’s suggestion that the amount be raised $1.5 million to a total of $6.5 million dollars with the additional $1.5 million to go the Chamber. This $1.5 million diversion was never honestly disclosed. This arrangement was never discussed in the March 26, 2020, City Council meeting when this award of

226 Our investigation was not a criminal investigation. However, the actions by these actors could demonstrate criminal liability for criminal conspiracy and misappropriation of public funds - California Penal Code Section 182 (a) - If two or more persons conspire:(1) To commit any crime. (4) To cheat and defraud any person of any property, by any means which are in themselves criminal, or to obtain money or property by false pretenses or by false promises with fraudulent intent not to perform those promises. Misappropriation of Public Funds, California Penal Code Section 424(a) – Every person who shall feloniously steal, take, carry, lead, or drive away the personal property of another, or who shall fraudulently appropriate property which has been entrusted to him or her, or who shall knowingly and designedly, by any false or fraudulent representation or pretense, defraud any other person of money, labor or real or personal property, or who causes or procures others to report falsely of his or her wealth or mercantile character and by thus imposing upon any person, obtains credit and thereby fraudulently gets or obtains possession of money, or property or obtains the labor or service of another, is guilty of theft.
money was given to Visit Anaheim, nor was it disclosed to Zapata. The reason this was not disclosed publicly at that time was due, in our opinion, to the fact that the payment to the Chamber’s non-profit, AEDC, was illegitimate, wrongful and hidden and that the $1.5 million of public funds sent there though Visit Anaheim were not used for legitimate City benefit or purposes. It appeared that tax structuring techniques were employed that divided the 2020 earnings of $1.5 million to AEDC from Visit Anaheim over two tax years to hide the income. This further supports the cover story and demonstrates a consciousness of guilt.

3. Enterprise Zone Funds

a. Background

The concept of Enterprise Zones originated in Great Britain in the 1970s. The idea was adopted by a number of US States in the 1980s. The Federal government implemented the program in 1993. Incentives and other program features varied from state to state. In California, the program was initiated in 1984, to target economically distressed areas, providing funding to encourage local businesses to locate and/or hire employees from low income, blighted urban areas where jobs were scarce. The program was somewhat controversial, and not supported by Governor Jerry Brown, the then-governor when Enterprise Zones came to Anaheim in 2012. The program primarily provided tax credits to participating businesses that hired individuals from any of the forty-two designated Enterprise Zones within the State through a system of vouchers.

Effective February 2, 2012, the California Department of Housing and Community Development granted final designation to the Anaheim Enterprise Zone Program. It was intended to be a five-year program. The City immediately awarded a five-year no bid contract to the Anaheim Chamber of Commerce in a non-competitive process to implement and run the program, with an initial commitment of $1.8 million. In May of 2013, at the Chamber’s request, an additional $1.1 million was added, based on a need for “additional staff,” bringing the total to $2.9 million.

Prior to adopting the Enterprise Zones Program, according to Mayor Tom Tait, Chamber CEO Todd Ament came to him and proposed that the Chamber manage this program. Tait originally thought this seemed appropriate. There was a statutory fee the Chamber would receive for managing the program. However, Tait became less enthusiastic about the Chamber managing the program even before the City-sponsored independent audit was completed in December 2013.227

Although Tait initially supported the Chamber involvement, he opposed the additional $1.1 million. Despite this, the City Council majority approved the additional funds on May 14, 2013. At that time, the City had already commissioned an audit to evaluate the program’s funding and effectiveness. The program was also losing favor in Sacramento. A month later, the Legislature would vote to end the program by the end of 2013.

Prior to the audit, Tait proposed canceling the Chamber contract at the August 13, 2013, City Council meeting. This was due in large part because the State had eliminated the program the month before. Despite this, City staff recommended to continue the program and the City Council majority

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227 Tom Tait interview.
voted in favor of renewal. This majority included Kris Murray, Lucille Kring, Gail Eastman, and Jordan Brandman.

Tait observed,

There’s a vote back in there. If I look back at some of the votes, there was no way possible a reasonable person, or an honest person, could vote for this. That’s one of them - of giving the Chamber, uh, renewing a big contract for them.228

b. Timeline of Enterprise Zone Chamber Contract and Amendments

February 2012: Chamber Awarded contract for $1.8 million

Effective February 1, 2012, the Council entered into an agreement with the Anaheim Chamber of Commerce (ACC) to administer the AEZ on behalf of the City for an initial period of five years with one option to renew for an additional five-year period. The contract identified specific reporting requirements and the scope of work for Year 1 to comply with the MOU, and a compensation schedule for each of the 5 years of the contract. The total compensation for the term of the contract is $1,766,500 to be paid from the General Fund. Revenue associated with processing of tax credit vouchers, which is described below, was anticipated to reimburse the City for costs associated with this contract over approximately nine years.

May 14, 2013: City Council approves an additional $600K + $97,000 per year, bringing the total to $2.9 million.

The Amendments to the original contract are detailed in the May 14, 2013, Staff Report229 as follows:

Compensation Modifications: The original contract with the ACC identified specific compensation for each of the five years of the contract. These amounts varied from $337,000 to $372,500 annually, and were based on research and discussions with other local enterprise zones, HCD (Dept. of Housing and Community Development) and the experience of staff from the City and ACC. The ACC’s initial costs for staffing and resources for Year 1 activities were underestimated. The ACC has re-assessed its original cost estimates to reflect the actual costs incurred in Year 1. Since the same assumptions regarding staff and costs were made in preparing the original cost estimates for Years 2-5, ACC is requesting to increase compensation for each of these remaining contract years. The original estimate and proposed increase in compensation is as follows:

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228 Tom Tait interview.
229 Item 16 - May 14, 2013, Staff Report - MODIFICATION TO PROFESSIONAL SERVICE AGREEMENT WITH THE ANAHEIM CHAMBER OF COMMERCE TO IMPLEMENT THE ANAHEIM ENTERPRISE ZONE.
• Year Original Estimate Increase Proposed and Total Proposed

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<th>Proposed</th>
<th>ACC Increase</th>
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<td>Year 5</td>
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<td>$520,500</td>
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<tr>
<td>TOTAL</td>
<td></td>
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• Changes to the Payments Schedule

The ACC is requesting that the payments be made up front (before the work is done) and be modified to three payments per year. For this contract year, payments will be made at the end of May, June and September. For Years 3, 4 and 5, three equal payments will be paid each year by the last day of the first, fourth and eighth months with 10% withholding until the annual report has been approved.

• Additional Revenue Request - $97,000 per year

One additional element of the contract is the inclusion of up to $97,000 per year to be paid to the ACC for sponsorship of key community events that highlight Anaheim’s businesses, create jobs and encourage economic activity within the community. During the past several years, the City has sponsored these activities produced by the ACC. These events include: the Taste of Anaheim; Anaheim Business Awards Luncheon & Program; an Economic Development Summit; and the Anaheim-Orange County Job Fair. Although these events are not specifically required in the AEZ MOU with HCD, these events would be consistent with, and complement, ACC’s EZ activities. The City will receive all the benefits of sponsorship that are offered to major sponsors for each of these events, including but not limited to admission, expo space, and ads in event handouts or programs.

• State Cancellation of Enterprise Zones

**July 2013:** Jerry Brown eliminates Enterprise Zones with AB93.

On July 11, 2013, California Governor Edmund G. Brown Jr. signed Assembly Bill (“AB”) 93, which phased out and replaced the California Enterprise Zone (“EZ”) tax credits with a new economic development program comprised of a hiring tax credit, a statewide partial sales and use tax manufacturing exemption, and incentive fund. AB 93 took effect immediately.
August 13, 2013: Mayor Tait agendized making modifications to the Chamber’s contract for the Enterprise Zone program. Agenda item 22 reads:

Determine if a modification to the contract with the Anaheim Chamber of Commerce is appropriate at this time in light of the State of California’s termination of the Enterprise Zone Program at the end of calendar year 2013.

The staff report stated that the City “has been working with the ACC to determine how the contract to administer the EZ should be modified.” As a result, the City staff recommended a continuation of work with the Chamber through the end of the year.

This decision was made despite a clause in the staff report which stated,

...there is a possibility that the State will authorize EZs to continue to process vouchers for businesses that made eligible hires prior to the end of December. Staff recommends that the Chamber continue to process vouchers, at least through the end of the year, as its systems are already in place to efficiently handle this process. [emphasis added]

It appears the decision to continue the Chamber’s funding would be somewhat speculative when there was no assurance from the state there would be funding even through the end of 2013. Additionally, the City Council had not yet seen the results of the audit (which it commissioned) relative to how the Chamber had performed thus far with the Enterprise Zones. This was Mayor Tait’s key concern when he opposed continuing the Chamber’s contract.

It was also made clear the final year’s funding and payment to the Chamber was coming from the City’s General Fund.

The compensation during the current contract period of $467,000 was funded through the General Fund. These costs will be partially offset by revenues associated with fees paid by businesses to obtain tax credit vouchers.

In a 4-1 vote, the City Council voted to reject Tait’s motion to terminate the Chamber contract.

c. The Enterprise Zone Audit

In May of 2013 the City commissioned an audit of the Enterprise Zone Program, including implementation and funding. The audit was conducted by Sjoberg Evashenk Consulting, Inc., with the participation and assistance of City staff. The audit was completed in December 2013. The findings were presented to the City Council on March 14, 2014. In the staff summary of the audit, written by City Audit Manager Joe Romine, it was noted that the audit had concluded the Chamber “substantially complied” with the “core provisions” of their contract with the City. Yet, according to Romine, the staff report went on to add,

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230 March 14, 2014 City Council Enterprise Zone Audit Results Presentation.
The audit also identified areas where enhancements and improvements should be considered to improve efficiency, enhance reporting, strengthen internal controls and recordkeeping, and increase oversight to the [Anaheim Enterprise Zones] to the extent it remains in existence.

The summary failed to quantify the degree to which these potential areas of concern impacted the level of performance/compliance by the Chamber.

A review of the actual audit reveals a level of concern regarding the Chamber’s performance. The audit noted under the Key Facts and Findings section that the program monitoring relied heavily on,

...cumbersome and inefficient reporting requirements that consumed hundreds of staff hours, yet do not address all key elements needed to ensure contract compliance, such as monitoring voucher processing and Enterprise Zone expenditures.

It further noted that the contract with the Chamber,

...did not include adequate cost-control measures and contains cost provisions that alternate between ‘time and materials’ and ‘fixed fee’ restrictions.

The audit also noted,

A recent contract amendment requires the City to pay the Chamber the majority of its annual compensation well before the Chamber is able to demonstrate satisfactory progress toward meeting established performance goals. This could result in the City paying the Chamber more than 90 percent of its contractual compensation after the Chamber submits a progress report at mid-year.

At the time the audit was presented at the Council’s public hearing, Mayor Tait was concerned about this issue. Tait appeared unsatisfied with the lack of clarification and detail he was hearing from staff. During this period, Tait was in the City Council minority.

Further investigation/inquiry into the audit process details and presentation indicate the audit documents and presentation were not as transparent as they potentially could have been. There appears to have been an effort to soften the criticality and impact of the audit results.

George Skiles was the independent auditor who completed the audit. We were able to interview him concerning his findings.\footnote{George Skiles interview.} He confirmed the report was completed in December 2013. His initial observations on his findings indicated:

The things that stood out to me on that audit was the City had outsourced the program almost entirely to the Chamber of Commerce. In doing so, it really hadn’t established an internal system of control to ensure that the Chamber was operating as it should, and the costs were controlled. Essentially [the City] outsourced the function, and in a
way outsourced the government responsibility for the program. From our perspective in auditing, you can outsource the function—you can outsource who administratively carries out the task—but you can’t outsource the responsibility. That’s where the disconnect was, that they weren’t providing oversight. And I think part of it was the way the contract was structured. [Emphasis added]

When asked for more specifics, Skiles added,

There wasn’t [any Chamber expenditure] that was really disallowed. It didn’t really define what costs could be disallowed...it was very hard to say contractually whether expenditures associated with the program could be disallowed because the contract was so vague.

Additionally, the Chamber “. . . had no reliable method of accounting for the costs. It was a poorly constructed contract—Nothing was disallowed.” Further, there was no reliable method for accounting for employee/worker time or costs by the Chamber. “It was definitely a bad practice.”

Skiles saw both the contract and the Chamber documentation of their work as flawed. “As I recall [the contract] was structured in such a way you would be hard-pressed to prove that anything was out of scope, or that anything was not allowable.” The Chamber did not document staff hours based on standard practices. “Program funds were used to pay for expenditures that it was unclear how those expenditures were actually tied to the Enterprise Zone Program.”

When asked to provide an example of what he specifically meant when referring to the Chamber’s vague labor documentation, he replied, “You bring your brother on to do some work and you just say, Ok, this person is doing some work. Now pay me for it!” He represented that the labor documentation by the Chamber was just that vague and ambiguous.

Skiles personally presented the audit findings at the public City Council Hearing in March 2014. He did not recall intentionally downplaying anything to Mayor Tait or the Council but described his reluctance to be too explicit in his findings, believing that in doing so, he might hold the City out to unanticipated scrutiny or even liability. He acknowledged he had “suspicions” the funds were being misused but could not document this because of the poorly written contract between the City and the Chamber.

The contract is the criteria . . . we were concluding that the contract opened the City to a public risk . . . that public resources were going to be used for purposes that didn’t benefit the public. We certainly concluded that risk existed.

Skiles stated even had he documented potential Chamber abuses he observed of the program funds, the City could not have been able to enforce any remedy to recover them. “If we were to include that in the audit, the city would need to be in a position to be able to recoup that,” which they could not do given the contract with the Chamber. Thus, it made no sense to Skiles to criticize the Chamber publicly if nothing could be done about it.
He was asked about his direct interactions with the Chamber and Todd Ament. “I know Todd [Ament] was very concerned about the outcome of the audit—unusually concerned from my perspective.” Skiles spoke with Ament “several times.” He recalled Ament expressing “angst about the report,” adding, “He was very concerned about any indication that the money wasn’t used appropriately . . . about the optics of it.”

Skiles could not speculate whether City was intentionally complicit in the vagueness of the contract with the Chamber. But he did observe, “It was very possible management above applied pressure to staff.” However, he had no direct evidence that was true.

He recalled the primary City staff member he dealt with during the audit was Audit Administrative Analyst Lisa Monteiro. “She and I had a lot of candid conversations.” He became aware early on that “They [city staff] knew more than I knew.” When asked if he was aware of any efforts to inappropriately skew the audit findings, he replied, “I do recall knowing or feeling that there were parties out there that had specific political interests.”

When asked how Lisa Monteiro, the staff member he was primarily working with reacted to the audit, he said, “There was some level of skepticism whether anything was going to change.” He added, “My sense was that there were much broader concerns about the Chamber, much broader concerns about the Chamber.” He felt Monteiro and possibly others on staff were looking for a deeper analysis. “They were looking at this audit to see if they could crack that nut, but the nut was much bigger than the audit.” He continued, “My sense was they were hoping that the audit would reveal something big enough to enable some action [against the Chamber].”

He felt Monteiro’s interaction with him was honest and forthright. “Lisa was candid but was not trying to bias me.”

We also interviewed Lisa Monteiro.232 She was the City staff member knowledgeable about the audit. She stated Skiles and City staff had a difficult time scheduling time to talk to Todd Ament. They also had difficulty getting any documentation from the Chamber as to their staff time and expenses and experienced a lack of cooperation from the City, as well. “There was a lot of push back.” In the final staff report and audit, the Chamber’s lack of cooperation, questionable compliance, and negative findings, as well as the City’s poor performance were “definitely downplayed.”

Monteiro believed the staff summary on the audit was “wishy washy,” and some of her superiors were reluctant to publish any negative findings relative to the Chamber. She recalled going to her supervisor, telling him, “Let’s do the right thing” with the audit. He replied, “I don’t wanna rock the boat.”

Specifics were not included which would have been specifically critical of the City or the Chamber. During the process, when others above her on staff would attempt to, in her words, sanitize or not transparently report the audit findings, Monteiro stated she would tell them, “I don’t want my name on it!” She recalled saying to herself, “I got to get out of here before things blow up!” She was frustrated by the entire process. She observed, “Without top-down support it’s impossible.”

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232 Lisa Monteiro interview.
Margaret Larson, who declined to be interviewed, was the person initially hired by Todd Ament to manage the Enterprise Zones Program for the Chamber. She quit after only three months according to Chamber employee Sandy Morales233 because she was reportedly not comfortable with the circumstances imposed by Ament. Larson reportedly told Morales that Ament asked her to “break the law,” though she (Larson) would not elaborate on any details. Presumably this would have been just prior to her departure when she was managing the Enterprise Zone Program.

According to Larson’s LinkedIn profile, she managed the Enterprise Zone project from its inception until March 2013.

Sandy Morales, who was also working at the Chamber during that time, indicated she was “very much having to be involved in the audit,” because Margaret Larson had ended her involvement in the project. “We did have to keep our time,” referring to those working on the Enterprise Zone contract, “but there were not many people working on it.”

Joanna Sosa, who served as the Chamber’s Membership Director (2006-8), felt that the Enterprise Zone program was set up inappropriately and that employees would get hired by utilizing the Enterprise Zone funds and then before the designated time that they would need to be hired permanently arrived, they would be let go and then a new set of employees would get hired utilizing a new influx of Enterprise Zone funds. She felt that it was almost like a pyramid scheme.

d. City Funds to Chamber

Based on documents received from the City, in the year 2012, the Chamber invoiced and received four quarterly payments from the City for the Enterprise Zone Program. Each payment was $86,500, for a total of $346,000.

For 2013, the invoices paid to the Chamber are not as clear. There was a first-quarter payment of $84,750. Then on June 6th, there were three invoice payments totaling $204,225, all labeled (by the Chamber invoice) as “Enterprise Zone per agreement Orange County sales tax.” One of those three payments was for $86,275, appearing similar to a quarterly payment, but was labeled on the invoice as “Enterprise Zone other unearned Orange County sales tax.” It is unknown to us why the Chamber labeled their invoices in this manner.

The final invoice was not received until September 29, 2014. The Chamber asked for $33,113, but were only paid $23,113, with an apparent $10,000 deduction for the cost of the audit.

This final Chamber invoice also included a separate invoice from FSB Strategies—Jeff Flint’s lobbying firm—for $7,000. The description of the work performed included the following paragraph:

Helped communicate with the state and HCD to determine current EZ program elements and changes, new programs for businesses being proposed, and help with messaging to the business community. Helped re-strategize the AEZ workplan and program implementation after the state EZ changes.

233 Sandy Morales interview.
Because the Chamber has refused to provide us with any documents or clarification regarding their financial dealings with the City, we are unable to ascertain details of specific invoices and/or how this money may have been spent.

e. **Risk-Based Audit Program**

After the frustration she felt with the Enterprise Zone audit, Lisa Monteiro stated she approached Mayor Tait to propose instituting a system of conducting risk-based audits of City contracts and programs. Tait was interested in this proposition and wished to implement it, but the City Council majority reportedly was not in favor. Monteiro was concerned that the Chamber was receiving City funding without the City requiring specific and adequate deliverables. Their discussions were “always” about further auditing the Chamber after the Enterprise Zones audit.

She was asked if, as far as audits were concerned, things changed at all under Mayor Sidhu. She indicated things actually got worse. “[Mayor Sidhu] was not in support of audits at all. He was not a fan of scrutiny.” Monteiro felt she had no support from the City Council majority. She complained that Sidhu tended to frequently be “in your face.”

She said once City Manager Chris Zapata was fired by Mayor Sidhu for questioning the $6.5 million COVID funding to Visit Anaheim, she was completely disillusioned. “When he got fired it was the final straw.” She stated Zapata was the last City Manager who supported audits by the City. She resigned her position with the City in October 2021.

f. **Conclusion**

The greater weight of the credible evidence demonstrates that the audit and surrounding facts show the City of Anaheim selected the Chamber of Commerce to implement its Enterprise Zone Program without a competitive bid selection process. It further appears that the City lacked caution in their dealings with the Chamber by providing the Chamber with a contract containing few restrictions and accountability measures so as to be potentially ineffective in holding the Chamber accountable for any of its monetary charges to the City. Because of this, the level of potential misuse of public funds by the Chamber was not able to be identified in the subsequent audit.

The evidence further supports the idea that the Chamber took advantage of this opportunity to charge the City for program costs that were not adequately documented and were potentially unjustifiable. The Chamber’s poor accounting was suspicious and this appeared to be a concerning practice under Ament.

4. **Temporary Homeless Shelter**

a. **Background**

In 2018, Orange County had a significant homeless crisis and Judge David Carter ordered cities to provide shelter options for those living in tents along the Santa Ana Riverbed. Anaheim was in the process of building two shelters in 2018 in response to a court case filed in January 2018. This was when Tom Tait was Mayor. As stated in the Staff Reports:
On January 26, 2018, the City became one of multiple defendants in the federal case of Orange County Catholic Worker v. Orange County, et al, for alleged violations of federal and state civil rights, fair-housing, and/or disability laws against the homeless. On July 26, 2018, a first amended complaint was filed further alleging violation of enforcing Anaheim Municipal Code sections 11.10 and 13.08.101.080, of which the city disputes.

On August 14, 2018, while facing one of the most pervasive challenges confronting cities throughout California, the Anaheim City Council declared a shelter crisis, recognizing that the number of homeless is significant and the health and safety of unsheltered persons in Anaheim was threatened by a lack of shelter.

After numerous settlement discussions, on November 2, 2018 the City settled with Plaintiffs committing to construct and fund one or more low-barrier homeless shelters, within Anaheim, to hold at least 325 beds with a goal of completing construction by January 2019.

On November 13, 2018, the City Council approved an agreement with the Salvation Army to fund and construct a low barrier 200-bed temporary homeless shelter at 1340 S. Lewis Street. The anticipated opening of this shelter is January 2019.

On December 3, 2018, the City Council approved an agreement to purchase property located at 3035 E. La Mesa Street to construct and fund a second low-barrier 125-bed temporary homeless shelter. This shelter was anticipated to be operational in February 2019.

At the December 4, 2018, City Council meeting (Sidhu’s first official meeting as Mayor), Mayor Sidhu called for a special meeting for December 6, 2018. The purpose of this meeting was to approve the construction of an interim emergency shelter to be built within 3 weeks. This would provide shelter to the homeless living in Maxwell Park until the opening of the 325-bed temporary shelters in 2019. The interim emergency shelter location, 2040 and 2050 S. State College Blvd. was provided to City staff by Mayor Sidhu.

In his interview, Ross McCune was asked if he was involved in the homeless shelter. He said he was involved in the temporary (Interim) shelter. They were asked to take a look at an existing building at the corner of Orangewood and State College that was empty. McCune indicated Todd Ament located the building after looking at a couple of different buildings. McCune said, “Todd looked out the window of his office and said, ‘what about that building?’” He said Ament then called the developer who owned it. That ended up being the location of the temporary homeless shelter.

Mr. Johnson:  Todd made all the arrangements for the building. Was Sidhu involved in that at all, in getting the building?

Mr. McCune:  I don’t know.

Mr. Johnson:  Did you ever have any conversations with Sidhu about it?

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234 Ross McCune interview.
Mr. McCune: About the building? No. We talked about the shelter. The conversations with Sidhu were very intermittent.

b. Shelter Pre-Planning & Timing

According to Chris Zapata\(^{235}\), a couple of days after the 2018 election, he received an urgent call from Harry Sidhu. This was before the official results of the election had been announced and Zapata was vacationing in Cancun. Zapata said Sidhu told him,

I’m going to win. I’m going to be the Mayor, and I want to talk to you about a purchase of a property of a homeless shelter that we were looking to do with a gentleman by the name of Bill Taormina.

Zapata said Sidhu’s information was “bad and late,” and that the City was not going to consummate the deal, but Sidhu told him “I don’t want you to do that.” (meaning the homeless shelter deal with Taormina). Zapata thanked him for letting him know.

When Zapata returned after Sidhu had been sworn in as Mayor, Sidhu told him that he wanted to close the Maxwell Park homeless encampment, which was a significant issue in Anaheim at the time. Zapata pointed out that this would require 325 beds to be constructed beforehand to comply with Judge Carter’s order to provide options to the people that lived there. Zapata said at that point,

Mayor Sidhu said something really important: I’ve had conversations with Judge Carter. He’s agreed that if we can build a 200-bed shelter that we can close the encampment, and I want to do that before Christmas.

Sidhu told Zapata that he wanted to make sure “funding from the City is ready. We’re going to do a public-private partnership. We’re going to do this with the Chamber of Commerce, and we’re going to get it done.” Zapata said one of his motivations for doing this was to prove he could manage the homelessness issue better than Mayor Tom Tait. This would be known as the “Anaheim Miracle.”

According to Sarah Bartczak, who was the Senior Vice President of the Chamber under Ament and currently serves as a policy aide to Councilmember Jose Diaz, the planning for the shelter began before Sidhu assumed office.\(^{236}\) Mishal Montgomery confirmed this in our interview with her.\(^{237}\)

Additionally, Montgomery said when Sidhu came in, he expedited the construction (possibly without proper permits) in order to take the credit for a project that Mayor Tait had already been working on.

Councilmember Jose Moreno\(^{238}\) stated the temporary shelter City Council meeting became rather controversial because of the argument that they would be spending $1 million for just a one-
month shelter. This seemed odd to Moreno, especially when another homeless shelter would open very soon. The timing was also somewhat suspicious. Sidhu had only become Mayor two days earlier.

Moreno said Bill Taormina is the largest landowner in Anaheim and has lots of interests and concerns. During the meeting, Taormina stood up and agreed to indemnify the temporary shelter removing liability from the city. Hearing this, Moreno decided to vote in favor of the shelter.

After the meeting, Todd Ament approached Moreno and said, “I appreciate your vote.” Moreno replied to Ament,

_The mayor came up with this two days ago which means you guys have been designing this for months. You watched us as a city struggle with this issue, watching us trying to figure out where we could locate the La Mesa shelter, it took a while to find that spot. Taormina has figured out a way to learn where the city is looking to buy things so he gets ahead and buys those things._

Moreno asked Ament why they didn’t come to the City Council before on this issue because “We could have tackled this a long time ago,” Ament replied, “Well we are here now. It is all planned out, isn’t Harry doing great.” Moreno told Ament that he was going to keep a close eye on things as he was rather suspicious and Ament replied, “That’s your problem, you never want to play ball. You just always want to be on the ‘anti’ side and not work with us.”

c. **Visit Anaheim Cares**

In 2015, the Anaheim Visitors and Convention Bureau was renamed, Visit Anaheim, with a three-year strategic marketing plan. At the same time, a non-profit arm was established called, Visit Anaheim Cares. It wasn’t until 2018 that Visit Anaheim Cares was fully activated. According to tax returns for that year, Jay Burress was listed as the President with Bill O’Connell as Chairman, Greg Gerovac as Secretary/Treasurer, Cathy Dutton and Tom Tait as Directors (Tait said that he had no knowledge of being on this Board even though he is listed as a Director on the 2017 and 2018 tax returns).

When Harry Sidhu proposed an Interim Emergency Shelter in December 2018, it was proposed that the funding for the organization be channeled through Visit Anaheim Cares, which was “a brand-new non-profit with absolutely no track record of doing anything, much less a construction project” according to Cynthia Ward, who was the policy aide to Denise Barnes at the time.

According to Jay Burress, also CEO of Visit Anaheim, when the temporary homeless shelter became a potential project, Mayor Sidhu, or Todd Ament reached out and said,

_Hey, the City needs a non-profit C-3 to partner with. They will pay for the building, but they need a C-3 to actually rent the building, and so, will you guys do it?’ I asked the Chair, and they said yes, so we played that role._

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239 Jay Burress interview.
When asked about the funding of Visit Anaheim Cares for the homeless shelter, Burress indicated there had been some seed money from Visit Anaheim, amounting to between $20,000 to $50,000. He knew of no other funding other than what the City provided for the temporary shelter. He was not sure how much the City provided but stated it could have been in the $700,000 range. The City and Visit Anaheim were the only two entities that donated to Visit Anaheim Cares.

According to Burress, Visit Anaheim Cares paid for three or four months’ rent for the building that the shelter would be located in. He wasn’t sure if they also spent money on the shelter operating fees, as well.

We found Burress’ claim that Visit Anaheim Cares paid for the building rent to be incorrect. This is because, in the City’s final accounting on the project, it indicates that under the listed “in-kind” donations, the property owner, LT Global, provided an “in-kind lease” donation of $343,000.

Burress did not know where the rest of the City money went that was given to Visit Anaheim Cares. It did not have a “funding mechanism.”

Mr. Johnson: Was Sidhu orchestrating [the shelter project]?

Mr. Burress: Yes.

Either Sidhu or Ament found the building for the temporary shelter and potentially negotiated the lease. Burress claimed he wrote the checks for the project. He further stated he believed some of the payments may have also gone to the refurbishment and remodeling of the building, not just the rent.

At that point, the City of Anaheim provided $600,000 in seed funding for the project. Visit Anaheim Cares was also to solicit donations from the community and reimburse the City for any unused funds.

d. Funding Agreement

The temporary shelter Staff Report: called for funding, as well as a “reimbursement” plan for Visit Anaheim Cares that would not exceed $600,000. The language was as follows:

At the December 4, 2018, Council meeting, Mayor Sidhu called for a special meeting for December 6, 2018 to have City Council consider opening an interim emergency shelter within 3 weeks to provide shelter to the homeless until the opening of the 325-bed temporary shelters. The interim emergency shelter location, 2040 and 2050 S. State College Blvd. was provided to city staff by Mayor Sidhu.

The Reimbursement Agreement with Visit Anaheim Cares, Inc., a non-profit corporation, would provide for the reimbursement of costs associated with the needed building improvements for the 200 bed interim emergency shelter, in an amount not to exceed $600,000. If approved, the shelter would be operational within three (3) weeks;
it is intended to be temporary for at least 60-90 days, however, would remain available until 325 shelter beds are online, whichever occurs first. [emphasis added]

The agreement with Visit Anaheim Cares stipulated an “advance of funds” within two days of the agreement being signed, not a reimbursement, as was originally stated. It states, in relevant part:

(a) Within two (2) business days of the Effective Date of this Agreement, ANAHEIM agrees to advance VAC up to $600,000.00 in funds for the purposes of providing the Premises to the Contractor for the operation of the Shelter (“Advanced Funds”). VAC may use the Advanced Funds for any and all direct and indirect costs related in any way to the Improvement Plan including, but not limited to, costs for engineering, architecture, consultants, project management, construction, regulatory approvals, fees, and insurance required by Section 7, below. VAC further agrees that any Advanced Funds expended under this Agreement shall not exceed $600,000.00, exclusive of any fees or other costs waived by ANAHEIM unless otherwise approved by ANAHEIM (“Additional Advanced Funds”)

e. **No Bid Building Contract**

After the City Council voted to approve the funding for the Interim Shelter, Harry Sidhu apparently approached Chris Zapata to recommend Ross McCune and Caisteal Builders for the project. Zapata said he went to Rudy Emami to get his opinion about giving the project to Caisteal Builders. Zapata said Emami commented that Caisteal had already been given the contract for one of the other shelters so this project should go to another firm. It was Zapata’s belief, at that time, that the contract went to a different firm. McCune did, in fact, get the construction contract.

f. **Ross McCune**

Bill Taormina\(^{241}\) described Ross McCune as “a personable gentleman [who] is always looking for business.” Although Taormina has been cited as the largest private landholder in Anaheim with a great deal of experience in construction projects, he stated he would not use McCune because “his bids are too obscure and he charges extremely high prices.” Taormina stated that, because of this, he has never done business with McCune directly. Regarding the temporary shelter, Taormina said it was only in place for a few months. He believed it was a promotional event for Sidhu to build credibility.

Our Investigation also revealed that McCune was a preferred contractor for most or all of the Chamber-endorsed building projects, as well as being endorsed by Mayor Sidhu. McCune is also a long-time member of the Chamber’s Executive Board and served as the Board Chairman for many years.

g. **McCune Involvement in the UCI Clinic Building**

McCune is also referenced in another part of our Investigation involving the former UCI Clinic on Carl Karcher Way. The property was owned by the City and originally to be part of the Request

\(^{241}\) Bill Taormina interview.
for Proposal (RFP) process to find a suitable tenant. However, Mayor Sidhu instructed staff to hold off on the RFP so that he could have the property shown to a potential tenant, Path Labs.

Community Services Director Sjany Larson-Cash stated Sidhu specifically wanted the property shown to a company called Path Labs. The negotiations with Path Labs started in February 2021. Sidhu stated that whoever got the property,

\[\ldots\text{ needed to be a revenue-generating entity; we need to make some money off it and that was a little different than what we had thought of because there were a number of nonprofits that could have provided needed resources.}\]

The City employee assigned to show Path Labs the property, Holly Unruh, stated that every time she met with the owners, “Todd Ament came up regularly.” She said the owners made comments such as “Todd said this, and the City told us we could do this.”

Larson-Cash stated that another concern came up after Path Labs began to complain about the perceived requirement to use Ross McCune for the construction portion of this project. She indicated they (Community Services) told the gentlemen from Path Labs that there was no requirement to use any specific contractor and they could use whomever they chose.

Unruh stated that the gentlemen looking at the property kept saying, “The City told us we have to do this, and the City told us we have to do that.” Unruh asked them, “What do you mean the City, because I am the representative of the City that you are working with.” She explained,

\[
\text{[It appeared] to them, Todd [Ament] was the City, and they had concerns about the tenant improvements and how expensive they were going to be and why couldn’t they use a different contractor?}
\]

Unruh recalled them saying that “the City told them they had to use Ross [McCune] for this project, and I said, no, the City does not dictate who you have to use for these projects.”

h. Temporary Homeless Shelter Construction Costs

It is important to point out that this project did not call for the construction of a new building or even a remodeling. It involved the temporary retrofitting of only a portion of a large warehouse structure for temporary and transitory lodging of homeless individuals. Bill Taormina said this was a huge building, but the shelter only encompassed a small corner of it. He said the building was ready to be torn down before the shelter was even started. With this in mind, we will analyze the construction costs associated with the temporary homeless shelter.

The City reported that the total cost of the temporary shelter, including operations (primarily paid to the Illumination Foundation), was $1,320,449. The cost of construction alone totaled

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242 Sjany Larson-Cash interview.
243 Larry Pasco interview.
244 Holly Unruh interview.
245 April 2, 2019 City Manager Staff Report to City Council.
$657,252. The City had budgeted up to $600,000 for construction. Ross McCune’s invoice (Caisteal Builders) to the City totaled exactly $600,000, which was the exact amount budgeted. The additional $57,252 in construction costs included demolition (which was additionally and separately paid to McCune), legal services, insurance costs, restroom and trailer maintenance, and cleaning supplies. McCune was separately paid $35,731.19 for the demolition costs, yet this was not counted as a part of the $600,000 budgeted construction costs. Bill Taormina said a third party did the demolition. He did not know whether Caisteal Builders had any part in that.

It is not unusual that construction contractors have, at times, padded or have hidden costs in their estimates and invoicing. A review of McCune’s charges shows $421,805 was spent on subcontractors. Of this, $181,170 was spent on electrical, and $158,496 on drywall. We cannot assert that these numbers were artificially high. However, there is a question as to whether McCune actually paid these amounts.

Additionally, the City claimed there was $106,500 received in outside monetary donations for the construction project, as well as a total of $523,500 in “in-kind” donations.

Bill Taormina stated that he personally donated $150,000 to construction costs, which was never credited to him. He said he spent $75,000 to pay off the neighboring apartment owner and firmly asserted he paid another $150,000 “for all my laborers and materials to go in there and build shit and their other people also donated.” He reiterated that he spent “$150,000 of my money to construction.” Taormina said the City never gave him credit for the $150,000 donation.

He was aware that Jay Burress, Todd Ament and Ross McCune were “tight,” and asserted that Ament and Sidhu were at all the construction meetings.

He claimed his workers did much of the construction work, including the “cubbies,” or partitioned individual sleeping areas. When asked about McCune, Taormina said “He charges way high.” He added, “When I saw the [invoices], I’m like wow I don’t see that many hours. Because my guys were working there as well.” He was further questioned:

Mr. Johnson: You’re talking about the shelter?

Mr. Taormina: Yes, sir. My guys were building the cubbies, building all the things where the people sleep. And they were in there whipping it out. But they were just putting all these different drywalls and these finishings on there—all of which was going to be temporary. I was like, ‘why are we spending all of this money?’

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This payment was to alleviate the neighboring apartment tenants’ concerns about large numbers of transient homeless individuals in the area, and its negative impact on them. Taormina personally met with the owner of the George, the apartment complex next door. Taormina paid $75,000 to stop him from filing a Temporary Restraining Order that would stop the shelter from being opened.
Taormina was asked if his $150,000 contribution was reflected in the final financial report. He replied, “My name wasn’t even on the list. I remember that pissed me off so much. I’m not anywhere on there, am I?”

Mr. Johnson: So clarify. You’re saying your contribution is nowhere on there?

Mr. Taormina: Sir, No sir. I remember it.

Taormina was shown the financials in his interview. “No, I was not on there and should have been. I had four guys working the entire time. I bought all the materials and provided all the labor to build the, I’ll just call it the sleeping cubbies.”

Taormina said Ross McCune was the general contractor for the building. “He was the recipient of all that money that came in.” He said of Jay Burress, Ament and McCune,

Those three were really tight and then Harry would infringe and come in. But you could tell that it was all being generated because McCune was the President of the Chamber when Todd was now the Harry chief of staff guy.

When specifically asked about Jay Burress, Taormina said there was:

. . . kind of a dotted line from Todd and Jeff (Flint). [Burress] was in the meetings. He was sort of a conduit (between hoteliers and their donations to PACs). I would call him an innocent conduit, a productive, constructive conduit.

When asked about how it was that McCune’s charges on his final invoice came to $600,000, the exact amount budgeted for the construction project. Taormina said that doesn’t happen very often. “I’m sure there was a little bit of funny business going on here.”

Taormina said the shelter was only there for just a short time, and then he “cut it off, cleared the thing out, back to an empty shell.” He further observed,

So what was that? It was a show. It was a branding experience. You asked me about Anaheim First. It was a promotional event for Harry to stay as mayor and build his [credibility].

Taormina felt he was spending money for the right reasons but he was “being used as a pawn.”

Harry [Sidhu] didn’t give a shit about the real solving of anything. As long as it lifted him up through Todd [Ament] through the things he would say. However, he was scripted, that’s what it was. He was a character. He was the perfect puppet.
In his interview, Ross McCune was asked about the construction donations. He said Hale Glass donated windows, and that Bill Taormina was actively involved. He acknowledged that he, Taormina, used to own Anaheim Disposal, so he handled the trailers (how to pay for them) and some other items. He said Taormina also provided additional funding.

Another Anaheim business entrepreneur, Jim Cain, stated it was common that, “When people around here want to do something and have problems, they come to me.” He indicated that he arranged for many of the in-kind donated materials and labor for the temporary shelter.

He characterized the temporary shelter as “his (Sidhu’s) deal.” When asked about the shelter project, he replied, “It was impossible. They didn’t have the knowledge, they didn’t have the connections, so they call me and say, ‘Hey, we need help.’”

On this project, Cain said it was Todd Ament who called him. He elaborated on Ament’s requests.

Here’s what we need. They needed somebody to do drywall, they needed somebody to do paint, they needed somebody to do asphalt, they needed somebody to do windows, doors, and they needed somebody who was an artist, so I got ‘em art. Anyway, I got all this stuff done. I got it done. They didn’t get it done. I did. Ross and I. Ross did his deal with his construction and so forth. And where they were short, I came in.

Cain said he did the paint, the windows, doors, and all the artwork. Then he had to “Straighten out the asphalt problem that they did.” He personally procured five total subcontracts or vendors for the project. He had no idea how much the project cost. He just wanted to do his part to make it happen.

McCune was asked about Jim Cain’s involvement. He replied, “Yeah, that’s a good point. Jim Cain, what he did, he helped us out. He got a generator set so we could power things up before we got the power service in.”

It is important to note that one of the most costly items listed on McCune’s invoice was drywall. Yet, Cain stated that was one of the items he addressed with donated materials and labor. It’s further worth noting that a number of the other items Cain listed as things he arranged to have donated to the project included items the City listed as in-kind donations, including the asphalt, windows and doors, and even the artwork. Yet, the $158,496 charged by McCune for drywall does not appear on the City’s list of in-kind services and/or materials.

By our calculation, the in-kind donations for the construction work totaled up to $163,000 in construction cost savings. It should be noted, many of these enumerated in-kind donations appear to overlap with costs McCune charged the City for construction work. In other words, it appears that McCune may have charged the City for labor and materials he did not have to pay for.

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247 Ross McCune interview.
248 Jim Cain interview.
For example, McCune charged the City $7,248 for “job materials” from Westside Building Materials. Yet, on the City’s accounting for in-kind donations, it lists $15,000 of building materials donated by Westside Building Materials.

McCune also charged the City $7,395 for using a subcontractor, United Paving Co., yet the City showed $2,000 of in-kind donations from United Paving Co. for “donated slurry and paving services.”

McCune indicated he spent $1,063 on “disposal” with Republic. The City reported that $3,500 in-kind was donated by Republic Services for “Donated dumpsters and Services.”

McCune claimed $37,977 in unspecified “equipment rentals” from two separate companies, PDQ Rentals (construction equipment rentals) and United Site Services. An internet search lists United Site Services as a “porta-potty rental” company. The City lists in-kind donations from United Rentals, also a construction equipment rental company, of $13,500, listing it was used for “discount on showers and restroom trailer rentals.”

It should be noted that on the City’s listing of the shelter in-kind donations249 “donated” items or services are differentiated from “discount” or discounted items or services, indicating the line items labeled “discount” do not cover the entire cost of the service or item. Conversely, line items marked as “donated” would indicate the entire cost was covered. This would imply that if marked as donated, there should be no entry for the same item or service on McCune’s invoice.

McCune acknowledged he was the general contractor for the project. He stated his contract was with Visit Anaheim. He was asked what the terms of the contract were. He said simply, “Get it done.” There appeared to be little or no controls placed on McCune or his spending.

Mr. Johnson: What was the price?

Mr. McCune: $600,000. Less than your contract.250

He said they weren’t the only ones to work on this. “We did the build-out, so what we did was we went in there and got electrical service, got hold of the gas company to get gas in, brought in temporary trailers…”

Mr. Johnson: So you were the general contractor?

Mr. McCune: Yes sir.

Mr. Johnson; But you had subs?

Mr. McCune: Yes, all subs.

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249 It is somewhat confusing that the City lists the in-kind donations under the heading, “In-Kind Expense Summary.” Yet, clearly these are donations of items and/or services other than money.

250 This appears to be a comment referencing JL Group’s contract with the City to conduct this Investigation.
McCune said he said he made a little money on the contract, but not much.

_I mean, it’s nothing! I mean $600,000. I mean the TOT tax in the City of Anaheim last June was $167 million, so we’re squandering [squabbling?] over it, but it’s been ready to go. I mean Mr. Moreno sits in City Council and ‘oh my God.’ We’ve been ready and on it since we finished that thing, so come on and get it. There’s nothing to see. We’ve got subs paid and releases. Pretty basic stuff._

When asked what the total cost of the project was, McCune said $600,000 on his side, while acknowledging that there were some donations and that Taormina handled the trailers.

When asked how much he made on the project. McCune said, “Not much. Normal fee, 5 or 6%” (of the $600,000). If his personal profit were 5%, that would equal $30,000. Yet, in his final invoice, McCune included a line item:

_Ross McCune - Project Management - $2,000_

If McCune’s actual fee was $30,000+ then why did he only list only $2,000 in his invoice, which totaled $600,000? It appears that his invoice numbers were possibly skewed. It seemed that the invoice profit figure was potentially inaccurate.

McCune was asked who paid him. He replied, _“I have no idea.”_ He submitted a bill to Visit Anaheim and he got paid. At first, he said Visit Anaheim paid him and then said Visit Anaheim Cares, when asked further. He was asked who he specifically received a check from. He replied, _“It should’ve been from the people we have the contract with.”_

He was asked if there was ever a calculation about how much money was saved as a result of in-kind donations. McCune said he ran the budget. _“I watched the budget. They’re my numbers.”_ He was aware of a couple of in-kind donations but he said it wasn’t a lot.

Mr. Johnson: _Do you have any recollection of what that number was?_

Mr. McCune: _Not specifically. No. It wasn’t a lot. It was somewhere between $30,000 and $70,000. You know it wasn’t a killer amount._ [Emphasis added]

Mr. Johnson: _That was saved through donations?_

Mr. McCune: _Donations, yeah._

McCune’s estimate of between $30-70,000 was seemingly inaccurate. By our review of the City’s Final Accounting, the amount of in-kind donations to construction costs totaled between $163,000 and $180,000, which did not appear to include some of the Bill Taormina and Jim Cain contributions or the additional $150,000 donated by Taormina.
McCune said he hadn’t calculated the cost savings of labor vs. materials. He was asked if he still had his after-action report and if he could provide a copy. McCune said, “Oh yeah.” But McCune’s attorney interjected, “He and I are going to talk about that. That’s a big fat maybe.”

McCune said, “It’s interesting. Everyone whines about this thing. It was a small contract. It was a very tight schedule.” He said the first number he ran on the project was $1.2 million. When asked how he got his number down from that to $600,000, he said Ament came up with that amount and told him “that there’s no way [the $1.2 million] was going to fly.” He said, “I don’t know. I didn’t know what the budget was. I just price buildings. You know, you decide whether you want to spend the money or not. That’s not my problem.”

He was asked if he understood that this was a no-bid contract. He said, “Maybe you weren’t listening. I said I was asked to do a budget, and I did a budget.” When asked who asked him to put together the budget, he replied, “it was Todd.”

i. Lack of Deliverables and Permits

Several months after the State College Shelter had been demolished, Councilmember Denise Barnes sent City Manager Chris Zapata an email asking for an accounting of the City’s expenditures for the shelter and the planning procedures that preceded it. Specifically, she was interested in the time spent by staff for this effort and the direct costs to the City. She was also concerned about liability issues that the lack of proper permitting and planning may have exposed the City to. Her email was forwarded to Public Works Director Rudy Emami with the following responses.

Councilmember Barnes: May I please have a copy of this “Improvement Plan” and associated documents? I assume this would include architectural and engineering plans, permits, etc. that outline the work to be completed for the project, including what would be REMOVED prior to returning the property to its owner, and what improvements would remain as permanent to the structure.....and any executed agreements or other documents required in implementing the Improvement Plan....and copies of “Hold Harmless” type agreements or sign-in sheets that may document the volunteers who assisted with the project.

