



City of Anaheim

OFFICE OF THE CITY ATTORNEY

May 15, 2020

Fair Political Practices Commission
1102 Q Street, Suite 3000
Sacramento, CA 95811
Attn: Legal Division - Advice

Re: Request for Formal Advice - Anaheim Mayor Harry S. Sidhu, P.E.

Dear Legal Division:

As City Attorney for the City of Anaheim, I am seeking an immediate Formal Advice letter from the Fair Political Practices Commission (FPPC) on behalf of Anaheim Mayor Harry S. Sidhu, P.E. This request concerns two related decisions that will be before the Anaheim City Council on June 9, 2020, involving the proposed regulation of cannabis distribution, manufacturing, and cultivation in the City of Anaheim. Cannabis is currently banned in the City of Anaheim for all purposes. Mayor Sidhu's adult son provides consulting guidance in the cannabis industry in Orange County, California, and the Mayor wishes to take every precaution to confirm that no conflict of interest exists that prevents him from participating in these decisions.

The Mayor's son, Rohan S. Sidhu, is 23 years old and lives at home in the Mayor's house, which is located in the City of Anaheim. The Mayor claims Rohan as a dependent, pays for utilities, food, and other amenities for the entire household, including Rohan, and receives no rent or other payments in return. While Rohan has no immediate plans to move out of the house, he is contemplating such a move before the end of the year.

Rohan started a small business in 2018 to provide "engineering consulting" to individuals and businesses working in the cannabis industry. In general, he provides guidance on starting and operating cannabis businesses, with a specialization in consulting on the process of obtaining state licenses issued by the Manufactured Cannabis Safety Branch and Bureau of Cannabis Control, among other licensing agencies. He does not manufacture or distribute cannabis himself, nor does he profit directly from the manufacturing and distribution of cannabis by his consulting clients. Rohan also has no intent to provide any consulting guidance to cannabis businesses which may at any time be authorized to legally operate in the City of Anaheim.

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Mayor Sidhu has never held any ownership interest in his son's business. He has not invested in the business or made loans or gifts of money to his son that were used in the business.

The Anaheim City Council will soon face two decisions that could result in the regulation and taxation of cannabis manufacturing, distribution, cultivation and retail sales within the City. The first is an ordinance that would repeal existing Anaheim Municipal Code chapters banning cannabis use and adding chapters regulating cannabis distribution, manufacturing, cultivation and sales. The second is a City Council Resolution approving a ballot measure that would place a cannabis tax before the voters at the next general election, which requires a two-thirds vote of the City Council under the City's Charter. If passed, the first item (the regulation ordinance) will only take effect if the voters actually approve a cannabis tax at the November 2020 general election.

Thus, Mayor Sidhu's request is for immediate advice as to whether his relationship with his adult son, and particularly his provision of financial support to his son in the form of room, board and other amenities, creates a conflict of interest that prevents the Mayor from voting on an ordinance amending the Anaheim Municipal Code to allow regulation of cannabis, or a resolution adding a cannabis tax to the November 2020 ballot.

Because this matter will be on the Council's June 9, 2020 agenda, we ask that you provide an advice letter before that date. Thank you for your prompt assistance with our inquiry. Please feel free to contact me if you have any questions or would like any further information.

Sincerely,

ROBERT FABELA, CITY ATTORNEY

By: 
ROBERT FABELA
City Attorney