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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN DIEGO

11 **Ruth Henricks**, an individual,
12
13 Plaintiff,
14
15 v.

Case No. 37-2022-00002984-CU-BC-CTL

**COMPLAINT TO RECOVER
TAXPAYER FUNDS
[CCP § 526a]**

14 **National Football League**, an
unincorporated association,
15 **Arizona Cardinals Football Club LLC**, a
Delaware limited liability company,
16 **Atlanta Falcons Football Club, LLC**, a
Georgia limited liability company,
17 **Baltimore Ravens Limited Partnership**, a
limited partnership,
18 **Buffalo Bills, LLC**, a Delaware limited
liability company,
19 **Panthers Football, LLC**, a North Carolina
limited liability company,
20 **The Chicago Bears Football Club, Inc.**, a
Delaware corporation,
21 **Cincinnati Bengals, Inc.**, an Ohio
corporation,
22 **Cleveland Browns Football Company
LLC**, a Delaware limited liability company,
23 **Dallas Cowboys Football Club, Ltd.**, a
Texas limited company,
24 **PDB Sports, Ltd.**, a Colorado limited
company,
25 **The Detroit Lions, Inc.**, a Michigan
corporation,
26 **Green Bay Packers, Inc.**, a Wisconsin
corporation,
27 **Houston NFL Holdings, LP**, a limited
partnership,
28

1 **Indianapolis Colts, Inc.**, a Delaware
corporation,
2 **Jacksonville Jaguars, LLC.**, a Florida
limited liability company,
3 **Kansas City Chiefs Football Club, Inc.**, a
Missouri corporation,
4 **Miami Dolphins, Ltd.**, a Florida limited
company,
5 **Minnesota Vikings Football Club, LLC**,
a Delaware limited company,
6 **New England Patriots, LLC**, a Delaware
limited liability company,
7 **New Orleans Louisiana Saints LLC**, a
Delaware limited liability company,
8 **New York Football Giants, Inc.**, a New
York corporation,
9 **New York Jets LLC**, a New York limited
liability company,
10 **Raiders Football Club, LLC**, a Nevada
limited liability company,
11 **Philadelphia Eagles, LLC**, a Delaware
limited liability company,
12 **Pittsburgh Steelers, LLC**, a New York
corporation,
13 **Chargers Football Company, LLC** a
California limited liability company,
14 **Forty Niners Football Company, LLC**, a
Delaware limited liability company,
15 **Football Northwest, LLC**, a Washington
limited liability company,
16 **The Rams Football Company, LLC**, a
Delaware limited liability company,
17 **Buccaneers Football Corporation**, a
Delaware corporation,
18 **Tennessee Football, Inc.**, a Delaware
corporation,
19 **Pro-Football, Inc.**, a Maryland corporation,
20 **City of San Diego**, a municipal corporation,
and DOES 1 to 100,

21 Defendants.

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FIRST CAUSE OF ACTION26
(Breach of Contract)
(Against Defendant Chargers Football, NFL and DOES 1-100)

SECOND CAUSE OF ACTION29
(Unjust Enrichment)
(Against Defendants Teams, NFL and DOES 1-100)

THIRD CAUSE OF ACTION31
(Fraudulent Misrepresentation and Concealment)
(Against the Chargers Football and DOES 50-55)

FOURTH CAUSE OF ACTION33
(Fraudulent Misrepresentation and Concealment)
(Against the National Football League and DOES 1-32 and 55-60)

PRAYER FOR RELIEF.....34

1 and confining conditions - could we request to renegotiate." A copy of the pertinent part of the
2 letter is shown here:



RECEIVED

1/29/97

Dear Season Ticket Holder:

Any San Diegan who happens to read the paper or turn on the evening news is unable to avoid the incredible amount of coverage regarding the expansion of Jack Murphy Stadium. Unfortunately, much of this coverage is based on inaccuracies and misrepresentation.

The upcoming season will be filled with exciting changes for both the team and our fans. The stadium lease we signed with the City in May of 1995 was meant to bring about a modernized sports entertainment facility for the players and fans, and worldwide recognition for San Diego.

To that end, we would like to provide you with some of the facts that are being misrepresented.

1. After Super Bowl XXXII was awarded to San Diego in June, 1994, the City approached the Chargers about trying a permanent expansion of the stadium into a lease-extension. [After lengthy negotiations, we agreed to a lease that would upgrade our 30-year-old stadium and assure a 25-year future for the team in San Diego.]
2. Don't let anyone doubt our commitment to this city. We signed this deal because of our commitment to San Diego. Only in the case of severe financial hardship for the team - defined by very narrow, specific and confining conditions - could we request to renegotiate with the City. Remember, San Diego is our home too.

