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10 UNITED STATES OF AMERICA

11 UNITED STATES DISTRICT COURT  
12 FOR THE CENTRAL DISTRICT OF CALIFORNIA

13 UNITED STATES OF AMERICA,  
14 Plaintiff,  
15 v.  
16 GABRIEL CHAVEZ,  
17 Defendant.

No. CR 2:22-cr-00462-MWF  
PLEA AGREEMENT FOR DEFENDANT  
GABRIEL CHAVEZ

18  
19 1. This constitutes the plea agreement between GABRIEL CHAVEZ  
20 ("defendant") and the United States Attorney's Office for the Central  
21 District of California ("the USAO") in connection with an  
22 investigation of the matter described herein. This agreement is  
23 limited to the USAO and cannot bind any other federal, state, local,  
24 or foreign prosecuting, enforcement, administrative, or regulatory  
25 authorities.

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27 ///  
28 ///

DEFENDANT'S OBLIGATIONS

2. Defendant agrees to:

a. Give up the right to indictment by a grand jury and, at the earliest opportunity requested by the USAO and provided by the Court, appear and plead guilty to a single-count information in the form attached to this agreement as Exhibit A or a substantially similar form, which charges defendant with aiding and abetting Federal Program Bribery, in violation of 18 U.S.C. §§ 666(a)(2), (2)(a).

b. Not contest the Factual Basis agreed to in this agreement.

c. Abide by all agreements regarding sentencing contained in this agreement.

d. Appear for all court appearances, surrender as ordered for service of sentence, obey all conditions of any bond, and obey any other ongoing court order in this matter.

e. Not commit any crime; however, offenses that would be excluded for sentencing purposes under United States Sentencing Guidelines ("U.S.S.G." or "Sentencing Guidelines") § 4A1.2(c) are not within the scope of this agreement.

f. Be truthful at all times with the United States Probation and Pretrial Services Office and the Court.

g. Pay the applicable special assessment at or before the time of sentencing unless defendant has demonstrated a lack of ability to pay such assessments.

3. Defendant further agrees to cooperate fully with the USAO, the Federal Bureau of Investigation, Internal Revenue Service - Criminal Investigation, and, as directed by the USAO, any other

1 federal, state, local, or foreign prosecuting, enforcement,  
2 administrative, or regulatory authority. This cooperation requires  
3 defendant to:

4 a. Respond truthfully and completely to all questions  
5 that may be put to defendant, whether in interviews, before a grand  
6 jury, or at any trial or other court proceeding.

7 b. Attend all meetings, grand jury sessions, trials, or  
8 other proceedings at which defendant's presence is requested by the  
9 USAO or compelled by subpoena or court order.

10 c. Produce voluntarily all documents, records, or other  
11 tangible evidence relating to matters about which the USAO, or its  
12 designee, inquires.

13 4. For purposes of this agreement: (1) "Cooperation  
14 Information" shall mean any statements made, or documents, records,  
15 tangible evidence, or other information provided, by defendant  
16 pursuant to defendant's cooperation under this agreement or pursuant  
17 to the letter agreements previously entered into by the parties dated  
18 November 11, 2020 and June 14, 2021 (the "Letter Agreements") and in  
19 his meetings with the government on November 11, 2020 and June 14,  
20 2021; and (2) "Plea Information" shall mean any statements made by  
21 defendant, under oath, at the guilty plea hearing and the agreed to  
22 Factual Basis in this agreement.

#### 23 THE USAO'S OBLIGATIONS

24 5. The USAO agrees to:

25 a. Not contest the Factual Basis agreed to in this  
26 agreement.

27 b. Abide by all agreements regarding sentencing contained  
28 in this agreement.

1           c.    At the time of sentencing, provided that defendant  
2 demonstrates an acceptance of responsibility for the offense up to  
3 and including the time of sentencing, recommend a two-level reduction  
4 in the applicable Sentencing Guidelines offense level, pursuant to  
5 U.S.S.G. § 3E1.1, and recommend and, if necessary, move for an  
6 additional one-level reduction if available under that section.

7           d.    Recommend that defendant be sentenced to a term of  
8 imprisonment no higher than the low end of the applicable Sentencing  
9 Guidelines range.

10          6.    The USAO further agrees:

11           a.    Not to offer as evidence in its case-in-chief in the  
12 above-captioned case or any other criminal prosecution that may be  
13 brought against defendant by the USAO, or in connection with any  
14 sentencing proceeding in any criminal case that may be brought  
15 against defendant by the USAO, any Cooperation Information.  
16 Defendant agrees, however, that the USAO may use both Cooperation  
17 Information and Plea Information: (1) to obtain and pursue leads to  
18 other evidence, which evidence may be used for any purpose, including  
19 any criminal prosecution of defendant; (2) to cross-examine defendant  
20 should defendant testify, or to rebut any evidence offered, or  
21 argument or representation made, by defendant, defendant's counsel,  
22 or a witness called by defendant in any trial, sentencing hearing, or  
23 other court proceeding; and (3) in any criminal prosecution of  
24 defendant for false statement, obstruction of justice, or perjury.

25           b.    Not to use Cooperation Information against defendant  
26 at sentencing for the purpose of determining the applicable  
27 Sentencing Guidelines range, including the appropriateness of an  
28 upward departure, or the sentence to be imposed, and to recommend to

1 the Court that Cooperation Information not be used in determining the  
2 applicable Sentencing Guidelines range or the sentence to be imposed.  
3 Defendant understands, however, that Cooperation Information will be  
4 disclosed to the United States Probation and Pretrial Services Office  
5 and the Court, and that the Court may use Cooperation Information for  
6 the purposes set forth in U.S.S.G § 1B1.8(b) and for determining the  
7 sentence to be imposed.

