

**STATE OF CONNECTICUT**  
**STATE ELECTIONS ENFORCEMENT COMMISSION**

In the Matter of a Complaint Christopher R. Cloud et al.,

File No. 2025-002

**AGREEMENT CONTAINING A CONSENT ORDER**

The parties, Christopher R. Cloud, Diane Cloud, Sanford Cloud and Anthony Healis (“Respondents”) and the undersigned authorized representative of the State Elections Enforcement Commission (the “Commission”), enter into this agreement as authorized by Connecticut General Statutes § 4-177 (c) and Regulations of Connecticut State Agencies § 9-7b-54. In accordance with those provisions, the parties agree that:

**INTRODUCTION**

On February 15, 2025, Respondents, through counsel, filed a self-reported complaint stating that they believed that they may have violated the prospective state contractor contribution ban detailed in Conn. Gen. Stat. § 9-612 (f). Specifically, they stated that, as principals of The Cloud Company, LLC, they may have made contributions to impermissible committees after they had responded to a request for proposal to purchase two properties on Trinity Street in Hartford from the State of Connecticut.

**FACTUAL BACKGROUND**

1. At all times relevant hereto, The Cloud Company, LLC (“The Cloud Company”), was a company in the real estate development business.
2. At all times relevant hereto, Respondents Sanford Cloud and Christopher Cloud were partners and principals in The Cloud Company.
3. Respondent Diane Cloud is and at all times relevant hereto was the spouse of Respondent Sanford Cloud.
4. In or about , Respondent Anthony Healis became a partner and principal in The Cloud Company.
5. On July 8, 2021, Pennrose LLC and The Cloud Company submitted a response to a Request for Proposal (“RFP”) issued by the Connecticut Department of Administrative Services

("DAS"). The RFP was for the purchase of two properties, 18-20 Trinity Street and 30 Trinity Street in Hartford (hereinafter referred to as "the Trinity Street Properties").

6. While CRDA funds are mentioned in the RFP response as funds that the development team would work to secure as part of the financing plan, no commitments of any kind from CRDA were made in this RFP response. Also, CRDA was not the entity selecting the developer in the RFP process.
7. Once Pennrose and The Cloud Company were selected, they entered into a period of negotiation with DAS for a Purchase and Sale Agreement which was finalized on August 12, 2022 between Pennrose and DAS. While The Cloud Company had been part of discussions related to the project, it was not a party to the Purchase and Sale Agreement for the Trinity Street properties.
8. Financing for the project from CRDA has been in discussions since 2021 but the formal application for funding submitted by the development team to CRDA was in May 2023. Pennrose and The Cloud Company are the development entities for the project while the single purpose entities that are purchasing the Trinity Street Properties are Trinity Street Housing LLC and Trinity Street Affordable LLC.
9. On January 17, 2025, Trinity Street Housing LLC purchased the Trinity Street Properties pursuant to the terms of the Purchase and Sale Agreement. The financing for the redevelopment project is now awaiting final approval from all lenders and investors. Lenders included in the transaction include the Connecticut Department of Housing ("DOH"), the Connecticut Office of Policy and Management ("OPM"), the Capitol Regional Development Authority ("CRDA") and private lenders.
10. Christopher R. Cloud, Diane Cloud, Anthony Healis and Sanford Cloud, Jr., have no prior history with Commission matters and cooperated with this investigation.

*The Cloud Company as a State Contractor*

11. The Cloud Company is a state contractor under General Statutes § 9-612(f)(1)(C) because, as described above, it has agreed to purchase two buildings from the State of Connecticut with financial assistance from the Connecticut Department of Housing and the Capitol Region Development Authority. This statute defines a "state contract" as "an agreement or

contract with the state or any state agency or any quasi-public agency, let through a procurement process or otherwise, having a value of fifty thousand dollars or more . . . (iv) the acquisition, sale or lease of any land or building . . . .”