6. As of January 2017, Chargers Football was a financially successful franchise worth more than \$1 billion. However, on January 7, 2017, Dean Spanos broke his word, and issued a Tweet writing: "we turn the page and begin an exciting new era as the Los Angeles Chargers:"

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II. THE PARTIES AND UNNAMED KEY PLAYERS

7. Plaintiff Ruth Henricks is a resident of San Diego County and has paid taxes that fund the City of San Diego individually and through her business she operates in San Diego. Plaintiff Ruth Henricks has standing to bring this action because she has paid and does pay taxes in and to the City of San Diego from at least 2015 to the present.

8. A demand was made on the City of San Diego to bring this legal action. With no response, this taxpayer action is filed.

9. Defendant NFL is an unincorporated association that consists of the NFL teams also named as Defendants. Under California Code Civ. Proc. § 369.5, the Defendant teams are representative parties for all members who ever existed or who might be responsible for the harms set forth below. These representative parties will fairly and adequately protect the interests

1 of the association and its current, future, and former members. This case involves litigation of
2 certain claims of common interest to the members of the NFL.

3 10. The Defendant NFL teams are all members of the NFL and thus appropriate
4 parties to this suit under Cal. Code Civ. Proc. § 369.5. In addition, by voting and through other
5 conduct described below, the conduct of each NFL team and the Defendant owners is
6 independently actionable. The NFL teams are separately owned entities that operate professional
7 football franchises for profit under the team names and in the cities and states as follows:

NFL Defendant Team Owner	State of Organization and Current Operation (if different)	Team Name
Arizona Cardinals Football Club LLC Bill Bidwill	Arizona	Arizona Cardinals
Atlanta Falcons Football Club, LLC Arthur M. Blank	Georgia	Atlanta Falcons
Baltimore Ravens Limited Partnership Steve Bisciotti	Maryland	Baltimore Ravens
Buffalo Bills, LLC Terry Pegula Kim Pegula	Delaware (NY)	Buffalo Bills
Panthers Football, LLC Jerry Richardson	North Carolina	Carolina Panthers
The Chicago Bears Football Club, Inc. Virginia McCaskey	Delaware (IL)	Chicago Bears
Cincinnati Bengals, Inc. Mike Brown	Ohio	Cincinnati Bengals
Cleveland Browns Football Company LLC Jimmy Haslam Dee Haslam	Delaware (OH)	Cleveland Browns
Dallas Cowboys Football Club, Ltd. Jerry Jones	Texas	Dallas Cowboys
PDB Sports, Ltd. Pat Bowlen	Colorado	Denver Broncos

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The Detroit Lions, Inc. Martha Firestone Ford	Michigan	Detroit Lions
Green Bay Packers, Inc. Executive Committee: Mark J. McMullen Daniel T. Ariens Mark H. Murphy Thomas M. Olejniczak John F. Bergstrom Susan M. Finco Thomas L. Olson	Wisconsin	Green Bay Packers
Houston NFL Holdings, LP Robert McNair	Delaware (TX)	Houston Texans
Indianapolis Colts, Inc. James Irsay Carlie Irsay Gordon Casey Foyt Kalen Jackson	Delaware (IN)	Indianapolis Colts
Jacksonville Jaguars LLC Shahid Khan	Florida	Jacksonville Jaguars
Kansas City Chiefs Football Club, Inc. Clark Hunt	Texas (MO)	Kansas City Chiefs
Miami Dolphins, Ltd. Stephen Ross	Florida	Miami Dolphins
Minnesota Vikings Football, LLC Zygi Wilf Mark Wilf Leonard Wilf Alan Landis David Mandelbaum	Delaware (MN)	Minnesota Vikings
New England Patriots LLC Robert Kraft	Delaware (MA)	New England Patriots
New Orleans Louisiana Saints, LLC Tom Benson	Texas (LA)	New Orleans Saints
New York Football Giants, Inc. John K. Mara Steve Tisch	New York	New York Giants
New York Jets LLC Woody Johnson	Delaware (NY)	New York Jets