8 c. In connection with defendant's sentencing, to bring to  
9 the Court's attention the nature and extent of defendant's  
10 cooperation.

11 d. If the USAO determines, in its exclusive judgment,  
12 that defendant has both complied with defendant's obligations under  
13 paragraphs 2 and 3 above and provided substantial assistance to law  
14 enforcement in the prosecution or investigation of another  
15 ("substantial assistance"), to move the Court pursuant to U.S.S.G.  
16 § 5K1.1 to fix an offense level and corresponding Sentencing  
17 Guidelines range below that otherwise dictated by the Sentencing  
18 Guidelines, and to recommend a term of imprisonment within this  
19 reduced range.

20 DEFENDANT'S UNDERSTANDINGS REGARDING COOPERATION

21 7. Defendant understands the following:

22 a. Any knowingly false or misleading statement by  
23 defendant will subject defendant to prosecution for false statement,  
24 obstruction of justice, and perjury and will constitute a breach by  
25 defendant of this agreement.

26 b. Nothing in this agreement requires the USAO or any  
27 other prosecuting, enforcement, administrative, or regulatory  
28

1 authority to accept any cooperation or assistance that defendant may  
2 offer, or to use it in any particular way.

3 c. Defendant cannot withdraw defendant's guilty plea if  
4 the USAO does not make a motion pursuant to U.S.S.G. § 5K1.1 for a  
5 reduced Sentencing Guidelines range or if the USAO makes such a  
6 motion and the Court does not grant it or if the Court grants such a  
7 USAO motion but elects to sentence above the reduced range.

8 d. At this time the USAO makes no agreement or  
9 representation as to whether any cooperation that defendant has  
10 provided or intends to provide constitutes or will constitute  
11 substantial assistance. The decision whether defendant has provided  
12 substantial assistance will rest solely within the exclusive judgment  
13 of the USAO.

14 e. The USAO's determination whether defendant has  
15 provided substantial assistance will not depend in any way on whether  
16 the government prevails at any trial or court hearing in which  
17 defendant testifies or in which the government otherwise presents  
18 information resulting from defendant's cooperation.

19 NATURE OF THE OFFENSE

20 8. Defendant understands that for defendant to be guilty of  
21 the crime charged in the single-count information, that is, Federal  
22 Program Bribery in violation of 18 U.S.C. § 666(a)(2), he must have  
23 committed the crime of Federal Program Bribery and/or aided and  
24 abetted in its commission.

25 9. For defendant to have committed the crime of Federal  
26 Program Bribery in violation of 18 U.S.C. § 666(a)(2), the following  
27 must be true:

28

1 a. Defendant corruptly gave, offered, or agreed to give  
2 something of value to a person;

3 b. Defendant intended to influence or reward an agent of  
4 a local government -- here, the City of Baldwin Park -- in connection  
5 with any business, transaction, or series of transactions of that  
6 local government involving anything of value of \$5,000 or more; and

7 c. The City of Baldwin Park received, in any one-year  
8 period, benefits in excess of \$10,000 under a Federal program  
9 involving a grant, contract, subsidy, loan, guarantee, insurance, or  
10 other form of Federal assistance.

11 10. For defendant to have aided and abetted in the commission  
12 of Federal Program Bribery in violation of 18 U.S.C. § 666(a)(2), the  
13 following must be true:

14 a. Someone else committed Federal Program Bribery;

15 b. Defendant aided, counseled, commanded, induced, or  
16 procured that person with respect to at least one element of Federal  
17 Program Bribery;

18 c. Defendant acted with the intent to facilitate Federal  
19 Program Bribery; and

20 d. Defendant acted before the crime was completed.

21 PENALTIES

22 11. Defendant understands that the statutory maximum sentence  
23 that the Court can impose for a violation of 18 U.S.C. § 666(a)(2)  
24 is: 10 years' imprisonment; a three-year period of supervised  
25 release; a fine of \$250,000 or twice the gross gain or gross loss  
26 resulting from the offense, whichever is greatest; and a mandatory  
27 special assessment of \$100.

1           12. Defendant understands that supervised release is a period  
2 of time following imprisonment during which defendant will be subject  
3 to various restrictions and requirements. Defendant understands that  
4 if defendant violates one or more of the conditions of any supervised  
5 release imposed, defendant may be returned to prison for all or part  
6 of the term of supervised release authorized by statute for the  
7 offense that resulted in the term of supervised release, which could  
8 result in defendant serving a total term of imprisonment greater than  
9 the statutory maximum stated above.

10           13. Defendant understands that, by pleading guilty, defendant  
11 may be giving up valuable government benefits and valuable civic  
12 rights, such as the right to vote, the right to possess a firearm,  
13 the right to hold office, and the right to serve on a jury.  
14 Defendant understands that he is pleading guilty to a felony and that  
15 it is a federal crime for a convicted felon to possess a firearm or  
16 ammunition. Defendant understands that the conviction in this case  
17 may also subject defendant to various other collateral consequences,  
18 including but not limited to revocation of probation, parole, or  
19 supervised release in another case and suspension or revocation of a  
20 professional license. Defendant understands that unanticipated  
21 collateral consequences will not serve as grounds to withdraw  
22 defendant's guilty plea.

23           14. Defendant understands that, if defendant is not a United  
24 States citizen, the felony conviction in this case may subject  
25 defendant to: removal, also known as deportation, which may, under  
26 some circumstances, be mandatory; denial of citizenship; and denial  
27 of admission to the United States in the future. The Court cannot,  
28 and defendant's attorney also may not be able to, advise defendant

1 fully regarding the immigration consequences of the felony conviction  
2 in this case. Defendant understands that unexpected immigration  
3 consequences will not serve as grounds to withdraw defendant's guilty  
4 plea.

