San Francisco Ethics Commission

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August 9, 2021

To: Members of the Ethics Commission

From: Eric Willett, Senior Investigator and Streamlined Program Administrator

Subject: **AGENDA ITEM 4: Proposed SARP Stipulation, Decision and Order**

- ***In the Matter of Norman Yee for Supervisor 2016, Norman Yee, and Lisa Le*** **(SFEC Complaint No. 1617-020).**

Summary

This memorandum provides information regarding the Proposed SARP Stipulation appearing in this agenda item and what the Commission may do next regarding this Proposed SARP Stipulation.

Action Requested

The Commission may approve the Proposed SARP Stipulation by majority vote, or it may provide guidance to Commission Staff regarding the Proposed SARP Stipulation.

Regulatory Background

Pursuant to the Commission's Enforcement Regulations, the Executive Director may enter negotiations with a respondent at any time to resolve the factual and legal allegations in a complaint by way of a stipulated order (*i.e.* a negotiated settlement). Enf. Reg. § 12(A). The Regulations require that the stipulated order set forth the pertinent facts and may include an agreement as to anything that could be ordered by the Commission under its authority pursuant to Charter section C3.699-13. *Id.*

Immediately after the Executive Director enters a stipulated order with a respondent, the Executive Director must inform the Commission of the proposed stipulation. Enf. Reg. § 12(E). Thereafter, any member of the Commission may request that the stipulated order be reviewed in public session by the full panel of the Commission during its next meeting. *Id.*

This proposed stipulation was reached pursuant to the Commission's Streamlined Administrative Resolution Program. As of today, no Commissioner had requested review of the attached streamlined stipulated order in public session by the full panel of the Commission. It therefore appears on the Consent Calendar. The Commission may approve the stipulation by majority vote, or it may provide guidance to Commission Staff regarding the Proposed SARP Stipulation. Enf. Reg.§ 12(F).

Members of the public may comment on the Proposed SARP Stipulation, noting that the Commission receives public comment once for all consent items collectively.

LeeAnn Pelham
Executive Director
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Senior Investigative Analyst

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BEFORE THE SAN FRANCISCO

ETHICS COMMISSION

In the Matter of NORMAN YEE FOR SUPERVISOR 2016, NORMAN YEE, AND LISA LE. Respondents.	SFEC Complaint No. 1617-020 **Streamlined Administrative Resolution Program** **STIPULATION, DECISION, AND ORDER**

THE PARTIES STIPULATE AS FOLLOWS:

1. This Streamlined Administrative Resolution Program Stipulation, Decision, and Order (Stipulation) is made and entered into by and between Norman Yee for Supervisor 2016, Norman Yee, and Lisa Le ("Respondents" collectively) and the San Francisco Ethics Commission (the Commission).

2. Respondents and the Commission agree to settle and resolve all factual and legal issues in this matter and to reach a final disposition through the Commission's Streamlined Administrative Resolution Program and without an administrative hearing. Upon approval of this Stipulation and full performance of the terms outlined in this Stipulation, the Commission will take no future action against Respondents, and this Streamlined Stipulation shall constitute the complete resolution of all claims by the Commission against Respondents related to the violations of law described in Exhibit A. Respondents understand and knowingly and voluntarily waive all rights to judicial review of this Streamlined Stipulation and any action taken by the Commission or its staff on this matter.

3. Respondents acknowledge responsibility for and agree to pay an administrative penalty as set forth in Exhibit A. Respondents agree that the administrative penalty set forth in Exhibit A is a reasonable administrative penalty.

4. Within ten business days of the Commission's approval of this Stipulation, Respondents shall either pay the penalty through the City's online payment portal or otherwise deliver to the following address the sum as set forth in Exhibit A in the form of a check or money order made payable to the "City and County of San Francisco":

San Francisco Ethics Commission
Attn: Enforcement & Legal Affairs Division
25 Van Ness Avenue, Suite 220
San Francisco, CA 94102

5. If Respondents fail to comply with the terms of this Stipulation, then the Commission may reopen this matter and prosecute Respondents under Section C3.699-13 of the San Francisco Charter for any available relief.

6. Respondents understand, and hereby knowingly and voluntarily waive, any and all procedural rights under Section C3.699-13 of the San Francisco Charter and the Commission's Enforcement Regulations with respect to this matter. These include, but are not limited to, the right to appear personally at any administrative hearing held in this matter, to be represented by an attorney at Respondents' expense, to confront and cross-examine all witnesses testifying at the hearing and to subpoena witnesses to testify at the hearing.

7. Respondents understand and acknowledge that this Stipulation is not binding on any other government agency with the authority to enforce the San Francisco Campaign & Governmental Conduct Code section 1.100 *et seq.*, and does not preclude the Commission or its staff from cooperating with or assisting any other government agency in its prosecution of Respondent for any allegations set forth in Exhibit A, or any other matters related to those violations of law set forth in Exhibit A.

8. This Stipulation is subject to the Commission's approval. In the event the Commission declines to approve this Stipulation, the Stipulation shall become null and void, except Paragraph 9, which shall survive.

9. In the event the Commission rejects this Stipulation, and further administrative proceedings before the Commission are necessary, Respondents agree that the Stipulation and all references to it are inadmissible. Respondents moreover agree not to challenge, dispute, or object to the participation of any member of the Commission or its staff in any necessary administrative proceeding for reasons stemming from his or her prior consideration of this Stipulation.

