

ETHICS COMMISSION CITY AND COUNTY OF SAN FRANCISCO

BENEDICT Y. HUR CHAIRPERSON

PAUL A. RENNE VICE-CHAIRPERSON

> BRETT ANDREWS COMMISSIONER

BEVERLY HAYON COMMISSIONER

PETER KEANE COMMISSIONER

JOHN ST. CROIX EXECUTIVE DIRECTOR Via U.S. Mail

December 9, 2014

Supervisor Mark Farrell c/o James Sutton 150 Post Street, Suite 405 San Francisco, CA 94108

RE: Forfeitures due from 2010 election

Dear Supervisor Farrell:

I am writing to you regarding forfeitures that have not yet been paid relating to the 2010 election.

On November 20, 2014, the Fair Political Practices Commission ("FPPC") approved a Stipulation between its staff and Common Sense Voters, Vote for Mark Farrell for Supervisor 2010 ("CSV") and Christopher Lee. In 2009, you created the Mark Farrell for District 2 Supervisor 2010 committee and retained Chris Lee as your committee's campaign consultant. The FPPC found that Mr. Lee coordinated with CSV, its principal officer, and its campaign consultant regarding the setup, fundraising, and initial campaign planning of CSV. The FPPC found that Mr. Lee's interactions caused CSV to become your candidate-controlled committee.

As CSV was a candidate-controlled committee, it was subject to the \$500 contribution limits in section 1.114 of the San Francisco Campaign and Governmental Conduct Code ("SF C&GCC"). In addition, CSV's expenditures were not considered independent and have been treated as contributions to you from the persons making the expenditures to the candidate on whose behalf, or for whose benefit the expenditures are made, in accordance with section 1.115 of SF C&GCC. Pursuant to section 1.114(f) of SF C&GCC, each committee that receives a contribution which exceeds the limits "shall pay promptly the amount received...in excess of the amount permitted by this Section to the City and County of San Francisco and deliver the payment to the Ethics Commission for deposit in the General Fund of the City and County."

According to CSV's filings, CSV made \$43,399.18 in expenditures in your support and \$148,003.86 in expenditures against other candidates for Supervisor of District 2, for a total of \$191,403.04. As stated above, these expenditures are not considered independent and have been treated as contributions to you. Of the \$191,403.04 spent on your behalf and for your benefit during the 2010 election, \$190,903.04 exceeded the \$500 contribution limit in SF C&GCC section 1.114. Therefore, pursuant to section

1.114(f), you are required to forfeit \$190,903.04 to the City and County of San Francisco and deliver the payment to the Ethics Commission for deposit in the General Fund of the City and County. The Ethics Commission may provide a waiver or reduction of the forfeiture.

If you have any questions or wish to discuss this letter, please feel free to contact me at 415-252-3100.

Sincerely

John St. Croix Executive Director