1	The Oakland Raiders, A California Limited Partnership Mark Davis	California	Oakland Raiders
2			
3	Philadelphia Eagles, LLC Jeffrey Lurie	Delaware (PA)	Philadelphia Eagles
4			
5	Pittsburgh Steelers LLC Dan Rooney	Pennsylvania	Pittsburgh Steelers
6			
7	Chargers Football Company, LLC Alex Spanos Dean Spanos	California	San Diego Chargers
8			
9	Forty Niners Football Company LLC Jed York Denise DeBartolo York John York John M. Sobrato Mark Wan Gideon Yu	Delaware (CA)	San Francisco 49ers
10			
11			
12			
13	Football Northwest LLC Paul Allen	Washington	Seattle Seahawks
14			
15	The Rams Football Company, LLC E. Stanley Kroenke	Delaware (CA)	Los Angeles Rams
16			
17	Buccaneers Football Corporation Bryan Glazer Darcie Glazer Kassewitz Edward Glazer Joel Glazer	Delaware (FL)	Tampa Bay Buccaneers
18			
19			
20	Tennessee Football, Inc. Amy Adams Strunk	Delaware (TN)	Tennessee Titans
21			
22	Pro-Football, Inc. Daniel Snyder	Maryland	Washington Redskins
23			

24 11. Defendant CITY OF SAN DIEGO, a municipal corporation of the State of
25 California, is named as a necessary defendant for purposes of the relief sought herein.

26 12. Plaintiff is informed and believes, and thereupon alleges, that at all times relevant
27 and mentioned herein, Defendants and DOES 1 through 100, inclusive, and each of them, were
28 the agents, servants, employees, independent contractors, co-conspirators, management

1 companies, subsidiaries and/or joint ventures of the remaining Defendants, and each of them, and
2 were at all times material hereto acting within the authorized course, scope and purpose of said
3 agency and employment, and/or that all of said acts were subsequently performed with the
4 knowledge, acquiescence, ratification and consent of the respective principals, and the benefits
5 thereof accepted by said principals.

6 13. The true names and/or capacities, whether individual, corporate, governmental,
7 associate, or otherwise, of Defendant DOES 1 through 100, inclusive, and each of them, are
8 unknown to Plaintiff, who therefore sue said Defendants by such fictitious names. Plaintiff is
9 informed and believes, and thereon alleges, that each Defendant fictitiously named herein as a
10 DOE is legally responsible as alleged herein, for the events and damages hereinafter referred to,
11 and which legally caused the injuries and damages to Plaintiff as hereinafter alleged. Plaintiff will
12 seek leave of Court to amend this complaint to insert the true names and/or capacities of such
13 fictitiously named Defendants when the same have been ascertained.

14 **III. JURISDICTION AND VENUE**

15 14. This Court has jurisdiction over the action because this is a civil action wherein the
16 matter in controversy exceeds the jurisdictional minimum of the Court.

17 15. The Courts of the State of California have personal jurisdiction over all NFL and
18 team Defendants because those Defendants have knowingly caused injury in California and have
19 had systematic and continuous contacts with California. Defendant NFL and the Defendant teams
20 have engaged in professional football contests in San Diego, Los Angeles, and San Francisco,
21 California, and promoted and marketed NFL games and products in California. The home
22 schedule of the Chargers for the regular season and pre-season are matters of public record, but it
23 is sufficient to note that even according to the NFL Constitution, the Chargers Football had San
24 Diego as its home, host city.

25 16. All Defendants (except the City of San Diego) have shared revenue generated
26 from those teams in California and have promoted the business of the NFL, including in
27 California. Defendants (except the City of San Diego) have collected television revenues from the
28 airing of games in the State of California and generated revenues by the sale of merchandise in

1 the State of California.

2 17. The Court has jurisdiction under California Code of Civil Procedure § 526a to
3 order the relief requested on behalf of the City of San Diego.

4 18. Plaintiff's claims arise from and relate to the conduct of NFL business in San
5 Diego that resulted in injury in California to the City of San Diego.

6 19. Venue is proper in San Diego, California, pursuant to California Code of Civil
7 Procedure §395.5 because injuries to the City of San Diego, wherein Plaintiff pays taxes,
8 occurred in San Diego, and, at all relevant times, at least one Defendant, Chargers Football
9 Company, LLC, could be found in San Diego when the games were played in Qualcomm
10 Stadium.

11 **IV. GENERAL ALLEGATIONS**

12 **A. San Diego's 50+ Years of Supporting Chargers Football**

13 20. In 1965, the voters of the City of San Diego adopted a Charter provision giving the
14 City power to build and maintain a stadium. (San Diego City Charter Art. VII, § 99.1.) The
15 stadium began operating in 1967 as home to the San Diego Chargers National Football League
16 team. In 1995, the City entered into an agreement with the Chargers (the 1995 Agreement) under
17 which the Chargers agreed to lease the stadium through 2020 and the City agreed to (1) improve
18 the stadium for the 1997 professional football pre-season, and (2) build an off-site practice facility
19 and office space for the 1996 professional football pre-season. See, *City of San Diego v.*
20 *Rider* (1996) 47 Cal.App.4th 1473. The San Diego City Council committed \$60 million of
21 taxpayer funds for the stadium improvements and expansion.