10. This Stipulation, along with the attached Exhibit A, reflects the entire agreement between the parties hereto and supersedes any and all prior negotiations, understandings, and agreements with respect to the transactions contemplated herein. This Stipulation may not be amended orally. Any amendment or modification to this Stipulation must be in writing duly executed by all parties and approved by the Commission at a regular or special meeting.

11. This Stipulation shall be construed under, and interpreted in accordance with, the laws of the State of California. If any provision of the Stipulation is found to be unenforceable, the remaining provisions shall remain valid and enforceable.

12. The parties hereto may sign different copies of this Stipulation, which will be deemed to have the same effect as though all parties had signed the same document.

Dated: 07-12-2021 | 12:43:31 PDT

DocuSigned by:
LeeAnn Pelham
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LEEANN PELHAM, EXECUTIVE DIRECTOR
SAN FRANCISCO ETHICS COMMISSION

Dated: 07-12-2021 | 09:37:28 PDT

DocuSigned by:
Norman Yee
B876CE8E74604F0...

NORMAN YEE, INDIVIDUALLY AND ON BEHALF OF
NORMAN YEE FOR SUPERVISOR 2016

Dated: 07-12-2021 | 10:52:44 PDT

DocuSigned by:
Lisa Le
559729E0348D425...

LISA LE, TREASURER

DECISION AND ORDER

The foregoing Stipulation of the parties in the matter of "Norman Yee for Supervisor 2016, Norman Yee, and Lisa Le, SFEC Complaint No. 1617-020," including the attached Exhibit A, is hereby accepted as the final Decision and Order of the San Francisco Ethics Commission, effective upon execution below by the Chairperson.

IT IS SO ORDERED.

Dated: _____

_____

YVONNE LEE, ACTING CHAIRPERSON
SAN FRANCISCO ETHICS COMMISSION

Exhibit A

Description of Respondents: Norman Yee for Supervisor 2016, FPPC Identification Number 1377719 ("the Committee") was a candidate-controlled committee to support the election of Norman Yee to the City and County of San Francisco (City) Board of Supervisors, to represent District 7, in the general election of November 8, 2016, and Lisa Le was the Committee's treasurer.

Description of Violation: This matter consists of nine violations of the San Francisco Campaign and Governmental Conduct Code section 1.126(b) prohibition on accepting contributions from contractors doing business with the city.

Mei Mei Chan is Chief Executive Officer ("CEO") and a Founding Principal, and Donald Luu is Chief Financial Officer ("CFO") and a Founding Principal of MEI Architects. Stephen Lau is President of SOHA Engineers. MEI Architects and SOHA Engineers served as subcontractors to a contract approved by the San Francisco Board of Supervisors in February 2016.

1) In April 2016, Chan contributed $500 to the candidate committee of Respondent Yee.
2) In April 2016, Luu contributed $500 to the candidate committee of Respondent Yee.
3) In April 2016, Lau contributed $500 to the candidate committee of Respondent Yee.

Francis So is President and Chief Executive Officer ("CEO"), and Ringo Wong is Vice President and CFO of Tomokazu Japanese Cuisine (SFO), Inc. ("Tomokazu"). In July 2016, the San Francisco Board of Supervisors approved a contract between Tomokazu and the City and County of San Francisco for a restaurant located in the international terminal of San Francisco International Airport.

4) In April 2016, Wong contributed $500 to the candidate committee of Respondent Yee.
5) In April 2016, So contributed $500 to the candidate committee of Respondent Yee.

Thomas Ng was a member of the Board of Directors of the Chinese Hospital Association. The Chinese Hospital Association entered into a contact to purchase land from the City and County of San Francisco, and the San Francisco Board of Supervisors approved the contract on April 12, 2016.

6) In April 2016, after the commencement of negotiations for the contract, Ng contributed $500 to Respondent Yee's candidate committee.

Howard Chung was a member of the Board of Directors of the Chinatown Community Development Center. The Chinatown Community Development Center directed and controlled Bay Street L.P., which entered into a contract with the City and County of San Francisco to borrow funds to build affordable housing. The San Francisco Board of Supervisors approved the agreement.

7) In March 2016, and Chung contributed $500 to Respondent Yee's candidate committee.

Lillian K. Sing was a member of the Board of Directors of Richmond Area Multi-Services, Incorporated ("RAMS"). The San Francisco Department of Public Health has contracted with RAMS since 2010 for behavioral health services, but certain amendments to the contract in 2015 required approval

by the San Francisco Board of Supervisors. The San Francisco Board of Supervisors approved the amendments to the contract on December 8, 2015.

8) On January 17, 2016, Sing contributed $100 to Respondent Yee's candidate committee.

Sonia Melara was a member of the Board of Directors of the San Francisco Public Health Foundation ("SFPHF"). In June 2015, the San Francisco Board of Supervisors adopted a resolution retroactively authorizing the Department of Public Health to accept and extend a grant from the Centers for Disease Control and Prevention. SFPHF was a party to the contract.

9) In December 2015, Melara contributed $250 to Respondent Yee's candidate committee.

Specific Eligibility Requirements: Respondents must sign and return this stipulated agreement within 90 days of contact by the Commission's Enforcement Division.

Specific Financial Penalty Modifiers:

- ✓ $3,850 if the stipulation is signed and returned by July 24, 2021
- o $7,700 if the stipulation is signed and returned by August 23, 2021
- o $11,550 if the stipulation is signed and returned by September 22, 2021