12. Three partners of The Cloud Company, Sanford Cloud, Christopher R. Cloud and Anthony Healis are principals of a state contract as set forth in General Statutes § 9-612 (f) (1) (F). A fourth person, Diane B. Cloud, is also a principal under this statute as the spouse of Sanford Cloud. General Statutes § 9-612 defines a “principal of a state contractor” as: (i) any individual who is a member of the board of directors of, *or has an ownership interest of five per cent or more in, a state contractor or prospective state contractor . . .* (v) *the spouse or a dependent child who is eighteen years of age or older of an individual described in this subparagraph . . .*” (emphasis added). Sanford Cloud is a majority partner with The Cloud Company while Mr. Cloud and Mr. Healis each own 15%.
13. Christopher R. Cloud is a partner in the lobbying firm of Camilliere, Cloud and Kennedy (“CC&K”) which is his primary source of income and where he dedicates most of his time. Christopher R. Cloud contributions to political committees in Connecticut are made in concert with his position at CC&K, his candidacy for local office, or personal relationships. He denies that his contributions have a connection to his position as a 15% shareholder of The Cloud Company. With regard to The Cloud Company, Christopher R. Cloud owns 15% and he participates as a principal in this business. However, he denies that he engaged in any negotiations with any state entity regarding the purchase or development of the Trinity Street Properties.
14. Christopher R. Cloud asserts that there is no evidence before the Commission that any of the contributions he made, as detailed herein, were made with an intent to influence any public official who had any ability to influence the Department of Housing, CRDA or any other entity related to the Trinity Street Properties transaction.
15. Christopher R. Cloud asserts that there is no evidence before the Commission that he solicited any of the other principals of The Cloud Company, any of The Cloud Company’s employees, or any of CC&K’s employees to make contributions to any candidate or political committees at any time relevant hereto.
16. Diane Cloud is a resident of Bloomfield and she is not the principal of a state contractor. She denies that her two contributions, as detailed herein, have any connection to the Trinity

Street Properties project. Rather, she asserts that they were in connection with her involvement with the community in Farmington where she resided and her son's campaign for municipal office in 2021.

17. Anthony Healis joined The Cloud Company in 2020 and he made two contributions that are a subject of this complaint. Mr. Healis' denies that his two contributions, as detailed herein, have any connection to the Trinity Street Properties project.
18. The Respondents stress that, as set forth herein, the facts and circumstances giving rise to the plan to buy the Trinity Street Properties and develop this critical area of Hartford demonstrate a consistent and longstanding intent by The Cloud Company to positively contribute to the community.

*Legal Analysis*

19. While there is no evidence before the Commission that any of the respondents intended to violate General Statutes § 9-612, that statute is also a strict liability statute and a person's intent is not relevant to the determination of whether a person has violated its provisions.
20. The Commission determines that on July 8, 2021 when the Cloud Company responded to the RFP by CRDA; the company became prospective state contractors pursuant to General Statutes § 9-612 (f). The Commission further determines that Christopher Cloud, Sanford Cloud and Anthony Healis, based on their ownership of 5% or more of the company, were principals of a prospective state contractor beginning on July 8, 2024 pursuant to General Statutes § 9-612 (f). Diane Cloud on July 8, 2021, as the spouse of Sandford Cloud, became subject to the prohibition on contributions by the spouse of a the principal of a state contractor pursuant to General Statutes § 9-612.
21. The Commission must therefore conclude that each contribution self-reported by Christopher Cloud, Diane Cloud and Anthony Healis was a violation of General Statutes § 9-612. Specifically, The Commission concludes that they improperly made a limited number of contributions as principals, or the spouse of a principal, of a prospective state contractors on the following dates:

<u>Respondent</u>	<u>Date</u>	<u>Recipient</u>	<u>Amount</u>
Christopher Cloud	08/26/21	Farmington DTC	\$100
	09/07/21	East Hartford DTC	\$100

	10/03/21	East Hartford DTC	\$100
	12/21/22	Connecticut Blue Dogs	\$100
	10/31/23	Glux Pac	\$100
	07/06/24	Courage 2 Lead PAC	\$100
	10/29/24	Glux Pac	\$100
			(\$700 total)
Diane Cloud	09/22/21	Farmington DTC	\$200
	10/05/21	Farmington DTC	\$200
	10/03/21	Farmington DTC	\$200
			(\$600 total)
Anthony Healis	09/07/21	Bloomfield DTC	\$250
	10/05/21	Farmington DTC	\$100
			(\$350 total)

22. The Commission determines that Respondent Sanford Cloud made no prohibited contributions pursuant to General Statutes § 9-612 (f). The Commission therefore dismisses this matter as to Sanford Cloud.