22 21. The 1995 Agreement included expanding the stadium from 61,000 seats to 71,000
23 seats, installing 7,800 "club" seats and two new video boards, boosting the number of sky box
24 suites and building a new off-site practice facility.

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1 22. The City also agreed to guarantee 60,000 attendances for every game through the
2 life of the Chargers' contract. On October 17, 1996, Spanos made the following public statements:

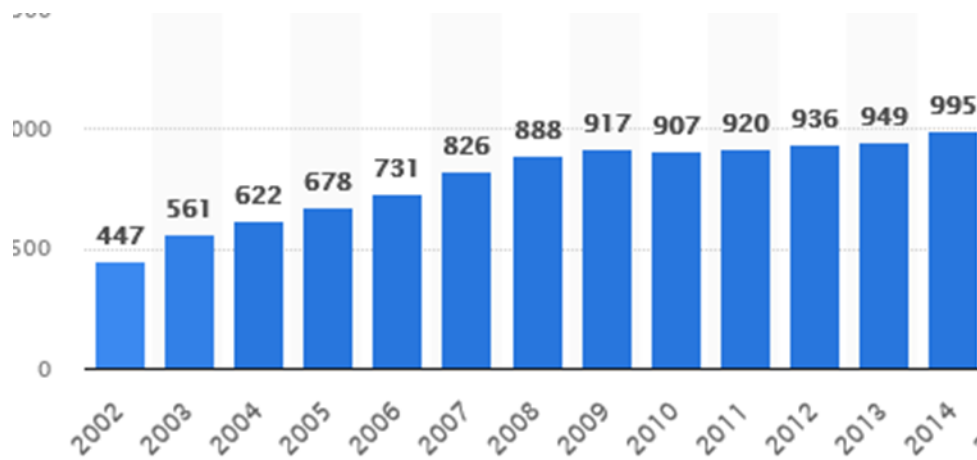
- 3 • “We’re really thrilled” with the decision (to allow the City to finance the stadium
4 expansion)
- 5 • "Finally, now we have some direction.”
- 6 • The Chargers currently rank among the bottom 10 teams in the NFL in terms of
7 financial competitiveness.
- 8 • When we started this project all we wanted to do was be competitive with the rest of
9 the league," he said. "By increasing the stadium capacity by 10,000 seats and putting
10 in the club seats and increasing the suites, it increases our revenue enough to put us in
11 the average, or the projected average, of the league.”
- 12 • "The fans are going to get an updated, modernized stadium.”
- 13 • “It's going to give us the ability to field a competitive team.”
- 14 • “That's something that's hard to explain to fans, but to us that's really where we were
15 coming from.”

16 23. The Chargers insisted on the City increasing the expansion budget by \$18 million.
17 On December 10, 1996, the San Diego City Council approved an amendment to the agreement
18 providing for the additional \$18 million of taxpayer funds in stadium expenditures. A referendum
19 was taken on the City Council decision to increase spending by the \$18 million the franchise
20 demanded.

21 24. The City ended up spending over \$196 million for the stadium expansion (\$92
22 million for the 1997 stadium expansion, \$68 million in bond interest payments, and \$36 million
23 for the ticket guarantee) that was supposed to keep the Chargers in San Diego unless the franchise
24 suffered “**severe financial hardship.**”

25 25. Because of the financial support the City of San Diego and loyal fans provided to
26 Chargers Football, the franchise value rose gradually from an initial purchase price between \$40
27 to \$72 million in 1984, to a billion dollars by 2015.

28 ///



26. In July 2016, the Chargers Football proposed a \$1.8 billion stadium and convention center plan for the East Village in San Diego as shown here:



27. Chargers Football proposed to raise the City’s transit occupancy tax from 12.5 percent to 16.5. One study showed the cost would be substantially higher than the Chargers projected.

28. The Chargers Football stadium and convention plan was placed on the November 2016 ballot in San Diego, as Measure C, but voters defeated the proposition.

29. The City of San Diego adopted a policy of accommodation to the demands of the NFL and Chargers Football with ever greater amounts of taxpayer funded stadium improvements and financial incentives and subsidies. For example, after the City agreed to spend \$60 million for stadium improvements demanded by the NFL and Chargers Football in 1996, and after the City agreed to spend an another \$18 million for additional improvements and for the City to buy any unsold game tickets up to 60,000 seats, the NFL and Chargers Football insisted the City

1 provide even more subsidies to the NFL and Chargers Football. These subsidies were supported
2 by four San Diego Mayors: Mayor Susan Golding, Mayor Dick Murphy, Mayor Jerry Sanders,
3 and Mayor Kevin Faulconer.