5 FACTUAL BASIS

6 15. Defendant admits that defendant is, in fact, guilty of the  
7 offense to which defendant is agreeing to plead guilty. Defendant  
8 and the USAO agree to the statement of facts provided below and agree  
9 that this statement of facts is sufficient to support a plea of  
10 guilty to the charge described in this agreement and to establish the  
11 Sentencing Guidelines factors set forth in paragraph 17 below but is  
12 not meant to be a complete recitation of all facts relevant to the  
13 underlying criminal conduct or all facts known to either party that  
14 relate to that conduct.

15 **A. Background**

16 The City of Baldwin Park, California (the "City") is a local  
17 government within the County of Los Angeles. The City received in  
18 excess of \$10,000 under a Federal program for each of the calendar  
19 years 2017 and 2018.

20 Ricardo Pacheco ("Pacheco") was elected to the City Council for  
21 the City of Baldwin Park (the "City") in 1997 and held that position  
22 until in or around June 2020. He also served as the City's Mayor Pro  
23 Tempore from in or around December 2017 to December 2018. In both  
24 roles, he was as an agent of the City.

25 Defendant founded Market Share Media Agency, an internet  
26 marketing company, in 2012.

1 Person 1<sup>1</sup> has served as the Baldwin Park City Attorney since in  
2 or around December 2013.

3 Person 14 has been the City Manager for the City of Commerce  
4 since in or around November 2017. Prior to that, he was the City  
5 Manager for Huntington Park and a Member of the Montebello Unified  
6 School District Board. He is the Chief Executive Officer of  
7 Consulting Company 3.

8 **B. The Marijuana Company 3 and Marijuana Company 4 Bribery**  
9 **Schemes**

10 1. Overview of the Schemes

11 In or around June 2017, the City started the process of  
12 permitting the sale, cultivation, and manufacture of marijuana within  
13 the City's limits. Around that same time, Pacheco decided to  
14 corruptly solicit bribe payments from companies seeking marijuana  
15 development agreements and related permits ("marijuana permits") in  
16 the City. In exchange for the payments, Pacheco would agree to  
17 assist and assist the companies, using his official City position,  
18 with obtaining marijuana permits.

19 Pacheco elected to use an intermediary to funnel the bribe  
20 payments to himself in an effort to disguise the true nature of the  
21 payments. The scheme would operate as follows: a company seeking a  
22 marijuana permit would pay the intermediary for supposed "consulting"  
23 services, the intermediary would then split a portion of the money  
24 with Pacheco, and Pacheco would then vote in favor of the company's  
25 desired marijuana permit in exchange for the payment. Pacheco would  
26 also agree to use his influence as a City Council member to ensure  
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28 <sup>1</sup> A legend detailing the names of the masked persons and  
companies is attached hereto as Exhibit B.

1 that other members of the City Council voted in favor of the  
2 marijuana permit as well.

3 Defendant was asked by Pacheco to act as an intermediary to  
4 funnel bribes to Pacheco, and defendant agreed. To help conceal the  
5 bribery scheme, defendant obtained a template for a sham consulting  
6 agreement from Person 1, which defendant thereafter used to  
7 facilitate and disguise the scheme. Defendant used his company,  
8 Market Share Media Agency, to funnel bribe payments to Pacheco from  
9 two companies, Marijuana Company 3 and Marijuana Company 4. Both  
10 companies hired defendant to help them obtain marijuana permits, but  
11 rather than perform legitimate consulting services, defendant  
12 primarily funneled bribe payments to Pacheco in order to ensure that  
13 Pacheco and the City Council voted in favor of both companies'  
14 marijuana permits. Defendant used the template for the sham  
15 consulting agreement provided by Person 1 for the contracts with  
16 Marijuana Company 3 and Consulting Company 3, which represented  
17 Marijuana Company 4.

18 From approximately August 2017 to at least March 2018, defendant  
19 received at least \$125,000 from Marijuana Company 3 and at least  
20 \$45,000 from Consulting Company 3 on behalf of Marijuana Company 4,  
21 none of which he reported to the Internal Revenue Service as personal  
22 income or as revenue for Market Share Media Agency. Defendant then  
23 paid Pacheco between \$80,000 and \$93,000 in cash, out of the at least  
24 \$170,000 collected from both companies. Per defendant's agreement  
25 with Pacheco, the cash payments were in exchange for Pacheco's votes  
26 on the two companies' marijuana permits and Pacheco's help securing  
27 the necessary votes from other members of the City Council.  
28 Defendant and Pacheco agreed that Pacheco would get 60 percent from

1 the Marijuana Company 3 and Consulting Company 3/Marijuana Company 4  
2 contracts and that defendant could retain the rest as payment  
3 primarily for facilitating the bribes.

4 On multiple occasions, defendant used coded language in text  
5 messages to tell Pacheco that he had cash bribes to pass to Pacheco.  
6 Specifically, defendant used the word "documents" to mean cash. For  
7 example, on January 9, 2018, defendant sent Pacheco a text message  
8 stating "I'm planning to bring all the documents . . ." by which  
9 defendant meant he planned to bring Pacheco cash bribes.

10 To keep track of the cash bribes to Pacheco, defendant used a  
11 draft email with the subject line "Dodge Truck" to keep a running  
12 tally of the cash provided to Pacheco. One draft indicated defendant  
13 had provided Pacheco \$80,080 in cash as of February 27, 2018,  
14 including \$12,000 on or around February 5, 2018 and \$13,000 on or  
15 around February 27, 2018. Defendant provided Pacheco even more cash  
16 than was accounted for on this running email tally.