Public Works Director Emami: As significant efforts were made to expedite the entire build-out, there was never a plan submittal or permit issued for the work performed; inspection services were conducted as needed during construction to help ensure that the build-out provided a safe environment for all. We would have experienced at least a 4 to 6 month delay had improvement plans and permits been required prior to the start of the project. We finished this project in 14 days. It was a design and build as you go. We mostly worked on sketches or discussions that were changing daily. We do not have any of the hold harmless type agreements or sign in sheets as that would have been VAC’s responsibility. [emphasis added]

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251 McCune’s attorney was also retained by Laura Cunningham and represented the Anaheim Chamber of Commerce. This is the same attorney who advised JLG that we would receive no documents from the Anaheim Chamber in this Investigation. This demonstrates the close relationship between McCune, Ament and the Anaheim Chamber.
Barnes: I would like to review copies of the actual documents issued, such as applications, permits, inspections, etc. and I trust there is some accounting of the fees and charges the City of Anaheim waived or absorbed.

Emami: To expedite the start of construction and move in to the shelter, there was never a plan submittal or permit issued for the work performed; inspection services were conducted as needed during construction to help ensure that the build-out provided a safe environment for all. No fees or charges were made against the project. We have a few members of our staff that were dedicated for a few weeks to this project and we did absorb some minor costs in sending our city plumbing crew to resolve some of the issues they were having with needles being flushed in the toilets and clogging the sewer ejector pumps. We did not track the cost of the entire city’s effort as this was an extraordinary effort to facilitate a lot of work in a small amount of time that was being managed and performed by VAC. [Emphasis added]

Barnes: An accounting of staff time, including overtime or outside contractors.

Emami: This was not tracked. City staff facilitated the project being constructed in a safe and expedient manner and was not in the same project management role we served on the La Mesa and Salvation Army shelters. We relied on the agreement that protected the City from liability, cost overruns and compliance with local, state and federal regulations. The only open item that remained at the end of the shelter’s existence was the cost accounting that was addressed in Linda’s [Andal’s] presentation to Council.

As can be seen from this exchange, the City took a neutral approach to this project, not only in the otherwise required areas of permitting and inspections, but in monitoring costs and overhead.

j. Details about Visit Anaheim Cares Tax Returns

2018 Tax Returns: In looking at the tax filings for Visit Anaheim Cares, it show revenue for 2018 as $750,388 with $600,00 from government grants (money provided by the City of Anaheim) and $150,388 from “all other contributions, gifts, grants, and other similar amounts.” The additional funds appear to show a discrepancy from the final accounting numbers provided to the City from Visit Anaheim Cares, which shows donations totaling $106,500 rather than $150,388. Additionally, under Part IX “Functional Expenses,” there is a line item for $27,388 which appears to be a grant payment made from VAC to another entity. The tax returns do not show any expenditures for the year but rather indicate assets of $713,771 by the end of year.

2019 Tax Returns: In 2019, this tax filing shows the expenditures for the homeless shelter. Again, these numbers do not align with the final accounting shown in the City documents. They show revenue of $11,200 from grants with -$700,134 in revenue, less expenses. Of this, $593,293 is listed as “loss of investment income” (Part VIII - Statement of Revenue). Expenses listed include $92,398 for Homeless Shelter, $16,119 for legal fees, $5030 for depreciation, and $4,234 for accounting.

252 Visit Anaheim Cares 2018 990 Tax Return (Exhibit 122).
253 Visit Anaheim Cares 2019 990 Tax Return (Exhibit 123).
Adding the loss of investment income and expenses for the homeless shelter equals $685,691 whereas the final numbers from the City are shown as $657,252.83.254

\[k. \text{ Conclusion}\]

As this project was done on an emergency basis, the temporary homeless shelter project was done quickly without much regard for oversight and complete accountability. It had the appearances of creating an immediate public relations win for the newly elected Mayor Sidhu, and to even to potentially make former Mayor Tom Tait look inadequate. As witnesses have noted, Harry Sidhu and Todd Ament started the planning process of the shelter well before Sidhu was elected Mayor. After the election, they acted immediately and moved ahead with the project. The City Council majority appeared pleased to give them the go-ahead on a no-bid, essentially unregulated, and unaccountable contract. Public Works Director Rudy Emami was apparently somewhat concerned and advised against allowing Ross McCune to handle this particular construction project, as McCune’s firm was handling others. But McCune’s involvement seemed to be a fait au complet, and Emami’s counsel was dismissed.

Our Investigation demonstrated that Emami’s concerns were well-founded. McCune was allowed broad spending authority with a large amount of the public and private funding he was handed, apparently under the supervision of Todd Ament. Certain sums of funding may remain unaccounted for. Further, the City had seemed to display a lack of curiosity over where the money went. We are not certain if some of this funding was possible funneled through the Chamber as the Chamber has refused to provide accounting documents to our investigators and has further refused to provide any accounting.

In summary, the greater weight of the credible evidence established:

- Sidhu, within two days of assuming office, called a meeting days later for expedited construction of a temporary (interim) homeless shelter that would only be in use for a few months, at a location selected by Todd Ament.
- Sidhu proposed that the City’s $600,000 in seed funding for the shelter (and any other community donations raised) be funneled through Visit Anaheim Cares, a brand-new non-profit with no track record and its only other funding being between $20,000 and $50,000 from Visit Anaheim.
- Ross McCune and Caisteal Builders, who received the construction contract for the temporary (interim) shelter without a bidding process, is a long-time member of the Chamber’s Executive Board and served as the Board Chairman for many years.
- McCune states that after initially estimating a $1.2 million budget for the project and discussing with Todd Ament, Ament came up with the proposed $600,000 for construction costs instead.
- Construction for the project required the retrofitting of a portion of a large warehouse structure for temporary lodging of homeless individuals, but Caisteal Builder’s invoices

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\[254\] Temporary Shelter Final Accounting (Exhibit 124).
toted $657,252 (with McCune’s invoice for construction costs itself totaling exactly $600,000, although “demolition” was separately listed at another $30,000).

- In addition to the approximately $163,000 to $180,000 in in-kind donations noted in the City’s Final Accounting, others, including Bill Taormina and Jim Cain, stated that they either made or arranged for other, unlisted in-kind donations relating to the construction, including $150,000 in construction costs from Bill Taormina for his own laborers and materials and an unknown amount from Jim Cain on a variety of aspects of the project.
- Many listed in-kind donations also appear to overlap with costs Caisteal Builders charged to the City for construction work, including: job materials from Westside Building Materials, slurry and paving services from United Paving Co., dumpsters and services from Republic.
- Claims that Visit Anaheim Cares covered three to four months’ rent for the building are also undercut by the City’s Final Accounting, which listed an in-kind donation from the property owner of $343,000.
- After the project, email records state that in order to complete all work in the 14-day timeframe, there was never a plan submittal or permit issued for the work performed, or an accounting of City costs or staff time.

It should also be noted that Visit Anaheim Cares has been fairly inactive since 2018. An examination of their tax returns since 2019 shows virtually no additional income with a balance of just $13,500 and almost no activity until their recent Welcome Home program in 2022.

A concern related to Mayor Sidhu’s direction that funding for the temporary shelter be funneled through Visit Anaheim Cares relates to the that our Investigation additionally found that in early 2020, $6.5 million of COVID relief funds were paid to Visit Anaheim with a secret agreement between Mayor Sidhu, Visit Anaheim CEO and President Jay Burress and Todd Ament that $1.5 million of this funding would be diverted to a Chamber controlled nonprofit. This Visit Anaheim COVID money diversion to the Chamber appears to demonstrate a similar pattern and practice to the funding and accounting issues associated with the temporary homeless shelter project where there seemed to be little oversight or accounting.

5. **Chamber of Commerce Contracts with the City**

   a. **The Sidhu Council and Chamber Contracts**

      When Mayor Harry Sidhu first came into office in 2018, there had been a flurry of activity. There had apparently been a good deal of planning that went into these planned activities done prior to his election. Two council actions in particular that appear to illustrate their support for the Chamber were votes of public funds to support the Chamber. One action was for $425,000 and the other for $500,000 with both occurring within the first 2 years of Mayor Sidhu’s term in office.

      This was in sharp contrast to the previous Mayor. Under Mayor Tom Tait, the contracts with the Chamber of Commerce had ceased because he deemed the services proposed to be rendered and something the Chamber was already doing in their normal course of business. Under Mayor Harry Sidhu’s leadership, there was a concerted effort to reinstate the relationship between the City and the Anaheim Chamber with a number of no-bid contracts. Whereas the Chamber was somewhat
marginalized under Mayor Tait, they had greater access and funding under Sidhu. Because Sidhu had a willing majority, the City staff complied with the requests despite some of their concerns.

b. $425,000 No-Bid Contract - June 4, 2019

On June 4, 2019, the Anaheim City Council approved a $425,000 no-bid contract for the Chamber of Commerce to promote business throughout the City.

The $425,000 no-bid contract required the City Council to waive Council Policy 4.1 for the selection of Professional Consultants (see p. 46) which recommended the following:

Recommendation Process:

A. Major Projects – Anticipated fee of more than $200,000 1. Affected departments shall prepare a Request for Proposals (RFP) and invite a minimum of five (5) qualified firms to submit proposals.

Process to Limit the Number of Firms:

When five (5) potential firms are unavailable, or if it is in the best interest of the City to limit the number of firms solicited, the proposed contract/agreement will be placed on the Council agenda in accordance with the Approval Process set forth in this policy.

Former Director of Economic Development, John Woodhead\textsuperscript{255} was asked if political pressure increased after Harry Sidhu was elected Mayor. He replied, “Yes, more so, and he had a council majority that for me was very shocking how readily they went along with him.” He stated that he would express his disappointment to some of the Councilmembers about their willingness to follow Mayor Sidhu and they would say, “Oh John, the votes are there, and I can’t stop this.”

When asked his opinion of Chamber President Todd Ament, Woodhead stated that he was aware of Ament’s mismanagement at the YMCA and hence did not have a favorable view of him. He added,

\textit{The way the Chamber had worked out an agreement to get money from the City to support them, I have always believed very strongly that the City should not have had a close relationship with the Chamber. In other jurisdictions, I saw that and saw how poisonous that could become and I was the attorney charged with drafting that first Chamber contract.}

He further observed,

\textit{I screamed and yelled behind closed doors at Lisa and at the City Manager. I yelled repeatedly until they said that this is happening, and I said, ‘I hear you, I have spoken, I have warned you, I have done all I can do.’}

\textsuperscript{255} John Woodhead interview.
Woodhead complained that when these Chamber contracts would come up, he would remind everyone that this was a bad idea to grant these contracts, and they should not support it. Toward the end, City staff would not have him involved in assisting in the drafting of the Chamber contracts, because there were lines “I simply was not going to cross.”

He observed that, “Todd had a reputation that preceded him rightly or wrongly, but his business practices had always been a little bit suspect.” Woodhead went on to say that he recalled his group (Redevelopment) having to bail out Ament at the YMCA due to mismanagement of funds. When he was hired by the Chamber, he again came to the City asking for money for the Chamber. Woodhead felt the same scenario was repeating itself.

Woodhead felt the Chamber of Commerce would devolve into some sort of political action committee and “We would be giving them money to do political things, bad news, you are going to politicize your [City] Council.”

Deliverables

The Chamber was awarded the $425,000 contract on June 4, 2019, by the City Council. The contract list of deliverables the Chamber would be responsible for appeared similar to a list of activities the Chamber and/or Visit Anaheim was already engaged in and performing in their normal course of business. The Council minutes from the meeting indicated that Councilmember Barnes expressed concerns that the Chamber was being provided a sole-source contract without a Request for Proposal (RFP), and that the agreement lacked meaningful and specific Chamber deliverables. She also expressed concern regarding the oversight of the agreement, the potential for campaign contribution abuse, and the payment timeline.

Barnes also asserted that, “The City can handle its own economic development.” In response, City Attorney Rob Fabela explained,

There is a provision in the contract that if the Chamber of Commerce is subject to filing a Form 700, they would need to, but he would not be able to make that determination from the four corners of the contract. He advised it can be looked at in the future.

As a private entity, the Chamber would not be subject to filing a Form 700, which requires a declaration of potential conflicts of interest by elected officials and certain public employees.

Deputy City Manager Greg Garcia stated the contract was “intended to extend and expand the City’s economic development objective of supporting business growth and economic development . . .” He added the Chamber would “supplement the efforts of City staff” in the area of economic development. He then proceeded to list these allegedly specific deliverables:

- Outreach and programming aimed at business retention and expansion
- Implementation of a Red Team Visit Program
• Identify a “formal City sponsorship package for important Chamber-hosted business programs”

• Marketing and promotional services

The specific list of deliverables was spelled out in “Exhibit A” of the contract, which was submitted by the Chamber without any apparent changes by the City.

Interview of Laura Cunningham

We interviewed current Chamber CEO Laura Cunningham during our investigation. In the interview, we specifically asked her about her time as Vice-President of the Chamber while Ament was CEO/President. She indicated she was hired in April 2019, one month prior to the aforementioned contract being approved.

Mr. Johnson: When you came in you were obviously the VP. There's nobody between you and Todd, right? He's the CEO, you're number two?

Ms. Cunningham: Correct.

Mr. Johnson: Okay. Was he open with you about the finances, about accounts, about money coming and going at all?

Ms. Cunningham: No.

Mr. Johnson: Did that seem unusual to you?

Ms. Cunningham: No. I was brought in sort of, uh, to kind of project manage the staff and project manage some of the work we were getting…and none of that had to do anything with that, I had to worry about the in-flows or out-flows of monies.

Mr. Johnson: Did you meet with him frequently, Todd, during that time?

Ms. Cunningham: We met, we had a lot of meetings in the office. We would do a lot of project meetings in the office. There was always people who were coming in, and he would come and sit on some of them and not on others, and so.

Mr. Johnson: Ok. How about just one-on-one meetings? Did you meet with him regularly?

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256 Laura Cunningham interview (Questions and answers have been somewhat consolidated for clarity and brevity).
Ms. Cunningham: Sure, just once in a while we’d update on what some project was doing or wasn't doing. The Chamber does, yeah...all the projects we were doing, you know. We do morning meetings. You'd do lunch meetings, and uh, mixers...and we were doing signature events, and we were doing projects, and then once COVID happened and we weren't doing, uh, mixers, and we were doing the recovery, we were all trying to figure out what we didn't know and learn. So, he pretty much behaved as an executive who said, go do this, go do this, can you get me that.

Cunningham was specifically questioned about this $425,000 contract. She claimed she was largely unaware of what went on at the Chamber prior to being hired and had not specifically sought out information on the Chamber’s past practices. She also indicated her mother had been ill, which distracted her from her observations of the Chamber business activities at that time.

Mr. Johnson: So, you weren't particularly tied to this contract for the $425,000, but you were, you were doing stuff to implement this contract?

Ms. Cunningham: So, when you say not tied to it –

Mr. Johnson: In other words, you said you were busy as the project manager for Anaheim First, and you said –

Ms. Cunningham: No, we were doing both. Yeah, yeah, yeah. Exactly.

Mr. Johnson: Right. So you did have some involvement in the implementation of the contract, correct?

Ms. Cunningham: Yeah.

Mr. Johnson: Okay.

Ms. Cunningham: You asked me if I had had a part in writing this [contract] up, but no, I, I definitely had work that I did based on the work plan.

Mr. Johnson: But no, I didn't, I didn't ask you if you wrote this up.

Ms. Cunningham: Oh. Okay.

Jeff Johnson: I assume Todd did. It's just, normally the formula they follow. They will just use what [deliverables] were submitted by, you know, the contractor as part of the terms.

Ms. Cunningham: Yeah.

Mr. Johnson: Uh, and that's part of this addenda. So, prior to this contract, was the Chamber hosting special events and individual meetings aimed at attracting new business to Anaheim?
Ms. Cunningham:  

I don't know. I wasn't working there. I can't talk about what the Chamber was doing before I got there.

Mr. Johnson:  

How about implementation of a red team visit program? What is, do you know what that is?

Cunningham indicated the “red team” was a way of interacting with the “largest businesses” that were considering leaving the city or closing the business, encouraging them to stay with various City incentive plans.

Mr. Johnson:  

Right. And were the red teams part of the Chamber?

Ms. Cunningham:  

Uh, the red team was some Chamber staff. There would be Chamber staff with whether we needed to get the gas company or we need to get public utilities or public works as sometimes the people just needed help with parking or, um, but whatever issue they may have that, you know, stop them from thriving or growing.

Mr. Johnson:  

Okay. Uh, and when did the red team start?

Ms. Cunningham:  

I don't know.

Mr. Johnson:  

But before you got there?

Ms. Cunningham:  

Probably. Yeah, Yeah, ’cause they had been doing them in the past. Yeah.

Mr. Johnson:  

Okay. So that was something the Chamber was already doing when you got this contract? They were doing red teams already? To, to the best of your knowledge?

Ms. Cunningham:  

Sure.

We found her responses somewhat confusing and vague (see transcript). However, there appeared to be other deliverables, like the Red Team Visit Program, which sounded important, but were, in fact, programs the Chamber had already been undertaking, or activities that required little or no effort or cost to attempt to implement. According to Cunningham, these programs included:

- **“Partner with international business organizations and provide the relevant resources to Anaheim businesses for building and growing export and import opportunities.”** Cunningham, after a long-winded explanation, stated, “It never got off the ground.”

- **“Recognizing the advantages Anaheim enjoys in its diverse community of business owners and residents, develop a plan to outreach to and provide resources for immigrant, women and minority-owned businesses as well as those businesses serving [the] immigrant community.”** In response to this item, Cunningham stated they made contact with a woman [Monica Robles] who provided a class on “wrap around services” for immigrants. Yet,
Cunningham acknowledged, “I knew that she was doing this particular program and she had been to some events with us, and then I asked her to come in. Um, so I learned that sometimes she needed space to have her meetings, so we provided her some space.” When asked how many classes this woman presented at the Chamber, Cunningham replied, “I think she only did it one time.” She also stated the Chamber provided no financial support to this program; it only allowed the instructor to use their conference room and possibly some City facilities. It further appears this was something the Chamber was also already involved in and had a very limited application.

- “Link Anaheim residents to employers as well as job training opportunities specific for Anaheim’s workplace, particularly in emerging markets, shared economy, SMART CITY technologies and new growth industries.” When asked about the SMART CITY technologies, Cunningham stated that it primarily had to do with the use of driverless vehicles and the associated infrastructure in the City. When asked if the Chamber expended any capital on this project, she replied, “I don’t know...but we wouldn’t spend money.” When asked what else the Chamber did in regard to this deliverable, it was difficult to get a clear answer, but she eventually replied, “There was lots of meetings that, that we would have about infrastructure.” The meetings only involved City staff.

- “ACC [Chamber] will work in collaboration with the City’s Economic Development Team to enhance and supplement their current economic development activities.” When asked if this was occurring prior to the contract, Cunningham replied, “I have no idea.” She said she talked to a lady at the “EDC” about partnering on projects but did not elaborate if that resulted in any defined deliverables. She added they also held an Economic Development Conference. When asked if that was something they had done before, she replied, “I don’t know if they had it before.” At that conference, she claimed they had a “big panel” where they “highlighted some of the largest projects in each one of the six districts.” I told her that sounded a lot like what the Chamber was already doing at that time for Anaheim First. She denied that was the case, although it appears this conference was originally created “in partnership” with the City.

- “President’s Circle Membership” When asked about this program, Cunningham stated it was a Chamber program for “higher level sponsors.” When asked if this was something created under the City contract, she replied, “It’s probably been around for a very long time,” and was a pretty standard feature of most chambers of commerce.

- “Anaheim/Orange County Job Fair & Expo” Cunningham stated the Chamber was involved in this event prior to receiving this contract.

- “Business Awards Luncheon” Cunningham stated the Chamber was involved in this event prior to receiving this contract.

- “State of the City Luncheon” Cunningham stated the Chamber was involved in this event prior to receiving this contract.

- “Taste of Anaheim” Cunningham stated the Chamber was involved in this event prior to receiving this contract.
● “Angels Luncheon” Cunningham stated the Chamber was involved in this event prior to receiving this contract.

After discussing these issues with Cunningham, we had difficulty understanding how the Chamber could have expended any efforts that justified receiving $425,000 of public funding in one year on their promised deliverables to the City. We were unable to clearly pinpoint the Chamber’s justification for requiring these public funds for what they were promising to deliver.

We also found it difficult to conclude that the Mayor and City Council could reasonably justify such a large expenditure of public funds on this contract with the Chamber without more definitive deliverables that the Chamber was not otherwise already carrying out.

It should also be noted the City was already indirectly supporting the Chamber through a contract with Visit Anaheim, in which the Chamber received a percentage of Visit Anaheim’s revenue from the TID resort taxes, amounting to about $500,000 annually at that time, and that has increased to an estimated $700,000, currently.

c. $500,000 Contract to the Chamber

In March of 2020, at the outset of the COVID-19 Pandemic, Mayor Sidhu proposed a $15 million Anaheim Community and Economic Recovery Plan, approved by Council on March 26, 2020. A part of the plan included $6.5 million to be allocated to Visit Anaheim in order to facilitate business and economic reopening and recovery, presumably toward the end of the pandemic. It was revealed in this Investigation that $1.5 million of those funds were secretly diverted to the Chamber’s nonprofit, as part of a secret deal between Sidhu, Ament and Visit Anaheim CEO Jay Burress. The details of this action are described in more detail in a separate section of this Report.

On August 11, 2020, Sidhu proposed—and Council approved—an additional $4 million to “assist residents, businesses, and others impacted by Covid-19.” Of that total, $500,000 was to be directly allocated to the Chamber “... to begin implementation of the shop/dine/purchase local hire program ... ” Of course, such “implementation” was speculative, and was somewhat questionable as to whether most of the deliverables were accomplished.

The following month, on September 23, 2020, there was an email exchange between Kristin Pelletier, Jean Ibalio, the Deputy Finance Director, Lylyana Bogdanovich and Greg Garcia about...

According to the CARES Act, payments from the Coronavirus Relief Fund (CRF) may only be used to cover costs that:

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257 March 26, 2020 City Council Meeting.
258 August 11, 2020 City Council Meeting.
1. Are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID–19);

2. Are not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and

3. Are incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.

Arguably, the $500,000 Chamber contract did not seem to fall within these parameters. As described in the contract, the City would engage the Chamber for the following services:

In order to maintain and strengthen Anaheim’s position as an outstanding business location, the City requires the services of the Chamber to enhance and supplement existing economic development activity.

In the Scope of Service document, the initiative was called the Shop/Dine/Purchase Local/Hire Program with the stated purpose to boost local businesses rather than provide grants or direct assistance.

Ibalio addressed this in her email, stating,

Also, just to note, in case it gets this technical - while we can say the contract is being funded by the CRF proceeds, from an accounting perspective, we would pay out of the General Fund, which would have received the CRF grant as revenue.

Jean Ibalio Interview

In our interview with Jean Ibalio, we shared the email she sent to Kristin Pelletier (Senior Assistant City Attorney) in October 2020, asking if the $500,000 no-bid contract to the Chamber qualified for CARES spending. She said,

259 Assistant City Manager Greg Garcia.
In relation to CARES funding – because that was such a big effort to try to make sure that we are going to get the proper documentation when we submit that claim, I was tasked with managing that whole effort for CARES funding. I was working with the state to determine what could qualify etc. etc., so my role is to make sure that we can identify all the expenditures across the city that we could submit to be part of the claim.

The CARES funding that we submitted to the state for the COVID Relief Fund (CRF) was all based on public safety payroll, and the auditor from KPMG wanted clarification on that topic.

Ibalio added they were using a function code for COVID-19 per the State's guidelines and any expenditures related to public safety qualified for CARE. “That $4 million was not designated from CARES funding when it was approved.” CARES function code was primarily used for payroll tracking purposes.

Investigators pointed out that nowhere in the $500,000 Chamber contract did it outline how the Chamber would provide qualified small business assistance to meet the guidelines. Ibalio said she was not familiar with the Chamber’s normal functions, so she would have to work with whoever was managing the contract to understand. She reiterated that when it came to the details and scope of a contract, it is left up to the department to understand and manage the contract.

I was trying to look for what else we can add to CARES, could this be? From an accounting perspective, we have fund codes, and the general fund has its own code. Everything that they process goes through the general fund. When CRF came in, that is revenue that goes into the general fund, so when we are recording all these expenditures there is no CRF to charge against because they are all charged to the general fund.

Subsequently, the City entered into an agreement for $500,000, regardless of whether it qualified for CARES Act funding or not. Additionally, the contract seemed to be written and directed by the Chamber and potentially, Todd Ament directly. This email exchange between Ament and Pelletier on September 22, 2020, indicates that the Chamber drafted the contract for the City’s approval along with the Scope of Services.260

From Kristin Pelletier to Ament: Todd, can you please send me a word version of this contract. I need to make a couple of changes and I cannot find this version on the City network.

From Laura Cunningham to Pelletier: Per your request, attached is the word version of the draft contract. I’m also including the Scope of Services.

Please let me know if I can provide you with any further information or answer any questions.
Thank you!

260 Anaheim Chamber $500,000 COVID-19 Contract with City Scope of Services.
On September 29, 2020, Pelletier sent Cunningham the contract for signature along with a note that she was working to expedite the process (including getting their invoice paid). It should be noted that the Scope of Services did not have specific deadlines as required for CARES Act funding and appears to fall outside the scope of qualifications for that program. The first phase was scheduled to be launched by September 20, 2020. This appears to be another no-bid contract to the Chamber with uncertain definitive deliverables or accountability. While there is a dedicated website that is still active, it is questionable if the program delivered the $500,000 worth of value for the investment of public funds.

Of note is the fact that link for the Shop/Dine program listed in the 2021 State and Local Fiscal Recovery Funds Report links to Anaheim First at anaheimfirst.org.

As has been noted in the past concerning some Chamber contracts, this contract seemed to originate with the Chamber, was drafted by the Chamber and approved by a supportive City Council majority without much accountability or review by the City.

d. Conclusion

The Chamber engaged in numerous contracts with the City of Anaheim. We reviewed only two of them in this section, yet there were others. In other sections of this Report, we further discuss the Enterprise Zones, Anaheim First, as well as the additional $1.5 million paid directly to the Chamber by way of Visit Anaheim, as a part of the COVID Recovery Act in 2020.

A common theme seems to run throughout these interactions. The Chamber received funding, yet there was little or no return on investment for the public funds they were awarded. It seemed that the Chamber could dictate the terms and deliverables of the contracts with a City Council that was willing to comply.

6. Anaheim First

a. Introduction

The concept of Anaheim First apparently originated in the mind of Todd Ament. Keith Olesen,261 who succeeded Ament as the President and CEO of Anaheim First, stated he first met Ament in the late 1980s or early 1990s when the Department of Housing and Urban Development (HUD) was giving Community Development Block Grants (CDBG) to cities. Both Olesen and Ament, who were Neighborhood Council Chairpersons at the time, were intimately involved in the grant process, and were recipients of the grants. This was while Ament was working for the Anaheim YMCA.

Some years later, the success of the Neighborhood Councils was a “blueprint” for Todd Ament to create Anaheim First, according to Olesen, and he believed Ament’s plans were moving along even before Sidhu was elected mayor. He recalled hearing early on that $25 million generated by the hotel transient occupancy tax (TOT) would go into the City’s budget and would be transferred to Anaheim First’s efforts towards neighborhood improvements. He said the Stadium’s sale was also going to be part of the funding of Anaheim First, but he could not recall who he specifically heard that from. There

261 Keith Olesen interview.
was also discussion that once LPMR bonds were paid off, some of the money would go to Anaheim First.

But in addition to Ament’s planning, the rise of Anaheim First would not have been possible without support of newly elected Mayor, Harry Sidhu and the City Council majority, which apparently shared Ament’s vision to make Anaheim First a vehicle to gain and maintain control of the political landscape by marginalizing the minority.

Upon Mayor Sidhu’s coming into office at the end of 2018, it became apparent he was not shy about employing measures to marginalize the Council minority. There seemed to be some backlash from the 2016 implementation of district elections, requiring each Council district to elect its own Councilmember, rather than being elected by the voters in the city at large. This shifted the balance of power away from the existing Council majority, which had previously included Councilmember Sidhu. It also created a Council minority more representative of the districts they represented.

Furthermore, as Mayor, Sidhu introduced a Council rule requiring that there be a third Council member motion vote in order to agendize any item the City Council wished to be considered or even discussed. At the time only Councilmembers Denise Barnes and Jose Moreno were in the minority, so this measure appeared calculated to directly limit their participation in effectively representing their districts. Although the measure was represented by Sidhu as a means to save staff time by limiting the number of agenda items they needed to research, in our numerous interviews, no witness we spoke to was aware of any local jurisdiction in which a rule this restrictive has been introduced. Typically, such a rule may call for a second Councilmember to agree to agendize an item, but not three.

We believe this evidence shows a willingness by Sidhu to use a vehicle such as Anaheim First to further isolate and marginalize the Council minority members.

b. What is Anaheim First?

Anaheim First was promoted as a vehicle to generate economic revitalization by way of six district councils, all formed without the control or even the input of the district City Council members. These “independent advisory groups” of residents from across the city would be providing input on potential improvement projects in their neighborhoods. These district advisory groups would be controlled by a central executive advisory board.

The concept was initially presented in Mayor Sidhu’s first State of the City presentation in 2019, along with a fact sheet explaining the program. He presented it as a non-political entity (something the fact sheet reiterates multiple times). He further proposed the first year of funding would be $20 million dollars and would be $250 million dollars over the next ten years. Although alluded to in Sidhu’s fact sheet, it appears that in hindsight the program was not only proposed but would be influenced by the Anaheim Chamber of Commerce.

Linda Newby,262 an early member and former Anaheim First stalwart, stated the presentation at the Mayor’s State of the City was uncomfortably staged. She recalled receiving an “urgent email” four hours before the State of the City, in which she and the rest of the team were told to wear their

262 Linda Newby interview.
Anaheim First t-shirts to the luncheon. At lunch, they were asked to stand up. She felt embarrassed and like a “puppet” having been used.

The Anaheim First organization was to be established as a charitable non-profit 501(c)(3) entity.

c. Implementation

A number of individuals were wary of Anaheim First from the outset. Minority Councilmember Denise Barnes was one of them. She stated she did not see a need for Anaheim First. Mayor Sidhu, along with Todd Ament, wanted to put “all kinds of money” toward Anaheim First. It was her opinion the issues they intended to tackle were work the City Council was already doing or should primarily be responsible for handling. Barnes went to the City Attorney to express her concerns that it was not proper. She wanted to know why Anaheim First, a private entity, was involving the City department heads and dragging them to meetings on the City’s time. She said she never saw a presentation of what Anaheim First accomplished. In her opinion, it was all a diversion and a waste of time.

Councilmember Jose Moreno also expressed reservations about the organization. He said it originally showed up on the City Council agenda without any background information. It was an “expansive community outreach” by the Chamber of Commerce. He questioned why the Chamber would be “creating and leading this effort for community engagement and what neighborhoods think we should do and what should guide us.” He noted that the Chamber was “known to use and work in the non-profit worlds to collect information.”

Moreno compared this to the Anaheim Hills Community Council, a group that the Chamber sponsors. He said the group started in order to advocate for the needs of people in “the Hills.” They would have forums at election time, but

*It was understood to become a way to get residents to go. You sign in and put your email. That becomes a political outreach list for campaigns, and that’s what Anaheim First was.*

Moreno thought this was the same “playbook” used by SOAR and the Anaheim Hills Community Council to create a “community arm to advocate for their interests.”

Moreno believed Anaheim First “didn’t pass the smell test.” He felt that the City staff was equipped to do the same thing Anaheim First was charged with doing. He was also suspicious about how people were chosen. A steering committee was set up that “nobody knew about.” The list of participants were “hand-picked” and the core leadership group were “all of the Who’s Who of community supporters of SOAR and of the resort. They were the apologists for the Resort.”

After the neighborhood councils were set up, Moreno said they created district Facebook groups. He originally joined a group but was later blocked when he asked a question that the group

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263 Meaning, not a member of the City Council majority on many votes.
264 Denise Barnes interview.
265 Jose Moreno interview.
declared “political.” He also tried to join his district Facebook group and was never approved. Additionally, Moreno was never invited to speak at his own district’s Anaheim First neighborhood group, even though Sidhu was allowed to speak.

Economic Development Director Sergio Ramirez\(^{266}\) stated the district leadership teams for Anaheim First had been developed prior to his return to the City. He recalled that Councilmember Jose Moreno had expressed his concerns that he was not involved in developing the leadership team for his Council District. When asked if this was a valid concern by Moreno, Ramirez replied, “Absolutely!” Ramirez stated that he believed that every City Councilmember should have been involved in the formation of these teams.

Former Mayor Tom Tait,\(^{267}\) who had just left office, stated he believed Anaheim First was “corrupt” and was a way to isolate minority Councilmembers Denise Barnes and Jose Moreno. He said it effectively “Aces out the elected officials.” It did this by involving local residents with the Anaheim First group in order to gain approval for district projects, rather than channeling them through the district elected officials.

Tait thought Anaheim First was “really insidious,” and was “a way to get around” consulting with Councilmembers in the district, specifically Denise Barnes and Jose Moreno. At that time, the Council majority didn’t even allow Moreno and Barnes to put anything on the City Council agenda. Instead, if anyone wanted to get anything done in District 1 (Barnes) or District 3 (Moreno), they would be required to “go through this Anaheim First, which is all of our buddies, and we’ll have meetings and we won’t even invite the Councilmembers.” It was a way to “coalesce power” and “it was all political.” It would allow them to make decisions for the different districts without consulting the Councilmembers representing those districts. If you wanted something done in a district, you would consult the Anaheim First group in that district. “To advise the Council on how to spend money? That’s all political in my opinion.”

Tait also likened Anaheim First to the Anaheim Hills Community Council, which started as a non-profit but then became political when the Chamber took it over. Tait said they started the Anaheim Hills Buzz, which was an online community forum. They would say “great things about Harry.” Additionally, they distributed a political flyer for Sidhu on the windshields of cars in a church parking lot that said it was sponsored by the Anaheim Hills Community Council. He stated since they are a 501(c)(3) non-profit, this is illegal.

Tait thought it could have been a way around the district elections but also said he thought it was patterned after the Anaheim Hills Community Council model, which had been successful.

Current City Councilmember Natalie Meeks\(^ {268}\) stated while she was on the Planning Commission, she volunteered to work with Anaheim First. She elaborated,

*I will tell you one thing, on the Anaheim First thing, when [Todd Ament] went to the City to request a fairly large sum of money without any deliverables, really. It was to do, like, surveys with the public, and I wasn’t really sure what was going on there, like,*

\(^{266}\) Sergio Ramirez interview.
\(^{267}\) Tom Tait interview.
\(^{268}\) Natalie Meeks interview.
what was happening with the money? So, then I volunteered for the Anaheim First, one to participate, and [two.] to see where the money was going.

Meeks was further questioned on this statement.

Mr. Johnson: And were you able to find out?

Ms. Meeks: No. because I was not invited to the executive group, I was just one of the 100...there were, like, 100 people citywide.

She stated she was one of the original fifteen advisory representatives from District 6. She never held a supervisory or leadership role with Anaheim First.

Mr. Johnson: The allegation has been, and there was some backing, that participants at any level of decision making or control were, quote, ‘handpicked.’ Did you see that to be accurate?

Ms. Meeks: Yes.

Mr. Johnson: Ok. And you said you were not one of those?

Ms. Meeks: I was not one of those.

Meeks related that she believed she was intentionally not selected by Todd Ament to serve in a leadership role.

Maybe he didn’t pick me because he knew I was ethical. And my loyalty will always be with doing what’s right and what’s right for the City.... Todd Ament was always a little fishy to me. I had nothing on him, otherwise I would have saved the City, if I had any facts or information, he had done anything wrong.

Danny Fierro,269 District 3 resident, president of Presidio Public Affairs Communications & Marketing and former City Council aide to Jordan Brandman, confirmed he was asked to attend an Anaheim First meeting representing District 3. When asked his opinion of the program, he replied it was “bullshit.” He became involved shortly after the election when Leslie Swan, Director of Anaheim First, called Fierro and said she was helping organize this group and they needed representatives, and that Kris Murray recommended him to Swan. He stated he only went to one meeting which had about three hundred people in attendance. Fierro thought Anaheim First was,

An amateurish attempt to use city money to basically build and operate a political infrastructure, or organize an infrastructure is probably the better way to put it.

He believed the concept had merit, but it involved a lot of insiders who all thought the same way to give certain issues validity. After sitting through one meeting, he thought it was a waste of time and did not go back. He added,

269 Danny Fierro interview.
It was creating a PR machine to be a social validator by having people that support the same issues, and there is a lot of political work that could be done with a list of people like this. Even though it is touted as apolitical does not mean it cannot be used politically, and if you are a mayor who is trying to generate or demonstrate support for certain policies it (Anaheim First) was a good way to do it.

Fierro said it was a significant time commitment and anything Todd Ament touched was an “organizational disaster,” so he believed it would become problematic under its own weight. It seemed “disingenuous because they were trying to come up with stuff to do, so it would feel real.”

Fierro recalled Ament was one of the presenters at the meeting he attended. Ament outlined future steps that would be taken to further the organization’s efforts such as seeing what the community needs, taking a pulse through a survey and it would all guide policy makers. Councilmember Jordan Brandman and Mayor Sidhu were also at the same meeting and Sidhu spoke, providing basic information.

Prominent Anaheim Realtor Paul Kott attended some of the neighborhood meetings. He said there were sign-up sheets people were asked to sign. The Anaheim First volunteers, “were like the worker bees. They went out in the community and they pitched the candidate that Todd [Ament] wanted them to pitch, whoever it was.” When asked if these volunteers were actually used as campaign workers, Kott said,

Oh yeah, because [Ament’s] message was that they were the best for Anaheim. They were the ones who were going to keep funding for Anaheim First, and so the leader of Anaheim First would be pushing this at meetings. Oh yeah, and put a sign out in front of their yard. He or she would be the leader of that group, Citywide. It was a great idea.

Kott compared Anaheim First to SOAR (resort-supportive PAC) in talking about Todd Ament.

It (SOAR) falls along the lines of Anaheim First. I think the intentions were probably good at first, but then I realized he (Ament) could manipulate those good things for his own personal benefit, and they exploded with Anaheim First because that was Citywide.

Linda Newby stated she had been a big believer in Anaheim First when she got involved. She knew why she was there--to get the residents in the area to give their opinion about how to spend the money that would be allocated to them. That didn’t necessarily align with Sidhu and Ament’s purpose. She said “The concept was solid. It was just executed [poorly]....it wasn’t legal.”

Initially, she was appointed to the District 4 neighborhood group. She was then appointed to the executive advisory board. She began to ask questions about the Anaheim First finances. She became the District 4 Chairperson and served in that capacity for a “long time.” She enjoyed this role, and personally conducted at least two of the town hall meetings.

Curiously, Newby had previously been on the Chamber Board of Directors where she became somewhat of a financial watchdog. She said she resigned from that Board because of financial

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270 Paul Kott interview.
irregularities that she could no longer ignore and decided she needed to keep an “arms distance.” Nonetheless, her “appointment” to the Anaheim First neighborhood group, and her subsequent rise through the organization seemed to follow a pattern of sympathetic insiders being selected to comprise the controlling structure of the organization.

Once she got on the Executive Advisory Board of Directors and saw the financials, her perception changed. She recalled telling Kay Carpenter, who was the Vice President, “I just have to distance myself. I just don’t feel comfortable with the financials. The mission is right but the money is wrong.”

She began to believe Anaheim First may have been formed to support a political agenda. In retrospect, it subsequently became clear to her that this was what was going on.

I thought I was helping the community at first. When they asked for more money, that’s when I started thinking, ‘Well this isn’t for the community. There’s somebody getting money for this, somebody benefiting now, not just on paper five years from now like we were instructed to do.’

There were a number of specific issues that generated her concerns. Newby thought they received $400,000 in seed money from the City. She did not like the way money was being spent. She attended a number of meetings that were fully catered with an open bar and “lots of chotchkes to give away.” She didn’t feel that was an appropriate way to spend taxpayer money. She said they were then going to go back to the City Council for another $200,000, but she wasn’t sure if she ever did.

At the time, she asked how the original allocation of money was spent. She said they got a financial report that showed they paid $120K to the consultant - PlaceWorks, who was pulling together “reams and reams of reports.” Karen Gulley from PlaceWorks was a personal friend of Todd Ament’s. She was billing $600 per hour, which Newby thought was excessive, particularly when “volunteers were working weekends and evenings to try and do the same kind of things.”

Newby talked to Ament about this. “I even told Todd, it just seems so nepotistic to me that we’ve got a consultant that you use over and over again, and that’s making a lot of money.” She said that in good conscience, she couldn’t go back to the City Council for the extra money given what was being spent on PlaceWorks. She believed they needed to cut their costs. She saw one last payout for PlaceWorks for $25,000. This was for a lengthy final report that she said, “nobody read.” In her opinion, a copy machine could have done this job for about $200.

Newby ran the town hall meetings in her District. The Chamber sent out a list of the invitees. Newby would use the list to recruit people all month long. This was a seed list. She didn’t know where they got the list. After the town hall meetings, she would follow up with the people on the list. She believed the list was made up of only about 10% Chamber members. She thought it could have been from voter lists or the Chamber’s contacts with activists within the community.

There was a competition between the District Councils to see which district could get the most people to their events. Hers came in second. She got between 75 to 100 people at her town halls. District 3 always got the most people at their town halls. They “seeded it” with the ballet people—representatives from Anaheim Ballet Association. They wanted the Anaheim First money to go to the ballet building being redone in the District. She said they got 130 people to their first event. She loved
that the Chamber recruited the people—over 100—and all she had to do was keep in touch with them. She said this was her “Pollyanna positive thought of how this is a great thing.” Apparently, the Chamber had ulterior motives in their recruiting efforts.

Sign-in List: According to Newby, People would sign in when they arrived and they could bring guests. Laura Cunningham, Heather Sievers, and Karen Gulley would collect the sign-in lists and take them back to the Chamber.

Newby worked with people that wanted to get involved in the political process and helped them get plugged in. An example of this was Gloria Ma’ae in District 1. Newby believed Anaheim First was instrumental in helping her get her appointment to the City Council. Anaheim First supported Ma’ae and so did some of the residents who came to the meetings. “Anaheim First is what got her involved, supported her, and helped her get the appointment.” At the time, Newby believed this was just a natural evolution.

She didn’t know that the Anaheim First meetings were setting up candidates for future campaigns, but there was an impression that you needed the Chamber to get elected. “I think we all felt if you were going to have political aspirations, you weren’t going to do it without the help of the tools that the Chamber had—the email blasts, media, consultants, etc.”

Community Redevelopment Director John Woodhead also discussed the Anaheim First initiative.271

On the surface, ‘let’s get the public involved’; it smells good from a distance, but you get up close and you realize what is really happening and you go, wow, this is horrible! Now they are going to be able to direct development and money allocation on a micro level—are you kidding me?--to support their candidates.

d. OC Weekly Report - Advisory Committee Inaugural Members

The OC Weekly published an article on March 14, 2019, entitled, Mayor’s $250 Million Anaheim First Initiative Stacked with Resort Lackies. The article provided a list of the initial cadre of those chosen to lead the Anaheim First efforts. The list appears to contain a large number of people that could lead one to the conclusion it was an equitable cross-sampling of Anaheim residents. This further evidenced a political undercurrent throughout the organization that favored Mayor Sidhu, Todd Ament, and the Chamber’s political viewpoints, and presumably shared their goals and objectives.

The list is included below.

District 1 (Denise Barnes)

Orlando Perez: District 1 candidate, 2016, Housing and Community Development

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271 John Woodhead interview.
Commission, 2018 (Barnes appointee).
Kathy Tran: WAND, Lodge endorser, 2016.

**District 2 (Jordan Brandman)**

Gloria Ma’ae: SOAR Advisory Committee, Caldwell contributor, 2018.
Kay Carpenter: YMCA board member, Brandman contributor, 2018, Sidhu, Caldwell supporter, 2018.
Cecilia Aguilar: Realtor, Paul Kott Realty.
Tony Torres: More info needed.

**District 3 (Jose F. Moreno)**

Maribel Barrios: Sidhu, Caldwell supporter, 2018
Keith Olesen: Caldwell endorser and contributor, 2018, Kring and Faessel contributor, 2016, 2018 (respectively).
Angel Ureno: Caldwell endorser, 2018.
Danny Fierro: President of Presidio Strategic Communications, PR firm contracted by the Brandman and Caldwell campaigns in 2018. Former policy aide to Brandman, son of fired Anaheim city attorney Arturo Fierro, husband to Brandman’s current senior policy aide Felicia Fierro (who’s VP of PSC).

**District 4 (Lucille Kring)**

Martin Mercado: Chief’s Neighborhood Advisory Council.
Norma Kurtz: Legislative aide to Tom Daly, ACSD candidate, 2018, Housing and Community Development Commission, 2017 (Kring appointee).
Pepe Avila: Visit Anaheim Tourism Development Director.

**District 5 (Stephen Faessel)**

Ernesto Medrano: LA/OC Building & Construction Trades Council, Public Utilities Board, 2017 (Faessel appointee), Opposed Measure L.
David Bartash: Faessel supporter, husband of Faessel Council aide.
Lucas Walden: More info needed.
Diana Ramirez: More info needed.
District 6 (Trevor O’Neil)

Diana Flores: Noon supervisor, Canyon Rim Elementary.
Sergio Gonzalez: District 6 candidate, Sidhu contributor, 2018.
Anthony Novello: Business Manager/Financial Secretary UA Local 582, Opposed Measure L.

There can be little doubt, based on the above credible evidence, that Anaheim First was primarily intended as a political tool to further the agendas of Sidhu and Ament, as well as the City Council majority.

e. Plans for Financing Anaheim First

Linda Newby said the explanation from Ament about where the money would come from for the Anaheim First plan was “classic Todd Ament.” She believed he was very good at presenting the numbers in a believable way. She thought the combination of Sidhu and Ament together was a “match made in heaven,” the way they presented the plan. At the time, she was excited and bought into the plan. Her reaction was “I want to be a part of this!” The plan was based on the bond payment payoff [LPMR] that was going to happen.\textsuperscript{272} “It’s just so big that they blind you with the numbers, smoke and mirrors.”

Finance Director Debbie Moreno\textsuperscript{273} recalled having meetings in 2019 with Sidhu, Ament, and Greg Garcia in relation to the $250 million that was the proposed seed money for Anaheim First. She remembered Ament suggested the dollar amount. The meeting was held in the mayor’s conference room and the city budget did not have that kind of money at the time. She believed that any work by the City related to Anaheim First is now defunct.

