



Regular Meeting Agenda

Monday, August 24, 2026

5:30 PM

Regular Meeting Agenda

City Hall Complex, 915 I Street, Sacramento, CA 95814

Ethics Commission

Alan LoFaso, Chair
Nicole Velasquez, Vice Chair

Annette Emery
Michael Robert Kelly
Maikhou Thao

Open Session**Roll Call****Land Acknowledgement****Pledge of Allegiance****Consent Calendar**

All items listed under the Consent Calendar are considered and acted upon by one Motion.

1. Approval of Ethics Commission Meeting Minutes

File ID: 2026-00071

Location: Citywide

Recommendation: Pass a **Motion** approving Ethics Commission Meeting Minutes dated June 22, 2026.

Contact: Jacob Bredberg, Administrative Analyst, (916) 808-6846, jbredberg@cityofsacramento.org; Mindy Cuppy, City Clerk, (916) 808-5441, mcuppy@cityofsacramento.org; Office of the City Clerk

Attachments: [2026-00071 STAFF REPORT](#)

2. Ethics Commission Complaint Log

File ID: 2026-00246

Location: Citywide

Recommendation: Pass a **Motion** approving the Ethics Commission Complaint Log.

Contact: Mindy Cuppy, City Clerk, (916) 808-5442, mcuppy@cityofsacramento.org, Office of the City Clerk

Attachments: [2026-00246 STAFF REPORT](#)

Discussion Calendar**3. Receive Independent Evaluator's Report and Conduct Hearing Related to a Complaint Before the Sacramento Ethics Commission Alleging a Violation of the Levine Act and of the City of Sacramento Municipal Code Campaign Contribution Limits by Mayor Kevin McCarty (Noticed 08/13/2026)**

File ID: 2026-01361

Location: Citywide

Recommendation: Conduct a public hearing and upon conclusion: 1) pass a **Motion** receiving the Independent Evaluator's Report; and 2) take one or more of the following actions, pursuant to Section 5.5 of the Sacramento Ethics Commission Procedures: a) pass a **Motion** directing the Evaluator to conduct further investigation and report back to the Commission; b) adopt a **Resolution** finding that sufficient evidence does not exist to establish that a violation occurred and ordering that the complaint be dismissed; c) adopt a **Resolution** finding that sufficient evidence exists to establish that a violation occurred and including one or more of the actions authorized by Section 5.6; and/or d) pass a **Motion** referring the complaint to the Fair Political Practices Commission (FPPC) or another governmental agency that may more appropriately resolve the allegations in the complaint or enforce the applicable provisions of law and directing the City Clerk or City Attorney to send a copy of all relevant information to the FPPC or the agency along with the referral.

Contact: Mindy Cuppy, City Clerk, (916) 808-5442, mcuppy@cityofsacramento.org, Office of the City Clerk

Attachments: [2026-01361 STAFF REPORT](#)

Commissioner Comments-Ideas and Questions**Public Comments-Matters Not on the Agenda****Adjournment**

Where to Find the Agenda and Staff Reports: The agenda provides a general description and staff recommendation; however, legislative bodies may take action other than what is recommended.

Watch the Meeting Online: <https://www.youtube.com/user/TheCityofSacramento>.

Watch the Meeting on Metro Cable 14.

Archives of past meetings are available at: <https://meetings.cityofsacramento.org>.

Submit Written Comments Online: Written comments received are filed in the record, and will not be read aloud. Members of the public are encouraged to submit public comments electronically through the City's Upcoming Meetings website at <https://publiccomment.cityofsacramento.gov>.

Public Comment Speaker Time Limits: In the interest of facilitating the legislative body's conduct of the business of the City, members of the public (speakers) who wish to address the legislative body during the meeting will have two minutes per item with the maximum of four items. All items on the Consent Calendar are considered one item. Speakers may only speak on four items per meeting.

Notice to Lobbyists: When addressing the legislative body, you must identify yourself as a lobbyist and announce the client/business/organization you are representing.

In compliance with the Americans with Disabilities Act, if you need special assistance, a disability-related modification or accommodation, agenda materials in an alternative format, or auxiliary aids to participate in this meeting, please contact the Office of the City Clerk at (916) 808-7200 as soon as possible. Providing at least 72 hours' notice will help ensure that reasonable arrangements can be made.

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City of Sacramento
Ethics Commission Report
915 I Street Sacramento, CA 95814
www.cityofsacramento.org

File ID: 2026-00071

8/24/2026

Approval of Ethics Commission Meeting Minutes

File ID: 2026-00071

Location: Citywide

Recommendation: Pass a **Motion** approving Ethics Commission Meeting Minutes dated June 22, 2026.

Contact: Jacob Bredberg, Administrative Analyst, (916) 808-6846, jbredberg@cityofsacramento.org; Mindy Cuppy, City Clerk, (916) 808-5441, mcuppy@cityofsacramento.org; Office of the City Clerk

Presenter: None

Attachments:

1-Description/Analysis

2-June 22, 2026, Ethics Commission Draft Meeting Minutes

Description/Analysis

Issue Detail: It is best practice for the Ethics Commission to approve the minutes for each meeting.

Policy Considerations: The City Clerk keeps a permanent record of the Ethics Commission proceedings, showing all action considered and taken and the vote of each member on matters before the Commission.

Economic Impacts: None.

Environmental Considerations: None.

Sustainability: None.

Commission/Committee Action: None.

Rationale for Recommendation: After each Ethics Commission meeting, the City Clerk composes the DRAFT Minutes noting the action taken by the Commission. The attached DRAFT Minutes are presented to the Commission for its approval as a permanent record of the meeting actions.

Financial Considerations: None.

Local Business Enterprise (LBE): None.



Regular Meeting DRAFT Minutes

Monday, June 22, 2026

5:30 PM

City Hall Complex, 915 I Street, Sacramento, CA 95814

Ethics Commission

Alan LoFaso, Chair
Nicole Velasquez, Vice Chair

Annette Emery
Michael Robert Kelly
Maikhou Thao

Open Session

Regular meeting called to order by Chair LoFaso at 5:32 p.m. on Monday, June 22, 2026, at the Sacramento City Hall Chamber.

Commissioners Present: Annette Emery (arrived at 5:37 p.m.), Michael Kelly, Maikhou Thao, Nicole Velasquez, and Chair Alan LoFaso.

Land Acknowledgement – Led by Commissioner Velasquez.

Pledge of Allegiance – Led by Commissioner Velasquez.

Consent Calendar

All items listed under the Consent Calendar are considered and acted upon by one Motion.

Action: Moved/Seconded: Commissioner Kelly / Commissioner Velasquez.

Yes: Commissioners Michael Kelly, Maikhou Thao, Nicole Velasquez, and Chair Alan LoFaso.

Absent: Commissioner Annette Emery.

A motion **passed** to adopt the Consent Calendar in one motion except as indicated at each item.

1. Approval of Ethics Commission Meeting Minutes

File ID: 2026-00070

Location: Citywide

Action: Passed a **Motion** approving Ethics Commission Meeting Minutes dated April 27, 2026.

Contact: Jacob Bredberg, Administrative Analyst, (916) 808-6846, jbredberg@cityofsacramento.org; Mindy Cuppy, City Clerk, (916) 808-5441, mcuppy@cityofsacramento.org; Office of the City Clerk

2. Ethics Commission Complaint Log

File ID: 2026-00245

Action: Citywide

Action: Passed a **Motion** approving the Ethics Commission Complaint Log.

Contact: Mindy Cuppy, City Clerk, (916) 808-5442, mcuppy@cityofsacramento.org, Office of the City Clerk

3. Sacramento Ethics Commission Follow-Up Log

File ID: 2026-01111

Action: Citywide

Action: Received and filed.

Contact: Mindy Cuppy, City Clerk, (916) 808-5442, mcuppy@cityofsacramento.org, Office of the City Clerk

Discussion Calendar**4. Presentation by Ethics Commission Independent Evaluator on Complaint Processing**

File ID: 2026-01060

Location: Citywide**Action:** Received and filed.**Contact:** Mindy Cuppy, City Clerk, (916) 808-5442, mcuppy@cityofsacramento.org, Office of the City Clerk**5. Receive Independent Evaluator's No-Cause Report: Complaint Against Mayor Kevin McCarty**

File ID: 2026-01065

Location: Citywide**Action:** Moved/Seconded: Commissioner Velasquez / Commissioner Emery.**Yes:** Commissioners Annette Emery, Michael Kelly, Maikhou Thao, Nicole Velasquez, and Chair Alan LoFaso.Passed a **Motion** to continue item to a future meeting.**Contact:** Mindy Cuppy, City Clerk, (916) 808-5442, mcuppy@cityofsacramento.org, Office of the City Clerk**6. Training on Ethics Commission Procedures**

File ID: 2026-00877

Location: Citywide**Action:** Received and discussed.**Contact:** Gary P. Lindsey, Jr., Senior Deputy City Attorney, (916) 808-5346, glindsey@cityofsacramento.org, Office of the City Attorney**7. Training on Scope of the Ethics Commission**

File ID: 2026-00878

Location: Citywide**Action:** Received and filed.**Contact:** Gary P. Lindsey, Jr., Senior Deputy City Attorney, (916) 808-5346, glindsey@cityofsacramento.org, Office of the City Attorney

8. **Sacramento Ethics Commission Good Government Program Auditing Ad Hoc Committee First Interim Report**

File ID: 2026-01216

Location: Citywide.

Action: Received and provided input.

Contact: Mindy Cuppy, City Clerk, (916) 808-52442, mcuppy@cityofsacramento.org, Office of the City Clerk

Action: Moved/Seconded: Commissioner Kelly / Commissioner Emery.

Yes: Commissioners Annette Emery, Michael Kelly, Maikhou Thao, and Chair Alan LoFaso.

Abstain: Commissioner Nicole Velasquez.

Pursuant to Council Rules of Procedure, Chapter 8 (D)(6) passed a **Motion** to extend the meeting past 2 hours.

Commissioner Comments-Ideas and Questions

Commissioners provided comments.

Public Comments-Matters Not on the Agenda

None.

Adjourned – 7:39 p.m.

Where to Find the Agenda and Staff Reports: The agenda provides a general description and staff recommendation; however, legislative bodies may take action other than what is recommended. Full staff reports are available at <https://meetings.cityofsacramento.org>.

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Submit Written Comments Online: Written comments received are distributed to members, filed in the record, and will not be read aloud. Members of the public are encouraged to submit public comments electronically via eComment through the City's Upcoming Meetings website at <https://meetings.cityofsacramento.org>.

Public Comment Speaker Time Limits: In the interest of facilitating the legislative body's conduct of the business of the City, members of the public (speakers) who wish to address the legislative body during the meeting will have two minutes per speaker for Consent Calendar Items, Public Hearing Items, Discussion Calendar Items, and Matters not on the Agenda for a maximum total of eight minutes per speaker per meeting. Each speaker shall limit his/her remarks to the specified time allotment.

Notice to Lobbyists: When addressing the legislative body, you must identify yourself as a lobbyist and announce the client/business/organization you are representing.

Assistance: In compliance with the Americans with Disabilities Act, if you need special assistance, a disability-related modification or accommodation, agenda materials in an alternative format, or auxiliary aids to participate in this meeting, please contact the Office of the City Clerk at 916-808 7200 or clerk@cityofsacramento.org as soon as possible. Providing at least 72 hours' notice will help ensure that reasonable arrangements can be made.

City of Sacramento
Ethics Commission Report
915 I Street Sacramento, CA 95814
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File ID: 2026-00246

8/24/2026

Ethics Commission Complaint Log

File ID: 2026-00246

Location: Citywide

Recommendation: Pass a **Motion** approving the Ethics Commission Complaint Log.

Contact: Mindy Cuppy, City Clerk, (916) 808-5442, mcuppy@cityofsacramento.org, Office of the City Clerk

Presenter: None

Attachments:

1-Description/Analysis

2-Ethics Commission Complaint Log

Description/Analysis

Issue Detail: The purpose of the Ethics Commission is to review and consider complaints against elected and appointed City officials, as further described in Sacramento City Code section 2.112.030, to ensure that those officials are conforming their conduct to the City's laws and policies.

The Ethics Commission has the power and duty to review, investigate, and consider complaints alleging violations of the following:

- Section 35 of the Sacramento City Charter ("Limitation on future employment")
- Chapter 1.20 ("Fair Campaign Practices")
- Chapter 2.13 ("Campaign Contribution Limitations") and Chapter 2.14 ("Campaign Spending Limits and Public Campaign Financing"), if the city has not contracted with the Fair Political Practices Commission for enforcement of those chapters
- Chapter 2.15 ("Lobbyist Registration and Reporting Code")

- Chapter 2.16 (“Conflict of Interest”)
- Chapter 4.02 (“Code of Ethics”)
- Chapter 4.04 (“Transparent Government and Public Engagement”)
- Chapter 3 (“Conduct of Members”) and Rule 6.E (“Closed Sessions”) of the Council Rules of Procedure

The attached log describes complaints received to date and their respective statuses.

Policy Considerations: The Commission’s authority extends only to city elected officials, candidates for city elected office, independent expenditure committees, members of boards and commissions, the city manager, the city clerk, the city attorney, the city treasurer, the city auditor, the director of the office of public safety accountability, and lobbyists.

Economic Impacts: None.

Environmental Considerations: California Environmental Quality Act (CEQA): The proposed action is not a project under CEQA because it is an organizational or administrative activity that will not result in direct or indirect physical changes in the environment. (CEQA Guidelines §15378(b)(5).)

Sustainability: None.

Commission/Committee Action: None.

Rationale for Recommendation: None.

Financial Considerations: None.

Local Business Enterprise (LBE): None.

Sacramento Ethics Commission Complaint Log

Updated 07/31/2026

Complaint No.	Date Received	Method Received	Alleged Violation	Alleged Violation Details	Disposition	Referred To	Disposition Date
Pending							
2026-005	3/19/2026	Online	City Code Chapter 1.20 ("Code of Fair Campaign Practices") City Code Chapter 2.13 ("Campaign Contribution Limitations") and Chapter 2.14 ("Campaign Spending Limits and Public Campaign Financing") City Code Chapter 2.16 ("Conflict of Interest") City Code Chapter 4.02 ("Code of Ethics")	Alleged Conflict of Interest and Participation in Government Decisions Affecting Financial Contributors. This complaint alleges that a Sacramento public official participated in governmental decisions that had a reasonably foreseeable financial impact on entities and individuals who made campaign contributions to that official. This conduct raises serious concerns regarding impartial decision-making and potential violations of the City of Sacramento Code of Ethics.	Pending commission deliberation.		
Dispositioned							
2026-008	7/30/2026	Via Email	Violate constitutional rights of the members of the public.	On the week of July 20, 2026, _____ used her public position to violate the constitutional rights of the members of the public. _____ tried to secretly and illegally ban members of the public from public meetings. _____ said, "If we want to ban somebody in the future, like to take them out." Another official (name and job title withheld) said, "I know the city attorney said that we cannot do that." _____ responded and said, "We did it last time". There is a recording of _____ saying this. The recording can be requested at the mayor's office.	City Clerk Initial Review Completed 07/31/2026 – Dismissed for Lack of Jurisdiction (5.1(B)3): Complaint alleges facts that are not subject to any provision of the Ethics Law	n/a	7/31/2026
2026-007	7/17/2026	Online	City Code Chapter 2.16 ("Conflict of Interest") City Code Chapter 4.02 ("Code of Ethics")	The manager is related to his staff and the whole staff is related to each other its been like this since before I moved	City Clerk Initial Review Completed 07/23/2026 – Dismissed for Lack of Jurisdiction (5.1(B)3): The respondent is not a person listed in City Code section 2.112.030.B.	n/a	7/23/2026
2026-004	3/19/2026	Online	City Code Chapter 2.16 ("Conflict of Interest") City Code Chapter 4.02 ("Code of Ethics")	Alleged Conflict of Interest and Participation in Government Decisions Affecting Financial Contributors. This complaint alleges that a Sacramento public official participated in governmental decisions that had a reasonably foreseeable financial impact on entities and individuals who made campaign contributions to that official. This conduct raises serious concerns regarding impartial decision-making and potential violations of the City of Sacramento Code of Ethics.	Dismissed, completely duplicative of 2026-005	n/a	3/30/2026
2026-006	3/20/2026	Online	City Code Chapter 2.16 ("Conflict of Interest") City Code Chapter 4.02 ("Code of Ethics")	I am submitting this formal complaint to report serious concerns regarding management practices at Allied Universal, specifically involving _____ Supervisor/Manager _____ and other site leadership. Wage and hour violations, failure to provide benefits to full-time employees, workplace safety and medical responsibility, disciplinary action without progressive process, potential retaliation concerns.	City Clerk Initial Review Completed 03/12/2026 – Dismissed for Lack of Jurisdiction (5.1(B)3): The respondent is not a person listed in City Code section 2.112.030.B.	n/a	3/25/2026
2026-003	3/8/2026	Online	City Code Chapter 1.20 ("Code of Fair Campaign Practices") City Code Chapter 2.13 ("Campaign Contribution Limitations") and Chapter 2.14 ("Campaign Spending Limits and Public Campaign Financing")	Potential Violations • California Government Code §84301 – Contribution made in the name of another • FPCC Regulation 18215.1 – Attribution of contributions from entities controlled by an individual • California Government Code §87100 – Public official participation in decisions affecting financial interests This complaint concerns campaign contributions accepted by the Mayor of Sacramento from both an individual donor connected to cannabis-related businesses and a corporate entity that is controlled by the same individual. That individual donor controls the corporate entity; California law requires that contributions be attributed to the individual and aggregated for purposes of contribution limits and disclosure requirements. Because the City of Sacramento regulates cannabis licensing, zoning, and retail permitting, campaign contributions from individuals or entities connected to cannabis businesses may raise transparency and conflict-of-interest concerns that warrant review. Documented Contributions (FPCC Form 460 Filings) Based on publicly available California Form 460 campaign disclosure filings, the following contributions appear in the Mayor's campaign committee reports. 3 Individual Contribution Nasser Azimi Orangevale, California Occupation listed: Partner – Teranomic Contribution Date: November 1, 2024 Amount: \$4,050 Business Entity Contribution Teranomic (Teranomic Software, Inc.) Emeryville, California Contribution Date: June 25, 2025 Amount: \$2,000 These contributions appear in campaign filings associated with the Mayor's committees. Teranomic Software is controlled by the same individual donor, FPCC regulations may require attribution of both contributions to the controlling individual. Corporate Relationships and Associated Entities Public information indicates potential connections between the above-listed donor and several cannabis-related businesses and entities including: • Teranomic Software 4 • Canntinas • Ohana Cannabis • Ohana Gardens • East Bay Therapeutics These entities share common ownership or control, FPCC regulations may require contribution attribution under Regulation 18215.1. Relevant Governmental Decision On March 25, 2025, the Sacramento City Council adopted Resolution No. 2025-0067, which extended the operational deadline for certain CORE (Cannabis Opportunity Reinvestment and Equity) dispensary permits from April 1, 2025 to April 1, 2026. This council action effectively allowed certain cannabis retail permits to remain viable and maintain their economic value rather than expiring. Information available to the complainant indicates that this extension may have allowed a cannabis retail business commonly known as the Oak Park dispensary located at 3856 Stockton Boulevard to proceed toward opening. This extension vote has had economic implications for entities connected to cannabis licensing or investment in Sacramento. Requested Investigation 5 The complainant respectfully requests that the Sacramento Ethics Commission review and determine: Whether Teranomic Software, Inc. is controlled by Nasser Azimi for purposes of campaign contribution attribution under FPCC Regulation 18215.1. Whether contributions from Teranomic Software, Inc. and Nasser Azimi should be aggregated under applicable campaign finance rules. Whether any contributors connected to these entities have financial interests in cannabis businesses operating or seeking permits within the City of Sacramento. Whether the Mayor participated in governmental decisions affecting cannabis licensing, including the March 25, 2025 CORE permit extension, that could affect contributors associated with the regulated industry. Whether campaign disclosures accurately reflect the true source of contributions as required under California campaign finance law. This complaint is submitted to ensure transparency and public confidence in Sacramento's campaign finance and ethics rules. The complainant respectfully requests that the Sacramento Ethics Commission review these matters and determine whether further investigation or enforcement action is warranted	City Clerk Initial Review Completed 03/12/2026 – Dismissed for Lack of Jurisdiction (5.1(B)3): Complaint alleges facts that are not subject to any provision of the Ethics Law	Recommended to Complainant to contact the FPCC	3/12/2026