17 Pacheco performed his end of the bargain, voting in favor of the  
18 Marijuana Company 3 and Marijuana Company 4's marijuana permits.  
19 First, on December 13, 2017, Pacheco voted in favor of conditional  
20 marijuana permits for Marijuana Company 3 and Marijuana Company 4,  
21 and the City Council approved conditional marijuana permits for both  
22 companies. Second, on May 2, 2018, Pacheco voted in favor of both  
23 companies' marijuana permits again, and the City Council approved  
24 their applications by a 3-0 vote.

## 25 2. The Marijuana Company 3 Permit

26 With respect to the Marijuana Company 3 permit, in and around  
27 June 2017, Pacheco arranged a meeting between defendant and Person  
28 15, an attorney assisting Marijuana Company 3 in its pursuit of a

1 marijuana permit. Before doing so, Pacheco had encouraged defendant  
2 -- who had never worked as a consultant -- to assist two companies  
3 seeking marijuana permits in Baldwin Park, one of which was Marijuana  
4 Company 3. After meeting with Person 15 in June 2017, defendant met  
5 with Person 15 and Marijuana Company 3's owners, Person 16 and Person  
6 17. During this meeting, defendant learned that the amount of the  
7 consulting contract was predetermined without his input.

8 As defendant and Marijuana Company 3 entered into a contract  
9 in August 2017 and defendant received a total of \$24,500 Marijuana  
10 Company 3 and Person 17 that month, defendant started passing cash to  
11 Pacheco in exchange for Pacheco's vote and influence in getting  
12 Marijuana Company 3's permit approved.

13 In Fall 2017, Marijuana Company 3 appeared on a draft agenda  
14 of the regular City Council meeting, but when the final agenda  
15 posted, Marijuana Company 3 was no longer listed on it. Around this  
16 same time, defendant learned from Marijuana Company 3's  
17 representatives that Person 10, then a Compton City Councilmember,  
18 had a friend who was upset that Marijuana Company 3 had not hired the  
19 friend to represent Marijuana Company 3 in its pursuit of a marijuana  
20 permit in Baldwin Park. Defendant knew that Person 10 and Person 1  
21 had a relationship and believed Person 1 removed Marijuana Company 3  
22 from the regular City Council agenda at Person 10's request. Based  
23 on his belief that Person 1 served the agenda's gatekeeper, defendant  
24 demanded through Pacheco to speak with Person 1. After the City  
25 Council meeting, defendant met with Pacheco and Person 1 and told  
26 them that Marijuana Company 3 felt extorted. Neither Pacheco nor  
27 Person 1 pushed back at this accusation. Instead, Person 1 acted  
28 with indifference and intimated that it came with came with the

1 territory. Defendant later learned that Person 15 had brokered a  
2 deal between Marijuana Company 3, Person 10, and Person 10's friend,  
3 which prompted the renegotiation of defendant's contract with  
4 Marijuana Company 3 later that month.

5           3.    The Marijuana Company 4 Permit

6           With respect to the Marijuana Company 4 permit, Person 14 and his  
7 company, Consulting Company 3, represented Marijuana Company 4 in its  
8 pursuit of a marijuana permit in Baldwin Park. As a way to  
9 compensate defendant and, in turn, Pacheco for securing the marijuana  
10 permit for Marijuana Company 4, Person 14 through Consulting Company  
11 3 made payments to defendant's Market Share Media Agency of at least  
12 \$45,000 from approximately August 2017 through February 2018 during  
13 which time Marijuana Company 4 sought and received its marijuana  
14 permit. Beyond sending and/or forwarding emails, Market Share Media  
15 Agency and defendant did little work for Consulting Company 3 or  
16 Marijuana Company 4. Defendant and Person 14 both understood that  
17 Person 14 would do most of the work necessary to help Marijuana  
18 Company 4 obtain its marijuana permit in Baldwin Park. As both  
19 defendant and Person 14 knew, the Consulting Company 3 payments to  
20 Market Share Media Agency were bribe payments for Pacheco disguised  
21 to look like legitimate consulting fees, including through the use of  
22 bogus invoices.

23           Defendant's corrupt relationship with Pacheco and Person 14  
24 with respect to Marijuana Company 4's permit began in the summer of  
25 2017 when Pacheco introduced defendant to Person 14. Pacheco wanted  
26 defendant to "represent" a marijuana permit applicant in Baldwin Park  
27 so that Pacheco could receive bribe payments from the applicant  
28 funneled to Pacheco through defendant. At Pacheco's request,

1 defendant went to a meeting at a restaurant in Baldwin Park. There,  
2 defendant first met Person 14, whose company, Consulting Company 3,  
3 represented Marijuana Company 4. Pacheco said that Person 14 was a  
4 school board member and the City Manager of Huntington Park. During  
5 the meeting, Pacheco made clear to Person 14 that defendant  
6 represented Pacheco and that Person 14 should use defendant's  
7 services to secure Marijuana Company 4's marijuana permit.

8       Following the meeting, Person 14 and defendant entered into a  
9 written agreement on or about August 1, 2017. The party signing for  
10 Consulting Company 3 (Person 14's company) was an individual with the  
11 initials F.M. -- a man whom defendant had never met and did not know.  
12 Pursuant to the agreement, defendant's company was to receive  
13 \$250,000 over a series of six payments, the majority of which would  
14 come after Person 14's/Consulting Company 3's client (Marijuana  
15 Company 4) obtained its marijuana permit.