23. Connecticut's prohibitions on political contributions by those contracting with the state extends not only to state contractors, but also to prospective state contractors and their principals. General Statutes § 9-612 (f) (1) (E).

24. General Statutes § 9-612 (f) (2) (D) further provides:

(D) If a prospective state contractor or principal of a prospective state contractor makes or solicits a contribution as prohibited under subparagraph (A) or (B) of this subdivision, as determined by the State Elections Enforcement Commission, no state agency or quasi-public agency shall award the prospective state contractor the contract described in the state contract solicitation or any other state contract for one year after the election for which such contribution is made or solicited unless the commission determines that mitigating circumstances exist concerning such violation. The Commissioner of Administrative Services shall notify applicants of the provisions of this subparagraph and subparagraphs (A) and (B)

of this subdivision during the prequalification application process;  
and

25. Executive branch state contractors and their principals are prohibited from making contributions to the candidate committees and/or exploratory committees financing Connecticut candidates for executive branch office. Conn. Gen. Stat. § 9-612 (f). Executive branch state contractors or prospective state contractors and their principals are further prohibited from making contributions to committees that can make contributions to and/or expenditures for candidates for executive branch office in Connecticut (i.e., party committees). *Id.*
26. In order to assess whether any of the aforementioned contributions were made in violation of Conn. Gen. Stat. § 9-612 (f), the Commission would have to determine whether The Cloud Company was a prospective state contractor when such contributions were made.
27. General Statutes § 9-612 (f) (1) (E) defines prospective state contractor to mean:  
a person, business entity or nonprofit organization that (i) submits a response to a state contract solicitation by the state, a state agency or a quasi-public agency, or a proposal in response to a request for proposals by the state, a state agency or a quasi-public agency, until the contract has been entered into, or (ii) holds a valid prequalification certificate issued by the Commissioner of Administrative Services under section 4a-100. “Prospective state contractor” does not include a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.
28. Were the Commission to conclude that The Cloud Company was a state contractor or prospective state contractor, any contribution to a committee that can make contributions or expenditures to or for a candidate for executive branch office in the State of Connecticut by

a principal of The Cloud Company would be prohibited contribution pursuant to General Statutes § 9-612 (f).

29. Upon the finding of prohibited contributions pursuant to General Statutes § 9-612 (f), the Commission can determine, whether or not there were mitigating circumstances surrounding the prohibited contributions, such that the state and its agencies can determine to move forward with contracting processes.

*“Mitigating Circumstances” Analysis*

30. Pursuant to General Statutes § 9-612 (f) (2) (C), once the Commission determines that a principal of a state contractor has made or solicited an impermissible contribution, the contracting state agency may: void the existing contract with such contractor, and no state agency or quasi-public agency shall award the state contractor a state contract or an extension or an amendment to a state contract for one year after the election for which such contribution is made or solicited unless the commission determines that mitigating circumstances exist concerning such violation.
31. Respondents, for their part, argue that the development of the Trinity Street Properties will create considerable public benefit given their proximity to Bushnell Park, the State Capitol, and the possibility of development in the proximate area. All of this will be lost if this deal is delayed further and, if delayed further, this project will not go forward. The City of Hartford, not The Cloud Company, will be the biggest loser if this project does not proceed. *See, e.g., In the Matter of a Complaint by Raymond Baldwin, Jr.*, File No. 2015-009 (listing as mitigating circumstance that if state contractor is barred from the contracts with state agencies, it will “potentially lead to various ‘hardships’” to agencies and “substantial additional costs to the taxpayers because of such hardships”); *In the Matter of a Complaint by Curtis Robinson*, File No. 2014-169 (considering hardships as part of mitigating circumstances); *In the Matter of a Complaint by Antinozzi Associates*, File No. 2014-009 (considering hardships as part of mitigating circumstances).
32. The Commission has held that, that pursuant to General Statutes § 9-612 (f), a separate "mitigating circumstances" analysis is not reached unless the Commission determines that a violation has occurred. Therefore, the Commission finds that the violation by Respondent of the state contractor contribution ban, as detailed herein, allows the Commission to determine whether mitigating circumstances exist concerning such violation pursuant to General Statutes § 9-612 (f) (2) (C).