Complaint No.	Date Received	Method Received	Alleged Violation	Alleged Violation Details	Disposition	Referred To	Disposition Date
2026-002	3/8/2026	Online	City Code Chapter 2.16 ("Conflict of Interest") City Code Chapter 4.02 ("Code of Ethics")	Failure to disclose financial interests, conceal ownership and potential circumvention of cannabis retail permit regulations through affiliated corporate entities. • Violation of Sacramento cannabis licensing regulations governing ownership and control of retail storefront dispensary permits. • Failure to properly disclose owners, financial interest holders, investors, or controlling persons in cannabis permit filings with the City of Sacramento. • Possible use of multiple corporate entities to conceal common ownership or operational control of more than one cannabis retail dispensary. Cannabis retail storefront dispensaries in Sacramento are regulated through the City of Sacramento Office of Cannabis Management. Cannabis permit applicants are required to disclose all owners, financial interest holders, investors, managers, and controlling persons. These disclosures are intended to ensure transparency and prevent individuals or entities from exercising control over multiple dispensaries through undisclosed ownership structures. Businesses involved 3 The following cannabis retail businesses are referenced in this complaint: • Canntinas Cannabis Co., 3600 Power Inn Road, Suite A1, Sacramento, CA • Oak Park Cannabis Dispensary, 3856 Stockton Boulevard, Sacramento, CA This complainant does not currently possess the internal ownership disclosure documents submitted to the City of Sacramento for these businesses. However, publicly observable information suggests that individuals associated with the above dispensaries may share overlapping ownership interests or operational control. Because the City of Sacramento requires cannabis permit applicants to disclose all owners and financial interest holders, the City already maintains records that would confirm or refute whether the same individuals hold ownership interests in multiple dispensaries. Requested Investigation The complainant respectfully requests that the City of Sacramento investigate and determine: 1. The full ownership structure of Canntinas Cannabis Co. and Oak Park Cannabis Dispensary. 2. Whether any individuals or entities hold ownership, financial interests, or operational control in both dispensaries simultaneously. 3. Whether all cannabis permit filings submitted to the City of Sacramento accurately disclosed owners, financial interest holders, managers, and controlling persons. 4. Whether corporate entities or affiliated companies were used to conceal common ownership or 4 control of multiple dispensaries. 5. Whether the ownership structure of these dispensaries complies with Sacramento cannabis licensing regulations. Records Requested for Review Investigators may wish to review the following records maintained by the Sacramento Office of Cannabis Management: • Cannabis Business Operating Permit applications • Financial Interest Holder disclosure forms • Ownership disclosure forms • Manager or controlling person disclosures • Any amendments or updates to ownership filings This complaint is submitted in the interest of transparency and compliance with Sacramento's cannabis regulatory framework. The complainant respectfully requests that the City of Sacramento review the ownership structures of the cannabis businesses referenced above and determine whether any violations of Sacramento cannabis licensing regulations have occurred.	City Clerk Initial Review Completed 03/12/2026 – Dismissed for Lack of Jurisdiction (5.1(B)3): The respondent is not a person listed in City Code section 2.112.030.B.	n/a	3/12/2026
2026-001	3/3/2026	Online	City Code Chapter 1.20 ("Code of Fair Campaign Practices") City Code Chapter 2.16 ("Conflict of Interest") City Code Chapter 4.02 ("Code of Ethics") City Code Chapter 4.04 ("Sunshine Ordinance") Chapter 3 ("Conduct of Members") and Rule 6.E (Closed Sessions) of the Council Rules of Procedure	Completely fabricating and lying on correction notices. Excessive charging of Fee's even when we have done the proper steps of cancelling ahead of time or trying to not waste building inspectors time. Ignoring Phone calls, not reaching back out. Not answering my calls but answering when i call from different numbers. Intentional bias against our company. Charging re-inspection fee's for things other inspectors have told us are not needed (For example, we are told we don't need to submit new SOLARAPP checklists to the city but then will be told we are failing inspections for not having submitted it. Clear bias and abuse of power. Not answering calls. No communication, or transparency. Inspectors are failing projects without even leaving their office. We had an in person Final inspection with James Gill, and he wrote us a correction for needing an MPU and he did not even show up to perform the inspection. Which we pay for.	City Clerk Initial Review Completed 03/12/2026 – Dismissed for Lack of Jurisdiction (5.1(B)3): The respondent is not a person listed in City Code section 2.112.030.B.	Chief Building Official	3/12/2026
2025-015	12/1/2025	Online	City Code Chapter 4.04 ("Sunshine Ordinance") Chapter 3 ("Conduct of Members") and Rule 6.E (Closed Sessions) of the Council Rules of Procedure	Felonies including grand theft, criminal mischief, hate crimes and two counts of aggravated sexual assault; sexual, racial and ageist discrimination; conspiracy (while on the clock at the City of Sacramento) to commit criminal mischief; defiance of direct orders from Director Beecham not to commit felonies as committed by Messrs.' Frederickson & Aylesworth, along with a self-described special needs person whom they exploited. Exploitation of a self-described special needs person to commit a hate crime and to exact premeditated and coordinated execution of criminal mischief weaponized as a hate crime; lying to a citizen and long-time resident of Sacramento to protect and to care for the remaining specimens of horticulture, when no such care (ostensibly) was apparently forthcoming; refusal to divulge name of the alleged person(s) caring for specimens; Refusal to discuss suggested solutions by victim of these crimes and violations of civil and Constitutional rights, being dismissed out-of-hand as "a tall order" by employee Sara (peer of Mr. Aylesworth). Instead, victim received the penalty that (must needs) rightfully be levied against the co-conspirators who lease plot 25 and 12. Alleged, prohibited sexual relationships between manager and employee (and that relationships ostensibly or purportedly a motivating factor for Mr. Aylesworth to protect the perp (Mr. Frederickson) at the expense of the victim; slander of victim committed by Mr. Frederickson (in public in front of witnesses), even after victim pleaded for Mr. Frederickson to cease his slander. Dereliction of duty by Mr. Frederickson and then retaliation against the victim who refused his unwanted and unwarranted sexual harassment and two counts of sexual abuse: forming a cabal with leases of plots 12 and 25 to retaliate against victim who rebuffed said sexual abuse and harassment.	City Clerk Initial Review Completed 12/01/2025 – Dismissed for Lack of Jurisdiction (5.1(B)3): Complaint alleges facts that are not subject to any provision of the Ethics Law	YPCE	12/1/2025
2025-013	9/10/2025	Online	City Code Chapter 2.16 ("Conflict of Interest") City Code Chapter 4.02 ("Code of Ethics")	and about the above dates asking about the Burgess V City lawsuit, my deposition and statements, using her position power to intimate and prevent me from speaking with the plaintiff's counsel. On or about March 17, 2025 and May 23, 2025 used her official position as City Manager to improperly interfere with ongoing litigation involving the City of Sacramento. Specifically: 1. Improper Influence on Litigation: attempted to influence the outcome of a lawsuit filed against the city by contacting a witness directly. 2. Witness Intimidation: Leyne Milstein instructed the witness not to communicate with the plaintiff's counsel and engaged in conduct that appeared to intimidate or discourage the witness from cooperating. 3. Misuse of Position: By using her position as used her authority to influence what testimony, statements, and depositions are made public and how the city will proceed. My complete deposition including my email, and personal identifying information is public and I and my daughter are receiving harrasing calls and I fear for our safety. I presume the purpose in making my deposition public is to further intimate, harass, and cause harm. Leyne Milstein violated ethical standards requiring public employees to act with impartiality, integrity, and respect for the law.	10/27/25 - No Cause Report adopted and complaint dismissed by the Ethics Commission	n/a	10/27/2025

Complaint No.	Date Received	Method Received	Alleged Violation	Alleged Violation Details	Disposition	Referred To	Disposition Date
2025-014	9/14/2025	Online	City Code Chapter 2.16 ("Conflict of Interest") City Code Chapter 4.02 ("Code of Ethics") City Code Chapter 4.04 ("Sunshine Ordinance") Chapter 3 ("Conduct of Members") and Rule 6.E (Closed Sessions) of the Council Rules of Procedure	Said employee is online publicly, mocking the assassination of Charlie Kirk.	City Clerk Initial Review Completed 09/15/2025 – Dismissed for Lack of Jurisdiction (5.1(B)3): The respondent is not a person listed in City Code section 2.112.030.B.	n/a	9/15/2025
2025-012	8/18/2025	Email	Code of Ethics	has violated various ethical guidelines by subjecting me to a unfair, partial, biased application process including suppressing evidence to support my application and obstructing my application to be presented to the board of the bureau of security and Investigative Services for a formal decision with rights to appeal.	City Clerk Initial Review Completed 09/02/2025 – Dismissed for Lack of Jurisdiction (5.1(B)3): The respondent is not a person listed in City Code section 2.112.030.B.	n/a	9/2/2025
2025-011	7/31/2025	Email	Conflict of Interest	I am submitting this formal ethics complaint concerning of the City of Sacramento. I have serious concerns regarding recent policy decisions and votes related to cannabis legalization and land use policies, particularly in proximity to youth and vulnerable populations. Information I have obtained indicates a potential conflict of interest involving these officials. Public campaign finance records show that received multiple cannabis related campaign contributions in March, April, May, and June of this year from a group affiliated with former Sacramento City Councilmember reportedly has an ownership interest in the cannabis industry as a legal and equity advisor.	08/25/25 - No Cause Report adopted and complaint dismissed by the Ethics Commission	Independent Evaluator on 08/04/25.	8/25/2025
2025-010	7/21/2025	Via Email	Misrepresentation by staff	Since city staff members fall outside the jurisdiction of the Ethics Commission, and cannot be held directly accountable under Sacramento City Code § 2.112.030, we are directing this complaint toward , who is responsible for overseeing staff conduct and public presentations. We believe the City Manager must be held accountable for the misrepresentation of a formally recorded vote, which misled both the Law and Legislative Committee and the public, and undermined public trust in the policymaking process.	08/25/25 - No Cause Report adopted and complaint dismissed by the Ethics Commission	Independent Evaluator on 07/22/25.	8/25/2025
2025-008	7/16/2025	Via Email	Sacramento City Code	I am filing this formal complaint to report potential violations of the California Political Reform Act and the Sacramento City Code by Councilmember . The basis of this complaint is her receipt of political contributions from cannabis industry-affiliated entities and individuals, followed by her participation in votes and policymaking that directly benefited those same parties.	08/25/25 - No Cause Report adopted and complaint dismissed by the Ethics Commission	Independent Evaluator on 07/16/25 (after 5PM).	8/25/2025
2025-007	7/16/2025	Via Email	Code of Ethics	This complaint is submitted concerning Sacramento City Councilmember and potential violations of the Political Reform Act and City of Sacramento's Code of Ethics. The issue arises from campaign contributions received from cannabis-affiliated business leaders and the possibility of subsequent involvement in related legislative or land-use decisions.	08/25/25 - No Cause Report adopted and complaint dismissed by the Ethics Commission	Independent Evaluator on 07/16/25 (after 5PM).	8/25/2025
2025-006	7/16/2025	Via Email	Code of Ethics	I am submitting this formal complaint concerning Sacramento City Councilmember for potential violations of the Political Reform Act and the City of Sacramento's Code of Ethics. The basis of this complaint involves campaign contributions from cannabis-affiliated individuals and entities, followed by potential participation in cannabis-related land use, licensing, or zoning decisions within the 12-month conflict window defined by California Government Code §87100 and FPPC Regulation 18700 et seq.	08/25/25 - No Cause Report adopted and complaint dismissed by the Ethics Commission	Independent Evaluator on 07/16/25 (after 5PM).	8/25/2025
2025-005	7/13/2025	Via Email	Campaign Contributions	accepted campaign contributions from individuals with direct financial interests in Sacramento cannabis businesses, including: - Jacob Schmidt – Director of INTER-STA / The Sanctuary dispensary (C10 0000678 LIC) - Nasser Azimi – Executive associated with Canninas Cannabis Company (C10 0000762 LIC), Ohana Growers, East Bay Therapeutics, and Teranomic Software, Corp. Despite receiving these contributions, did not recuse himself from voting on or participating in decisions regarding cannabis zoning, licensing, and policy—creating the appearance of bias, favoritism, and regulatory capture. These actions raise serious concerns under: - City of Sacramento Ethics Code, including standards related to conflicts of interest, preferential treatment, and undermining public confidence in impartial governance. - City Charter provisions and Ethics Commission Guidelines prohibiting city officials from using public office for private advantage or favoring campaign contributors in regulatory matters.	08/25/25 - No Cause Report adopted and complaint dismissed by the Ethics Commission	Independent Evaluator on 07/15/25.	8/25/2025
2025-001	1/23/2025	Online	City Code Chapter 2.16 ("Conflict of Interest") City Code Chapter 4.02 ("Code of Ethics") City Code Chapter 4.04 ("Sunshine Ordinance") Chapter 3 ("Conduct of Members") and Rule 6.E (Closed Sessions) of the Council Rules of Procedure	, along with other individuals employed by the City Clerk's office, have consistently since January 16, 2025, refused me access to the City Clerk's office to file claims in person and to inspect original documents during the City Clerk's posted business hours which are maintained during the regular course of business by the City Clerk. I need to inspect these original documents to investigate and support a pending civil lawsuit arising out of a public nuisance created by a City of Sacramento homeowner, as well as numerous civil rights and writ of mandate pending suits against the City of Sacramento.	08/25/25 - No Cause Report adopted and complaint dismissed by the Ethics Commission	Independent Evaluator on 07/15/25.	8/25/2025

Complaint No.	Date Received	Method Received	Alleged Violation	Alleged Violation Details	Disposition	Referred To	Disposition Date
2024-010	11/25/2024		City Code Chapter 4.04 ("Sunshine Ordinance") Chapter 3 ("Conduct of Members") and Rule 6.E (Closed Sessions) of the Council Rules of Procedure	Sacramento alleged failure to complete mandatory "Diversity, Equity, Inclusion, and Belonging (DEIB) Training for all City Elected Officials, Council Staff, and Appointed Officers" would constitute a violation of Chapter 3 of the Council Rules of Procedure, per the adopted Resolution 2023-0113": Approving Mandatory Diversity, Equity, Inclusion, and Belonging Training for all City Elected Officials, Council Staff, and Appointed Officers. Racial Equity Committee Report File ID: 2024-01812*, "Report on Completed Mandatory Diversity, Equity, Inclusion, and Belonging (DEIB)/Racial Equity (RE) Training for City Elected Officials, Council Staff, and Appointed Officers and Next Steps" fails to identify attendance and status of completion of individuals for whom the training is required. However, city spokeswoman is on record in the Sacramento Bee stating that "Council leadership and the Human Resources Director are aware that the City Manager attended one of three sessions... Beyond that, I cannot comment as this is a personnel matter" (https://www.sacbee.com/opinion/article294895754.html). This publicly indicates that City Manager Howard Chan failed to complete this mandatory training, and constitutes conduct that should be investigated by the Sacramento Ethics Commission in case of violation of Chapter 3 of the Council Rules of Procedure. *Resolution 2023-0113 is contained as an attachment to Racial Equity Committee Report File ID: 2024-01812, both available at: https://sacramento.granicus.com/MetaViewer.php?view_id=68&clip_id=6091&meta_id=800888	08/25/25 - No Cause Report adopted and complaint dismissed by the Ethics Commission	Independent Evaluator on 7/15/25.	8/25/2025
2025-009	7/16/2025	Via Email	Misrepresentation	I am submitting this formal ethics complaint to bring to your attention a serious misrepresentation that occurred following the Planning and Design Commission's March 13, 2025 vote concerning cannabis zoning policy. At the March 13 meeting, the Commission voted to preserve the current Conditional Use Permit (CUP) requirements and maintain the existing sensitive use buffer zones for cannabis dispensaries and cultivation operations. This decision was affirmed and clearly stated on the record by Deputy City Attorney Kourtney Burdick on three separate occasions during the meeting. However, during the April 8 Law and Legislative Committee meeting, staff members presented a version of the policy that was inconsistent with what was actually voted on. Their presentation, which claimed to reflect the Commission's recommendation, did not align with the public record or the legal clarifications provided by the City Attorney. This misrepresentation appears to have influenced the Committee's action and misled both the public and Council regarding the Commission's intentions. This matter raises significant concerns about transparency, accountability, and the integrity of the city's legislative process. Staff knowingly or negligently mischaracterizing a Commission vote to advance an alternative policy direction undermines public trust and may constitute a violation of ethics guidelines governing honest and accurate representation of governmental actions. Furthermore, the mischaracterization of protections for K-12 schools, youth-oriented facilities, after-school programs, churches, and parks—all of which serve the same vulnerable population—erodes critical safeguards for Sacramento communities. These uses deserve equal treatment and full protection under our zoning code. I respectfully request that the Ethics Commission investigate this matter and hold any responsible parties accountable for the misrepresentation and breakdown in transparency. The public deserves a truthful and accurate reflection of the Planning and Design Commission's decisions.	City Clerk Initial Review Completed 07/21/2025 – Dismissed for Lack of Jurisdiction (5.1(B)3): The respondents are not a people listed in City Code section 2.112.030.B.	Community Development Department	7/21/2025
2025-004	7/11/2025	Online	City Code Chapter 4.04 ("Sunshine Ordinance") Chapter 3 ("Conduct of Members") and Rule 6.E (Closed Sessions) of the Council Rules of Procedure	over the course of the last month, my vehicles have been aggressively targeted by these officials and their subordinates for apparent code violations. i've made contact with these senior officers to show that they are incorrect in their findings. i've made visits to their office on 4 different occasions attempting to present my information and to express my better understanding of the code, than the actual officers themselves and i've yet to be given the opportunity to disprove them. i've expressed to these officers that i have evidence showing that my vehicles are not in violation of the 72 hour rule and that the onslaught of violation notices is becoming harassment. they have consistently misrepresented code 10.24.070 by stating that a vehicle can solely not be parked in a location for longer than 72 hours. what they have failed to acknowledge based on what i've shared and have been trying to share, is that 10.24.070 states that a vehicle can not remain parked in a location for more than 72 hours, nor can it be parked within 300 feet of the initial parking spot within those 72 hours, "...unless such vehicle is maintained in an operable condition and driven within the 72 consecutive hours mentioned above." i have shared with all 3 of these officers that my vehicles are maintained, registered, operable and have been constantly driven during the times that claim, but yet they claim that does not matter and they will tow my vehicle anyway. based on the code, my vehicles are not subject to tow and would only be subject to tow because these officers have not acknowledged the latter part of 10.24.070 that clearly states i am within my rights. they have consistently taken away a part of that code given to me by the city so that they can justify their wrongdoings. and if they are allowed to proceed with misrepresenting the code, they are putting people and their belongings in jeopardy wrongfully.	City Clerk Initial Review Completed 07/15/2025 – Dismissed for Lack of Jurisdiction (5.1(B)3): The respondent is not a person listed in City Code section 2.112.030.B. Referred to another city department - Code Enforcement (5.1(B)2)	Code Enforcement	7/15/2025
2025-003	5/14/2025	Online	City Code Chapter 2.16 ("Conflict of Interest") City Code Chapter 4.02 ("Code of Ethics")	My name is , and I serve as the President of Sacramento Masters Swimming. I am writing to formally file a complaint regarding the City of Sacramento's failure to uphold the terms of our signed rental agreement for the use of the North Natomas Aquatic Center. Per our executed contract, the agreed-upon rental terms are clearly stated as follows: "Organization shall pay \$10.00 per lane, per hour for 25-yard lanes and \$20.00 per lane, per hour for 50-meter lanes ("Rental Fee")." However, the City of Sacramento is currently imposing billing requirements that exceed those stipulated in the contract. Specifically, Sacramento Masters is being charged with a mandatory minimum of 10 lanes for a minimum of 2 hours, regardless of our actual lane usage. These additional requirements and costs are not included in the signed agreement. Furthermore, the contract does not distinguish between the competition pool and the recreational pool, nor does it include any language establishing minimum lane or time obligations. This deviation from the agreed-upon terms has resulted in Sacramento Masters being overcharged by approximately \$1,200 per month. Despite raising this issue directly with City representatives and , our request for compliance with the contract has been denied. We respectfully request the following: That the City of Sacramento immediately cease the imposition of any minimum lane or time requirements not included in the signed agreement. That all future charges reflect the exact terms stated in the executed contract. That Sacramento Masters be credited for past overcharges, calculated based on the contractual rates. We hope to resolve this matter promptly and amicably. However, we are prepared to pursue all necessary administrative and legal remedies to ensure the integrity of our agreement is upheld	Formstack/Online Submittal error and complaint not received until 07/15/2025.	Youth, Parks, and Community Enrichment Department	7/15/2025

Complaint No.	Date Received	Method Received	Alleged Violation	Alleged Violation Details	Disposition	Referred To	Disposition Date
2025-002	2/23/2025	Online	City Code Chapter 1.20 ("Code of Fair Campaign Practices") City Code Chapter 2.16 ("Conflict of Interest") City Code Chapter 4.02 ("Code of Ethics") City Code Chapter 4.04 ("Sunshine Ordinance") Chapter 3 ("Conduct of Members") and Rule 6.E (Closed Sessions) of the Council Rules of Procedure	I called Sacramento non-emergency line to report that my stolen vehicle license plate number [redacted] report number [redacted] was spotted on heritage Lane on heritage Lane and exposition boulevard on the right hand side and and officer Becker gave me the third degree about what I was doing since I had found out this information in the morning and why didn't I call right then and I had to explain to her I was taking a shower I had to get something to eat I changed I did chores I did my makeup and this was only after she refused to send somebody just drive by out there to see if there was a stolen vehicle there she wanted me to drive by there to check on a stolen vehicle then I told her it wasn't safe for me to do so these people stole my vehicle they're not going to be happy to see me. So then I called back and asked her if she could just make a note of it so when the officers had time they could just swing by there cuz it is a non-emergency I was calling the non-emergency line so then at that point I asked her for the complaint telephone number and she transferred me over officer [redacted] at that point she said she would have a supervisor her supervisor which I thought officer Ronnie was a supervisor but I guess I was wrong so a supervisor check and see if they're able to send the officer to just drive by there to see if the vehicle was there stolen vehicle... I think the way they went about questioning me was unconstructive and unethical I mean I'm calling in about a stolen vehicle and they were totally unwilling to help me. And only after I called two times they put it to they said I don't even know if they're going to do it have a supervisor look at it but their conduct is unethical unconstructive and intrusive.. thank you	Formstack/Online Submittal error and complaint not received until 07/15/2025.	OPSA	7/15/2025
2024-008	9/25/2024	Online	City Code Chapter 4.02 ("Code of Ethics")	I recieved yesterday a notice of Assignment from a company called Professional Account Management, LLC. concerning a parking violation. I have never heard of this organization and am suspecting SCAM. Could you please forward this email to someone that could verify that the violation is legitate and that I have not previously paid it? Thanks	Dismissed by City Clerk-Lack of Jurisdiction. Complaint was not about an individual and issue cited was not under the jursdiction of the commission.	City Parking Division	9/25/2024
2024-007	9/7/2024	Online	City Code Chapter 1.20 ("Code of Fair Campaign Practices") City Code Chapter 4.02 ("Code of Ethics")	Campaign sign placed in roadway center divider, contrary to camaign and zoning ordinances. Located at the westbound intersection of H and J streets near SacState.	Dismissed by City Clerk-Lack of Jurisdiction. 1.20 and 4.02 do not cover political signage. Complainant was referred to city code chapter 15.148.310 and to the 311 website link regarding signage complaints.	311	9/10/2024
2024-006	7/18/2024	Online	Chapter 2.15 ("Lobbyist Registration and Reporting Code")	[redacted] has been the District Director for almost two decades. He has NEVER filed an annual form 700 disclosure form. He is working as a lobbyist for the Building Industry Association (BIA) and has never disclosed this. He is embedded on the 5th floor with all of the council members and the Mayor and has the opportunity to influence legislation around housing and development that comes before the council.	Dismissed by City Clerk-Lack of Jurisdiction. Respondent is not under the jurisdiction of the Ethics Commission.	n/a	7/18/2024
2024-005	6/28/2024	Email, Online, and Dropbox	City Code Chapter 4.02 ("Code of Ethics")	[redacted] for breaking "Public Trust" of their powers and authorities to protect the benefits of public but protect the benefits of Sacramento Police Officers.	Dismissed by City Clerk-Lack of Jurisdiction		7/5/2024
2024-009	5/30/2024	Email	Chapter 2.16 ("Conflict of Interest")	Recently, the City Council considered whether your commission should have subpoena power. Attached is a document outlining why it is essential for your commission to have subpoena power and to use that power to subpoena financial records and the client list related to her practice as an attorney. There was a Sacramento Bee article discussing this situation and even surfaced an attempt by her office to interfere with city code enforcement on behalf of her client. The City CPRA process is inadequate and Kaplan has not provided documentation related to her client list. This is being sent to you anonymously because she has clearly demonstrated capacity to retaliate against people. Please take action and hold a hearing to investigate [redacted] financial conflicts of interest. Please see attached statement of fact. The complaint includes official Natomas Unified School District meeting minutes identifying a voting pattern by that resulted in \$183 million dollars in no bid contracts being awarded to Vanir LLC and various contractors with campaign finance ties to [redacted]. Further, it is demonstrated that [redacted] understood her need to recuse herself in these proceedings yet later she voted in affirmation of awarding her client and donors millions of dollars in public money, including but not limited to a 'blank check' contract. It is further alleged that [redacted] and her Council staff have inappropriately interfered in City code and compliance investigating complaints related to 601 J street, the future home of Vanir Tower, a property Vanir LLC acquired prior to the construction of the Golden One Center. Vanir LLC's Dorene Dominguez is also minority owner of the Sacramento Kings	City Clerk Initial Review Completed 02/18/2025 – Dismissed for Lack of Jurisdiction (5.1(B)3): Complaint alleges facts that are not subject to any provision of the Ethics Law. The complaint alleges violations that occurred prior to when respondant was an elected city official.	n/a	2/18/2025
2024-002	2/12/2024	Online	Chapter 3 ("Conduct of Members") and Rule 6.E (Closed Sessions) of the Council Rules of Procedure	I am writing to kindly request your attention to a matter that constitutes an act of violation by [redacted], of the City of Sacramento Council Rules and Procedures, of the Rosenberg's Rules of Order and of the Ralph. M. Brown Act. The City of Sacramento Council Rules and Procedures stipulates that "The [redacted] is considered a member of the council" and "possesses no veto power over actions of the council". The City of Sacramento Council Rules and Procedures also establishes a process for Council member Proposal Requests that "modulates the agenda requests of individual council members by referring those requests to the relevant city council standing committee for review" (see attached Flowchart). The Rosenberg's Rules of Order stipulate that "A motion to table an item (or to bring it back to the body) requires a simple majority vote". The Ralph. M. Brown Act Code stipulates that "Each agenda for a regular public meeting must provide the public with an opportunity to address the legislative body on any item on the agenda, before or during the legislative body's consideration of the item, and on any item of interest to the public that is within the subject matter jurisdiction of the legislative body." In violation of the City of Sacramento Council Rules and Procedures, [redacted] vetoed on 1/26/24, the inclusion in the Council's Agenda of a Ceasefire Resolution introduced by [redacted] on 1/24/24. The [redacted] also failed to follow the established Council Member Proposal Request Flowchart by unilaterally giving himself the power to obstruct the resolution referring to it as a "foreign policy issue" despite writing in an official letter on 1/23/24 (attached): "Some ask why the city council should get involved in these difficult and controversial issues. It is a fair question. I do not believe we have a real choice". In Violation of the Rosenberg's Rule of Order, the [redacted] has tabled the Ceasefire Resolution without referring to a majority vote. In violation of the Ralph Brown M. Act, Mayor Steinberg prevented on 2/9/24, more than 50 members of the public from making public comments during the Sacramento City Council Public Meeting despite submitting Speakers slips and despite Sacramento providing \$7M in funding to Israel according to the USPCR- US Campaign for Palestinian Rights (see attached infographic).	Dismissed by Ethics Commission-Complaint Unfounded		6/24/2024
2024-004	5/17/2024	online	City Code Chapter 4.02 ("Code of Ethics")		Dismissed by City Clerk-Lack of Jurisdiction		5/28/2024
2024-003	5/15/2024	online	City Code Chapter 4.02 ("Code of Ethics")	Ethics complaint of [redacted]	Dismissed by City Clerk-Lack of Jurisdiction		5/15/2024

Complaint No.	Date Received	Method Received	Alleged Violation	Alleged Violation Details	Disposition	Referred To	Disposition Date
2024-001	1/2/2024	Online	City Code Chapter 4.02 (Code of Ethics)	I continually have my car ticketed (parking). I have and pay for a parking permit to park where I am parking. I have to contest the parking ticket even though I have a parking permit; This is harassment. I pay for a parking permit and I am still ticketed. I have to dispute the ticket and then the "violation" will be dismissed. I have received over \$1000 worth of parking ticket by the City of Sacramento and they all have been dismissed because of errors on the side of the City of Sacramento Parking division. This is harassment.	Dismissed by City Clerk-Lack of Jurisdiction	Public Works	1/3/2024

City of Sacramento
Ethics Commission Report
915 I Street Sacramento, CA 95814
www.cityofsacramento.org

File ID: 2026-01361

8/24/2026

Receive Independent Evaluator's Report and Conduct Hearing Related to a Complaint Before the Sacramento Ethics Commission Alleging a Violation of the Levine Act and of the City of Sacramento Municipal Code Campaign Contribution Limits by Mayor Kevin McCarty (Noticed 08/13/2026)

File ID: 2026-01361

Location: Citywide

Recommendation: Conduct a public hearing and upon conclusion: 1) pass a **Motion** receiving the Independent Evaluator's Report; and 2) take one or more of the following actions, pursuant to Section 5.5 of the Sacramento Ethics Commission Procedures: a) pass a **Motion** directing the Evaluator to conduct further investigation and report back to the Commission; b) adopt a **Resolution** finding that sufficient evidence does not exist to establish that a violation occurred and ordering that the complaint be dismissed; c) adopt a **Resolution** finding that sufficient evidence exists to establish that a violation occurred and including one or more of the actions authorized by Section 5.6; and/or d) pass a **Motion** referring the complaint to the Fair Political Practices Commission (FPPC) or another governmental agency that may more appropriately resolve the allegations in the complaint or enforce the applicable provisions of law and directing the City Clerk or City Attorney to send a copy of all relevant information to the FPPC or the agency along with the referral.