16       When Person 14 complained to defendant about the amount of  
17 money he paid defendant, defendant told him that Pacheco was getting  
18 60 percent of the money Person 14 paid him through Consulting Company  
19 3. Even after that express acknowledgment of Pacheco's role and  
20 receipt of bribe payments, Person 14 continued to pay defendant.

21       Person 14 subsequently renegotiated Consulting Company 3's  
22 contract with Pacheco, not defendant, and included a non-disclosure  
23 condition as an addendum. Person 14 first sent this non-disclosure  
24 condition addendum to defendant on or about August 31, 2017 via email  
25 and wrote "Per our conversation, here's the 2nd addendum with the non  
26 disclosure language . . . discretion is a must for us and most  
27 appreciated." That addendum and along with another contractual  
28 addendum reducing the amount Consulting Company 3 had to pay

1 defendant's company to \$190,000 was signed on or about September 2,  
2 2017 by Person 14, not F.M. Defendant also signed the contract and  
3 addenda. Later, Person 14 and Pacheco again renegotiated defendant's  
4 contract and reduced the cost of the contract to \$185,000, \$170,000  
5 of which was to be paid after Marijuana Company 4 obtained its  
6 marijuana permit. Both Person 14 and defendant signed this agreement  
7 on or about September 26, 2017.

8 In addition, defendant's Market Share Media Agency also  
9 received a no-bid \$14,500 contract from the City of Huntington Park  
10 signed by Person 14 as its City Manager. The no-bid contract  
11 represented, at least in part, further compensation for defendant in  
12 his efforts to secure the marijuana permit for Marijuana Company 4.  
13 In violation of the contract's terms, Market Share Media Agency  
14 received payment from Huntington Park before completing its services.

15 Finally, to further secure the Marijuana Company 4 permit,  
16 Person 14 gave defendant a \$5,000 check made payable to the church  
17 associated with the school attended by Pacheco's child.

#### 18 SENTENCING FACTORS

19 16. Defendant understands that in determining defendant's  
20 sentence the Court is required to calculate the applicable Sentencing  
21 Guidelines range and to consider that range, possible departures  
22 under the Sentencing Guidelines, and the other sentencing factors set  
23 forth in 18 U.S.C. § 3553(a). Defendant understands that the  
24 Sentencing Guidelines are advisory only, that defendant cannot have  
25 any expectation of receiving a sentence within the calculated  
26 Sentencing Guidelines range, and that after considering the  
27 Sentencing Guidelines and the other § 3553(a) factors, the Court will  
28 be free to exercise its discretion to impose any sentence it finds

1 appropriate up to the maximum set by statute for the crime of  
2 conviction.

3 17. Defendant and the USAO agree to the following applicable  
4 Sentencing Guidelines factors:

5 Base Offense Level:	12	[U.S.S.G. § 2C1.1(a)(2)]
6 More Than One Bribe:	+2	[U.S.S.G. § 2C1.1(b)(1)]
7 Value of Bribe > \$150,000:	+10	[U.S.S.G. §§ 2C1.1(b)(2), 2B1.1(b)(1)(F)]
8 Elected Public Official:	+4	[U.S.S.G. § 2C1.1(b)(3)]

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10  
11 Defendant and the USAO reserve the right to argue that additional  
12 specific offense characteristics, adjustments, and departures under  
13 the Sentencing Guidelines are appropriate.

14 18. Defendant understands that there is no agreement as to  
15 defendant's criminal history or criminal history category.

16 19. Defendant and the USAO reserve the right to argue for a  
17 sentence outside the sentencing range established by the Sentencing  
18 Guidelines based on the factors set forth in 18 U.S.C. §§ 3553(a)(1),  
19 (a)(2), (a)(3), (a)(6), and (a)(7).

20 WAIVER OF CONSTITUTIONAL RIGHTS

21 20. Defendant understands that by pleading guilty, defendant  
22 gives up the following rights:

- 23 a. The right to persist in a plea of not guilty.
- 24 b. The right to a speedy and public trial by jury.
- 25 c. The right to be represented by counsel -- and if  
26 necessary have the Court appoint counsel -- at trial. Defendant  
27 understands, however, that, defendant retains the right to be  
28

1 represented by counsel -- and if necessary have the Court appoint  
2 counsel -- at every other stage of the proceeding.

3 d. The right to be presumed innocent and to have the  
4 burden of proof placed on the government to prove defendant guilty  
5 beyond a reasonable doubt.

6 e. The right to confront and cross-examine witnesses  
7 against defendant.

8 f. The right to testify and to present evidence in  
9 opposition to the charges, including the right to compel the  
10 attendance of witnesses to testify.

11 g. The right not to be compelled to testify, and if  
12 defendant chose not to testify or present evidence, to have that  
13 choice not be used against defendant.

14 h. Any and all rights to pursue any affirmative defenses,  
15 Fourth Amendment or Fifth Amendment claims, and other pretrial  
16 motions that have been filed or could be filed.

17 WAIVER OF APPEAL OF CONVICTION

18 21. Defendant understands that, with the exception of an appeal  
19 based on a claim that defendant's guilty plea was involuntary, by  
20 pleading guilty defendant is waiving and giving up any right to  
21 appeal defendant's conviction on the offense to which defendant is  
22 pleading guilty. Defendant understands that this waiver includes,  
23 but is not limited to, arguments that the statute to which defendant  
24 is pleading guilty is unconstitutional, and any and all claims that  
25 the statement of facts provided herein is insufficient to support  
26 defendant's plea of guilty.

