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Former City of San Diego Real Estate Advisor to Plead Guilty to Violating Conflict of Interest Law in 101 Ash Street Case and Agree to Pay \$9.4 Million in Restitution

Criminal Case Ensures Jason Hughes Will Promptly Return Illegally Obtained Monies to the City

San Diego County District Attorney <u>Summer Stephan</u> announced today that former City of San Diego volunteer real estate advisor, Jason Hughes, 55, is being criminally charged with conflict of interest for his role in receiving millions of dollars in connection with two lease-to-own deals commonly known as Civic Center Plaza and 101 Ash Street. During a hearing set for tomorrow, Hughes is expected to plead guilty to a misdemeanor violation of conflict-of-interest law, Government Code section 1090, and agree to pay \$9.4 million in restitution to the City of San Diego, the amount he was secretly paid for the two transactions.

The plea agreement comes after Superior Court Judge, Kenneth So, who was presiding over the criminal investigation aspects of this case, in the last few days made the decision to move the case forward through mediation with all parties, including the City Attorney's Office, aimed at a global resolution that would serve the interests of justice. Judge So's expertise and knowledge of the case, stemming back to his authorization of the DA's search warrants in October of 2021, allowed the case to move rapidly towards this decisive conclusion. Today's San Diego City Council action clears the way for the criminal case to proceed under the judge's direction, civil suits to be vacated and full criminal restitution to be paid.

"In many cases, conflict of interest cases result in only civil or administrative remedies," DA Stephan said. "But in this egregious case, it was important to attain a measure of criminal liability and make certain that restitution be required via a criminal case and not left to chance in civil court. The message we are sending is clear: whether you are in an elected position, a public employee, a contractor, or an appointed volunteer, if you personally profit from contracts related to a government position, you will be held accountable for violating this public integrity law."

The plea concludes an extensive criminal investigation by the District Attorney's Office which included 1.6 terabytes of information and millions of pages of evidence. The intense scrutiny this



case received will hopefully strengthen systems of checks and balances within the City of San Diego and other government entities and reinforce the importance of strict adherence to conflict-of-interest laws. The extensive work done by City Attorney Mara Elliott's office in the civil litigation involving the same primary violation of conflict-of-interest laws as the criminal case—especially the content of the thorough depositions—provided significant support for the DA's criminal investigation and prosecution.

"I want to thank the District Attorney team, led by our lead public integrity prosecutor, Leon Schorr, who invested so much time and expertise in this complicated case," DA Stephan said. "In addition, members of local media outlets deserve recognition for their reporting, which helped reveal aspects of the case that otherwise might have gone unnoticed."

In addition to Deputy District Attorney Schorr, the District Attorney team includes, Deputy District Attorneys Hector Jimenez, Martin Doyle, Fredrick Washington, and the many District Attorney Investigators who served search warrants and participated in the investigation. The DA team acknowledges the Regional Computer Forensics Laboratory whose extensive work on this complex investigation was critical, and the multitude of witnesses who sat for interviews, provided documentation and explained their involvement.

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About the San Diego County District Attorney's Office

The San Diego County DA's Office prosecutes all felony crimes in the county and misdemeanor crimes committed outside the City of San Diego. The office files about 40,000 criminal cases a year and balances prosecution with numerous crime prevention programs. District Attorney Summer Stephan leads the office of more than 1,000 dedicated employees who pursue fair and equal justice, and support victims daily across San Diego County.