It became apparent early on that the Sidhu/Ament original plan was to use funds from the sale of Angel Stadium to finance at least a part of the $250 million projection. Planning Director Ted White stated Ament and Jeff Flint came to him early in the process to lobby him for this funding source. He recalled that Ament and Flint asked him to have lunch after he had been appointed Director of Planning.

They laid out their grand vision for Anaheim First. The notion was the city would sell the stadium and that funding would help them to support a bunch of city initiatives to support the communities.

White said they wanted to meet with him because he was new to his role, and he had attended a few Anaheim First meetings, so they apparently believed he would be a willing collaborator. “I believe they wanted to convey that they were working on this with the mayor and what the mayor was trying to accomplish.” Anaheim First had components that crossed over with the Planning Department, such as code enforcement, as well as community feedback from surveys which called for

\textsuperscript{272} This funding option may have come later in the Anaheim First funding proposals. For more details concerning the “Retreat” see Section XIII. A. 12. of this Report.
\textsuperscript{273} Debbie Moreno interview.
a higher level of code enforcement. At that time, White was unaware that Flint was acting as a lobbyist for the Angels. However, “It was clear the Chamber was playing an expanded role in the policy setting direction than they were when I left Anaheim, and at times it almost felt like Ament was playing a Chief of Staff role to Sidhu.”

f. Anaheim First Funding and Tax Returns

At the April 16, 2019, City Council meeting the Council voted to support the 2030 Neighborhood Investment Program and partner with Anaheim First. By a 5-1-1 vote, the Council also approved $250,000 in funding to come from existing Neighborhood Reserve Funds.274

According to Former Chamber VP Sarah Bartczak,275 the City, and Visit Anaheim each put $250,000 into Anaheim First, for a total of $500,000. This money was to be used for the Assessment study that was conducted by PlaceWorks. Bartczak claimed the money was all accounted for and the Board was presented with the financials.

After the initial funding, Linda Newby recalled that there was a discussion about going back to the City Council by the end of 2019 to ask for more money. This came up in their Board meetings, and the idea came from Todd Ament. He wanted them to show up at a Council meeting to support the request. Newby was not comfortable with this and called Gloria Ma’ae and Kay Carpenter afterward to discuss. They were not comfortable either and none of them went to a Council meeting to support that. Newby was surprised that they had already spent so much money in such a short amount of time.

Tax records from 2019 to 2021 indicate that Anaheim First received additional funding, but board members we spoke with were unaware of the additional funds or where they came from. Additionally, the expenditures and financials were not made clear to board members per Linda Newby. Keith Olesen, who has been on the board since the group’s inception, also seemed unaware of financial details when we spoke with him.276 According to Cynthia Ward,277 who was the policy aide to Councilmember Denise Barnes, she and Barnes were in a meeting with Todd Ament and others from Anaheim First and asked where the funding for the organization came from. They were told by Ament that he did not have to disclose this information, only the amounts which can be found in the tax filings for the organization.

As a result, we looked at the tax filings for the last three years. It should be noted that the 2020 and 2021 filings were only made available online within the last couple of months. Prior to that, the only financial information available was from 2019. Todd Ament is listed as the CEO in 2019 and 2020 and a Director in 2021. Additionally, in each case, the return notes that a copy of the form 990 was provided to the President (Ament) before it was filed but presumably not to the Board of Directors.

The 2019 Income Tax Form 990 for Anaheim First shows a total of $680,000 under contributions and grants.278 Under part VIII Statement of Revenue, $250,000 of this is accounted for

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274 April 16, 2019 City Council Staff Report (Item 21).
275 Sarah Bartczak interview.
276 Keith Olesen interview.
277 Cynthia Ward interview.
278 Anaheim First 2019 Form 990 (Exhibit 125).
under government grants with the remaining $430,000 listed as “all other contributions, gifts, grants, and all other amounts not included above.” Expenses are listed as Community Assessment - $399,565; Payments to Affiliates - $147,692; Contribution to Anaheim - $10,000; Insurance - $2324; Supplies - $30 for a TOTAL of $559,647.

### 2020 Tax Returns

The total revenue for the year is listed as $200,000 from “all other contributions, gifts, grants, and all other amounts not included above.” An additional $120,353 is listed as a fund balance from the previous year for a total of $320,353 in revenue for the year. Expenses for the year are listed as $300,192 - $200,000 for Payments to Affiliates, $96,919 for Assessment Expense, $2,312 for insurance and $925 for accounting. The balance listed is $20,161.

### 2021 Tax Returns

The 2021 tax return shows some curious discrepancies from 2020. The amount shown for fund balance is 0, rather than $20,161 as indicated in the 2020 return. Additionally, the Contributions and Grant Revenue is listed as $300,192 instead of $200,000 (the 2020 return shows expenses as $300,192) and expenses as the same amount - $300,192. Total revenue listed is $5,045 with assets and liabilities at $15,116 each. The ending balance is 0. Expenses include $1,650 for Assessment Expense and $2,754 for insurance.

As with other non-profit entities managed by the Chamber of Commerce, an examination of the financials creates more questions than answers. It appears that Anaheim First received between $880,000 to $985,237 in funding over 3 years. There does not appear to be an accounting of the source of funding for the organization and few details about the expenditures, particularly for affiliates.

John Guastaferro is the former Executive Director of the Anaheim Community Foundation (ACF), a well-respected non-profit organization founded by Bill Taormina over 30 years ago with the purpose of advancing community service funds to those in need in Anaheim. We spoke with him about his involvement with Anaheim First and the possible funding connection with ACF. Guastaferro said ACF was always extremely transparent about where their money went and he worked hard to keep distance between his organization, the Chamber and City. This was to keep things clean and apolitical.

Guastaferro recounted a meeting he had with Todd Ament and Jay Burress in which they asked him to take the lead in heading up Anaheim First. Guastaferro explained that Anaheim First was an initiative to have the different council districts be able to give their input for infrastructure improvements and offer different ways to help the community, and at some point, when they were giving money back to the community Ament told him, “It would be great if ACF could be the arm to do that.”

Guastaferro recalled that Ament told him that there would be funding for infrastructure projects, but also money that could be given out philanthropically. Since Anaheim First was not an established 501(c)(3) at that time, they could pass funds through the organization. We asked Guastaferro if it was clear to him that Ament’s request was to divert funds from Anaheim First through ACF and then have those funds distributed to identified recipients or community groups to which he responded, “Right, correct.”

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279 Anaheim First 2020 Form 990 (Exhibit 126)
280 Anaheim First 2021 Form 990 (Exhibit 127).
281 John Guastaferro interview.
In the end, Guastaferro was unclear about the purpose of Anaheim First and was leery because of the possible political angle. Ament’s comment to him was, “Everything’s political.” Guastaferro said he offered to be a “thought leader with you but not an official arm of the organization, and I kind of left it at that.”

After our review, we believe that Anaheim First has operated similarly to other Anaheim Chamber entities, without transparency or accountability. There do not appear to be clear deliverables except for the Community Assessment, which was initially delivered to the City Council in October of 2020. The cost for this was about $500,000 but there is no accounting for the remaining $400,000+ that is listed in the tax filings other than Payments to Affiliates. With the backdrop of the FBI report which indicates the Chamber used non-profits to misdirect funds, it appears Anaheim First may have been used in a similar manner. As several witnesses have stated, Anaheim First appears to follow the pattern of other community organizations in Anaheim that have been used by the Chamber for unscrupulous purposes.

It would have been helpful in our investigation if current Anaheim Chamber President and CEO Laura Cunningham had provided the Chamber’s financial records. During her interview with us, her attorney (retained by the Chamber post-Ament), informed us the Chamber would be producing no Chamber financial records. We understand the underlying legal issues the Chamber may face, but deeply regret their lack of cooperation.

g. **Use of Anaheim First Attendee/Member Contact Information for Campaign Purposes**

i. **Potential Legal Violation**

According to the Anaheim First website, the organization is a 501(c)(3) non-profit organization (EIN #83-4394225) formed on behalf of the community and supported by the Anaheim Chamber of Commerce, Visit Anaheim, and the Anaheim Community Foundation. As a non-profit organization, Anaheim First is bound by IRS Code.

Under Title 26 US Code, Section 501(c)(3), Specifically, Section 501(c)(3) states, in relevant part,

... no substantial part of the activities of which is carrying on propaganda, or otherwise attempting, to influence legislation (except as otherwise provided in subsection (h)), and which does not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of (or in opposition to) any candidate for public office. [emphasis added]

The IRS guidelines to this section further elaborate:

*Under the Internal Revenue form instructions, all section 501(c)(3) organizations are absolutely prohibited from directly or indirectly participating in, or intervening in, any political campaign on behalf of (or in opposition to) any candidate for elective public*
office. Contributions to political campaign funds or public statements of position (verbal or written) made on behalf of the organization in favor of or in opposition to any candidate for public office clearly violate the prohibition against political campaign activity. Violating this prohibition may result in denial or revocation of tax-exempt status and the imposition of certain excise taxes.\textsuperscript{282} [emphasis added]

Presumably, providing a non-profit’s rosters of donors or participants, containing direct contact information to a political candidate could be interpreted as “indirectly participating...in [a] political campaign on behalf of [a] candidate for elective public office.” The primary perpetrator of the violation would of course be the non-profit itself. Whether a political candidate soliciting such “participation” or assistance could be legally considered a co-conspirator to the violation would be a question for a federal prosecutor.

\textit{ii. Anaheim First Contact Information Incident}

Although there have been anecdotal accounts of Anaheim First rosters containing residents’ contact information being misused for campaign purposes, these claims have been difficult to establish. Understandably, most residents would not think to ask or question a campaigning politician as to where the politician obtained their contact information. Campaign contacts from politicians and political activist groups are virtually ubiquitous in our current political atmosphere. However, we did become aware of one Anaheim resident complaint regarding a local campaigning politician, which we investigated.

We received this complaint from a local resident and participant in the Anaheim First community district meetings, who complained that, while campaigning for office in 2022, Anaheim Council Candidate Natalie Rubalcava, who was subsequently elected to the City Council 3rd District, contacted her by phone to ask for her support and vote for Rubalcava in the election. This community member\textsuperscript{283} asked Rubalcava how she got her telephone number. Rubalcava replied she got it from the Anaheim First contact roster.

This caused the citizen concern because she had not given Anaheim First, or anyone else, permission to contact her for campaign purposes.

On June 16, 2023, we interviewed Councilmember Rubalcava\textsuperscript{284} regarding this and other issues. We asked if she had contacted this individual [by name] for support during her recent campaign. When asked if she remembered such a conversation, she replied,

\begin{quote}
\textit{I do recall. So, for campaigning you call everybody, right? To introduce yourself. Anaheim First seems just like a stakeholder group because there’s a lot of community members who are a part of it. And [the complainant], I know her very well. . . . I did call her, but I want to say I got her number off their [Anaheim First] website.}
\end{quote}

\textsuperscript{282} The Restriction of Political Campaign Intervention by Section 501(c)(3) Tax-Exempt Organizations | Internal Revenue Service.
\textsuperscript{283} Although we are aware of the identity of this individual, we have chosen not to reveal their identity based on their request. We believe their identity is not necessary to establish the facts of the incident.
\textsuperscript{284} Natalie Rubalcava interview.
Rubalcava was aware this individual had been affiliated with Anaheim First and believed her to be a part of the district 3 Anaheim First area advisory council. She added,

*I just got [an Anaheim First] binder from somebody in the community, Keith Olesen, recently because I’m trying to start a neighborhood council, bring that back in my district, and he said, ‘You should look at some of the work Anaheim First did.’ So, I’m pretty sure I got her information off the website because I called everyone that was in my district from Anaheim First.*

It should be noted that Keith Olesen is more than just “someone in the community” in this regard; he is the current president and CEO of Anaheim First.

That same day we searched the Anaheim First website and noted our complainant’s name was not mentioned anywhere on the website. Further, although members of the six Anaheim First district “Advisory Councils” (23 names total) are mentioned, there is no contact information provided on the website. A quick review of the website content made it clear it had not been updated since sometime in 2020.

Rubalcava was asked to clarify,

Mr. Johnson:  
*So, at no point were you able to get a contact list or log of Anaheim First participants? Is that accurate?*

Ms. Rubalcava:  
*Yes, to get a list from an Anaheim First person?*

Mr. Johnson:  
*Right. In other words, someone from Anaheim First gave you a list of contacts of people who have participated in the district meetings or that kind of thing?*

Ms. Rubalcava:  
*Oh, no, no, no. Like residents? No, it was just like the people who are assigned to it…I don’t know what their titles were.*

Mr. Johnson:  
*Some leadership role?*

Ms. Rubalcava:  
*Yeah, the leadership role. I want to say there were, like, ten people on there.*

It appeared clear she was referring to the *Advisory Council* members listed on the website. There is no other leadership group or participants listed on the website.

She reiterated she received an Anaheim First binder from Keith Oleson. “*But this was, like, after the campaign, because I was trying to model neighbor – like a neighborhood group.*” She believed the Anaheim First model was “*conceptually*” a great idea. [emphasis added]

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285 [www.anaheimfirst.org](http://www.anaheimfirst.org)
Rubalcava indicated she was never personally involved in Anaheim First.

We subsequently contacted Keith Olesen, current President and CEO of Anaheim First. He confirmed that he provided Rubalcava with an Anaheim First binder upon her request. He believed he recently gave Rubalcava the most updated version of the binder. “They were so expensive to print we didn’t pass them out to anybody who wanted them.” Their final report was completed in 2020.

Olesen recalled meeting Rubalcava recently at Starbucks to give her the binder. He was asked if he could recall when this meeting took place. He tried to recall this off the top of his head but said he would have to check his records and get back to us. When asked if Rubalcava told him why she wanted the binder, he replied, “Not really, other than to look it over and see what was done. I don’t, you know, I don’t want to say what I assumed.”

Within an hour of speaking with him, Olesen sent a follow up email. It stated, in part,

**Jeff – Looking back and thinking about this I believe it was before the election that I talked to Natalie and gave her the info on Anaheim First.**

It was also noteworthy that Olesen confirmed the Anaheim First website has, in fact, not been updated or altered since 2020.

It is also worth noting that we also obtained an Anaheim First standard binder from Linda Newby. We confirmed the binders did contain meeting rosters with participant contact information.

**iii. Conclusions Regarding this Incident**

It appeared that Councilmember Rubalcava made an unsolicited campaign call to this complainant. She acknowledged it, even the fact she knew this individual by name and had past interactions.

Further, it is clear Rubalcava did not obtain this person’s contact information from the Anaheim First website, as she claimed. There is no such information posted on the website, nor has there been since at least two years prior to her campaign.

Additionally, the greater weight of the credible evidence indicates she was given that contact information from the binder given to her from Keith Olesen, President and CEO of Anaheim First (whom she identified simply as “someone in the community”). It is further likely she not only contacted this individual complainant, but several other Anaheim First participants, as well. This appears implicit in her statement, “I’m pretty sure I got her information off the website because I called everyone that was in my district from Anaheim First.” This begs the question how she would have obtained this amount of personal information from anywhere other than a contact list contained in the binder. The Anaheim First website lists no contact information of any officer or participant, and has

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286 Keith Olesen interview.
287 Olesen did not clarify what he meant by his statement, “I don’t, you know, I don’t want to say what I assumed.” We can only speculate he was referring to the use of information in the binder for campaign purposes.
not been altered since 2020, long before Rubalcava’s campaign took place, as indicated by our research, as well as by Olesen.

Finally, it was confirmed by Keith Olesen that he provided the binder to Rubalcava during the election. Whether Olesen or Rubalcava’s actions violated the law is beyond the scope of this Investigation. However, we did conclude Councilmember Rubalcava was less than candid and forthcoming with us during her interview. This includes her statement that she received the complainant’s contact information from the Anaheim First website, that she did so after her election to office, and that she did not obtain or use the Anaheim First binder to discover personal contact information for campaign purposes.

\[ h. \text{ Anaheim First - the Pandemic} \]

The COVID-19 Pandemic hit in March of 2020. Anaheim First’s final Community Assessment Report came out in October of that same year. It was later updated in April 2022. The report provided an assessment of desirable district-by-district projects, as well as the priority ranking of each project or activity, e.g., “accelerate Beach Boulevard improvements, increase police and code enforcement presence, provide resources to address homelessness, add interim senior programming, upgrade Canyon High School pool, or provide quality housing development,” etc.

For obvious reasons, the Assessment Report implementation was put on hold. The City was in the midst of addressing the expensive demands of the Pandemic. There were simply too many competing financially draining priorities at that time. It looked as if implementation of the Anaheim First objectives would be on hold for a long while if it survived the Pandemic at all.

However, during 2019 and throughout 2020, the evidence suggests that Ament was formulating a plan to use the anticipated revenue from the LPMR bond repayment, relative to the Mickey and Friends parking structure at Disneyland. He would formally propose his plan on December 2, 2020 at “The Retreat.” This meeting is more specifically discussed in the FBI report section in this report. Ament proposed a plan where Anaheim First would be revived and allocated $30 million a year or more from the LPMR windfall the City would receive as early as 2027.

Not too long after the Pandemic ended, and prior to any revenue from LPMR was received, the FBI reports on Sidhu and Ament surfaced, killing any short term hope of Anaheim First’s viability, despite Ament’s prior creative efforts to revive it with public funding.

In retrospect, Chamber VP Sarah Bartczak observed, “It’s really sad that the greed of a few individuals really tainted what I thought was a really good tool and a good group of people. I think a lot of the people were there for the right reasons.” She said that although the group still exists, it will be difficult for it to move forward because of the association it had with Todd Ament and Mayor Sidhu. It is currently very small and not active, according to Bartczak.
D. Investigate any Brown Act violations by elected city officials, including serial communications, relative to any significant City project, event, or contract over the last ten years, that may have involved financial interest or undue influence.

E. Brown Act

1. Summary of the Brown Act

The Brown Act or “Open Meeting Law” is officially known as the Ralph M. Brown Act, codified California Government Code (Gov. Code) § 54950 et seq. 1. The Brown Act was enacted in 1953 to guarantee the public’s right to attend and participate in meetings of local legislative bodies, and as a response to growing concerns about local government officials’ practice of holding secret meetings that were not in compliance with advance public notice requirements. The Brown Act is pivotal in making public officials accountable for their actions and in allowing the public to participate in the decision-making process.

a. Who is Governed by the Brown Act

The Brown Act governs local agencies, legislative bodies of local government agencies created by State or Federal law and any standing committee of a covered board or legislative body, and governing bodies of non-profit corporations formed by a public agency. Examples of these would be city council, county board of supervisors, special district, school boards, standing committees, and even some types of Homeowners’ Associations (if they were created by a public entity and constituted as some sort of public district.)

b. What Constitutes a “Meeting”

A “meeting”, as defined by the Brown Act, is “any congregation of a majority of the members of a legislative body at the same time and place to hear, discuss or deliberate upon any item that is within the subject matter jurisdiction of the legislative body” (Gov. Code § 54952.2 (a)). For instance, when the quorum for a county board of supervisors reaches the number necessary to be a majority (i.e. 5 out of 7), that is considered a “meeting” under the Brown Act. Also, when the same or a greater number of supervisors are attending a social gathering, for which no meeting notice was given, and they start discussing business under the jurisdiction of their legislative body, that would be considered a meeting that falls under Brown Act regulations.

The key elements for a “meeting” are quorum and discussion, hearing or deliberation of issues; the “meeting” needs not to be formally convened in order to be subject to the Brown Act. That means that “informal,” “study,” “discussion,” “informational,” “fact-finding,” or “pre-council” gatherings of a quorum of the members of a board are within the scope of the Brown Act as “meetings.”

i. Exceptions (Meetings Not Covered by the Brown Act)

Conferences and retreats, other public meetings, meetings of other legislative bodies, social or ceremonial events are exempt from the Brown Act, provided that legislative members follow certain rules such as limiting the discussion to the agenda for the conference; or that legislative members do not discuss amongst themselves business of their legislative body. Regulations for these exceptions to
meetings are contained in *Gov. Code* § 54952.2(c). Also excluded from the application of the *Brown Act* are individual contacts or conversations between a member of a legislative body and any other person (*Gov. Code* § 54952.2(c) (1)). “Any other person” is defined as a non-staff or non-board member.

### ii. Serial Meetings

The *Brown Act* explicitly prohibits the use of “direct communication, personal intermediaries, or technological devices that is employed by a majority of the members of the legislative body to develop a collective concurrence as to action to be taken on an item by the members of the legislative body” (*Gov. Code* § 5495.2(b)). Serial meetings involve communication between members of a legislative body that are less than a quorum, but when all participants are considered, it constitutes a majority.

*For example, a chain of communications involving contact from member A to member B who then communicates with member C would constitute a ‘serial meeting’. Similarly, when a person acts as the hub of a wheel (member A) and communicates individually with the various spokes (members B and C), a serial meeting has occurred. In addition, a serial meeting occurs when intermediaries for board members have a meeting to discuss issues.*

For example, when a representative of member A meets with representatives of members B and C to discuss an agenda item, the members have conducted a serial meeting. In *Stockton Newspapers, Inc. v. Redevelopment Agency* (1985) 171 Cal.App.3d 95, the Court concluded that a series of telephone conversations conducted by the agency’s attorney as an intermediary constituted a meeting within the scope of the *Brown Act*. (See also, 65 Ops.Cal.Atty.Gen. 63 (1982); 63 Ops.Cal.Atty.Gen. 820 (1980)).

Thus, the use of email to create consensus among legislative members might be in violation of the *Brown Act*.

### iii. Teleconference Meetings

The *Brown Act* allows teleconference meetings if they comply with the following specifications:

- The teleconference location is accessible to the public and it is noted in the agendas;
- The meeting is useful to the public and the legislative body;
- All votes are taken by roll call, and;
- At least a quorum of the members of the legislative body are located within the boundaries of the territory over which it exercises jurisdiction (*Gov. Code* § 54953(b)).

### iv. Closed Sessions

The *Brown Act* allows closed sessions under the scope of a regular meeting. It stipulates that they shall comply with Agenda postings and be held within the jurisdiction of the legislative body (*Gov. Code* § 54954), which shall include a description of the items to be discussed (*Gov. Code* § 54954.2). In addition, prior to holding any closed session, the legislative body shall disclose, in an
open meeting, the item or items to be discussed in the closed session (\textit{Gov. Code} § 54957.7). Items that can be discussed by the legislative body are according to the \textit{Cal. Gov. Code} § 54954.5 include:

- License or permit determination (\textit{Gov. Code} § 54956.7)
- Conference with real property negotiators (\textit{Gov. Code} § 54956.8)
- Conference with legal counsel regarding existing or anticipated litigation (\textit{Gov. Code} § 54956.9)
- Liability claims (\textit{Gov. Code} § 54956.95)
- Threat to public services or facilities (\textit{Gov. Code} § 54957(a))
- Public employee appointment, employment, performance evaluation, discipline, dismissal or release (\textit{Gov. Code} § 54957(b))
- Conference with labor negotiators (\textit{Gov. Code} § 54957.6)
- Case review or planning (\textit{Gov. Code} § 54957.8)
- Report involving trade secret or hearings (\textit{Gov. Code} § 54956.87; \textit{California Health and Safety Code} §§1461, 32106 and 32155; or \textit{Gov. Code} §§ 37606 and 37624.3)
- Charge or complaint involving information protected by Federal law (\textit{Gov. Code} § 54956.86).
- The legislative body should publicly report actions, along with the vote and abstention count, taken as result of a closed session (\textit{Gov. Code} § 54957.1). Documentation relative to the reports should be available to any person on the next business day following the meeting (\textit{Gov. Code} § 54957.1(c)).

\textit{v. Special Meetings}

Either the presiding officer or the majority of members of the legislative body may call special meetings at any time by delivering each of its members a written notice and by notifying the media (which has previously requested notification of special meetings): the notice shall be received at least 24 hours in advance before the meeting. Special meetings notice shall be also posted at least 24 hours prior to the meeting and it should be held in a location that is freely accessible to members of the public. The discussions at the special meeting are limited to the issues posted in the agenda. No other business shall be considered (\textit{Gov. Code} § 54956).

\textit{c. What Rules Must a Meeting Follow?}

Local agencies, in order to comply with the \textit{Brown Act}, shall:

- Hold open and public meetings (\textit{Gov. Code} § 54953 (a)). In addition, no legislative body shall conduct any meeting in a facility that prohibits the admittance of any person(s) on the basis of: race, religion, color, national origin, ancestry, sex; or that is inaccessible to disabled persons, or where the public, in order to gain access to the facility, needs to pay or purchase something (\textit{Gov. Code} § 54961 (a)).
- Vote publicly, no secret ballots are allowed (§ 54953 (c)).
- Comply with the protections and prohibitions of Section 202 of the \textit{Americans with Disabilities Act of 1990} (§ 54953.2).
- NOT require public registration, as a condition for attendance; the public is not required to register, provide any other information –such as self-identification--, or fulfill any condition
precedent to its attendance. If an attendance list is circulated, it shall clearly state that the signing, registering, or completion of the document is voluntary (Gov. Code § 54953.3)

- Allow recording of the proceeding (video tape, audio tape) provided that recording is done in an undisruptive way (Gov. Code § 54953.5)
- NOT prohibit or restrict broadcasting unless there is a finding that this would be disruptive to the proceedings (Gov. Code § 54953.6)
- Post notice of meetings, information shall include specified time and location, except for advisory or standing committees (Gov. Code § 54954 (a))
- Post agendas at least 72 hours in advance of the meeting and it shall contain a brief general description of each item of business (Gov. Code § 54954.2(a))
- NOT take action or discuss any item not appearing on the posted agenda except under certain conditions (Gov. Code § 54954.2(a), conditions appear on subsection (b))
- Hold meetings in the jurisdiction of the legislative body (Gov. Code §54954 (b))
- Allow and honor any person’s request to provide and mail a copy of the agenda at the time the agenda is posted (at least 72 hours in advance) or of all the documents of the agenda packet of any meeting (Gov. Code § 54954.1)
- Provide an opportunity for comment from members of the public to directly address the legislative body on any item of interest to the public on every agenda for regular meetings (Gov. Code § 54954.3(a))
- Allow public criticism of the legislative body (Gov. Code § 54954.3(c))
- Hold at least one public meeting, allowing for public comment, before adopting any new or increased general tax or increased assessment, and the legislative body shall provide at least 45 days public notice of such meeting (Gov. Code § 54954.6)
- Not charge fees for the attendance to a meeting or for carrying out any provision in the Brown Act (Gov. Code § 54956.6). The only exception is when legislative bodies are allowed to charge a fee that covers the cost of mailing an agenda or agenda packet (Gov. Code § 54954.1). A related requirement is found at Gov. Code § 54961(a) that prohibits meetings in a place where the public needs to pay or purchase something.
- Disclose to the public agendas of public meetings and any other writings, when distributed to all, or a majority of all, of the members of a legislative body of a local agency. In addition, under the California Public Records Act these documents shall be made available upon request and without delay (Gov. Code § 54957.5)
- Preserve the order in meetings. Moreover, if a group willfully interrupts a meeting and the order can only be restored by the removal of disruptive individuals, then the legislative body may order the meeting room to be cleared. The session might be reinitiated and representatives of the media shall be allowed to stay and attend the session. The legislative body may also establish a procedure for readmitting individual(s) not responsible for the disruptive conduct that caused the meeting room to be cleared (Gov. Code § 54957.9).

d. **Violations of the Brown Act**

Each member of a legislative body who has taken action in violation of any provision of the Brown Act, and where there was willful deprivation of information to the public, is guilty of a misdemeanor (Gov. Code § 54959). Civil remedies (injunction, mandamus, declaratory relief and voiding past actions of the body) are provided in case of violation of the Brown Act (Gov. Code §§ 54960 and 5490.1) pursuant to Gov. Code §§ 54953, 54954.2, 54954.5, 54954.6, 54956, and 54956.5
(that is, for violations to requirements for: general open meeting, agenda posting, closed sessions, tax and assessment, special meetings and, emergency meetings). A court may award court costs and reasonable attorney fees to the plaintiff in an action brought pursuant to Gov. Code §§ 54960 and 5490.1.

In order to correct a violation of the Brown Act, a complaint to cure and correct has to be filed by the interested party:

- Within 30 days of the date the action was taken during an open meeting and in violation of agenda requirements.
- Within 90 days of the date the action was taken for all other cases.
- Once the legislative body has received the complaint, it has 30 days to cure or correct the challenged action, if it fails to do so, a person then may file suit to void the action (Gov. Code § 54960.1.)

2. Potential City Violations of the Brown Act

a. Texting from the Dais

This issue of elected officials communicating with outsiders during official proceedings has become a relatively new phenomenon ushered in by the ubiquitous use of smart phones and other similar electronic devices. There has been broad speculation concerning Anaheim City Councilmembers communicating via text messaging to outsiders during the pendency of City Council meetings, wherein they may be coordinating with other Councilmembers secretly and concurrently during the official proceedings. This would, of course, offend the rules laid out in the Brown Act.

Various City Council “watch dogs” have made California Public Records Act (CPRA) requests when they have observed such texting by elected officials during City Council proceedings. One example of this was from Victoria Michaels who wrote on September 27, 2021, and submitted a CPRA request for communications from then Mayor Sidhu’s cell phone for, “Any and all records of electronic, telephonic or written conversations between Mayor Harry Sidhu and any other party on the evening of September 14 between the hours of 6:00 pm- 10:00 pm.”

In response to this CPRA request, Annie Mezzacappa, then Mayor Sidhu’s assistant wrote back on October 7, 2021, in an email to the Anaheim City Attorney and the City Clerk:

Hi Theresa and Rob: As discussed with both of you, separately, by phone, upon review of Mayor's records regarding the above referenced PRA Request - there were no city business communications.

The Mayor had his “personal” cell phone at the dais to check on “imminent personal business-related” emails that requiring his immediate approval regarding his personal

288 See the California Public Records Act request and subsequent Email responses form City staff (Exhibits 128 through 132).
289 October 7, 2021 Mezzacappa Email in response to CPRA request (Exhibit 129).
business location design/remodeling requirements - all were “time sensitive” - that is why he had his “personal” cell phone at the dais.

The “personal business-related emails” received/responded to on his “personal” cell phone included the following during the time frame requested:

At 6:17 pm incoming email of business insurance document requiring his DocuSign approval.

At 6:34 pm email acknowledgement of required business design guide/action to be taken.

At 6:41 pm email approval of signage remodel drawings estimate.

At 6:42 pm email approval of business signage estimate.

The Mayor would have been looking at his “personal” cell phone throughout the time frame requested to check on any other "personal business-related emails" that required immediate action that evening.”

It is apparent that Michaels was watching the City Council meeting in person or remotely and observed Mayor Sidhu operating his cellphone during the City Council proceedings on September 14, 2021. We are bit suspicious of Mezzacappa’s response given Sidhu’s willingness to wrongfully avoid CPRA requests and or requests for information, generally, and specifically in the case of requests for information made by the Orange County Grand Jury.

Because JLG was unable to forensically examine former Mayor Sidhu’s cellphone, We were unable to expand upon this issue and make any further determinations. It was important to note that in former City Manager Zapata’s interview JLG Investigators, he predicted that there would little or no digital evidence of collusion related to any City Council actions. Zapata concluded that the majority of the City Council, at the time, was in lock step with then Mayor Sidhu, such that no extraneous coordination or communication on matters pending before the City Council was needed. Zapata noted that then Mayor Sidhu would telegraph his voting tendencies during City Council meetings and that the City Council “majority” would robotically oblige with their votes in support of Sidhu’s positions.

Conclusion

Here, although there was a great deal of suspicion concerning elected officials texting during City Council meetings to each other and to outside individuals in violation of the Brown Act, there was insufficient evidence uncovered to prove that this has occurred. Also, former Mayor Tom Tait, during his tenure, had fashioned a Council Rule prohibiting the practice of text messaging during City Council meetings, however, the practice of text messaging at the dais during City Council meetings has continued, and will likely continue to create doubt and suspicion with the public as to whether any such actions may be violations of the Brown Act.
b. Procedural Violations

i. People’s Homeless Task Force of Orange County (PHTFOC) Lawsuit

This litigation was based on the legal theory that the City Council had decided in closed session to sell rather than lease the Angel Stadium property and that these sorts of discussion must occur in public and are not subject to the Closed Session “real estate exemption.” As indicated in the Brown Act, the People’s Homeless Task Force Lawsuit claimed this “real estate exemption” should have been referred narrowly to the “price and terms of sale” and not discussion related to whether a lease of a sale of the property was preferable. Declarations of various witnesses were submitted to the court including those of former City Manager, Chris Zapata; Councilmember Moreno; City Attorney Fabela; and Angel Stadium property Appraiser, Steve Norris.

As noted, in his March 21, 2022, ruling the Honorable Judge David A. Hoffer (Judge Hoffer) found Zapata and Moreno’s Declarations not credible. Judge Hoffer cited Councilmember Moreno’s statement during the December 20, 2019, City Council meeting, that that City Council meeting was the first public discussion the City Council had on the deal points of the Angel Stadium sale. Judge Hoffer also found that Councilmember Moreno’s statement that City Attorney Fabela did a good job in making sure the Council was focused on the price and terms of payment per the Brown Act provision was consistent with City Attorney Fabela’s Declaration.

Judge Hoffer further concluded that City Attorney Fabela’s and Angel Stadium property Appraiser Steve Norris’s Declarations were consistent with an appraisal for sale and not a lease which was inconsistent with the Moreno and Zapata Declarations. Finally, Judge Hoffer ruled that even if there was a discussion regarding the sale, it would not have violated the Brown Act because of the real estate exception, citing, “The sales price and the basic property right being sold were inextricably intertwined.”

Additionally, it should be noted that then Councilmember Moreno and then City Manager Zapata did not have permission or approval to discuss or provide a Declaration concerning City Council Closed Council Session discussions, while City Attorney Fabela did.

Conclusion

Concerning this issue, this Investigation is not going to quarrel with Judge Hoffer’s interpretation of the law and ruling on this matter. The alleged Brown Act violation ruling was eventually appealed by the People’s Homeless Task Force, however that appeal was settled prior to being heard. As such, JLG cannot opine further on this issue.

ii. The Angel Stadium Deal City Council Closed Session Document Leak

Of all the potential Brown Act violations reviewed in this Investigation, the act that most definitively defines such a violation concerns the leaking of confidential materials made available and discussed in City Council Closed Session meetings that was leaked by then Mayor Sidhu through Ament and Flint to the Angels Baseball organization. The leaked confidential information consisted

290 Judge Hoffer’s Ruling (Exhibit 80).
of two items, specifically, an Appraisal of the Angel Stadium property, that had yet to be made public, and a separate document entitled, “4844-8343-9299.2 Key Issues - Stadium Transaction Agreements.docx.”

According to the Ament Criminal Complaint affidavit, on July 21, 2020, while the Angel Stadium sale negotiations were ongoing, then Mayor Sidhu, sent an email from his personal email account, Harry@Harrysidhu.com, to Ament and Flint. No members of the City’s negotiating team, aside from Mayor Sidhu, were included in the email. The subject line of the email read, “4844-8343-9299.2 Key Issues - Stadium Transaction Agreements.docx.” Attached to the email was a Microsoft Word document with the same title as the subject line of the email (“The Key Issues document”). The FBI obtained this email and that attachment (“The Key Issues document”) from Ament.

The July 21, 2020, FBI affidavit describes the document as follows:

*The Key Issues document is approximately three pages in length and contains a table with two columns and approximately 10 rows. The two column titles read ‘TOPIC’ and ‘DISCUSSION ISSUES,’ respectively. Each row contains a separate topic title, followed by bullet points addressing Anaheim’s concerns in their negotiations with the Angels pertaining to the respective topics.*

Based on the FBI’s analysis of the metadata of the author of the “key issues” document was identified as “Anaustin” and the company was identified as Husch Blackwell, LLP. The firm of Husch Blackwell LLP served as outside counsel representing the City in the Angel Stadium sale negotiations. Further analysis by the FBI of the metadata noted that the date of the draft document was July 20, 2020, one day before it was sent by then Mayor Sidhu through his personal email account to both Ament and Flint.

A review of emails produced by the City to JLG for review, established that on May 16, 2022, City Attorney Fabela forwarded to send himself an email received by him (Fabela), dated July 20, 2020, from Andrea Austin. That email included The original July 20, 2020 email was sent by Andrea Austin to Belmer, City Attorney Fabela, Garcia, Morton and Barrett. It was CC’d to Kevin Kelley of Husch Blackwell, LLC. None of then Mayor Sidhu’s email addresses are included in the original July 20, 2020 email authored by Andrea Austin.

Based on JLG’s review of emails produced by the City, on November 30, 2019, Andrea Austin sent an email to City Attorney Fabela and Pelletier, and CC’d Kevin Kelley . The email signature block is Andrea Austin, Attorney, Husch Blackwell, LLP. The attached document is

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291 May 16, 2022 Fabela Email (Exhibit 133).
292 (Exhibit 134).
On September 24, 2019, the Anaheim City Council held their regularly scheduled meeting. According to the City Council agenda, they addressed Angel Stadium, Angels Baseball, and “Price and Terms” as the subject under negotiation in the closed session. 293

According to Ament:

After the September Closed Session meeting where the Stadium appraisal is believed to have been discussed, but before the appraisal figures were made available to the public, SIDHU provided the appraisal figures to CW2 [Todd Ament] to be shared with representatives from the Angels.

The appraisal was not shared with the public until December of 2019, approximately two months later.

Also, included in a footnote of the affidavit was the fact that the FBI spoke with an Attorney for the People’s Homeless Task Force, who advised them that they did not receive any emails from Mayor Sidhu in response to their Public Records Act request for such documents. It would appear that the Angel Stadium property Appraisal and Key Issues document would have been subject to their request. It had been sent though Mayor Sidhu’s private email address. This appeared to be an attempt to mask his activity and to potentially sidestep any Public Record Act requests. 294

Details and declarations submitted in the People’s Homeless Task Force Orange County Lawsuit clearly demonstrate that the leaked documents (the Angel Stadium property Appraisal and the “Key Issues Document”) were items obtained and discussed in a City Council Closed Session meeting in/about September 2020.

A review of the FBI’s phone search warrant for Sidhu’s cellphone revealed that on October 29, 2021, while negotiations were taking place for the sale of Angel Stadium to SRB Management, LLC, on behalf of the Angels Baseball Organization, then Mayor Sidhu was surreptitiously recorded by Ament saying, “And here’s the thing, if the Angels deal goes through, by the end of the year, then I’m gonna ask ah, [Angels’ Representative 1]. Right? I’ll just call [Angels Representative 1] up and say [Angels Representative 1], we need at least a half a million dollars of support for you to come with the IEs.” 295

According to the FBI’s Sidhu search warrant affidavit, on December 6, 2021, Ament met with then Mayor Sidhu and surreptitiously recorded their conversation. During this conversation, Sidhu said:

Because I, I’ve said, you gotta at least, minimum of a million dollars to come up with my election. They have to. And of course, you know, if Disney, I mean, if Angels [Stadium sale] would conclude next year is approved hopefully, we’ll push for them at least have

293 September 24, 2019 City Council Action Agenda.
294 On July 12, 2022, the City’s consultants Thomas Brown and Mark Austin had a discussion regarding (Exhibit 135).
295 Based on the tenor and topic of this conversation and considering Ament’s involvement with the Anaheim Chamber PAC, it is likely that the reference to “IEs” is “Independent Expenditures” or a Political Action Committee (PAC).
a million dollars. You know, for [Angels Representative 1] to say ‘no’ is bad, for them not to say no on that.

On January 28, 2022, Ament met with Sidhu and surreptitiously recorded their conversation, that went as follows:

Ament: Um, you had mentioned you wanted to try to get [Angels Representative 1] a higher level. Up to the million-dollar level. Do you think [Angels Representative 1] will go there? Do you have a reason to think [Angels Representative 1] will go higher? [Angels Representative 1]’s never gone there before.

Sidhu: Gone? Gone where?

Ament: To, to a million, for re-election. To help with the PACs.

Sidhu: At least, you know, you should shoot for 3 million total?

Ament: Okay.

Sidhu: You should. Because I am hoping to get at least a million from I’m going to be pushing it. [Angels Representative 1] actually asked me. [Angels Representative 1] said, ‘What can I do for your election?’ I said, ‘Let me finish your deal first, and then we’ll talk about that.’

Ament: Ok.

Sidhu: So I’m going to be asking for a million dollars from [Angels Representative 1].

Following the announcement of the sale of Angel Stadium, a lawsuit filed by the People’s Homeless Task Force argued that the City had committed a Brown Act violation. Attorney Kelly Aviles, who represents the People’s Homeless Task Force, filed a lawsuit against City alleging violation of the CPRA. Declarations signed on January 11, 2022, by former City Council member Jose Moreno and January 12, 2022, by former City Manager Chris Zapata respectively, were submitted by Attorney Aviles regarding the Angel Stadium sale Brown Act litigation on behalf of the People’s Homeless Task Force. In their respective Declarations both Zapata and Moreno stated that at the August 23, 2022, City Council Closed Session meeting, then Mayor Sidhu advised the City Council that the Angels Baseball organization wanted to buy Angel Stadium. The City Council requested the appraisal be updated to consider the sale of the property.

On September 24, 2020, according to the Zapata and Moreno Declarations, the updated Angel Stadium property Appraisal was completed by Norris Realty Advisors and was provided to the City Council who discussed and deliberated on the information in the updated appraisal.297

296 July 20, 2022 Email (Exhibit 136).
297 Declaration of Jose Moreno filed in CPRA lawsuit (Exhibit 137).
In his March 21, 2022, ruling Judge Hoffer found that Zapata’s and Moreno’s Declarations were not credible. Judge Hoffer cited Councilmember Moreno’s statement during the City Council’s December 20, 2019 meeting was the first public discussion the City Council had on the Angel Stadium points of the sale. Judge Hoffer also found that Councilmember Moreno’s statement that City Attorney Fabela had done a good job in making sure the City Council was focused on the price and terms of payment per the Brown Act provision was consistent with City Attorney Fabela’s Declaration.

Judge Hoffer further concluded that City Attorney Fabela’s and Appraiser Steve Norris’s Declarations were consistent with an appraisal for sale and not a lease, which was inconsistent with Moreno’s and Zapata’s Declarations. Finally, Judge Hoffer ruled that even if there was a discussion regarding the Angel Stadium sale, it would not violate the Brown Act because of the real estate exception, citing, “The sales price and the basic property right being sold were inextricably intertwined.”

Additionally, it should be noted that Councilmember Moreno and City Manager Zapata did not have permission or approval to discuss or provide a Declaration regarding City Council Closed Session discussions, while City Attorney Fabela did.

Conclusion

Here, there can be no doubt that the leak of these confidential City Council Closed Session documents was a violation of the Brown Act which indicated at each member of a legislative body who has taken action in violation of any provision of the Brown Act, and where there was willful deprivation of information to the public, is guilty of a misdemeanor (California Government Code § 54959). Here, then Mayor Sidhu deprived the public of confidential City Council Closed Session information that he (Sidhu) leaked to others by using his private email to avoid detection.

This confidential City Council Closed Session information was shepherded though Ament and Flint. Flint was acting as a lobbyist to the Angels Baseball organization. The apparent reason for such a leak was to move the negotiations for the sale of the Angel Stadium property along to a conclusion whereupon then Major Sidhu hoped to curry favor with the Angels Baseball organization and receive at least $1.0 million from the Angels in political independent expenditures to support his political future.

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Judge Hoffer further concluded that City Attorney Fabela’s and Appraiser Steve Norris’s Declarations were consistent with an appraisal for sale and not a lease, which was inconsistent with Moreno’s and Zapata’s Declarations. Finally, Judge Hoffer ruled that even if there was a discussion regarding the Angel Stadium sale, it would not violate the Brown Act because of the real estate exception, citing, “The sales price and the basic property right being sold were inextricably intertwined.”
Additionally, it should be noted that Councilmember Moreno and City Manager Zapata did not have permission or approval to discuss or provide a Declaration regarding City Council Closed Session discussions, while City Attorney Fabela did.

iii. Rumors of Closed Session Information Leaks to Disney’s Carrie Nocella

During the course of this Investigation, JLG Investigators heard rumors concerning the notion that Disney Public Affairs official, Carrie Nocella, had bragged about having inside information concerning City Council Closed Sessions. Whether there is any basis to this or whether this was merely bravado and braggadocio fomented by Nocella, JLG Investigators were unable to determine if those rumors were true. Nocella was asked to participate in this Investigation but, though her attorney, she refused do so. As such, there was insufficient credible evidence to show that any City Closed Session information was leaked to Nocella.

c. Serial Brown Act Violations

Serial meetings involve communication between members of a legislative body that are less than a quorum, but when all participants are considered, it constitutes a majority. This is an area that is ripe for violations related to the Brown Act.

Some evidence of the method by which certain actors may have engaged in serial communication/meetings in violation of the Brown Act was demonstrated with a remark by Ament made to Eric Morgan, a representative from Path Labs, a company that Ament contacted to show a City-owned property formerly used by UCI that is located on Carl Karcher Way in the City. Ament was working with then Mayor Sidhu in actively skirting the procurement process to push for Path Labs to get a lease of the Carl Karcher Way property, and for McCune’s construction company (Caistela Builders, Inc.) to provide any necessary tenant improvements to that property.

Morgan told JLG Investigators that in regard to the former UCI building on Carl Karcher Way, they (Path Labs) told Ament that they were looking at another building in a different city in case this Anaheim location did not come through. Morgan stated, “Todd told us, no you don’t understand how this works. It’s already approved like 5 to 1. We run around and talk to everyone behind the scenes” (Morgan was referring to City Council approval).298

This remark by Ament was quite telling and evidences the mechanism by which he (Ament) claims approvals to projects is accomplished though communications to certain members of the City Council. In this scheme, Ament acts as the “hub” relating to communicating to various elected officials in order to line up a favorable vote for certain development and or projects. In a sense, Ament acts as an unreported lobbyist and conducts an unlawful “meeting” under the definition of the Brown Act concerning serial meetings and communication. Although we were unable to develop evidence from the elected officials we interviewed, Ament’s comment as described here is very troubling.

The method of gaining approval of projects that Ament described here not only violates the tenants of the Brown Act, it virtually eliminates any meaningful public input or knowledge of such approvals. The Brown Act was established, in part, to protect the public’s right to understand and to participate in the discussion approval process of public contracts, development agreements and the

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298 Eric Morgan interview.
disposition of public assets. The process that Ament described demonstrates the “cabal” mechanisms and structure in action wherein decisions about public processes were carried out in private by a select group of powerful yet largely illegitimate actors. This process robs the public of its rights to due process, equal protection under law and the governmental transparency the law requires.

