

January 31, 2023

**By Electronic Correspondence:**  
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Chicago Board of Ethics  
c/o Executive Director  
740 N. Sedgwick St, 5<sup>th</sup> Floor  
Chicago, Illinois 60654-8488

Dear Sir/Madam:

The undersigned hereby lodges a formal complaint under the Chicago Code of Ethics (the "Ethics Code") against: (i) Alderwoman Maria E. Hadden, acting directly and/or through employees of the 49<sup>th</sup> Ward Office, officers of her re-election campaign committee (Maria for the 49<sup>th</sup> Ward) and members of her immediate family and other agents, and (ii) each such other individuals, including employees of the 49<sup>th</sup> Ward Office, deemed "officials" or "employees" under 2-256-010 of the Ethics Code that, in addition to Alderwoman Hadden, participated in the illegal and unethical acts and omissions described below (collectively, the "Hadden Persons").

This complaint alleges that the Hadden Persons have willfully and knowingly violated and continue to violate multiple provisions of the Ethics Code by promoting and participating in, on a continuous and uninterrupted basis, from on or about April 2021 to the present, a corrupt scheme with Mr. Gaurav Patel and/or his immediate family members and/or entities under the control of Mr. Patel, including, without limitation, Galiyo, Inc., an Illinois corporation doing business as Morse Liquors (collectively, the "Patel Persons"). Specifically, this complaint alleges that the Hadden Persons unethically, unlawfully and corruptly, using City property, and in exchange for compensation in the form of political contributions to Alderwoman Hadden's campaign committee from the Patel Persons:

- (i) have pursued and/or caused the lifting by City Council of zoning-based impediments to the sale of packaged good (liquor) sales and the changing of zoning designations (collectively, the "Zoning Impediments") in order to facilitate and assist the Patel Persons in selling liquor on a retail basis from real properties leased by them and/or which they intend to lease, all in the 49<sup>th</sup> Ward (collectively, the "Patel Liquor Selling Stores"), at a minimum, those real properties located at 1420 W. Morse and 2033 W. Howard;

- (ii) have induced residents of the 49<sup>th</sup> Ward to support her in the lifting of the Zoning Impediments and, in furtherance thereof, have withheld from them material information regarding her activities related thereto;
- (iii) after the lifting of the Zoning Impediments preventing the operation of the Patel Liquor Selling Store at 1420 W. Morse, have supported and assisted the Patel Persons in the grant of permits and licenses necessary for the operation of the Patel Liquor Selling Stores; and
- (iv) subsequent to the Patel Liquor Selling Store at 1420 W. Morse having obtained its license and other required permits for the sale of liquor with the assistance of the Hadden Persons have surreptitiously pursued and caused the reimposition by City Council of the ban on the future issuance of licenses for the sale of packaged good (liquor) sales in the area of Morse Avenue where that Patel Liquor Selling Store operates and which was lifted by them to benefit the Patel Persons, thereby enhancing the value of the business of the Patel Persons at that location by shielding it from future competitors.

In support of the allegations in this complaint, and without prejudice to any additional facts which may be uncovered by complainant or the Board, complainant advises the Board of the following events, and actions and omissions of the Hadden Persons, related to and in furtherance of the corrupt goals of the scheme between the Hadden Persons and the Patel Persons:

1. Upon information and belief, around March, 2021, via then 49<sup>th</sup> Ward Office employee in charge of business development matters, Torrence Gardner, Alderwoman Hadden became aware that Mr. Gaurav Patel, a resident of Skokie with no known prior business activities in the 49<sup>th</sup> Ward was interested in engaging in retail liquor sale operations in the Ward.
2. Between April 2021 through the end of June 2021, the Hadden Persons negotiated with the Patel Persons terms on which the Hadden Persons would be willing to support and assist the Patel Persons in engaging in retail liquor sale operations in the Ward, including, without limitation, the terms for assisting them in the lifting of the Zoning Impediments and lobbying the 49<sup>th</sup> Ward's community to support those efforts. On May 21, 2021, the Patel Persons incorporated Galiyo Inc. See, Exhibit 2. Thereafter, Galiyo Inc. acquired a possessory interest in the real property located at 1420 W Morse Ave from its owner, (identified as Vema Properties, Inc. in records of the City Council accompanying the proposed ordinance described in Paragraph 14 and, upon information and belief, an entity in which the Patel Persons do not have an interest.
3. On June 23, 2021, Alderwoman Hadden took her first step to remove one such Zoning Impediment by introducing O2021-2454 in City Council which provided for the amendment of Municipal Code Section 4-60-023 (49.9) to lift the then existing

