

February 17, 2015

The Honorable Mayor Kevin Faulconer City of San Diego 202 C Street, 11th Floor San Diego, CA 92101

Dear Mayor Faulconer:

We write to clarify the legal and practical role that your political advisors are playing in the operations of your new stadium Task Force. This letter is sent in the spirit of promptly and directly raising issues of concern as they arise during the Task Force process.

We have read with great interest the statements of Adam Day, the Task Force's Chairperson, that "ultimately we're independent from the mayor." Unfortunately, we find this statement hard to square with the actual facts. We therefore hope you will take the time to answer the following questions for us and for the public:

- ➢ Prior to the Chargers' appearance before the Task Force beginning at 10:15 am on February 16, 2016, we understand that your Chief of Staff, Stephen Puetz, and another Mayoral aide were present with the Task Force from the time it started its meeting at approximately 9:00 am and that they departed just before the Chargers' representative arrived. Is this the case? And if so, what role were your two staff members playing with the "independent" Task Force?
- When the meeting between the Chargers' representative and the Task Force began, your chief political consultant, Jason Cable Roe, sat with the Task Force throughout the entire meeting.
 - o What role is Mr. Roe playing with the Task Force?



¹ San Diego Union Tribune, February 6, 2015.

- O What legal and ethical issues are raised by Mr. Roe's dual role as an apparent <u>de facto</u> Task Force member and as a registered lobbyist for the Delaware North company,² which is bidding to become the new concessionaire at Qualcomm Stadium and, potentially, at any new stadium in San Diego?
- Putting the legal and ethical issues aside for a moment, what sense does it make to have someone who is your chief advisor on political matters, and who advises a potential stadium vendor on business matters, play any sort of role with the "independent" Task Force?
- Have you asked the City Attorney for an opinion on the propriety of Mr. Roe's intensive involvement with the Task Force's work? If you have not yet asked for such an opinion from the City Attorney, do you intend to do so?
- When the meeting between the Chargers' representative and the Task Force began on February 16th, Tony Manolatos also stayed for the entire meeting. Media reports following the meeting indicated that the Task Force had retained Mr. Manolatos as a spokesperson and that he would be compensated by private donations raised by the Task Force.
 - The Chargers were told by Task Force Chairman Adam Day that the Task Force "had no budget." If the Task Force is capable of raising private funding, do you agree that this funding is better spent on a spokesperson than on expert help that might assist the Task Force in reaching a positive result?
 - Now that the Task Force is raising money from private donors, will you
 disclose to the public and the Chargers the source of all of those
 donations as they are received?

² "Jason Roe, a key consultant to Faulconer's 2014 mayoral campaign and by many accounts one of the mayor's closest advisors, has been retained as a lobbyist by Delaware North, the giant food-and-beverage contractor at professional sports venues around the world. According to a disclosure statement filed with the city January 16, the Buffalo, New York-based corporation has hired Roe's Presidio Public Affairs Group to lobby for "Delaware North to be selected as the concessionaire for Qualcomm Stadium." <u>San Diego</u> <u>Reader</u>, January 20, 2015.

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- Will you disclose to the public and the Chargers what restrictions, if any, you are imposing on donors who might have an interest, one way or the other, in the stadium issue? For example, will you permit representatives of the hotel or convention industries to donate to the Task Force?
- O Did the Task Force vote to retain Mr. Manolatos as a consultant, or was that decision made for the Task Force by the Mayor's Office? If there was a Task Force vote, when did that vote occur, and is there any record of how Task Force members voted that the public can review?
- Do you believe it makes good common sense to retain as the Task Force's sole consultant someone who has recently made negative comments about the intentions of the Chargers?³
- Do you believe there is a conflict of interest in Mr. Manolatos' representation of the Unified Port of San Diego – one of the major opponents of the Chargers' plans for a joint use facility downtown – while he is also serving as the spokesperson for the "independent" Task Force?⁴

The Port is one of the biggest supporters of a contiguous convention center expansion and so opposes the Chargers/JMI proposal for a joint use downtown stadium convention center. See https://www.portofsandiego.org/convention-center-expansion-project.html

In addition, the then-Chairman of the Port Commission (and current Commission member) Bob Nelson has been openly critical of the Chargers and the Spanos family – even at an event where Mrs. Spanos was in attendance and helped make possible through her private fundraising.

The background: Susie Spanos, the wife of Chargers President and CEO Dean Spanos, was seated in the front row of the audience at a major ceremony celebrating the renovation of the Broadway Pier in downtown San Diego. Mrs. Spanos had raised more than \$20,000 to donate to the landscaping around the Pier.

At the event, the then-Chairman of the San Diego Port Commission, Bob Nelson, was at the podium, speaking about the Port's achievements in downtown San Diego. (The Port Commission

³ "If you believe a stadium won't get built under your terms and you may skip town, do you keep working or launch a finger-pointing campaign?" Manolatos tweet, January 16, 2015

⁴ The Unified Port of San Diego is listed as a client of Manolatos' firm, Apex Strategies. See http://www.apexstrat.com/clients.html

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was, and still is, one of the biggest backers of a contiguous-only Convention Center expansion.) As Commission Chairman Nelson referred to "the great things we can do in the future," a member of the audience said "When are you gonna build the Chargers a new stadium?" And Commissioner Nelson – with the Mayor and other dignitaries sitting and smiling right next to him and with Susie Spanos in the front row, shouted: "Tell Mr. Spanos to pay for it!"

As we made clear to Task Force members during our meeting on February 16th, we are grateful that they have volunteered their time and effort to attempt to solve this long-running civic issue, and we are committed to participating if the genuine goal of this process is to find a truly workable solution. The Chargers will view anything short of that and interested parties as a process that is designed simply to provide political cover.

Thank you for taking the time to consider and then to answer these questions. We hope that your answers will shed some light for the public and the Chargers on the "independence" of your stadium Task Force.

Sincerely,

Mark D. Fabiani

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Special Counsel to the President of the San Diego Chargers

cc: Adam Day, Chairperson, Mayor's Stadium Task Force