Contact: Mindy Cuppy, City Clerk, (916) 808-5442, mcuppy@cityofsacramento.org, Office of the City Clerk

Presenter: Trevor T. Taniguchi, Senior Associate, Hanson Bridgett LLP

Attachments:

- 1-Description/Analysis
- 2-Independent Evaluator's Report
- 3-Exhibits to Independent Evaluator's Report
- 4-Resolution Finding Sufficient Evidence
- 5-Resolution Not Finding Sufficient Evidence
- 6-Sacramento Ethics Commission Procedures
- 7-Sacramento Ethics Commission Complaint Workflow

Description/Analysis

Issue Detail: The Sacramento City Council established the Sacramento Ethics Commission (Commission) to review and consider complaints against elected and appointed City officials and to ensure that those officials are conforming their conduct to the City's laws and policies. The Commission's organization, powers, and duties are set forth in chapter 2.112 of the Sacramento City Code.

Chapter 2.112 requires, among other things, that the Commission adopt (a) rules and procedures for the conduct of its business, (b) regulations and procedures for investigations and hearings it conducts, and (c) a policy setting forth its standards for imposing penalties and exercising enforcement discretion.

To implement these requirements, the Commission adopted the Sacramento Ethics Commission Procedures (Procedures) on September 23, 2024, which are intended to establish fair and transparent standards for investigating and determining matters before the Commission, thereby ensuring the fair, just, and timely resolution of complaints presented to the Commission with the end of promoting fairness, openness, honesty, and integrity in City government and City elections.

On March 19, 2026, a complaint against Mayor Kevin McCarty was received by the City Clerk. Pursuant to Section 5 of Procedures, the complaint was referred to the Independent Evaluator (Evaluator) on March 27, 2026, to conduct a Preliminary Evaluation of the allegations, pursuant to Section 5(B) of Procedures. Based on the Preliminary Evaluation, the Evaluator determined that sufficient cause exists to warrant a full investigation of the complaint.

The City Clerk received the Evaluator's Report on May 29, 2026. The Sacramento Ethics Commission initially heard the item on June 22, 2026, and continued the item to the next regularly scheduled commission date so that the item can be properly noticed as a hearing.

Pursuant to Section 5.4 of Procedures, the City Clerk set a hearing for the earliest practical date of August 24, 2026, for the Commission to take one or more actions under Section 5.5 of Procedures upon consideration of the Evaluator's Report.

Policy Considerations: Not applicable.

Economic Impacts: Not applicable.

Environmental Considerations: Not applicable.

Sustainability: Not applicable.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: Sacramento City Code Section 2.112 and Section 5 of the Sacramento Ethics Commission Procedures.

Financial Considerations: The cost to the City for the Independent Evaluator to conduct and present the investigation into this complaint is estimated at \$23,000.

Local Business Enterprise (LBE): Not applicable.

TO: City of Sacramento Ethics Commission

FROM: Hanson Bridgett LLP

DATE: May 29, 2026

RE: **Complaint Before the City of Sacramento Ethics Commission**
Respondent: Mayor Kevin McCarty, McCarty for Mayor 2024
Nature of Complaint: Alleged Violation of the Levine Act and of the Municipal Code's Campaign Contribution Limits
Complaint Filed: March 19, 2026
Complainant: Karla Black

I. EXECUTIVE SUMMARY

Karla Black filed a complaint on March 19, 2026. (Complaint, Exhibit A.) As we understand the Complaint, it includes two distinct allegations regarding the Respondent, Mayor Kevin McCarty¹:

- First, that Mayor McCarty violated California Government Code section 84308 (Levine Act) by participating in a March 25, 2025 City Council decision to extend the operational deadline for Cannabis Opportunity Reinvestment and Equity (CORE) permits when he had received campaign contributions from involved parties exceeding \$500 within 12 months of that March 25, 2025 Council decision; and
- Second, that the McCarty for Mayor 2024 campaign accepted contributions from Nasser Azimi, Teranomic Software, and Ohana Gardens, which contributions were required to be aggregated under the Sacramento Municipal Code (Municipal Code) and, when aggregated, exceeded the contribution limit in Municipal Code Section 2.13.050.

We first conducted a preliminary evaluation of the complaint, as required by the Commission's rules. We determined that if true, the facts in the Complaint could give rise to a violation of the Ethics Laws within the Commission's jurisdiction. Accordingly, we proceeded to conduct an investigation. Our investigation reached the following conclusions regarding the Complaint's two allegations:

- There is no evidence supporting the allegation that entities subject to the March 25, 2025 Council decision made any contributions to the Mayor's campaign within 12 months of the March 25, 2025 decision. Accordingly, we do not find that Mayor McCarty violated the Levine Act—incorporated into the Municipal Code and part of the Ethics Laws within the Commission's jurisdiction.

¹ The Complaint also suggests that the Commission investigate "whether the relationship between contributors and affected entities created an appearance of impropriety," and "whether any additional ethics violations occurred..." We consider these allegations to be vague and speculative and do not address them in this Report.

- Perhaps unique to the City, the Municipal Code includes two provisions that together lead to the conclusion that no violation of the Ethics Laws within the Commission's jurisdiction occurred concerning the campaign contribution limitation. First, the Municipal Code explicitly states that a candidate is ordinarily not responsible for any violation of the contribution aggregation rule. Second, the contributors, who might be responsible for a Municipal Code violation if their contributions were required to be aggregated, are not subject to the Elections Commission's jurisdiction.

Accordingly, this Report concludes that sufficient evidence does not exist to establish that a violation of the Ethics Laws has occurred.

II. ANALYSIS

A. Preliminary Evaluation of the Complaint

Mayor McCarty was notified of the allegations and presented with a complete copy of the Complaint and the Commission's Procedures on March 30, 2026. (See Exhibit B.) Our first step in the process under the Commission's Procedures is to conduct a preliminary evaluation to determine whether a complaint warrants an investigation. (Sacramento Ethics Commission Procedures Section 5.2(B); stating that "[t]he Evaluator shall complete a preliminary evaluation to determine whether sufficient cause exists to conduct a full investigation.") Sufficient cause exists if the Complaint alleges facts which, if proved, would violate a provision of the Ethics Law within the Commission's jurisdiction. (Id.) In making the preliminary evaluation, the Evaluator must only consider the Complaint not any extrinsic evidence. (Id.)

Our preliminary evaluation considered the following:

- The Complaint identifies a specific governmental decision, the March 25, 2025 City Council approval of CORE permits and alleges that Mayor McCarty participated in that decision.
- The Complaint alleges that Mayor McCarty accepted campaign contributions from individuals and/or entities that were CORE permittees that directly benefitted from the March 25, 2025 City Council decision.
- The Complaint alleges that Mayor McCarty's 2024 mayoral campaign accepted campaign contributions from Nasser Azimi, entities that are either controlled by Mr. Azimi or share common ownership or control, and that those contributions should have been aggregated under the Municipal Code's aggregation requirements, resulting in contributions over the Municipal Code's limit of \$4,350 per election.

We determined that the Complaint's allegations implicated provisions of the Ethics Laws within the Commission's jurisdiction. Our preliminary evaluation then concluded the following:

- First, Municipal Code Section 2.13.180 incorporates by reference the Political Reform Act, including those provisions known as the Levine Act. If the

Complaint's alleged facts are proven, then Mayor McCarty allegedly participated in the March 25, 2025 Council decision in violation of the Municipal Code.

- Second, Municipal Code Section 2.13.050 establishes a limit of campaign contributions for the office of mayor of \$4,350 per election. Section 2.13.060 explains the circumstances under which contributions from multiple persons and/or entities should be aggregated for purposes of the contribution limitations set forth in Section 2.13.050. If the Complaint's facts are proven, then Mayor McCarty conceivably violated the Municipal Code Section 2.13.050 if he knowingly accepted campaign contributions above the contribution limit.

Based on the above, our preliminary evaluation concluded that the Complaint met the Commission's sufficiency standard—it alleges that Mayor McCarty accepted campaign contributions and participated in a governmental decision in violation of the Levine Act and accepted campaign contributions that, when aggregated, were above the contribution limit. Accordingly, we commenced an investigation.

B. Conduct of the Investigation

In conducting our investigation, we interviewed Mayor McCarty, his 2024 mayoral campaign manager Amber Wannell, and 2024 and 2028 mayoral campaign treasurer Deane and Company. Deane and Company provided us with documentation of relevant campaign contributions. We reviewed the Mayor's 2024 and 2028 mayoral campaign contribution filings, CORE retail storefront cannabis dispensary permittees. We conducted independent analysis of the Municipal Code, publicly available corporation information from the California Secretary of State and California Department of Cannabis Control, as well as FPPC regulations and guidance materials. We also surveyed other jurisdictions in California to see if there are similar campaign finance regulations as those implicated by the Complaint. Finally, we conducted independent legal research into some of the issues underlying the Complaint.

C. Results of the Investigation

1. Facts of the Investigation.

Our Report analyzes the two central allegations separately. The first part of the investigation examined the governmental decision cited in the Complaint that occurred on March 25, 2025 and campaign contributions received by Respondent's 2024 and 2028 mayoral campaigns.² The investigation revealed the following facts which are not in dispute.

- In 2021, the City completed a Request for Qualification process that identified 10 CORE retail storefront dispensary permit awardees. The 10 awarded applicants for a CORE storefront cannabis dispensary permits were: Maisha Bahati, Brandon Bolton, Mindy

² Given the immense volume of records, we have only attached the records we deemed most relevant to the investigation. The entirety of Respondent's campaign disclosure records may be accessed here: <https://netfile.com/public/SAC/campaign/filingsByCandidate/6814658-McCarty,%20Kevin>.

Galloway, Jarett Hill, Robert Jackson, Daniel Kang, La Krisha King, Mark Mabutas, Malaki Seku Amen, and Michael Snell (collectively the CORE Permittees).³

- On March 25, 2025, the City Council considered and approved Resolution No. 2025-0067, which extended the expiration date by one year for the CORE storefront dispensary permit opportunities that were set to expire on April 1, 2025, with a new expiration date of April 1, 2026; modified the opportunity to apply for and operate a cannabis storefront for any new CORE application from 3 to 5 years; and directed staff to bring forward an Ordinance to add three additional CORE storefront dispensary permits providing the next three top-scoring participants on the CORE RFQ list the opportunity to apply for a permit. (Exhibit C.)
- Mayor McCarty participated in the March 25, 2025 CORE permit discussion and voted to approve Resolution No. 2025-0067.
- Mayor McCarty's 2024 campaign contribution filings for the 12-month period preceding the March 25, 2025 governmental decision did not contain a contribution from any of the CORE Permittees, including the CORE retail storefront cannabis dispensary permits that were extended by Resolution No. 2025-0067.
- Mayor McCarty's 2028 mayoral campaign contribution filings for the period January 1, 2025 to December 31, 2025 did not contain a contribution from any of the CORE Permittees.

In the second part of the investigation, we examined campaign contributions to the Mayor's 2024 mayoral campaign and 2028 mayoral campaign. Our investigation revealed the following facts which are not in dispute.

- The Complaint lists several entities which the Complainant alleged were associated with Nasser Azimi, specifically naming Teranomic Software, Inc., Teranomic Software 4, Canntinas, Ohana Cannabis, Ohana Gardens, and East Bay Therapeutics. Of the identified entities, only Nasser Azimi and Ohana Gardens made contributions to Mayor McCarty's 2024 mayoral campaign. Teranomic Software made a contribution to the Kevin McCarty for Assembly 2024 campaign and that contribution was transferred to Mayor McCarty's 2024 mayoral campaign. An entity named Teranomic from Emeryville California made a contribution to Mayor McCarty's 2028 mayoral campaign. (Exhibit A.)
- On June 20, 2023, Nasser Azimi contributed \$4,050 to Mayor McCarty's 2024 mayoral campaign, which was designated as a "primary election" contribution. On the reported California Form 460, Schedule A, Mr. Azimi's occupation and employer is listed as "Senior Partner, Teranomic." (Exhibit D.)

³ <https://sacramentocityexpress.com/2021/04/01/the-city-announces-the-top-10-scoring-applicants-for-new-storefront-cannabis-dispensary-permits/>

- On December 11, 2023, Mayor McCarty's 2024 mayoral campaign transferred a \$2,500 campaign contribution from Teranomic Software from the Kevin McCarty for Assembly 2024 campaign account, number 1457672, which was accounted for as a "primary election" contribution. (Exhibit D.)
- On December 11, 2023, Mayor McCarty's 2024 mayoral campaign transferred a \$1,000 campaign contribution from Teranomic Software from the Kevin McCarty for Assembly 2024 campaign account, number 1457672, which was accounted for as a "primary election" contribution. (Exhibit D.)
- On February 15, 2024, Ohana Gardens contributed \$2,500 to Mayor McCarty's 2024 mayoral campaign, which was designated as a "primary election" contribution. On the reported California Form 460, Schedule A, there is no responsible individual listed.⁴ (Exhibit D.)
- On September 11, 2024, Ohana Gardens contributed \$2,000 to Mayor McCarty's 2024 mayoral campaign, which was designated as a "runoff election" contribution. On the reported California Form 460, Schedule A, there is no responsible individual listed. (Exhibit D.)
- On November 1, 2024, Nasser Azimi contributed \$4,050 to Mayor McCarty's 2024 mayoral campaign, which was designated as a "runoff election" contribution. On the submitted California Form 460, Schedule A, Respondent listed Mr. Azimi's occupation and employer as "Partner, Teranomic." (Exhibit D.)
- On June 25, 2025, Teranomic, from Emeryville, California, contributed \$2,000 to Mayor McCarty's 2028 mayoral campaign.
- The California Department of Cannabis Control lists Daryoush Azimi, Mariam Azimi, Nasser Azimi as the license holders for Ohana Gardens' commercial non-storefront retailer cannabis license from the state of California, license no. C9-0000104-LIC. These three individuals are also listed as the license holders for Ohana Gardens' commercial cannabis distributor license, license no. C11-0000409-LIC. (Exhibit E.)
- Mayor McCarty stated that he did not remember receiving a contribution from Nasser Azimi or Teranomic Software.
- Mayor McCarty did not recall receiving a campaign contribution check from Ohana Gardens and was otherwise unaware of how and when Ohana Gardens made their contribution to his 2024 mayoral campaign.

⁴ FPPC regulations require contributions from limited liability companies to list on the contribution the "responsible officer" who is the person with the primary responsibility for approving the political activity of the company. (2 CCR section 18402.2.) There is no FPPC regulation that requires corporations, like Ohana Gardens, to identify the corporation's responsible officer for campaign contributions.

- Mayor McCarty personally only accepted campaign contribution checks from close family members and friends, and these were very rare instances. Almost all of the campaign contributions for Mayor McCarty's 2024 mayoral campaign were collected either by his campaign manager Amber Wannell or his campaign treasurer Deane and Company. Mayor McCarty noted that his 2024 mayoral campaign received thousands of individual contributions and in his estimation 98%-99% of those contributions were received and handled by his campaign manager or through his campaign website, the payments from which were processed, managed, and reported by Deane and Company.
- Mayor McCarty had no personal knowledge of Nasser Azimi's ownership or controlling interests in Teranomic Software or Ohana Gardens and also had no knowledge whether contributions from Teranomic Software, Ohana Gardens, or any other entity should have been aggregated with contributions from Nasser Azimi.
- Deane and Company stated that they were also unaware of whether Nasser Azimi had a controlling interest in Teranomic Software or Ohana Gardens. Deane and Company stated they collected and reported the required information under FPPC regulations and possessed no other information that would have led them to believe that contributions from Nasser Azimi should have been aggregated with Teranomic Software, Ohana Gardens, or any other entity that made contributions to Mayor McCarty's 2024 mayoral campaign.
- Amber Wannell confirmed that her company AMW Consulting or Deane and Company handled 98%-99% of the physical checks that were campaign contributions to Mayor McCarty's 2024 mayoral campaign. Ms. Wannell also stated that she had no personal knowledge that contributions from Teranomic Software or Ohana Gardens should have been aggregated with contributions from Nasser Azimi or any other contributor to Mayor McCarty's 2024 mayoral campaign.

2. Analysis

We analyze separately the Complaint's two distinct allegations:

A. The Levine Act.

The Complaint alleges that Mayor McCarty violated Municipal Code Section 2.13.180, which incorporates by reference the Levine Act, by participating in the March 25, 2025 government decision that considered and approved Resolution No. 2025-0067. As noted above, Resolution No. 2025-0067 approved extending the three CORE storefront dispensary permits originally awarded by the City Council in 2021.

The Levine Act is aimed at preventing "pay-to-play" campaign contribution actions by California public officials. The Levine Act prohibits a public official from participating in a governmental decision involving a license, permit, or other entitlement for use if the public official received a campaign contribution of more than \$500 from any party or participant that is the subject of license, permit or other entitlement for use while a proceeding is pending and for 12 months after the date of a governmental decision. (Gov't Code § 84308(b)(1).) Further, a

public official must disclose any contributions of more than \$500 made within the previous 12 months from a party to the proceeding. (Gov't Code § 84308(c)(1).)

We examined Mayor McCarty's mayoral campaign contribution fillings and found that none of the 10 CORE Permittees for retail storefront cannabis dispensary permits made a campaign contribution to Mayor McCarty's 2024 and 2028 mayoral campaigns—either before or after the March 2025 decision regarding extending the CORE permits.⁵ Because Mayor McCarty's 2024 and 2028 mayoral campaigns did not receive any campaign contributions from the CORE Permittees, Mayor McCarty's participation in the March 2025 governmental decision regarding Resolution 2025-0067 was not prohibited by the Levine Act and did not otherwise violate Municipal Code Section 2.13.180.

B. Aggregation Rules and the Contribution Limitation

The Complaint alleges that Mayor McCarty accepted campaign contributions in excess of the contribution limit established in Municipal Code Section 2.13.050. The Complaint alleges that contributions exceeded the limit because multiple contributions, each below the limit, should have been aggregated under Municipal Code Section 2.13.060, resulting in contribution(s) over the contribution limit.

Municipal Code Section 2.13.050 states that “No person shall make, and no candidate for the office of mayor...shall accept into the candidate's campaign contribution account, any contribution that would cause the total amount contributed by that person to the candidate...to exceed \$4,350 in any of the following periods: a primary election period; a general election period; or a special election period.”⁶ The contribution limit applies separately to each period, meaning a contributor may permissibly contribute the maximum amount to a candidate in a primary election, then again to the same candidate in the general election.

The Municipal Code requires aggregation of campaign contributions from: (i) an individual and a general partnership in which the individual is a general partner; or (ii) an individual and any corporation in which that individual also has a controlling interest, meaning 50% or more of the voting power of the corporation. (Section 2.13.060(B)(2).) Similarly, contributions from “related entities”—defined in the Code—must also be aggregated. (Section 2.13.060(B)(1).) Aggregated contributions are subject to the contribution limitations set forth in Municipal Code Section 2.13.050. The Municipal Code's aggregation requirements also apply to transfers of campaign contributions made to a candidate for a Sacramento elective office that were received for a different campaign. (Section 2.13.070(B).)

⁵ Mayor McCarty's 2028 mayoral campaign is not required to file its report of contributions received for the first six months of 2026 until July 31, 2026.

⁶ Because Sacramento has adopted its own campaign contributions and aggregation requirements, the statewide campaign contribution requirements enacted by AB 571 (Mullin, 2019) do not apply to Sacramento candidates for office. (Stats. 2019, Ch. 556, Sec. 1, AB 571 Mullin.)

Municipal Code Section 2.13.060(C) includes a provision that we think is unique to the City; we are unaware of a similar provision in any other jurisdiction, State or local that possess an ethics commission or similar type of oversight body.⁷ Section 2.13.060(C) states that “a candidate shall not be deemed to be in violation of this section if he or she accepts a contribution from a person or persons that exceeds the contribution limits set forth in Section 2.13.050 because of the aggregation of contributions pursuant to subsections A and B of this section. It is the intent of this section to make contributors, and not candidates, liable for violations of this section occurring as a result of the applicability of the aggregation rules [,] except where there is sufficient proof that the candidate had knowledge that the contributions must be aggregated.” (emphasis added.)

Our investigation revealed that on June 20, 2023, Nasser Azimi made a \$4,050 contribution to Mayor McCarty’s 2024 mayoral campaign for the 2024 primary election. Mr. Azimi listed his occupation on the contribution as “Senior Partner, Teranomic.” (Exhibit D.) This contribution is within the maximum amount permitted under Municipal Code Section 2.13.050(B). The attribution of “Senior Partner” does not on its face implicate the Municipal Code aggregation rules.

On December 11, 2023, Mayor McCarty’s 2024 assembly campaign transferred a \$2,500 and \$1,000 contribution from “Teranomic Software” to Mayor McCarty’s 2024 mayoral campaign for the 2024 primary election. Subsequently on February 15, 2024, Ohana Gardens contributed \$2,500 to Mayor McCarty’s 2024 mayoral campaign for the 2024 primary election. Under the Municipal Code, the determination of whether the June 20, 2023 contribution from Mr. Azimi was required to be aggregated with the December 11, 2023 transfer contribution from Teranomic Software and/or the February 15, 2024 Ohana Gardens contribution, turns on whether the entities are partnerships or corporations, and on whether Mr. Azimi is a general partner or possessed a “controlling interest” in Teranomic Software and/or Ohana Gardens.