33. In determining whether circumstances are "mitigating," the Commission deems it necessary to consider any circumstances pertaining to the contribution by Respondent, as well as how any contracts, agreements or pending bids between the state contractor and the State would, although not excusing the conduct, tend to reduce or militate against the harm of pay-to-play and/or influence peddling the state contractor contribution ban is designed to prevent.

34. Concerning what constitutes a "mitigating factor," the Commission has previously stated that:

In determining whether mitigating circumstances exist regarding the violation, the Commission may take into consideration the following list of mitigating circumstances, which it should be noted, is not exhaustive:

- (a) The amount of the prohibited contribution or instance of solicitation;
- (b) The type of principal committing the violation;
- (c) Past history of noncompliance with election laws;
- (d) Whether the contractor or prospective state contractor exercised due diligence in notifying the principals of the statutory prohibitions;
- (e) The economic harm to the State;
- (f) The disruption of an essential State service; and
- (g) Any other circumstance that the contractor, prospective state contractor or contracting state agency may raise that, in the Commission's determination, is relevant to whether such contractual consequences should be imposed. *See In the Matter of a Complaint by Anthony McDonald*, New Haven, File No. 2024-049.

35. Specifically, the Commission has consistently and historically determined that, pursuant to General Statutes §9-612 (f), the state contractor ban is designed to eliminate the undue influence over the awarding of contracts that principals of state contractors who make contributions to candidate committees for statewide office and/or party committees could wield over those state actors awarding such contracts and to prevent the awarding of contracts in exchange for campaign contributions and various pay-to-play campaign finance schemes. *See In the Matter of a Complaint by Michael A. Neal*, Naples, FL, File No. 2018-

028; *In the Matter of a Complaint by Carla Squatrito, et al.*, File No. 2010-112; *In the Matter of a Complaint by Gerald T. Weiner, et al.*, File No. 2010-099; *In Re David Baxter, et al.*, File No. 2009-080; *In Re Charles Shivery*, File No. 2007-381; *In the Matter of a Complaint by Ronald Nault and Luchs Consulting Engineers, LLC*, File No. 2007-353; *In Re JCJ Architecture*, File 2008-120; *In Re Antinozzi Associates*, File No. 2014-009, *In the Matter of a Complaint by Curtis Robinson*, Plainville, File No. 20 14-169; *In the Matter of a Complaint by Raymond Baldwin*, Trumbull, File No. 2015-009; *In the Matter of a Complaint by Evonne Klein (Self-Reported)*, Darien, File No. 2022-050; and most recently *McDonald*, *infra*.