Conclusion

In summary, the greater weight of the credible evidence demonstrates that there has seemingly existed a genuine contempt for government transparency and public participation relating to governmental projects and agreements concerning the actions of certain powerful actors in the City including Ament, Flint and Sidhu. The rules and law seem to get in the way of certain elites’ desires and interests.

Whether it was handing over confidential documents during a negotiation to improve the chances of a successful Angel Stadium property sale negotiation or “fixing” projects in favor of the ruling structure, the result of these corrupt practices has been to shortchange the public’s rights in terms of meaningful government participation, knowledge and understanding. The mechanics of violating the Brown Act by virtue of conducting serial meetings, as defined under the California Government Code was described in Ament’s direct comment to Morgan concerning the attempted undue political influence peddling related to the City’s Carl Karcher Way property.

E. Investigate consultants and lobbyists, that did business with the City on significant projects or contracts, that failed to properly report their involvement, and/or that made campaign contributions to elected city officials, over the last ten-year period.

F. Lobbying

1. Introduction

This Investigation has revealed numerous apparent violations of state and local laws when it comes to lobbying in the City of Anaheim. The purpose of these laws is to limit the amount of corruption, cronyism, and undue influence exerted both by lobbyists as well as current and former elected officials.

a. Definition of a Lobbyist according to the California FPPC

Lobbyist/Lobbying Firm

A lobbyist is an individual who is compensated to communicate directly with any state, legislative or agency official to influence legislative or administrative action on behalf of his or her employer or client. An individual who receives reimbursement only for reasonable travel expenses is not a lobbyist.

A lobbying firm is a business that is compensated to communicate directly with any state, legislative or agency official to influence legislative or administrative action on behalf of a client.
b. City of Anaheim Ordinance

On August 15, 2017, the Anaheim City Council passed Ordinance No. 6417 known as the Sunshine Ordinance in order to “increase transparency in government operations and establish lobbyist registration, reporting and disclosure requirements and prohibitions on the employment of lobbyists.” Failure to report lobbying activity would result in a fine.

In September 2022, the City Council amended the policy to “strengthen its regulation of lobbyists and establish criminal penalties for intentional violations of the lobbying provisions of the Sunshine Ordinance.” Ordinance 6535 included three key changes:

i) provide that the City will retain on the City’s servers emails of Councilmembers and their staff, as well as City Executive Managers, that pertain to City business for two years,

ii) make certain violations of the lobbying provisions contained in Chapter 1.11 a misdemeanor, and

iii) require that all reports that lobbyists are required to submit must be certified as true under penalty of perjury.299

The ordinance was codified as Section 1.11 of the Anaheim Municipal Code. Regarding criminal penalties, Subsection 1.11.080 of the ordinance states:

.080 Criminal Penalties. The penalty fees provided for in this section apply to inadvertent violations of its provision. Any person or entity that knowingly or intentionally i) acts as a Lobbyist in the City without having registered in compliance with subsection .010, ii) fails to file the quarterly report required by subsection .020, iii) files a quarterly report that contains inaccurate information or omits information required to be disclosed by subsection .020, or iv) conceals or diverts compensation for Lobbying activity in order to avoid the requirements of this section, shall be guilty of a misdemeanor and subject to a maximum of six (6) months in jail and a fine of $1,000.00. In addition, no person convicted of a violation of this section may act as a Lobbyist or otherwise attempt to influence municipal legislation for compensation for one year after that conviction, and no person convicted of a second violation of this section may act as a Lobbyist or otherwise attempt to influence municipal legislation for compensation for an additional three years after the second conviction.[Emphasis added]

The City of Anaheim posts its Lobbying Guide online with instructions for lobbyists along with forms that can be submitted by mail, email or fax.

299 It should be noted that the 2017 ordinance also made filing a false quarterly report potentially a crime of perjury, in that it required the form to be “. . . certified as true under penalty of perjury.” [Ordinance No. 6417, codified as Section 1.11.010] It appears that Councilmember Valencia, sponsor of the 2022 ordinance modification, simply wished to emphasize this existing provision.
c. **Background and Considerations**

On September 20, 2017, a week after the initial ordinance went into effect, Mike Lyster, the Chief Communications Officer for the City of Anaheim acknowledged that enforcement of the ordinance would be largely “self-reported.”

*The city attorney will not be proactively questioning whether certain city employees and contractors are in compliance with the law, said Lyster. Instead, council members or city commissioners can request the city clerk to determine whether someone is a lobbyist and needs to register.*

The most recent (2022) amendment to the ordinance closed loopholes the original ordinance overlooked or failed to address, specifically including criminal penalties. However, it does not require City officials to report meetings or calls when they are being lobbied.

Ted White confirmed that the City does not have a mechanism in place to verify if lobbying meetings are reported properly. In our interview with White, the following exchange took place:

Mr. Johnson: *If there’s a lobbyist in a meeting, and you would be a qualified City official, if they’re meeting with you, that’s lobbying. You aren’t required to report meetings that you have with lobbyists, are you?*

Mr. White: *No*

Mr. Johnson: *Is there any requirement that if you are in a meeting with a lobbyist, and there may be some indication that either the lobbyist isn’t qualified or didn’t declare the meeting, is there any kind of policy on ‘you need to report it’ or bring it up to somebody?*

Mr. White: *No. There isn’t. As I said, I don’t know who’s a declared lobbyist.*

When discussing the issue of lobbying with City Manager, Jim Vanderpool, he acknowledged that he met frequently with Jeff Flint and was surprised that there were so few reported meetings in Flint’s lobbying reports. He said the two primary lobbyists that currently meet with the City (post-Flint) are Curt Pringle and Todd Priest. According to Vanderpool, “*There’s a vacuum but the appetite for lobbyists is just a very delicate balance right now, which has been a gift for staff.*”

Our investigation has revealed several unreported lobbyist meetings. We agree there is no meaningful mechanism to enforce reporting. The issue of elected officials and senior City staff not being required to report or log such meetings has been an impediment to adequate and effective lobbyist reporting.

*d. Research Methodology*

We investigated lobbying activities involving the largest interests in the City, including Disney, SRB Management (Angels), the Anaheim Orange County Hotel and Lodging Association, as well as lobbyists who are subjects of this Investigation, including Jeff Flint, Curt Pringle and Todd Ament. Our research included an examination of City-provided emails along with interviews with relevant
witnesses involving unreported meetings, as well as unregistered clients. While this list is not exhaustive, it tends to point to a pattern of behavior that indicates potential violations occurred.

2. **Lobbying Activity**

   a. **Jeff Flint**

      i. **History & Activity**

      According to former Curt Pringle Associates Lobbyist, Todd Priest,\(^{300}\) Jeff Flint was recruited by Curt Pringle to come to Anaheim while Pringle was Mayor between 2002 to 2010. Pringle referred lobbying clients to Flint at that time. A rift reportedly formed between Flint and Pringle once Pringle was out of office in 2010. Flint allegedly kept business for himself, rather than referring business back to Pringle. This was confirmed by Todd Priest and Mishal Montgomery.\(^{301}\) This was also reported in the *Orange County Register*. Later, Flint would operate from Sacramento until he returned to Anaheim in 2016 to 2017.

      According to Arriana Barrios,\(^{302}\) Flint gained influence in Anaheim around 2016. Flint’s firm, Flint Spriggs-Hernandez Babb Core Strategies (FSB) was a smaller lobbying firm. In 2018, Jeff Flint’s FSB grew and was purchasing other companies. Barrios’ own team wondered “what the heck” was going on. The company purchases and rapid expansion seemed unusual.

      In 2012, Jerry Amante was hired to open an Orange County office for Flint and get the business launched there. The Orange County office eventually surpassed the Sacramento operation. In 2016 to 2017, Flint and the shareholders decided to return to Anaheim where they were originally headquartered and shared office space with the Anaheim Chamber of Commerce and Visit Anaheim.

      In the Spring of 2017, FSB moved their Orange County office from Costa Mesa to the Anaheim Chamber offices (originally at the Stadium Towers location, relocating to the Wells Fargo building). The building was owned by Greenlaw Partners. Ross McCune reportedly performed the tenant improvements for the offices.

      Jerry Amante did not think Flint’s expansion was a good idea at the time. “It was, in my view, too rapid a move for no good reason and, again, it was another spendthrift decision, in my view, where it was bad management, particularly because they would be sharing offices with someone who was not one of their higher-paying clients.” Amante believed “It made no sense.”

      In 2018, FSB had explosive growth through the acquisition of new companies. Flint bought thirteen (13) or fourteen (14) companies, according to Amante, and changed the holding company from FSB to Core Strategies.

      Amante, who was the General Counsel for Core Strategies, as well as the subsidiaries, said the businesses encompassed a variety of disciplines other than lobbying, including an association

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\(^{300}\) Todd Priest interview.

\(^{301}\) Mishal Montgomery interview.

\(^{302}\) Arriana Barrios interview.
management company (Core Management Company), campaign entities, 1880 Strategies (telecommunications), Chariot Campaigns (campaign strategic analysis and campaign work for candidates), C-3 Public Strategies (“door knocking”), and Core Digital Media (digital work). Political and public affairs companies including FSB Public Affairs.

According to Amante, the idea was that Flint would manage all the companies, but this caused structural pressure, specifically, Flint’s ability to manage all the subsidiaries effectively and efficiently. Amante said the problem was “a combination of a lot of things - certainly growing too fast, not paying attention to what you're acquiring, a lot of spendthrift that really hurt the company, [and] bad management.” Additionally, the lack of proper due diligence in acquiring the companies “put financial stress and capital stress on the business.”

Barrios said that during the 2018 campaign, Flint became involved in the Harry Sidhu mayoral campaign. The so-called “Cabal” seemed to be comprised of: the Chamber, SOAR, and Disney, and then the Police & Fire Associations and Building Trades. The apparent plan was that the Platinum Triangle, the Resort, and Disney would all prosper together.

   ii. Unreported Meetings

Based on a review of all Jeff Flint emails from 2019 to May 2022, there were 38 suspected unreported meetings. This was determined by comparing the meeting invites (obtained through City email review) with the Lobbying Reports. There were likely many other such unreported meetings that were not included in the emails that we have obtained. Of these meetings, 27 have been confirmed with other attendees who were present at the meetings. Additionally, this does not include email communications, which were significant in clarifying the key issues. This includes all of the AOCHLA PAC meetings and coordination, which were seemingly unreported by Flint and only started being reported in 2021 by Amante and Bushart. According to Amante, Flint would give them direction about which clients to report on and to register, as well as who to bill for specific meetings.

Often these charges would be invoiced directly to the Chamber of Commerce if there was any confusion.

In many cases, a meeting was recorded but only one staff member was mentioned on the report when there were other significant individuals involved. Many of the unreported meetings seemed to involve specific issues, while a few were more specific to a client issue. Specific issues involved multiple meetings and emails between Flint and Staff. This report includes actual meetings, but in each of these cases, there were many email exchanges that were not reported, as is typically required. According to the Lobbying Ordinance and confirmed by Alex Burrola, who previously worked for FSB and is currently a lobbyist with Presidio Communication, emails are mandated to be reported by lobbyists.

Examples of meeting topics include the following:

- Cannabis - Meetings September 2019 to January 2020 - also involved Todd Ament
  - Three cannabis-specific meetings

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303 Alex Burrola interview.
CONFIDENTIAL – ATTORNEY-CLIENT PRIVILEGED/ATTORNEY WORK PRODUCT

- Chamber Cannabis Doc - November 18, 2019 - Rob Fabela, Kristin Pelletier, Greg Garcia, Jeff Flint
- Cannabis Discussion - January 17, 2020 - Lisa Hughes; Chris Zapata; Gregory Garcia; David Belmer; Robert Fabela; Ted White; Harry Sidhu, Todd Ament and Jeff Flint

- TOT Ordinance - Meetings May to July 2020 - involving Disney and Carrie Nocella. Significant because according to Amante, Flint represented Anaheim Orange County Hotel & Lodging Association (AOCHLA) at these meetings. Additionally, several witnesses have mentioned Flint represented Disney on specific projects and at least one newspaper article reported that he represented Disney. He did not register Disney as a client on his lobbying reports. He also represented Wincome Hospitality during this time.

In regard to assisting in writing the TOT ordinance, Jerry Amante stated,

Part of our role as public affairs professionals and lobbyists is to help shape an ordinance so that it works to the advantage of your client to get them what they need to do, and that it gets shaped in a way the City can accept it. You get the Electeds to back it so, you’re often heavily engaged in writing an ordinance. That’s why we were heavily engaged in hiring Jane Usher to write the TOT ordinance in a way that it would help the hoteliers

- Other Unreported Meetings
  - Greenlaw & ATN - regarding a number of project sites - 10/21/21
  - Anaheim Rental Alliance - regarding citations the Funterland STR properties received.
  - Standard Companies - Flint represented this client from 12/5/21 to 5/21/22 and had multiple meetings with and for them regarding an affordable housing project that was eventually approved.
  - Manatt, Phelps & Phillips, LLP -- Manatt Housing Solutions - 9/1/21. Manatt was Flint’s client according to Trevor O’Neil and the meeting was to discuss an affordable housing project and the purchase of property. The project did go through according to O’Neil. This client was not registered with the City.
  - All meetings in the second quarter of 2022

Expedia and TOT Issue - Kris Murray Involvement & Revolving Door Policy

In Spring of 2020, the City of Anaheim was in the process of drafting Ordinance 6484 regarding the Transient Occupancy Tax (TOT) for Online Travel Companies that would be ready for the 2020 election. The policy would levy the 15% TOT on Online Travel Companies (OTCs), like Expedia. Jeff Flint was apparently involved in drafting the ordinance.

Former Councilmember Kris Murray appears to have represented Expedia at the time but was prevented from lawfully lobbying the City before January 2021 because of their Sunshine Ordinance 6417 (of which she voted in favor). This ordinance prohibits an elected official from lobbying the City for two (2) years after leaving office. As the emails demonstrate, Murray contacted Jeff Flint to discuss
the issue on behalf of her client and requested his intervention with the City. Flint almost immediately contacted the City on Murray’s behalf.

Subsequently, Flint attended numerous meetings with the City about the issue and continued to help draft the ordinance on the issue (see list of meetings, below).

Additionally, on October 1st, 2020, Jim Madaffer, who owns a public affairs company, attended a meeting with City officials (Vanderpool, Pelletier and Greg Garcia), along with Flint, Amante, and Ament. Murray was still restricted from lobbying, at that time. Jim Madaffer did not register as a lobbyist at this time, but three months later in January 2021, Kris Murray showed up as a registered lobbyist for Madaffer Enterprises representing Expedia. Her lobbying reports show no activity, however. The meetings between Flint and the City are also unreported.

As it turned out, the proposed TOT ordinance was not placed on the ballot in 2020. In July 2021, John Hooper from FSB registered as a lobbyist for Expedia. He left a voicemail for Kristin Pelletier in December 2021 but showed no lobbying activity on his report for that quarter. He also contacted the City regarding the subsequent ordinance (Measure J) to be placed on the 2022 ballot and showed no lobbying activity for that time period (see below).

Below, are the emails between Jeff Flint and Kris Murray and subsequently, between Flint and the City on her behalf.

Emails

Kris Murray contacted Jeff Flint to discuss the TOT ordinance the City was drafting with Flint’s help.

Within minutes of Murray’s initial contact with Flint, he sent an email to Rob Fabela and Greg Garcia on her behalf. This appears to be an indirect lobbying effort on behalf of her client and is called out by Kristen Pelletier in her response.

Additionally, we have confirmed that Flint was present in numerous meetings with Expedia that went unreported (per Jerry Amante). FSB (Flint) was representing the hoteliers at the time. While there is no direct evidence of a violation, the lack of reporting by Flint, Hooper, and Madaffer and the questions raised about the Sunshine Ordinance, in the beginning, suggests that there may have been a violation or attempt to circumvent the Revolving Door policy on behalf of Murray and her client.\footnote{Murray's rental company is representing clients in the city council, and this may be a conflict of interest.}

Jeff Flint Unreported Meetings\footnote{Lobbying Report Documentation for Jeff Flint is included in Addendum 1, attached to this Report.}

<table>
<thead>
<tr>
<th>Meeting Topic</th>
<th>Date</th>
<th>Attendees</th>
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<tbody>
<tr>
<td>Meeting with Jeff Flint/Tal Price (Anaheim Rental)</td>
<td>April 15, 2019\footnote{The meeting took place on April 15, 2019.}</td>
<td>Jeff Flint, Trevor O’Neil, Tal Price</td>
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\footnote{Anaheim Municipal Code, Section 1.11.010(1).}
\footnote{Lobbying Report Documentation for Jeff Flint is included in Addendum 1, attached to this Report.}
\footnote{Exhibit 139.}
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<tr>
<th>Meeting Topic</th>
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<tr>
<td>Alliance)</td>
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<tr>
<td>Cannabis Discussion</td>
<td>September 26, 2019(^{307})</td>
<td>Chris Zapata, Greg Garcia, David Belmer, Ted White, Melahat Rafiei, Chris Glew, Arturo M Sanchez, Jeff Flint</td>
</tr>
<tr>
<td>Mayor Sidhu, Trevor O'Neil, Greg Garcia, Theresa Bass, Rob Fabela - Update</td>
<td>October 29, 2019(^{308})</td>
<td>Loretta Day, Trevor O'Neil, Justin Glover, Gregory Garcia, Maggie Solorio, Harry Sidhu, Theresa Bass, Annie Mezzacappa</td>
</tr>
<tr>
<td>Chamber Cannabis Doc</td>
<td>November 18, 2019(^{309})</td>
<td>Rob Fabela, Kristin Pelletier, Greg Garcia, Jeff Flint</td>
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<tr>
<td>Cannabis Discussion</td>
<td>January 17, 2020(^{310})</td>
<td>Lisa Hughes, Chris Zapata, Gregory Garcia, David Belmer, Robert Fabela, Ted White, Harry Sidhu, Todd Ament and Jeff Flint</td>
</tr>
<tr>
<td>Lunch with Ted White &amp; Jeff Flint</td>
<td>January 23, 2020(^{311})</td>
<td>Jeff Flint, Ted White</td>
</tr>
<tr>
<td>Meeting w/ Gregory Garcia, Rudy Emami, Jerry Amante, &amp; Jeff</td>
<td>February 6, 2020(^{312})</td>
<td>Jeff Flint, Rudy Emami, Jerry Amante, Gregory Garcia</td>
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<tr>
<td>Anaheim TOT Ordinance</td>
<td>May 6, 2020 at 7pm(^{313})</td>
<td>Gregg Audet, Robert Fabela, Jerry Amante, Jane Usher Cc: Jerry Amante, Jeff Flint</td>
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<tr>
<td>Anaheim Rental Housing Assistance Programs</td>
<td>May 18, 2020(^{314})</td>
<td>Jeff Flint, <a href="mailto:vcao@caanet.org">vcao@caanet.org</a>, Grace Stepter, <a href="mailto:bille@aaoc.com">bille@aaoc.com</a>, Gregory Garcia, Griselda Sanchez</td>
</tr>
<tr>
<td>TOT Measure Call</td>
<td>July 9, 2020(^{315})</td>
<td>Jeff Flint, Todd Ament, Nocella, Carrie, Jerry Amante, Brooke Bushart, <a href="mailto:J.Usher@musickpeeler.com">J.Usher@musickpeeler.com</a>, Gregory Garcia, Robert Fabela</td>
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\(^{307}\) Exhibit 140.
\(^{308}\) Exhibit 141.
\(^{309}\) Exhibit 142.
\(^{310}\) Exhibit 143.
\(^{311}\) Exhibit 144.
\(^{312}\) Exhibit 153.
\(^{313}\) Exhibit 145.
\(^{314}\) Exhibit 146.
\(^{315}\) Exhibit 147.
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<tr>
<th>Meeting Topic</th>
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<tr>
<td>TOT Ordinance</td>
<td>July 21, 2020³¹⁶</td>
<td>Pang Yang, Todd Ament, Jeff Flint, Jane Usher, Jerry Amante, Kristin Pelletier, Fred Brown, Joe Romines (Anaheim Audit Manager)</td>
</tr>
<tr>
<td>TOT Initiative</td>
<td>July 24, 2020³¹⁷</td>
<td>Pang Yang, Todd Ament, Kristin Pelletier, Jane Usher, Jeff Flint</td>
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<tr>
<td>Mayor and Greg Garcia with Jeff &amp; Todd</td>
<td>July 27, 2020³¹⁸</td>
<td>Jeff Flint, Todd Ament, Harry Sidhu, Gregory Garcia</td>
</tr>
<tr>
<td>TOT Ordinance Discussion</td>
<td>July 28, 2020³¹⁹</td>
<td>Carrie Nocella, Kimberly Monti, Kristin Pelletier, Gregory Garcia, Jeff Flint</td>
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<tr>
<td>CONF CALL: 1580 W Orangewood Citation</td>
<td>August 18, 2020³²⁰</td>
<td>David Belmer, Ted White, Jeff Flint, Tal</td>
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<tr>
<td>Anaheim VCA</td>
<td>October 1, 2020³²¹</td>
<td>Todd Ament, Jeff Flint, Jerry Amante, Kristin Pelletier, Jim Vanderpool, Greg Garcia, (Expedia Group) - Kristina Bennard, Richard de Sam Lazaro, Jim Madaffer</td>
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<tr>
<td>Kristin/Jeff/Todd</td>
<td>October 23, 2020³²²</td>
<td>Pang Yang, Todd Ament, Jeff Flint, Kristin Pelletier</td>
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<tr>
<td>TOT Discussion</td>
<td>October 28, 2020³²³</td>
<td>Todd Ament, Laura Cunningham, Jeff Flint, Jerry Amante, (Hoteliers - Ajesh Patel, Ron Kim, Paul Sanford, Bill O’Connell, Sr., Fred Brown (Anaheim) Kristin Pelletier</td>
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<tr>
<td>One Year Closure Coordination - Disney, Chamber, COA, Visit Anaheim ++</td>
<td>March 5, 2021³²⁴</td>
<td>Mike Lyster, Carrie Nocella, Todd Ament, Laura Cunningham, Jay Burress, Kris Murray, Jeff Flint, Matt Cunningham, (Disney) - Suzi Brown, Liz Jaeger, Karalee Darnell</td>
</tr>
<tr>
<td>City of Anaheim &amp; AvenuInsights</td>
<td>March 17, 2021³²⁵</td>
<td>JeffFlint; <a href="mailto:Deana.thompson@avenuinsights.com">Deana.thompson@avenuinsights.com</a>; <a href="mailto:Fran.Mancia@avenuinsights.com">Fran.Mancia@avenuinsights.com</a>, Jim Vanderpool</td>
</tr>
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³¹⁶ Exhibit 148.  
³¹⁷ Exhibit 149.  
³¹⁸ Exhibit 150.  
³¹⁹ Exhibit 151.  
³²⁰ Exhibit 152.  
³²¹ Exhibit 154.  
³²² Exhibit 155.  
³²³ Exhibit 156.  
³²⁴ Exhibit 157.  
³²⁵ Exhibit 158.
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<tr>
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<tbody>
<tr>
<td>HCD Meeting</td>
<td>May 26, 2021&lt;sup&gt;326&lt;/sup&gt;</td>
<td>John Hooper, Winsberg, Alex; Gregory Garcia, Robert Fabela, Jeff Flint</td>
</tr>
<tr>
<td>Meeting: Jeff, Mark W., &amp; Trevor O'Neil</td>
<td>September 1, 2021&lt;sup&gt;327&lt;/sup&gt;</td>
<td>Jeff Flint, Trevor O'Neil, Wiesenthal, Mark - with Manatt, Phelps &amp; Phillips, LLP -- Manatt Housing Solutions, LLC</td>
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<tr>
<td>Discussion about purchase property in public-private partnership for affordable housing</td>
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<tr>
<td>Meeting: Sergio Ramirez &amp; Jeff</td>
<td>September 23, 2021&lt;sup&gt;328&lt;/sup&gt;</td>
<td>Jeff Flint, Sergio Ramirez</td>
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<tr>
<td>Anaheim TOT Ordinance Meeting w/Anaheim &amp; Disney</td>
<td>October 11, 2021&lt;sup&gt;329&lt;/sup&gt;</td>
<td>Deanna Detchemendy, Kimberly Monti, Kristin Pelletier, Gregory Garcia, Jim Vanderpool, Jeff Flint, Brent Gibbs, Lee Young</td>
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<tr>
<td>Re: ATN Follow-Up Discussion on Project Bid Issue</td>
<td>October 21, 2021&lt;sup&gt;330&lt;/sup&gt;</td>
<td>Starla Huerta, Sergio Ramirez, Cindy Nelson Corby; Diana Kolter; Rob Mitchell; Kevin Clausen; Jeff Flint; Jim Vanderpool, Jim Appleby</td>
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<tr>
<td>Anaheim TOT Ordinance Meeting w/ Anaheim &amp; Disney</td>
<td>November 3, 2021&lt;sup&gt;331&lt;/sup&gt;</td>
<td>Deanna Detchemendy; Kimberly Monti, Kristin Pelletier, Gregory Garcia; Jim Vanderpool, Jeff Flint; Brent Gibbs; Lee Young, Carrie Nocella</td>
</tr>
<tr>
<td>Anaheim TOT Ordinance Meeting w/ Anaheim &amp; Disney</td>
<td>November 18, 2021&lt;sup&gt;332&lt;/sup&gt;</td>
<td>Nocella, Carrie; Detchemendy, Deanna; Kristin Pelletier;Monti, Kimberly;Jeff Flint; Jim Vanderpool; Gibbs, Brent; Gregory Garcia;Young, Lee</td>
</tr>
<tr>
<td>Meeting with Standard Companies and City of Anaheim</td>
<td>April 7, 2022&lt;sup&gt;333&lt;/sup&gt;</td>
<td>Jeff Flint; Grace Stepter;<a href="mailto:jlee@standard-companies.com">jlee@standard-companies.com</a>;Chris Cruz; Jim Vanderpool</td>
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<sup>326</sup> Exhibit 183.  
<sup>327</sup> Exhibit 159.  
<sup>328</sup> Exhibit 160.  
<sup>329</sup> Exhibit 161.  
<sup>330</sup> Exhibit 162.  
<sup>331</sup> Exhibit 163.  
<sup>332</sup> Exhibit 164.  
<sup>333</sup> Exhibit 165.
After the FBI report became public, On May 23, 2022, City Attorney Rob Fabela sent Deputy City Attorney Kristin Pelletier an email that stated, in relevant part:

Attorneys David O'barr, Erin Tinoco, and Kristin Pelletier were consulted. Erin Tinoco, who is a Deputy City Attorney assigned to the criminal division of their office, stated, in relevant part:

*I know his position was that there was no criminal section to be enforced in AMC1.11.070.020 since the failure to file a quarterly report is stated to lead to a penalty fee that may be assessed by the City Clerk. It is my understanding that there was a further discussion about whether the quarterly reports are signed under penalty of perjury, and if a potential perjury happened, that would be a straight felony charge and not something that could be filed by our office. The additional issue that Dave discussed with me was the fact that there is no investigative report that presently exists in this case, just a warrant affidavit that I don’t believe even mentions Jeff Flint by name. The affidavit in general refers to multiple people with partial information. If the city is interested in opening an investigation into whether an act of perjury occurred, I believe the first step would have to be APD conducting an investigation into that matter—retrieving the quarterly reports that were filed, obtaining evidence as to whether any of that was false, etc. If there was evidence of perjury, the detective could then submit to the DA for filing consideration.*

Erin

Rob Fabela made a determination that the next course of action was to follow up on the issue. Tinoco recommended that “the starting point would be to obtain all of the lobbyist registration and quarterly reports that were filed by Jeff Flint from the City Clerk.” On June 30, 2022, Tinoco contacted Theresa Bass to obtain Flint’s lobbyist registration documents and quarterly reports in order to determine whether “there was any potential perjury that was committed.”
iii. Unregistered Clients

In addition to unreported meetings, Flint failed to register a number of clients. Some were registered long after they initially became clients, such as Expedia and the Anaheim Orange County Hotel and Lodging Association. Others were never registered, such as Flint’s cannabis client, Disney, OCTA, and Manatt Housing Solutions. In each case, through Jerry Amante, Brooke Bushart, and Trevor O’Neil, we have confirmed that these companies were Flint’s lobbying clients.

b. Curt Pringle

i. History & Influence

Curt Pringle served as Mayor of Anaheim from 2002 to 2010 and was spoken of respectfully by a number of the City staff who worked with him. They believed him to be an intelligent and politically astute executive. Witnesses further indicated Pringle used his personal business email address and personal phone while in office, in order to coordinate his meetings. His public affairs firm, Curt Pringle & Associates, was still active at that time. Todd Priest, who worked at Curt Pringle and Associates from January 2007 to December 2017 said he acted as a lobbyist, brought in new business and managed a number of associations while in office, but Pringle was still actively engaged in the business.334

Additionally, Pringle was well-known in the community as someone to “go to get things done” through the City. Pringle had a close relationship with Todd Ament at the time. According to Mishal Montgomery, who was Pringle’s Chief of Staff, Pringle made a call to the Chamber of Commerce and recommended they consider Ament for the CEO position. Arriana Barrios stated Curt Pringle was active as the “Godfather,” in that people would go to him and seek his approval regarding those running for office or being placed in key positions.

According to Priest, when Pringle was mayor, he hosted exclusive retreats twice a year at his home or office. Priest said these were going on when he started working with Pringle & Associates and “we always had them.” The agenda would include City priorities in the first half of the meeting and business priorities in the second half. Attendees would include City staff, specifically the City Manager and different councilmembers, Todd Ament, Kris Murray, Jordan Brandman, and Mishal Montgomery. Montgomery told us Pringle would also host retreats with business people without City staff. There are also accounts of ocean cruises to Ensenada involving his close confidants.

During Pringle’s tenure as Mayor, there were several key issues with which he was involved and several influential positions he held.

- **Suncal Project (2007)** - Proposed Suncal project in the Resort District. This project was focused on transforming an RV park into a housing development near Disneyland. The planning commission approved the project and the City Council initially approved the project as well. Pringle was opposed, as was Disney. The issue was not just this single development, as other developers would likely follow suit and try to build within the Resort.

334 Todd Priest interview.
• **SOAR:** The Suncal project was the impetus to form S.O.A.R. or "Save Our Anaheim Resort." At this time, it was a community group formed with the help of Todd Ament and Curt Pringle (as confirmed by Paul Kott, Tom Tait, and Cynthia Ward). According to Tom Tait, Pringle was the architect of the entire system - "setting up the SOAR PAC and bringing all the interests together." Carrie Nocella was also involved and helped recruit members, according to Cynthia Ward, who had also been recruited by Nocella. Paul Kott said Todd Ament recruited him. At that time, according to Kott,

> Ament had an alliance with Curt Pringle and another guy who was Pringle’s former partner, Jeff Flint. And they became kind of a triumvirate of people that were always trying to run the show.

• **Transportation Issues:**

  o **OCTA** - In 2005, Pringle was appointed to the Orange County Transit Authority and became Chair of the Measure M2 Committee. At that time, Jeff Flint was brought in as a campaign consultant to help with the passage of Measure M2, according to Stan Oftelie. Funds from Measure M2 would be incorporated into the plan to fund the Streetcar Project.

  o **High-Speed Rail** - In 2007, Pringle was appointed to the High-Speed Rail Authority by then-Governor Schwarzenegger. As Chair, Pringle pushed for the HSR to extend to Anaheim.

  o **2009** - the City of Anaheim awarded Parsons Brinckerhoff the design contract for ARTIC. Pringle had oversight of the company at the time because of their involvement with HSR, which was criticized for mismanagement just a few months later.

  o **ATID:** According to Mishal Montgomery, there was a conversation between Curt Pringle and Visit Anaheim CEO Charles Ahlers (Jay Burress’ predecessor). Pringle had been trying to secure the ATID funding before he left office, to assist him in his lobbying business. Ahlers complained to Pringle, stating, "*Can you help me with Flint’s price?*" Flint was intimately involved in the ATID lobbying and may have written the ordinance.

  o The Anaheim Tourism Improvement District (ATID) was established within The Anaheim Resort and the Platinum Triangle Districts on September 14, 2010. The ATID is a way for Anaheim’s visitor industry to become self-sufficient by adding a 2% assessment fee that mirrors the Transit Occupancy Tax (TOT) to each occupied guest room. Visit Anaheim receives 75% of the ATID funds. The remaining 25% of the ATID collections go towards Anaheim’s transportation programs. These Transportation Component funds are collected and administered by a separate ATID Transportation Committee.

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335 Tom Tait interview.
336 Stan Oftelie interview.
According to Cynthia Ward,\textsuperscript{337} “All these projects were lumped together, and they were all interconnected with Curt, and that’s why when he left office in 2010 . . . people forget . . . the State Attorney General nailed him for having incompatible offices.”

Pringle also had a close relationship to Todd Ament and the Chamber of Commerce of Commerce, according to Sandy Morales\textsuperscript{338} (Chamber Employee) and Paul Kott\textsuperscript{339} (Chamber Board Member). Morales and Kott both indicated Todd Ament aspired to be like Curt Pringle and to wield the same type of influence.

Pringle was the California State Assembly Speaker and then became Mayor of a city he has never lived in, yet was able to garner significant support and power. I feel Curt believed that Todd could be a good front man for Curt’s initiatives.

When asked if he believed Pringle used Ament in that way, Kott replied, “Yes, 100 percent.”

\textit{ii. City Policies Leading to Lobbying Opportunities}

We have been informed by credible sources that during Curt Pringle’s tenure as Mayor of Anaheim, he took actions on a number of issues that could eventually position himself for subsequent lobbying contracts with the City of Anaheim. According to Paul Kott, “\textit{He put all the people in place that could (later) help him with his business.”} This included key City positions including the City Manager, City Attorney, and Council Members who he (Pringle) “stumped for.” According to Kott, Everybody in Anaheim was there for him to come back to and say, ‘Hey I have a client who needs this and that and the other, and it made it very easy for him to dance through Anaheim with a client because he was chiefly responsible for them being where they’re at. It was pretty obvious to people who were paying attention.

Todd Priest was asked about Pringle’s intention of lobbying in the City of Anaheim after leaving office.

Mr. Johnson: Was there a conscious effort or desire [by Pringle] to engage in Anaheim?

Mr. Priest: Oh yeah. Absolutely.

Mr. Johnson: Was he kind of, like, biding his time for the year and waiting for that?

Mr. Priest: I think there was enough going on that he wasn’t too concerned about the clock, that ‘Gosh, I really need to get this so I can pay bills around here.’ I think he just thought naturally he’d be positioned well to provide guidance to people.

We have identified three areas in which Pringle appears to have strategically positioned himself and his firm up for future lobbying and consulting opportunities with the City of Anaheim.

\textsuperscript{337} Cynthia Ward interview.
\textsuperscript{338} Sandy Morales interview.
\textsuperscript{339} Paul Kott interview.
1. Increasing the signing authority of the City Manager, Tom Wood from $50,000 to $250,000

Tom Tait said when he learned about this, he thought $250,000 was excessive. When asked about the relationship between Wood and Pringle, Tait said “I think there was a close relationship between Tom Wood and Curt.”

Tait said one of the issues that led to Wood’s firing (during Tait’s term) was over was that Wood was not forthcoming when telling Tait about the accountability issues surrounding his increased signing authority that had been authorized under Pringle.

When Wood was asked about this at a City Council meeting and to justify the accountability, Wood told the City Council that all the contracts were disclosed online. This turned out to be false. Tait recounted a conversation he had with Cristina Talley, who was the City Attorney at the time.

The City Clerk at that time, Linda Andal, confirmed that while the issue was being discussed in open City Council session, City Attorney Cristina Talley (who was seated next to her) leaned over and told Andel, _________.

When asked if Talley’s _________. led to her (Talley’s) firing, Tait said yes. “I assumed that, I mean they didn’t say that’s why they fired her but I assumed that.” Tait felt this was an alienating incident between him and Pringle. Additionally, Tait said:

*I know that Disney–Carrie Nocella was–at least I was told, she was lobbying the other Council Members that weekend (to keep Wood), and I know Curt was. Kris Murray was. It kind of, that was kind of the beginning of the antagonistic relationship between Kris and I.*

Cristina Talley confirmed that the rift between Pringle and Tait occurred as a result of Wood’s firing.341

In our interview with former City Manager, Chris Zapata, we asked him about the issue of increased signing authority. He said Sidhu had suggested increasing his signing authority to $200,000 from $50,000 after about 6 months in office. According to Zapata:

340 Linda Andal interview.
341 Cristina Talley interview.
The mayor suggested to me that my spending authority be upped. And I told him ‘Absolutely not,’ because I did not want to be in a position where he’s going to start coming to me and telling me ‘you fund this thing, you authorize that thing.’ And so when the new City Manager came on board [Jim Vanderpool] I heard that it got raised. And that to me was just a back door to the mayor directing money to causes and groups and projects that he wanted funded.

Zapata said that in a perfect world, he thought the signing authority should be somewhat higher, but he “Didn’t trust the politics in Anaheim.”

It should be noted that in City Manager Jim Vanderpool’s interview, he recalled that he told Mayor Sidhu that he did not want the increased contract signing authority, but it was pushed by Sidhu through the City Council. Rob Fabela confirmed that Vanderpool told him he did not want the signing authority increased.

2. Setting up the ATID with 2% fee - 75% for Visit Anaheim and 25% for transportation projects

The City Council adopted Resolution 2010-151 at the September 14, 2010 City Council meeting which established the Anaheim Tourism Improvement District (ATID). This created an assessment of 2% on hotel room rents in order to support the tourism and convention industry, as well as transit improvements, as set forth in the plan (including the Streetcar or ARC).

Tom Tait was asked about this. He said he thought the Chamber currently receives about $400,000 per year from Visit Anaheim out of the ATID fund. He thought Pringle put this deal together when he was mayor. It was an Assessment District for the Resort. When this was implemented, it was meant to fund Visit Anaheim and Tait thought there was a deal with the Chamber for $400,000 per year.

Sarah Bartczak (former VP with the Chamber of Commerce) was asked about Todd Ament and the Chamber’s role in this. She said there were a lot of partners involved in the forming of the ATID, including the Chamber. Todd Ament was involved in this and likely worked with the City. This preceded Jay Burress. This is apparently a prescribed formula. At the time there was a contract signed between Visit Anaheim and the Chamber.

Jay Burress was asked about the arrangement between the Chamber and Visit Anaheim regarding the TID funds. He explained that Visit Anaheim pays the Chamber a certain percentage of the TID money collected each year. The ATID is a 2% fee that hotels assess themselves (passing this along to visitors). This funds about 90% of Visit Anaheim’s operations. Burress estimated the current year’s amount allocated to the Chamber will total about $700,000.

The Process: The City collects the funds. 75% of the money collected goes to Visit Anaheim. This ranges from $10 million to $17 million; 25% goes into a fund for transportation improvements.

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342 Jim Vanderpool interview.
343 Rob Fabela interview.
344 Sarah Bartczak interview.
345 Jay Burress interview.
This is managed by the Anaheim Transportation District. Visit Anaheim pays a certain percentage to the Chamber. Burress thought this was about 10% of the money they collected. Burress reported, “We pay them anywhere from $250,000 when I started to this year, maybe $700,000 because the TID collection has been so strong.”

3. **Zoning and Structural Changes**

According to SOAR Board member, Cynthia Ward, “Curt Pringle admitted that he was consulting with the Angels during the 2013 deal.” She said she thought Pringle had been setting up the property to be developed for years, going back to when he was Mayor. She cited two examples - the train station and a water well that served the City.

*It was obvious he was setting up the land to be developed because the way he did ARTIC - that he moved the train station off that property, he moved the water well off that property. There are things you don’t move during development. Train stations and water wells are things you just don’t move and yet he did. So it was clear that they were clearing the space for something.*

According to John Lewis, who had been the consultant for Suncal in 2007, 

*Years ago, the City, under Pringle’s leadership, up-zoned all the property around Anaheim Stadium. They instantly made that property a lot more valuable by changing the zoning, which would’ve allowed more things to be done on the property.*

He said at that time, he believed Lennar got “tipped off” about the zoning changes, and

*“There were two guys from the Lennar company, Lennar Home Builders, that were running around Anaheim buying up as much property as they could.” Chris Lowe confirmed that “Lennar was buying property literally 200 yards across the freeway . . . based on the potential of building residential.” He said, “Lennar had been doing that for a couple years - acquiring I think 40 acres right there South of Katella, East of the 5 freeway.”*

Planning Director Rudy Emami recalled the problem caused by the zoning change, “[i]t was tough, my concern in the beginning when we rezoned from industrial use was that it was valued at about $1 million an acre and then Lennar came in and paid $5 million an acre because of the potential.”

Zoning change vote occurred on December 11, 2007. According to the *Los Angeles Times*:

*The City Council approved the zoning change at its meeting Tuesday night by a vote of 4 to 1, with Councilwoman Lorri Galloway dissenting. The latest vision for the 820-acre Platinum Triangle comes just three years after the council rezoned a tired industrial district east of the Santa Ana Freeway in hopes of creating an urban village*

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346 Cynthia Ward interview.
347 John Lewis interview.
of high-rise buildings, lofts, shops and restaurants. More than a dozen residential projects have already been approved, and one, the Stadium Lofts condos, has been completed.

Anaheim officials increased the permitted number of homes in the district by allowing developers to build in areas formerly zoned for office towers and industrial space.

Environmental studies pointed out that the Platinum Triangle's increased density would create needs for an additional fire station, an electrical substation, a library and a water well.

Approval of Final Environmental Impact Report - October 26, 2010 - The City Council approved the Final Subsequent Environmental Impact Report (SEIR) for the Platinum Triangle Expansion Project. This provided for the expansion of the Platinum Triangle as well as the development of ARTIC.

It seemed apparent that Curt Pringle, in serving as Mayor, was additionally focused on his future lobbying and consulting business, opportunities, and other future aspirations.

iii. Disney Lobbying Efforts

We have been told by credible sources that Curt Pringle began lobbying for Disney once he left the Mayorship and was their transportation consultant. Those that confirmed this included Tom Tait, Chris Lowe, and Cynthia Ward.

According to Tom Tait, after Pringle left office (within the year), Pringle told him he was consulting with Disney. “He told me he was on traffic and transportation issues” on behalf of Disney. When asked about Pringle’s consulting agreement with Disney, Tait reiterated “He told me he worked with them as a transportation consultant and on transportation matters. He just wanted to let me know if I had an issue with that.” When asked what he believed was the difference between a consultant and a lobbyist, since Pringle was discussing issues on behalf of Disney’s interests, Tait replied, “I don’t know.”

Tait said Pringle made a point to ask Tait if “he had an issue with it.” He said he understood this to mean Pringle wanted to let him know what he was doing and see if he had a problem with it. Not fully understanding the context of Pringle’s question, Tait told him he didn’t. At that time, Tait didn’t think Disney had an interest in ARTIC, although he later learned that they apparently did.

According to Chris Lowe, there was a collaboration formed between Pringle, Disney, and the Chamber at the time SOAR was formed.³⁴⁹

³⁴⁸ Tom Tait interview.
³⁴⁹ Chris Lowe interview.
iv. Unreported Meetings and Unregistered Clients

Todd Priest was asked about Pringle’s lobbying activity and compliance with the FPPC and City requirements for reporting. He stated, in relevant part:

*Curt never wanted to fancy himself a lobbyist. He always thought that was a bad term. He wants to provide ‘strategic guidance,’ and sometimes strategic guidance doesn’t trigger what a lobbyist would do.*

Priest cited an example of going to Sacramento with Pringle. Priest said Pringle would tell him,

‘*I want you in the room,’ and he’d want me in the room because I was the registered lobbyist. But by having Curt, I mean nobody cares about Todd Priest. Having the former Speaker sitting there is what mattered, but he didn’t want to be registered.*

Priest reiterated that “Curt never wanted to register” and “Even up until a year ago, Curt was doing business in town and not registering [as a lobbyist].”

Mr. Johnson: *Doing business as a lobbyist?*

Mr. Priest: *Yes.*

Priest recounted an incident with a former Pringle client, John Morris, from the Fritz Strip Club. He said he received a call from Morris saying, “Hey, I’ve been working with your former boss [Pringle] and I think I’ve been led astray.” Morris told Priest that he wanted to sell the property and develop it for residential use.

Priest told Morris that no one would ever rezone that area as residential. Nonetheless, Priest “took him on as a client,” registered as a lobbyist and then called Harry Sidhu. According to Priest, Sidhu told him, “Todd, I’ve told Curt for years we’re not putting residential there.” Priest indicated that Sidhu added, “Curt’s been working me on that, [as well as] other Councilmembers. I’ve talked to Curt about it.” Priest said, “I looked it up. Nobody’s registered.”

Priest was asked if there were other lobbying clients Pringle failed to register.

Mr. Johnson: *Did you notice any other projects where Curt was lobbying that maybe wasn’t registered?*

Mr. Priest: *Yeah.*

Priest said there was a development project in Anaheim Hills for a church that wanted to develop senior housing for an oversized lot that was not registered. Additionally, Priest said they did work for the Anaheim Angels for a brief period of time during Tom Tait’s tenure while Priest was still working for Pringle.

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350 Todd Priest interview.
I don’t believe anyone, any individual, registered as a lobbyist for the Angels because Pringle would have said this is just strategic advice/guidance. . . . I can’t imagine that Curt was not talking to elected officials about the Angels, I just can’t - that was his value.

Priest said that as long as he was working at Curt Pringle and Associates, Pringle had never registered as a lobbyist (Priest left in 2017). According to the City’s Lobbyist Registry, Pringle’s first lobbying report was submitted for Quarter 3 of 2018. Priest went on to say, “He [Pringle] didn’t want to be known as a former Legislator that became a lobbyist.”

When asked if there are any other projects for which Pringle failed to register, Priest said there were “dozens.” He thought they were under contract with Disney for a while but didn’t know what the scope was. Pringle also worked as a lobbyist for Ajesh Patel and Bill O’Connell for the Garden Walk project without being registered.

v. Reporting and Registration

Based on a review of Curt Pringle’s emails and meeting invitations from 2018 to October 2022, there are 22 unrecorded meetings with 12 confirmed that were unreported. Of the confirmed meetings, 4 were in 2022. Additionally, there were 5 scheduled meetings with Sergio Ramirez and Brookfield Properties, a large developer who has done business with the City in the past. According to Ramirez, he has had to cancel these meetings on multiple occasions. He said in a phone interview that Pringle had reached out to him to arrange a meeting with Brookfield. Ramirez said the developer previously had “an exclusive agreement” until Tait/Moreno voted to stop the project. Pringle’s message was “Let's get Brookfield back in Anaheim.” Pringle has not registered Brookfield as a client with the City, despite reaching out to Ramirez multiple times to arrange meetings with his client.