We were unable to determine from publicly available documents whether Nasser Azimi possessed a controlling interest in Teranomic Software or Ohana Gardens. However, we determined that this issue was moot and did not conduct further investigation. Municipal Code Section 2.112.030(B) vests the Commission with authority only over city elected officials, candidates for city elected office, independent expenditure committees, members of boards and commissions, the city manager, the city clerk, the city attorney, the city treasurer, the city auditor, the director of the office of public safety accountability, and lobbyists as defined Municipal Code Chapter 2.15. The Commission therefore has no jurisdictional authority over any of the campaign contributors mentioned in this Report.

As the Commission lacks jurisdictional authority over the contributing entities, we did not investigate whether the contributions from Ohana Gardens, Teranomic Software, Teranomic and/or Nasser Azimi met the Municipal Code standards for aggregation. (See Commission procedures Section 5.1B directing that a complaint should be dismissed for lack of jurisdiction if the respondent is not a person listed in City Code section 2.112.030.B.).⁸ Rather, our

⁷ We identified that the City of Monterey contains aggregation rules similar to the City’s, but Monterey does not have an ethics commission empowered to enforce its contribution rules.

⁸ While outside the scope of the Commission’s authority, we attempted to discern through publicly available information, whether Municipal Code Section 2.13.060 would have required aggregating contributions from Teranomic Software and/or Ohana Gardens with contributions from Nasser Azimi.

investigation focused on Mayor McCarty. If the conditions for aggregation exist, then the only question under the Municipal Code is whether Mayor McCarty had knowledge that those contributions were required to be aggregated.

Mayor McCarty told us that he has not had a previous personal relationship with Nasser Azimi and had no knowledge whether Nasser Azimi was an owner or possessed a controlling interest in Teranomic, Teranomic Software or Ohana Gardens. We found the Mayor McCarty to be credible. Mayor McCarty told us he did not personally receive a contribution from Nasser Azimi; the Mayor's 2024 mayoral campaign treasurer Deane and Company confirmed the Mayor McCarty's statement, verifying that Nasser Azimi's contributions to Mayor McCarty were both online transactions that were processed by third-party service utilized by Deane and Company. We find persuasive the Mayor McCarty's statement that he rarely received a physical check campaign contribution and that a physical check was only received by him from a close family member or friend. He noted that 98%-99% of his 2024 mayoral campaign contributions were handled and processed by either his campaign manager or Deane and Company. Mayor McCarty also noted that he did not directly handle or process transfers from his campaign accounts. Mayor McCarty's statements were corroborated in interviews with Deane and Company and Amber Wannell.

Mayor McCarty's 2024 mayoral campaign contribution records are several thousand pages long, and contain contribution records from over 3,000 individuals and entities. We reviewed all these records and found no evidence causing us to question Mayor McCarty's statements regarding the processes used to receive, deposit, and report contributions to his 2024 mayoral campaign. We additionally found no reason to doubt Mayor McCarty's statement that he did not know in 2023 or 2024, when he accepted campaign contributions, whether Nasser Azimi possessed a controlling interest in Teranomic Software, Ohana Gardens or any other entity. We note that contributions from Teranomic Software for the Mayor's 2024 mayoral campaign were transfers from Mayor McCarty's 2024 state Assembly campaign account, which further substantiates the Mayor's statement that he was unaware of whether contributions from Teranomic Software to his 2024 mayoral campaign were required to be aggregated with contributions from Nasser Azimi. In sum, we believe the Mayor's statement that he had no knowledge of whether contributions from any entities discussed in this Report were required to be aggregated with each other, or with contributions from Nasser Azimi.

Municipal Code Section 2.13.060 requires "sufficient evidence" that Mayor McCarty had knowledge that contributions from Ohana Gardens, Teranomic Software and/or Nasser Azimi made in 2023 and 2024 were required to be aggregated for purposes of the contribution limitation. Our investigation did not reveal any evidence that would support or meet this requirement.

Both companies list multiple directors and we did not find any publicly available information that would allow us to conclude whether Nasser Azimi has a controlling interest in either Teranomic Software or Ohana Gardens.

III. CONCLUSION AND RECOMMENDATION

Our investigation of the Complaint does not lead to the conclusion that Mayor McCarty has violated any Ethics Law, in particular Municipal Code Sections 2.13.060 and 2.13.180. The evidence contained in this report establishes that Mayor McCarty did not violate the Levine Act because he did not receive any campaign contributions from the CORE retail storefront dispensary permittees. The evidence also establishes that Mayor McCarty did not possess the required knowledge that contributions from Teranomic Software, Ohana Gardens, or any other entity that contributed to his 2024 mayoral campaign should have been aggregated with each other or with Nasser Azimi.

Accordingly, we recommend that the Commission:

- a. Find that sufficient evidence does not exist to establish that a violation of the Ethics Law has occurred; and
- b. Dismiss the Complaint and close the file for this matter.

Respectfully submitted,



Trevor T. Taniguchi and Steven Miller

Exhibits A-E to the Report on the K. Black Complaint re Mayor Kevin McCarty

EXHIBIT A

From: [Forms](#)
To: [Dar Ocarol](#); [Mindy Cuppy](#); clerk; [Government Ethics and Compliance](#); [Wendy Klock-Johnson](#)
Subject: Sacramento Ethics Commission Complaint Form
Date: Thursday, March 19, 2026 8:39:13 PM

Intellistack Logo



Formstack Submission For: **Sacramento Ethics Commission Complaint Form**

Submitted at 03/19/26 11:39 PM

Your Name: Karla Black

Email:

Phone:

Complaint Type (check the appropriate box below to indicate which set of laws you believe were violated by the Respondents) :

City Code Chapter 1.20 ("Code of Fair Campaign Practices")
City Code Chapter 2.13 ("Campaign Contribution Limitations") and Chapter 2.14 ("Campaign Spending Limits and Public Campaign Financing")
City Code Chapter 2.16 ("Conflict of Interest") City Code Chapter 4.02 ("Code of Ethics")

Respondent Information:
Who is the person(s) against whom you are filing a complaint?
Please provide name(s) and contact information, if known.:

Mayor McCarty

Date of Alleged Violation: (or date you became aware of allegation/s):

Mar 25, 2026 02:00 PM

Alleged Conflict of Interest and Participation in Government Decisions Affecting Financial Contributors

This complaint alleges that a Sacramento public official participated in governmental decisions that had a reasonably foreseeable financial impact on entities and individuals who made campaign contributions to that official. This conduct raises serious concerns regarding impartial decision-making and potential violations of the City of Sacramento Code of Ethics.

Public records, including campaign disclosures (Form 460 filings), indicate that contributions were made by individuals and/or entities connected to cannabis-related businesses operating within the City of Sacramento.

Certain contributing entities appear to share common ownership, control, or affiliation, suggesting a coordinated financial relationship. On or about March 25, 2025, the Sacramento City Council approved a resolution extending the operational deadline for CORE (Cannabis Opportunity Reinvestment and Equity) permits from April 1, 2025 to April 1, 2026. This decision had the effect of preserving the economic viability and value of cannabis permits held by businesses, including those potentially connected to contributors.

The CORE permit extension directly impacted the financial interests of cannabis-related businesses by allowing them additional time to operate, maintain licensing eligibility, and avoid expiration of permits. This extension preserved significant economic value for those businesses.

The public official participated in a governmental decision that had a reasonably foreseeable financial impact on entities or individuals with whom they had a financial relationship through campaign contributions. This creates the appearance, if not the reality, of a conflict of interest and undermines public trust in impartial governance, in violation of the Sacramento City Code of Ethics.

The Mayor of Sacramento received campaign

Description of the Complaint:
Describe the facts constituting the alleged violation(s). Be as specific as possible and include exact or approximate dates.:

contributions from both an individual donor connected to a cannabis related businesses and a corporate entity that is controlled by the same individual. That individual donor controls the corporate entity. Because the City of Sacramento regulates cannabis licensing, zoning, and retail permitting, campaign contributions from individuals or entities connected to cannabis businesses may raise transparency and conflict-of-interest concerns that warrant review. Based on publicly available California Form 460 campaign disclosure filings, the Spending Limits and Public Campaign following contributions appear in the Mayor's campaign committee reports.

3 Individual Contribution:

Nasser Azimi Orangevale, California Occupation listed:

Partner - Teranomic Contribution Date: November 1, 2024 Amount: \$4,050

Business Entity Contribution Teranomic

(Teranomic Software, Inc.) Emeryville, California

Contribution Date: June 25, 2025 Amount: \$2,000

These contributions appear in campaign filings associated with the Mayor's committees. Teranomic Software is controlled by the same individual donor. Corporate relationships and associated entities from public information indicates potential connections between the above-listed donor and several cannabis-related businesses and entities including:

- Teranomic Software 4
- Canntinas
- Ohana Cannabis
- Ohana Gardens
- East Bay Therapeutics

These entities share common ownership or control.

Relevant Governmental Decision On March 25, 2025, the Sacramento City Council adopted Resolution No. 2025-0067, which extended the operational deadline for certain CORE (Cannabis Opportunity Reinvestment and Equity) dispensary permits from April 1, 2025 to April 1, 2026. This council action effectively allowed certain cannabis retail permits to remain viable and maintain their economic value rather than expiring. Information available indicates that this extension may have allowed a cannabis retail business commonly known as the Oak Park dispensary located at 3856 Stockton Boulevard to proceed toward opening. This extension vote has had economic implications for

entities connected to cannabis licensing or investment in Sacramento.

Respectfully I request that the Sacramento Ethics Commission review and determine:

Whether Teranomic Software, Inc. is controlled by Nasser Azimi for purposes of campaign contributions.

Whether contributions from Teranomic Software, Inc. and Nasser Azimi should be aggregated under applicable campaign finance rules.

Whether any contributors connected to these entities have financial interests in cannabis businesses operating or seeking permits within the City of Sacramento.

Whether the Mayor participated in governmental decisions affecting cannabis licensing, including the March 25, 2025 CORE permit extension, that could affect contributors associated with the regulated industry.

Whether campaign disclosures accurately reflect the true source of contributions as required under campaign finance law.

Additionally, I respectfully request that the Sacramento Ethics Commission review these matters and determine whether further investigation or enforcement action is warranted and investigate the following:

- Whether the official had a disqualifying financial interest in the decision
- Whether the official should have recused themselves from participation
- Whether the relationship between contributors and affected entities created an appearance of impropriety
- Whether any additional ethics violations occurred under Sacramento City Code. Additionally, I request that the Commission determine whether enforcement action or further review is warranted

Witness Information:
Provide the name(s) and contact information for any potential witnesses, if known.:

n/a

Documentation.

Please attach copies of any documents in your possession that relate to the allegations stated in this complaint. In addition, state below whether or there are other records not in your possession that you believe, may assist the commission in its evaluation of your complaint.:

[View File](#)

Additional Information. Provide any additional information that you believe may assist in the Ethics Commission in its evaluation of this complaint.:

n/a

Related Complaints: Have you made the same or similar allegations to another agency? If so, identify the agency or court and attach a copy of any complaint or other written description of the allegations submitted to

Yes

that agency or
court.:

Date Executed: Mar 19, 2026

: sacramento, CA

Sign Name: Karla Black

Signature: [View Signature](#)

Email:

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Intellistack, 50 South Steele Street, Suite 500, Denver, CO 80209

EXHIBIT B

From: Steven D. Miller <SMiller@hansonbridgett.com>
Sent: Monday, March 30, 2026 2:12 PM
To: Mayor Kevin McCarty
Cc: Trevor T. Taniguchi
Subject: Sacramento Ethics Commission
Attachments: Ethics-Commission-Procedures_FINAL_02-22-21.pdf; 2026-005 Black Complaint.pdf

Dear Mayor McCarty,

As you know, we are the Evaluator/Investigator for the City of Sacramento Ethics Commission, engaged pursuant to Chapter 2.112 of the City's Municipal Code. If desired, Mindy Cuppy can verify our bona fides. We have been engaged to review, investigate, and advise regarding a Complaint filed against you by Karla Black. Pursuant to the Ethics Commission's procedures, we write to provide you a copy of the Complaint, as well as a copy of the Ethics Commission's Procedures. Pursuant to those procedures, we are conducting a preliminary evaluation of the Complaint. We realize that this is not the first complaint lodged against you by this Complainant and we will consider that fact in light of the Ethics Commission's Procedures as we conduct our preliminary evaluation.

No action from you is required at this time. We will be contacting you again in the coming weeks to let you know of next steps and to schedule an interview, if deemed necessary. Of course, we are happy to talk to you and/or your representative at any time, so feel free to reach out in the meantime.

We would appreciate confirmation that you have received this email. Thanks.

Steven Miller

Steven D. Miller
Partner



Hanson Bridgett LLP
SMiller@hansonbridgett.com
Direct: (415) 995-5831 [REDACTED]
Website | LinkedIn

This communication, including any attachments, is confidential and may be protected by privilege. If you are not the intended recipient, any use, dissemination, distribution, or copying of this communication is strictly prohibited. If you have received this communication in error, please immediately notify the sender by telephone or email, and permanently delete all copies, electronic or other, you may have. The foregoing applies even if this notice is embedded in a message that is forwarded or attached.



Sacramento Ethics Commission

Procedures

Effective February 22, 2021



The Sacramento City Council established the Sacramento Ethics Commission to review and consider complaints against elected and appointed City officials and to ensure that those officials are conforming their conduct to the City's laws and policies. The Commission's organization, powers, and duties are set forth in chapter 2.112 of the Sacramento City Code. Chapter 2.112 requires, among other things, that the Commission adopt (a) rules and procedures for the conduct of its business, (b) regulations and procedures for investigations and hearings it conducts, and (c) a policy setting forth its standards for imposing penalties and exercising enforcement discretion. To implement these requirements, the Commission has adopted the procedures set out below (collectively, these "**Procedures**"), which are intended to establish fair and transparent standards for investigating and determining matters before the Commission, thereby ensuring the fair, just, and timely resolution of complaints presented to the Commission with the end of promoting fairness, openness, honesty, and integrity in City government and City elections.

I. Definitions.

"Brown Act" means the Ralph M. Brown Act, codified as California Government Code section 54950 et seq.

"City" means the City of Sacramento.

"City Attorney" means the Sacramento City Attorney and the City Attorney's designee.

"City Charter" means the City of Sacramento Charter.

"City Clerk" means the Sacramento City Clerk and the City Clerk's designee.

"City Code" means the Sacramento City Code.

"City Staff" means the City officers and employees who support the Commission, including the City Clerk and the City Attorney and their respective assistants and deputies.

"Commission" means the Sacramento Ethics Commission.

"Commissioner" means a member of the Commission.

"Complainant" means a person who files a complaint with the Commission in accordance with these Procedures.

"Confidential Materials" means (a) information and documents that federal or state law prohibits the Commission or the City from disclosing to the public and (b) each complaint that is filed in accordance with these Procedures plus all related investigatory materials until the complaint is disposed of in accordance with these Procedures. "Confidential Materials" does not include information and documents generally available to the public or, except as provided by section 4.1 below, previously disclosed to members of the public.

"Day" means calendar day unless otherwise stated.

“Ethics Law” means those provisions of the City Charter, the City Code, or the Council Rules of Procedure listed in City Code section 2.112.030.A.

“Evaluator’s Report” means the report described in section 5(B) below.

“FPPC” means the California Fair Political Practices Commission.

“Hearing” means a hearing before the Commission, conducted in accordance with these Procedures, to consider a complaint filed with the Commission.

“Include” and its variants are terms of enlargement rather than of limitation. For example, “includes” means “includes but not limited to,” and “including” means “including but not limited to.”

“Respondent” means a person alleged in a complaint to have violated the Ethics Law.

“Sunshine Ordinance” means the Sacramento Sunshine Ordinance, codified as City Code chapter 4.04.

2. Commission Structure and Support. The Commission’s structure is set forth in City Code chapter 2.112, as supplemented by the following:

2.1. *Chairperson and Vice Chairperson.* The Commission annually elects a Chairperson and a Vice Chairperson. (City Code § 2.112.070.)

(A) The Chairperson (1) presides over all Commission meetings; (2) forms committees and appoints Commissioners to committees as appropriate; (3) may consult with the City Clerk and the City Attorney regarding the Commission’s business; (4) may consult with the City Attorney and the Evaluator on procedural matters but shall not otherwise discuss active complaints with either of them; and (5) is the Commission’s spokesperson for communicating with the City Council, the public, and the media.

(B) The Vice Chairperson performs the Chairperson’s duties when the Chairperson is unable to do so or is absent.

2.2. *The City Attorney’s Role.* The City Attorney advises the Commission on legal matters such as interpretation of the Ethics Law or of relevant state or federal law. The City Attorney does not participate in investigations, but the Chairperson, the City Clerk, and the Evaluator may consult with the City Attorney about procedure or about the interpretation of the Ethics Law or other relevant state or federal law so long as they do not seek advice about how the law applies to the facts that are the subject of a pending complaint.

- 2.3. *The City Clerk's Role.* The City Clerk supports the Commission's work and is responsible for, among other things, establishing and accomplishing the Commission's priorities in consultation with the Chairperson and consistent with policy direction by the Commission, scheduling meetings and Hearings and providing notice of meetings and Hearings as required by law, and keeping records of meetings and Hearings (e.g., video recordings, written minutes). The City Clerk may make procedural determinations including scheduling of Hearings, extensions of time, and presentation of witnesses.
- 2.4. *The Independent Evaluator's Role.* The Independent Evaluator is the neutral and independent party retained by the City on the Commission's behalf to review and investigate complaints and to give recommendations to the Commission regarding them.
- 2.5. *Media inquiries.* Except for routine administrative matters within their individual areas of responsibility, the City Clerk, City Attorney, and the Evaluator shall refer all media inquiries to the Chairperson or, if the Chairperson is unavailable, to the Vice Chairperson.

3. Commission Meetings.

- 3.1. *Time and Place.* The Commission shall establish a regular-meeting schedule for itself, with at least two regular meetings each year; the Commission may also call and hold special meetings in accordance with the Brown Act. (City Code § 2.112.080.) The City Clerk shall post the regular-meeting schedule on the Commission's website and provide notice of each regular meeting as required by the Brown Act and the Sunshine Ordinance. Regular meetings will be held at Sacramento City Hall, 915 I Street, Sacramento, California.
- 3.2. *Parliamentary Procedures.* The Commission shall conduct its business in compliance with the Brown Act and the Sunshine Ordinance and, to the extent practicable, shall conduct its meetings in accordance with *Rosenberg's Rules of Order: Simple Parliamentary Procedures for the 21st Century*. Hearings must be conducted in accordance with these Procedures.

4. Confidentiality.

- 4.1. Confidential Materials must not be disclosed to any person, except that the Evaluator and City Staff may disclose Confidential Materials to the extent needed for the investigation of a pending complaint so long as disclosure does not violate federal or state law.
- 4.2. At least 10 days before any Hearing to consider the Evaluator's Report, the complaint and the Evaluator's Report must be made publicly available as required by the Brown Act, the Sunshine Ordinance, or other applicable law, with all Confidential Materials redacted.

- 4.3. The City Clerk, the Evaluator, the Commissioners, and City Staff shall not make public statements about pending complaints before the Hearing, except as follows: if a pending complaint or information concerning a pending complaint is released to the public before the Hearing, the City Clerk may acknowledge receipt of the complaint and issue a statement that (A) the complaint represents unsubstantiated allegations pending the results of an investigation and Hearing and (B) might or might not fall within the Commission's jurisdiction.
- 4.4. Confidential Materials must not be used, directly or indirectly, for any purpose other than the Commission's official business, and the Commissioners shall take reasonable steps to protect and safeguard Confidential Materials.
- (A) Upon discovering an unauthorized disclosure or misuse (potential or actual) of Confidential Materials, the Evaluator, a Commissioner, or a member of City Staff shall immediately notify the City Clerk.
 - (B) Upon receiving a request, subpoena, or court order for disclosure of Confidential Materials, the Evaluator, a Commissioner, or a member of City Staff shall notify the City Clerk before disclosing the Confidential Materials.
- 4.4. A Commissioner remains bound by this section 4 after leaving office.

5. Complaints.

5.1. *Complaint Intake.*

- (A) Any person may file a complaint alleging violations of the Ethics Law.
 - (1) A complaint should be on the form prepared by the City Clerk, which is available on the City Clerk's website, although the City Clerk shall accept a complaint that is not filed on the form if the complaint includes the same information required by the form.
 - (2) A complaint must provide as much detail as possible, including, if known, each provision of the Ethics Law alleged to have been violated, the facts constituting each alleged violation, the name and address of each respondent, and the name and address of each potential witness.
 - (3) A complaint must also identify the complainant unless the complaint alleges misconduct by the complainant's supervisor or employer.

(4) A complaint must be filed with the City Clerk as follows:

<i>By U.S. Mail:</i>	Sacramento City Clerk 915 I Street New City Hall, Fifth Floor Sacramento, California 95814
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<i>By personal delivery during business hours:</i>	Sacramento City Clerk 915 I Street New City Hall, Fifth Floor Sacramento, California
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<i>By E-Mail:</i>	ethics@cityofsacramento.org
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(5) The City Clerk shall maintain a complaint log and shall enter in the log the date and time each complaint is filed.

(B) Within 14 days after a complaint is filed, the City Clerk shall complete an initial review of the complaint; and, based on the initial review, do one of the following:

- (1) Refer the complaint to the Evaluator for a preliminary evaluation in accordance section 5.2 and notify the Commission of the referral.
- (2) Refer the complaint to another City department or to the FPPC or another governmental agency with jurisdiction over the subject matter of the complaint if the City Clerk determines that the department, the FPPC, or the agency may more appropriately resolve the allegations in the complaint or enforce the applicable provisions of law and notify the complainant of the referral.
- (3) Dismiss the complaint for lack of jurisdiction and notify the complainant of the dismissal. A complaint is outside the Commission's jurisdiction if (a) it alleges violations that occurred more than three years before it was filed, or, for violations subject to a different limitations period, it was filed after the limitations period expired; (b) it alleges facts that are not subject to any provision of the Ethics Law; (c) the respondent is not a person listed in City Code section 2.112.030.B; or (d) the respondent is a Commissioner.

(C) Upon complying with section 5.1(B), the City Clerk shall enter in the complaint log the action taken after the initial review. In addition, at the Commission's next regular meeting, the City Clerk shall notify the Commission of the action taken after the initial review but shall not identify the complainant and the respondent or respondents or indicate the substance of the complaint.

5.2. *The Evaluator's Preliminary Evaluation of a Complaint.*

- (A) Upon receiving a complaint from the City Clerk, the Evaluator shall promptly provide the respondent with a complete copy of the complaint and a copy of these Procedures.
- (B) Within 30 days after receiving the complaint, the Evaluator shall complete a preliminary evaluation to determine whether sufficient cause exists to conduct a full investigation. The Evaluator shall limit the preliminary evaluation to the allegations in the complaint and shall not consider extrinsic evidence. Sufficient cause does not exist, and the Evaluator shall not conduct a full investigation, if any of the following applies:
 - (1) The complaint does not allege specific facts demonstrating a potential violation.
 - (2) The facts alleged, if proven, would not violate any provision of the Ethics Law.
 - (3) Substantially similar allegations involving the same facts as those alleged in a previous complaint have already been addressed in a prior investigation or were otherwise decided on the merits by a court or by the FPPC or another governmental agency with jurisdiction.
- (C) If, based on the preliminary evaluation, the Evaluator determines that sufficient cause to warrant a full investigation of a complaint exists, then the Evaluator and the Commission shall proceed in accordance with sections 5.3 and 5.4. If, however, the Evaluator determines that sufficient cause does not exist, then the Evaluator and the Commission shall proceed as follows:
 - (1) The Evaluator shall prepare a no-cause report explaining why sufficient cause does not exist and recommending that the Commission not hear the matter. The no-cause report may also recommend that the Commission refer the complaint to the FPPC or to another governmental agency if the Evaluator determines that the FPPC or the agency may more appropriately resolve the allegations in the complaint or enforce the applicable provisions of law.
 - (2) The Evaluator shall file the no-cause report with the City Clerk within 45 days after the Evaluator receives the complaint. The City Clerk shall place the matter on the agenda of the Commission's next available regular meeting.
 - (3) The Commission may adopt the no-cause report and dismiss the complaint. Alternatively, if the Commission decides that, contrary to the no-cause report, sufficient cause exists to warrant an investigation, the Commission may direct the Evaluator to conduct an investigation.

