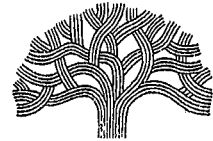


CITY OF OAKLAND



ONE FRANK H. OGAWA PLAZA • SUITE 104 • OAKLAND, CALIFORNIA 94612

Public Ethics Commission
October 17, 2016

(510) 238-3593
FAX (510) 238-3315
TDD (510) 238-3254

Don Perata
Believe in Oakland- Perata for Mayor 2010
c/o Richard Rios
Olsen, Hagel & Fishburn LLP



Re: PEC Complaint No. 10-25; Warning Letter

Dear Mr. Perata:

This letter is in response to a complaint filed with the City of Oakland Public Ethics Commission (PEC) in 2010 alleging that you and your candidate-controlled committee Believe in Oakland-Perata for Mayor 2010 (Perata for Mayor 2010) violated the Oakland Campaign Reform Act (OCRA) by accepting contributions in excess of the contribution limit. The PEC has completed its investigation into the allegations and found that you and Perata for Mayor 2010 violated OCRA section 3.12.050(a) by accepting non-monetary contributions totaling \$16,000 in 2009 and 2010.

For the November 2, 2010, election, a candidate for elected office in the City of Oakland who accepted the voluntary expenditure ceiling and his or her committee were prohibited from receiving contributions in excess of \$700 from any single individual, proprietorship, firm, partnership, joint venture, syndicate, business, trust, company, corporation, association, or committee. (OCRA § 3.12.050(a).) Any goods or services received by a candidate or committee at no charge or at a discount from the fair market value, unless the discount is given in the regular course of business to members of the public, was a contribution made to the candidate or committee and is commonly referred to as a non-monetary contribution. (FPPC Regulation 18215(b)(3).)

Our investigation found that you and Perata for Mayor 2010 accrued debt totaling \$12,000 in 2009 and \$4,000 in 2010 to Chris Lehman Consulting for campaign consulting he provided to your 2010 mayoral campaign. Then, on January 31, 2011, Chris Lehman Consulting forgave all \$16,000 of the debt.

Because Chris Lehman Consulting provided your campaign with \$16,000 worth of consulting and your campaign never paid him for his service, you and Perata for Mayor 2010 received

\$16,000 in non-monetary contributions from Chris Lehman Consulting. By receiving contributions exceeding \$700 from a single source, you and Perata for Mayor 2010 violated OCRA section 3.12.050(a).

However, because the violation occurred six and seven years ago, you lost the election, and you have not been involved in any Oakland elections since, the PEC is closing this matter with this warning letter in lieu of a fine. The information in this case will be retained and may be used against you and Perata for Mayor 2010 should an enforcement action become necessary due to newly discovered information or failure to comply with OCRA's contribution limits in the future. Failure to comply with the contribution limits of OCRA in the future will result in the imposition of administrative fines by the PEC of up to \$2,000 per violation or three times the amount not properly reported, whichever is greater.

This warning letter is a PEC case resolution without a monetary penalty, but does not provide you and Perata for Mayor 2010 with an opportunity for a full hearing before the PEC. If you wish to avail yourself to a full hearing process by requesting that this case proceed with further enforcement rather than a warning, please notify me in writing within 10 days from the date of this letter. If I do not receive such notification within 10 days in writing, this warning letter will remain in effect and the matter will be closed.

If you would like further information or have additional information regarding this matter, you can reach me at (510) 238-4976 or mdalju@oaklandnet.com.

Sincerely,



Milad Dalju
Deputy Director/Chief of Enforcement