Methodology for the report: We compared the meeting invites with the Lobbying Reports, then confirmed the meetings with attendees.

Curt Pringle Confirmed Unreported Meetings\textsuperscript{351}

<table>
<thead>
<tr>
<th>Meeting Topic</th>
<th>Date</th>
<th>Attendees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Curt Pringle at Colonial</td>
<td>March 13, 2019\textsuperscript{352}</td>
<td>Curt Pringle and Trevor O'Neil -likely a housing or timeshare meeting</td>
</tr>
<tr>
<td>Curt Pringle Meeting</td>
<td>June 5, 2019\textsuperscript{353}</td>
<td>Curt Pringle and Trevor O'Neil</td>
</tr>
<tr>
<td>Meeting with Ted, Curt, and Jennifer</td>
<td>September 13, 2019\textsuperscript{354}</td>
<td>Amanda Hernandez; Curt Pringle; Jennifer Fitzgerald; Ed White</td>
</tr>
</tbody>
</table>

\textsuperscript{351} Lobbying Report Documentation for Curt Pringle is included as Addendum 1, attached to this Report.
\textsuperscript{352} Exhibit 166.
\textsuperscript{353} Exhibit 167.
\textsuperscript{354} Exhibit 168.
<table>
<thead>
<tr>
<th>Meeting Topic</th>
<th>Date</th>
<th>Attendees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meeting re: Anaheim Hills Senior Living Community</td>
<td>December 12, 2019&lt;sup&gt;355&lt;/sup&gt;</td>
<td>Marco Akili, Tony Nguyen; Zeshaan Younus, Curt Pringle, Katie Pringle (tentative)</td>
</tr>
<tr>
<td>Phone call with Curt Pringle</td>
<td>July 31, 2020&lt;sup&gt;356&lt;/sup&gt;</td>
<td>Ted White and Curt Pringle - 9am</td>
</tr>
<tr>
<td>Call with Curt Pringle regarding Westgate</td>
<td>September 30, 2020&lt;sup&gt;358&lt;/sup&gt;</td>
<td>Ted White and Curt Pringle</td>
</tr>
<tr>
<td>Latest Appraisal</td>
<td>October 26, 2021&lt;sup&gt;359&lt;/sup&gt;</td>
<td>Taconic Capital, Pringle, Sergio Ramirez, Laura Alcala, Paul Simonds</td>
</tr>
<tr>
<td>Call with Curt Pringle (call with Sergio Ramirez)</td>
<td>February 24, 2022&lt;sup&gt;360&lt;/sup&gt;</td>
<td>Call with Sergio Ramirez; Regarding Westgate Timeshares</td>
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<tr>
<td>Meeting - Curt Pringle</td>
<td>July 7, 2022&lt;sup&gt;361&lt;/sup&gt;</td>
<td>Curt Pringle and Sergio Ramirez - Regarding Brookfield per Ramirez</td>
</tr>
<tr>
<td>*Coffee with Brookfield, Sergio Ramirez, Curt Pringle</td>
<td>7/21/2022&lt;sup&gt;362&lt;/sup&gt;</td>
<td>Amanda Hernandez; Curt Pringle; John O'Brien; Starla Huerta; Sergio Ramirez</td>
</tr>
<tr>
<td>*Coffee with Brookfield, Sergio Ramirez, Curt Pringle</td>
<td>July 26, 2022&lt;sup&gt;363&lt;/sup&gt;</td>
<td>Sergio Ramirez, Curt Pringle, Dave Bartlett, John O'Brien</td>
</tr>
<tr>
<td>*Coffee with Brookfield, Sergio Ramirez, Curt Pringle</td>
<td>August 9, 2022&lt;sup&gt;364&lt;/sup&gt;</td>
<td>Sergio Ramirez, Curt Pringle, Dave Bartlett, John O'Brien</td>
</tr>
<tr>
<td>*Coffee with Brookfield, Sergio Ramirez, Curt Pringle</td>
<td>August 23, 2022&lt;sup&gt;365&lt;/sup&gt;</td>
<td>Sergio Ramirez, Curt Pringle, John O'Brien</td>
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<sup>355</sup> Exhibit 169.  
<sup>356</sup> Exhibit 170.  
<sup>357</sup> Exhibit 171.  
<sup>358</sup> Exhibit 172.  
<sup>359</sup> Exhibit 173.  
<sup>360</sup> Exhibit 174.  
<sup>361</sup> Exhibit 175.  
<sup>362</sup> Exhibit 176.  
<sup>363</sup> Exhibit 177.  
<sup>364</sup> Exhibit 178.  
<sup>365</sup> Exhibit 179.
c. Todd Ament

Over the course of this Investigation, we have been advised by multiple sources that Todd Ament had a side consulting/lobbying business called TA Consulting. A number of developers seeking to do business with the City of Anaheim spoke about this, details of which are in a separate portion of this report.

For the purposes of this lobbying issue, we focused on Ament’s access to and lobbying of Mayor Sidhu for his various clients/interests. According to several witnesses, Ament acted as a gatekeeper to Mayor Sidhu and, it is reported that he required some sort of payment before arranging a meeting with Mayor Sidhu. We were told this could include some sort of donation to the Chamber of Commerce PAC or other fundraising entity and/or activity.

Matt Holder, policy aide for Councilmember Denise Barnes told us there were already unusual activities taking place within one week of Mayor Sidhu being sworn into office. If someone called to make an appointment with Sidhu they were told to speak with Loretta Day to make an appointment (Day was the scheduler for Mayors Sidhu, Pringle and Tait). The person requesting the meeting would then get a call back from Todd Ament who would tell them if they wanted to speak with the Mayor about a policy issue, they needed to donate money to the Chamber of Commerce PAC or participate in an upcoming fundraiser. He explained that Ament had become the lead transition coordinator for Sidhu and was the gate-keeper for Mayor Sidhu. Holder said that he has heard this from at least five or six people that he would consider reliable.

Todd Priest additionally confirmed this issue in our interview with him. When asked if it was true that when Sidhu became Mayor, everything had to be run through Ament. Priest said, “Yep. Very well known. So even John Morris, the strip club guy said, ‘yeah I’m just hearing that you’re supposed to go through the Chamber on all this stuff.’ And it wasn’t just that Todd Ament was doing it. Harry was directing people.” Priest said he got a call from a developer that said the same thing.
Concerning TA Consulting, Chris Zapata\textsuperscript{370} told us he had voiced his concerns about Ament’s influence directly to Mayor Sidhu.

\textit{When you listen to other people too much, and in particular, somebody that’s not appointed as a City Manager or somebody that’s not elected as the mayor, you’re going to get yourself in trouble. I’m talking about Todd Ament. You listen to this guy too much.}

Zapata said he was told about Ament’s influence by a couple of businesspeople who were trying to schedule meetings with Sidhu. “The Mayor had called business meetings and said to them, ‘if you want to get to me and talk to me about issues and opportunities and challenges, you have to go through Todd, he’s my advisor.’”

Zapata said Ament had a separate company - TA Associates. He said whenever someone had an issue that needed to be brought before the Mayor and the majority on Council, “Ament would get paid, and beyond his Chamber salary.”

3. Conclusions

a. Jeff Flint

The greater weight of the credible evidence demonstrated that while Jeff Flint began lobbying in Anaheim while Curt Pringle was Mayor, his focus and influence came sometime later. Beginning in 2017, there was a effort to expand his reach and influence in Anaheim, and in the public affairs arena, generally. With the acquisition of several political consulting-oriented companies, he was able to offer an array of services to clients and Independent Expenditure Committees. Along with Todd Ament, he was involved with lobbying activities for a wide array of clients (high profile clients, developer clients and hoteliers among others), policymaking and advising to the highest levels of the City. In doing so, there appears to have been a lack of adherence to FPPC rules and regulations or the City’s lobbying laws.

According to his own lobbying reports, Flint failed to report entire segments of lobbying activity (e.g., HCD, TOT, and Cannabis issues), and failed to register himself as a lobbyist for specific clients. All his lobbying forms were signed under penalty of perjury, attesting to the accuracy of the forms. In our Investigation of email calendar invitations and speaking to attendees of specific meetings, we believe he failed to report these meetings, and inaccurately attested doing so likely in conscious disregard of the truth of the matter asserted in his Anaheim lobbying quarterly reports.

b. Curt Pringle

The greater weight of the credible evidence showed that Curt Pringle has been deeply involved at the State, County and City levels in various transportation issues and has worked to bring all those interests together (High Speed Rail, ARTIC and Streetcar). He also worked to set up funding mechanisms including Measure M2 funding and ATID that would support the various projects. Many of his actions created an opportunity for later lobbying projects when he was out of office.

\textsuperscript{370} Chris Zapata interview.
It appeared that a number of the clients he represented and projects he worked on were unregistered, including Disney, Angels, Bill O’Connell (during the Garden Walk subsidy issue) and more recently Brookfield Homes. There are possibly others but these are the specific clients that were cited in our witness interviews and investigation. We learned from witness accounts that Pringle preferred not to be considered a “lobbyist” and his actions seemed to confirm this. We have found a number of unreported meetings and unregistered clients that occurred after the City passed the lobbying ordinance in 2017 that required reporting and registration.

c.  **Todd Ament**

The great weight of the credible evidence proved that Todd Ament was, by all appearances, acting as a lobbyist on behalf of various businesses seeking to do business with the City and hoping to win contracts. Importantly, he was being paid for his services. These activities were never registered or reported, nor did Ament ever register as a lobbyist with the City. There also does not seem to be a record of his company, *TA Consulting, as a lobbying firm*, all of which appear to have violated the City’s lobbying ordinance.

d.  **Potential Criminal Penalties**

According to the *Anaheim Municipal Code* Section 1.11.070, any person who knowingly or intentionally acts as a lobbyist in the City without having registered (as representing a client) or files a quarterly report that contains inaccurate information or omits information required to be disclosed is subject to criminal penalties. Section 020., states that lobbyists shall file reports, certified as true under penalty of perjury, disclosing any Lobbying of the City of Anaheim or any regional agency in which Anaheim has a voting role, with the City Clerk on a quarterly basis on a form provided by the City Clerk and made available on the City Clerk’s webpage.

Based on our Investigation, we conclude that both Jeff Flint and Curt Pringle likely falsely reported their lobbying activities by neglecting to register a number of clients and by failing to report numerous meetings that have been verified by calendar entries, emails and meeting attendees. Both Jeff Flint and Curt Pringle signed multiple reports that appear inaccurate having some so under penalty of perjury. This could constitute criminal activity, according to the Municipal Code. As noted in Ordinance 6535:

> Any person or entity that knowingly or intentionally acts as a Lobbyist in the City without having registered, fails to file the quarterly report, files a quarterly report that contains inaccurate information or omits information required to be disclosed, conceals or diverts compensation for Lobbying activity in order to avoid the requirements shall be guilty of a misdemeanor and subject to a maximum of six (6) months in jail and a fine of $1,000.00.

Upon review of emails and witness interviews, we believe that both Jeff Flint and Curt Pringle may have knowingly submitted false reports, intentionally neglecting to register certain clients and report specific meetings. Evidence of this includes their documented aversion being known as a lobbyist, and/or believing they should not be required to register.
Further evidence of Pringle and Flint’s awareness of their potential violations includes the large number of meetings that went unreported, of which there were dozens.

Finally, the greater weight of the credible evidence demonstrates that Todd Ament appears to have violated the lobbying ordinance repeatedly by failing to register as a lobbyist for multiple clients over a long period of time.

e. Revolving Door Violations

The Revolving Door Policy may have been violated in two instances. There is credible evidence that Curt Pringle may have violated this policy by representing Disney regarding transportation issues to then-mayor Tom Tait immediately after leaving office. This lobbying occurred before the allotted one-year cooling off period after Pringle left office. We were informed by at least three witnesses that Pringle was in fact Disney’s lobbyist during that time.

Jeff Flint may have acted on behalf of Kris Murray, representing Expedia on her behalf before her two-year cooling-off period had been completed after she left office. An email exchange indicates Murray was indirectly involved in the process of these efforts with Expedia. She also worked for Jim Madoffer who became the public lobbyist for Expedia at a certain point in the process.

F. Investigate significant City Council actions, including contracts, projects, and other official decisions, over the last ten years, in which improprieties may have arisen in connection with those actions, specifically relative to issues of public corruption.

G. Anaheim Political Action Committees & PAC Coordination

1. PAC Influence in Anaheim – Background

Political Action Committees (PACs) have existed for many years in Anaheim, but their growth and influence increased significantly around 2010. This is when SOAR (formerly, “Save Our Anaheim Resort,” now called, “Support Our Anaheim Resort”) created a separate PAC, and the Chamber of Commerce became actively engaged. Cynthia Ward, who was one of the original SOAR PAC Board members, told us that the SOAR PAC was formed just in time for the 2010 primaries. They held endorsement interviews and became actively engaged in the political process at that time.371 Prior to this, Disney had contributed over $2 million to the “Save Our Anaheim Resort” PAC to battle a zoning change in the Resort District but didn’t stay actively engaged or start supporting candidates until 2010. According to Matt Holder, the former policy aide to Denise Barnes and President of Holder Public Affairs, when SOAR became a large political entity, they needed a secondary funding mechanism, which is when the Anaheim Chamber of Commerce PAC began to be more active. They needed to be able to more freely move money around which would make it more difficult to “follow” the money.372

This is not unique in political fundraising. Further, it is not illegal for one entity to focus on the Mayor’s race while the other would focus on the council member races. In 2008, Todd Ament

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371 Cynthia Ward interview.
372 Matt Holder interview.
became the treasurer for the Chamber PAC. By 2014, it had become much more aggressive and opposed Tom Tait for mayor.

Regarding the influence of the Chamber of Commerce and the Chamber PAC, former City Manager Chris Zapata stated,

*It costs a lot of money to run for office in Anaheim, and the Chamber is raising that money from the Resort, from the Team, from the Hotels and so they (elected officials) know if they don’t do what the Chamber wants, that Chamber PAC is not going to support them, and it will be hard for them retain their office.*

a. **FPPC Rules Regarding PACs**

In 1974, California voters passed Proposition 9, known today as The Political Reform Act (PRA). Among other things, the initiative imposed restrictions on lobbyists and mandated disclosure of campaign contributions. It also created the Fair Political Practices Commission (FPPC) as an enforcement agency. Since that time, additional political reform provisions have been added either by the Legislature or through ballot measures.

In 2015, the FPPC approved revisions to its rules on independent expenditures and coordination that expand the situations where a presumption of coordination exists. This is found in Article 5 section 85500 of the Political Reform Act under Independent Expenditures; 24-Hour Disclosure; Coordination.\(^{373}\)

An independent expenditure is different from an individual contribution to a political candidate. Individual contributions, or contributions from an individual or business directly to the political campaign are limited to no more than $2,200. Independent expenditures are funds expended by a Political Action Committee (PAC) for the benefit of a candidate, but do not go directly to the candidate or their campaign. The funding can be used on behalf of the candidate, but cannot be coordinated by the candidate or PAC. The biggest difference between an independent expenditure (PAC donation) and an individual contribution is the amount of money that can be contributed. There are no monetary limits placed on Independent PAC expenditures—they may donate an unlimited amount of money on behalf of a political campaign.

According to the FPPC Independent Expenditure Committees\(^{374}\) Campaign Disclosure Manual 6, an “independent expenditure” is a payment for a communication that expressly advocates the election or defeat of a clearly identified California state or local candidate or the qualification, passage, or defeat of a clearly identified state or local ballot measure, and the communication is not coordinated with or “made at the behest” of the affected candidate or committee.

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\(^{373}\) 2022 Political Reform Act.

\(^{374}\) An “Independent Expenditure Committee” is synonymous with the term “Political Action Committee (PAC),” for purposes of this report. Under the First Amendment and Supreme Court caselaw, there are no limits on independent spending to support or oppose candidates, or on the amount individuals or entities may give to political committees that make independent expenditures only (so-called “Super PACs” or “independent expenditure-only committees”), per FPPC Regulations.
A PAC must be aware that the communication cannot be coordinated with the affected candidate or measure committee. If there is coordination, the payments are reported as contributions, and, among other things, may be subject to contribution limits.

An expenditure is not considered independent (and a violation) by a candidate or committee if:

- It is made at the request, suggestion, or direction of, or in cooperation, consultation, or coordination with the candidate or committee for whose benefit the expenditure is made.
- The candidate or committee or their agents have made or participated in making any decision about the content, timing, location, mode, intended audience, distribution, or frequency of placing the communication.
- The creator, producer, or distributor of the communication, or the person paying for the communication has had discussion and agreement with the candidate or committee, or their agents, regarding the content, timing, location, mode, intended.


(a) Any person who knowingly or willfully violates any provision of this title is guilty of a misdemeanor.

(b) In addition to other penalties provided by law, a fine of up to the greater of ten thousand dollars ($10,000) or three times the amount the person failed to report properly or unlawfully contributed, expended, gave or received may be imposed upon conviction for each violation.

(c) Prosecution for violation of this title must be commenced within four years after the date on which the violation occurred.

b. Methodology

In order to understand the campaign operations of the Independent Expenditures in Anaheim, we conducted a three-fold investigation. First, we did an search of campaign 460 forms from 2012 to 2020 in order to ascertain contribution amounts, sources and expenditures for each campaign cycle, focusing much of our efforts on the 2018 and 2020 elections. We also conducted interviews with witnesses familiar with the various PACs, and researched issues and data through online resources.

c. Top Political Action Committees in Anaheim

Since 2010, numerous PACs have been formed. Their level of involvement varies for each election cycle depending upon the issues of that time and the candidates running. The top spending PACs we were able to identify include:

- **SOAR** - primarily Disney-funded with over $1 million spent per election cycle since 2018 - In 2022, almost $547,000 for Natalie Meeks, $380,000 for Natalie Rubalcava, and $302,000 for
Gloria Ma’ae. In 2020 - $437,000 for Stephen Faessel, over $400,000 in support of Avelino Valencia, and $121,000 for Jose Diaz. In 2018 they spent $358,000 on Jordan Brandman, $353,000 for Mitch Caldwell and $377,000 for Trevor O’Neil. 2016 SOAR spent significantly less. Disney contributed heavily to other PACs that year, including Moving Orange County Forward, at just about $76,000, about $670,000 in 2014, $209,000 in 2012, and $89,929 in 2010.

- **Anaheim Chamber of Commerce PAC** - started in 1990 with Larry Slagle as treasurer, followed by George Adams (who served until 2008). The most the PAC raised was about $5,000 up to that point. Todd Ament took over as treasurer in 2008 and spent $33,930 in support of Harry Sidhu’s City Council campaign and $32,430 in support of Gail Eastman. Disney contributed $35,000, and Bill Taormina and Clean City contributed $25,000 to the PAC, with total contributions of around $80,000. In 2010, that number jumped to about $124,775 with Disney contributing $55,000. The Chamber supported Harry Sidhu for Supervisor, Lucille Kring for State Senate, and Tom Tait for Mayor. In 2012, the contributions totaled over $254,000 with Disney contributing $143,825. In 2014, the Chamber contributed $137,000 and Citizens for Anaheim’s Future donated $65,000 with a total of $176,907. In 2016, contributions were significantly less at around $28,000. This changed in 2018 when contributions jumped to $335,120 and expenditures were $237,422 in support of Harry Sidhu for Mayor. Key contributors in 2018 included Michael Hayde from Western National Group for $49,500, Stovall's Inn LLC for $49,500, Ajesh Patel for $49,500, Wincome (FJS) for $49,400, Disney Worldwide for $49,000 and the Anaheim Chamber of Commerce for $46,500. In 2020, the Chamber PAC received $171,698 in contributions that were heavily weighted toward Apartment and development interests - Michael Hayde from Western National Group ($49,000), 9 contributions of $3,022 each from 9 Advanced Management Company apartment communities in Anaheim (total of $27,198), Greenlaw Development for $25,000, DUB Brothers Management for $15,000, John Saunders for $16,000, SLF-West Lincoln, LLC - James O'Malley (Shopoff) for $10,000, and NAIOP - National Association Industrial & Office Properties for $10,000.

- **Anaheim Orange County Hotel and Lodging Association** - this PAC was started in 2018 by Jeff Flint with Jerry Amante listed as the Principal Officer (Amante was General Counsel for FSB and Core Strategies). The PAC raised $204,550 in 2018 to support Harry Sidhu ($88,046) and oppose Ashleigh Aitken ($107,810). Key contributors were Wincome USA for $49,500, Michael Hayde from Western National Group for $49,500, Stovall's Inn LLC for $37,800 and Prospera Hotels for $37,750. In 2020, AOCHLA raised $300,500 and supported Stephen Faessel ($28,474) and Jose Diaz ($21,647) while opposing Denise Barnes ($44,887) and Anne Marie Randle-Trejo ($106,926). Key contributors included two Wincome USA companies for $68,000, Michael Hayde from Western National Group for $49,500, Ajesh Patel and affiliates for $34,400, 950 S&E LLC (Simon Frank) for $25,000, John Saunders for $20,000 and M8 DEV, LLC(Bo Patel) for $15,000.

- **Moving Orange County Forward** - spent heavily during the 2016 election with primary funding from Disney ($700,000 according to the *Los Angeles Times*) with contributions from OC Tax PAC ($50,000), Orange County Business Council’s BIZ PAC ($45,000), and the California Apartment Association among others.
• **Citizens for Anaheim’s Future** - active since 2012. According to a 2012 report in the *Voice of OC* Citizens For Anaheim's Future has in the past been chaired by Councilwoman Kris Murray, who is close to Disney and former Mayor Curt Pringle, who is currently listed as its principal officer. Mishal Montgomery confirmed that Pringle created and designed this PAC to determine which candidates would be loyal and sympathetic to his priorities.

The Citizens for Anaheim’s Future PAC was last involved in the 2018 election, supporting Harry Sidhu for mayor, Grant Henninger, and Jordan Brandman for City Council (they also supported Lorri Galloway for mayor to a lesser extent). Key contributors included the Anaheim Chamber of Commerce ($20,000), Michael Hayde from Western National Group for $49,500, three Seligman Group companies for $15,000 each (Pendulum Property Partners, Anaheim Corporate Office Plaza LP, Howell Avenue Enterprises), two Wincome Hospitality Group companies for $24,750 each (Good Hope International Inc dba Anaheim Plaza Hotel and FJ's, Inc dba The Anabella Hotel) and SA Recycling for $10,000 (Jeff Farano, a Chamber of Commerce board member is their General Counsel).

• **William O’Connell; Best Western Plus Stovall's Inn** - Major Donor Committee - contributed heavily in 2018 to AOCHLA, the Anaheim Chamber PAC and the No on L campaign totaling around $400,000. Contributions in 2020 were significantly less.

• **Lincoln Club of Orange County** - Varying amounts over the years but spent heavily in 2018 to support Harry Sidhu and oppose Ashleigh Aitken and Patty Gaby. Top contributors included California Homeowners Association ($48,000), Michael Hayde from Western National Group for $49,500 and two Wincome Hospitality Group companies for $24,750 each (Good Hope International Inc dba Anaheim Plaza Hotel and FJ's, Inc dba The Anabella Hotel), Bill O'Connell/ Stovall's Inn LLC ($37,700) and Prospera Hotels ($37,700) and Toll Bros. ($16,000).

• **Anaheim Neighborhood Association** - Spent over $100,000 in support of Harry Sidhu in 2018 and in opposition to Jose Moreno; minimal engagement otherwise. Top contributors included Michael Hayde from Western National Group for $49,500 and two Wincome Hospitality Group companies for $24,750 each (Good Hope International Inc dba Anaheim Plaza Hotel and FJ's, Inc dba The Anabella Hotel)

• **OC TAX PAC** - varying amounts depending upon the election cycle

• **OC BIZ PAC** - varying amounts and relatively inactive in recent years

• **No on L, A Project of the Anaheim Chamber of Commerce and No on the Anaheim Job Killer Initiative** - No on Measure L, a project of the Anaheim Chamber of Commerce - issues specific PACs in 2018

  d. **Conclusion**

While there were years in which a spike in spending occurred due to a ballot initiative or particular candidate, 2018 seemed to be unique in the amount of coordinated support between the PACs
with similar donors contributing to multiple PACs. The hoteliers were particularly engaged due to Measure L, which would institute a minimum wage increase for any hotel receiving tax subsidies. In 2020, large donations came from apartment management companies, developers, and a cannabis company. That year, the City Council was considering two rent control initiatives along with the cannabis ordinance. Greenlaw Partners and Shopoff also had projects before the City Council at that time. In 2016, Moving Orange County Forward spent heavily to support resort-friendly candidates in Anaheim’s first district elections (Lucille Kring, Jordan Brandman and Stephen Faessel at nearly $250,000 each).

Anaheim is a city with a number of large special interests that have shown a willingness to become actively engaged in the political process when an issue affects them. Disney, hoteliers, developers, apartment managers, and labor unions have all weighed in with their contributions to PACs over the last ten to fifteen years. This is perfectly legal and the U.S. Supreme Court has upheld this right. Where it becomes problematic, and potentially unlawful, is when there is coordination between a campaign and the PAC or if undue political influence is involved.

2. **Flint Coordination of PACs**

Through our Investigation into the PACs and general lobbying activity, we were told that Jeff Flint essentially ran the PACs in Anaheim. The 2018 and 2020 campaigns in particular saw large donors contributing to multiple PACs in what appeared to be a coordinated effort.

   a. **Anaheim Orange County Hotel and Lodging Association PAC - Formation and Flint Coordination**

Jerry Amante (Flint’s Corporate Counsel) explained that Flint’s firm, FSB bid on the contract for the Anaheim Orange County Hotel & Lodging Association (AOCHLA) just before the 2018 cycle (election) likely in the summer of 2017. He said he remembered the timing of this because “We were engaged in putting together a PAC in a hurry which the Hotel Association never had.” He said “[Jeff Flint’s] notion was to make sure the Association had a PAC, although I didn’t know why that was so critical at that stage.”

According to Amante, Carrie Nocella at Disney referred Flint and FSB to the Association for an interview to be considered for the contract. They put together an extensive presentation and subsequently won the bid.

Amante said the account was “a real loser” and brought in very little money. He expressed his concern to Flint. He said,

> It became clear we weren’t doing it because we cared about them as a profitable association, but because they were a vehicle for us to have another PAC that [Flint] could use politically.

According to both Jerry Amante and Brooke Bushart from FSB, Jeff Flint was heavily involved with the AOCHLA PAC and seemed to operate it from behind the scenes. Bushart stated Flint did all

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375 Jerry Amante interview.
the fundraising outside of the Board of Directors, decided which candidates the group would endorse (based on research one of his sister companies conducted), wrote all campaign material, and managed the distribution of funds. The board would simply approve or rubber stamp what Flint had decided. There was no vote or discussion according to Bushart.\textsuperscript{376}

Regarding fundraising and expenditures for the PAC, Bushart was asked who made the decision about how much money to spend. She replied, “Jeff, ’cause he would raise it all and pretty much spend what wasn’t needed for tax purposes.” They would withhold whatever was necessary for taxes, lawyers, and filing fees and Flint would spend the rest.

Bushart coordinated the meetings and Jerry Amante acted as Executive Director.

AOCHLA was a client from 2017 until the FBI report came out in May 2022.

\textit{b. Flint Management of PACs}

According to Jerry Amante, Flint coordinated many of the PACs in Anaheim. He said the AOCHLA PAC didn’t operate in a vacuum, rather it was \textit{“Part of a group of entities that did independent expenditures in the Anaheim campaigns.”} He went on to say \textit{“Flint coordinated all of that.”} When asked what that involved, Amante said,

He coordinated all of the campaign effort by all of the independent expenditures in combination with all of the leaders of the other PACs, whoever that was that was governing them. That strategy all came out of Flint. I mean he would do the campaign strategy, so he would determine how dollars were raised, who they were raised from, what PACs they would go to, what the PACs would do, that kind of thing.

Amante said that was all done outside of his (Amante’s) purview.

Alex Burrola, who worked at FSB from 2012 to 2022 as an Account Executive, confirmed Flint’s coordination of several PACs. When asked which PACs Flint was involved with, Burrola said, \textit{“Aside from SOAR and aside from the Chamber PAC, there was also the Hotel Association PAC (AOCHLA).”} He said he didn’t have control over the BIZ PAC, the Orange County Business Council’s PAC, however he knew that Flint and Lucy Dunn were \textit{“frequently talking.”} Regarding the Anaheim Orange County Hotel and Lodging Association PAC, Burrola said \textit{“Jerry was the Executive Director but really it was Jeff who blessed everything that happened and kind of gave direction on everything that happened with that PAC”}.

Additionally, a number of Flint’s companies were paid by several of the PACs, including SOAR, the Anaheim/Orange County Hotel & Lodging Association PAC, the Anaheim Chamber of Commerce PAC, the Anaheim Neighborhood Association PAC, OCTax PAC, the Lincoln Club of Orange County and potentially others. See below for amounts.

\textsuperscript{376} Brooke Bushart interview.
c. 2018 Election - Coordination of PACs with Sidhu Campaign

In 2018, Harry Sidhu received a significant amount of support from Anaheim PACs. As cited above and according to Jerry Amante, Jeff Flint coordinated the various PACs in Anaheim and was in contact with the leadership. Three PACs spent $411,518 supporting Harry Sidhu and $150,843 opposing Ashleigh Aitken.

- Anaheim Orange County Hotel and Lodging Association
  - $88,046 to support Harry Sidhu
  - $107,510 to oppose Ashleigh Aitken
  - Lobbyist: FSB Core Strategies - Jeff Flint
- Citizens for Anaheim’s Future
  - $76,050 for support Harry Sidhu
- Anaheim Chamber of Commerce
  - $247,422 to support Harry Sidhu
- Lincoln Club of Orange County State PAC
  - 43,333 to oppose Ashleigh Aitken
- Willam O’Connell Stovall’s Inn LLC (Major Donor Committee)
  - Contributed $125,000 to three PACs that supported Harry Sidhu or opposed Aitken
    - Anaheim Chamber of Commerce - $49,500
    - AOCHLA - $37,800
    - Lincoln Club of Orange County - $37,700
  - Harry Sidhu for Mayor Campaign - supporter and part of the inner circle according to Paul Kott and Chris Lowe

i. Sidhu for Mayor Campaign

We spoke with two key members of Sidhu’s mayoral campaign who were reportedly considered part of the “inner circle,” Chris Lowe, who served as Director of Government Relations prior to Carrie Nocella, and Paul Kott, an influential community leader and owner of Kott Realty. Both served as Co-Chairs for Sidhu’s campaign finance committee in 2018. They attended several campaign meetings, including the “Harry Sidhu for Mayor” kickoff meeting. Kott and Lowe both told us that Todd Ament and Jeff Flint ran and coordinated the meetings as well as the campaign. Sidhu was also present at the campaign meetings.

Lowe had known Ament for many years and said he had been a Chamber board member during his tenure at Disney. He “had a lot of experience with Todd” and “had a lot of experience with Harry.”

When asked about his involvement with the Mayoral campaign, he said,

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377 Jerry Amante interview.

379 Paul Kott interview and Chris Lowe interview.

380 Chris Lowe interview.
When he (Sidhu) ran for Mayor, he asked me . . . he was struggling to get momentum. He asked me to be an emcee at his kickoff event, which I agreed to. He had been a friend for a long period of time while I was on the Council and our families were friends. So I served as emcee at his kickoff event and then he was struggling for a Finance Chair so I agreed to Co-Chair his Finance Committee with Paul Kott and Bill O’Connell.

He said his involvement amounted to attending events and later Sidhu asked him to attend an event to help select a campaign manager. He said “I think that Jeff Flint and Todd were the big drivers of that campaign.” He said Mike Johnson was doing the online campaign work but Flint and Ament “were definitely involved” and “ran the campaign meetings.”

Paul Kott told us in a phone interview that he attended four campaign meetings (see dates below). He said the people in attendance had been “hand-picked” by Todd Ament (his inner circle). This included Jeff Farano, Ross McCune, Bill O’Connell, and Bharat Patel.

When asked who ran Sidhu’s campaign, he said, “Oh, it was Todd!” (Ament). Kott said the meetings were run by Ament and included discussions about strategy and finances. He thought Flint was more in the background but a regular attendee. Harry Sidhu attended all the meetings.

Ament, Flint and Sidhu all gave equal input to the group about how, what, where and when things would occur - events, fundraisers, etc. and coordinated to whom they should speak.

Campaign Meeting Dates (Kott attended)
3. April 10, 2018 at 4:30pm - Mitch Caldwell’s house
4. July 24, 2018 - 2:00pm - unsure of location, “headquarters” is in the notes

Flint Companies Paid by PACs for Campaign Work - Reported on PAC 460 Forms and 990 Tax Forms.

In addition to coordinating the strategy and fundraising efforts for the PACs, we found that several of Flint’s companies were hired by the various PACs to engage in campaign activity. We have documented the reported income below. This list is not exhaustive but rather a snapshot of recent campaigns to illustrate Flint’s involvement with the PACs across a number of disciplines (mailing, polling, consulting, strategy, etc.).

- Anaheim Chamber of Commerce PAC
  - 2021
    - C3 Public Strategies paid $33,700 for campaign consulting
    - Chariot Campaigns paid $11,600 for polling and survey results
  - 2020
    - $7,589.40 paid to FSB for campaign consulting
    - $11,600 paid to Chariot Campaigns for polling
  - 2018
$7,589.40 reported to FSB for campaign consulting services
$11,600 paid to Chariot Campaigns for polling
  - 2016
    $7,589.40 paid to FSB for campaign consulting
  - 2014
    $7,589.40 paid to FSB for campaign consulting

- SOAR
  - 2020 - paid $311,540 to FSB Public Affairs
  - 2019 - $232,224 Schubert PA dba FSB Core Strategies
  - 2018 - $219,136 paid to C3 Public Strategies
- No on L, A Project of the Chamber of Commerce - 2018
  - $10,000 paid to Bad Fish Media
  - $20,000 paid to Chariot Campaigns for campaign consulting
  - $20,000 paid to Chariot Campaigns for polling
- Anaheim Residents for Neighborhoods and Jobs - Yes on Measures J & K – 2018
  - 2018 - $6,000 paid to Bad Fish Media for Website
- OCTax PAC – 2014
  - $104,826 paid to FSB Core Strategies for phone banks
- Citizens for Anaheim’s Future Opposing Tait for Mayor - 2014
  - $14,994 paid to FSB Core Strategies for TV or cable air time
- Anaheim Orange County Hotel and Lodging Association
  - Paid $4,000 per month for lobbying services according to Jerry Amante which is confirmed by a later lobbying report.

Totals:
- 2020: $330,720 (does not include $4,000 per month from AOCHLA)
- 2018: $294,325 (does not include $4,000 per month from AOCHLA)
- 2014: $127,409

Flint’s Companies (partial list)
1. FSB Public Affairs (renamed the Core Strategic Group) - inactive
2. C3 Public Strategies
3. Chariot Campaigns
4. Badfish Media
5. Core Management Company
6. KPA Strategies - inactive
7. Core Decision Analytics
8. Belmont Digital Media

ii. Coordination between Sidhu Campaign and Independent Expenditures

Both Flint and Ament were simultaneously managing various PACs that supported Harry Sidhu. Bill O’Connell also managed a Major Donor Committee that contributed to PACs that supported Sidhu’s mayor campaign or opposed Ashleigh Aitken including the Anaheim Chamber of Commerce PAC, the Anaheim Orange County Hotel and Lodging Association, and the Lincoln Club of Orange County. This included fundraising and coordination of campaign initiatives (consultation, mailings, phones, etc).
d. Other Campaigns with Potential Coordination

During Curt Pringle’s tenure as mayor, Jeff Flint was reportedly writing speeches for Pringle, writing the campaign pieces for the Mayor and his supporters on Council and also writing the negative “hit” pieces against the Councilmembers in the minority.\(^{381}\) At the same time he worked as a lobbyist to raise money for IE’s and participated in creating IE’s from the onset.

Mishal Montgomery stated this resulted in this small “family” of people that controlled everything in the City and if someone wanted to do business in Anaheim or get a project approved, they would have to contribute funds into one of these organizations (PACs) that would ultimately be responsible for electing the next group of supportive Council members.

According to Montgomery, Flint ran Councilman Steven Faessel’s campaign. While we have no further information, it is important to note the increase in PAC support Faessel received for his 2020 council race from PACs coordinated by Jeff Flint.

- Faessel PAC Support in 2020
  - SOAR - $437,015.78
  - Anaheim/Orange County Hotel & Lodging Association - $28,474.63
  - OCTax PAC - $6,816
  - Firefighters for Anaheim - $25,739.75
  - Anaheim Police Officers Association - $27,254.92

- PAC Support in 2016
  - SOAR - $16,836.66
  - Moving Orange County Forward - $261,191
  - Firefighters for Anaheim - $15,540
  - Anaheim Police Officers Association - $15,488.80

\(^{381}\) Mishal Montgomery interview.

e. Potential Legal Violations

Coordination between a campaign and Independent Expenditure: It appears based on our Investigation that Jeff Flint, Todd Ament, and Bill O’Connell may have been in violation of the FPPC regulation prohibiting the coordination between PACs (including Major Donor Committees) and a campaign which they are directly supporting (Title 2, Division 6, Sections 18225.7. of the California Code of Regulations). In 2018, all three individuals were seemingly part of the inner circle of the Harry Sidhu for Mayor campaign, with Ament apparently running the campaign and Flint providing strategic consultation. At the same time, each was engaged in fundraising for and/or contributing significantly to PACs that spent hundreds of thousands of dollars to elect Harry Sidhu as Mayor. Additionally, Jeff Flint is said to have been the key organizer of the major PACs in Anaheim.

f. Conclusion

Based upon the greater weight of the credible evidence according to our witness interviews and other evidence, Jeff Flint and Todd Ament were integral to the Harry Sidhu for Mayor campaign while at the same time coordinating various PAC activities. According to two witnesses who were present,
Ament and Flint ran the Sidhu for Mayor campaign meetings and the campaign itself. Mayor Sidhu and his apparent inner circle were at these strategic campaign meetings. At the same time, Flint had contractual agreements with the Anaheim Chamber PAC and Anaheim Orange County Hotel and Lodging Association, both of whom were supporting Harry Sidhu for Mayor. We were told by credible witnesses that he was not only involved with the PACs but actually coordinated the major PACs in Anaheim and did a great deal of the fundraising. Ament ran the Anaheim Chamber of Commerce PAC and is listed as treasurer on 460 forms while at the same time engaged in campaign management for the Sidhu campaign.

As a result, it appears that there was no firewall between the Sidhu campaign and some of the PACs in 2018 with coordination between the Anaheim Chamber of Commerce PAC, the AOCHLA PAC and the William O’Connell Stovall Inn LLC. Witnesses have confirmed that both Todd Ament and Jeff Flint were involved in the strategy and coordination of the Sidhu for Mayor Campaign and appear to have ran the campaign. At the same time, they fundraised and ran several PACs that supported Harry Sidhu for Mayor.

While there seemed to be a full effort in 2018 to coordinate the Sidhu campaign with the PACs in Anaheim, this activity may have occurred before this election cycle and potentially continued thereafter.

3. **Prohibited Policies**

   a. **501(c)(3) Tax-Exempt Organizations Engaging in Campaign Activity**

   i. **Background**

   The Anaheim Chamber of Commerce supported or created a number of 501(c)(3) organizations under the leadership of Todd Ament. Among these were Anaheim First, the Anaheim Hills Community Council, and the Anaheim Economic Development Corporation, an umbrella organization for other non-profit entities run by the Chamber (Mayor’s Prayer Breakfast, Job Fair, and others). On the face, these all look like well-meaning community organizations with the purpose of serving the citizens of Anaheim.

   During the course of our Investigation, we examined each of these organizations and were made aware of incidents that appear to constitute political activity, thereby violating the IRS code regulating non-profit activity. We were also told by Former Mayor Tom Tait and Former Council Member Jose Moreno about a business model they believe was used by Todd Ament and repeated to varying degrees. The organizations they mentioned were:

   - SOAR
   - Anaheim Hills Community Council
   - Anaheim First

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382 Chris Lowe interview and Paul Kott interview.
383 Brooke Bushart interview, Jerry Amante interview, and Alex Burrola interview.
384 Tom Tait interview.
385 Jose Moreno interview.
In each case, the original mission and stated purpose of these organizations centered around community outreach and inclusivity.

Upon deeper inspection, it appears that Ament used a prescribed formula to fundraise, garner political support for selected candidates, obtain influence, and possibly funnel money. He seemed to operate in one of two ways: 1. He formed a group from the ground up as was the case with Anaheim First (and SOAR before that) or 2. He took over the leadership of an existing organization, such as the Canyon Hills Community Council, and reorganized it with a new name and Board of Directors.

In either case, it appears that these groups were used to generate support for specific candidates, gain access to confidential member (voter) lists, and exploit them for political influence. This activity could constitute a violation of IRS code Title 26 US Code, Section 501(c)(3), Specifically, Section 501(c)(3) which prohibits the involvement of 501(c)3 organizations in political activities.

The section states, relevant in part,

\[ \ldots \text{No substantial part of the activities of which is carrying on propaganda, or otherwise attempting, to influence legislation (except as otherwise provided in subsection (h)), and which does not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of (or in opposition to) any candidate for public office.} \]  

\[ \text{[emphasis added]} \]

\[ \text{ } \]

\[ \text{ii. IRS Code Regarding 501(c)(3) Tax-Exempt Organizations} \]

According to the IRS website,

\[ \text{Under the Internal Revenue Code, all section 501(c)(3) organizations are absolutely prohibited from directly or indirectly participating in, or intervening in, any political campaign on behalf of (or in opposition to) any candidate for elective public office. Contributions to political campaign funds or public statements of position (verbal or written) made on behalf of the organization in favor of or in opposition to any candidate for public office clearly violate the prohibition against political campaign activity. Violating this prohibition may result in denial or revocation of tax-exempt status and the imposition of certain excise taxes.} \]

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\[ \text{b. Anaheim Hills Community Foundation} \]

\[ \text{i. Background} \]

Prior to 2012, the Canyon Hills Community Council operated as a small community group in Anaheim Hills with the purpose of hosting the Fourth of July Parade and 5K run. The Chamber of Commerce was brought in to help the group financially and eventually changed the name to the Anaheim Hills Community Council. According to Tom Tait, the group started as a non-profit but then became political when the Chamber took it over. The group is designated as a 501(c)3 according to their most recently available tax returns.
ii. Anaheim Chamber of Commerce Involvement and Takeover

Tait told us that he helped facilitate an early meeting between the Canyon Hills Community Council and the Chamber at a time when the organization was struggling financially. According to Tait, he thought the Chamber could help. Before the Chamber took it over, it was a small grass-roots community group that put on a fireworks show.

Sarah Bartczak, who is the former Senior VP of the Chamber and worked with Ament at the YMCA previously, explained the progression of events that led up to the Chamber taking over this organization. Bartczak explained that this used to be the Canyon Hills Community Council, which was a group of residents who would raise money for the Fourth of July Fireworks show. The Chamber renamed it the Anaheim Hills Community Council when they assumed management. She said,

_They, like so many other groups, were aging out and were struggling to raise funds. They came to, this is my understanding from what I was told, came to the Chamber and asked the Chamber to help raise funds. The Chamber did do that but said if we’re going to do this, we want to be able to–after helping and making a few calls and saying, ‘Ok, here’s a few calls from some businesses that want to help.’ After doing that for a couple years, said. ‘If we’re going to do this, we want to be able to be involved in the operations and make sure it’s a good quality event, and maybe there’s some expenses we can get for less. Some vendors that would give you more in-kind. And so over time the Chamber’s role grew in that and it became enough of a thing that the original Canyon Hills people were really not very involved anymore. And so the Chamber decided to form the Anaheim Hills Community Council under the Foundation because it’s really a community-driven group and runs the Fourth of July out of that._ [emphasis added]

By 2012, Todd Ament had replaced the late Karyn Schonherz as the President of the organization along with the rest of the board. The new board included many of the same Chamber-aligned participants that have been possibly identified with a larger “Cabal.” They include Jeff Farano, Ross McCune, Kris Murray, Lucille Kring (also on the original board), and Leslie Swan (who later became the Executive Director for Anaheim First).

A recent VOC article describes the takeover from the perspective of a former board member, Paul Beckman.

“All of a sudden, Karyn contacted me and said, ‘Have you heard what’s going on?’” Beckman said in a separate Wednesday phone interview. “Almost suddenly,” Beckman added, “a slew of new board members were in. And we were out.”

Jim Cain, who currently manages the Anaheim Hills Community Council through the Chamber of Commerce, said Todd Ament had approached him about helping with the Fourth of July event in 2014. He said at that time, the Chamber had taken over the management of the parade, the 5K race, and the fireworks show. It was his contention that the organization is not political in any way. He said he never heard of any allegations that suggested the organization was used for political purposes (this

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386 Sarah Bartczak interview.
is unusual since his name appears on a political flyer paid for by the Anaheim Hills Community Council - see below).

When asked if the Chamber could have given out proprietary information, Cain said “they could have, but I would’ve known about it.”

Mr. Johnson:  How would you know?

Mr. Cain:  They would’ve said something to me.

Mr. Johnson:  No one ever came to you and said, ‘Hey, I just got a flyer from Harry Sidhu’s campaign, and I just ran in the race.’ No one ever came to you complaining about that?

Mr. Cain:  This is the first time I ever heard anything about that. I feel safe to say it didn’t happen. Uh, maybe it did. Never say never.

iii.  Using the Anaheim Hills Community Council for Political Purposes

According to several witnesses we spoke with, the Anaheim Hills Community Council changed from a community-based organization to a political arm of the Chamber once Ament took it over.

Former Council Member Jose Moreno explained\(^{387}\) that the Anaheim Hills Community Council was started in order to advocate for the needs of people in “the Hills.” He said they would have forums at election time, but “It was understood to become a way to get residents to go. You sign in and put your email. That becomes a political outreach list for campaigns, and that’s what Anaheim First was.” Moreno thought this was the same “playbook” used by SOAR– to create a “community arm to advocate for their interests.”

iv.  5K Event and the Registration List

One of the traditional events that the Anaheim Hill Community Council sponsored was a 5K race held on the Fourth of July. A race company was hired to put on the event, and participants registered online. According to Bartczak, the Anaheim Hills Community Council owned the list of registrants. When asked if she was aware of the list being used for purposes other than promotion of the event, she said she wasn’t aware of that but that it wouldn’t be impossible. She said anyone at the Chamber who was maintaining records would’ve had access to the list, including anyone who was promoting the Fourth of July, which would have included Ament.