1                                   LIMITED MUTUAL WAIVER OF APPEAL OF SENTENCE

2           22. Defendant agrees that, provided the Court imposes a term of  
3 imprisonment within or below the range corresponding to an offense  
4 level of 25 and the criminal history category calculated by the  
5 Court, defendant gives up the right to appeal all of the following:

6 (a) the procedures and calculations used to determine and impose any  
7 portion of the sentence; (b) the term of imprisonment imposed by the  
8 Court; (c) the fine imposed by the Court, provided it is within the  
9 statutory maximum; (d) to the extent permitted by law, the  
10 constitutionality or legality of defendant's sentence, provided it is  
11 within the statutory maximum; (e) the term of probation or supervised  
12 release imposed by the Court, provided it is within the statutory  
13 maximum; and (f) any of the following conditions of probation or  
14 supervised release imposed by the Court: the conditions set forth in  
15 General Order 18-10 of this Court; the drug testing conditions  
16 mandated by 18 U.S.C. §§ 3563(a)(5) and 3583(d); and the alcohol and  
17 drug use conditions authorized by 18 U.S.C. § 3563(b)(7).

18           23. The USAO agrees that, provided all portions of the sentence  
19 are at or below the statutory maximum specified above, the USAO gives  
20 up its right to appeal any portion of the sentence.

21                                   RESULT OF WITHDRAWAL OF GUILTY PLEA

22           24. Defendant agrees that if, after entering a guilty plea  
23 pursuant to this agreement, defendant seeks to withdraw and succeeds  
24 in withdrawing defendant's guilty plea on any basis other than a  
25 claim and finding that entry into this plea agreement was  
26 involuntary, then (a) the USAO will be relieved of all of its  
27 obligations under this agreement, including in particular its  
28 obligations regarding the use of Cooperation Information; (b) in any

1 investigation, criminal prosecution, or civil, administrative, or  
2 regulatory action, defendant agrees that any Cooperation Information  
3 and any evidence derived from any Cooperation Information shall be  
4 admissible against defendant, and defendant will not assert, and  
5 hereby waives and gives up, any claim under the United States  
6 Constitution, any statute, or any federal rule, that any Cooperation  
7 Information or any evidence derived from any Cooperation Information  
8 should be suppressed or is inadmissible; and (c) should the USAO  
9 choose to pursue any charge that was either dismissed or not filed as  
10 a result of this agreement, then (i) any applicable statute of  
11 limitations will be tolled between the date of defendant's signing of  
12 this agreement and the filing commencing any such action; and  
13 (ii) defendant waives and gives up all defenses based on the statute  
14 of limitations, any claim of pre-indictment delay, or any speedy  
15 trial claim with respect to any such action, except to the extent  
16 that such defenses existed as of the date of defendant's signing this  
17 agreement.

18 EFFECTIVE DATE OF AGREEMENT

19 25. This agreement is effective upon signature and execution of  
20 all required certifications by defendant, defendant's counsel, and an  
21 Assistant United States Attorney.

22 BREACH OF AGREEMENT

23 26. Defendant agrees that if defendant, at any time after the  
24 signature of this agreement and execution of all required  
25 certifications by defendant, defendant's counsel, and an Assistant  
26 United States Attorney, knowingly violates or fails to perform any of  
27 defendant's obligations under this agreement ("a breach"), the USAO  
28 may declare this agreement breached. For example, if defendant

1 knowingly, in an interview, before a grand jury, or at trial, falsely  
2 accuses another person of criminal conduct or falsely minimizes  
3 defendant's own role, or the role of another, in criminal conduct,  
4 defendant will have breached this agreement. All of defendant's  
5 obligations are material, a single breach of this agreement is  
6 sufficient for the USAO to declare a breach, and defendant shall not  
7 be deemed to have cured a breach without the express agreement of the  
8 USAO in writing. If the USAO declares this agreement breached, and  
9 the Court finds such a breach to have occurred, then:

10 a. If defendant has previously entered a guilty plea  
11 pursuant to this agreement, defendant will not be able to withdraw  
12 the guilty plea.

13 b. The USAO will be relieved of all its obligations under  
14 this agreement; in particular, the USAO: (i) will no longer be bound  
15 by any agreements concerning sentencing and will be free to seek any  
16 sentence up to the statutory maximum for the crime to which defendant  
17 has pleaded guilty; (ii) will no longer be bound by any agreements  
18 regarding criminal prosecution, and will be free to criminally  
19 prosecute defendant for any crime, including charges that the USAO  
20 would otherwise have been obligated not to criminally prosecute  
21 pursuant to this agreement; and (iii) will no longer be bound by any  
22 agreement regarding the use of Cooperation Information and will be  
23 free to use any Cooperation Information in any way in any  
24 investigation, criminal prosecution, or civil, administrative, or  
25 regulatory action.

26 c. The USAO will be free to criminally prosecute  
27 defendant for false statement, obstruction of justice, and perjury  
28 based on any knowingly false or misleading statement by defendant.

1           d. In any investigation, criminal prosecution, or civil,  
2 administrative, or regulatory action: (i) defendant will not assert,  
3 and hereby waives and gives up, any claim that any Cooperation  
4 Information was obtained in violation of the Fifth Amendment  
5 privilege against compelled self-incrimination; and (ii) defendant  
6 agrees that any Cooperation Information and any Plea Information, as  
7 well as any evidence derived from any Cooperation Information or any  
8 Plea Information, shall be admissible against defendant, and  
9 defendant will not assert, and hereby waives and gives up, any claim  
10 under the United States Constitution, any statute, Rule 410 of the  
11 Federal Rules of Evidence, Rule 11(f) of the Federal Rules of  
12 Criminal Procedure, or any other federal rule, that any Cooperation  
13 Information, any Plea Information, or any evidence derived from any  
14 Cooperation Information or any Plea Information should be suppressed  
15 or is inadmissible.