- (4) The Commission may refer the complaint to a City department or to the FPPC or another governmental agency that may more appropriately resolve the allegations in the complaint or enforce the applicable provisions of law. If the Commission so determines, it will direct the City Clerk or City Attorney to send a copy of all relevant information to the department, the FPPC, or the agency along with the referral.

5.3. *Conduct of Investigation by the Evaluator.*

- (A) The Evaluator shall conduct an investigation of the allegations in a complaint when the Evaluator determines that sufficient cause exists or when the Commission directs the Evaluator to conduct an investigation. The investigation must include an interview with each respondent unless the respondent refuses to cooperate. The Evaluator may, in the Evaluator's sole discretion, also interview the complainant and other witnesses and may review documents and other evidence.
- (B) Although scheduling is difficult to predict in advance, timeliness is important to the Commission so that its goals of transparency and responsiveness to the community may be furthered. To that end, the Evaluator shall complete the investigation as promptly as possible under the circumstances and, unless an extension is granted in accordance with section 5.3(C), shall, within 60 days after receiving the complaint, submit to the City Clerk, with a copy to the City Attorney, a written report that is addressed to the Commission includes the following (the "**Evaluator's Report**"):
 - (1) A narrative summary of the evidence gathered through the investigation, including any exculpatory and mitigating evidence. The Evaluator may consider any relevant evidence, including hearsay evidence, and may include in the Evaluator's Report facts bearing on the weight given to the evidence considered, such as the Evaluator's determination of witness credibility.
 - (2) For each provision of Ethics Law that is alleged to be violated, a determination that the respondent or respondents did or did not violate the provision, with supporting evidence.
 - (3) At the Evaluator's discretion, a recommendation of action the Commission should take or a recommendation that the Evaluator conduct further investigation and report back to the Commission.
 - (4) At the Evaluator's discretion, a recommendation that the Commission refer the complaint to the FPPC or another governmental agency if the Evaluator believes that the FPPC or agency may more appropriately resolve the allegations in the complaint or enforce the applicable provisions of the Ethics Law or any other law.

- (C) The Evaluator may request an extension of time by filing a written request with the City Clerk, specifying the extension requested and the reasons for the request. The City Clerk, in consultation with the Chairperson and the City Attorney, may grant the request upon the Evaluator's showing of good cause. The City Clerk's decision on a request must be in writing. If the request is granted, the decision must specify the additional time that has been granted, and the Evaluator shall provide the City Clerk with a progress report on the status of the investigation every 30 days or as otherwise set forth in the decision. If the request is denied, the Evaluator shall submit to the City Clerk, within three days after the decision, a written summary of the evidence gathered through the investigation up to that point.
- (D) If the Evaluator discovers facts during an investigation that indicate possible additional violations by named respondent or respondents or possible violations by one or more persons or entities who are not named as a respondent, then the Evaluator shall notify the City Clerk of this discovery and consult with the City Clerk on how to conduct a fair and thorough investigation of the newly discovered facts that provides adequate due process.
 - (1) The City Clerk may either file an amended complaint against the new or existing respondent or respondents using the complaint form established for such purpose or may schedule a Hearing to consider whether the City Clerk should file an amended complaint.
 - (2) If the City Clerk files an amended complaint, the Evaluator shall notify each new respondent as well as the complainant and each original respondents of the new allegations. The Evaluator shall also provide all respondents with copies of the amended complaint and these Procedures.
- (E) Individual Commissioners shall not conduct independent investigations of complaints or discuss pending complaints with anyone except during a Hearing. But the Chairperson may discuss procedural matters with the Evaluator, the City Attorney, or the City Clerk.

5.4. *Commission Hearings.*

- (A) Upon receiving the Evaluator's Report, the City Clerk will advise the Chairperson and the City Attorney and will set a Hearing at the earliest practicable date.
- (B) At least 10 days before the Hearing, the City Clerk shall notify the complainant and each respondent of the date and time of the Hearing.
- (C) At least 10 days before the Hearing, the City Clerk shall deliver the Evaluator's Report to the Commission, the complainant, each respondent, and all interested parties who have requested a copy.

- (D) The Evaluator's Report must be made available to the public in accordance with the Brown Act and the Sunshine Ordinance.
- (E) Each respondent may submit a written response to the Evaluator's Report. The response may contain legal arguments, a summary of evidence, and any mitigating or exculpatory information. A respondent who chooses to submit a response must deliver it to the City Clerk at least 72 hours before the time of the Hearing, and the Commission may but need not consider a response that is not timely submitted. The City Clerk shall distribute any responses received to the Commission and the Evaluator as soon as is practicable and shall make the responses available to the public in accordance with the Brown Act, the Sunshine Ordinance, or other applicable law, with all Confidential Materials redacted.
- (F) If anyone other than a respondent submits a brief or any written argument to the Commission before the Hearing, the City Clerk shall provide, as soon as practicable, a copy of the brief or written argument to each respondent, the Commission, and the Evaluator. The City Clerk shall also make the brief or written argument available to the public in accordance with the Brown Act, the Sunshine Ordinance, or other applicable law, with all Confidential Materials redacted.
- (G) The Hearing must be open to the public, but witnesses may be excluded at the Commission's discretion with the concurrence of the City Attorney.
- (H) The City Clerk shall record the Hearing.
- (I) Each respondent may personally appear at the Hearing or be represented by counsel or any other person.
- (J) The complainant must be treated like any other witness who provides evidence.
- (K) The California Evidence Code does not apply to the Hearing, and the Commission may consider any relevant evidence, including hearsay.
- (L) All testimony presented to the Commission must be under oath or affirmation.
- (M) Commissioners may ask questions of the complainant, each respondent, the witnesses, and the Evaluator when recognized by the Chairperson. If, however, a Commissioner is the complainant, then that Commissioner shall not participate in any way in the Hearing, including deliberations about, or a vote on, the complaint or any matter concerning the complaint.
- (N) The Commission may ask the City Council to issue a subpoena compelling witnesses to appear at the Hearing and provide testimony or a subpoena duces tecum compelling witnesses to produce documents.

5.5. *Commission Action.*

- (A) At the conclusion of a Hearing, the Commission may take one or more of the following actions:
 - (1) Pass a motion directing the Evaluator to conduct further investigation and report back to the Commission.
 - (2) Adopt a resolution finding that sufficient evidence exists to establish that a violation occurred and including one or more of the actions authorized by section 5.6(A). This finding must be based on a preponderance of the evidence from the entire record of the proceedings.
 - (3) Adopt resolution finding that sufficient evidence does not exist to establish that a violation occurred and ordering that the complaint be dismissed.
 - (4) Pass a motion referring the complaint to the FPPC or to another governmental agency that may more appropriately resolve the allegations in the complaint or enforce the applicable provisions of law and directing the City Clerk or City Attorney to send a copy of all relevant information to the FPPC or the agency along with the referral.
- (B) The votes of at least three Commissioners are required to find under section 5.5(A)(2) that a violation occurred, and each Commissioner voting on the finding shall certify on the record that the Commissioner (1) heard the testimony at the Hearing (either in person or by listening to a recording) or read the transcript of the testimony; and (2) reviewed and considered all the evidence in the record.
- (C) The City Clerk shall provide a copy of any resolution adopted under section 5.5(A)(2) or 5.5(A)(3) to the complainant and each respondent and shall post a copy of the resolution on the City's website.
- (D) The Commission's action under section 5.5(A)(2) or 5.5(A)(3) is a final administrative determination on the complaint that is subject to judicial review in accordance with City Code section 1.24.110(A) and California Code of Civil Procedure sections 1094.5 and 1094.6.

5.6. *Remedies.*

- (A) If the Commission adopts a resolution under section 5.5(A)(2), thereby finding that a violation occurred, then the Commission shall include in the resolution one or more of the following:
 - (1) A finding that mitigating circumstances exist and that no further action is warranted.
 - (2) A reprimand of the responsible respondent or respondents.

- (3) An order that the responsible respondent or respondents take corrective action by a specific date.
 - (4) An order issuing a warning letter that sets conditions for the potential imposition of penalties depending on the future conduct of the responsible respondent or respondents.
 - (5) An order imposing an administrative penalty in accordance with City Code section 2.112.030.A.2.
- (B) The Commission shall not impose an administrative penalty on a respondent if clear and convincing evidence establishes that all of the following occurred before the violation:
 - (1) The respondent requested and obtained a written opinion from the City Attorney or the FPPC regarding the propriety of the actions constituting the violation.
 - (2) The respondent, in requesting the opinion, truthfully disclosed all the relevant and material facts.
 - (3) The respondent committed the violation in good-faith reliance upon the written opinion of the City Attorney or the FPPC.
- (C) The votes of at least three Commissioners are required to impose an administrative penalty under section 5.6(A)(5), and each Commissioner voting to impose any penalty shall certify on the record that the Commissioner (1) heard (either in person or by listening to a recording) or read the transcript of the testimony; and (2) reviewed and considered all the evidence in the record.
- (D) In determining whether administrative penalties should be imposed and the amount of the penalties, the Commission shall consider all the relevant facts. The following list of relevant facts is neither exhaustive nor mandatory, and the Commission may assign greater or lesser importance to each fact as the Commission considers appropriate under the circumstances:
 - (1) The severity of the violation.
 - (2) The presence or absence of any intention to conceal, deceive, or mislead.
 - (3) Whether the violation was deliberate, negligent or inadvertent.
 - (4) Whether the violation was an isolated incident or pervasive enough to indicate a pattern of disregard.
 - (5) Whether the respondent has a record of violations.
 - (6) The respondent's experience and sophistication.

- (7) Whether the respondent had, or should have had, knowledge of the provision of the Ethics Law that was violated.
- (8) The extent to which the respondent cooperated with the investigation.
- (9) The extent to which, when given notice of the complaint, the respondent took corrective action to cure the violation.

5.7. Payment and Collection of the Administrative Penalty.

- (A) A respondent upon whom an administrative penalty has been imposed shall pay the penalty within 25 days after receiving a copy of the resolution adopted under section 5.5(A)(2).
- (B) An administrative penalty not paid within 25 days is delinquent and, beginning on the 26th day after the respondent receives a copy of the resolution adopted under section 5.5(A)(2), will accrue interest at the same annual rate that applies to any civil judgment.
- (C) The City may file and prosecute a civil action in superior court to collect a delinquent administrative penalty and will be entitled to recover reasonable attorneys' fees and all costs associated with collection of the penalty, including but not limited to the cost of City Staff time to collect the penalty and costs set forth in California Code of Civil Procedure section 1033.5. The City may also take such actions as are authorized for enforcement of money judgments under the Enforcement of Judgments Law, California Code of Civil Procedure section 680.010 et seq.

From: [Forms](#)
To: [Dar Ocarol](#); [Mindy Cuppy](#); [clerk](#); [Government Ethics and Compliance](#); [Wendy Klock-Johnson](#)
Subject: Sacramento Ethics Commission Complaint Form
Date: Thursday, March 19, 2026 8:39:13 PM

Intellistack Logo



Formstack Submission For: **Sacramento Ethics Commission Complaint Form**

Submitted at 03/19/26 11:39 PM

Your Name: Karla Black

Email:

Phone:

Complaint Type (check the appropriate box below to indicate which set of laws you believe were violated by the Respondents) :

City Code Chapter 1.20 ("Code of Fair Campaign Practices")
City Code Chapter 2.13 ("Campaign Contribution Limitations") and Chapter 2.14 ("Campaign Spending Limits and Public Campaign Financing")
City Code Chapter 2.16 ("Conflict of Interest") City Code Chapter 4.02 ("Code of Ethics")

Respondent Information:
Who is the person(s) against whom you are filing a complaint?
Please provide name(s) and contact information, if known.:

Mayor McCarty

Date of Alleged Violation: (or date you became aware of allegation/s):

Mar 25, 2026 02:00 PM

Alleged Conflict of Interest and Participation in Government Decisions Affecting Financial Contributors

This complaint alleges that a Sacramento public official participated in governmental decisions that had a reasonably foreseeable financial impact on entities and individuals who made campaign contributions to that official. This conduct raises serious concerns regarding impartial decision-making and potential violations of the City of Sacramento Code of Ethics.

Public records, including campaign disclosures (Form 460 filings), indicate that contributions were made by individuals and/or entities connected to cannabis-related businesses operating within the City of Sacramento.

Certain contributing entities appear to share common ownership, control, or affiliation, suggesting a coordinated financial relationship. On or about March 25, 2025, the Sacramento City Council approved a resolution extending the operational deadline for CORE (Cannabis Opportunity Reinvestment and Equity) permits from April 1, 2025 to April 1, 2026. This decision had the effect of preserving the economic viability and value of cannabis permits held by businesses, including those potentially connected to contributors.

The CORE permit extension directly impacted the financial interests of cannabis-related businesses by allowing them additional time to operate, maintain licensing eligibility, and avoid expiration of permits. This extension preserved significant economic value for those businesses.

The public official participated in a governmental decision that had a reasonably foreseeable financial impact on entities or individuals with whom they had a financial relationship through campaign contributions. This creates the appearance, if not the reality, of a conflict of interest and undermines public trust in impartial governance, in violation of the Sacramento City Code of Ethics.

The Mayor of Sacramento received campaign

Description of the Complaint:
Describe the facts constituting the alleged violation(s). Be as specific as possible and include exact or approximate dates.:

contributions from both an individual donor connected to a cannabis related businesses and a corporate entity that is controlled by the same individual. That individual donor controls the corporate entity. Because the City of Sacramento regulates cannabis licensing, zoning, and retail permitting, campaign contributions from individuals or entities connected to cannabis businesses may raise transparency and conflict-of-interest concerns that warrant review. Based on publicly available California Form 460 campaign disclosure filings, the Spending Limits and Public Campaign following contributions appear in the Mayor's campaign committee reports.

3 Individual Contribution:

Nasser Azimi Orangevale, California Occupation listed:

Partner - Teranomic Contribution Date: November 1, 2024 Amount: \$4,050

Business Entity Contribution Teranomic

(Teranomic Software, Inc.) Emeryville, California

Contribution Date: June 25, 2025 Amount: \$2,000

These contributions appear in campaign filings associated with the Mayor's committees. Teranomic Software is controlled by the same individual donor. Corporate relationships and associated entities from public information indicates potential connections between the above-listed donor and several cannabis-related businesses and entities including:

- Teranomic Software 4
- Canntinas
- Ohana Cannabis
- Ohana Gardens
- East Bay Therapeutics

These entities share common ownership or control.

Relevant Governmental Decision On March 25, 2025, the Sacramento City Council adopted Resolution No. 2025-0067, which extended the operational deadline for certain CORE (Cannabis Opportunity Reinvestment and Equity) dispensary permits from April 1, 2025 to April 1, 2026. This council action effectively allowed certain cannabis retail permits to remain viable and maintain their economic value rather than expiring. Information available indicates that this extension may have allowed a cannabis retail business commonly known as the Oak Park dispensary located at 3856 Stockton Boulevard to proceed toward opening. This extension vote has had economic implications for

entities connected to cannabis licensing or investment in Sacramento.

Respectfully I request that the Sacramento Ethics Commission review and determine:

Whether Teranomic Software, Inc. is controlled by Nasser Azimi for purposes of campaign contributions.

Whether contributions from Teranomic Software, Inc. and Nasser Azimi should be aggregated under applicable campaign finance rules.

Whether any contributors connected to these entities have financial interests in cannabis businesses operating or seeking permits within the City of Sacramento.

Whether the Mayor participated in governmental decisions affecting cannabis licensing, including the March 25, 2025 CORE permit extension, that could affect contributors associated with the regulated industry.

Whether campaign disclosures accurately reflect the true source of contributions as required under campaign finance law.

Additionally, I respectfully request that the Sacramento Ethics Commission review these matters and determine whether further investigation or enforcement action is warranted and investigate the following:

- Whether the official had a disqualifying financial interest in the decision
- Whether the official should have recused themselves from participation
- Whether the relationship between contributors and affected entities created an appearance of impropriety
- Whether any additional ethics violations occurred under Sacramento City Code. Additionally, I request that the Commission determine whether enforcement action or further review is warranted

Witness Information:
Provide the name(s) and contact information for any potential witnesses, if known.:

n/a

Documentation.

Please attach copies of any documents in your possession that relate to the allegations stated in this complaint. In addition, state below whether or there are other records not in your possession that you believe, may assist the commission in its evaluation of your complaint.:

[View File](#)

Additional Information. Provide any additional information that you believe may assist in the Ethics Commission in its evaluation of this complaint.:

n/a

Related Complaints: Have you made the same or similar allegations to another agency? If so, identify the agency or court and attach a copy of any complaint or other written description of the allegations submitted to

Yes

that agency or
court.:

Date Executed: Mar 19, 2026

: sacramento, CA

Sign Name: Karla Black

Signature: [View Signature](#)

Email:

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Intellistack, 50 South Steele Street, Suite 500, Denver, CO 80209

EXHIBIT C

RESOLUTION 2025-0067

Adopted by the Sacramento City Council

March 25, 2025

Extending the Opportunity to Apply for and Operate a Storefront Cannabis Dispensary for the Core Program

BACKGROUND

- A. In 2020, the City Council determined that: i) all available storefront cannabis dispensary (storefront) permits should be made available to participants in classifications 1 or 2 of the City's Cannabis Opportunity Reinvestment and Equity Program (CORE) through a competitive process; ii) the top-scoring 10 participants be given 3 years from selection announcement to apply for and operate a storefront; and iii) if any of the top-scoring participants were not able to apply for and operate a storefront within that time, the opportunity to apply would be given to the next top-scoring participant (Resolution No. 2020-0338).
- B. In early 2021, the Office of Cannabis Management (Office) conducted a competitive selection process through a request for qualifications.
- C. On April 1, 2021, the Office announced the 10 top-scoring participants (selected participants). The selected participants must apply for and operate a storefront by April 1, 2024, or forfeit their opportunity for an available permit.
- D. On January 23, 2024, as directed, the Office provided a status report to the City Council during a regular meeting on the progress of the selected participants. Overall, the Office reported that 5 out of the 10 selected participants successfully applied for an available storefront permit. The other 5 participants (in-process participants) were in various stages of the build-out process, including applying for a conditional use permit and a certificate of occupancy, reconfiguring the site to meet applicable requirements, and searching for a site to operate a storefront. Three of the in-process participants requested additional time to become operational. The Office identified several factors that may have challenged the business development climate (e.g., the 2020 global pandemic, lack of access to funding, overcoming barriers noted in the City's Cannabis Equity Study, maintaining a lease for a site while obtaining land-use approvals, and predatory partners/investors); and reported that the in-process participants invested significant time, money, and resources into the opportunity to apply for and operate a storefront.

- E. After consideration of public comments and discussion on the matter during the meeting, the City Council directed that the in-process participants should be given one additional year to apply for and operate a storefront.
- F. On February 27, 2024, the Council adopted Resolution No. 2024-0049 extending the deadline to April 1, 2025.
- G. As the April 1, 2025 deadline approaches, there are three selected participants (#4, #6, and #10) who are either in the final stages of applying for a storefront permit or getting their business operations started. Specifically, one of the participants obtained a BOP on December 10, 2024, and anticipates becoming operational as soon as some internal business matters are resolved. The participant is currently working with the City's CORE Program facilitator to resolve the matter. OCM staff anticipates a speedy resolution. The second participant has obtained building permits and construction is in progress aligning the building with City Code requirements to operate a storefront. Staff anticipate that the second participant will be able to obtain a BOP within the next few months. The final participant has suffered fire damage to their previous location, making the building no longer conducive for establishing storefront. The participant has been searching for a new location but has had little success given the limited inventory for storefront facilities in the proper zoning areas. Staff believe additional time would support this participant's success in obtaining a BOP.
- H. CORE is a program aimed to assist individuals who have been negatively impacted by the disproportionate enforcement of cannabis-related crimes by providing them with assistance and an opportunity to participate in the cannabis industry. Authorizing an additional one-year extension will provide an equal opportunity to assist the three in-process participants, who have invested significant time, money, and resources, to complete the permitting process and operate a storefront. This extension will further drive the mission of the CORE program and the goal of parity between non-CORE (50%) and CORE (50%) permit ownership.
- I. Given the difficulty the selected participants have had in applying for and operating a storefront as outlined herein, additional time is needed for a newly selected CORE participant to apply for and operate a storefront.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

SECTION 1.

As for the final in-process participants, numbers 4, 6, and 10 winners, of the City's 2021 Request for Qualifications (RFQ) Process to Issue a Storefront Cannabis Dispensary Permit, the April 1, 2025 deadline to apply for and operate a storefront cannabis dispensary provided in Resolution No. 2024-0049 is hereby extended to April 1, 2026.

SECTION 2.

Notwithstanding the three-year timeframe provided in section B (10) of the Request for Qualifications (RFQ) Process to Issue a Storefront Cannabis Dispensary Permit, Resolution No. 2020-0338, any applicant that is awarded an opportunity to apply for and operate a storefront cannabis dispensary after the adoption of this Resolution shall be given five years from the date of the award to apply for and operate a storefront.

TABLE OF CONTENTS:

Exhibit A – Resolution No. 2020-0338

Exhibit B – Resolution No. 2024-0049

Adopted by the City of Sacramento City Council on March 25, 2025, by the following vote:

Ayes: Members Dickinson, Guerra, Jennings, Kaplan, Maple, Pluckebaum, Talamantes, Vang, and Mayor McCarty

Noes: None

Abstain: None

Absent: None

Attest:  04/01/2025
Mindy Cuppy, City Clerk

The presence of an electronic signature certifies that the foregoing is a true and correct copy as approved by the Sacramento City Council.

RESOLUTION NO. 2020-0338

Adopted by the Sacramento City Council

October 13, 2020

Process to Issue Storefront Cannabis Dispensary Permits

BACKGROUND

- A. The City of Sacramento may have no more than 40 valid storefront cannabis dispensary (“storefront”) permits. (Sacramento City Code section 5.150.350)
- B. The City Manager may issue a storefront permit through a process that is established by resolution of the City Council. (Sacramento City Code section 5.150.350)
- C. The process must comply with the City Code and may evaluate an applicant’s ability to successfully apply for and operate a storefront and utilize criteria reasonably necessary to protect the public health, safety, and welfare. (Sacramento City Code section 5.150.350)
- D. The City’s Cannabis Opportunity Reinvestment and Equity (“CORE”) Program was established to reduce barriers of entry and participation to cannabis businesses for communities and individuals negatively impacted by the disproportionate enforcement of cannabis-related crimes. CORE Program participants are currently granted priority for any storefront permits. (Resolution 2018-0323.)
- E. On January 14, 2020, the City Council determined that: i) all storefront permits should be issued to an individual or a group of individuals in classifications 1 or 2 of the City’s CORE Program; ii) at least 51% of the ownership interest in and profits from these new storefronts must be allocated to participants that meet classifications 1 or 2 of the CORE Program for a period of 10 years from issuance of the permit; and iii) CORE Program participants be given three years from selection to apply for and operate a storefront dispensary.
- F. On September 1, 2020, the City Council determined that a storefront dispensary permit should be issued through a competitive process that weighs qualifications of CORE Program participants.
- G. A fair and equitable way to allocate a storefront permits, and ensure that the best qualified CORE Program participants are selected, is through a request for qualifications (“RFQ”) process that utilizes criteria that evaluate the ability for an individual or group of individuals in the CORE Program to successfully apply for and operate a storefront dispensary.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL
RESOLVES AS FOLLOWS:**

Section 1. The RFQ Process for issuing storefront cannabis dispensary permits to individuals or groups of individuals in classifications 1 or 2 of the CORE Program is hereby adopted. (Exhibit A).