moratorium to the issuance of additional packaged goods licenses in the area of Morse Avenue, between Lakewood and Greenview (the "2021 Morse Liquor Moratorium Lifting Ordinance"). See, Exhibit 3. The then proposed Patel Liquor Selling Store at 1420 W. Morse was located within the moratorium area (on Morse, between Glenwood, which is west of Lakewood, and Greenview), and therefore would not have been able to operate without the prior approval of the 2021 Morse Liquor Moratorium Lifting Ordinance.<sup>1</sup>

4. On July 21, 2021, the 2021 Morse Liquor Moratorium Lifting Ordinance was approved by the City Council with Alderwoman Hadden voting in favor. See, Exhibit 4.
5. On August 9, 2021, Hadden's re-election campaign committee accepted a \$2,500 political contribution from Ms. Kalpanen Pravinkumar Patel, a resident of Des Plaines, Illinois who, upon information and belief, is an immediate family member (by blood or marriage) and/or business associate of Mr. Gaurav Patel (the "Patel Related Party"). See, Exhibit 5.
6. On August 30, 2021, Alderwoman Hadden hastily announced via her official Facebook page that on September 2, 2021 she would hold a community meeting to present a proposed change in the zoning of 1420 W. Morse from B3-3 to C1-3. In connection therewith, with the use of City property and staff, Alderwoman Hadden circulated an electronic community survey which she stated would guide what she described to be a decision-making process in progress on the request by the Patel Persons, including electronic materials showing the supposed major improvements to the site that would be made by the Patel Persons if the request was granted. See, Exhibit 6.
7. Neither on her announcement on August 30, 2021 nor at the September 2, 2021 meeting did Alderwoman Hadden disclose her prior work on behalf of the Patel Persons' endeavors in connection with the 2021 Morse Liquor Moratorium Lifting Ordinance, or the fact that she had received at least one political contribution from the Patel Persons shortly after her initial successes on their behalf.

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<sup>1</sup> Alderwoman Hadden opted to withhold from or sought approval from the community on this important zoning change. While not required to exist under law, Alderwoman Hadden formally established a community consultation and approval process for zoning related matters in the 49th Ward, represented to residents it would at all times be followed, and therefore residents had a reasonable expectation that the process would be followed. This complaint alleges that her failure to have done so, in the case of the 2021 Morse Liquor Moratorium Lifting Ordinance, and her intentional withholding of material information in those other instances described in this complaint in which she claimed to do so, comprise ethical violations that can and should be adjudicated independently of their relationship with the other allegations in this complaint.

8. On September 2, 2021, Alderwoman Hadden, Torrence Gardner and other Hadden Persons and Patel Persons in attendance at the meeting presented and supported the zoning reclassification for 1420 W Morse. In addition to not disclosing their involvement with the 2021 Morse Zoning Liquor Moratorium Lifting Ordinance or the compensation they had received, at no point prior to or at the meeting did any Hadden Person disclose the fact that they had also been negotiating with the Patel Persons the lifting of another liquor moratorium, his one preventing them from opening yet another liquor selling store in the Ward (at 2033 W Howard). See, Exhibit 8. Upon information and belief, the Hadden Persons did not make those disclosures because that would have been detrimental to their efforts towards obtaining a favorable outcome for the proposal in a “community survey” undertaken, not to accurately gauge public opinion, but only to provide an aura of legitimacy to the actions in furtherance of their scheme.
9. Within 24 hours of the meeting, on September 3, 2021, Hadden’s re-election campaign committee accepted an additional a \$2,500 donation from the Patel Related Party. See, Exhibit 9.
10. On September 14, 2021, while the “community survey” was still ongoing, Alderwoman Hadden, who was at the time a member of the City Council’s Zoning Committee, personally petitioned for the zoning change at 1420 W. Morse by introducing ordinance O2021-3970 in City Council, which would be subject to consideration by her own committee (the “Hadden Zoning Reclassification Ordinance”). See, Exhibit 10. This violated the rules of the City Council itself.
11. On the evening of September 17, 2021, Alderwoman Hadden announced to the community in her official newsletter that, ‘based on the community feedback our office received for the zoning change proposal at 1420 W. Morse, we will be supporting the zoning change request.’ See, Exhibit 11. Neither statement in the announcement was true of course as she had not waited to act for the feedback to act, and she had already taken the action requested by the Patel Parties three days earlier.
12. On October 1, 2021, Alderwoman Hadden went on to announce to the community the proposal for the lifting of the liquor moratorium that acted as a Zoning Impediment to the sale of packaged liquor at 2033 W Howard, and, in connection therewith, she circulated an electronic community survey that would supposedly guide her decision-making process on the request by the Patel Persons, including electronic materials showing the supposed major improvements to the site that would be made by the Patel Persons if the request was granted. See, Exhibit 12. In her announcement she failed to disclose (and at the October 14, 2021 meeting on the subject she did not disclose) the fact that, by then, she had already received two political contributions from the Patel Persons in the period she had been acting to further their business interests in the Ward.

