

## **SETTLEMENT AGREEMENT**

This Settlement Agreement is made and entered into by the Board of Ethics of the City of Philadelphia, the Philadelphia Association of Community Development Corporations, and J. Shane Creamer, Jr., the Executive Director of the Board of Ethics, jointly referred to as “the Parties.”

### **RECITALS**

- A. The Board of Ethics of the City of Philadelphia is an independent, five-member City board established in 2006 through voter approval of an amendment to the Philadelphia Home Rule Charter. Pursuant to Section 4-1100 of the Home Rule Charter and Chapter 20-1200 of the Philadelphia Code, the Board is charged with administering and enforcing Philadelphia’s Lobbying Law.
- B. The Philadelphia Association of Community Development Corporations (“PACDC”) is a non-profit organization registered with the Commonwealth of Pennsylvania. The purpose of PACDC is to advocate for community development activities, meet the needs of lower-income residents, and advance neighborhood revitalization in the Philadelphia area.
- C. Philadelphia’s Lobbying Law is found at Chapter 20-1200 of the Philadelphia Code and Board Regulation No. 9, which provides a detailed interpretation of Chapter 20-1200.
- D. Under the City’s Lobbying Law, a principal is a person who engages in lobbying on its own behalf or who pays someone else (a lobbyist) to engage in lobbying. Lobbying is an effort to influence governmental administrative or legislative action through direct communication, indirect communication, or by providing gifts, transportation, hospitality, or lodging to City officers or employees. If a principal incurs expenditures of more than \$2,500 for lobbying expenses in a quarter, the principal must register with the Board.
- E. Under the City’s Lobbying Law, indirect communication is:
  - An effort to encourage others, including the general public, to take action, the purpose or foreseeable effect of which is to directly influence legislative or administrative action, such as letter-writing campaigns, mailings, telephone banks, print and electronic media advertising, billboards, publications and educational campaigns on public issues, but not including regularly published periodic newsletters primarily designed for and distributed to members of a bona fide association or charitable or fraternal nonprofit corporation.Board Regulation No. 9, Paragraph 9.1(p).
- F. A principal must file an expense report for each quarter in which the principal incurs lobbying expenditures of more than \$2,500. In an expense report, the principal must disclose its expenditures incurred that quarter for direct communications, indirect communications, and gifts, transportation, hospitality and lodging to City officers and employees as well as detailed information about the nature of those expenditures.

- G. Pursuant to Code Section 20-1207(1)(b) and Regulation No. 9, Paragraph 9.26, the failure to register as a principal or to file an expense report is subject to a civil penalty not exceeding \$250 for each late day up to a maximum of \$2,000 for any one registration or report.
- H. In the fall of 2018, Board Enforcement Staff became aware of potential violations of the City's Lobbying Law by PACDC and opened an investigation.
- I. During the second quarter of 2018, PACDC spent more than \$2,900 on lobbying communications, including more than \$1,400 for indirect communications and more than \$1,500 related to direct communications.
- J. The indirect communications PACDC paid for included social media activity, meetings, outreach to PACDC member organizations, and press communications. These communications encouraged the public to urge the Mayor and City Council members to support, oppose, or amend proposed legislation and administrative action related to the housing trust fund, tax lien securitization, community development corporation tax credits, and a consolidated affordable housing plan.
- K. The direct communications PACDC paid for included meetings between its employees and City Council members, the Mayor's Office, and the City's Commerce Department. These communications concerned the proposed legislation and administrative action described in Paragraph J as well as two items of proposed legislation related to a construction impact tax and mixed income housing.
- L. Because PACDC incurred expenditures of more than \$2,500 in the 2<sup>nd</sup> quarter of 2018 for the activities described in Paragraphs J and K, it should have registered as a principal with the Board within 10 days of spending more than \$2,500 and filed a 2018 2<sup>nd</sup> quarter expense report by July 31, 2018. PACDC did not register as a principal or file an expense report within these deadlines.
- M. At all times, PACDC fully cooperated with the Board's investigation and has registered for 2018 as a lobbying principal. As part of its registration, PACDC paid a registration fee of \$200. PACDC has also filed a 2018 second quarter expense report with the Board. Copies of the registration and the expense report are attached hereto as Exhibit A.
- N. The Parties desire to enter into this Agreement in order to resolve the issues described herein.