Tait told us he was aware that they created a campaign email list from the names of community members who participated in Fourth of July events. He recounted the story of a friend of his, a former Marine colonel from Tustin, who ran in the Fourth of July race. He said he got a campaign flyer from Harry Sidhu after his participation. He said there was no other way the Sidhu campaign would have gotten access to his address other than through this event.

\(^{387}\) Jose Moreno interview.
v. Other Political Activity

Tait said this group became very political. They took control over a Facebook page called the Anaheim Buzz and focused on “pumping their candidates.” They even had an administrator for it. Tait said they posted pro-Sidhu messages,

_How great Harry is, how he saved the parade, how great Trevor O’Neil has been. It’s like a political arm of those guys… It’s run like a PAC but even deeper because it’s like all year round, constantly pumping their candidates up._

Research into the group’s Facebook pages shows a 2019 campaign video that was posted in support of Kris Murray who was running for County Supervisor. In addition to the video, the posting encouraged residents to vote for Murray:

**Kris Murray for Orange County Supervisor**  
Anaheim Hills Community Council proudly endorsed Kris Murray for Orange County Supervisor. Election Day is March 12th. Every vote counts in a Special Election - please vote for Kris Murray!

vi. 2018 Sidhu for Mayor Campaign

According to Sarah Bartczak, In 2018 Sidhu “put up a bunch of money at the very end (of the campaign) because the event was struggling.” In return, Bartczak said the people serving breakfast wore Harry Sidhu t-shirts. She couldn’t recall but thought they may have been campaign shirts. She didn’t know if this was sanctioned.

According to Tom Tait, the same year, the Anaheim Hills Community Council distributed a political flyer for Sidhu on the windshields of cars in a church parking lot that said it was sponsored by the Anaheim Hills Community Council. Tait stated, “Since they are a 501(c)3, this is illegal.”

c. Anaheim First

This issue has been discussed in detail under the Anaheim First section, but we will summarize our findings here.

In researching this issue, we spoke with witnesses who shared their experiences and perspective about the organization. These included members of the Anaheim First Advisory Council who were also district chairs, City staff members, former Anaheim Chamber employees, former and current Councilmembers and community leaders. Those who were directly involved (Linda Newby, Keith Olesen and Kay Carpenter) had positive things to say about the mission and original goals of the organization as communicated to them by Todd Ament. Their impressions have shifted since the FBI report was made public and they recognize Ament likely had ulterior motives and a competing agenda for Anaheim First.

Linda Newby, who was on the Advisory board for Anaheim First said her initial perception of Anaheim’s First’s mission was that it was to bring the City staff and resources together with residents “to see by District what their preferences of how money would be spent if the bonds were paid off
early.” She liked that the Chamber recruited the people and all she had to do was keep in touch with them. She said this was her “Pollyanna positive thought of how this is a great thing.”

Other prominent community leaders were leery of the underlying goals of Anaheim First and declined to be involved. This included Stan Ofelie, former OCTA Chair and member of the City’s Library Commission, who said he believed Anaheim First was a way to “override advice from boards and commissions.” Bill Taormina said he thought Anaheim First was a “branding technique to keep Harry as Mayor.”

As the Anaheim First section of this Report describes, there are various activities the group appears to have engaged in that would constitute political involvement. Those include the following:

- Using the member rosters for campaign outreach by candidates running for City Council. 388
- Engaging members as campaign workers to canvas the city in support of a candidate. 389

Both of these indicate political involvement by Anaheim First, which could violate the IRS code referenced above.

d. Anaheim Economic Development Corporation

The Anaheim Economic Development Corporation is a 501(c)(3) organization with the mission “to promote, support, and fund activities that provide community solutions which create economic prosperity for the greater Anaheim area and well being for the greater Anaheim area residents.” (from tax filings)

It also seems to be referred to as the Foundation. Sarah Bartczak, who was the Chamber of Commerce's Senior Vice President until December 2018, told us she helped form the AEDC as a mechanism in order to fund 501(c)(3) nonprofits through grants. She commented that this is something that a lot of Chambers do. She said it was originally intended to help run a number of programs through the Foundation, including workforce development work, and charitable and community events. Eventually, the Fourth of July fireworks show was folded into the organization.

Bartczak told us she was on the board of directors for the AEDC. She said the board “never met,” and there was very little activity. She did oversee accounting for the Foundation in her role as head of operations. When asked about the variance in expenses for events like the Mayor’s Prayer Breakfast, she had no explanation. She said that while she saw the financials, Ament met privately with the CFO at the time, Wendy Curtis. Additionally, she told us that the financials and tax returns for AEDC did not have Board review and/or approval at any time. This would have been something that Ament and their accountant handled. It should be noted that we attempted to contact Curtis and were unable to speak with her for this Investigation.

Other than what we learned from Bartczak, we were able to obtain very little information about this group, and the other witnesses we spoke with knew very little about them. It is an organization that

388 Natalie Rubalcava interview.
389 Paul Kott interview.
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seems to operate in obscurity. The Anaheim Hills Community Council operates as a DBA under the umbrella of the Anaheim Economic Development Corporation along with other non-profit entities (i.e., Job Fair and Mayor’s Prayer Breakfast).

To gain a better understanding about this organization and its roots, we reviewed at various online resources including the Nonprofit Locator site, which provides information about nonprofit and tax-exempt organizations in the United States at the national, state, and city levels.

According to the Nonprofit Locator website:

Anaheim Economic Development Corporation is a tax exempt organization located in Anaheim, California. Donations to Anaheim Economic Development Corporation are tax deductible. This organization has been in operation for 15 years, which makes it younger than other nonprofits in the state. Anaheim Economic Development Corporation has larger assets when compared to other nonprofits in California. This organization last reported to the IRS more income than average compared to other nonprofits in California. [emphasis added]

What we do know is that Todd Ament was listed as the President on tax filings from 2009 to 2021, the last filing on record. The 2020 and 2021 filings were signed and filed by Laura Cunningham, the current CEO of the Anaheim Chamber (2020 filed on September 7, 2022 and 2021 filed on November 3, 2022). She is listed as the principal officer on the forms. We have provided more detail in the Section entitled Covid Money to Visit Anaheim.

These filings seem to conflict with the statements we obtained from Cunningham when we interviewed her in February 2023. The following exchange took place between Jeff Love and Cunningham about the financial records of the Anaheim Economic Development Corporation.

Mr. Love: Have you looked at those banking records? Are they accessible to you?

Ms. Cunningham: What period of time?

Mr. Love: Well, any period of time, from like, 2019, 2020, and forward.

Ms. Cunningham: No, I totally looked at them since I’ve been there as President and CEO.

Additionally, she said she wasn’t privy to the financial records until she became CEO and did not intend to do an audit of the financial records. She said her involvement previously had only been regarding the work plan for the Corporation.

Board members for the Anaheim Economic Development Corporation include Ross McCune and Jeff Farano, who are also members of the Chamber’s Executive Committee. Jim Cain, who is also on the Board, told us he didn’t know he was on the board until somebody told him. He said there were
no Board of Directors meetings or communications about the finances, something Sarah Bartczak confirmed.

The recent FBI Complaint against Todd Ament contains further details about the Anaheim Economic Development Corporation being used as a way to funnel money to consultants.

The below exchange between PC1 (Jeff Flint and FE1 (Firm A, Employee 1) is from the Ament Affidavit:

FE1: Do you want me to take care of that Anaheim Chamber, we pay them they pay us that large [UI].

PC1: No, I need to, I need to, I will try to do it on Thursday with them. We’ve had three days where, you know, I was going to go over all of that with Todd [Ament] and Wendy [Curtis – Chamber CFO] and then something always comes up and we don’t get to it.

FE1: Ok.

PC1: Um, but yes, I, I will try again on that on Wednesday, I mean on Thursday with them. Um, and you know, cause they had some questions about our accounting and um, and um, but yeah, I, I, but they’re, but they’re really close to the same amount so at the end of the day it’s just moving money back and forth, but it will clear a lot of shit off of our books too.

FE1: Right, yeah, hoping to do that. [emphasis added]

This exchange between PC1 (Jeff Flint) and PC2 immediately follows the above excerpt:

PC2: Speaking as far as funders go on the construction and labor side. It’s always easier to get those guys to pay into something that already exists. Which is why when I talked to you before about funneling the money through, you know, whatever, either setting up a (c)(3) or a (c)(4) or just having the money go through.

PC1: Yeah, we have existing ones, so we have the Anaheim Economic Development Corporation.

PC2: Right.

PC1: Which is a (c)(3), it’s really run and managed by the Chamber, but as you know my office down here, we work out of the Chamber.

PC2: Right.

PC1: And so, we have complete control over that, so if they put money in there we would know that it would go to this project, and to uh, and to pay the consultant that’s running

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390 Jim Cain interview.
the program.

**PC2:** Right. Cause for me it’s difficult for me to say, you know, we’re gonna need X amount of money to fund the thing, and X amount of money for political representation, they just don’t get that. Like they think that their local people or their representatives should be able to do it all, and they just can’t. You know what I mean? They just can’t bring the same level of representation and authority down as paid consultants can, and so if we can get them to not only -- to distribute money not only to pay for the funds but also to pay for your and mine services, um, through another third party, I think that would be the way to go.

**PCI:** Got it, okay. [emphasis added]

**From the FBI agent:**

Based on my training and experience, including my knowledge of this investigation to date, I believe that this brief exchange between PCI and FE1 illustrates the ease with which Firm AA and the Chamber were able to move funds back and forth. I believe that this example illustrates how PCI and Ament used Firm A and Chamber accounts to keep money in both accounts, especially when PCI stated, “at the end of the day it’s just moving money back and forth.” I believe that this dynamic is important to show how Ament and PCI were able to orchestrate the fraudulent schemes detailed below with such ease.

The Agent concluded, “I believe that there may have been additional schemes, in addition to those that form the basis of this complaint.”

Relative to the second excerpt:

Perhaps the most notable comment was Political Consultant 1’s admission that he had an “existing...(c)(3)” named the “Anaheim Economic Development Corporation,” which was “run and managed by the Chamber,” but that Political Consultant 1 had “complete control over.” Political Consultant 1 concluded by explaining to the political consultant, in reference to the “(c)(3)” that he controlled, but that is officially “run and managed by the Chamber,” that “if [the client] put[s] money in [the (c)(3)] we would know that it would go to this project, and . . . to pay the consultant that’s running the program.” Based on this exchange, I believe that Political Consultant 1 was offering the political consultant a means by which the political consultant could move funds through the Anaheim Economic Development Corporation in order to pay consultants, and perhaps elected public officials, without the knowledge of the client. [emphasis added]

**Tax Filings**

To ascertain any type of accounting for the organization, we looked at the tax filings since Todd Ament is shown on record. We found that he was first listed as a Director in 2007 but no activity is shown that year. Starting in 2008, this changed with significantly larger revenues reported and non-
profit DBA’s listed underneath. In 2009, Ament was listed as the President, and the following year, the revenues tripled under his leadership, as did expenses.

**Mayor Curt Pringle Years**

- 2008 - $97,980 in revenue; $56,188 in expenses; Mayor’s Prayer Breakfast ($56,188)
- 2009 - $103,560 in revenue; $107,298 in expenses; Mayor’s Prayer Breakfast ($87K) and Job Fair ($13K); **first-year Ament is listed as President**
- 2010 - $326,273 in revenue; $295,324 in expenses; Mayor’s Prayer Breakfast ($124,828), Leadership Anaheim Workshop ($21,648), Job Fair ($15,000), **Farewell Party for Curt Pringle ($132,024)** [emphasis added]

As shown above, the expenses for the Mayor’s Prayer Breakfast increased dramatically year over year with 2010 more than double what the cost was in 2008. Additionally, the Farewell Party for Curt Pringle is the only such event we could find for any departing Mayor for the City. The event was apparently held at the Galaxy Theater and included the “**Masters of the Universe**” singers - Lucy Dunn and Kris Murray who serenaded Mayor Pringle.391 According to Sarah Bartczak, this was a big event that was comparable in size to the State of the City event, with hundreds of people in attendance. The expense for this event continued in subsequent years, according to the tax filings, with a total of about $170,251.

**Mayor Tom Tait Years**

Under Mayor Tom Tait, the reported revenue to the AEDC dropped significantly over the eight years. This is in part because Tait pulled a number of events away from the Chamber and had the City host them instead. The most striking example was the Mayor’s Prayer Breakfast which had cost the Foundation as much as $124,000 previously. In our interview with Tait, he told us that he took the Prayer Breakfast away from the Chamber, because “**I didn’t want to fund the Chamber because I thought they were corrupt.**”

This action likely accounted for the lowered revenue and expenses during these years. To offset this, it appears that a number of new revenue-generating initiatives were introduced by the Chamber at this time, including the Fourth of July event.

- 2011 - $194,563 revenue; $220,546 in expenses; Mayor’s Prayer Breakfast ($77,919), Job Fair ($45,000), Fourth of July ($41,438), Tribute to Mayor Pringle expenses ($33,889)
- 2012 - $98,097 revenue; $113,760 in expenses; Job Fair ($40,000), Fourth of July event ($32,423), High School Scholarship Program ($12,439)
- 2013 - $77,272 revenue; $76,050 in expenses; Job Fair ($25,000), Fourth of July event ($36,232), High School Scholarship ($3,000)
- 2014 - $118,765 in revenue; $118,765 in expenses (same amount reported); Job Fair ($40,000), Fourth of July Event ($51,904), Canyon Hills Community Council Christmas Tree Lighting Ceremony ($17,572), High School Scholarship Program ($9,189)
- 2015 - $35,094 in revenue; $36,079 in expenses; Job Fair ($35,094)
- 2016 - $84,946 in revenue; $103,297 in expenses; Job Fair ($15,000), Fourth of July Event

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391 Stan Otfelie interview and Sarah Bartczak interview
($83,359); Tribute to Retired Mayor Pringle ($4,338)
• 2017 - $66,302 in revenue; $74,382 in expenses; Fourth of July event ($65,056)
• 2018 - $84,572 in revenue; $84,572 in expenses; Fourth of July event ($68,807), Job Fair ($15,000)

Mayor Harry Sidhu Years

• 2019 - $166,704 in revenue; $164,450 in expenses; Fourth of July event ($107,871), Mayor’s Prayer Breakfast (51,768)
• 2020 - $741,000 in revenue; $751,503 in expenses; Advocacy Programming ($740,000), Fourth of July event ($10,578); Starting this year, Laura Cunningham is listed as the principal officer who filed the tax returns
• 2021 - $768,080 in revenue; $758,260 in expenses; Economic Development ($582,765); Fourth of July event ($114,365), Mayor’s Prayer Breakfast ($70,950) [emphasis added]

It is important to note that revenues doubled in 2019 from the previous year with the Fourth of July event showing an increase of almost $40,000 year over year and the return of the Mayor’s Prayer Breakfast. Additionally, there was a dramatic spike in revenue for 2020 and 2021. The total revenue for both years equals $1,509,080. This may account for the $1.5 million in payments from Visit Anaheim that came from the $6.5 million COVID Recovery contract with the City in 2020. This has been covered in a separate section of this report. It should be noted that the Chamber received three payments from Visit Anaheim totaling $1.5 million in 2020 between May to July.

Finally, as indicated above, Laura Cunningham is listed as the principal officer beginning in 2020. Despite her statements to the contrary, it seems she likely had access to the financials for the years leading up to her role as CEO.

4. Using Public Resources for Campaign Purposes

According to California law, it is unlawful for elected officials to use public resources for campaign activity purposes. The law states, in relevant part:

*California Government Code* Section 8314

(a) It is unlawful for any elected state or local officer, including any state or local appointee, employee, or consultant, to use or permit others to use public resources for a campaign activity, or personal or other purposes which are not authorized by law.

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(2) “Campaign activity” means an activity constituting a contribution as defined in Section 82015 or an expenditure as defined in Section 82025. “Campaign activity” does not include the incidental and minimal use of public resources, such as equipment or office space, for campaign purposes, including the referral of unsolicited political mail, telephone calls, and visitors to private political entities.
In our Investigation, we learned of a number of questionable instances involving Harry Sidhu, both prior to his election in 2018 and after assuming office. While much of this is anecdotal, we think it is important to highlight one particular incident that may warrant further investigation.

Utility Bill Data Base for Political Mailing

We were told by several witnesses about a Public Utilities customer, who received a Harry Sidhu for Mayor campaign email that could very likely only have come from the Anaheim Utility Department.\textsuperscript{392} He complained to the City and said his email wasn’t used for any other purpose other than his utility bill, so it follows that access to this email address could only have come from the utility company. Jose Moreno was asked about this\textsuperscript{393} and said he had heard about this issue as well. He did not think the Utilities Director would engage in that type of behavior, but he pointed out that Annie Mezzacappa, who was Sidhu’s Chief of Staff worked at the Public Utilities the year prior to Sidhu’s election. Mishal Montgomery\textsuperscript{394} also recalled a statement from Sidhu that as a Councilmember, that he had access to citizen email addresses.

The implication is that the utility company’s database of customers may have been used for political purposes. If this were true, it could constitute a violation of State law. It should be noted that Mayor Sidhu’s Chief of Staff, Annie Mezzacappa, worked for a period in the Utilities Department, but we were unable to discover any credible evidence to tie her to any misconduct related to leaks of customer records.

5. Conclusion

Over the last ten years (and perhaps longer), there seems to have been a willful disregard of regulations governing political activity and undue political influence in the City of Anaheim. We have found this to be true regarding lobbying and a number of political contributions/PACs (which are covered in separate sections), as well as concerning certain nonprofit organizations operating under the auspices of the Chamber of Commerce and the use of City resources for political purposes.

From our Investigation, it appears that Todd Ament had a prescribed formula and business model to either co-opt or create non-profit organizations that would act as a front group for his political goals, as well as a way to funnel money for various activities. The organizations would appear to serve community interests, when in reality, they would be used as a funding source for campaigns and consultants, and perhaps to fund Todd Ament, personally.

While Ament was skilled at avoiding scrutiny, we have identified credible evidence that shows political involvement by at least two of the organizations. There are two instances we have identified with regard to the Anaheim Hills Community Council. The first can be observed through previous Facebook posts and the second includes photos of a distributed campaign flyer that was paid for by the group. Both could amount to violations of the IRS code.

\textsuperscript{392} Tom Tait interview, Jose Moreno interview, and Mishal Montgomery interview.
\textsuperscript{393} Jose Moreno interview.
\textsuperscript{394} Mishal Montgomery interview.
Using proprietary databases for political purposes also seems to be a pattern used by several organizations we have identified in this investigation. In each case, a roster, sign-up sheet or customer list may have been used to send out political mail, be it electronic or direct mail. Moreover, these organizations are prohibited by law from engaging in such activity (Anaheim First and the Anaheim Hills Community Council are nonprofit organizations and the City of Anaheim Public Utilities is a public agency).

For Anaheim First, we have credible witness accounts of behavior that suggest political involvement took place. This includes the most recent City Council election, which appears to indicate an ongoing pattern rather than something isolated to Todd Ament.

Additionally, the finances of the Anaheim Economic Development Corporation are suspicious for a number of reasons as outlined above. This is an organization that operates as the umbrella corporation for the Chamber’s other non-profit groups (including the Anaheim Hills Community Council). With the backdrop of the FBI report, we saw credible evidence that the group, which is also at times referred to as the Foundation, was used to launder funds. The wide discrepancy of expenditures for identical events suggests that the funds were likely altered or padded for illicit purposes. At the very least, we would recommend a full audit of this non-profit, particularly in 2020 and 2021, which evidenced a dramatic $1.5 million spike in revenue.

While it appears that the incidents we have identified took place under the direction of Todd Ament and/or Harry Sidhu, there seems to be evidence that these practices may be ongoing. Whether there is a conscious disregard of the law or a lack of understanding, those in leadership roles should become better acquainted with the legal limits placed on public agencies and 501(c)(3) nonprofits.

H. Behesting of Tickets

1. Overview

The City of Anaheim is unique in the number of entertainment and sporting venues, most notably the Angel Stadium and Honda Center, but also including the Convention Center. As a result, the number of complimentary tickets available to City officials and Councilmembers is extensive. Councilmembers must continually decide how and to whom the tickets should be distributed. This has created a scenario that can be open to abuse and lack of transparency.

While the volume of tickets is unique to the City of Anaheim, the issue of ticket gifting is not. There has been ticket gifting/behesting abuse in other California cities, including Los Angeles and Oakland, prompting the Fair Political Practices Commission (FPPC) to amend the Political Reform Act in 2008. The updated law created greater restrictions and reporting requirements for the distribution of complimentary tickets to local city officials. The new policy also mandated that a local policy be put into place in each municipal agency.

In December 2009, the City of Anaheim developed a ticket distribution policy that provides the process and reporting mechanism in order to adhere to the FPPC’s amendments to the Political Reform Act in 2008.
2. **Background**

In 2010, the California League of Cities published a Local Officials Gift Guide, which outlined the FPPC updates to reporting regulations. Included is a historic perspective that brought about the policy change:

*It was widely reported in 2008, that members of state appointed fair boards were keeping thousands of tickets for themselves for each day’s state fairs held in their area. The events at the state fair included anything from 4-H events to high-end entertainment events. Also considered by the Commission was the fact that many cities had reserved the right to attend events at arenas, ballparks, and concert venues in their jurisdictions when they leased that venue out to operators. Although the Commission could have approached this regulation as a way of “leveling the playing field” (a stated purpose of the PRA) when elected officials were given tickets that challengers were not, they instead wrestled with whether it was a gift, or payment to the official as compensation, or some other form of income. The regulation now provides several different categories for a recipient of a ticket to receive and properly report the ticket and imposes on the agency distributing the ticket certain policy requirements as well reporting and publishing requirements.*

*a. City of Anaheim Ticket Policy*

In response to the FPPC’s mandates, the City of Anaheim developed an official ticket gifting policy in 2009 under the assistance of City Attorney Cristina Talley, which was adopted by the City Council. Included in this policy are the following conditions for ticket distribution which state, in relevant part:

5.0 **Conditions Under Which Tickets May be Distributed:**

Subject to the provisions of this policy, complimentary tickets may be distributed to City Officials under the following conditions:

5.1 **The City Official Reimburses the City for the face or fair value of the ticket(s), whichever is applicable.**

a) Reimbursement shall be made at the time the ticket(s) is/are distributed to the City Official.  
b) The Ticket Administrator shall, in his or her sole discretion, determine which event tickets, if any, shall be available under this section.

5.2 **The City Official treats the ticket(s) as income consistent with applicable federal and state income tax laws.**

5.3 **The City Official uses, or behests, such ticket(s) for one or more of the following public purposes:**

   a) **Performance of a ceremonial role or function representing the City at the event, for which the City Official may receive enough tickets for the City Official and each member of his or her immediate family.**

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395 Exhibit 184.
b) The job duties of the City Official require his or her attendance at the event, for which the City Official may receive enough tickets for the City Official and each member of his or her immediate family.

c) Economic or business development purposes on behalf of the City

d) Intergovernmental relations purposes, including but not limited to attendance at an event with or by elected or appointed public officials from other jurisdictions, their staff members and their guests.

e) Attracting or rewarding volunteer public service.

f) Supporting and/or showing appreciation for programs or services rendered by non-profit organizations benefiting Anaheim residents.

g) Encouraging or rewarding significant academic, athletic, or public service achievements by Anaheim students, residents or businesses.

h) Attracting and retaining highly qualified employees in City service, for which such employee may receive no more than four (4) tickets per event.

i) As special recognition or reward for meritorious service by a City employee, for which such employee may receive no more than four (4) tickets per event.

j) For use in connection with a City employee competition or drawing, for which there shall be made available no more than (4) tickets per event.

k) Recognition of contributions made to the City by former City Council Members or City Executive Managers, for which such former City Council Member or Executive Manager may receive no more than (4) tickets per event.

b. Current Procedures

Lauren Torres, who serves as the City Council Services Coordinator, coordinates the ticket distribution program for the City. This consists of handling requests from Councilmembers’ assistants (sent via email), filling out the appropriate ticket disclosure forms (Form 802), and alerting the Convention Center administrator via a shared calendar system. The Convention Center is then responsible for the distribution of the tickets.

Torres said Councilmembers are aware of the tickets they are entitled to and she does not have to let them know about upcoming events. Additionally, Councilmembers are briefed on the City’s ticket policy when they first assume office. According to Torres,

*Councilmembers know that they’re entitled to a certain allocation of tickets. And then it’s up to the Council to distribute them to non-profits, so like they can raffle off at fundraisers, to local volunteers, etcetera. And then, yes, they do have to put in a form (a request form).*
Tickets available to each Councilmember include the following:

- Angels home games: 4 suite tickets and 2 club or 2 field tickets
- Ducks home games: 2 suite tickets and 2 terrace level tickets
- Honda Center Events and Concerts: 2 suite tickets
- Convention Center: tickets provided for select events by invitation only

Councilmembers may opt to use the tickets themselves, and when they do they must either reimburse the City for the value of the tickets or declare the value as taxable income. When asked how often Councilmembers use the tickets for themselves, Torres said, “Very rarely. Some of them only a couple times a season. Others it would be like maybe one out of every 20 that they give away, they would use one.”

Regarding the value of the tickets, Torres said the Convention Center sends her the stated face value of the requested tickets. In our Investigation, we found that the 802 forms did record the ticket value for Angels baseball tickets and Ducks Hockey tickets but did not disclose ticket values for any of the concert tickets.

When asked if the City tallies the total value of the distributed tickets, Torres said, “Not on my end.” She thought that the Convention Center might complete this task since they distribute the tickets, but she didn’t know for certain.

c. Ticket Distribution

When asked who receives most of the tickets that Councilmembers don’t use for themselves, Torres said they were primarily used for non-profit organizations requesting these tickets for silent auctions, as a way to help them fundraise. Torres was asked if there was ever a time when Councilmembers have tried to give tickets to friends, and she reported that she was unaware if that was the case.

3. Issues

Over the last 10 years, there have been allegations of abuse of the City’s ticket gifting system with certain Councilmembers allegedly gifting tickets in order to reward political supporters, rather than gifting tickets to justified and appropriate nonprofits and/or volunteers in accordance with the City policy. In 2019, the OC Weekly reviewed 1,539 ticket-disclosure forms between July 1, 2018, and June 30, 2019. The data is divided between the final months of former mayor Tom Tait’s council majority and the first months of Mayor Harry Sidhu’s majority. Most notably, the OC Weekly reported,

11 Anaheim First members and their relatives received at least 152 free tickets between July 2018 and June 2019. That amounts to $25,290 in public assets being handed out to

396 Exhibit 185.
people now involved in the group—a statistic that remained obscured from public debate when Anaheim First, thanks to a vote by the same council members doling out those tickets, received $250,000 to contract out a neighborhood-needs study.

In conducting our independent research, we examined the distribution of tickets for the Anaheim Chamber of Commerce, Todd Ament and Jeff Flint. The Chamber and Todd Ament were the biggest recipients of tickets. Between March 2016 to September 2022, the Chamber received $18,520 worth of tickets along with 4 tickets to a Lakers game on September 30, 2017, that had no stated value placed on them. The ticket ordinance section used for each of these events was Section 5.3f - Supporting and/or showing appreciation for programs or services rendered by non-profit organizations benefiting Anaheim residents. Between April 2016 to January 2020, Todd Ament received $5,052 in baseball and hockey tickets (32 tickets) with additional concert tickets that had no stated value assigned including 4 tickets to the Professional Bull Riders (behested by Lucille Kring), 4 tickets to the Garth Brooks concert (Jordan Brandman), 2 tickets to the Brad Paisley concert (Lucille Kring), 4 tickets to the Dierks Bentley Concert, 4 tickets to Disney on Ice (Harry Sidhu), and 4 tickets to the Marc Anthony Concert (Lucille Kring). Ament’s wife also received 4 tickets to the Dierks Bentley Concert (Stephen Faessel) and 4 tickets to an unspecified event on August 29, 2016. Ament’s daughter received 4 tickets for an Imagine Dragons Concert in 2015 (Kris Murray) and 4 tickets for the Powerhouse Concert in 2016 (Lucille Kring).

In most cases, the classification given for the Aments’ receipt of tickets was ticket ordinance Section 5.3c - economic or business development. Jeff Flint was awarded 2 tickets to the Andrea Bocelli Concert (Kris Murray) in 2016 - classified as Section 5.3e - attracting or rewarding volunteer public service, and 4 tickets to an Angels baseball game in 2019 (Lucille Kring) - classified as Section 5.3c. Matt Cunningham, who writes a blog, had offices in the Chamber of Commerce and has been seen as friendly towards the resort community, received 20 tickets between April 2016 to June 2019 - 4 tickets to Angels baseball (Kris Murray), 8 tickets to the Twenty One Pilots Concert (4 from Lucille Kring - classified as Section 5.3c/4 from Kris Murray - classified as Section 5.3e), 4 tickets to the Hall & Oates Concert (Kris Murray - classified as Section 5.3e - attracting or rewarding volunteer public service), and 4 tickets to the ELO Concert in 2019 (Harry Sidhu - classified as Section 5.3e - attracting or rewarding volunteer public service).

It would appear that the disbursement of tickets to political supporters includes virtually every Councilmember including Jordan Brandman, Avelino Valencia, and Jose Moreno.

In our interviews with Councilmembers Trevor O’Neil and Stephen Faessel, they pointed to the volume of tickets they receive on an ongoing basis as the reason for their distribution decisions. They would rather give these tickets to someone who can use them rather than to let them go unused and go to waste. This approach could lead to rewarding political allies and thereafter merely assigning a legitimate public purpose that most closely fits the person receiving the tickets.

a. Practices by Current Councilmembers - 2022 to 2023

According to a recent article by the Voice of OC, their research revealed the following ticket behesting by Councilmembers for the period from December 2022 to May 2023.
Jim Vanderpool: 331 tickets - $47,794 total value*
Stephen Faessel: 187 tickets - $27,681 total value
Ashleigh Aitken: 174 tickets - $27,393 total value
Natalie Meeks - 130 tickets - $23,704 total value
Natalie Rubalcava: 104 tickets - $17,150 total value
Jose Diaz: 107 tickets - $16,621 total value
Carlos Leon: 48 tickets - $8,222 total value
Norma Kurtz: 34 tickets $6,186 total value (from March to May 2023)
Avelino Valencia: 26 tickets - $1,504 total value (December 2022)

*Of these, 53 tickets were given to Councilmembers at a value of $7,657.

b. Tracking Challenges

Currently, the City requires disclosure forms to be posted on the city’s website within 30 days after tickets are given out. According to Mike Lyster, “The 802 forms are finalized after the event is over and are then posted online.”

We found in our Investigation that tracking tickets is an exhaustive process, requiring the manual review of each individual Form 802 through the City’s portal. It is not trackable by Councilmember but rather the event or the person coordinating the request for tickets (Tarisa Calto from the Convention Center or Maggie Solorio from the City Manager’s office). There is no filtering mechanism to search more specifically by recipient and/or contributor.

4. Resolving the Problem

We believe this is an area that requires greater regulation and scrutiny. The policy has been somewhat compromised by certain public officials potentially not adhering to the enumerated justifications for behesting tickets. Further, the current policy provides for no demonstrable penalty for violating the policy.

In her interview, Former City Attorney Cristina Talley (author of the current policy) provided her opinion as to how the various behesting authorizations would be within and compliant with the City policy. [Section 5.3a-h] When asked to go point-by-point through the ordinance behesting authorizations, i.e., Section 5.3a-h, particularly subsections “c)” and “f)”, which, based on our research, tend to be tied to the most potential abused and/or misused of the Policy subsections, she provided some clarity.

Section 5.3 - The City Official uses, or behests, such ticket(s) for one or more of the following public purposes:

c) Economic or business development purposes on behalf of the City

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397 Exhibit 186.
398 Interview of Christina Talley.
Talley explained this subsection is intended to allow those who are behesting tickets to provide them to outside businesses the City is attempting to attract to relocate, expand or create new business in the City that was not previously present. According to Talley, this subsection is not intended to reward those currently involved in and/or doing business in the City.

f) Supporting and/or showing appreciation for programs or services rendered by non-profit organizations benefiting Anaheim residents.

The intent of this subsection is to exhibit appreciation for non-profit organizations’ programs and services to the City. It appeared that some officials may have tended to focus on the “appreciation for programs or services rendered” portion of the policy, while potentially ignoring the non-profit requirements of the policy.

Based on our Investigation, the aforementioned two subsections were/are the most commonly used to potentially inappropriately justify behesting tickets to otherwise ineligible recipients. This seemed to be the case with the rather large number of tickets behested to Todd Ament and/or the Chamber of Commerce.

When asked Talley her opinion on how this issue could be better regulated. He noted that the challenge to real enforcement is that the ticket policy is administered by the City Manager, and the City Manager reports directly to the City Council, creating an inherent conflict. The City Manager’s continued employment is subject to the majority of the City Council. This can create a chilling effect and militate against rigorous enforcement of the policy. Talley said the rules could certainly be shored up with further outlining restrictive specifics. She also suggested benchmarking the policy with other similar large cities with entertain venues providing tickets to review their policies to determine a best practice approach.

Our recommendations for improving this ticket distribution policy and process are included in the following Section.

XIV. OVERALL RECOMMENDATIONS

G. Review the applicability of local ordinances, policies, or procedures. Make appropriate recommendations relative to improving the transparency, ethical conduct and interactions of Anaheim political officials, City staff, and those doing business with the City.

During the course of this investigation, we reviewed various issues and suspicious activities with an additional aim at making recommendations for change to avoid or reduce the likelihood of repetition of these concerning activities. Additionally, we conducted research with other governmental agencies ethics commissions and/or ethics officers to gauge best practices related to combating corruption, undue political influence, political contribution abuse, improving public oversight and transparency and reducing public dissatisfaction with their local government.

Having considered these measures in light the issues seeming to affect Anaheim, in particular, we recommend the following changes and initiatives:
A. Ombudsman/Public Affairs Ethics Officer Position

We recommend the appointment/hiring of an Ombudsman/Public Affairs Ethics Officer, as part of the City Clerk’s Office. The position should be a regular employee position, nonpartisan and based on merit and that cannot be removed but for proven misconduct, incompetence and/or malfeasance. The Ombudsman/Public Affairs Ethics Officer’s duties would entail, but would not be limited to:

1. Oversight and correlation of all political contributions, independent expenditures, and Political Action Committees.

2. Oversight and personal verification of all Public Records Act requests.

3. Oversight, review, and investigation of lobbying activity in the City including enforcement of the Lobbying Ordinance.

4. Oversight, review, and coordination of the ticket distribution activities of the City.

5. Act as a resource for assisting officials and staff in clarifying and understanding the legal and ethical issues they may face.

6. Continue to review and implement best practices from other jurisdictions which may assist in future improvement of City of Anaheim policy and practice.

B. Reinvigorate the City Charter Regarding the City Council/Manager Form of Governance and to Work Against the Existence of a Strong Mayor Form of Governance

We recommend that the City Attorney’s Office provide ongoing training, guidance and instruction to City Councilmembers and elected Mayors concerning the City Charter by promoting fidelity to the City Council/Manager form of governance. When acts in violation of the City Charter are discovered and specifically related to elected officials directing City Staff related to operational decisions, the City Attorney’s office should refer these potential violations to an outside prosecutor such as the Orange County District Attorney and/or the California Attorney General’s offices for investigation and potential prosecution.

C. IT/Electronics Policy

We recommend improvements to the IT/Electronics Policy of the City related to digital equipment, cell phones, tablets, laptops, computers and other digital storage mediums and items. The goal of these policy improvements would be to:

1. Improve the accuracy of the ISD IT Asset Inventory by documenting the issuance, usage, and disposition of devices to each employee, elected official, and contractor in a centralized database using a barcode tracking system.
2. Implement an enterprise-wide Bring Your Own Device to work policy to ensure any personal device used is technically appropriate for City business and any resulting ESI is ultimately available for any future investigations or legal demands.

3. Implement strict ISD Administrative control over City employees, elected officials, and contractors to ensure that all responsive ESI is produced related to Public Records Requests, rather than allowing each individual custodian to make a singular determination of what is responsive or not.

4. Increase the ESI Retention Period for all devices/sources beyond 30 days for employees and 90 days for elected officials to at least 2 years.

5. Implement an enterprise-wide upgrade of all Office 365 accounts to include a robust litigation hold capability.

6. Implement strict accountability measures involving the release of City Utility Customer Contact Records for usage outside of the Utility’s customary workflow.

7. Establish a City Litigation Support Services Unit that is ultimately responsible to identify; custodians, devices, and sources; search devices and sources for responsive ESI; and produce responsive ESI related to the request.

8. Centralize management from various Departments for all City Verizon Wireless Accounts for all mobile devices, as well as computers, laptops, tablets and other electronic devices used in conducting City business.

9. Employ strict management of City issued mobile devices to ensure those devices are only used by the City employee, Elected Official, or Contractor, and strongly discourage any practice of allowing family members to utilize current or former devices.

D. Subpoena Powers in Administrative Investigations

The City of Anaheim should consider amending their Charter to allow certain administrative investigations commissioned by the City Council to empower investigators the ability to issue subpoenas for records and other things to aid in their investigations.

E. Lobbying Activity Reform

We recommend that the City amend the City’s Lobbying Ordinance. Employees that are lobbied should be required to report or to log this activity to the Ombudsman/Political Affairs Ethics Officer to then be check against lobbyists’ reports in order to mitigate the issues of unreported lobbying and/or unreported lobbyists.
F. **Greater Public Input on Major City Council Actions such as the Sale of Angel Stadium**

We recommend that a concerted effort be undertaken to increase reasonable and responsible public participation concerning major City Council actions such as publicly noticed Study Sessions, online information, mailers, email communication and notices to impacted neighborhoods.

G. **Recession of the “3 vote” Rule related to Agendizing Matters to the City Council**

We recommend that this practice be rolled back to allow for a simple motion and a second to the motion to be sufficient to place an item on the City Council agenda.

H. **Consider a Contractual Super Majority Necessary to Remove Appointed City Officials Without Cause – City Attorney, City Clerk and City Attorney**

We recommend that the City Council consider a contractual super majority as a prerequisite to remove a City Council appointed employee related to termination without cause. We believe that this practice will help protect the Council/Manager form of government, as enumerated in the City Charter, and will militate against an encroaching Strong Mayor style of governance.

I. **City Should Not Allow a Vendor to Solely Define the Deliverables/Scope of Work in City Contracts**

We recommend getter vigilance related to the drafting of City contracts and that the City should disfavor allowing the vendor to define and/or craft the scope of work/deliverables in a contract without City input detailing specificity and scoreable/discernable outputs.

J. **Chamber of Commerce**

We recommend that the City no longer provide public money to the Chamber of Commerce without first conducting a full forensic audit of the Chamber’s finances and those of all of their controlled nonprofits for the last 7 years and then a similar accounting each year any public money is provided thereafter for 5 years. Full access to all documents concerning a City investigation should be required specifically in all City contracts. All City contracts should specify that no public money can ever be used for political purposes. Finally, the City should take necessary legal action to disgorge and/or claw back any ill-gotten public funds.

K. **Visit Anaheim**

We recommend that the City no longer directly provide public money to Visit Anaheim without first conducting a full forensic audit of Visit Anaheim’s finances and those of all of their controlled nonprofits for the last 7 years and then a similar accounting each year any public money is provided thereafter for 5 years. Full access to all documents concerning a City investigation should be required specifically in all City contracts. All City contracts should specify that no public money can ever be used for political purposes. Finally, the City should take necessary legal action to disgorge and/or claw back any ill-gotten public funds.
L. **Temporary Homeless Shelter Project**

We recommend that the City should conduct a full forensic audit of the 2018/2019 Temporary Homeless Shelter Project concerning funding, in-kind services, and donations, as well as expenditures, as processed through Visit Anaheim Cares and the City. The City should take necessary legal action to disgorge and/or claw back any ill-gotten public funds.

M. **Ticket Distribution Issue**

We would recommend several changes to the current ticket distribution system.

1. Limit the number of complimentary tickets to which Councilmembers have access.
2. Create a neutral ticket distribution system that allows non-elected City employees greater access to complimentary tickets.
3. Remove enforcement responsibility from the City Manager.
4. Require an oversight third party (Ombudsman/Political Affairs/Ethics Officer) to manage distribution, document and report policy violations.
5. Create a better online filtering mechanism on the City website portal to allow for easier searchability and greater transparency.
6. Require repayment by the involved Councilmember or City staff member of the value of any tickets behested in violation of the policy.

N. **City Manager’s Spending Authority of $250k**

We recommend that the City Council revisit the spending authority of the City Manager to be certain such authority is aligned with needed spending outside of City Council authorization and oversight.

XV. **CONCLUSIONS**

A. **Council/Manager Form of Government vs. Strong Mayor**

During the course of this investigation, we made the observations that the City of Anaheim has had several City Managers over the past 10 to 15 years. City Managers seem to be hired and their stability at the agency appears to oftentimes be election-sensitive, meaning that an election and shift in power on the city council could have devastating effects to the City Manager's continued employment. We also observed that previous counsels and mayors have not been bashful about replacing city managers after various disagreements.

For instance, the greater weight of the credible evidence developed in this investigation, demonstrated that previous City Manager, Chris Zapata, was terminated from his employment when he dared question the granting of funds that was to be awarded to visit Anaheim during the COVID lock down. At this time, Mayor Sidhu had pushed forth an initiative of giving concerning COVID money that had been “promised” to the City.

399 Chart of previous City Managers prepared by Human Resources Department (Exhibit 187).
In early 2022, after the onset of the COVID-19 pandemic, the City Council at Mayor Sidhu's urging, awarded $6.5 million to Visit Anaheim to be used to market the City and Convention Center when the lock downs attending the COVID-19 pandemic would be lifted. At that time, it was clear that nobody seemed to know when various lock downs would be lifted and cities such as Anaheim who depend on tourist trade and conventions would return to business as usual. At the time, Zapata was the City Manager and questioned the wisdom of giving Visit Anaheim funds and suggested that funding should come in the way of a loan with interest paid to the City. Zapata did not oppose the award of the money but merely offered his opinion concerning that the funds would be part of a loan with interest to Visit Anaheim.

Zapata’s mere suggestion concerning the funding of Visit Anaheim was sufficient to cause him employment problems, which led to Mayor Sidhu and the majority of the City Council to fire City Manager Zapata from his position. Ironically, the facts in this investigation demonstrate that Mayor Sidhu along with Ament, had conspired with Burress, the President and CEO of Visit Anaheim, concerning the $6.5 million COVID recovery money award to Visit Anaheim and then coordinated with Burress, to secretly divert $1.5 million dollars of the $6.5 million award to the Chamber of Commerce though one its affiliated and wholly controlled nonprofits. This diversion was not known by the City staff and certainly was not authorized.

The City of Anaheim's Charter states plainly that the city is to be operated under a Council/Manager form of government. Such a form of government is one where City Council members and/or elected officials shape policy for the city and the City Manager is in charge of operations. The City Charter makes it clear that Councilmembers are not to engage in directing staff concerning operational decisions. The purpose of this form of government is to combat corruption that has been seen to exist where there has been a strong mayor form of government where the mayor or leader amongst the elected official body has broader oversight concerning operational activities.

The City Charter makes it clear that the City Manager has full operational authority and responsibility for operational activities at the city. Furthermore, City Council members may communicate with staff but are barred from giving direction to staff members concerning any operational actions. Here, there was a great deal of evidence that Mayor Sidhu would contact key City staff members giving operational direction and/or strongly suggesting certain courses of action. This sort of behavior from an elected official offends the rules enumerated in the City's Charter.

Mayor Sidhu was not alone in examples of attempting to direct staff in operational activities. More recently, concerning the current City Council as of the writing of this report, Council Member Rubacava, attempted to direct City employee Sergio Ramirez and advised him that his department should work with the Orange County Business Council relating to small business loan opportunities. It did not go unnoticed that Council Member Rubacava formerly worked for the Orange County Business Council prior to becoming a City Councilmember with the city of Anaheim. Council Member Rubacava's direction to Ramirez directly violates the City's Charter where she attempted to influence and direct the City staff member to engage in operational coordination with the Orange County Business Council for the purposes of small business loan opportunities. Such direction should have come only from the City Manager. City Manager Vanderpool stated he was unaware of Councilman Rubacava’s activity in this regard and agreed that such behavior would be inappropriate and a violation of the City's Charter.
Seemingly, because of the numerous City Managers over time, there appeared to be a lack of continuity of leadership at the City government level. It appeared to us that this lack of City Manager leadership continuity encouraged the development of a *de facto* Strong Mayor form of government at the City where the Mayor’s position grew to enjoyed greater powers than the City Charter envisioned or allowed.

This strong mayor approach can be observed with the fact that Mayor Sidhu insisted on prevailed in being placed on the negotiating team for the Angel Stadium and land sale negotiations. Although having an elected official involved in negotiations is not entirely unusual, the general approach would be for the City Manager to head the negotiation team and then report back to City Council members in closed session where negotiation points and price can be discussed in private. Having Mayor Sidhu directly involved in the negotiation process with the Angels could lead to *Brown Act* violation accusations, as was the case here, and could potentially infuse political issues into what is best carried out as a business transaction being negotiated for the interests of the city and the public, in general.

Not ironically, Mayor Sidhu was caught on a recorded phone call with Ament, the President, and CEO of the Chamber of Commerce, at that time, discussing the idea that Mayor Sidhu would ask the Angels for $1 million of independent political expenditures to assist Mayor Sidhu's political future in exchange for Mayor Sidhu leading the negotiations, which later fell apart due to the FBI's investigation and Mayor Sidhu’s plans and misconduct being made public.

The majority of literature and scholarship addressing and studying various forms of City Management/government and the role of the elected official have found that the Council/Manager form of government is the best hedge against undue influence and political corruption. The Strong Mayor form of government, where city managers are mere administrators, have often been fraught with problems relating to political favoritism, undue influence, influence peddling, and political corruption. It appeared to us that this has been the trajectory of the city of Anaheim for a number of years based on the ever-changing landscape of city managers leading the city. This phenomenon has helped pave the way to the current state of affairs concerning Mayor Sidhu's problems with the FBI.

Moreover, we conclude that this shift in power away from the executive to the elected further created the environment that gave rise to many of the issues concerning influence peddling, lack of compliance with lobbying rules, the proliferation of no-bid contracts, potential *Brown Act* violations and acts of preferential treatment that we observed in this.