13. On October 12, 2021, Alderwoman Hadden conducted the meeting. She, Torrence Gardner and the other Hadden Persons present supported the lifting of the moratorium at Howard claiming that the object of the proposal was to permit the opening of a "grocery store" with liquor sales rights (as opposed to a liquor store) based on an alleged need for it despite the existence of multiple supermarkets in the area, despite the fact that Mr. Patel is a retail liquor sale entrepreneur with no known history or experience in the grocery business and despite that fact that the legal consequence of the lifting of the moratorium would be to enable any person in the area, not just Mr. Patel, to seek a liquor license irrespective of whether or not he ended up living to his representation that the unit would also act as a grocery store. See, Exhibit 13.
14. On November 17, 2021, the Patel Persons introduced an ordinance (O2021-5157) under their own name to accomplish the same goals of the Hadden Zoning Reclassification Ordinance. See, Exhibit 14. Notwithstanding this parallel development, Alderwoman Hadden did not withdraw the Hadden Zoning Reclassification Ordinance.
15. On November 19, 2021, Alderwoman Hadden officially announced her support for the lifting of the Howard Liquor Moratorium via her official web page. She used the results of her bogus community survey to legitimize her decision. See, Exhibit 15.
16. On December 14, 2021, the Zoning Committee, upon information and belief, with the affirmative vote of Alderwoman Hadden, who was a member of that committee, recommended proposed ordinance O2021-5157 for approval by the full City Council, and on December 15, 2021, the ordinance passed at City Council with the affirmative vote of Alderwoman Hadden. See, Exhibits 16-A and 16-B.
17. On January 11, 2022, Alderwoman Hadden's re-election campaign committee reported that it had refunded the aggregate \$5,000 in contributions from the Patel Relative on December 1, 2021. Complainant has no independent confirmation of the truthfulness of that statement. In this regard, complainant points out that, curiously, the amount of non-itemized contributions for the quarter immediately following the alleged month of the return (the first quarter of 2022) amounted to \$7,179.27, and that this sum is substantially larger, by about \$5,000, than the amounts of non-itemized contributions reported by the Alderwoman's campaign committee for the second quarter of 2022 (the last quarter of 2022 prior to her announcement of her bid to be re-elected) and those reported by her campaign for the last three quarters in 2021. See, Exhibit 17-A, 17-B, 17-C, 17-D and 17-E. Even if actually returned, based upon information and belief and subsequent developments described below, the return was made, not to end their corrupt scheme, or in good faith to cure her crass violation of 2-156-080 of the Ethics Code by reason of the payments of the Patel Related Party, but to advance the objectives of the scheme which her mistake in making a personal filing of the Hadden Zoning Reclassification Ordinance had put at risk, with full intent to continue to keep it operational going forward in consideration of future compensation to be received by

them from the Patel Persons on a regular basis within the next 12 months, as in fact, occurred.