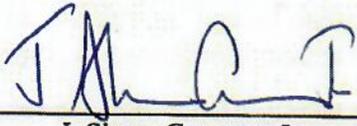
## **AGREEMENT**

The Parties agree that:

1. By failing to timely register as a lobbying principal in 2018, PACDC violated Code Section 20-1202(1) and is subject to a civil monetary penalty of \$2,000. In light of PACDC's cooperation, however, the penalty is reduced to \$1,000.
2. By failing to timely file an expense report with the Board for the 2<sup>nd</sup> quarter of 2018, PACDC violated Code Section 20-1203(1) and is subject to a civil monetary penalty of \$2,000. In light of PACDC's cooperation, however, the penalty is reduced to \$1,000.
3. PACDC shall pay the aggregate civil monetary penalties of \$2,000 within 14 days of the effective date of this Agreement. Payment shall be made by check or money order made payable to the City of Philadelphia and delivered to the offices of the Board.
4. PACDC releases and holds harmless the Board and its staff from any potential claims, liabilities, and causes of action arising from the Board's investigation, enforcement, and settlement of the matters described in this Agreement.
5. In consideration of the above and in exchange for the compliance of PACDC with all of the terms of the Agreement, the Board waives any further penalties or fines against PACDC for the violations described in this Agreement.
6. The Parties will not make any public statements that are inconsistent with the terms of this Agreement.
7. If the Board or the City is forced to seek judicial enforcement of this Agreement, and prevails, PACDC shall be liable for attorneys' fees and costs reasonably expended in enforcing compliance with the Agreement. Fees for time spent by Board or City attorneys shall be calculated based upon standard and customary billing rates in Philadelphia for attorneys with similar experience.
8. This Agreement contains the entire agreement between the Parties. The Agreement shall become effective upon approval by the Board. The effective date of the Agreement shall be the date the Board approves the Agreement.
9. The Executive Director will submit a signed copy of this Agreement to the Board for approval.
10. If the Board rejects the proposed Agreement, presentation to and consideration of the Agreement by the Board shall not preclude the Board or its staff from participating in, considering, or resolving an administrative adjudication of the matters described in the Agreement. If the Board rejects the proposed Agreement, nothing in the proposed Agreement shall be considered an admission by either party and, except for this paragraph, nothing in the Agreement shall be effective.

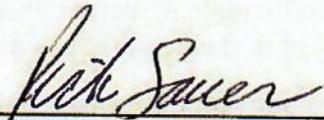
By the Executive Director of  
the Board of Ethics:

Dated: 2/22/19

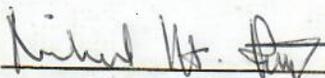
  
\_\_\_\_\_  
J. Shane Creamer, Jr.

By the Philadelphia Association of  
Community Development Corporations:

Dated: 2/22/19

  
\_\_\_\_\_  
Rick Sauer, Executive Director

Approved by the Board of Ethics on 2/27/19

  
\_\_\_\_\_  
Michael H. Reed, Chair

# **EXHIBIT A**

**Registration No:** P00307 **Registration Status:** Expired  
**Registration Name:** Philadelphia Association of Community Development Corporations **Lobbying Commenced:** 01/01/2018  
**Acronym:** PACDC **Date Filed:** 08/14/2015  
**Phone#:** 215-732-5829 Ext.110 **Additional Phone#:** 215-732-5829 Ext.105  
**Fax#:** 215-732-5725 **Last Renewed:** 2/19/2019 11:33:30 AM  
**Email:** bmconnell@pacdc.org **Additional Email:** bmconnell@pacdc.org  
**Registration Period:** 2018-2018 **Last Amended Date:** 02/19/2019  
**Nature of Business:** Trade or Professional Assoc.  
**Address:** 1315 Walnut St  
Suite 1600  
**City:** Philadelphia **State:** PA **Zip:** 19107

<b>Lobbyist(s):</b>
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Name	RegistrationNum	Affiliated Start Date	Affiliated End Date
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<b>Lobbying Firm(s):</b>
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Name	RegistrationNum	Affiliated Start Date	Affiliated End Date
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<b>Political Action Committee(s):</b>
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Name	Acronym
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<b>Association/Organization members:</b>
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**Is this Principal an Association or Organization?** Yes  
**No Number of Dues - Paying Members:** 130  
**For The Calender Year :** 2018

<b>FILER AFFIRMATION:</b>
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I am a named officer or other individual who has authority to sign documents on behalf of the above-named principal. By affixing my signature to this registration statement, I affirm that I have actual knowledge of the contents of this registration statement and that the information reported herein is valid, accurate, and complete to the best of my knowledge. I acknowledge that this affirmation is being made subject to 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities). I consent to receive service of notices, other official mailings, or process at the address or email listed in this registration statement.