Section 2. Exhibit A is a part of this Resolution.

Table of Contents:

Exhibit A - Request for Qualifications ("RFQ") Process to Issue a Storefront Cannabis Dispensary Permit

Adopted by the City of Sacramento City Council on October 13, 2020, by the following vote:

Ayes: Members Ashby, Carr, Guerra, Hansen, Harris, Jennings, Schenirer, Warren and Mayor Steinberg

Noes: None

Abstain: None

Absent: None

Attest: **Mindy Cuppy** Digitally signed by Mindy Cuppy
Date: 2020.10.16 09:33:54 -07'00'
Mindy Cuppy, City Clerk

The presence of an electronic signature certifies that the foregoing is a true and correct copy as approved by the Sacramento City Council.

CITY OF SACRAMENTO
REQUEST FOR QUALIFICATIONS (“RFQ”) PROCESS TO ISSUE A
STOREFRONT CANNABIS DISPENSARY PERMIT

The following RFQ process is established pursuant to Sacramento City Code section 5.150.350, which provides that whenever the number of storefront cannabis dispensary permits falls below 40, the City may issue a permit to an applicant through a process that is consistent with the City Code and established by city council resolution. (Resolution No. _____)

A. Definitions.

The following definitions apply to this process:

1. “Applicant” means an individual or group of individuals in classification 1 or 2 of the CORE Program who submits a statement of qualifications in response to the City’s RFQ for issuance of a permit.
2. “Cannabis dispensary, storefront” has the same meaning as in City Code section 5.150.020.
3. “Classification 1” means classification 1 of the CORE Program as described in City Council resolution 2018-0323.
4. “Classification 2” means classification 2 of the CORE Program as described in City Council resolution 2018-0323.
5. “City Attorney” means the City Attorney or the City Attorney’s designee.
6. “City Manager” means the City Manager or the City Manager’s designee.
7. “CORE Program participant” has the same meaning as described in City Council resolution 2018-0323.
8. “CORE Program” means the City’s Cannabis Opportunity Reinvestment and Equity Program, adopted by City Council resolution 2018-0323.

9. "Individual" means a sole, natural person.
10. "OCM" means the City's Office of Cannabis Management.
11. "Ownership interest" has the same meaning as in City Code section 5.150.020.
12. "Permit" means a business operations permit issued by the City to operate a storefront cannabis dispensary.
13. "Permit application process" means the City's process for an applicant to obtain a permit in accordance with applicable state law and City Code. It includes, at a minimum, obtaining a certificate of occupancy, conditional use permit, and a business operating permit.
14. "Request for Qualifications" or "RFQ" means a written request for the submission of qualifications to successfully apply for and operate a storefront cannabis dispensary.
15. "Statement of Qualifications" or "SOQs" means the written document submitted in response to a RFQ.

B. Process.

1. **Who May Apply?** The RFQ is open to all individuals who are CORE Program participants in classification 1 or 2.
2. **Advertising.** When a permit becomes available, OCM will advertise the RFQ for 10 calendar days on the City's website and through other industry appropriate means.
3. **RFQ Requirements.**
 - a. The RFQ will be used solely to identify CORE Program participants with the highest scoring SOQs to successfully apply for and operate

a storefront cannabis dispensary within three years of being awarded the opportunity to apply for the permit.

- b. OCM will prepare the RFQ. The RFQ must be in the City's standard RFQ format.

4. RFQ Evaluation Criteria.

- a. The RFQ shall utilize criteria that comply with the City Code and all applicable City procurement policies and procedures; are reasonably necessary to protect the public health, safety, and welfare; and evaluate the experience and training of applicants to determine which applicants will be the most successful at applying for and operating a storefront cannabis dispensary including:
 - i. A description of classes, trainings, and workshops completed to prepare the applicant for operating a successful cannabis business in the city of Sacramento.
 - ii. A business plan that includes a detailed timeline, budget, and a plan to achieve success and sustainability.
- b. In developing the RFQ criteria, OCM must consider input of CORE Program participants.
- c. The criteria for the RFQ are subject to the approval of the City Manager and the City Attorney.

5. Statement of Qualifications.

- a. To respond to the RFQ, CORE Program participants must submit a SOQ in writing to OCM by the due date indicated in the advertisement.
- b. A SOQ may be submitted by one CORE Program participant or by a group of participants. No individual may be identified in any capacity in more than one SOQ. Such a duplicate submission will result in the

subject SOQs being deemed nonresponsive and disqualified from review.

6. Required Certifications in SOQs.

- a. Applicants must certify in their SOQ that for a period of 10 years from the issuance of the permit that:
 - i. At least 51% of the ownership interest in the storefront cannabis dispensary will be held by one or more CORE Program participants in classifications 1 or 2, and
 - ii. Owner(s) of the dispensary who are CORE Program participants will receive at least 51% of the storefront cannabis dispensary's profits.
- b. The certification of ownership and profits will be a condition on the permit.

7. SOQ Acceptance and Evaluation.

- a. SOQs shall not be altered after opening.
- b. No criteria may be used in evaluating a SOQ that are not specified in the RFQ or in applicable City Code or other applicable laws or regulations.
- c. All responsive SOQs shall be reviewed and scored by an unbiased and neutral review panel who possess the relevant knowledge or experience to evaluate the SOQs. Members of the review panel may consist of individuals who:
 - i. Have some level of expertise in economic or business development;
 - ii. Have an active involvement in social equity matters; or
 - iii. Are cannabis business regulators from another jurisdiction.

- d. Under no circumstances will a member of the review panel be an employee or a contractor of the City or affiliated in any way with the cannabis industry in the city of Sacramento.
- e. No member of the review panel may discuss the SOQ with applicants for any purpose other than administrative clarification after the submission of SOQ, except during the presentation phase, if any.
- f. Once OCM has received and calculated all the reviewing panels' scores, the top scoring SOQs shall be awarded the opportunity to apply for a permit, until all available permits have been issued.
- g. OCM will notify all applicants of the status of their SOQs through award announcements and publish the scores for all SOQs on its website as soon as reasonably possible.

8. Late and Nonresponsive SOQs.

- a. A SOQ is late if it is received at the location designated in the RFQ after the deadline specified in the RFQ. A late SOQ shall be rejected and not considered, regardless of the reason for the lateness, including circumstances beyond the control of the individual or group that submits the SOQ. A late SOQ may only be opened for identification purposes.
- b. A SOQ is nonresponsive if it does not comply with requirements of the RFQ or if it is submitted in accordance with section 5(b).
- c. Late and nonresponsive SOQs will be returned.
- d. OCM shall have the authority to reject SOQs that are late or nonresponsive.

9. **Public Disclosure.** SOQs submitted in response to the RFQ will be made available in response to a request for public records in accordance with the California Public Records Act.
10. **Timeframe for Opportunity to Apply for a Permit.** It is imperative that permits are actually issued to businesses that will successfully operate within a reasonable period of time. Therefore, any opportunity to apply for a permit shall become void and of no effect if the awarded applicant surrenders the opportunity to apply in writing or the storefront cannabis dispensary is not operating after a period of three years from the date of the applicant's award announcement.
11. **Conditions on Permits.** By responding to the RFQ, applicants understand and agree that in addition to all other applicable permit conditions, the City will place the following conditions on their permit for 10 years starting from its issuance: at least 51% of the ownership of the permitted storefront cannabis dispensary must be held by one or more CORE Program participants in classifications 1 or 2; and at least 51% of the profits of the dispensary must be allocated to the CORE Program participant owner(s).
12. **Tied Scores.** If there are tied top scoring SOQs and there are more tied scores than permits, then the City will use a process to randomly select an applicant from among those tied SOQs.

RESOLUTION 2024-0049

Adopted by the Sacramento City Council

February 27, 2024

One-Year Extension of the Opportunity to Apply for and Operate a Storefront Cannabis Dispensary for the 2021 Request for Qualifications - Permit Process for the Core Program**BACKGROUND**

- A. In 2020, the City Council determined that: i) all available storefront cannabis dispensary (“storefront”) permits should be made available to participants in classifications 1 or 2 of the City’s Cannabis Opportunity Reinvestment and Equity Program (“CORE”) through a competitive process; ii) the 10 top-scoring participants be given 3 years from selection announcement to apply for and operate a storefront; and iii) if any of the top-scoring participants were not able to apply for and operate a storefront within that time, the opportunity to apply would be given to the next top-scoring participant (Resolution No. 2020-0338) (Exhibit A). The Council also directed staff to return with a report on the status of the process and 10 top-scoring participants.
- B. In early 2021, the Office of Cannabis Management (“Office”) conducted a competitive selection process through a request for qualifications.
- C. On April 1, 2021, the Office announced the 10 top-scoring participants (“selected participants”). The selected participants must apply for and operate a storefront by April 1, 2024, or forfeit their opportunity for an available permit.
- D. On January 23, 2024, as directed, the Office provided a status report to the City Council during a regular meeting on the progress of the selected participants. Overall, the Office reported that 5 out of the 10 selected participants successfully applied for an available storefront permit. The other 5 participants (“in-process participants”) were in various stages of the build-out process, including applying for a conditional use permit and a certificate of occupancy, reconfiguring the site to meet applicable requirements, and searching for a site to operate a storefront. Three of the in-process participants requested additional time to become operational. The Office identified several factors that may have challenged the business development climate (e.g., the 2020 global pandemic, lack of access to funding, overcoming barriers noted in the City’s Cannabis Equity Study, maintaining a lease for a site while obtaining land-use approvals, and predatory partners/investors); and reported that the in-process participants invested significant time, money, and resources into the opportunity to apply for and operate a storefront.

- E. After consideration of public comment and discussion on the matter during the meeting, the City Council directed that the in-process participants should be given an additional year to apply for and operate a storefront.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

SECTION 1.

Notwithstanding section 10 of the City's Request for Qualifications (RFQ) Process to Issue a Storefront Cannabis Dispensary Permit (Resolution No. 2020-0338), the April 1, 2024 deadline to apply for and operate a storefront cannabis dispensary for the 2021 RFQ Process is hereby extended to April 1, 2025.

TABLE OF CONTENTS:

Exhibit A – Resolution No. 2020-0338

Adopted by the City of Sacramento City Council on February 27, 2024, by the following vote:

Ayes: Members Guerra, Jennings, Kaplan, Maple, Talamantes, Valenzuela, Vang, and Mayor Steinberg

Noes: None

Abstain: None

Absent: None

Attest:  03/04/2024
Mindy Cuppy, City Clerk

The presence of an electronic signature certifies that the foregoing is a true and correct copy as approved by the Sacramento City Council.

RESOLUTION NO. 2020-0338

Adopted by the Sacramento City Council

October 13, 2020

Process to Issue Storefront Cannabis Dispensary Permits

BACKGROUND

- A. The City of Sacramento may have no more than 40 valid storefront cannabis dispensary (“storefront”) permits. (Sacramento City Code section 5.150.350)
- B. The City Manager may issue a storefront permit through a process that is established by resolution of the City Council. (Sacramento City Code section 5.150.350)
- C. The process must comply with the City Code and may evaluate an applicant’s ability to successfully apply for and operate a storefront and utilize criteria reasonably necessary to protect the public health, safety, and welfare. (Sacramento City Code section 5.150.350)
- D. The City’s Cannabis Opportunity Reinvestment and Equity (“CORE”) Program was established to reduce barriers of entry and participation to cannabis businesses for communities and individuals negatively impacted by the disproportionate enforcement of cannabis-related crimes. CORE Program participants are currently granted priority for any storefront permits. (Resolution 2018-0323.)
- E. On January 14, 2020, the City Council determined that: i) all storefront permits should be issued to an individual or a group of individuals in classifications 1 or 2 of the City’s CORE Program; ii) at least 51% of the ownership interest in and profits from these new storefronts must be allocated to participants that meet classifications 1 or 2 of the CORE Program for a period of 10 years from issuance of the permit; and iii) CORE Program participants be given three years from selection to apply for and operate a storefront dispensary.
- F. On September 1, 2020, the City Council determined that a storefront dispensary permit should be issued through a competitive process that weighs qualifications of CORE Program participants.
- G. A fair and equitable way to allocate a storefront permits, and ensure that the best qualified CORE Program participants are selected, is through a request for qualifications (“RFQ”) process that utilizes criteria that evaluate the ability for an individual or group of individuals in the CORE Program to successfully apply for and operate a storefront dispensary.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL
RESOLVES AS FOLLOWS:**

Section 1. The RFQ Process for issuing storefront cannabis dispensary permits to individuals or groups of individuals in classifications 1 or 2 of the CORE Program is hereby adopted. (Exhibit A).

Section 2. Exhibit A is a part of this Resolution.

Table of Contents:

Exhibit A - Request for Qualifications ("RFQ") Process to Issue a Storefront Cannabis
Dispensary Permit

Adopted by the City of Sacramento City Council on October 13, 2020, by the following vote:

Ayes: Members Ashby, Carr, Guerra, Hansen, Harris, Jennings, Schenirer, Warren and
Mayor Steinberg

Noes: None

Abstain: None

Absent: None

Attest:


Mindy Cuppy
Mindy Cuppy, City Clerk

*The presence of an electronic signature certifies that the foregoing is a true and correct copy as approved by the
Sacramento City Council.*

CITY OF SACRAMENTO
REQUEST FOR QUALIFICATIONS (“RFQ”) PROCESS TO ISSUE A
STOREFRONT CANNABIS DISPENSARY PERMIT

The following RFQ process is established pursuant to Sacramento City Code section 5.150.350, which provides that whenever the number of storefront cannabis dispensary permits falls below 40, the City may issue a permit to an applicant through a process that is consistent with the City Code and established by city council resolution. (Resolution No. _____)

A. Definitions.

The following definitions apply to this process:

1. “Applicant” means an individual or group of individuals in classification 1 or 2 of the CORE Program who submits a statement of qualifications in response to the City’s RFQ for issuance of a permit.
2. “Cannabis dispensary, storefront” has the same meaning as in City Code section 5.150.020.
3. “Classification 1” means classification 1 of the CORE Program as described in City Council resolution 2018-0323.
4. “Classification 2” means classification 2 of the CORE Program as described in City Council resolution 2018-0323.
5. “City Attorney” means the City Attorney or the City Attorney’s designee.
6. “City Manager” means the City Manager or the City Manager’s designee.
7. “CORE Program participant” has the same meaning as described in City Council resolution 2018-0323.
8. “CORE Program” means the City’s Cannabis Opportunity Reinvestment and Equity Program, adopted by City Council resolution 2018-0323.

9. "Individual" means a sole, natural person.
10. "OCM" means the City's Office of Cannabis Management.
11. "Ownership interest" has the same meaning as in City Code section 5.150.020.
12. "Permit" means a business operations permit issued by the City to operate a storefront cannabis dispensary.
13. "Permit application process" means the City's process for an applicant to obtain a permit in accordance with applicable state law and City Code. It includes, at a minimum, obtaining a certificate of occupancy, conditional use permit, and a business operating permit.
14. "Request for Qualifications" or "RFQ" means a written request for the submission of qualifications to successfully apply for and operate a storefront cannabis dispensary.
15. "Statement of Qualifications" or "SOQs" means the written document submitted in response to a RFQ.

B. **Process.**

1. **Who May Apply?** The RFQ is open to all individuals who are CORE Program participants in classification 1 or 2.
2. **Advertising.** When a permit becomes available, OCM will advertise the RFQ for 10 calendar days on the City's website and through other industry appropriate means.
3. **RFQ Requirements.**
 - a. The RFQ will be used solely to identify CORE Program participants with the highest scoring SOQs to successfully apply for and operate

a storefront cannabis dispensary within three years of being awarded the opportunity to apply for the permit.

- b. OCM will prepare the RFQ. The RFQ must be in the City's standard RFQ format.

4. RFQ Evaluation Criteria.

- a. The RFQ shall utilize criteria that comply with the City Code and all applicable City procurement policies and procedures; are reasonably necessary to protect the public health, safety, and welfare; and evaluate the experience and training of applicants to determine which applicants will be the most successful at applying for and operating a storefront cannabis dispensary including:
 - i. A description of classes, trainings, and workshops completed to prepare the applicant for operating a successful cannabis business in the city of Sacramento.
 - ii. A business plan that includes a detailed timeline, budget, and a plan to achieve success and sustainability.
- b. In developing the RFQ criteria, OCM must consider input of CORE Program participants.
- c. The criteria for the RFQ are subject to the approval of the City Manager and the City Attorney.

5. Statement of Qualifications.

- a. To respond to the RFQ, CORE Program participants must submit a SOQ in writing to OCM by the due date indicated in the advertisement.
- b. A SOQ may be submitted by one CORE Program participant or by a group of participants. No individual may be identified in any capacity in more than one SOQ. Such a duplicate submission will result in the

subject SOQs being deemed nonresponsive and disqualified from review.

6. Required Certifications in SOQs.

- a. Applicants must certify in their SOQ that for a period of 10 years from the issuance of the permit that:
 - i. At least 51% of the ownership interest in the storefront cannabis dispensary will be held by one or more CORE Program participants in classifications 1 or 2, and
 - ii. Owner(s) of the dispensary who are CORE Program participants will receive at least 51% of the storefront cannabis dispensary's profits.
- b. The certification of ownership and profits will be a condition on the permit.

7. SOQ Acceptance and Evaluation.

- a. SOQs shall not be altered after opening.
- b. No criteria may be used in evaluating a SOQ that are not specified in the RFQ or in applicable City Code or other applicable laws or regulations.
- c. All responsive SOQs shall be reviewed and scored by an unbiased and neutral review panel who possess the relevant knowledge or experience to evaluate the SOQs. Members of the review panel may consist of individuals who:
 - i. Have some level of expertise in economic or business development;
 - ii. Have an active involvement in social equity matters; or
 - iii. Are cannabis business regulators from another jurisdiction.

- d. Under no circumstances will a member of the review panel be an employee or a contractor of the City or affiliated in any way with the cannabis industry in the city of Sacramento.
- e. No member of the review panel may discuss the SOQ with applicants for any purpose other than administrative clarification after the submission of SOQ, except during the presentation phase, if any.
- f. Once OCM has received and calculated all the reviewing panels' scores, the top scoring SOQs shall be awarded the opportunity to apply for a permit, until all available permits have been issued.
- g. OCM will notify all applicants of the status of their SOQs through award announcements and publish the scores for all SOQs on its website as soon as reasonably possible.

8. Late and Nonresponsive SOQs.

- a. A SOQ is late if it is received at the location designated in the RFQ after the deadline specified in the RFQ. A late SOQ shall be rejected and not considered, regardless of the reason for the lateness, including circumstances beyond the control of the individual or group that submits the SOQ. A late SOQ may only be opened for identification purposes.
- b. A SOQ is nonresponsive if it does not comply with requirements of the RFQ or if it is submitted in accordance with section 5(b).
- c. Late and nonresponsive SOQs will be returned.
- d. OCM shall have the authority to reject SOQs that are late or nonresponsive.

9. **Public Disclosure.** SOQs submitted in response to the RFQ will be made available in response to a request for public records in accordance with the California Public Records Act.
10. **Timeframe for Opportunity to Apply for a Permit.** It is imperative that permits are actually issued to businesses that will successfully operate within a reasonable period of time. Therefore, any opportunity to apply for a permit shall become void and of no effect if the awarded applicant surrenders the opportunity to apply in writing or the storefront cannabis dispensary is not operating after a period of three years from the date of the applicant's award announcement.
11. **Conditions on Permits.** By responding to the RFQ, applicants understand and agree that in addition to all other applicable permit conditions, the City will place the following conditions on their permit for 10 years starting from its issuance: at least 51% of the ownership of the permitted storefront cannabis dispensary must be held by one or more CORE Program participants in classifications 1 or 2; and at least 51% of the profits of the dispensary must be allocated to the CORE Program participant owner(s).
12. **Tied Scores.** If there are tied top scoring SOQs and there are more tied scores than permits, then the City will use a process to randomly select an applicant from among those tied SOQs.

EXHIBIT D

Schedule A

Monetary Contributions Received

Amounts may be rounded
to whole dollars.

SCHEDULE A

Statement covers period
from 01/01/2023
through 06/30/2023

CALIFORNIA
FORM **460**

Page 4 of 17

SEE INSTRUCTIONS ON REVERSE

NAME OF FILER

McCarty for Mayor 2024

I.D. NUMBER

1460934

DATE RECEIVED	FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CONTRIBUTOR CODE *	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	AMOUNT RECEIVED THIS PERIOD	CUMULATIVE TO DATE CALENDAR YEAR (JAN. 1 - DEC. 31)	PER ELECTION TO DATE (IF REQUIRED)
06/30/2023	Michael Abbott Sacramento, CA 95818	☒ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Retired n/a	1,000.00	1,000.00	P2024 \$1,000.00
06/22/2023	Abrego Partners Sacramento, CA 95814	☐ IND ☐ COM ☒ OTH ☐ PTY ☐ SCC		2,000.00	4,000.00	P2024 \$4,000.00
06/20/2023	Alex Lee for State Assembly 2024 (ID# 1456422) Sacramento, CA 95815	☐ IND ☒ COM ☐ OTH ☐ PTY ☐ SCC		4,000.00	4,000.00	P2024 \$4,000.00
06/30/2023	Maria Alvarez Sacramento, CA 95818	☒ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Chief of Staff State of California	100.00	100.00	P2024 \$100.00
06/20/2023	Nasser Azimi Sacramento, CA 95662	☒ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Senior Partner Teranomic	4,050.00	4,050.00	P2024 \$4,050.00
SUBTOTAL \$				11,150.00		

Schedule A Summary

- Amount received this period – itemized monetary contributions.
(Include all Schedule A subtotals.) \$ 66,350.00
- Amount received this period – unitemized monetary contributions of less than \$100 \$ 525.00
- Total monetary contributions received this period.
(Add Lines 1 and 2. Enter here and on the Summary Page, Column A, Line 1.) **TOTAL \$** 66,875.00

*Contributor Codes

IND – Individual
COM – Recipient Committee
(other than PTY or SCC)
OTH – Other (e.g., business entity)
PTY – Political Party
SCC – Small Contributor Committee

Schedule A (Continuation Sheet) Monetary Contributions Received

Amounts may be rounded
to whole dollars.

SCHEDULE A (CONT.)

Statement covers period		CALIFORNIA FORM 460
from	07/01/2023	
through	12/31/2023	Page 72 of 104

NAME OF FILER McCarty for Mayor 2024	I.D. NUMBER 1460934
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DATE RECEIVED	FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CONTRIBUTOR CODE *	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	AMOUNT RECEIVED THIS PERIOD	CUMULATIVE TO DATE CALENDAR YEAR (JAN. 1 - DEC. 31)	PER ELECTION TO DATE (IF REQUIRED)
09/11/2023	Teichert, Inc. and Affiliated Entities Sacramento, CA 95851	☐ IND ☐ COM ☒ OTH ☐ PTY ☐ SCC		1,000.00	2,500.00	P2024 \$2,500.00
12/11/2023 05/01/2023	Teichert, Inc. and Affiliated Entities Sacramento, CA 95851	☐ IND ☐ COM ☒ OTH ☐ PTY ☐ SCC		1,000.00 Transferred from affiliated committee: Kevin McCarty for Assembly 2024 ID# 1457672 Sacramento, CA 95864	2,500.00	P2024 \$2,500.00
12/19/2023	Teichert, Inc. and Affiliated Entities Sacramento, CA 95851	☐ IND ☐ COM ☒ OTH ☐ PTY ☐ SCC		500.00	2,500.00	P2024 \$2,500.00
12/11/2023 10/25/2022	Tenet Health Dallas, TX 75254	☐ IND ☐ COM ☒ OTH ☐ PTY ☐ SCC		1,500.00 Transferred from affiliated committee: Kevin McCarty for Assembly 2024 ID# 1457672 Sacramento, CA 95864	1,500.00	P2024 \$1,500.00
12/11/2023 11/03/2022	Teranomic Software Orangevale, CA 95662	☐ IND ☐ COM ☒ OTH ☐ PTY ☐ SCC		2,500.00 Transferred from affiliated committee: Kevin McCarty for Assembly 2024 ID# 1457672 Sacramento, CA 95864	3,500.00	P2024 \$3,500.00
SUBTOTAL \$				6,500.00		

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PTY – Political Party
SCC – Small Contributor Committee

Schedule A (Continuation Sheet) Monetary Contributions Received

Amounts may be rounded
to whole dollars.

