

Item #10a - Enforcement Report



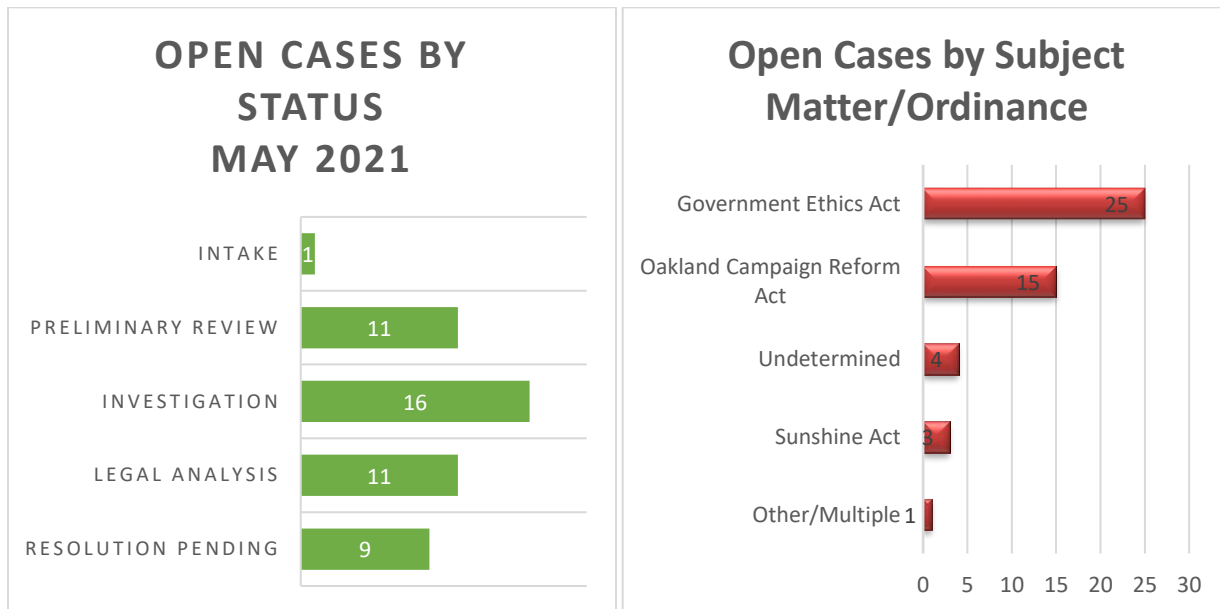
Michael McDonald, Chair
Jerett Yan, Vice-Chair
Avi Klein
Arvon Perteet
Joseph Tuman

Whitney Barazoto, Executive Director

TO: Public Ethics Commission
FROM: Kellie Johnson, Enforcement Chief
DATE: April 21, 2021
RE: Enforcement Program Update for the May 3, 2021, PEC Meeting

Current Enforcement Activities:

Since the last Enforcement Program Update on April 5, 2021, Commission staff received one complaint. This brings the total Enforcement caseload to 48 open cases: 12 matter(s) in the intake or preliminary review stage, 16 matters under active investigation, 11 matters under post-investigation analysis, and 9 matters in settlement negotiations or awaiting an administrative hearing.



Summary of Current Cases:

Since the last Enforcement Program Update in April 2021, the following status changes have occurred.

1. ***In the Matter of Everett Cleveland Jr. (Case No. 20-03 (a))***. On or about January 7, 2020, Former Assistant City Administrator Maraskeisha Smith reported to the PEC Staff that the City Attorney had contacted her about Housing Development Coordinator, Everett Cleveland Jr.'s alleged violation of the Government Ethics Act. She was notified by letter from the Oakland City Attorney that Everett Cleveland Jr. violated conflicts of interest ordinances when he decided or participated in deciding the award of funds by HCD to a nonprofit housing developer under the 2019 "Notice of Funding Availability" (NOFA) program. Cleveland had taken part in the decision-making process regarding NOFA applications submitted by a nonprofit housing development company called Community Housing Development Corporation, whose executive director, Don Gilmore is Cleveland's father-in-law. The PEC investigation found that Cleveland influenced or attempted to influence the review of NOFA applications submitted by CHDC. The investigation also found that Cleveland, although required to file an annual Statement of Economic Interest in 2019, failed to file a Form 700. At its April 5, 2021, meeting the Commission approved the Staff's request to offer a Diversion agreement to the Respondent. After reviewing the facts, Staff recommends that the PEC approve a Diversion Agreement and require an \$600 Diversion payment. (See Action Items)
2. ***In the Matter of Norma Thompson (Case No. 20-03(b))***. On or about January 7, 2020, this matter was referred to the PEC by the City of Oakland's Assistant City Administrator Marakiesha Smith. Smith had received a letter from the Oakland City Attorney that informed her that Norma Thompson, a City of Oakland Housing Community Development staff member, violated conflicts of interest rules when she decided or participated in deciding the award of funds by HCD to a nonprofit housing developer under the 2019 "Notice of Funding Availability" (NOFA) program. The allegation was that Thompson was working as a paid consultant for Community Housing Development Corporation at the time that she took part in the decision-making process regarding CHDC's 2019 NOFA applications. The investigation also found that Thompson failed to file a Form 700 when she rejoined the City in 2019; that she failed to file a Form 700 upon leaving office; and that she violated the City of Oakland revolving-door provisions of the Government Ethics Act through her consulting work with CHDC. At its April 5, 2021, meeting the Commission declined to approve the Staff's request to offer a Diversion agreement to the Respondent. The Commission, instead, suggested changes to provisions of the Diversion agreement. After reviewing the facts, the law and taking into consideration the Commission suggestions, the Staff recommends that the PEC approve a Diversion Agreement and require an \$800 Diversion payment. (See Action Items)

3. ***In the Matter of the City of Oakland Building and Planning Department and Jeremy Stroup (Case No.21-03)***. On February 8, 2021, the Public Ethics Commission received a complaint that alleged the City Planning and Building Department with a representative from the Verizon Telephone Company, Jeremy Stroup violated a provision of the Government Ethics Act when hosting a community meeting about a neighborhood antenna installation. The Complaint further alleged that Stroup and Verizon placed signs at the entrance of the meeting that implied that the City was in partnership or agreement with the projects being discussed at the meeting prior to the Planning Department approving the plans. Staff completed its review and investigation of the matter and after reviewing the facts, relevant law and Enforcement Procedures, and contacted the complainant about the preliminary review at which time the Complainant made a request to withdraw the Complaint. The Complaint was withdrawn. (See Attachments)