**First Name:** Beth **MI:** A  
**Last Name:** McConnell  
**Title:** Policy Director

**LOBBYING DISCLOSURE QUARTERLY EXPENSE REPORT****FILER'S INFORMATION:**

Filer's Name: Philadelphia Association of Community Development Corporations

Registration No.: P00307

Filing Period: Quarter: Apr - Jun Year: 2018

**PERMANENT BUSINESS ADDRESS:**

Address: 1315 Walnut St

Suite 1600

City: Philadelphia State: PA Zip: 19107

**CONTACT INFORMATION OF FILER:**

Phone: 215-732-5829 Ext.110

Email Address: bmconnell@pacdc.org

**IDENTIFICATION OF LOBBYIST(S)/LOBBYING FIRM(S) LOBBYING ON PRINCIPAL'S BEHALF:**

Registration Name	Related to RegistrationNum	Affirmation Status
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**TOTAL LOBBYING EXPENSES DURING THE REPORTING PERIOD:**

TOTAL EXPENDITURES FOR GIFTS, HOSPITALITY, TRANSPORTATION, AND LODGING

TO CITY OFFICIALS, EMPLOYEES OR THEIR IMMEDIATE FAMILIES :

TOTAL EXPENDITURES FOR DIRECT  
COMMUNICATION:

1,557.34

TOTAL EXPENDITURES FOR INDIRECT  
COMMUNICATION:

1,436.37

+

TOTAL EXPENDITURES OF ALL LOBBYING FOR THE  
PERIOD:

2,993.71

**SUBJECT(S) OF LOBBYING:****DIRECT COMMUNICATIONS:**

Lobbying Category	Subject Matter	Position Taken	Department or Agency	Name of City Official
Housing	Construction Impact Tax	Support	City Council	Quinones-Sanchez, Maria D.
Housing	180351	Support	City Council	Clarke, Darrell L.

<b>Lobbying Category</b>	<b>Subject Matter</b>	<b>Position Taken</b>	<b>Department or Agency</b>	<b>Name of City Official</b>
Housing	180351	Support	Mayor's Office	
Housing	180351	Support	City Council	Blackwell, Jannie
Housing	180351	Support	City Council	Gym, Helen
Housing	180351	Support	City Council	Jones Jr., Curtis
Housing	180351	Support	City Council	Domb, Allan
Housing	180351	Support	City Council	Green, Derek
Housing	180351	Support	City Council	Henon, Bobby
Housing	180351	Support	City Council	Johnson, Kenyatta
Housing	180351	Support	City Council	Oh, David
Housing	180351	Support	City Council	O'Neill, Brian J.
Housing	180351	Support	City Council	Taubenberger, Al
Housing	180351	Support	City Council	Bass, Cindy
Housing	180351	Support	City Council	Parker, Cherelle
Housing	180351	Support	City Council	Squilla, Mark
Housing	180351	Support	City Council	Brown, Blondell Reynolds
Housing	180351	Support	City Council	Greenlee, William K.
Economic Development	180261	Support	City Council	Bass, Cindy
Economic Development	180261	Support	City Council	Blackwell, Jannie
Economic Development	180261	Support	City Council	Brown, Blondell Reynolds
Economic Development	180261	Support	City Council	Clarke, Darrell L.
Economic Development	180261	Support	City Council	Domb, Allan
Economic Development	180261	Support	City Council	Green, Derek
Economic Development	180261	Support	City Council	Greenlee, William K.
Economic Development	180261	Support	City Council	Gym, Helen
Economic Development	180261	Support	City Council	Henon, Bobby
Economic Development	180261	Support	City Council	Johnson, Kenyatta
Economic Development	180261	Support	City Council	Jones Jr., Curtis
Economic Development	180261	Support	City Council	O'Neill, Brian J.
Economic Development	180261	Support	City Council	Oh, David
Economic Development	180261	Support	City Council	Parker, Cherelle
Economic Development	180261	Support	City Council	Quinones-Sanchez, Maria D.
Economic Development	180261	Support	City Council	Squilla, Mark