#### *Mitigating Circumstances Findings*

36. The Commission, in the course of this investigation, received affidavits from officers of agents of the Farmington Democratic Town Committee, the GLux Pac and Courage 2 Lead Pac. Those officers and agents deny that any of the contributions received from Christopher Cloud, Diane Cloud and Anthony Healis, were made in connection with, or upon discussion of, assistance with obtaining state contracts with or between the Cloud Company and the State of Connecticut.
37. Further, the Commission, after investigation, determines that there was credible evidence that many of the contributions in question were made based on long standing community and personal relationships between the donors and the recipient committees and their agents that were distinct and apart from considerations made by the Cloud Company, its principals and its agents in responding to the RFP, as detailed herein, on July 8, 2021.
38. The Commission, after investigation, concludes that there are mitigating circumstances surrounding the prohibited contributions that were the subject of this self-reported complaint: Specifically:
  - a. This complaint was self-reported. *See, e.g., In the Matter of a Complaint by Michael A. Neal*, File No. 2018-028; *In the Matter of a Complaint by Raymond Baldwin, Jr.*, File No. 2015-009.
  - b. The Cloud Company and its principals have cooperated fully with the Commission's investigation. *See, e.g., In the Matter of a Complaint by Chandler Howard and Miriam Howard*, File No. 2017-027 (SEEC noted that respondents "fully cooperated with the Commission throughout its investigation"); *Complaint of Peter Steele*, File No. 2013-142 ("[I]t is worth nothing at the outset that all the subjects of the investigation have cooperated fully with the SEEC's investigation.").

- c. The Cloud Company and its principals have not been the subject of a prior SEEC complaint. *See, e.g., In the Matter of a Complaint by Edward M. Snider, Comcast Spectacor*, File No. 2014-019; *In the Matter of a Complaint by Chandler Howard and Miriam Howard*, File No. 2017-027.
- d. There is no evidence of “pay-to-play.” There is no evidence that the contributions at issue were intended to impact the negotiations surrounding the acquisition and development of the Trinity Street Properties.
- e. There is no evidence that the contributions at issue were intended to achieve any improper purpose or gain any undue influence with anyone, nor did they. *See, e.g., In the Matter of a Complaint by Michael A. Neal*, File No. 2018-028; *In the Matter of a Complaint by Edward M. Snider, Comcast Spectacor*, File No. 2014-019.
- f. The risk of economic hardship to the State of Connecticut if this project does not go forward. *See, e.g., In the Matter of a Complaint by Curtis Robinson*, File No. 2014-169 (considering hardships as part of mitigating circumstances); and, *In the Matter of a Complaint by Antinozzi Associates*, File No. 2014-009 (considering hardships as part of mitigating circumstances).

#### PENALTY

- 39. Pursuant to Conn. Gen. Stat. § 9-7b(a)(2), the Commission is authorized to levy a civil penalty not to exceed “two thousand dollars per offense or twice the amount of any improper payment or contributions, whichever is greater, against any person the commission finds to be in violation of any provision of chapter 155 or 157.”
- 40. Moreover, the Commission has an expansive history of addressing impermissible business entity contributions. The making of expenditures by business entities for the benefit of a committee within the jurisdiction of the Commission is something the Commission takes seriously. *In the Matter of a Complaint by Ryan A. Mulcahy and Frank A. Burgio*, Waterbury, File No. 2015-093. Depending upon the severity of the circumstances, the Commission can and has issued significant civil penalties. *See, In the Matter of a Complaint by Gary M. Schaffrick*, Bristol, File Nos. 2012-188, 2012-194, 2014-041, 2014-087 (assessing a \$3000 civil penalty for three improper business entity contributions).
- 41. Furthermore, as enumerated in § 9-7b-48 of the Regulations of Connecticut State Agencies:

In its determination of the amount of the civil penalty to be imposed, the Commission shall consider, among other mitigating or aggravating circumstances:

- (1) the gravity of the act or omission;
- (2) the amount necessary to ensure immediate and continued compliance;
- (3) the previous history of similar acts or omissions; and
- (4) whether the person has shown good faith in attempting to comply with the applicable provisions of the Connecticut General Statutes.

*The Gravity of the Act or Omission*

42. The aggregate number of contributions, the relatively modest donations, and the extended time period in which said contributions were made collectively make the case that these improper contributions were not part of an effort to improperly influence or otherwise affect government officials. The respondents nonetheless recognize the seriousness of this matter and understand how even the appearance of corruption can undermine the public's confidence and trust in its political leadership.