**B. Corruption, Misdirection and Anaheim First as a “fig leaf” for Future Influence Peddling**

After reviewing all the evidence made available to us, we concluded that several individuals related to this matter engaged in improper and at times unlawful conduct. It appeared clear, based on the greater weight of the credible evidence, that Mayor Sidhu engaged in an operation of influence peddling. This was demonstrated by his comments captured on FBI phone surveillance where he told Ament that he (Sidhu) had planned to request approximately $1 million in independent expenditures from the Angels in relationship to Mayor Sidhu's actions in facilitating the sale of the Angels Stadium property.
Additionally, it seemed clear based also on FBI surveillance telephone conversations, that Mayor Sidhu and Ament meant to coordinate their statements and destroy evidence relevant to an Orange County Grand Jury investigation into the sale of the Angels Stadium property. Added to this was the evidence that demonstrated Mayor Sidhu had leaked confidential negotiation materials through Ament to the Angels negotiating team. This activity demonstrated Mayor Sidhu's desire to close the Angels Stadium sales deal at any cost. It has to be noted, though, that there is no credible evidence to say the Angels arranged some sort of independent expenditure payments to Mayor Sidhu. Indeed, his conversation captured on the FBI surveillance demonstrated he was contemplating asking the Angels for such an independent expenditure to assist his political future.

It appeared to us that one such mechanism to advance Mayor Sidhu, Ament and others' political and/or financial future by virtue of an influence peddling operation was the creation of Anaheim First. Anaheim First was an organization that appeared to be the brainchild of Ament and possibly others under the pretext of allowing each of the new districts in Anaheim to set priorities for future projects and spending. In reality, it seems that Anaheim first was a political data-mining operation used to create contact lists of politically interested residents while using the operation to dilute the power of the political minority. Mayor Sidhu and Ament had a lofty goal of raising $250 million for this now questionable endeavor believing that some of the money realized in the pending Angel Stadium deal would fund this operation.

As indicated, we conclude that the initial aspects of the Anaheim First operation was a thinly veiled data mining operation where individuals meeting in the various districts would provide their names, phone numbers, and email information. There was evidence to conclude that some of this information was used for political purposes, which was wholly inappropriate and contrary to the stated efforts of this organization.

There was evidence to conclude that Ament and the Chamber had aspirational goals of likely receiving approximately 10 percent of the proceeds that were to flow into the Anaheim First organization concerning various developments and projects. We conclude that had Anaheim First been funded at any level, the Chamber would have received large sums of money as part of these efforts. We also suspect that favored developers would be given preference in undertaking the various projects that citizens in the various districts desired. We further conclude that there was a general plan that certain lobbyists operating in the city would have a hand in this activity deriving profits for themselves, as well.

Our conclusions regarding Anaheim First are based on several factors. First, Anaheim First was first hatched in 2018 at the time when Major Sidhu was elected to the position of Mayor and was seemingly the creation of Ament, the Anaheim Chamber President. This timing was not surprising considering the spending that was observed from the Anaheim Chamber of Commerce PAC, as well as other entities who were eager for Mayor Sidhu to take a leadership role in the City Council and push forward these initiatives. There was credible evidence to show Ament, the proponent of Anaheim first, knew full well that taxpayer funding would be diverted, at some level, to the Chamber and others. This sort of activity is consistent with other public funds that were given to the Chamber almost without any discernible deliverable activities that the Chamber was not already engaged in more broadly.
Added to this was the $1.5 million that was diverted from the $6.5 million dollars that the City Council awarded to Visit Anaheim under the guise of marketing the city of Anaheim once the shutdown occasioned by the COVID-19 pandemic had lifted. These sorts of activities are the types of things that Visit Anaheim would already have been planning to do. It was obvious that engaging with various business entities that had canceled their conventions in Anaheim due to the pandemic was a wise business venture leading up to the anticipated opening post pandemic period. However, the contract the City entered into with Visit Anaheim did not clearly detail particular deliverables where the $6.5 million would be particularly spent. It is clear that the $1.5 million diverted to the Chamber’s nonprofit entity was inappropriate and likely unlawful. That diversion was the product of collusion between Mayor Sidhu, Ament, and Jay Burruss, the CEO of Visit Anaheim.

As detailed in this report, the Chamber nonprofit entity that received this $1.5 million in 2020 did not list those funds in their tax returns that were filed in December 2022 and certified by Laura Cunningham, the Chamber president. This activity demonstrates the nature and style of Ament and Mayor Sidhu's intentions on inappropriately and potentially unlawfully diverting public funds in inappropriate ways. These activities seemed consistent with the Anaheim First scheme. By all appearances, the Anaheim First initiative was nothing more than a fig leaf for potential future public corruption and the wrongful diversion of public funds and influence peddling.

As further detailed in this report, Ament had a habit and custom of attempting to inappropriately and at times unlawfully extract public funds from the City and other individuals. For instance, Ament had essentially stolen COVID recovery funds that he purported were to be used for his business, T.A. Consulting. Ament has already pled guilty in federal court to this behavior and is now awaiting sentencing. All these activities point to the fact that Mayor Sidhu and Ament were working in concert on a grander plan to peddle Mayor Sidhu's influence and to unjustly enrich themselves in the process. It was observed by many credible witnesses that Ament was essentially Mayor Sidhu's "front man" for these types of operations. Many commented that in order for individuals to meet with Mayor Sidhu on City business, they would have to arrange this meeting through Ament, who would then attempt to extract funds from these individuals by either joining the Chamber of Commerce, making donations to the Mayor's Prayer breakfast and other such schemes.

With Ament as the Chamber President in 2018 coupled with the election of Mayor Sidhu to the position of Mayor for the City, this presented a perfect storm for wielding political power to peddle influence in order to profit these individuals either financially and/or politically.

XVI. WITNESSES

Our Investigation identified many relevant witnesses who might have provided important details to our investigators in order to discover what had occurred related to several events and/or issues. Human sources of information are vital to a fact-finding investigation. We were pleased that the majority of witnesses we contacted were willing to assist our investigators. Their cooperation was vital to our Investigation. We were also disappointed that certain potential key witnesses declined to cooperate with us either directly or through their attorneys. Some never responded to our requests for help. No person was required to speak with us (except City employees) or to provide other assistance, as such cooperation and assistance could not be lawfully compelled.
<table>
<thead>
<tr>
<th>WITNESS</th>
<th>TITLE, AFFILIATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABEL, MINDY</td>
<td>Deputy Director, Anaheim Convention Center</td>
</tr>
<tr>
<td>AMANTE, JERRY</td>
<td>President, Amante Law; Former Tustin City Councilmember; Registered Lobbyist with CoA; Formerly with FSB Consulting (Fred Brown)</td>
</tr>
<tr>
<td>ANDAL, LINDA</td>
<td>Currently Human Resources Director CoA (as of Feb 2019); Former City Clerk CoA (2007-2019); Former Interim City Manager (under Tait July 2017-July 2018); 19 years with CoA</td>
</tr>
<tr>
<td>ANGUIANO, RAFAEL</td>
<td>CoA Code Enforcement Officer II</td>
</tr>
<tr>
<td>ARMSTRONG, JOHN</td>
<td>Former CoA Planning Commissioner (approved Plan for $150M Stadium Sale)</td>
</tr>
<tr>
<td>AZARHOOSH, SHAWN</td>
<td>CoA Principal Civil Engineer (2007-present)</td>
</tr>
<tr>
<td>BAHU, MAY</td>
<td>Sister of Isa Bahu – Owner of land to be developed for an ARCO station (Imperial at La Palma)</td>
</tr>
<tr>
<td>BARNES, DENISE</td>
<td>Former City Councilmember (2016-2020)</td>
</tr>
<tr>
<td>BARRIOS, ARIANNA</td>
<td>CEO Communications Lab; Orange City Council; Registered Lobbyist with CoA</td>
</tr>
<tr>
<td>BARTASH, NAM</td>
<td>Sr. Council Aide to Councilmember Faessel</td>
</tr>
<tr>
<td>BARTCZAK, SARAH</td>
<td>Sr. Policy Aide to Councilmember Diaz and former Councilmember Kring; Former VP Anaheim Chamber of Commerce (2004-2018)</td>
</tr>
<tr>
<td>BASS, THERESA</td>
<td>CoA City Clerk; with CoA since 2007 (started as Assistant City Clerk)</td>
</tr>
<tr>
<td>BATISTE, KENNETH</td>
<td>Former CoA City Council candidate (ran against Faessel 2020); Treasurer-Anaheim Democrats; Outspoken critic of Angels Stadium Deal</td>
</tr>
<tr>
<td>BELMER, DAVID</td>
<td>Former Deputy City Manager CoA; Currently with Families’ First</td>
</tr>
<tr>
<td>BURRESS, JAY</td>
<td>CEO Visit Anaheim; Sits on Anaheim First Board of Directors</td>
</tr>
<tr>
<td>BURROLA, ALEX</td>
<td>Sr. Vice Pres. Presidio Public Affairs, Communications &amp; Marketing; Formerly Account Exec. and Sr. Vice Pres. Public Affairs, FBS</td>
</tr>
<tr>
<td>BUSHART, BROOKE</td>
<td>Former Account Supervisor FSB Management (Jeff Flint)</td>
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<tr>
<td>CAIN, JIM</td>
<td>Operations Manager, Anaheim Hills Community Council; Member, Anaheim Economic Development Corporation</td>
</tr>
<tr>
<td>CAIN, SHERRY</td>
<td>Former Secretary for Anaheim Chamber</td>
</tr>
<tr>
<td>CISNEROS, JORGE</td>
<td>CoA Chief of Police (since 2018)</td>
</tr>
<tr>
<td>CLAUSEN, KEVIN</td>
<td>CoA Project Manager (Economic Development)</td>
</tr>
<tr>
<td>COURTNEY, WALLY</td>
<td>Works for Kott Realty- Focus on Commercial Real Estate</td>
</tr>
<tr>
<td>CUNNINGHAM, BILL</td>
<td>CEO of BERT</td>
</tr>
<tr>
<td>CUNNINGHAM, LAURA</td>
<td>Current CEO Anaheim Chamber of Commerce (has worked at Chamber since 2019)</td>
</tr>
<tr>
<td>DIAMOND, GREG</td>
<td>Attorney/Political Activist; Former Orange County District Attorney candidate (against Racaukus); Former Counsel to CATER (Cynthia Ward’s group)</td>
</tr>
<tr>
<td>EDWARDS, MARCIE</td>
<td>Former CoA City Manager (2013-2014); Former General Manager Anaheim Public Utilities; Currently, Principal MLE Consulting, Inc.</td>
</tr>
<tr>
<td>EMAMI, RUDY</td>
<td>CoA Director of Public Works (has worked for CoA for 20-years)</td>
</tr>
<tr>
<td>FABELA, ROB</td>
<td>Current CoA City Attorney (since April 2018)</td>
</tr>
<tr>
<td>FAESSEL, STEPHEN</td>
<td>Current CoA City Councilmember</td>
</tr>
<tr>
<td>FARR, MELODIE</td>
<td>Former Anaheim Chamber of Commerce “1099 employee” (2003-2010)</td>
</tr>
<tr>
<td>FIERRO, DANIEL</td>
<td>Former Aide to CoA City Councilmember J. Brandman; Currently CEO – Presidio Public Affairs</td>
</tr>
<tr>
<td>GALLOWAY, LORRI</td>
<td>Former CoA City Councilmember (2004-2012); Founder, Ex. Dir, Eli Home for Abused Children</td>
</tr>
<tr>
<td>GARCIA, GREG</td>
<td>CoA Deputy City Manager (since 2012); Served as Interim City Manager after Zapata (April 2020-Sept 2020)</td>
</tr>
<tr>
<td>GLOVER, JUSTIN</td>
<td>Vice President Public Affairs, Communications Lab</td>
</tr>
<tr>
<td>GOODE, EDINA</td>
<td>Former CoA Administrative Services Manager</td>
</tr>
<tr>
<td>GRIER, ED</td>
<td>Former Pres. Disneyland Resort (2006-2009); Currently Dean, Santa Clara University School of Business</td>
</tr>
<tr>
<td>GRINDLE, SHIRLEY</td>
<td>Campaign finance watchdog/activist; Outspoken critic of Sidhu’s campaign contributions</td>
</tr>
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<tr>
<td>GUASTAFERRO, JOHN</td>
<td>Former Ex. Dir. Anaheim Community Foundation</td>
</tr>
<tr>
<td>HAMPTON, EDGAR</td>
<td>Former President, Anaheim Police Association; Police Officer</td>
</tr>
<tr>
<td>HENNINGER, GRANT</td>
<td>CoA Planning Commission; Works as Political consultant for Isa Bahu</td>
</tr>
<tr>
<td>HOLDER, MATT</td>
<td>Campaign Consultant; Former Policy Aide to former CoA Councilmember Barnes</td>
</tr>
<tr>
<td>HUNTER, CRAIG</td>
<td>Former Deputy Chief, Anaheim Police Department; President, Veritas Investigative Solutions</td>
</tr>
<tr>
<td>IBALIO, JEAN</td>
<td>CoA Deputy Finance Director</td>
</tr>
<tr>
<td>KIM, SUSAN</td>
<td>Worked for CoA (1998 -2021); Former CoA Principal Planner (2015- 2021); Currently with City of La Habra</td>
</tr>
<tr>
<td>KOEHM, SCOTT</td>
<td>Principal Planner CoA (been with Anaheim 22 years)</td>
</tr>
<tr>
<td>KOTT, PAUL</td>
<td>Owner, Kott Realty; Board Member SOAR; Chief’s Advisory Board</td>
</tr>
<tr>
<td>KRING, LUCILLE</td>
<td>Former CoA City Councilmember (2016-2020); Current Planning Commissioner (appointed 12/16/21 by Diaz (Dist. 1))</td>
</tr>
<tr>
<td>LABLOUNK, ADAM</td>
<td>Operated Haunted House attraction on Isa Bahu’s property (Imperial and La Palma)</td>
</tr>
<tr>
<td>LARSON-CASH, SJANY</td>
<td>CoA Community Services Director (2021-present); Former CoA Deputy Director of Community Services (2019-2021); Former CoA Community Services Manager (2014-2019)</td>
</tr>
<tr>
<td>LEE, DUKKU</td>
<td>CoA General Manager Anaheim Public Utilities (2013-present)</td>
</tr>
<tr>
<td>LEWIS, JOHN</td>
<td>Political Consultant; Former State Assemblyman &amp; State Senator; Former Consultant to Tom Tait and Denise Barnes</td>
</tr>
<tr>
<td>LIZANO, ROBERT</td>
<td>Retired Field Consultant; Formerly with Arco and BP</td>
</tr>
<tr>
<td>LOWE, CHRIS</td>
<td>Sr. Partner, Cal Pacific Partners; Former Director Governmental Relations for Disney (2004-2010); Former Director Global Development &amp; Public Affairs for Disney; Per Stan Oftelie, said to be Finance Chair for Sidhu and on Board of SOAR</td>
</tr>
<tr>
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<tr>
<td>LYSTER, MIKE</td>
<td>CoA Chief Communications Officer (since 2015)</td>
</tr>
<tr>
<td>MARQUEZ, SAMANTHA</td>
<td>Presidio Public Affairs, Communication &amp; Marketing (since 2019); Former Vice Pres. Strategies 360</td>
</tr>
<tr>
<td>MEEKS, NATALIE</td>
<td>Newly elected City Councilmember (Dist. 6); CoA Planning Commissioner (appointed by O’Neil 2019); Former CoA Public Works Director</td>
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<tr>
<td>METHIASON, DONNA</td>
<td>Former Vice Pres., Lennar Development</td>
</tr>
<tr>
<td>MEZZACAPPA, ANNIE*</td>
<td>Former CoA Chief of Staff to former Mayor Sidhu (and Campaign Mgr).</td>
</tr>
<tr>
<td>*declined request for interview but submitted answers to written questions.</td>
<td></td>
</tr>
<tr>
<td>MONTIERO, LISA</td>
<td>Enterprise Zone Auditor</td>
</tr>
<tr>
<td>MONTGOMERY, MISHAL</td>
<td>Former CoA Executive Assistant to Mayors Daly and Sidhu</td>
</tr>
<tr>
<td>MOORLACH, JOHN</td>
<td>Ran for Mayor of Costa Mesa 2022 (lost); Former Orange County Treasurer, Supervisor and State Senator</td>
</tr>
<tr>
<td>MORALES, SANDY</td>
<td>Ex-wife of Todd Ament; Former Events Director, Anaheim Chamber of Commerce (2005-2015); Currently Development Director, HomeAid</td>
</tr>
<tr>
<td>MORENO, DEBORAH</td>
<td>CoA Finance Director</td>
</tr>
<tr>
<td>MORENO, JOSE</td>
<td>Former CoA City Councilmember (2016-2022); Current Professor at CSULB</td>
</tr>
<tr>
<td>MORGAN, ERIC</td>
<td>Works at DLS and Path Labs (Firas &amp; Mo Tamary)</td>
</tr>
<tr>
<td>MORTON, TOM</td>
<td>Current Ex. Director Convention, Sports &amp; Entertainment appointed in 2009 by Pringle, Sidhu, Galloway, Hernandez and Kring</td>
</tr>
<tr>
<td>MULVIHILL, LEONIE</td>
<td>CoA Deputy City Attorney – Civil Division (2017-present)</td>
</tr>
<tr>
<td>NELSON, DONNA</td>
<td>Wife of Owner, Orange Juice Blog; Son killed by Anaheim PD 2012; Former CoA Council Candidate (2014); Outspoken critic of Anaheim City Council</td>
</tr>
<tr>
<td>NELSON, VERN</td>
<td>Owner, Orange Juice Blog; Outspoken critic of Anaheim City Council</td>
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<td>WITNESS</td>
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<tr>
<td>NEWBY, LINDA</td>
<td>Anaheim First Chair</td>
</tr>
<tr>
<td>NOGAL, ANDY</td>
<td>CoA Deputy Director Community Services &amp; Economic Development;</td>
</tr>
<tr>
<td></td>
<td>Former CoA Community Investment Manager (2018-2022)</td>
</tr>
<tr>
<td>OFTELIE, STAN</td>
<td>Historian;</td>
</tr>
<tr>
<td></td>
<td>Former Library Board Commissioner (2017-2021 appointed by Tait);</td>
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<td></td>
<td>Former CEO Orange County Business Council (1997-2005);</td>
</tr>
<tr>
<td></td>
<td>Former CEO Orange County Transportation Authority (1991-1997)</td>
</tr>
<tr>
<td>OLESEN, KEITH</td>
<td>Member, Anaheim Charter Committee</td>
</tr>
<tr>
<td>O’NEIL, TREVOR</td>
<td>Former CoA Mayor ProTem (May 2022-present) and City Councilmember (2018-2022);</td>
</tr>
<tr>
<td></td>
<td>2022 Mayoral Candidate</td>
</tr>
<tr>
<td>PARKER, JULIE</td>
<td>CoA Sr. Administrative Analyst (23-years with CoA; 18-years in current position)</td>
</tr>
<tr>
<td>PASCO, LARRY</td>
<td>Former CoA Community Services Director (retired in 2020 after 25-years with CoA)</td>
</tr>
<tr>
<td>PELLETIER, KRISTIN</td>
<td>Sr. Assistant City Attorney-Civil Division</td>
</tr>
<tr>
<td>PEREZ, ABEL</td>
<td>Rent’s Asa Bahu’s property at Imperial and La Palma (Christmas Trees, Pumpkin Batch, Haunted House)</td>
</tr>
<tr>
<td>PIRZADEH, PETE</td>
<td>Represented Client (unnamed) who wanted to develop a joint project with CoA</td>
</tr>
<tr>
<td>PRIEST, TODD</td>
<td>CEO, Todd Priest &amp; Associates;</td>
</tr>
<tr>
<td></td>
<td>Formerly with Curt Pringle &amp; Associates;</td>
</tr>
<tr>
<td></td>
<td>Registered Lobbyist with CoA</td>
</tr>
<tr>
<td>RAMIREZ, SERGIO</td>
<td>CoA Director of Economic Development</td>
</tr>
<tr>
<td>ROBBINS, MIKE</td>
<td>President, Peoples Homeless Task Force (sued CoA over homeless issue); CEO, Paradise Cigars; Husband of Jeanine Robbins</td>
</tr>
<tr>
<td>ROBERTS, DUANE</td>
<td>Editor/Publisher, Anaheim Investigator; Community Activist;</td>
</tr>
<tr>
<td></td>
<td>Former CoA Council candidate</td>
</tr>
<tr>
<td>RUBALCAVA, NATALIE</td>
<td>Newly elected (Nov 2022) CoA City Councilmember (Dist. 3)</td>
</tr>
<tr>
<td></td>
<td>COO Orange County Business Council</td>
</tr>
<tr>
<td></td>
<td>CoA Housing &amp; Community Development Commissioner (appointed by Valencia)</td>
</tr>
<tr>
<td>SADEGHI, SHAHEEN</td>
<td>LAB Holdings/Developer</td>
</tr>
<tr>
<td>SALDIVAR, JOEL</td>
<td>Possible Policy Aide to CoA City Councilmember Faessel</td>
</tr>
<tr>
<td>WITNESS</td>
<td>TITLE, AFFILIATION</td>
</tr>
<tr>
<td>------------------</td>
<td>-----------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>SKILES, GEORGE</td>
<td>Auditor who performed independent audit of Enterprise Zones</td>
</tr>
<tr>
<td>SOSA, JOANNE</td>
<td>Former Director of Membership Services Anaheim Chamber of Commerce</td>
</tr>
<tr>
<td>SPIKER, ADAM</td>
<td>Spiker Rendon Consulting/Cannabis Lobbyist</td>
</tr>
<tr>
<td>STEPTER, GRACE</td>
<td>CoA Director of Community &amp; Economic Development (9-years)</td>
</tr>
<tr>
<td>STIPKOVICH, LISA</td>
<td>Former CoA Redevelopment, Housing Authority Manager &amp; Community Development Director</td>
</tr>
<tr>
<td>SWAN, LESLIE</td>
<td>Director, Anaheim First (sole employee per OC Weekly article)</td>
</tr>
<tr>
<td>TAIT, TOM</td>
<td>Former CoA Mayor (2010-2018)</td>
</tr>
<tr>
<td>TALLEY, CRISTINA</td>
<td>Former CoA City Attorney (2009-2013)</td>
</tr>
<tr>
<td>TAMARY, FIRAS</td>
<td>Partner with Brother Mo Tamary – Diagnostic Laboratory Services (DLS) and Path Lab Services</td>
</tr>
<tr>
<td>TAMARY, MO</td>
<td>Partner with Brother Firas Tamary – Diagnostic Laboratory Services (DLS) and Path Lab Services</td>
</tr>
<tr>
<td>TAORMINA, BILL</td>
<td>CEO, Clean City, Inc.; Founder Anaheim Community Foundation; Community Activist and wealthy campaign donor</td>
</tr>
<tr>
<td>THALMAN, KRISTINE</td>
<td>Currently Pres. K. Thalman &amp; Associates; Former Ex. Director Laguna Beach Chamber of Commerce; Former CoA Intergovernmental Relations Officer (1985-2000)</td>
</tr>
<tr>
<td>TORRES, LAUREN</td>
<td>CoA Council Services Coordinator (2021-present); Former CoA Sr. Secretary (2016-2021)</td>
</tr>
<tr>
<td>UNRUH, HOLLY</td>
<td>City Contractor</td>
</tr>
<tr>
<td>URCH, GEORGE</td>
<td>Founder, George Urch &amp; Associates; Registered Lobbyist with CoA</td>
</tr>
<tr>
<td>VALENCIA, AVELINO</td>
<td>Former CoA Councilmember; District Director for Assemblyman Tom Daly; Currently California Assemblyman</td>
</tr>
<tr>
<td>VANDER DUSSEN, SHERI</td>
<td>Currently Acting Planning Manager for City of Seal Beach; Former CoA Planning Manager (2003-2014); Former CoA Acting Deputy City Manager (2009-2010); Former Board Member Anaheim/OC Visitors Council Bureau (2009-2014)</td>
</tr>
<tr>
<td>VANDERPOOOL, JAMES</td>
<td>CoA City Attorney (since September 2020); Board Member of Visit Anaheim</td>
</tr>
<tr>
<td>WITNESS</td>
<td>TITLE, AFFILIATION</td>
</tr>
<tr>
<td>---------------</td>
<td>------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>VAUGHN, JENNIFER</td>
<td>Director, Tripepi Smith (since Jan 2022); Former Public Policy Manager &amp; Public Affairs Manager for So Cal Gas (18 years)</td>
</tr>
<tr>
<td>WARD, CYNTHIA</td>
<td>Former candidate for Mayor CoA (2018 against Sidhu); Former Policy Aide to CoA Councilmember Barnes; CATER Vocal community activist against Disney</td>
</tr>
<tr>
<td>WETZEL, NIKI</td>
<td>CoA Deputy Director of Planning</td>
</tr>
<tr>
<td>WHITE, STEVE</td>
<td>CoA Planning Commissioner (appointed by Moreno 2019); Founding Member Anaheim HOME</td>
</tr>
<tr>
<td>WHITE, TED</td>
<td>CoA Director of Planning &amp; Building (2014-present)</td>
</tr>
<tr>
<td>WHITTINGHAM, PETER</td>
<td>Founder, Whittingham Public Affairs; Registered Lobbyist with CoA; Contributed to campaigns of Diaz, O’Neil, Valencia and Brandman; Formerly with Curt Pringle &amp; Associates (2001-2017)</td>
</tr>
<tr>
<td>WOODHEAD, JOHN</td>
<td>Former Ex. Director, Anaheim Community &amp; Economic Development</td>
</tr>
<tr>
<td>ZAHARONI, DAN</td>
<td>CEO From the Earth (Cannabis Shop in Santa Ana); Gave $225,000 to Anaheim Chamber of Commerce’s Cannabis Task Force</td>
</tr>
<tr>
<td>ZAPATA, CHRIS</td>
<td>Former CoA City Manager (2018-2020); Current City Manager for City of Sausalito</td>
</tr>
</tbody>
</table>

**INDIVIDUALS / ENTITIES DECLINING REQUEST FOR INTERVIEW**

- AMENT, TODD
- BIROZY, ADAM
- DUNN, LUCY
- FAUBEL, ROGER
- FLINT, JEFF
- HUGHES, LISA
- KANZLER, JILL
- LARSON, MARGARET
- MA’AE, GLORIA
- MURRAY, KRS
- NOCELLA, CARRIE
- NORMAN, CRYSTAL
- O’CONNELL, BILL
• PRINGLE, CURT
• SIDHU, HARRY
• SMITH, RYDER
• SWAN, LESLIE
• ANGELS STAFF
• DISNEY STAFF
ADDENDUM 1 – LOBBYING REPORT DOCUMENTATION

Below are the signature pages for the referenced inaccurate lobbying reports (right side of page), which do not contain any accounting for the unreported meetings (left side of page) which we have documented in this report. Immediately above the signature box, the form clearly indicates:

*By my signature below, I certify that I have reviewed Section 1.11.070 (Lobbyist Registration, Reporting, and Regulation) of the Anaheim Municipal Code and declare under penalty of perjury under the laws of the State of California that the information contained herein is true and accurate. I understand that this form is subject to review and any knowing or intentional errors or omissions may be subject to criminal penalties.*

Jeff Flint

2019 - 2nd Quarter Report

Unreported Meeting:

- April 15, 2019
  Subject: Meeting with Jeff Flint/Tal Price (Anaheim Rental Alliance)
  Attendees: Jeff Flint, Trevor O'Neil, Tal Price

2019 - 3rd Quarter

Unreported Meeting:

- September, 29, 2019
  Subject: Cannabis Discussion
  Attendees: Chris Zapata, Greg Garcia, David Belmer, Ted White, Melahat Rafiei, Chris Glew, Arturo M Sanchez, Jeff Flint
2019 - 4th Quarter Report

Unreported Meetings:

- October 29, 2019
  Subject: Mayor Sidhu, Trevor O'Neil, Greg Garcia, Theresa Bass, Rob Fabela - Update
  Attendees: Loretta Day, Trevor O'Neil, Justin Glover, Gregory Garcia, Maggie Solorio, Harry Sidhu, Theresa Bass, Annie Mezzacappa

- November 18, 2019
  Subject: Chamber Cannabis Doc
  Attendees: Rob Fabela, Kristin Pelletier, Greg Garcia, Jeff Flint

2020 - 1st Quarter Report

Unreported Meetings:

- January 17, 2020
  Subject: Cannabis Discussion
  Attendees: Lisa Hughes, Chris Zapata, Gregory Garcia, David Belmer, Robert Fabela, Ted White, Harry Sidhu, Todd Ament and Jeff Flint

- January 23, 2020
  Subject: Lunch with Ted White & Jeff Flint
  Attendees: Jeff Flint, Ted White

- February 6, 2020
  Subject: Meeting w/ Gregory Garcia, Rudy Emami, Jerry Amante & Jeff
  Attendees: Jeff Flint, Rudy Emami, Jerry Amante, Gregory Garcia
2020 - 2nd Quarter Report

Unreported Meetings:

- May 6, 2020 at 7pm
  Subject: Anaheim TOT Ordinance
  Attendees: Gregg Audet, Robert Fabela, Jerry Amante, Jane Usher, Jeff Flint

- May 18, 2020
  Subject: Anaheim Rental Housing Assistance Programs
  Attendees: Jeff Flint, vcao@caanet.org, Grace Stepter; bille@aaoc.com, Gregory Garcia, Griselda Sanchez

2020 - 3rd Quarter Report

Unreported Meetings:

- July 9, 2020
  Subject: TOT Measure Call
  Attendees: Jeff Flint, Todd Ament, Carrie Nocella, Jerry Amante, Brooke Bushart, Jane Usher, Gregory Garcia, Robert Fabela

- July 21, 2020
  Subject: TOT Ordinance
  Attendees: Pang Yang, Todd Ament, Jeff Flint, Jane Usher, Jerry Amante, Kristin Pelletier, Fred Brown, Joe Romines (Anaheim Audit Manager)

- July 24, 2020
  Subject: TOT Ordinance
  Attendees: Pang Yang, Todd Ament, Kristin Pelletier, Jane Usher, Jeff Flint

- July 27, 2020
  Subject: Mayor and Greg Garcia with Jeff & Todd
  Attendees: Jeff Flint, Todd Ament, Harry Sidhu, Gregory Garcia
2020 - 3rd Quarter (cont.)

- July 28, 2020
  Subject: TOT Ordinance Discussion
  Attendees: Carrie Nocella, Kimberly Monti, Kristin Pelletier, Gregory Garcia, Jeff Flint

- August 18, 2020
  Subject: CONF CALL: 1580 W Orangewood Citation
  Attendees: David Belmer, Ted White, Jeff Flint, Tal Price

2020 - 4th Quarter Report

Unreported Meetings:

- October 1, 2020
  Subject: Anaheim VCA
  Attendees: Todd Ament, Jeff Flint, Jerry Amante, Kristin Pelletier, Jim Vanderpool, Greg Garcia, (Expedia Group) - Kristina Bennard, Richard de Sam Lazaro, Jim Madaffer

- October 23, 2020
  Subject: Kristin/Jeff/Todd
  Attendees: Pang Yang, Todd Ament, Jeff Flint, Kristin Pelletier

- October 28, 2020
  Subject: TOT Discussion
  Attendees: Todd Ament, Laura Cunningham, Jeff Flint, Jerry Amante, (Hoteliers - Ajesh Patel, Ron Kim, Paul Sanford, Bill O’Connell, Sr., Fred Brown, (Anaheim) Kristin Pelletier
2021- 1st Quarter Report

Unreported Meetings:

- March 5, 2021
  Subject: One Year Closure Coordination - Disney, Chamber, COA, Visit Anaheim ++
  Attendees: Mike Lyster, Carrie Nocella, Todd Ament, Laura Cunningham, Jay Burress, Kris Murray, Jeff Flint, Matt Cunningham, (Disney) - Suzi Brown, Liz Jaeger, Karalee Darnell

- March 17, 2021
  Subject: City of Anaheim & AvenuInsights
  Attendees: Jeff Flint, Deana Thompson, Fran Mancia, Jim Vanderpool

- March 26, 2021
  Subject: HCD Meeting
  Attendees: John Hooper, Alex Winsberg, Gregory Garcia, Robert Fabela, Jeff Flint

2021 - 3rd Quarter Report

Unreported Meetings:

- September 1, 2021
  Subject: Meeting: Jeff, Mark W. and Trevor O'Neil - Discussion about purchase property in public-private partnership for affordable Housing
  Attendees: Jeff Flint, Trevor O’Neil, Wiesenthal, Mark - with Manatt, Phelps & Phillips, LLP -- Manatt Housing Solutions, LLC
  Note: Flint is unregistered for this client

- September 23, 2021
  Subject: Meeting: Sergio Ramirez & Jeff
  Attendees: Jeff Flint, Sergio Ramirez
2021 - 4th Quarter Report

Unreported Meetings:

- October 11, 2021
  Subject: Anaheim TOT Ordinance Meeting w/ Anaheim & Disney
  Attendees: Deanna Detchemendy, Kimberly Monti, Kristin Pelletier, Gregory Garcia, Jim Vanderpool, Jeff Flint, Brent Gibbs, Lee Young

- October 21, 2021
  Subject: Re: ATN Follow-Up Discussion on Project Bid Issue
  Attendees: Starla Huerta, Sergio Ramirez, Cindy Nelson Corby, Diana Kolter, Rob Mitchell, Kevin Clausen, Jeff Flint, Jim Vanderpool, Jim Appleby

- November 3, 2021
  Subject: Anaheim TOT Ordinance Meeting w/ Anaheim & Disney
  Attendees: Deanna Detchemendy, Kimberly Monti, Kristin Pelletier, Gregory Garcia, Jim Vanderpool, Jeff Flint, Brent Gibbs, Lee Young, Carrie Nocella

- November 18, 2021
  Subject: Anaheim TOT Ordinance Meeting w/ Anaheim & Disney
  Attendees: Carrie Nocella, Deanna Detchemendy, Kristin Pelletier, Kimberly Monti, Jeff Flint, Jim Vanderpool, Brent Gibbs, Gregory Garcia, Lee Young

Note: No lobbying reports were filed by Flint in 2022, 2nd Quarter. Despite this, Flint did engage in at least one unreported lobbying meeting.

2022 - 2nd Quarter Report

Unreported Meetings:

- April 7, 2022
  Subject: Meeting with Standard Companies and City of Anaheim
  Attendees: Jeff Flint, Grace Stepter, jlee@standard-companies.com, Chris Cruz, Jim Vanderpool
Curt Pringle

2019 - 1st Quarter Report

Unreported Meeting:

- March 13, 2019
  Subject: Curt Pringle at Colonial
  Attendees: Curt Pringle and Trevor O’Neil

2019 - 2nd Quarter Report

Unreported Meeting:

- June 5, 2019
  Subject: Curt Pringle Meeting
  Attendees: Curt Pringle, Trevor O’Neil
2019 - 3rd Quarter Report

Unreported Meeting:

- September 13, 2019
  Subject: Meeting with Ted, Curt, and Jennifer
  Attendees: Amanda Hernandez, Curt Pringle, Jennifer Fitzgerald, Ted White

2019 - 4th Quarter Report

Unreported Meeting:

- December 12, 2019
  Subject: Meeting re: Anaheim Hills Senior Living Community
  Attendees: Marco Vakili, Tony Nguyen, Younus, Curt Pringle, Katie Pringle (tentative)
2020 - 3rd Quarter Report

Unreported Meetings:

- July 31, 2020
  Subject: Phone call with Curt Pringle
  Attendees: Ted White, Curt Pringle - 9am

- September 21, 2020
  Subject: Zoom Meeting RE: Anaheim Sheraton

- September 30, 2020
  Subject: Call with Curt Pringle regarding Westgate
  Attendees: Ted White and Curt Pringle

2021 - 4th Quarter Report

Unreported Meeting:

- October 26, 2021
  Subject: Latest Appraisal
  Attendees: Taconic Capital, Pringle, Sergio Ramirez, Laura Alcala, Paul Simonds
  Per Ramirez: meeting was to show the City the improvement that had been made to the Sheraton hotel.
2022 - 1st Quarter Report

Unreported Meeting:

- February 24, 2022
  Subject: Call with Curt Pringle (call with Sergio Ramirez)
  Attendees: Call with Sergio Ramirez; Regarding Westgate Timeshares
  Per Ramirez: “That conversation was to hopefully engage his clients to come back to the table to explore different options.”

2022 - 3rd Quarter Report

Unreported Meetings:

- July 7, 2022
  Subject: Meeting - Curt Pringle
  Attendees: Curt Pringle and Sergio Ramirez
  Per Ramirez: “Mr. Pringle, who represented Brookfield, wanted to have me meet with Brookfield to talk about investment opportunities here in Anaheim.”
  Note: Pringle has not registered as a lobbyist for this client.

- Canceled Meetings with Brookfield
  Between July 21, 2022 to August 23, 2022, there were 4 coffee meetings scheduled with Sergio Ramirez that Ramirez said he was unable to attend.
They are as follows:

- July 26, 2022 - with Sergio Ramirez, Curt Pringle, Dave Bartlett, John O'Brien
- August 9, 2022 - with Sergio Ramirez, Curt Pringle, Dave Bartlett, John O'Brien
- August 23, 2022 - with Sergio Ramirez, Curt Pringle, John O'Brien

Note: Ramirez told us that Brookfield had been a developer with the City years ago but had left after a project was killed. He said, “More recently, Mr. Pringle said, ‘hey, let’s get Brookfield back into Anaheim.’”

This email from April 7, 2022 illustrates the intent of scheduling time with Ramirez to connect him with Brookfield executives.
August 23, 2023
Subject: Restaurant Possibility (Email from Pringle to Ramirez)
Email from Curt Pringle to Sergio Ramirez regarding Taconic Capital & Sheraton. According to Ramirez, this was tied to the Taconic project and the Sheraton Hotel, specifically looking to develop a restaurant at that location.

---

meeting:
August 30, 2022
Subject: Call with Curt Pringle
Attendees: Ted White and Curt Pringle
## ADDENDUM 2 - MATRIX OF POTENTIALLY APPLICABLE CRIMES

<table>
<thead>
<tr>
<th>Primary Code</th>
<th>Add'l Code(s)</th>
<th>Crime</th>
<th>Quick Summary</th>
<th>Elements</th>
</tr>
</thead>
</table>
| 18 USC § 1001 |               | False Statements | 1. Defendant made a false statement or used a writing that contained a false statement  
2. The statement or writing was made in a matter within the jurisdiction of a federal/US government agency or department.  
3. Defendant acted willfully, i.e., deliberately and with knowledge both that the statement was untrue and that his or her conduct was unlawful.  
4. The statement or writing was material to the activities or decisions of the particular federal/US government agency or department (it had a natural tendency to influence, or was capable of influencing, the agency's decisions or activities) | 1. Defendant made a false statement or used a writing that contained a false statement  
2. The statement or writing was made in a matter within the jurisdiction of a federal/US government agency or department.  
3. Defendant acted willfully, i.e., deliberately and with knowledge both that the statement was untrue and that his or her conduct was unlawful.  
4. The statement or writing was material to the activities or decisions of the particular federal/US government agency or department (it had a natural tendency to influence, or was capable of influencing, the agency's decisions or activities) |
| 18 USC § 1341 |               | Mail Fraud       | Wire fraud and mail fraud require essentially the same elements, with the only difference being the means of the interstate communication (e.g., through the mails or through interstate wire (i.e., other electronic means))  
2. The statements made or facts omitted as part of the scheme were material (they had a natural tendency to influence, or were capable of influencing, a person to part with money or property)  
3. Defendant acted with the intent to defraud  
4. Defendant used, or caused to be used, the mails to carry out or attempt to carry out an essential part of the scheme | 1. Defendant knowingly participated in a scheme or plan for obtaining money or property by means of false or fraudulent pretenses, representations, promises, or omitted facts (deceitful statements or half-truths may constitute false or fraudulent representations)  
2. The statements made or facts omitted as part of the scheme were material (they had a natural tendency to influence, or were capable of influencing, a person to part with money or property)  
3. Defendant acted with the intent to defraud  
4. Defendant used, or caused to be used, the mails to carry out or attempt to carry out an essential part of the scheme |
| 18 USC § 1343 |               | Wire Fraud       | Wire fraud and mail fraud require essentially the same elements, with the only difference being the means of the interstate communication (e.g., through the mails or through interstate wire (i.e., other electronic means)) | 1. Defendant knowingly participated in a scheme or plan for obtaining money or property by means of false or fraudulent pretenses, representations, promises, or omitted facts (deceitful statements or half-truths may constitute false or fraudulent representations)  
2. The statements made or facts omitted as part of the scheme were material (they had a natural tendency to influence, or were capable of influencing, a person to part with money or property)  
3. Defendant acted with the intent to defraud  
4. Defendant used, or caused to be used, an interstate wire communication |

Addendum 2 - 1
<table>
<thead>
<tr>
<th>Primary Code</th>
<th>Add'l Code(s)</th>
<th>Crime</th>
<th>Quick Summary</th>
<th>Elements</th>
</tr>
</thead>
<tbody>
<tr>
<td>18 USC § 1346 (definition)</td>
<td>see also 18 USC § 1341</td>
<td>Honest Services Fraud (via mail or wire fraud)</td>
<td>Pursuant to Federal Law, the public has the right to the &quot;honest services&quot; of public officials. That right is violated when a public official makes a decision that is not motivated by the public's interest but instead by his or her personal interests.</td>
<td>(i.e., via phone, computer, etc) to carry out or attempt to carry out an essential part of the scheme. NOTE: to convict of wire fraud based on omissions of fact, there must have been a duty to disclose the omitted facts arising out of a relationship of trust.</td>
</tr>
<tr>
<td>18 USC § 1503</td>
<td>see also 18 USC § 1519 (destruction, alteration or falsification of records in federal investigations; 9th Cir. Model Criminal Jury Instructions, 19.4)</td>
<td>Obstruction of Justice</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18 USC § 1512(b)</td>
<td>Witness Tampering</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. Defendant influenced, obstructed, or impeded, or tried to influence, obstruct, or impede the due administration of justice
2. Defendant acted corruptly, or by threats or force, or by any threatening communication, with the intent to obstruct justice.

(The government need not prove that Defendant's sole or even primary intention was to obstruct justice so long as the government proves beyond a reasonable doubt that Defendant had a substantial intention to obstruct justice.)