16           27. Following the Court's finding of a knowing breach of this  
17 agreement by defendant, should the USAO choose to pursue any charge  
18 or any civil, administrative, or regulatory action that was either  
19 dismissed or not filed as a result of this agreement, then:

20           a. Defendant agrees that any applicable statute of  
21 limitations is tolled between the date of defendant's signing of this  
22 agreement and the filing commencing any such action.

23           b. Defendant waives and gives up all defenses based on  
24 the statute of limitations, any claim of pre-indictment delay, or any  
25 speedy trial claim with respect to any such action, except to the  
26 extent that such defenses existed as of the date of defendant's  
27 signing this agreement.

28

1                                    COURT AND UNITED STATES PROBATION

2                                    & PRETRIAL SERVICES OFFICE NOT PARTIES

3            28. Defendant understands that the Court and the United States  
4 Probation and Pretrial Services Office are not parties to this  
5 agreement and need not accept any of the USAO's sentencing  
6 recommendations or the parties' agreements to facts or sentencing  
7 factors.

8            29. Defendant understands that both defendant and the USAO are  
9 free to: (a) supplement the facts by supplying relevant information  
10 to the United States Probation and Pretrial Services Office and the  
11 Court; (b) correct any and all factual misstatements relating to the  
12 Court's Sentencing Guidelines calculations and determination of  
13 sentence; and (c) argue on appeal and collateral review that the  
14 Court's Sentencing Guidelines calculations and the sentence it  
15 chooses to impose are not error, although each party agrees to  
16 maintain its view that the sentencing calculations set forth above  
17 are consistent with the facts of this case. This paragraph permits  
18 both the USAO and defendant to submit full and complete factual  
19 information to the United States Probation and Pretrial Services  
20 Office and the Court, even if that factual information may be viewed  
21 as inconsistent with the Factual Basis or Sentencing Factors agreed  
22 to in this agreement.

23            30. Defendant understands that even if the Court ignores any  
24 sentencing recommendation, finds facts or reaches conclusions  
25 different from those agreed to, and/or imposes any sentence up to the  
26 maximum established by statute, defendant cannot, for that reason,  
27 withdraw defendant's guilty plea, and defendant will remain bound to  
28 fulfill all defendant's obligations under this agreement. Defendant

1 understands that no one -- not the prosecutor, defendant's attorney,  
2 or the Court -- can make a binding prediction or promise regarding  
3 the sentence defendant will receive, except that it will be within  
4 the statutory maximum.

5 NO ADDITIONAL AGREEMENTS

6 31. Defendant understands that, except as set forth herein,  
7 there are no promises, understandings, or agreements between the USAO  
8 and defendant or defendant's attorney, and that no additional  
9 promise, understanding, or agreement may be entered into unless in a  
10 writing signed by all parties or on the record in court.

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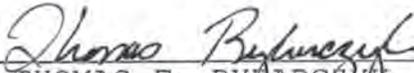
1 PLEA AGREEMENT PART OF THE GUILTY PLEA HEARING

2 32. The parties agree that this agreement will be considered  
3 part of the record of defendant's guilty plea hearing as if the  
4 entire agreement had been read into the record of the proceeding.

5 AGREED AND ACCEPTED

6 UNITED STATES ATTORNEY'S OFFICE  
7 FOR THE CENTRAL DISTRICT OF  
8 CALIFORNIA

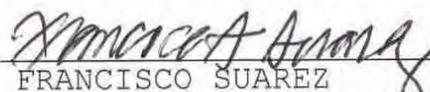
9 STEPHANIE S. CHRISTENSEN  
Acting United States Attorney

10   
11 THOMAS F. RYBARCZYK  
12 LINDSEY GREER DOTSON  
Assistant United States Attorneys

October 7, 2022  
Date

13   
14 GABRIEL CHAVEZ  
Defendant

8/30/22  
Date

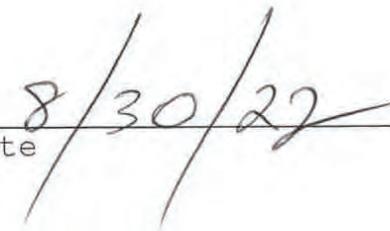
15   
16 FRANCISCO SUAREZ  
17 Attorney for Defendant  
GABRIEL CHAVEZ

8/30/22  
Date

CERTIFICATION OF DEFENDANT

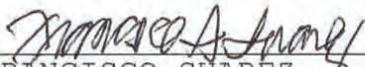
I have read this agreement in its entirety. I have had enough time to review and consider this agreement, and I have carefully and thoroughly discussed every part of it with my attorney. I understand the terms of this agreement, and I voluntarily agree to those terms. I have discussed the evidence with my attorney, and my attorney has advised me of my rights, of possible pretrial motions that might be filed, of possible defenses that might be asserted either prior to or at trial, of the sentencing factors set forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines provisions, and of the consequences of entering into this agreement. No promises, inducements, or representations of any kind have been made to me other than those contained in this agreement. No one has threatened or forced me in any way to enter into this agreement. I am satisfied with the representation of my attorney in this matter, and I am pleading guilty because I am guilty of the charge and wish to take advantage of the promises set forth in this agreement, and not for any other reason.