*Whether the Person Has Shown Good Faith in Attempting to Comply with the Applicable Provisions of the General Statutes*

43. As detailed hereinabove, Respondents swiftly filed this complaint upon learning that certain principals may have violated General Statutes § 9-612 and seek to fully disclose the contributions that are the subject of this complaint. This was done by the four principals with the understanding that this complaint could lead to personal liability for one or more of them. The Respondents have fully cooperated with the investigation.

*The Previous History of Similar Acts or Omissions*

44. The Respondents have no prior history with the Commission of similar acts or omissions, beyond the companion complaint, or any other law enforcement agency.

*The Amount Necessary to Insure Immediate and Continued Compliance*

45. Given the total dollar amounts of impermissible contributions and the number of said contributions, the Commission concludes that requiring the payment to the State by each

Respondent in the amount of their total prohibited contributions is required and reasonable under these circumstances.

*Terms of General Application*

46. The Respondents admit to all jurisdictional facts and agrees that this Agreement and Order shall have the same force and effect as a final decision and order entered into after a full hearing and shall become final when adopted by the Commission.
47. The Respondents waive:
  - a. Any further procedural steps;
  - b. The requirement that the Commission's decision contain a statement of findings of fact and conclusions of law, separately stated; and
  - c. All rights to seek judicial review or otherwise to challenge or to contest the validity of the Order entered into pursuant to this Agreement.
48. Upon the Respondents' agreement to comply with the Order hereinafter stated, the Commission shall not initiate any further proceedings against the Respondent Christopher R. Cloud, Sanford Cloud, Jr. or Diane B. Cloud regarding this matter.
49. It is understood and agreed by the parties to this Agreement that the Commission will consider this Agreement at its next available meeting and, if the Commission rejects it, the Agreement will be withdrawn and may not be used as an admission by the Parties in any subsequent hearing, proceeding or forum.

**STATE OF CONNECTICUT  
STATE ELECTIONS ENFORCEMENT COMMISSION**

**ORDER**

IT IS HEREBY ORDERED THAT the Respondents Christopher R. Cloud, Diane Cloud, Sanford Cloud and Anthony Healis shall henceforth strictly adhere to the requirements of General Statutes § 9-612 (f).

IT IS FURTHER ORDERED THAT Respondent Christopher R. Cloud shall pay a civil penalty in the amount of seven hundred dollars (\$700.00); Respondent Diane Cloud shall pay a civil penalty in the amount of six hundred dollars (\$600.00); and, Respondent Anthony Healis shall pay a civil penalty in the amount of three hundred and fifty dollars (\$350.00).

IT IS FURTHER ORDERED THAT this matter is dismissed as to Respondent Sanford Cloud, Jr.

For the Respondents:

By: Christopher R. Cloud  
Christopher R. Cloud  
c/o Kevin N. Reynolds, Esq.  
The Law Office of Kevin N. Reynolds  
71 Sycamore Road  
West Hartford, Connecticut

Dated: 3/20/2025

By: Clare Kindell  
Authorized Representative of the  
State of Connecticut  
State Elections Enforcement Commission  
55 Farmington Avenue, 8th Floor  
Hartford, Connecticut

Dated: March 21, 2025

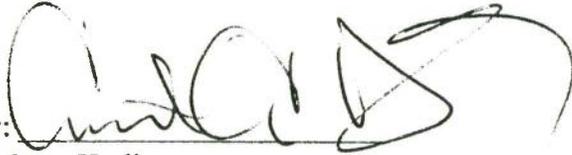
By: Diane B. Cloud  
Diane B. Cloud  
c/o Kevin N. Reynolds, Esq.  
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West Hartford, Connecticut

Dated: 3/20/2025

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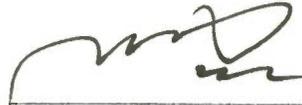
By:



Anthony Healis  
c/o Kevin N. Reynolds, Esq.  
The Law Office of Kevin N. Reynolds  
71 Sycamore Road  
West Hartford, Connecticut

Dated: 3/20/25

Adopted this \_\_\_ day of March, 2025 at Hartford, Connecticut by vote of the Commission.



Steven J. Penny, Chairman  
By Order of the Commission

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