

***CITIZENS' TASK FORCE ON CHARGERS ISSUES***

**MINUTES for meeting of**

**September 12, 2002**

**Meeting held at:**

**Balboa Park  
War Memorial Building  
3325 Zoo Drive, MS 33  
San Diego, CA 92101**

**Mailing address is:**

**City of San Diego  
Special Projects Administration  
1010 Second Avenue, Suite 500, MS 658  
San Diego, CA 92101**

**ATTENDANCE:**

**Members Present**

David E. Watson  
Nikki Clay  
Timothy Considine  
Pepper Coffey  
Tom Fat  
Bruce Henderson  
Karen Heumann  
Bill Largent  
Joseph Martinez  
Geoff Patnoe  
Patti Roscoe  
Ron Saathoff  
Leonard Simon  
Jeffrey Smith

**Members Absent**

Cassandra Clady

**Staff Present**

Libby Coalson  
Bruce Herring  
Les Girard  
John Mullen  
Dan Barrett

**CALL TO ORDER**

**Item 1:** Third Citizens' Task Force on Chargers Issues Meeting called to order at 6:30 p.m. – David Watson, Chairperson

**Item 2:** Roll Call – Libby Coalson

**AGENDA ITEMS**

**Item 3:** Minutes passed by all present.

**Item 4:** Chairperson Comments

Chairperson Watson reiterated that the Task Force wants to hear all sides of the issues. He indicated that Lynn Mulholland, Mike Aguirre, the Chamber of Commerce and others from the business community will speak to the task force at future meetings.

Item 5: Task Force Member Comments

Mr. Henderson indicated he had several documents to provide to the task force (mailed to members).

It was suggested that citizens put their comments in writing to the Task Force if three minutes is not enough time to convey their message.

Mr. Fat expressed concern that there are not many members of the community attending the meetings.

Item 6: Committee Updates – moved to end of agenda

Item 7: Public Comment:

Mike Aguirre – Expressed concern about the Chargers contract. He indicated there could be a lawsuit in the future. Replayed comments made by the previous City Manager with regard to the Sports Council assisting with marketing of Chargers tickets.

Joe Maninno – Expressed appreciation for the opportunity to participate in the Task Force process and indicated he will gauge the concerns and position of the business community.

Abraham Salizar – Demands for a new stadium are outrageous and questions why it is our obligation to pay a huge business. Task Force should examine the feasibility of starting a new football league and say no to the NFL.

Don Stillwell – The Task Force is being used as “window dressing” and challenged the Task Force to investigate the legality of the form of the Joint Powers Authority utilized to finance the stadium renovation.

Linda Kaufman – Mission Valley Unified Planning Committee is concerned about the re-use of the Stadium in terms of the community plan update. As a group, they have not made any decisions or recommendations. The Mission City Parkway Bridge is a crucial link for traffic circulation.

Ed Teyssier – Don Bauder’s article of 9/11/02 provided a good summary of the concerns that it is not the taxpayers’ job to make a sports team competitive or viable. The credibility of the Task Force will be proven by its words and actions; it is off in a positive direction thus far.

Items 8 & 9 switched in order

Item 9: NFL Presentation given by Rick Horrow (presentation posted on web page)

Q&A –

*What is your reaction to the idea of sharing a stadium with a college team as done in Pittsburgh? It is a good model. A \$234m cost, funded \$138m by public, \$96m private. Success depends on the needs of each team.*

*Request for a presentation that breaks the numbers down into more manageable parts. Horrow indicated he can provide all the methodology used and will provide more information as the project moves forward.*

*What is wrong with the current facility?* New facilities provide flexibility, maximize revenue.

*Why is it important to make more money than another team?* It is not important to make more, but to close the gap and have the differences be smaller.

*What teams in the NFL are in the 1<sup>st</sup> quartile?* There are confidentiality issues regarding who is in which group. It is the teams in the new stadiums. No teams in new stadiums are in the bottom quartile.

*Is San Diego financially competitive and is a city's revenue impacted by a franchise's revenue?* There is a link. Cities with new facilities see more financial benefit relative to other NFL cities. San Diego has more public benefit because of the Super Bowl impact than cold weather cities that can't get a Super Bowl.