18. By the end of the first quarter of 2022, the Patel Persons had obtained retailer and packaged goods licenses for the operation of the Patel Liquor Selling Store at 1420 W Morse., and on July 11, 2022, upon information and belief, with the assistance and support of the Hadden Persons and the use of City property, permit #100969888 was issued to the Patel Persons with respect to their now licensed Patel Liquor Selling Store at 1420 W Morse Ave. See, Exhibit 18-A and 18-B.
19. The next day, on July 12, 2022, Alderwoman Hadden's re-election campaign committee accepted a \$1,000 political contribution from Mr. Gaurav Patel. See, Exhibit 19.
20. On July 25, 2022, upon information and belief, with the assistance and support of the Hadden Persons and the use of City property, permit #100973035 was issued to the Patel Persons with respect to the Patel Liquor Selling Store at 1420 W Morse Ave. See, Exhibit 20.
21. A week later, on August 1, 2022, Alderwoman Hadden's re-election campaign committee accepted a \$2,000 political contribution from Mr. Gaurav Patel. This is supplemented with an additional \$70 donation from him on August 5, 2022. See, Exhibit 21.
22. On October 26, 2022, Alderwoman Hadden introduced O2022-3454 in City Council which provided for the amendment of Municipal Code Section 4-60-023 (49.9) to reinstate the moratorium to the issuance of additional package goods licenses in the area of Morse Avenue, between Lakewood and Greenview (the "2022 Morse Liquor Moratorium Reimposition Ordinance"). The already licensed and operating Patel Liquor Selling Store at 1420 W. Morse was located within the moratorium area and therefore the effect of the passage of the 2022 Morse Liquor Moratorium Reimposition Ordinance would be to protect the Patel Persons from potential future competitors in the area, thereby making their business there far more valuable. See, Exhibit 22. Upon information and belief, Alderwoman did not notify the community or sought its input with respect to this measure prior to her filing.
23. On December 14, 2022, Alderwoman Hadden voted in favor of the 2022 Morse Liquor Moratorium Reimposition Ordinance at City Council. The 2022 Morse Liquor Moratorium Reimposition Ordinance passes. See, Exhibit 23. Upon information and belief, Alderwoman Hadden did notify the community of her reimposition of the ban.
24. Five days later, on December 19, 2022, Alderwoman Hadden's re-election campaign committee accepted a \$5,000 political contribution from Galiyo, Inc., owner of record of the liquor license for the Patel Liquor Selling Store at 1420 W Morse, this payment

supplementing an \$88 donation in goods from it on December 11, 2022. See, Exhibits 24-A and 24-B.

25. On January 20, 2023, Alderwoman Hadden's re-election campaign committee accepted an additional \$1,600 political contribution from Galiyo, Inc. See, Exhibit 25.

This complaint alleges that the Hadden Persons violated and continue to violate multiple provisions of the Ethics Code, including without limitation, the following:

**2-156-080. CONFLICTS OF INTEREST; APPEARANCE OF IMPROPRIETY.** (a) *No official or employee shall make or participate in the making of any governmental decision with respect to any matter* in which he has any financial interest distinguishable from that of the general public, or from which he has derived any income or compensation during the preceding twelve months *or from which he reasonably expects to derive any income or compensation in the following twelve months.* (emphasis added).

**2-156-142. OFFERING, RECEIVING AND SOLICITING OF GIFTS OR FAVORS.** (a) *No person shall give or offer to give to any official, candidate for city office, employee or city contractor, or the covered relative of such official, candidate, or employee, and none of them shall accept, anything of value,* including, but not limited to, a gift, favor or promise of future employment, *based upon any mutual understanding, either explicit or implicit, that the votes, official actions, decisions or judgments of any official, candidate for city office or city contractor, concerning the business of the city would be influenced thereby.* It shall be presumed that a nonmonetary gift having a value of no more than \$50.00 does not involve such an understanding. (emphasis added).

**2-156-018 DUTY TO REPORT CORRUPT OR UNLAWFUL ACTIVITY.** (a) *Every city employee or official shall report, directly and without undue delay, to the inspector general any and all information concerning conduct which such employee or official knows or should reasonably know to involve corrupt or other unlawful activity (i) by another city employee or official which concerns such employee's or official's employment or office; or (ii) by any person dealing with the city which concerns the person's dealings with the city.* Any employee or official who knowingly fails to report a corrupt or unlawful activity as required in this section shall be subject to employment sanctions, including discharge, in accordance with procedures under which the employee may otherwise be disciplined. (emphasis added)

**2-156-030 IMPROPER INFLUENCE.** (a) *No official or employee shall make, participate in making or in any way attempt to use his position to influence any city governmental decision or action* in which he knows or has reason to know that he has any financial interest distinguishable from its effect on the public

generally, or *from which he has derived any income or compensation during the preceding twelve months or from which he reasonably expects to derive any income or compensation in the following twelve months.* (emphasis added)