SCHEDULE A (CONT.)

Statement covers period		CALIFORNIA FORM 460
from	07/01/2023	
through	12/31/2023	Page 73 of 104

NAME OF FILER	I.D. NUMBER
McCarty for Mayor 2024	1460934

DATE RECEIVED	FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CONTRIBUTOR CODE *	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	AMOUNT RECEIVED THIS PERIOD	CUMULATIVE TO DATE CALENDAR YEAR (JAN. 1 - DEC. 31)	PER ELECTION TO DATE (IF REQUIRED)
12/11/2023 06/02/2022	Teranomic Software Orangevale, CA 95662	☐ IND ☐ COM ☒ OTH ☐ PTY ☐ SCC		1,000.00 Transferred from affiliated committee: Kevin McCarty for Assembly 2024 ID# 1457672 Sacramento, CA 95864	3,500.00	P2024 \$3,500.00
12/11/2023 05/03/2022	Mike Testa Sacramento, CA 95822	☒ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Not Employed n/a	100.00 Transferred from affiliated committee: Kevin McCarty for Assembly 2024 ID# 1457672 Sacramento, CA 95864	100.00	P2024 \$100.00
12/11/2023 09/28/2023	The Doctors Company PAC (The AKA DOCPAC) (ID# 923140) Napa, CA 94558	☐ IND ☒ COM ☐ OTH ☐ PTY ☐ SCC		1,000.00 Transferred from affiliated committee: Kevin McCarty for Assembly 2024 ID# 1457672 Sacramento, CA 95864	3,500.00	P2024 \$3,500.00
12/11/2023 08/30/2022	The Doctors Company PAC (The AKA DOCPAC) (ID# 923140) Napa, CA 94558	☐ IND ☒ COM ☐ OTH ☐ PTY ☐ SCC		1,500.00 Transferred from affiliated committee: Kevin McCarty for Assembly 2024 ID# 1457672 Sacramento, CA 95864	3,500.00	P2024 \$3,500.00
12/11/2023 06/01/2022	The Doctors Company PAC (The AKA DOCPAC) (ID# 923140) Napa, CA 94558	☐ IND ☒ COM ☐ OTH ☐ PTY ☐ SCC		1,000.00 Transferred from affiliated committee: Kevin McCarty for Assembly 2024 ID# 1457672 Sacramento, CA 95864	3,500.00	P2024 \$3,500.00
SUBTOTAL \$				4,600.00		

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SCC – Small Contributor Committee

Schedule A (Continuation Sheet) Monetary Contributions Received

Amounts may be rounded
to whole dollars.

SCHEDULE A (CONT.)

Statement covers period		CALIFORNIA FORM 460
from	01/21/2024	
through	02/17/2024	Page 12 of 49
NAME OF FILER		I.D. NUMBER
McCarty for Mayor 2024		1460934

DATE RECEIVED	FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CONTRIBUTOR CODE *	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	AMOUNT RECEIVED THIS PERIOD	CUMULATIVE TO DATE CALENDAR YEAR (JAN. 1 - DEC. 31)	PER ELECTION TO DATE (IF REQUIRED)
02/15/2024	Irwin Nowick Sacramento, CA 95831	☒ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Retired n/a	1,000.00	3,000.00	P2024 \$3,595.00
02/15/2024	Ohana Gardens Sacramento, CA 95838	☐ IND ☐ COM ☒ OTH ☐ PTY ☐ SCC		2,500.00	2,500.00	P2024 \$2,500.00
02/08/2024	Dana Olson Sacramento, CA 95818	☒ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Retired n/a	100.00	100.00	P2024 \$100.00
02/01/2024	Bruce Pomer Sacramento, CA 95864	☒ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Retired n/a	100.00	200.00	P2024 \$1,200.00
01/25/2024	James Ramos Highland, CA 92346	☒ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Assembly Member California State Assembly	4,050.00	4,050.00	P2024 \$4,050.00
SUBTOTAL \$				7,750.00		

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Schedule A (Continuation Sheet) Monetary Contributions Received

Amounts may be rounded
to whole dollars.

SCHEDULE A (CONT.)

Statement covers period from 08/10/2024 through 09/21/2024		CALIFORNIA FORM 460 Page 26 of 60
NAME OF FILER McCarty for Mayor 2024		
		I.D. NUMBER 1460934

DATE RECEIVED	FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CONTRIBUTOR CODE *	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	AMOUNT RECEIVED THIS PERIOD	CUMULATIVE TO DATE CALENDAR YEAR (JAN. 1 - DEC. 31)	PER ELECTION TO DATE (IF REQUIRED)
09/10/2024	Irwin Nowick Sacramento, CA 95831 Aggregated to \$1000 on 10/21/24	☒ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Retired n/a	5.00	5,125.00	R2024 \$2,040.00 P2024 \$3,680.00
09/14/2024	Irwin Nowick Sacramento, CA 95831 Aggregated to \$1000 on 10/21/24	☒ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Retired n/a	400.00	5,125.00	R2024 \$2,040.00 P2024 \$3,680.00
09/16/2024	O'Donnell for Lieutenant Governor 2026 (ID# 1447161) Sacramento, CA 95814	☐ IND ☒ COM ☐ OTH ☐ PTY ☐ SCC		2,000.00	2,000.00	R2024 \$2,000.00
09/11/2024	Ohana Gardens Sacramento, CA 95838	☐ IND ☐ COM ☒ OTH ☐ PTY ☐ SCC		2,000.00	4,500.00	R2024 \$2,000.00 P2024 \$2,500.00
08/20/2024	Operating Engineers Local Union No. 3 District 80 PAC Small Contributor Committee (ID# 891402) Concord, CA 94519	☐ IND ☐ COM ☐ OTH ☐ PTY ☒ SCC		500.00	1,000.00	R2024 \$1,000.00
SUBTOTAL \$				4,905.00		

*Contributor Codes
 IND – Individual
 COM – Recipient Committee
 (other than PTY or SCC)
 OTH – Other (e.g., business entity)
 PTY – Political Party
 SCC – Small Contributor Committee

Schedule A (Continuation Sheet) Monetary Contributions Received

Amounts may be rounded
to whole dollars.

SCHEDULE A (CONT.)

Statement covers period		CALIFORNIA FORM 460
from 10/20/2024	through 12/31/2024	
		Page 5 of 63
NAME OF FILER McCarty for Mayor 2024		I.D. NUMBER 1460934

DATE RECEIVED	FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CONTRIBUTOR CODE *	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	AMOUNT RECEIVED THIS PERIOD	CUMULATIVE TO DATE CALENDAR YEAR (JAN. 1 - DEC. 31)	PER ELECTION TO DATE (IF REQUIRED)
11/01/2024	Arapaho Investment Company, LLC Sacramento, CA 95818 Responsible Officer: Paul S. Petrovich	☐ IND ☐ COM ☒ OTH ☐ PTY ☐ SCC		4,000.00	4,000.00	R2024 \$4,000.00
11/06/2024	Asian American Business Club Sacramento, CA 95823	☐ IND ☐ COM ☒ OTH ☐ PTY ☐ SCC		1,250.00	2,500.00	R2024 \$2,500.00
11/01/2024	Nasser Azimi Orangevale, CA 95662	☒ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Partner Teranomic	4,050.00	4,050.00	R2024 \$4,050.00 P2024 \$4,050.00
10/30/2024	Debbie Beltram Sacramento, CA 95817	☒ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Retired n/a	200.00	1,700.00	R2024 \$1,300.00 P2024 \$1,300.00
10/28/2024	Gurnam Singh Bhandal Yuba City, CA 95993	☒ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Owner Bhandal Security	4,000.00	4,000.00	R2024 \$4,000.00
SUBTOTAL \$				13,500.00		

*Contributor Codes
IND – Individual
COM – Recipient Committee
(other than PTY or SCC)
OTH – Other (e.g., business entity)
PTY – Political Party
SCC – Small Contributor Committee

Schedule A (Continuation Sheet) Monetary Contributions Received

Amounts may be rounded
to whole dollars.

SCHEDULE A (CONT.)

Statement covers period		CALIFORNIA FORM 460
from 01/01/2025	through 06/30/2025	
		Page 7 of 15
NAME OF FILER McCarty for Mayor 2028		I.D. NUMBER 1478140

DATE RECEIVED	FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CONTRIBUTOR CODE *	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	AMOUNT RECEIVED THIS PERIOD	CUMULATIVE TO DATE CALENDAR YEAR (JAN. 1 - DEC. 31)	PER ELECTION TO DATE (IF REQUIRED)
06/25/2025	Sacramento Area Policy Committee (ID# 1462946) Sacramento, CA 95814	☐ IND ☒ COM ☐ OTH ☐ PTY ☐ SCC		4,350.00	4,350.00	P2028 \$4,350.00
04/30/2025 03/05/2022	Peter Taylor Los Angeles, CA 90018	☒ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	President Educational Credit Management Corporation Foundation	250.00 Transferred from affiliated committee: McCarty for Mayor 2024 ID# 1460934 Sacramento, CA 95815	250.00	P2028 \$250.00
06/25/2025	Teranomic Emeryville, CA 94608	☐ IND ☐ COM ☒ OTH ☐ PTY ☐ SCC		2,000.00	2,000.00	P2028 \$2,000.00
04/30/2025 03/07/2022	Cathy Unger Los Angeles, CA 90024	☒ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Not Employed n/a	500.00 Transferred from affiliated committee: McCarty for Mayor 2024 ID# 1460934 Sacramento, CA 95815	500.00	P2028 \$500.00
		☐ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC				
SUBTOTAL \$				7,100.00		

*Contributor Codes

IND – Individual
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(other than PTY or SCC)
OTH – Other (e.g., business entity)
PTY – Political Party
SCC – Small Contributor Committee

EXHIBIT E



**Department of
Cannabis Control**
CALIFORNIA

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[File a complaint about a cannabis business](#)

Ohana Gardens

License Information



Active

Lic. No. C9-0000104-LIC (Annual)

Commercial - Retailer - Non-Storefront

Adult-Use and Medicinal

Effective on **2019-06-18**

Expires on **2026-06-17**

Business Information



Ohana Gardens

Legally named **Ohana Gardens**

Registered as Corporation

Daryoush Azimi, Mariam Azimi, Nasser Azimi

Nazimi@ohanagardens.Org

916-757-4892

Location



Not Published

Sacramento County, CA

Data for this record refreshed on: 05/28/2026

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Last update of license data: 05/28/2026



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**Department of
Cannabis Control**
CALIFORNIA

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[File a complaint about a cannabis business](#)

OHANA GARDENS

License Information



Active

Lic. No. C11-0000409-LIC (Annual)

Commercial - Distributor

Adult-Use and Medicinal

Effective on **2019-06-18**

Expires on **2026-06-17**

Business Information



OHANA GARDENS

Legally named **Ohana Gardens**

Registered as Corporation

Daryoush Azimi, Mariam Monroe Azimi, Nasser Azimi

Nazimi@ohanagardens.Org

916-757-4892

Location



Not Published

Sacramento County, CA

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RESOLUTION NO.

Adopted by the Sacramento Ethics Commission

Making Certain Findings Pursuant to a Complaint Against Mayor Kevin McCarty Alleging a Violation of the Levine Act and of the Municipal Code's Campaign Contribution Limits

BACKGROUND

- A. A complaint alleging a violation of the Levine Act and of the Municipal Code's campaign contribution limits was filed with the City Clerk, Sacramento Ethics Commission against Mayor Kevin McCarty ("the Respondent") on March 19, 2026.
- B. Pursuant to the Sacramento Ethics Commission Procedures, the City Clerk completed an initial review of the complaint and referred the complaint to the Independent Evaluator for an Investigation on March 27, 2026.
- C. The Respondent was notified by the Independent Evaluator of the allegations and presented with a complete copy of the complaint and the Sacramento Ethics Commission Procedures.
- D. The Sacramento Ethics Commission initially heard the item on June 22, 2026 and continued the item to the next regularly scheduled commission date so that the item can be properly noticed as a hearing.
- E. The Sacramento Ethics Commission conducted a Hearing on August 24, 2026, and, pursuant to Section 5.4 of the Sacramento Ethics Commission Procedures, the Respondent was provided notice and an opportunity to be heard and present evidence and testimony about the Alternate Independent Evaluator's Report.
- F. At the Hearing, the Sacramento Ethics Commission received and considered testimony, evidence, and the Alternate Independent Evaluator's Report, which forms part of the record in this matter.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE SACRAMENTO ETHICS COMMISSION RESOLVES AS FOLLOWS:

After considering the Alternate Independent Evaluator's Report, testimony, and evidence presented, which are incorporated into this Resolution by reference, the Sacramento

Ethics Commission makes the following findings and conclusions.

Section 1. The Sacramento Ethics Commission finds sufficient evidence to sustain a violation of any Ethics Law.

Section 2. The Commission shall make the following determination in accordance with Section 5.6 of the Sacramento Ethics Commission Procedures:

- a) A finding that mitigating circumstances exist and that no further action is warranted.
- b) A reprimand of the responsible respondent or respondents.
- c) An order that the responsible respondent or respondents take corrective action by a specific date.
- d) An order issuing a warning letter that sets conditions for the potential imposition of penalties depending on the future conduct of the responsible respondent or respondents.
- e) An order imposing an administrative penalty in accordance with City Code section 2.112.030.A.2.

Section 3. The time within which judicial review must be sought to review the findings by the Sacramento Ethics Commission contained in this resolution is governed by Chapter 2.112 of the City of Sacramento Municipal Code and the provisions of California Code of Civil Procedure Sections 1094.5 and 1094.6.

RESOLUTION NO.

Adopted by the Sacramento Ethics Commission

Making Certain Findings Pursuant to a Complaint Against Mayor Kevin McCarty Alleging a Violation of the Levine Act and of the Municipal Code's Campaign Contribution Limits

BACKGROUND

- A. A complaint alleging a violation of the Levine Act and of the Municipal Code's campaign contribution limits was filed with the City Clerk, Sacramento Ethics Commission against Mayor Kevin McCarty ("the Respondent") on March 19, 2026.
- B. Pursuant to the Sacramento Ethics Commission Procedures, the City Clerk completed an initial review of the complaint and referred the complaint to the Independent Evaluator for an Investigation on March 27, 2026.
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- D. The Sacramento Ethics Commission initially heard the item on June 22, 2026 and continued the item to the next regularly scheduled commission date so that the item can be properly noticed as a hearing.
- E. The Sacramento Ethics Commission conducted a Hearing on August 24, 2026, and, pursuant to Section 5.4 of the Sacramento Ethics Commission Procedures, the Respondent was provided notice and an opportunity to be heard and present evidence and testimony about the Alternate Independent Evaluator's Report.
- F. At the Hearing, the Sacramento Ethics Commission received and considered testimony, evidence, and the Alternate Independent Evaluator's Report, which forms part of the record in this matter.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE SACRAMENTO ETHICS COMMISSION RESOLVES AS FOLLOWS:

After considering the Alternate Independent Evaluator's Report, testimony, and evidence presented, which are incorporated into this Resolution by reference, the Sacramento

Ethics Commission makes the following findings and conclusions.

- Section 1. The Sacramento Ethics Commission finds insufficient evidence to sustain a violation of any Ethics Law.
- Section 2. The complaint is hereby dismissed.
- Section 3. The file in this matter shall be closed without further action.
- Section 4. The time within which judicial review must be sought to review the findings by the Sacramento Ethics Commission contained in this resolution is governed by Chapter 2.112 of the City of Sacramento Municipal Code and the provisions of California Code of Civil Procedure Sections 1094.5 and 1094.6.



Sacramento Ethics Commission

Procedures

Effective September 23, 2024



The Sacramento City Council established the Sacramento Ethics Commission to review and consider complaints against elected and appointed City officials and to ensure that those officials are conforming their conduct to the City's laws and policies. The Commission's organization, powers, and duties are set forth in chapter 2.112 of the Sacramento City Code. Chapter 2.112 requires, among other things, that the Commission adopt (a) rules and procedures for the conduct of its business, (b) regulations and procedures for investigations and hearings it conducts, and (c) a policy setting forth its standards for imposing penalties and exercising enforcement discretion. To implement these requirements, the Commission has adopted the procedures set out below (collectively, these "**Procedures**"), which are intended to establish fair and transparent standards for investigating and determining matters before the Commission, thereby ensuring the fair, just, and timely resolution of complaints presented to the Commission with the end of promoting fairness, openness, honesty, and integrity in City government and City elections.

I. Definitions.

"Brown Act" means the Ralph M. Brown Act, codified as California Government Code section 54950 et seq.

"City" means the City of Sacramento.

"City Attorney" means the Sacramento City Attorney and the Sacramento City Attorney's designee.

"City Charter" means the City of Sacramento Charter.

"City Clerk" means the Sacramento City Clerk and the Sacramento City Clerk's designee.

"City Code" means the Sacramento City Code.

"City Staff" means the City officers and employees who support the Commission, including the City Clerk and the City Attorney and their respective assistants and deputies.

"Commission" means the Sacramento Ethics Commission.

"Commissioner" means a member of the Sacramento Ethics Commission.

"Complainant" means a person who files a complaint with the Commission in accordance with these Procedures.

"Confidential Materials" means (a) information and documents that federal, or state law prohibits the Commission or the City from disclosing to the public and (b) each complaint that is filed in accordance with these Procedures plus all related investigatory materials until the complaint is disposed of in accordance with these Procedures. "Confidential Materials" does not include information and documents generally available to the public or, except as provided by section 4.1 below, previously disclosed to members of the public.

"Day" means calendar day unless otherwise stated.

“Ethics Law” means those provisions of the City Charter, the City Code, or the Council Rules of Procedure listed in City Code section 2.112.030.A.

“Independent Evaluator’s Report” means the report described in section 5(B) below.

“FPPC” means the California Fair Political Practices Commission.

“Hearing” means a hearing before the Commission, conducted in accordance with these Procedures, to consider a complaint filed with the Commission.

“Include” and its variants are terms of enlargement rather than of limitation. For example, “includes” means “includes but not limited to,” and “including” means “including but not limited to.”

“Independent Evaluator” means the neutral and independent party retained by the City on the Commission’s behalf to review and investigate complaints and to give recommendations to the Commission regarding them.

“Respondent” means a person alleged in a complaint to have violated the Ethics Law.

“Sunshine Ordinance” means the Sacramento Sunshine Ordinance, codified as City Code chapter 4.04.

2. Commission Structure and Support. The Commission’s structure is set forth in City Code chapter 2.112, as supplemented by the following:

2.1. *Chairperson and Vice Chairperson.* The Commission annually elects a Chairperson and a Vice Chairperson. (City Code § 2.112.070.)

(A) The Chairperson (1) presides over all Commission meetings; (2) forms committees and appoints Commissioners to committees as appropriate; (3) may consult with the City Clerk and the City Attorney regarding the Commission’s business; (4) may consult with the City Attorney and the Independent Evaluator on procedural matters but shall not otherwise discuss active complaints with either of them; and (5) is the Commission’s spokesperson for communicating with the City Council, the public, and the media.

(B) The Vice Chairperson performs the Chairperson’s duties when the Chairperson is unable to do so or is absent.

2.2. *The City Attorney’s Role.* The City Attorney advises the Commission on legal matters such as interpretation of the Ethics Law or of relevant state or federal law. The City Attorney does not participate in investigations, but the Chairperson, the City Clerk, and the Independent Evaluator may consult with the City Attorney about procedure or about the interpretation of the Ethics Law or other relevant state or federal law so long as they do not seek advice about how the law applies to the facts that are the subject of a pending complaint.

2.3. *The City Clerk's Role.* The City Clerk supports the Commission's work and is responsible for, among other things, (1) establishing and accomplishing the Commission's priorities in consultation with the Chairperson and consistent with policy direction by the Commission, (2) scheduling meetings and Hearings and providing notice of meetings and Hearings as required by law, (3) and keeping records of meetings and Hearings (e.g., video recordings, written minutes). The City Clerk may make procedural determinations including scheduling of Hearings, extensions of time, and presentation of witnesses.

2.4. *The Independent Evaluator's Role.* The Independent Evaluator is the neutral and independent party retained by the City on the Commission's behalf to review and investigate complaints and to give recommendations to the Commission regarding them.

(A) If, at any time during the review or investigation of a complaint, the retained Independent Evaluator determines the existence or potential existence of a disqualifying conflict of interest involving themselves and the subject of the complaint, any Complainant, or any Respondent, the Independent Evaluator must immediately disclose the disqualifying conflict of interest or potential disqualifying conflict of interest to the City Clerk and the City Attorney. The Independent Evaluator will recuse themselves from further participation in the processing of the investigation if the conflict of interest is found by the City Clerk and City Attorney to be disqualifying. The City Clerk must inform the Chairperson of the recusal. The City Clerk must retain an alternate Independent Evaluator to conduct a preliminary investigation in accordance with section 5.2. The Alternate Independent Evaluator may request an extension of time in accordance with section 5.3(C) if they are unable to complete a review and/or investigation based on the original timeframes established in accordance with these Procedures.

2.5. *Media inquiries.* Except for routine administrative matters within their individual areas of responsibility, the City Clerk, City Attorney, and the Independent Evaluator shall refer all media inquiries to the Chairperson or, if the Chairperson is unavailable, to the Vice Chairperson.

3. Commission Meetings.

3.1. *Time and Place.* The Commission shall establish a regular meeting schedule for itself, with at least two regular meetings scheduled each year; the Commission may also call and hold special meetings in accordance with the Brown Act. (City Code § 2.112.080.) The City Council adopts the commission's calendar prior to the beginning of each calendar year or as needed. The City Clerk shall post the regular meeting schedule on the Commission's website and provide notice of each regular meeting as required by the Brown Act and the Sunshine Ordinance. Regular meetings will be held at Sacramento City Hall, 915 I Street, Sacramento, California.

- 3.2. *Parliamentary Procedures.* The Commission shall conduct its business in compliance with the Brown Act and the Sunshine Ordinance and, to the extent practicable, shall conduct its meetings in accordance with *Rosenberg's Rules of Order: Simple Parliamentary Procedures for the 21st Century*. Hearings must be conducted in accordance with these Procedures.

4. Confidentiality.

- 4.1. Confidential Materials must not be disclosed to any person, except that the Independent Evaluator and City Staff may disclose Confidential Materials to the extent needed for the investigation of a pending complaint so long as disclosure does not violate federal or state law.
- 4.2. At least 10 days before any Hearing to consider the Independent Evaluator's Report, the complaint and the Independent Evaluator's Report must be made publicly available as required by the Brown Act, the Sunshine Ordinance, or other applicable law, with all Confidential Materials redacted.
- 4.3. The City Clerk, the Independent Evaluator, the Commissioners, and City Staff shall not make public statements about pending complaints before the Hearing, except as follows: if a pending complaint or information concerning a pending complaint is released to the public before the Hearing, the City Clerk may acknowledge receipt of the complaint and issue a statement that (A) the complaint represents unsubstantiated allegations pending the results of an investigation and Hearing and (B) might or might not fall within the Commission's jurisdiction.
- 4.4. Confidential Materials must not be used, directly or indirectly, for any purpose other than the Commission's official business, and the Commissioners shall take reasonable steps to protect and safeguard Confidential Materials.
- (A) Upon discovering an unauthorized disclosure or misuse (potential or actual) of Confidential Materials, the Independent Evaluator, a Commissioner, or a member of City Staff shall immediately notify the City Clerk.
 - (B) Upon receiving a request, subpoena, or court order for disclosure of Confidential Materials, the Independent Evaluator, a Commissioner, or a member of City Staff shall notify the City Clerk and wait for direction before disclosing the Confidential Materials.
- 4.4. A Commissioner remains bound by this section 4 after leaving office.