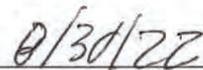
  
\_\_\_\_\_  
GABRIEL CRAVEZ  
Defendant

  
\_\_\_\_\_  
Date

CERTIFICATION OF DEFENDANT'S ATTORNEY

I am GABRIEL CHAVEZ'S attorney. I have carefully and thoroughly discussed every part of this agreement with my client. Further, I have fully advised my client of his rights, of possible pretrial motions that might be filed, of possible defenses that might be asserted either prior to or at trial, of the sentencing factors set forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines provisions, and of the consequences of entering into this agreement. To my knowledge: no promises, inducements, or representations of any kind have been made to my client other than those contained in this agreement; no one has threatened or forced my client in any way to enter into this agreement; my client's decision to enter into this agreement is an informed and voluntary one; and the Factual Basis set forth in this agreement is sufficient to support my client's entry of a guilty plea pursuant to this agreement.

  
\_\_\_\_\_  
FRANCISCO SUAREZ  
Attorney for Defendant  
GABRIEL CHAVEZ

  
\_\_\_\_\_  
Date

# **EXHIBIT A**

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UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,  
  
Plaintiff,  
  
v.  
  
GABRIEL CHAVEZ,  
  
Defendant.

CR No.  
  
I N F O R M A T I O N  
  
[18 U.S.C. § 666(a)(2):  
Federal Program Bribery]

The Acting United States Attorney charges:  
  
[18 U.S.C. §§ 666(a)(2), 2(a)]

At times relevant to this Information:

A. PERSONS AND ENTITIES

1. The City of Baldwin Park, California (the "City") was a local government located within Los Angeles County in the Central District of California. The City received in excess of \$10,000 under federal programs in both 2017 and 2018.

2. The City was governed, in part, by its City Council, which adopted legislation, set policy, adjudicated issues, and established the budget for the City.

1           3.       The City Council was comprised of four City Council  
2 members and a mayor, all of whom were elected at large by the City's  
3 registered voters.

4           4.       Ricardo Pacheco ("Pacheco") was first elected to the City  
5 Council in 1997 and held that elected position until 2020. He also  
6 previously served as the City's Mayor Pro Tempore. In both roles,  
7 Pacheco was an agent of the City.

8           5.       Defendant GABRIEL CHAVEZ founded Market Share Media Agency,  
9 an internet marketing company, in 2012.

10 B.    THE SCHEME

11           6.       In or around June 2017, the City started the process of  
12 permitting the sale, cultivation, and manufacture of marijuana within  
13 the City's limits. Shortly thereafter, Pacheco decided to corruptly  
14 solicit bribe payments from companies seeking marijuana development  
15 agreements and related permits ("marijuana permits") in the City. In  
16 exchange for the payments, Pacheco would agree to assist and assist  
17 the companies, using his official City position, with obtaining  
18 marijuana permits.

19           7.       Pacheco elected to use an intermediary to funnel the bribe  
20 payments to himself in an effort to disguise the true nature of the  
21 payments. The scheme would operate as follows: a company seeking a  
22 marijuana permit would pay the intermediary for supposed "consulting"  
23 services, the intermediary would then split a portion of the money  
24 with Pacheco, and Pacheco would then vote in favor of the company's  
25 desired marijuana permit in exchange for the payment. Pacheco would  
26 also agree to use his influence as a City Council member to ensure  
27 that other members of the City Council voted in favor of the  
28 marijuana permit as well.

1           8.     Defendant CHAVEZ was asked by Pacheco to act as an  
2 intermediary to funnel bribes to Pacheco, and defendant CHAVEZ  
3 agreed.

4           9.     To help conceal the bribery scheme, defendant CHAVEZ  
5 obtained a template for a sham consulting agreement from Person 1,  
6 which defendant CHAVEZ thereafter used to facilitate and disguise the  
7 scheme.

8           10.    Defendant CHAVEZ used his company, Market Share Media  
9 Agency, to funnel bribe payments to Pacheco in exchange for Pacheco's  
10 votes and influence over the City's permitting process to secure  
11 marijuana permits for two companies, Marijuana Company 3 and  
12 Marijuana Company 4.

13          11.    Defendant CHAVEZ obtained bribe payments to pass to Pacheco  
14 from Person 14, who was helping Marijuana Company 4 obtain its  
15 marijuana permit. To conceal the true nature of the payments, the  
16 bribes defendant CHAVEZ accepted were disguised as consulting  
17 payments from Person 14's consulting company to defendant CHAVEZ's  
18 company, Market Share Media Agency. Defendant CHAVEZ kept the  
19 remainder of the payments not provided to Pacheco in exchange for  
20 defendant CHAVEZ's services as an intermediary for the bribe  
21 payments.

22     ///

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1 C. THE BRIBERY

2 12. Beginning in or around August 2017 and continuing to in or  
3 around March 2018, in Los Angeles County, within the Central District  
4 of California, defendant CHAVEZ, aiding and abetting Pacheco, Person  
5 14, and others, demanded, accepted, and agreed to accept things of  
6 value, namely, at least \$125,000 from Marijuana Company 3 and at  
7 least \$45,000 from Person 14 through Person 14's consulting company,  
8 intending to influence and reward Pacheco, an agent of the City of  
9 Baldwin Park, in connection with a business, transaction, and series  
10 of transactions of the City having a value of \$5,000 or more,  
11 specifically, the City's approval and awarding of marijuana  
12 development agreements and related permits.

13  
14 STEPHANIE S. CHRISTENSEN  
15 Acting United States Attorney

16  
17 SCOTT M. GARRINGER  
18 Assistant United States Attorney  
19 Chief, Criminal Division

20 MACK E. JENKINS  
21 Assistant United States Attorney  
22 Chief, Public Corruption and  
23 Civil Rights Section

24 THOMAS F. RYBARCZYK  
25 Assistant United States Attorney  
26 Public Corruption and Civil  
27 Rights Section

28 LINDSEY GREER DOTSON  
Assistant United States Attorney  
Deputy Chief, Public Corruption  
and Civil Rights Section