(b) *No elected official, or any person acting at the direction of such elected official, shall contact either orally or in writing any other City official or employee with respect to any matter involving any person with whom the elected official has any business relationship that creates a financial interest on the part of the elected official, or the domestic partner or spouse of the elected official, or from whom or which the elected official or the elected official's domestic partner or spouse has derived any income or compensation during the preceding twelve months or from whom or which the elected official or the elected official's domestic partner or spouse reasonably expects to derive any income or compensation in the following twelve months. In addition, no elected official may preside over or participate in any discussion in any City Council Committee hearing or, or participate in any discussion in any City Council meeting or vote on any matter involving a the person with whom the elected official or the elected official's domestic partner or spouse has any business relationship that creates a financial interest on the part of the elected official, or the domestic partner or spouse of the elected official, or from whom or which the elected official or the elected official's domestic partner or spouse has derived any income or compensation during the preceding twelve months or from whom or which the elected official or the elected official's domestic partner or spouse reasonably expects to derive any income or compensation in the following twelve months;* provided, that any elected official recusing themselves under this subsection (b) shall be counted present for purposes of a quorum. (emphasis added)

(b)(1) With regard to any matter pending before the City Council or any City Council Committee, any member of the City Council who has any financial interest that is either (1) distinguishable from that of the general public or all aldermen, or (2) from which the member has derived any income or compensation during the preceding twelve months or from which the member reasonably expects to derive any income or compensation in the following twelve months shall publicly disclose in detail the nature and extent of such interest, including when such interest commenced, on the records of proceedings of the City Council and City Council Committee, and shall also notify, with the same detail, the Board of Ethics of such interest within 96 hours of delivery by the Clerk to the member, of the introduction of any ordinance, resolution, order or other matter in the City Council, or as soon thereafter as the member is or should be aware of such potential conflict of interest. If a disclosing member believes that disclosure of any required detail is prohibited by applicable privacy law or a confidentiality requirement, that member shall include a statement of the pertinent basis for non-disclosure, and otherwise

disclose fully. The Board of Ethics shall review any disclosure made under this subsection and shall determine whether the member has provided sufficient detail regarding the conflict of interest and may request more detail if it deems that is necessary. The Board of Ethics shall give the member one opportunity to correct the defect in the disclosure within seven days from the date of such request. The Board of Ethics shall post such disclosures, including any additional detail submitted by the member, on the Board of Ethics website, in a searchable format, immediately upon receipt. The member shall abstain from participating in any discussion concerning and voting on the matter but shall be counted present for purposes of a quorum. The obligation to report a potential conflict of interest under this subsection arises as soon as the member of the City Council is or should be aware of such potential conflict.

**2-156-060 UNAUTHORIZED USE OF CITY PROPERTY.** No official, employee, or candidate for City office shall engage in or permit the unauthorized use of any City property.

**2-156-140 SOLICITATION OR ACCEPTANCE OF POLITICAL CONTRIBUTIONS AND MEMBERSHIP ON POLITICAL FUNDRAISING COMMITTEES.** (a) *No* official or employee *shall compel*, coerce or intimidate *any city official or employee to .... solicit any political contribution.* (emphasis added)

**2-156-005 CODE OF CONDUCT.** (a) The code of conduct set forth in this section shall be aspirational and shall guide the conduct of every official and employee of the city. *All officials and employees of the City shall:*

- (1) remember that they are public servants who must place loyalty to the federal and Illinois constitutions, laws, and ethical principles above their private gain or interest.
- (2) .....
- (3) put forth honest effort in the performance of their duties.
- (4) *treat members of the public with respect and be responsive and forthcoming in meeting their requests for information.*
- (5) *act impartially in the performance of their duties, so that no private organization or individual is given preferential treatment.*
- (6) refrain from making any unauthorized promises purporting to bind the city.
- (7) .....

(8) engage in no business or financial transaction with any individual, organization or business that is inconsistent with the performance of their city duties.

(9) .... *use city property and resources only for authorized purposes or activities.*

(10) *disclose* waste, fraud, abuse, and *corruption to the appropriate authorities.*

The undersigned hereby respectfully request that the Board receive this complaint and exercise all of its authority under the Ethics Code to investigate and sanction the Hadden Persons to the full extent permitted by the Ethics Code for their illegal, corrupt and unethical conduct. The undersigned also hereby requests that, when and as appropriate, the Board refer its findings with respect to the conduct of the Hadden Persons and the Patel Persons to the Office of the Illinois Attorney General, the City of Chicago Law Department and the U.S. Department of Justice with respect to any violations of laws identified by it in the course of its investigation which are not administered by the Board of Ethics.

Respectfully submitted on this 31<sup>st</sup> of January, 2023.

/s/Steven B. Weinberg

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