1. Defendant knowingly uses intimidation, threatens, or corruptly persuades another person, or attempts to do so, or engages in misleading conduct toward another person,
2. Defendant did so with the intent to:
   (a) influence, delay, or prevent the testimony of any person in an official proceeding;
   (b) cause or induce any person to: (i) withhold testimony, or withhold a record, document, or other object, from an official proceeding; (ii) alter, destroy, mutilate, or conceal an object with intent to impair the object's integrity or availability for use in an official proceeding; (iii) evade legal process summoning that person to appear as a witness, or to produce a record, document, or other object, in an official proceeding; or (iv) be absent
<table>
<thead>
<tr>
<th>Primary Code</th>
<th>Add'l Code(s)</th>
<th>Crime</th>
<th>Quick Summary</th>
<th>Elements</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>18 USC § 1951</strong></td>
<td></td>
<td>Hobbs Act: Interference with Commerce Through Extortion or Attempted Extortion Under Color of Official Right</td>
<td>&quot;Whoever . . . Affects commerce or the movement of any article or commodity in commerce, by . . . Extortion or attempts or conspires to do so . . .&quot; where &quot;extortion&quot; means, in part, &quot;obtaining of property from another, with his consent . . . Under color of official right.&quot;</td>
<td>1. Defendant is a public official 2. Defendant obtained or intended to obtain property that Defendant knew he or she was not entitled to 3. Defendant knew the property would be given in return for taking or withholding some official action, or in return for an express promise to perform a particular action 4. Commerce or the movement of an article or commodity in commerce from one state to another was or would have been affected in some way 5. Defendant did something that was a substantial step toward committing the crime and that strongly corroborated Defendant's intent to commit the crime. <strong>NOTE (re element 4):</strong> Conduct affects interstate commerce if it in any way involves, interferes with, changes, or alters the movement or transportation or flow of goods, merchandise, money, or other property in commerce between or among the states or between the United States and a foreign country. The effect can be minimal.</td>
</tr>
<tr>
<td><strong>18 USC § 1952</strong></td>
<td></td>
<td>Travel Act: Interstate and Foreign Travel or Transportation in Aid of Racketeering Enterprises</td>
<td>&quot;Whoever . . . Uses the mail or any facility in interstate . . . Commerce, with intent to . . . promote, manage, establish, carry on, or facilitate the promotion, management, establishment, or carrying on, of any unlawful activity&quot; where &quot;unlawful activity&quot; includes &quot;extortion, bribery, or arson in violation of the laws of the State in which committed or of the United States&quot;</td>
<td>1. Defendant traveled interstate or used the mail or used a facility in interstate commerce with the intent to promote, manage, establish, or carry on an [unlawful activity] 2. After doing so, Defendant performed an act or attempted to perform an act that was a substantial step toward committing the unlawful activity.</td>
</tr>
<tr>
<td><strong>18 USC § 1957</strong></td>
<td>See also 18 USC 1956, which includes other &quot;flavors&quot; of money laundering (discussed in</td>
<td>Money Laundering</td>
<td>Other money laundering offenses under section 1956 include a heightened level of criminal intent, without the $10,000 requirement.</td>
<td>1. Defendant knowingly engaged or attempted to engage in a monetary transaction (i.e., the deposit, withdrawal, transfer, exchange, in or affecting interstate commerce, of funds or a monetary instrument by, through, or to a financial institution) 2. Defendant knew the transaction involved criminally derived property 3. The property had a value greater than $10,000</td>
</tr>
<tr>
<td>Primary Code</td>
<td>Add'l Code(s)</td>
<td>Crime</td>
<td>Quick Summary</td>
<td>Elements</td>
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<tr>
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<tr>
<td>model jury instructions 18.3-18.6, available here: <a href="https://www.ce9.uscourts.gov/jury-instructions/node/796">https://www.ce9.uscourts.gov/jury-instructions/node/796</a></td>
<td>18 USC § 1961 et seq.</td>
<td>Racketeer Influenced and Corrupt Organizations</td>
<td>The federal RICO statutes are complex and require a showing of various elements and sub-elements, including based on a list of specific crimes that can constitute &quot;racketeering activity&quot; and with the requirement that there be an effect on interstate commerce. Not just gang or typical organized crime groups, but various government officials also have been indicted under RICO. See the model jury instructions for more particulars on some of the other various RICO charges that can be brought (e.g., using or investing income from racketeering activity), or JK can provide more information.</td>
<td>1. Defendant was engaged in an &quot;enterprise&quot; involving a group of people (a) associated for a common purpose of engaging in a course of conduct, (b) that the association of these people was an ongoing formal or informal organization, and (3) the group was engaged in or had an effect upon interstate or foreign commerce (only a minimal effect on commerce is required). 2. Defendant and the enterprise were engaged in certain state or federal crimes (as listed in 18 U.S.C. 1961; see &quot;quick summary&quot; column for some examples) 3. Defendant's purpose in committing a crime was to gain entrance to, or maintain, or increase his or her position in the enterprise. 4. The enterprise is guilty of at least two of the crimes listed, and those crimes formed a pattern of racketeering activity (were committed within 10 years of each other, were &quot;related&quot; to each other, and posed a threat of continued criminal activity)</td>
</tr>
<tr>
<td>18 USC § 666(a)(1)(A) and (B)</td>
<td>Theft or Bribery Concerning Programs</td>
<td></td>
<td></td>
<td>1. Defendant is an agent of an organization and/or local agency 2. The organization receives, in any one year period, benefits in excess of $10,000 under a Federal program involving a grant, contract, subsidy, loan,</td>
</tr>
<tr>
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<td>26 USC § 7206</td>
<td>see also 26 USC §§ 7203 (willful failure to pay tax), 7207 (delivering/discharging a tax return knowing it contained false information (misdemeanor)); see 9th Cir. Model Criminal Jury Instructions, 22.2, 22.5</td>
<td>Receiving Federal Funds</td>
<td>Defendant embezzles, steals, obtains by fraud, or otherwise without authority knowingly converts to the use of any person other than the rightful owner or intentionally misapplies, property that is valued at $5,000 or more, and is owned by, or is under the care, custody, or control of such organization, government, or agency OR 3. Defendant corruptly solicits or demands for the benefit of any person, or accepts or agrees to accept, anything of value from any person, intending to be influenced or rewarded in connection with any business, transaction, or series of transactions of such organization, government, or agency involving any thing of value of $5,000 or more</td>
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<td>Anaheim Municipal Code, Title 1, Chapter 1.09, Section 1.09.130 (Enforcement of Chapter)</td>
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<td>Filing False Tax Return</td>
<td>1. Defendant signed and filed a tax return that he or she knew contained false or incorrect information as to a material matter. 2. The return contained a written declaration that it was being signed subject to the penalties of perjury. 3. In filing the false tax return, Defendant acted willfully</td>
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<td>Contribution Disclosures and Limits for City Officials</td>
<td>The Anaheim Municipal Code includes a Campaign Reform Law &quot;to ensure that the financial strength of certain individuals or organizations does not permit them to exercise a disproportionate or controlling influence on the election of city candidates.</td>
<td>Some examples, but others may be contemplated by the Code: 1. Defendant is an official for the City of Anaheim. 2. Defendant makes or accepts a contribution in excess of applicable contribution limits (e.g., $2,200 per &quot;election cycle&quot; was made effective Jan. 2021). 3. (If an accepted contribution): Defendant failed to return the excess contribution to the donor within 14 days, and/or failed to provide written notification of that return to the city clerk within 72 hours after the return. 1. Defendant is an official for the City of Anaheim. 2. Defendant accepts a &quot;contribution&quot; cumulating $100 or more in an election cycle</td>
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| Anaheim Municipal Code, Title 1, Chapter 1.09, Section 1.09.135 (Laundered Contributions) | | Laundered Contributions to City Officials | A specific provision of the City of Anaheim Campaign Reform Law related to Laundered Contributions. | 1. Defendant is an official for the City of Anaheim.  
2. Defendant accepts a contribution.  
3. The contribution was made directly or indirectly by a person in a name other than the name by which such person is identified for legal purposes.  
4. Defendant becomes aware that the contribution was made in another's name  
5. Defendant fails to pay the amount to the General Fund of the City of Anaheim. |
| Cal Gov. Code § 34090 | | Public Official Document Retention Obligations | In addition to permitting access to public records, cities have document retention obligations and cannot destroy records unless certain criteria are met. | 1. Defendant is a city officer having custody of public records, books, and papers.  
2. Defendant fails to obtain approval of the legislative body or the written consent of the city attorney for destroying those records.  
3. Defendant causes those records to be destroyed.  
4. The destroyed material was not legibly copied or reproduced in the manner required for electronic maintenance of records as permanent.  
OR  
4. The destroyed material was legibly copied or reproduced, but not made accessible for public reference as the original records were. |
| Cal. Elec. Code § 18680 | | Misuse of Campaign Funds | A person entrusted with money or things of value relating to a campaign becomes a trustee of the money or things of value, and cannot use it for purposes "not in the due and lawful execution of the trust." | 1. Defendant was entrusted with money or things of value for the purpose of promoting or defeating any initiative, referendum, or recall petition or any measure that has qualified for the ballot in California.  
2. Defendant wrongfully appropriates the money or things of value for a use or purpose "not in the due and lawful execution of the trust" |

NOTE: the code section includes a list of expenses within the due and lawful execution of the trust, but also states that "[e]xpenses for food, clothing, shelter and other personal needs of the trustee are not within the due and lawful execution of the trust" unless they involve expenses for travel and accommodations related to promoting or defeating the measure, initiative, etc.
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<td>Cal. Gov. Code § 1090</td>
<td>Cal. Gov. Code §§ 1097, 1097.1; see also Anaheim Municipal Code Charter, Article VII, Section 708.</td>
<td>Public Official Self-Dealing (Contractual Conflict of Interest)</td>
<td>California law forbids public officials from having an economic interest in their agencies' contracts.</td>
<td>1. Defendant is a city officer or employee. 2. While acting in his/her official capacity, Defendant (or the body or board of which Defendant is a member) is purposefully involved in the making of a public contract (even if Defendant abstains from voting or resigns from the deliberative body before the vote on the contract is taken). 3. Defendant knows there is a reasonable likelihood that the contract may result in a personal financial benefit. It is not a defense that: Defendant acted in good faith, sincerely believed the contract was in the public's best interest, or acted under the advice of counsel.</td>
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<td>Cal. Gov. Code § 1094</td>
<td>see also Anaheim Municipal Code Charter, Article VII, Section 708.</td>
<td>Public Official's False Affidavit of Nonviolation of Self-Dealing Provisions</td>
<td>In addition to the general penal code provision regarding perjury, this section specifically requires public officials to submit information about accounts under penalty of perjury, including by attesting that he or she has not violated the conflict of interest provisions under broadly-interpreted Cal. Gov. Code § 1090 (see other row regarding this code section).</td>
<td>1. Defendant is a state, county, or city officer with an &quot;account&quot; 2. Defendant signs an affidavit or certificate under penalty of perjury that he or she has not violated any conflict of interest provisions under Cal. Gov. Code § 1090 et seq. (this includes Cal. Gov. Code § 1098) 3. Defendant states that material information in the affidavit or certificate is true even though he/she knew it was false. 4. When the defendant made the false statement, he/she intended to declare falsely.</td>
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<td>Cal. Gov. Code § 1098</td>
<td>see also Anaheim Municipal Code Charter, Article VII, Section 708.</td>
<td>Public Official's Disclosure of Confidential Information for Pecuniary Gain (Type of Self-Dealing)</td>
<td>California law specifically forbids public officials from disclosing confidential information for pecuniary gain.</td>
<td>1. Defendant is a public officer or employee. 2. Defendant acquires confidential information (that is not required to be disclosed by the Public Records Act) in the course of his or her official duties. 3. Defendant discloses the confidential information to a third party. 4. Use or disclosure of the confidential information will have, or could reasonably be expected to have, a material financial effect on any investment or interest in real property which the third party has at the time of the use or disclosure of the information. 5. Defendant does so willfully, knowingly, and for pecuniary gain.</td>
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<td>Cal. Gov. Code § 1099</td>
<td>See also CCP 803 (allows the attorney general to bring an action to enforce this section)</td>
<td>Public Official Holding Multiple Incompatible Public Offices</td>
<td>Holding multiple offices creates inherent conflicts of interest and divided loyalties. Accordingly, the law puts limitations on an official's ability to hold multiple offices at the same time.</td>
<td>1. Defendant is a public officer, including, but not limited to, an appointed or elected member of a governmental board, commission, committee, or other body 2. Defendant simultaneously holds two public offices that are incompatible. (Offices are incompatible when: (a) Either of the offices may audit, overrule, remove members of, dismiss employees of, or exercise supervisory powers over the other office or body; (b) Based on the powers and jurisdiction of the offices, there is a possibility of a significant clash of duties or loyalties</td>
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<td>Cal. Gov. Code § 1126</td>
<td>City of Anaheim Administrative Regulations, Chapter 2, A.R. 233</td>
<td>Public Official Engaging in Incompatible Outside Employment</td>
<td>An official can generally engage in outside employment, unless it is incompatible with the official's duties. The law requires the particular agency to define what constitutes incompatible outside employment.</td>
<td>1. Defendant is a local agency officer or employee (where &quot;local agency&quot; includes a city). 2. Defendant engages in an employment, activity, or enterprise that &quot;is inconsistent, incompatible, in conflict with, or inimical to his or her duties as a local agency officer or employee or with the duties, functions, or responsibilities of his or her appointing power or the agency by which he or she is employed . . .&quot;). (excerpt of Cal. Gov. Code § 1126) 3. The &quot;employment, activity, or enterprise&quot; was &quot;for compensation.&quot;</td>
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<tr>
<td>Cal. Gov. Code § 53232.2</td>
<td>Cal. Gov. Code §§ 53232.3, 53232.4; Cal. Penal Code § 424; City of Anaheim City Council Policy Manual, Sections 1.1 and 1.12</td>
<td>Public Official's Excessive Expense Reimbursement</td>
<td>An official is a steward of the public funds. He or she cannot be reimbursed for an expense unless the expense was &quot;actual and necessary&quot; in the official's performance of official duties. Local agencies are also required to provide regularly-scheduled ethics trainings on reimbursements to their local agency officials.</td>
<td>1. A local agency reimburses members of its legislative body for actual and necessary expenses incurred in the performance of official duties. 2. Defendant is a member of that legislative body. 3. Defendant falsifies an expense report to seek reimbursement for amounts not &quot;actual and necessary&quot; to the &quot;performance of official duties.&quot; OR 3. Defendant otherwise engages in a misuse of public resources in incurring expenses and obtaining reimbursement for activities not &quot;actual and necessary&quot; to the &quot;performance of official duties.&quot;</td>
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**NOTE:** if a local agency chooses to reimburse members of a legislative body for actual and necessary expenditures in the performance of official duties, "the governing body shall adopt a written policy, in a public meeting, specifying the types of occurrences that qualify . . . [for] reimbursement." (Cal. Gov. Code § 54964(b).) This is done through the City of Anaheim's City Council Policy Manual, Policy Nos. 1.1 and 1.12.
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<td>Cal. Gov. Code § 54950 et seq</td>
<td>(<a href="https://www.anahiem.net/2892/Council-Policies">https://www.anahiem.net/2892/Council-Policies</a>). Including: 54952.2, 54952.6, 54953; Cal. Gov. Code § 54959; Anaheim Municipal Code, Title 1, Chapter 1.11 (&quot;Sunshine Provisions&quot;); Ethics Training: Cal. Gov. Code § 53235, City of Anaheim City Council Policy Manual, Section 1.11 (<a href="https://www.anahiem.net/2892/Council-Policies">https://www.anahiem.net/2892/Council-Policies</a>).</td>
<td>The Brown Act: Failure to Conduct Government Business in the Open (a handbook about the Brown Act is available via the OAG's website: <a href="https://oag.ca.gov/open-meetings">https://oag.ca.gov/open-meetings</a>)</td>
<td>Transparency in government requires that all government business be conducted in the public eye. The Brown Act provides that: &quot;In enacting this chapter, the Legislature finds and declares that the public commissions, boards and councils and the other public agencies in this State exist to aid in the conduct of the people’s business. It is the intent of the law that their actions be taken openly and that their deliberations be conducted openly. The people of this State do not yield their sovereignty to the agencies which serve them. The people, in delegating authority, do not give their public servants the right to decide what is good for the people to know and what is not good for them to know. The people insist on remaining informed so that they may retain control over the instruments they have created.&quot; (Cal. Gov. Code § 54950.)</td>
<td>For CRIMINAL liability: 1. Defendant is a member of a legislative body. 2. Defendant attends a meeting where action is taken in violation of any provision of the Brown Act (some examples include: a &quot;meeting&quot; occurring without being open to the public or without proper notice to the public (including &quot;serial meetings&quot;), or if a meeting is permitted to be a &quot;closed session,&quot; without satisfying the reporting requirements for such a session; exceptions are listed in Cal. Gov. Code § 54952.2(b)(2)-(3) and (c)). 3. The action taken involves &quot;a collective decision made by a majority of the members of a legislative body, a collective commitment or promise by a majority of the members of a legislative body to make a positive or a negative decision, or an actual vote by a majority of the members of a legislative body when sitting as a body or entity, upon a motion, proposal, resolution, order or ordinance.&quot; 4. Defendant intends to deprive the public of information to which the member knows or has reason to know the public is entitled under the Brown Act.</td>
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<td>Cal. Gov. Code § 54964</td>
<td>Public Official's Use of Public Resources on Ballot Measure or Candidate Related Activities</td>
<td>Public officials and local agencies may take positions on ballot measures in open meetings where all points of view can be heard. However, public officials and agencies may not use public resources to engage in campaign type advocacy with respect to those positions.</td>
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<td>Cal. Gov. Code § 6253</td>
<td>Cal. Gov. Code §§ 6250-70; Anaheim Municipal Code, Title 1, Chapter 1.11 (&quot;Sunshine Provisions&quot;)</td>
<td>The Public Records Act: Failure to retain public records and/or failure to allow public access to public records (a summary document regarding the Public Records Act is available through the OAG's website: <a href="https://oag.ca.gov/sites/all/files/agweb/pdfs/publications/summary_public_records_act.pdf">https://oag.ca.gov/sites/all/files/agweb/pdfs/publications/summary_public_records_act.pdf</a>. There is also a training guide: <a href="https://oag.ca.gov/sites/all/files/agweb/pdfs/publications/pra.pdf">https://oag.ca.gov/sites/all/files/agweb/pdfs/publications/pra.pdf</a>)</td>
<td>Transparency in government requires that the people have access to materials created by government officials when conducting the people's business. Public records include written documents, images, computer data, e-mails, facsimiles, and photographs.</td>
<td>but it also seems it could be reasonably read in conjunction with Cal. Gov. Code § 53232.2 and related provisions, including the criminal penalties proscribed by those other sections (e.g., Cal. Penal Code § 424) 1. Defendant is a state or local agency. 2. Defendant receives a &quot;request for a copy of records that reasonably describes an identifiable record or records&quot; 3. Defendant fails to make the records available (including an exact copy if requested and not impracticable (Cal. Gov. Code § 6253)) OR 3. Defendant fails to assist the member of the public seeking records in identifying information responsive to a request and/or providing other suggestions for overcoming &quot;any practical basis for denying access to the records or information sought&quot; (Cal. Gov. Code § 6253.1) AND 4. The information sought is not exempt from disclosure (e.g. Cal. Gov. Code §§ 6254-6254.4.5, 6254.6; but see Cal. Gov. Code § 6254.5 (exceptions to exemptions)) OR it is not true that &quot;the public interest served by not disclosing the record clearly outweighs the public interest served by disclosure of the record&quot; (Cal. Gov. Code § 6255)</td>
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<td>Cal. Gov. Code § 8314</td>
<td>Cal. Penal Code § 424; Cal. Gov. Code § 36522; Anaheim Administrative Regulations, Chapter 4 - City Property, A.R. 400, 425</td>
<td>Public Official's Use of Public Resources for Private or Political Purposes</td>
<td>Using public resources for either personal or political purposes is illegal. &quot;Public resources&quot; include such things as: public funds, staff time; public equipment; and supplies. A separate statutory provision also specifically directs that if an officer or employee receives money for the city, the officer must &quot;deposit it immediately in the treasury in the manner prescribed by ordinance for the benefit of the funds to which it belongs.&quot; (Cal. Gov. Code § 36522.)</td>
<td>1. Defendant is an elected state or local official. 2. Defendant uses or permits others to use public resources (&quot;any property or asset owned by the state or any local agency&quot;). 3. Such use is knowingly for a campaign activity or personal or other purposes not authorized by law. 4. Such use is &quot;substantial enough to result in a gain or advantage to the user or a loss to the state or any local agency for which monetary value may be estimated,&quot; and is not &quot;incidental and minimal.&quot;</td>
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<td>Cal. Gov. Code § 84300-10</td>
<td>Political Reform Act Violations re Campaign Contributions (see also - other rows addressing subsections relating to such violations, including regarding Cal. Gov. Code § 84308, and regarding Anaheim's Municipal Code and campaign contribution disclosures)</td>
<td>Anaheim's administrative regulations similarly make clear that &quot;[a]ll materials owned by the City are to be utilized only for City purposes. Use of materials owned by the City for personal use is expressly prohibited.&quot; (A.R. 400 at p. 5 (p. 251 of .pdf document)). Anaheim also has administrative regulations regarding &quot;surplus&quot; or &quot;obsolete&quot; materials and how they must be handled by the City. From Witkin, Crimes Against Governmental Authority, Section 146 (X. Election Offenses - A. In General): &quot;The Political Reform Act . . . contains provisions requiring political campaigns to file periodic reports disclosing specified information regarding contributions and expenditures, and requiring slate mailing organizations to file specified reports and statements. (Govt.C. 84100 et seq.; . . . .) The statute prohibits contributions and expenditures of $100 or more in cash (Govt.C. 84300), contributions made in a name other than the donor's legal name (Govt.C. 84301), contributions by agents unless they make certain disclosures (Govt.C. 84302), unreported expenditures by agents or independent contractors (Govt.C. 84303), anonymous contributions of $100 or more in a calendar year (Govt.C. 84304), mass mailings that are not properly identified as to the name and address of the sender (Govt.C. 84305), unreported receipt of contributions by</td>
<td>[JK would be happy to study and/or further elaborate on any of the code sections described upon request.]</td>
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<td>Cal. Gov. Code § 84308</td>
<td>Cal. Gov. Code § 91000 et seq.</td>
<td>Public Official Making Decisions Based on Campaign Contribution Bias</td>
<td>As a general rule, the receipt of campaign contributions is not perceived as giving rise to a duty to disqualify for bias. An official does have an ethical duty to make independent decisions not swayed by the fact or promise of a political contribution. In certain licensing and permitting decisions, however, a local agency official must disqualify himself or herself if the official has received cash or in-kind contributions worth more than $250 during the previous twelve months from any party or participant in the proceeding. Additionally, it is illegal to receive or solicit campaign contributions worth more than $250 from any party in a license or permit proceeding while the proceeding is pending and for three months after the proceeding.</td>
<td>1. Defendant is an officer of an &quot;agency,&quot; where definition of &quot;agency&quot; EXCLUDES &quot;local governmental agencies whose members are directly elected by the voters&quot; (unless a person is a member of an exempted agency but acting as a voting member of another nonexempt state agency or local government agency) 2. Defendant accepted, solicited, or directed a contribution of more than $250 from any party or participant while a proceeding involving a license, permit, or other entitlement for use is pending before the agency and for three months following the date of a final decision. [NOTE: this amount of time will change to 12 months on 1/1/2023]</td>
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<td>Cal. Gov. Code § 86203</td>
<td>Cal. Gov. Code §§ 89503, 89506; Cal. Gov. Code § 91000 et seq.; City of Anaheim City Council Policy Manual, Section 1.2 (<a href="https://www.anaheim.net/2892/Council-Policies">https://www.anaheim.net/2892/Council-Policies</a>)</td>
<td>Public Official Receiving Excessive Gifts; Non-Disclosure of Acceptable Gifts</td>
<td>To avoid the appearance that political favors are being bought with gifts, there is an annual limit on the aggregate value of gifts a public official can receive from a single source. Officials must also report gifts over a certain amount.</td>
<td>1. Defendant (an individual) knowingly receives a gift or gifts. 2. The gift(s) aggregate(s) to more than ten dollars in a calendar month 3. The gift(s) was/were given, or arranged for the making, by a lobbyist or lobbying firm (or their intermediary or agent).</td>
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| Cal. Gov. Code § 86204 | | Political Reform Act Violations re Gifts from Lobbyists | Lobbyists are prohibited from giving gifts with an aggregate worth of over $10 per month to agency officials (including of local government agencies), and it is also unlawful for a person to knowingly accept such gifts. | 3. Defendant does so when he/she, or his/her immediate family member, "knowingly takes actual possession of the gift, is provided the benefit of the gift, or takes any action exercising direction or control of the gift."

(NOTE: these sections do not apply to "[p]ayments, advances, or reimbursements for travel . . . that is reasonably related to a legislative or governmental purpose" or public policy and meets certain specifications, including being reported on the recipient's statement of economic interests (Cal. Gov. Code § 89506).)

1. Defendant receives a gift or gifts (where a "gift" was required to be listed on the registration statement of a lobbying firm or lobbyist).
2. The gift or gifts were (a) given by a lobbyist or lobbying firm acting either independently or as an intermediary for another person or (b) arranged by the lobbyist or lobbying firm to be given by another.
3. The value of the gift(s) to Defendant aggregate more than ten dollars in a calendar month.
4. Defendant receives the gift(s) knowingly. |
| Cal. Gov. Code § 87103; Cal. Gov. Code § 91000 et seq. | | Conflict of Interest for Public Official (and handbook regarding conflicts of interest is available via the OAG's website: https://oag.ca.gov/conflict-interest) | A public official may not make, participate in, or influence a governmental decision that will have a reasonably foreseeable and material financial effect on the official, the official's immediate family, or any of the official's financial interests. | 1. Defendant is a public official
2. Defendant makes, participates in making, or otherwise attempts to use his/her official position to influence a governmental decision.
3. Defendant knows or has reason to know that he/she has a financial interest in the governmental decision.
4. It is reasonably foreseeable that the governmental decision may have a financial effect different from its effect on the public generally, including on any donor of (or intermediary or agent for a donor of) a gift or gifts aggregating a certain monetary value ($250 at the time of the statute's enactment) provided to, received by, or promised to Defendant within 12 months prior to the time when the decision is made.
5. Defendant's participation was not legally required for the action or decision to be made.

NOTE: "elected public officials" are not subject to criminal prosecution under this title (see Cal. Gov. Code § 87102.5). Instead, if their action falls specifically under the list of conduct provided by Cal. Gov. Code § 87102.5, they are subject to investigation by the commission created by this chapter of the government code (Cal. Gov. Code § 83100 et seq.) (Conflicts of interest can instead be prosecuted for elected public officials under Cal. Gov. Code § 1090, assuming they meet the requirements of that chapter). |
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<tr>
<td>Cal. Gov. Code § 87200 et seq</td>
<td>Cal. Gov. Code § 91000 et seq.</td>
<td>Public Official's Non-Disclosure of Economic Interests</td>
<td>In order to shine a light on an official’s potential conflicts, he or she must disclose sources of income, real property interests, investment, business positions; and sources of gifts.</td>
<td>1. Defendant is a candidate for public office, a newly elected and appointed public official, a previously elected public official, or a person leaving public office within the last 30 days. 2. Defendant fails to file a statement disclosing his/her investments, interests in real property, and income during the relevant time period (where the relevant time period depends on what category defendant falls under for element 1); OR 2. Defendant submitted a required financial statement under penalty of perjury. 3. Defendant willfully stated that the information was true even though he/she knew it was false or incomplete. 4. Defendant knew he/she was making the statement under oath or penalty of perjury. 5. When the defendant made the false statement, he/she intended to declare or testify falsely while under oath.</td>
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<td>Cal. Gov. Code § 87407</td>
<td>Cal. Gov. Code § 87406; Cal. Gov. Code § 91000 et seq.; Anaheim Municipal Code, Title 1, Chapter 1.11 (&quot;Sunshine Provisions&quot;), Section 1.11.080</td>
<td>Using Official Position to Advance Private Future Employment; Post-Government Employment Restrictions</td>
<td>Public officials may not influence agency decisions when the interests of a prospective employer are at stake. In addition, revolving door laws regulate an official's actions even after he or she leaves office. In order to prevent public officials from trading on past relationships and from using insider information, elected officials and chief executives who leave government service must not represent people for pay before their former agencies for one year after leaving their agency.</td>
<td>1. Defendant is a public official. 2. Defendant makes, participates in making, or uses his/her official position to influence any governmental decision directly relating to any person with whom the public official is negotiating, or has any arrangement concerning, prospective employment. 1. Defendant was an elected state officer who has left office within the past year and has not become an officer or employee of another state agency or an official holding an elective office of a local government agency. 2. Defendant, for compensation, acts as agent or attorney for, or otherwise represents any other person by making any formal or informal appearance or communication before the legislature. 3. The appearance or communication was made with the purpose of influencing administrative action, or influencing any action or proceeding involving the issuance, amendment, awarding, or revocation of a permit, license, grant, or contract, or the sale or purchase of goods or property.</td>
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<td>Cal. Gov. Code § 87460</td>
<td>Cal. Gov. Code § 91000 et seq.</td>
<td>Public Official Receiving Personal Loans Within the Agency</td>
<td>California law prohibits a public official from receiving a personal loan from any other official, employee, or consultant of the official's agency.</td>
<td>1. Defendant is an elected officer of a state or local government agency. 2. Defendant receives a personal loan from any officer, employee, member, or consultant of, or person who has a contract with, that state or local government agency or over which the elected officer's agency has direction and control. 3. Where a &quot;loan&quot; does not include: (1) loans made to the campaign committee of an elected officer, (2) loans made by certain types of family</td>
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<tr>
<td>Cal. Gov. Code § 89001</td>
<td>Cal. Gov. Code § 91000 et seq.</td>
<td>Public Official Sending Mass Mailings at Public Expense</td>
<td>It is a misuse of public resources if government officials use public funds to pay for mass mailings to constituents as a stealth mode of campaigning. It is also deemed unfair if incumbents have access to free means of communicating with voters, not available to other candidates. Accordingly, California law prevents public officials from making mass mailings at public expense.</td>
<td>1. More than 200 substantially similar tangible items are delivered, by any means, to recipients' residences, places of employment or business, or post office boxes (unless they fall under the list of exceptions under Cal. Gov. Code § 89002(b)). 2. The items either feature an elected officer &quot;affiliated with&quot; the agency that produces or sends the mailings OR the items include the name, office, photograph, or other reference to an elected officer &quot;affiliated with&quot; the agency that produces or sends the mailing, and is prepared or sent in cooperation, consultation, coordination, or concert with the elected officer. 3. The costs of distribution are paid with public money OR the costs of design, production, and printing exceeding $50 are paid with public moneys. NOTE: emails, text messages, and other forms of electronic communication are not subject to this statutory provision.</td>
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<td>Cal. Gov. Code § 89502</td>
<td>Cal. Gov. Code § 91000 et seq.</td>
<td>Public Official Receiving Honoraria</td>
<td>Giving a speech, writing an article, or attending a public or private conference, convention, meeting, or social event are considered part of a public official's job. Accordingly, no public official may receive outside payment for these activities.</td>
<td>1. Defendant is an elected state officer, an elected officer of a local government agency, or another type of individual as specified by Cal. Gov. Code § 87200 2. Defendant accepts payment made in consideration for any speech given, article published, or attendance at any public or private conference, convention, meeting, social event, meal, or like gathering. 3. Defendant does not, within 30 days after receipt, either return to the donor or deliver to the Defendant's agency for donation to a fund equivalent to the General Fund, without being claimed as a deduction for tax purposes.</td>
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<td>Cal. Labor Code §§ 1102.5</td>
<td>Cal. Labor Code §§ 1102.6, 1103, 1106; City of Anaheim Administrative Regulation Nos. 130, 243 (<a href="https://www.anah">https://www.anah</a> eim.net/2896/Administrative-Regulations)</td>
<td>Retaliation against whistle blowers</td>
<td>To help ensure compliance with the ethics laws, California whistle-blowing legislation make it unlawful for public employers to retaliate against employees who inform about ethics violations or who refuse to participate in unlawful activities.</td>
<td>1. An employee has reasonable cause to believe that their employer (including through the acts of the employer's managers, officers, agents, and employees) has violated or not complied with a local, state, or federal law. 2. The employee discloses information based on that belief to a person with authority over the employee or another employee who has the authority to investigate, discover, or correct the violation or non-compliance. (It does not matter whether the disclosure occurs as part of the employee's job duties.) 3. The employee is subject to an adverse employment action. 4. The employee proves by a preponderance of the evidence that the employee's protected whistleblowing as a &quot;contributing factor&quot; to the adverse employment action.</td>
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<tr>
<td>Cal. Pen. Code § 118</td>
<td>Cal. Pen. Code § 126</td>
<td>Perjury</td>
<td>It is a crime to willfully and knowingly make a false statement under oath about a material fact.</td>
<td>5. Once an employee has established points 1-4, the employer has an opportunity to demonstrate by clear and convincing evidence that the alleged adverse employment action would have occurred for legitimate, independent reasons even if the employee had not engaged in protected whistleblowing activities.</td>
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<td>Cal. Pen. Code § 135</td>
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<td>Destroying or Concealing Evidence</td>
<td>This penal code section is similar to that for Evidence Tampering, but only requires an intent to prevent the destroyed contents from being produced. It is punishable as a misdemeanor.</td>
<td>1. Defendant took an oath to declare or certify or testify (etc) truthfully before a competent tribunal, officer, or person under circumstances in which the oath of the State of California lawfully may be given (OR Defendant gave a statement under penalty of perjury). 2. Defendant willfully stated that the information was true even though he/she knew it was false. 3. The information was material. 4. Defendant knew he/she was making the statement under oath or penalty of perjury. 5. When the defendant made the false statement, he/she intended to declare or testify falsely while under oath.</td>
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<td>Cal. Pen. Code § 136.1</td>
<td>Cal. Pen. Code §§ 133 (Written False Statement to Deceive a Witness), 137(a), 138(a) (Giving or Offering a Bribe to a Witness); Cal. Pen. Code § 138(b) (Witness Receiving a Bribe); and Cal. Pen. Code § 137(b) (Influencing a Witness by Fraud)</td>
<td>Witness Tampering (also referred to as &quot;Intimidating a Witness&quot;)</td>
<td>There are numerous forms of witness interference or witness tampering, including some involving bribery of a witness or other means to either influence the nature of a witness's testimony or prevent a witness from providing any testimony. Elements of one general &quot;flavor&quot; are provided here, but more can be added (they have slightly different elements).</td>
<td>1. Defendant knew he/she was trying to prevent or discourage the person from cooperating or providing information, and intended to do so.</td>
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<td>Cal. Pen. Code § 141</td>
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<td>Evidence Tampering</td>
<td>This penal code section is similar to that for Destroying or Concealing Evidence, but requires a more specific intent, i.e. someone else being charged with a crime or the incorrect information being wrongfully produced as true at trial. It is punishable as a felony.</td>
<td>1. Defendant willfully, intentionally, and wrongly changed/planted/placed/hid/etc [evidence]. 2. Defendant knew he/she was changing/planting/placing/hiding/etc [the evidence]. 3. When the Defendant did so, he/she intended that his/her action would result in [someone being charged with a crime or [the evidence] being wrongfully produced as genuine or true in a trial, proceeding, or inquiry].</td>
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<td>Cal. Pen. Code § 182</td>
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<td>Conspiracy</td>
<td>In addition to being charged for committing a crime itself (or attempting to), a Defendant can be charged if he/she was part of a conspiracy with others to commit a crime (even if the co-conspirators were again ultimately unsuccessful in committing the crime). It is a crime to conceal the origin of money obtained through criminal means by transacting it through a financial institution.</td>
<td>1. Defendant intended to agree and did agree with others to commit [crime]. 2. At the time of the agreement, Defendant and the other alleged members of the conspiracy intended that one or more of them would commit [crime]. 3. Member and/or one of the alleged members of the conspiracy committed overt acts to accomplish [crime]. 4. At least one of these overt acts was committed in California</td>
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<td>Cal. Pen. Code § 186.9</td>
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<td>Money Laundering</td>
<td>It is a crime to conceal the origin of money obtained through criminal means by transacting it through a financial institution.</td>
<td>1. Defendant conducted one or more financial transactions involving at least one monetary instrument through at least one financial institution. 2. The financial transaction involved a monetary instrument with a total value of more than $5,000 OR multiple financial transactions took place within a 7-day period and involved more than $5,000 OR the financial transactions took place within a 30-day period and involved more than $25,000. 3. When Defendant did so, he/she intended to promote, manage, establish, etc criminal activity OR knew that the monetary instruments represented the proceeds of criminal activity.</td>
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<td>Cal. Pen. Code § 30, 31</td>
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<td>Aiding and Abetting (including of Intended Crimes or under the &quot;Natural &amp; Probable Consequences Doctrine&quot;)</td>
<td>A person can be guilty of committing a crime if he/she directly committed the crime OR if he/she aided and abetted a perpetrator who directly committed the crime.</td>
<td>1. A perpetrator committed a crime. 2. Defendant knew that the perpetrator intended to commit the crime. 3. Before or during the commission of the crime, Defendant intended to aid and abet the perpetrator in committing the crime. 4. Defendant's word or conduct did in fact aid and abet the perpetrator's commission of the crime.</td>
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NOTE: if these requirements are met, Defendant need not have been present when the crime was committed to be guilty as an aider and abettor. It is a defense, however, if Defendant withdraws before the crime is committed by (1) notifying all involved that he or she is no longer participating and (2) doing everything reasonably within his or her power to prevent the crime from being committed.
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<td>Cal. Pen. Code § 32</td>
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<td>Accessory to a Felony</td>
<td>A person can be guilty of aiding another after the other person has committed a crime, by helping them to escape arrest, trial, conviction, or punishment for their crime.</td>
<td>1. Another person (&quot;the perpetrator&quot;) committed a felony 2. Defendant knew that the perpetrator had committed a felony or that the perpetrator had been charged with or convicted of a felony. 3. After the felony was committed, Defendant harbored, concealed, or aided the perpetrator. 4. When Defendant acted, he/she intended the perpetrator to avoid or escape arrest, trial, conviction, or punishment.</td>
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<td>Cal. Pen. Code § 424</td>
<td>Cal. Pen. Code 503, 504, 514 (&quot;if the embezzlement . . . is of the public funds of the United States, or of this state, or of any county or municipality within this state, the offense is a felony, and is punishable by imprisonment in the state person; and the person so convicted is ineligible thereafter to any office of honor, trust, or profit in this state.&quot;); Cal. Pen. Code 799 (no statute of limitations)</td>
<td>Misappropriation of Public Funds by Public Official or Trustee of Public Funds.</td>
<td>It is a criminal offense for a public official OR a someone who otherwise is a trustee of public funds to misappropriate or embezzle public funds. Certain other government code sections reference this code section in terms of applicable criminal enforcement.</td>
<td>1. Defendant is a public official or is a person who has been &quot;charged with the receipt, safekeeping, transfer, or disbursement of public moneys&quot; 2. Defendant, while responsible for receiving, safekeeping, transferring or distributing public money: - took some of that money for his/her own or someone else's use without legal authority; - loaned, made a profit from, or used some of that money without legal authority; - knowingly kept a false account or made a false entry or erasure in any account of the money; - fraudulently changed, falsified, hid, destroyed, or obliterated an accounting of that money; - [other alternatives omitted] 3. When Defendant did so, he/she knew that he/she was not following the law on receiving, safekeeping, transferring or distributing public money or was acting without legal authority or was criminally negligent in failing to know the legal requirements for or restrictions on his/her conduct.</td>
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<td>Cal. Pen. Code § 484</td>
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<td>Theft by Fraud, Deceit or Trick</td>
<td>Theft by larceny includes largely the same requirements as theft by fraud or deceit, except that instead of obtaining the owner's consent through fraud or deceit, the property is taken without the owner's consent. (See e.g. CALCRIM No. 1800)</td>
<td>1. Defendant obtained property he/she knew was owned by someone else; 2. The property owner consented to possession of the property because Defendant used fraud or deceit; 3. When Defendant obtained the property, Defendant intended to deprive the owner of it permanently or to remove it from the owner’s possession for so extended a period of time that the owner would be deprived of a major portion of the value or enjoyment of the property;</td>
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### Addendum 2 - 19

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<td>Cal. Pen. Code § 503, 504</td>
<td>Embezzlement of Public Funds</td>
<td>Cal. Penal Code 503 generally refers to embezzlement of money from any source, but Cal. Penal Code 514 specifically notes that the embezzlement of public funds is a felony. This is essentially the same offense that can also be charged under Cal. Penal Code 424, except that Cal. Penal Code 424 also covers misappropriation, which does not include some of the same intent requirements as embezzlement (see other row regarding 424).</td>
<td>4. Defendant kept the property for any length of time; AND 5. The owner did not intend to transfer ownership of the property.</td>
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<td>Cal. Pen. Code § 518</td>
<td>Extortion</td>
<td>Extortion occurs when a public official wrongfully uses his or her public position to obtain a benefit.</td>
<td>1. Defendant was responsible for receiving, safekeeping, transferring or distributing [public] money. 2. Defendant fraudulently converted or used the money for his/her own benefit. 3. Defendant intended to deprive the [owner/public] of the money's use.</td>
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<td>Cal. Pen. Code § 532a(1)</td>
<td>False Financial Statements</td>
<td>As another specific flavor of perjury, it is illegal to make false financial statements to obtain property, money, or other benefit.</td>
<td>1. Defendant made or caused to be made a false written statement about the financial condition or means or ability to pay off another person, firm, or corporation in which the defendant had an interest or for which the defendant was acting. 2. Defendant knew the statement was false 3. Defendant intended that the statement be relied on.</td>
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<td>Reaffirming a False Financial Statement)</td>
<td>Solicitation</td>
<td>A person can also be guilty of soliciting another to commit a crime or to join in the commission of a crime.</td>
<td>1. Defendant asked another person to commit or join in the commission of [crime (crimes that may be the target of a solicitation are listed in Cal. Penal Code § 653f)]. 2. Defendant intended that [crime] be committed. 3. The other person received the communication containing the request. 4. Defendant took a direct but ineffective step toward committing [crime] (beyond planning or preparation, and showing that Defendant was putting a plan in motion) 2. Defendant intended to commit [crime] NOTE: that Defendant took a step toward committing a crime but then abandoned further efforts is not a defense.</td>
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<td>Cal. Pen. Code § 653f</td>
<td>Attempt</td>
<td>In addition to being charged for committing a crime itself, for most crimes, a Defendant can be charged with attempting that crime if Defendant took steps toward committing the crime but was ultimately unsuccessful in committing it.</td>
<td>1. Defendant was a member of a legislative body of State/City/County. 2. Defendant requested/took/agreed to cast his/her vote in consideration of the vote of another listed public official. 3. Defendant expressly or impliedly represented that such vote trading would unlawfully influence his/her official act/decision/etc. 4. Defendant acted with the corrupt intent that his/her public or official duty would be unlawfully influenced.</td>
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<td>Cal. Pen. Code § 86</td>
<td>Public Official's Vote Trading</td>
<td>It is illegal in California for a public official to vote or offer to vote in a certain manner in exchange for another public official's vote on the same or another matter before the body.</td>
<td>1. Defendant was a member of a legislative body of State/City/County. 2. Defendant requested/took/agreed to cast his/her vote in consideration of the vote of another listed public official. 3. Defendant expressly or impliedly represented that such vote trading would unlawfully influence his/her official act/decision/etc. 4. Defendant acted with the corrupt intent that his/her public or official duty would be unlawfully influenced.</td>
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<td>Cal. Pen. Code §§ 85 (bribing a member of a legislative body) 67 (bribing an &quot;executive officer&quot;), 67.5 (bribing a &quot;ministerial officer&quot;), 68 (an executive or ministerial officer taking a bribe); 70 (public officer's solicitation or bribery (incl of or by Public Official)</td>
<td>A bribe occurs when something of value is conferred on a public official in exchange for a promise of official action (or inaction). Asking for official favors by a briber, asking for a bribe by a public official, and receiving a bribe by an official are all illegal activities. There are many different statutory provisions related to bribery, but they generally include the same elements, dictated by the definition of the word &quot;bribe&quot; early in the penal code. (Cal. Pen. Code § 7(6).) Bribing the member of a legislative body includes the same</td>
<td>Requesting or taking a bribe (e.g., Cal. Penal Code 68, 86): 1. Defendant was an executive officer or ministerial officer or member of a legislative body of State/City/County. 2. Defendant requested/took/agreed to take a bribe. 3. When taking the bribe, Defendant expressly or impliedly represented that the bribe would unlawfully influence his/her official act/decision/etc. 4. Defendant acted with the corrupt intent that his/her public or official duty would be unlawfully influenced. Bribing a public official (e.g., Cal. Penal Code 67, 67.5, 85): 1. Defendant gave or offered a &quot;bribe&quot; to an executive officer or ministerial officer or member of a city legislative body in this state. 2. Defendant acted with the &quot;corrupt intent&quot; to unlawfully influence that officer's official act/decision/vote/opinion.</td>
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<td>acceptance of &quot;any emolument, gratuity, or reward, or any promise thereof&quot;), 165 (bribing local officials)</td>
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<td>elements of a bribe to an executive or ministerial officer, but also involves additional (including financial) penalties.</td>
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<td><strong>Cal. Public Contract Code § 20100-22178</strong></td>
<td>Anaheim Municipal Code, Title 1, Chapter 1.04, Sections 1.04.240-1.04.310; Anaheim Charter, Article XII, Sections 1206, 1211-12; Anaheim Administrative Regulations 300, 345 (available here: <a href="https://www.anaheim.net/2896/Administrative-Regulations">https://www.anaheim.net/2896/Administrative-Regulations</a>); Anaheim City Council Policy Manual, Section 4.0 (available here: <a href="https://www.anaheim.net/2892/Council-Policies">https://www.anaheim.net/2892/Council-Policies</a>)</td>
<td>Unfair Contractual Bidding Practices for Public Works Contracts Solicited by Local Agencies</td>
<td>The public has a right to the best services and products available for the best price. In addition, all citizens, including contractors, have the right to be treated fairly. Public contracting laws are designed to promote competition and to avoid favoritism, partisanship, and/or corruption in the bidding process. Specific subsections of California's public contracting laws relate to public works contracts solicited by local agencies (involving $5,000 or more). Otherwise, the local agency's ordinances and other resolutions generally dictate the agency's practices for other non-public-works types of contracts.</td>
<td>Anaheim requires a competitive bidding process for all projects $50,000 or more and approval of the City Council for all projects $100,000 or more, except that Anaheim's standard purchasing procedures (as stated in its City Council Policy Manual, Section 4.0) do not apply to the following, which are governed by other procedures/processes: A. Any contract governed by and subject to the requirements of Section 1211 of the Charter of the City of Anaheim. [Contracts on Public Works, which are also covered by Cal. Public Contract Code] B. Any contract for legal or other professional services, or for services governed by the provisions of City Council Policy 4.1. [contracts for professional consultant services, where the City Manager is authorized to execute the contract unless it exceeds $200,000 (then, it needs City Council approval)] C. The procurement of supplies, materials, equipment or services for which the Purchasing Agent is not responsible, as described in Section 1.04.310 of the Anaheim Municipal Code. [various exemptions, including &quot;technical and special advisory or engineering services procured by the City Council&quot; and &quot;purchases made pursuant to the authority of the City Manager&quot;] D. Any contract made on behalf of the City by the City Manager, pursuant to the authority set forth in Section 518 of the Charter of the City of Anaheim. [permits, among other things, the City Council to authorize the City Manager to bind the city for supplies, services, etc &quot;within the budget approved by the City Council.&quot; ] E. Any contract as to which the provisions of this policy have been waived at any time prior to the award of the contract by a duly adopted motion of the</td>
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| Cal. Rev. & Tax. Code § 19701 | Cal. Rev. & Tax. Code §§ 19705, 19706 | Filing of False Tax Return | The California Tax Code makes it a crime to engage in tax fraud, and makes it a felony to willfully and intentionally submit information and/or file a false tax return with the Franchise Tax Board, including for the purpose of specifically evading taxes. | City Council.  
F. Any contract awarded by the Purchasing Agent using pre-established cooperative purchasing agreements, or a pre-existing contract of another government agency, when such agreements or contracts resulted from competitive bids that would meet the bidding requirements of City purchasing regulations. Such agreements or contracts may be used in lieu of competitive bidding by the City when their solicitation was for equal or greater quantities of like items or services, purchased under similar terms and conditions, and the Purchasing Agent determines it is in the best interest of the City to do so.  
1. Defendant made, verified, signed, or rendered a tax return to the Franchise Tax Board over a period of two years or more.  
2. Information in the tax return was false.  
3. When Defendant made, verified, signed, or rendered the tax return, he/she knew that it contained false/fraudulent information.  
4. Defendant's making, verifying, signing, or rendering of the false/fraudulent tax return resulted in an estimated delinquent tax liability of at least fifteen thousand dollars.  
Higher penalties/liability may be present (without the 2 years or more of filing or $15,000 delinquent tax liability requirement) if (1) Defendant willfully verified the false tax return under penalty of perjury, OR (2) Defendant willfully intended to unlawfully evade paying a tax in his/her submission of the false information / tax return. It is also a crime to aid or abet the preparation of a false tax return. |
| California Constitution, Article XVI, § 6 | Gift of Public Funds | Prohibits public agencies from making a gift of public funds to any individual (including public employees), corporation, or even to another government agency. “It is well settled that the primary question to be considered in determining whether an appropriation of public funds is to be considered a gift is whether the funds are to be used for a public or private purpose. If they are to be used for a public purpose, they are...
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|              |               |       | not a gift within the meaning of this constitutional prohibition. [Citation.]
|              |               | Crime | [Citation.]’ [Citation.]” (Jordan v. Department of Motor Vehicles (2002) 100 Cal.App.4th 431, 450, 123 Cal.Rptr.2d 122.) Importantly, “[t]he determination of what constitutes a public purpose is primarily a matter for the Legislature, and its discretion will not be disturbed *638 by the courts so long as that determination has a reasonable basis. [Citations.]” (County of Alameda v. Carleson (1971) 5 Cal.3d 730, 746, 97 Cal.Rptr. 385, 488 P.2d 953.) Sturgeon v. Cnty. of Los Angeles, 167 Cal. App. 4th 630, 637–38, 84 Cal. Rptr. 3d 242, 248 (2008), as modified on denial of reh’g (Nov. 7, 2008) superseded by statute on other grounds 242 Cal. App. 4th 1437 (2015) |               |