5. Complaints.

5.1. *Complaint Intake.*

- (A) Any person may file a complaint alleging violations of the Ethics Law.
 - (1) A complaint should be on the form prepared by the City Clerk, which is available on the City Clerk's website, although the City Clerk shall accept a complaint that is not filed on the form if the complaint includes enough information to allow the City Clerk to conduct the initial review required in Section 5.1(B).
 - (2) A complaint must provide as much detail as possible, including, if known, each provision of the Ethics Law alleged to have been violated, the facts constituting each alleged violation, the name and address of each respondent, and the name and address of each potential witness.
 - (3) A complaint should identify the Complainant, although the City Clerk Shall accept an anonymous complaint if the complainant includes enough information to allow the City Clerk to conduct the initial review required in Section 2.1(B).
 - (a) When a complaint alleges misconduct by the City Clerk, the following shall apply:
 - (i) The City Clerk shall delegate to the City Clerk's designee all further participation in the processing of the complaint and any report related to the complaint.
 - (ii) The City Clerk shall recuse themselves from further participation in the processing of the complaint and any report related to the complaint.
 - (iii) The City Clerk and the City Clerk's designee must refuse any attempt to divulge and confirm the identity of an anonymous Complainant.

(4) A complaint should be filed with the City Clerk as follows:

<i>By U.S. Mail:</i>	Sacramento City Clerk 915 I Street New City Hall, Fifth Floor Sacramento, California 95814
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<i>By personal delivery during business hours:</i>	Sacramento City Clerk 915 I Street New City Hall, Fifth Floor Sacramento, California
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<i>By E-Mail:</i>	ethics@cityofsacramento.org
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(a) The City Clerk shall accept complaints received through other City services and communication channels, including the City's Whistleblower Hotline Program.

(5) The City Clerk shall maintain a complaint log and shall enter in the log the date and time each complaint is filed.

(B) Within 14 days after a complaint is filed, the City Clerk shall complete an initial review of the complaint; and, based on the initial review, do one of the following:

- (1) Refer the complaint to the Independent Evaluator for a preliminary evaluation in accordance with section 5.2 and notify the Commission of the referral.
- (2) Refer the complaint to another City department or to the FPPC or another governmental agency with jurisdiction over the subject matter of the complaint if the City Clerk determines that the department, the FPPC, or the agency may more appropriately resolve the allegations in the complaint or enforce the applicable provisions of law and notify the complainant of the referral.

- (3) Dismiss the complaint for lack of jurisdiction and notify the Complainant of the dismissal and refer the complaint to the relevant agency, if known. A complaint is outside the Commission's jurisdiction if (a) it alleges violations that occurred more than three years before it was filed, or, for violations subject to a different limitations period, it was filed after the limitations period expired; (b) it alleges facts that are not subject to any provision of the Ethics Law; or (c) the respondent is not a person listed in City Code section 2.112.030.B.
- (C) Upon complying with section 5.1(B), the City Clerk shall enter in the complaint log the action taken after the initial review. In addition, at the Commission's next regular meeting, the City Clerk shall notify the Commission of the action taken after the initial review but shall not identify the Complainant and the Respondent(s).

5.2. *The Independent Evaluator's Preliminary Evaluation of a Complaint.*

- (A) Upon receiving a complaint from the City Clerk, the Independent Evaluator shall promptly provide the Respondent with a complete copy of the complaint and a copy of these Procedures.
- (B) Within 30 days after receiving the complaint, the Independent Evaluator shall complete a preliminary evaluation to determine whether sufficient cause exists to conduct a full investigation. The Independent Evaluator shall limit the preliminary evaluation to the allegations in the complaint and shall not consider extrinsic evidence. Sufficient cause does not exist, and the Independent Evaluator shall not conduct a full investigation, if any of the following applies:
 - (1) The complaint does not allege specific facts demonstrating a potential violation.
 - (2) The facts alleged, if proven, would not violate any provision of the Ethics Law.
 - (3) Substantially similar allegations involving the same facts as those alleged in a previous complaint have already been addressed in a prior investigation or were otherwise decided on the merits by a court or by the FPPC or another governmental agency with jurisdiction.
- (C) If, based on the preliminary evaluation, the Independent Evaluator determines that sufficient cause to warrant a full investigation of a complaint exists, then the Independent Evaluator and the Commission shall proceed in accordance with sections 5.3 and 5.4. If, however, the Independent Evaluator determines that sufficient cause does not exist, then the Evaluator and the Commission shall proceed as follows:

- (1) The Independent Evaluator shall prepare a no-cause report explaining why sufficient cause does not exist and recommending that the Commission not hear the matter. The no-cause report may also recommend that the Commission refer the complaint to the FPPC or to another governmental agency if the Independent Evaluator determines that the FPPC or the agency may more appropriately resolve the allegations in the complaint or enforce the applicable provisions of law.
- (2) The Independent Evaluator shall file the no-cause report with the City Clerk within 45 days after the Independent Evaluator receives the complaint. The City Clerk shall place the matter on the agenda of the Commission's next available regular meeting.
- (3) The Commission may adopt the no-cause report and dismiss the complaint. Alternatively, if the Commission decides that contrary to the no-cause report, sufficient cause exists to warrant an investigation, the Commission may direct the Independent Evaluator to conduct an investigation.
- (4) The Commission may refer the complaint to a city department or to the FPPC or another governmental agency that may more appropriately resolve the allegations in the complaint or enforce the applicable provisions of law. If the Commission so determines, it will direct the City Clerk or City Attorney to send a copy of all relevant information to the department, the FPPC, or the agency along with the referral.

5.3. *Conduct of Investigation by the Independent Evaluator.*

- (A) The Independent Evaluator shall conduct an investigation of the allegations in a complaint when the Independent Evaluator determines that sufficient cause exists or when the Commission directs the Independent Evaluator to conduct an investigation. The investigation must include an interview with each Respondent unless the Respondent refuses to cooperate. The Independent Evaluator may, in the Independent Evaluator's sole discretion, also interview the Complainant and other witnesses and may review documents and other evidence.
- (B) Although scheduling is difficult to predict in advance, timeliness is important to the Commission so that its goals of transparency and responsiveness to the community may be furthered. To that end, the Independent Evaluator shall complete the investigation as promptly as possible under the circumstances and, unless an extension is granted in accordance with section 5.3(C), shall, within 60 days after receiving the complaint, submit to the City Clerk, with a copy to the City Attorney, a written report that is addressed to the Commission includes the following (the "**Independent Evaluator's Report**"):
 - (1) The Independent Evaluator shall prepare a no-cause report explaining why sufficient cause does not exist and recommending that the Commission not hear the matter. The no-cause report may also recommend that the Commission refer the complaint to the FPPC or to another governmental agency if the Independent Evaluator determines that the FPPC or the agency may more appropriately resolve the allegations in the complaint or enforce the applicable provisions of law.
 - (2) The Independent Evaluator shall file the no-cause report with the City Clerk within 45 days after the Independent Evaluator receives the complaint. The City Clerk shall place the matter on the agenda of the Commission's next available regular meeting.
 - (3) The Commission may adopt the no-cause report and dismiss the complaint. Alternatively, if the Commission decides that contrary to the no-cause report, sufficient cause exists to warrant an investigation, the Commission may direct the Independent Evaluator to conduct an investigation.
 - (4) The Commission may refer the complaint to a city department or to the FPPC or another governmental agency that may more appropriately resolve the allegations in the complaint or enforce the applicable provisions of law. If the Commission so determines, it will direct the City Clerk or City Attorney to send a copy of all relevant information to the department, the FPPC, or the agency along with the referral.

- (1) A narrative summary of the evidence gathered through the investigation, including any exculpatory and mitigating evidence. The Independent Evaluator may consider any relevant evidence, including hearsay evidence, and may include in the Independent Evaluator's Report facts bearing on the weight given to the evidence considered, such as the Independent Evaluator's determination of witness credibility.
 - (2) For each provision of Ethics Law that is alleged to be violated, a determination that the Respondent or Respondents did or did not violate the provision, with supporting evidence.
 - (3) At the Independent Evaluator's discretion, a recommendation of action the Commission should take or a recommendation that the Independent Evaluator conduct further investigation and report back to the Commission.
 - (4) At the Independent Evaluator's discretion, a recommendation that the Commission refer the complaint to the FPPC or another governmental agency if the Independent Evaluator believes that the FPPC or agency may more appropriately resolve the allegations in the complaint or enforce the applicable provisions of the Ethics Law or any other law.
- (C) The Independent Evaluator may request an extension of time by filing a written request with the City Clerk, specifying the extension requested and the reasons for the request. The City Clerk, in consultation with the Chairperson and the City Attorney, may grant the request upon the Independent Evaluator's showing of good cause. The City Clerk's decision on a request must be in writing. If the request is granted, the decision must specify the additional time that has been granted, and the Independent Evaluator shall provide the City Clerk with a progress report on the status of the investigation every 30 days or as otherwise set forth in the decision. If the request is denied, the Independent Evaluator shall submit to the City Clerk, within three days after the decision, a written summary of the evidence gathered through the investigation up to that point.
- (D) If the Independent Evaluator discovers facts during an investigation that indicate possible additional violations by named Respondent or Respondents or possible violations by one or more persons or entities who are not named as a Respondent, then the Independent Evaluator shall notify the City Clerk of this discovery and consult with the City Clerk on how to conduct a fair and thorough investigation of the newly discovered facts that provides adequate due process.
- (I) The City Clerk may either file an amended complaint against the new or existing Respondent or Respondents using the complaint form established for such purpose or may schedule a Hearing to consider whether the City Clerk should file an amended complaint.

- (2) If the City Clerk files an amended Complaint, the Independent Evaluator shall notify each new Respondent as well as the Complainant and each original respondent(s) of the new allegations. The Independent Evaluator shall also provide all Respondents with copies of the amended complaint and these Procedures.
- (E) Individual Commissioners shall not conduct independent investigations of complaints or discuss pending complaints with anyone except during a Hearing. But the Chairperson may discuss procedural matters with the Independent Evaluator, the City Attorney, or the City Clerk.

5.4. *Commission Hearings.*

- (A) Upon receiving the Independent Evaluator's Report, the City Clerk will advise the Chairperson and the City Attorney and will set a Hearing at the earliest practicable date.
- (B) At least 10 days before the Hearing, the City Clerk shall notify the Complainant and each Respondent of the date and time of the Hearing.
- (C) At least 10 days before the Hearing, the City Clerk shall deliver the Independent Evaluator's Report to the Commission, the Complainant, each Respondent, and all interested parties who have requested a copy.
- (D) The Independent Evaluator's Report must be made available to the public in accordance with the Brown Act and the Sunshine Ordinance.
- (E) Each Respondent may submit a written response to the Independent Evaluator's Report. The response may contain legal arguments, a summary of evidence, and any mitigating or exculpatory information. A Respondent who chooses to submit a response must deliver it to the City Clerk at least 72 hours before the time of the Hearing, and the Commission may but need not consider a response that is not timely submitted. The City Clerk shall distribute any responses received to the Commission and the Independent Evaluator as soon as is practicable and shall make the responses available to the public in accordance with the Brown Act, the Sunshine Ordinance, or other applicable law, with all Confidential Materials redacted.
- (F) If anyone other than a Respondent submits a brief or any written argument to the Commission before the Hearing, the City Clerk shall provide, as soon as practicable, a copy of the brief or written argument to each Respondent, the Commission, and the Independent Evaluator. The City Clerk shall also make the brief or written argument available to the public in accordance with the Brown Act, the Sunshine Ordinance, or other applicable law, with all Confidential Materials redacted.

- (G) If a Commissioner is the Complainant or Respondent that Commissioner shall not participate in any way in the Hearing, including deliberations about, or a vote on, the complaint or any matter concerning the complaint.
- (H) The Hearing must be open to the public, but witnesses, except the Complainant, may be excluded at the Commission's discretion with the concurrence of the City Attorney.
- (I) The City Clerk shall record the Hearing.
- (J) Each Respondent may personally appear at the Hearing or be represented by counsel or any other person.
- (K) The Complainant must be treated like any other witness who provides evidence.
- (L) The Respondent and Complainant will have sufficient time to present to the commission.
- (M) The California Evidence Code does not apply to the Hearing, and the Commission may consider any relevant evidence, including hearsay.
- (N) All testimony presented to the Commission must be under oath or affirmation.
- (O) Commissioners may ask questions of the Complainant, each Respondent, the witnesses, and the Independent Evaluator when recognized by the Chairperson.
- (P) The Commission may ask the City Council to issue a subpoena compelling witnesses to appear at the Hearing and provide testimony or a subpoena duces tecum compelling witnesses to produce documents.
- (Q) No later than 10 days following the conclusion of a Hearing, the City Clerk shall notify the complainant, if possible, and each respondent of any action taken by the Commission.

5.5. *Commission Action.*

- (A) At the conclusion of a Hearing, the Commission may take one or more of the following actions:
 - (1) Pass a motion directing the Independent Evaluator to conduct further investigation and report back to the Commission.
 - (2) Adopt a resolution finding that sufficient evidence exists to establish that a violation occurred and including one or more of the actions authorized by section 5.6(A). This finding must be based on a preponderance of the evidence from the entire record of the proceedings.

- (3) Adopt resolution finding that sufficient evidence does not exist to establish that a violation occurred and ordering that the complaint be dismissed.
 - (4) Pass a motion referring the complaint to the FPPC or to another governmental agency that may more appropriately resolve the allegations in the complaint or enforce the applicable provisions of law and directing the City Clerk or City Attorney to send a copy of all relevant information to the FPPC or the agency along with the referral.
- (B) The votes of at least three Commissioners are required to find under section 5.5(A)(2) that a violation occurred, and each Commissioner voting on the finding shall certify on the record that the Commissioner (1) heard the testimony at the Hearing (either in person or by listening to a recording) or read the transcript of the testimony; and (2) reviewed and considered all the evidence in the record.
 - (C) The City Clerk shall provide a copy of any resolution adopted under section 5.5(A)(2) or 5.5(A)(3) to the Complainant and each Respondent and shall post a copy of the resolution on the City's website.
 - (D) The Commission's action under section 5.5(A)(2) or 5.5(A)(3) is a final administrative determination on the complaint that is subject to judicial review in accordance with City Code section 1.24.110(A) and California Code of Civil Procedure sections 1094.5 and 1094.6.

5.6. Remedies.

- (A) If the Commission adopts a resolution under section 5.5(A)(2), thereby finding that a violation occurred, then the Commission shall include in the resolution one or more of the following:
 - (1) A finding that mitigating circumstances exist and that no further action is warranted.
 - (2) A reprimand of the responsible Respondent or Respondents.
 - (3) An order that the responsible Respondent or Respondents take corrective action by a specific date.
 - (4) An order issuing a warning letter that sets conditions for the potential imposition of penalties depending on the future conduct of the responsible Respondent or Respondents.
 - (5) An order imposing an administrative penalty in accordance with City Code section 2.112.030.A.2.

- (B) The Commission shall not impose an administrative penalty on a Respondent if clear and convincing evidence establishes that all of the following occurred before the violation:
 - (1) The Respondent requested and obtained a written opinion from the City Attorney or the FPPC regarding the propriety of the actions constituting the violation.
 - (2) The Respondent, in requesting the opinion, truthfully disclosed all the relevant and material facts.
 - (3) The Respondent committed the violation in good-faith reliance upon the written opinion of the City Attorney or the FPPC.
- (C) The votes of at least three Commissioners are required to impose an administrative penalty under section 5.6(A)(5), and each Commissioner voting to impose any penalty shall certify on the record that the Commissioner (1) heard (either in person or by listening to a recording) or read the transcript of the testimony; and (2) reviewed and considered all the evidence in the record.
- (D) In determining whether administrative penalties should be imposed and the amount of the penalties, the Commission shall consider all the relevant facts. The following list of relevant facts is neither exhaustive nor mandatory, and the Commission may assign greater or lesser importance to each fact as the Commission considers appropriate under the circumstances:
 - (1) The severity of the violation.
 - (2) The presence or absence of any intention to conceal, deceive, or mislead.
 - (3) Whether the violation was deliberate, negligent or inadvertent.
 - (4) Whether the violation was an isolated incident or pervasive enough to indicate a pattern of disregard.
 - (5) Whether the Respondent has a record of violations.
 - (6) The Respondent's experience and sophistication.
 - (7) Whether the Respondent had, or should have had, knowledge of the provision of the Ethics Law that was violated.
 - (8) The extent to which the Respondent cooperated with the investigation.
 - (9) The extent to which, when given notice of the Complaint, the Respondent took corrective action to cure the violation.

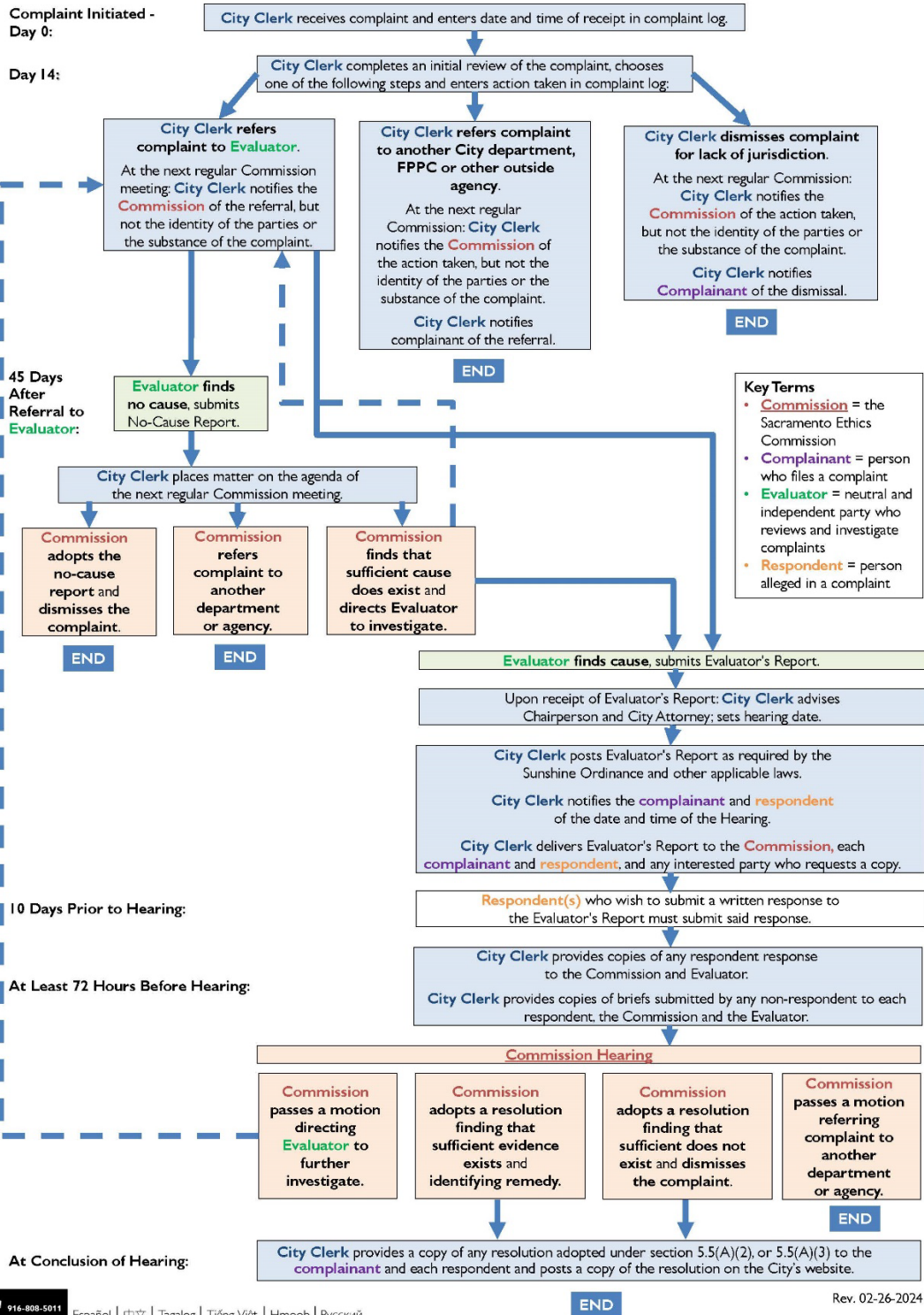
5.7. Payment and Collection of the Administrative Penalty.

- (A) A Respondent upon whom an administrative penalty has been imposed shall pay the penalty within 25 days after receiving a copy of the resolution adopted under section 5.5(A)(2).
- (B) An administrative penalty not paid within 25 days is delinquent and, beginning on the 26th day after the Respondent receives a copy of the resolution adopted under section 5.5(A)(2), will accrue interest at the same annual rate that applies to any civil judgment.
- (C) The City may file and prosecute a civil action in superior court to collect a delinquent administrative penalty and will be entitled to recover reasonable attorneys' fees and all costs associated with collection of the penalty, including but not limited to the cost of City Staff time to collect the penalty and costs set forth in California Code of Civil Procedure section 1033.5. The City may also take such actions as are authorized for enforcement of money judgments under the Enforcement of Judgments Law, California Code of Civil Procedure section 680.010 et seq.

Revision History:

- September 23, 2024
- September 26, 2022
- February 22, 2021

SACRAMENTO ETHICS COMMISSION COMPLAINT WORKFLOW



916-808-5011
916-264-5011

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Sacramento Ethics Commission Procedures can be found here: <https://www.cityofsacramento.gov/clerk/good-governance-and-compliance/filing-an-ethics-complaint>

Rev. 02-26-2024

SACRAMENTO ETHICS COMMISSION COMPLAINT WORKFLOW

Complaint Initiated -
Day 0:

City Clerk receives complaint and enters date and time of receipt in complaint log.

Day 14:

City Clerk completes an initial review of the complaint, chooses one of the following steps and enters action taken in complaint log:

City Clerk refers complaint to Evaluator.

At the next regular Commission meeting: City Clerk notifies the Commission of the referral, but not the identity of the parties or the substance of the complaint.

City Clerk refers complaint to another City department, FPPC or other outside agency.

At the next regular Commission: City Clerk notifies the Commission of the action taken, but not the identity of the parties or the substance of the complaint.

City Clerk notifies complainant of the referral.

City Clerk dismisses complaint for lack of jurisdiction.

At the next regular Commission: City Clerk notifies the Commission of the action taken, but not the identity of the parties or the substance of the complaint.

City Clerk notifies Complainant of the dismissal.

END

45 Days After Referral to Evaluator:

Evaluator finds no cause, submits No-Cause Report.

City Clerk places matter on the agenda of the next regular Commission meeting.

Commission adopts the no-cause report and dismisses the complaint.

END

Commission refers complaint to another department or agency.

END

Commission finds that sufficient cause does exist and directs Evaluator to investigate.

Evaluator finds cause, submits Evaluator's Report.

Upon receipt of Evaluator's Report: City Clerk advises Chairperson and City Attorney; sets hearing date.

City Clerk posts Evaluator's Report as required by the Sunshine Ordinance and other applicable laws.

City Clerk notifies the complainant and respondent of the date and time of the Hearing.

City Clerk delivers Evaluator's Report to the Commission, each complainant and respondent, and any interested party who requests a copy.

Respondent(s) who wish to submit a written response to the Evaluator's Report must submit said response.

City Clerk provides copies of any respondent response to the Commission and Evaluator.

City Clerk provides copies of briefs submitted by any non-respondent to each respondent, the Commission and the Evaluator.

Commission Hearing

Commission passes a motion directing Evaluator to further investigate.

Commission adopts a resolution finding that sufficient evidence exists and identifying remedy.

Commission adopts a resolution finding that sufficient does not exist and dismisses the complaint.

Commission passes a motion referring complaint to another department or agency.

END

At Conclusion of Hearing:

City Clerk provides a copy of any resolution adopted under section 5.5(A)(2), or 5.5(A)(3) to the complainant and each respondent and posts a copy of the resolution on the City's website.

END

Key Terms

- **Commission** = the Sacramento Ethics Commission
- **Complainant** = person who files a complaint
- **Evaluator** = neutral and independent party who reviews and investigate complaints
- **Respondent** = person alleged in a complaint