*Why would a team owner want to stay in San Diego when there is an opportunity to move to a market that is much bigger?* Cannot speak for any owner. Other teams have left big markets to move to smaller markets and vice versa. Stadium economics is more important than market size. San Diego is a market capable of having an economically competitive team in the right stadium situation.

*Different cities have different infrastructure and different amenities...if the value of the Chargers has increased, why can't the NFL use the "line of equity" amassed to help build a facility and pay a larger share?* The NFL is doing different things in different areas. Calculations should be based partly on the value of intangibles.

*Can the figures including Super Bowl be revised to show info without Super Bowl impact?* The Task Force could analyze markets without Super Bowls. Cities such as Cleveland, Cincinnati, Baltimore, Chicago, Philadelphia, Pittsburgh and Denver that have cold weather and don't have Super Bowls could provide insights.

*What does Qualcomm not have that others do have? How would redevelopment work? When will additional information on these types of issues be provided?* Need to ask the Chargers about information specific to San Diego. He is able to provide economic impact studies done for the Super Bowl and done by communities publicly.

*Is it possible to renovate the stadium and have Chargers and City be able to be competitive?* It is an economically and physically obsolete stadium. A remodel would be counter-productive.

*What is to say we won't end up in the same position as currently regarding revenue with a new stadium?* Economics show new stadiums are more economically flexible facilities and the ability to do public/private partnerships is more beneficial.

*Is 38% the meaningful figure for private NFL contributions to new stadiums?* The commitment varies.

*If TF decides to invite you back to answer more questions, would you be available?* Yes

Item 8: Sports Council presentation by Ky Snyder (posted on web page).

Mr. Snyder indicated that the San Diego International Sports Council continues to work with the Chargers on marketing and selling tickets, though it is difficult to do without imposing the blackout.

Mr. Snyder was invited to attend a committee meeting to provide additional information on the relationship between the host committee and the Sports Council, and how everything works.

#### Item 6: Committee Reports

Finance Committee – The committee met on September 9<sup>th</sup> and discussed their goals, and the types of information they would like to review. They agreed to draft a memo to the Chargers to request financial data, requested City staff to present information on financing mechanisms at the September 30<sup>th</sup> meeting, and made arrangements to discuss the information that will be available from Barrett Sports Group with Mr. Barrett.

Contracts Committee – Mr. Teyssier attended the meeting and provided information on two experts he would request attend the Financing meeting. Mr. Aguirre identified some experts he would recommend as well. The committee discussed how to put together a series of recommendations. The next meeting was scheduled for September 23<sup>rd</sup> at 7:00 p.m.

Facilities & Redevelopment Committee – There are many other users of the stadium; there are 110 events held at Qualcomm per year. Representatives from the Aztecs, the Holiday Bowl and the Gold Coast Classic all attended the meeting and gave presentations on their usage of the facility and their views on its ability to meet their needs. Future meetings and topics were determined. The September 25<sup>th</sup> meeting will focus on site issues, the September 30<sup>th</sup> meeting will allow for presentations by developers, and the October 21<sup>st</sup> meeting will be a time for the public, including the Mission Valley community groups, to speak to the committee.

#### Other:

Discussion of Task Force Fact-Finding Trip – Discussion and decision to send task force members to Denver on a fact-finding trip to see a new stadium, with a requirement that tickets to the football game are not paid for by the Chargers. (Subsequently, this item has been placed on the agenda to be re-addressed during the September 26, 2002 meeting).

A request was made to have an NFL representative attend the Qualcomm Stadium tour to be conducted September 26<sup>th</sup>.

**ADJOURNMENT**

The meeting was adjourned.

**The next scheduled meeting is:**

**Thursday, September 26, 2002**  
**3:30 Tour of Qualcomm Stadium**  
**5:00 Meeting**  
**Qualcomm Stadium**  
*Enter through security by Gate A*

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1010 Second Avenue, Suite 500, MS 658  
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Submitted by,

Libby Coalson  
Staff Representative