<b>Lobbying Category</b>	<b>Subject Matter</b>	<b>Position Taken</b>	<b>Department or Agency</b>	<b>Name of City Official</b>
Economic Development	180261	Support	City Council	Taubenberger, Al
Economic Development	180261	Support	City Council	
Housing	180347	Amend	City Council	Bass, Cindy
Housing	180347	Amend	City Council	Clarke, Darrell L.
Housing	180347	Amend	City Council	Quinones-Sanchez, Maria D.
Housing	180347	Amend	City Council	Blackwell, Jannie
Housing	180347	Amend	City Council	Parker, Cherelle
Housing	180347	Amend	City Council	Bass, Cindy
Housing	180347	Amend	City Council	Henon, Bobby
Housing	180347	Amend	City Council	Squilla, Mark
Housing	180347	Amend	City Council	Greenlee, William K.
Housing	180347	Amend	City Council	Brown, Blondell Reynolds
Housing	180347	Amend	City Council	Oh, David
Housing	180347	Amend	City Council	Domb, Allan
Housing	180347	Amend	City Council	Green, Derek
Housing	180347	Amend	City Council	Gym, Helen
Housing	180347	Amend	City Council	Johnson, Kenyatta
Housing	180347	Amend	City Council	Jones Jr., Curtis
Housing	180347	Amend	City Council	Taubenberger, Al
Housing	180347	Amend		
Housing	170854	Support	City Council	Bass, Cindy
Housing	170854	Support	City Council	Blackwell, Jannie
Housing	170854	Support	City Council	Brown, Blondell Reynolds
Housing	170854	Support	City Council	Clarke, Darrell L.
Housing	170854	Support	City Council	Domb, Allan
Housing	170854	Support	City Council	Green, Derek
Housing	170854	Support	City Council	Greenlee, William K.
Housing	170854	Support	City Council	Gym, Helen
Housing	170854	Support	City Council	Henon, Bobby
Housing	170854	Support	City Council	Johnson, Kenyatta
Housing	170854	Support	City Council	Jones Jr., Curtis
Housing	170854	Support	City Council	O'Neill, Brian J.

Lobbying Category	Subject Matter	Position Taken	Department or Agency	Name of City Official
Housing	170854	Support	City Council	Oh, David
Housing	170854	Support	City Council	Parker, Cherelle
Housing	170854	Support	City Council	Quinones-Sanchez, Maria D.
Housing	170854	Support	City Council	Squilla, Mark
Housing	170854	Support	City Council	Taubenberger, Al
	Tax Lien Securitization	Oppose	City Council	Domb, Allan
Community Development	Consolidated Plan	Amend	Housing & Community Development (OHCD)	Melissa Long
Economic Development	180261	Support	Commerce	Fegely, Karen

**INDIRECT COMMUNICATIONS:**

Lobbying Category	Subject Matter	Position Taken	Method of Communication	Recipient Group
Community Development	Tax Lien Securitization	Oppose	meeting	Green Space advocates
Community Development	Tax Lien Securitization	Oppose	meeting	Legal Services advocates
Community Development	Consolidated Plan	Amend	direct outreach to encourage testimony	PACDC member organizations
Housing	180351	Support	Opinion Editorial	readers of Philly.com
Housing	180351	Support	direct outreach to encourage testimony	PACDC member organizations
Housing	180351	Support	social media posting	PACDC social media followers
Economic Development	180261	Support	direct outreach to encourage testimony	PACDC member organizations
Housing	180351	Support	radio appearance	listeners of WHYY

**GIFT RECIPIENTS:**

None.

**REPAYMENTS:**

None.

**SOURCE OF CONTRIBUTIONS:**

None.

**FILER AFFIRMATION:**

By affixing my signature to this expense report, I affirm that I have actual knowledge of the contents of this expense report and that the information reported herein is valid, accurate, and complete to the best of my knowledge. To the best of my knowledge at all times relevant to this quarterly expense reporting period, I have complied with the requirements of City Code §20-1205(5). I acknowledge that this affirmation is being made subject to 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities). I consent to receive service of notices, other official mailings, or process at the address or email listed in this expense report.

**First Name:** Beth **MI:** A  
**Last Name:** McConnell  
**Title:** Policy Director  
**Date:** 02/19/2019

**LOBBYING FIRM/LOBBYIST NOT ASSOCIATED WITH A LOBBYING FIRM AFFIRMATION:**

None.