4 **B. The 2003 Citizens Task Force on Chargers Issues**

5 30. In 2003, then-San Diego City Mayor Dick Murphy established the Citizens' Task
6 Force on Chargers Issues (Task Force) to determine whether the San Diego Chargers and the
7 National Football League are important assets to the life and economy of San Diego, to include
8 identification of what the Chargers have done for the City financially, specifically, the amount the
9 City has paid for the ticket guarantee, the amount the Chargers have paid the City for the lease,
10 the net revenue less maintenance and operating costs, and how this impacts the City budget; to
11 determine all things that could be done to keep the Chargers in San Diego in a fiscally responsible
12 way that the public will support; to recommend to the Mayor and City Council what the City
13 should do, if anything, to keep the Chargers in San Diego in a fiscally responsible way that the
14 public will support; to explore the feasibility of County and/or regional financial participation in
15 any solution; and, to make any other recommendations to the Mayor and City Council that the
16 Task Force deems appropriate.

17 31. Over a seven-month period, the Task Force's Facilities & Redevelopment
18 Committee held 13 meetings and heard more than 30 presentations.

19 32. In February 2003, the Task Force unanimously recommended that the City lease
20 the 166-acre Qualcomm Stadium site to Chargers Football so the team could build a new stadium.
21 The Task Force found Chargers Football could recoup its investment by developing the land not
22 used for a stadium. The Task Force endorsed immediate negotiations between the City and
23 Chargers.

24 33. On February 22, 2003, Mark Fabiani, a Chargers spokesperson, said the Chargers
25 Football might be interested in exploring the lease option. The "Task Force's support for talks
26 with the City and developing the Qualcomm Stadium site were positive developments." "All of
27 those things are reasons for us to be hopeful about the next steps in the process," Fabiani said.

28 ///

1 34. To obtain a new stadium, Fabiani said the Chargers would press the National
2 Football League "for a commitment to multiple Super Bowls." The Chargers unveiled a \$400
3 million stadium proposal that called for a \$200 million public bond repaid by developing a
4 portion of the 166-acre Qualcomm Stadium site.

5 35. On August 3, 2013, Chargers Football proposed that in exchange for building a
6 \$400 million stadium, the Chargers wanted San Diego to give them more than one-third of the
7 City's prime real estate in Mission Valley and borrow as much as \$175 million to pay for public
8 improvements. Chargers' officials, stressing a redevelopment plan they released as conceptual,
9 said the only way the team could recoup its stadium costs was to develop 60 acres of the
10 Qualcomm Stadium site with 6,000 housing units, a hotel, offices, restaurants and shops. In turn,
11 they said, the City would recover its costs with tax revenues from the residential and commercial
12 developments. Chargers' officials said the National Football League also would loan the team
13 \$60 million to build a Super Bowl-ready stadium that would open in 2010 or 2011. "We believe
14 it's feasible," Mark Fabiani, special counsel to the Chargers, told reporters at the team's
15 headquarters.

16 36. "It's the first step. To turn it into a reality will take an intense public process that
17 will take the next several years," said the Chargers. The team wanted to put the final proposal
18 before voters in 2006. The Chargers would continue to play in Mission Valley while the stadium
19 was being built in the northwest corner of the 166-acre site. The plan, which the team also
20 presented to business, civic and labor leaders, relied on the assumption that the site would be a
21 redevelopment area, a government designation typically reserved for economically blighted
22 neighborhoods. Chargers' attorney Allan Mutchik said the team believed the Qualcomm Stadium
23 site qualified, though he added, "it would be a different development" without such a designation.
24 "We'd have to revisit all of our assumptions," he said. Others were more skeptical. "It's very
25 difficult for me to figure out how anyone could make a reasonable case that Mission Valley is
26 blighted . . . at least not the way I read the law," said then-Councilwoman Donna Frye, whose
27 district included the stadium. Chargers' officials have said that any development plans would
28 have depended on the team getting a new lease.

1 37. The team wanted to get rid of the more unpopular provisions in the existing 1995
2 agreement, which binded the team to play at Qualcomm Stadium until 2020. These are some of
3 the finer points and uncertainties that would have had to be negotiated between the City and the
4 team.

5 38. The two sides agreed to extend negotiations on the lease until May 2004. Still
6 unanswered was who would pay the \$65 million left on bonds issued for the 1997 renovation of
7 Qualcomm Stadium. Chargers' attorney Mutchik suggested the City would be responsible for
8 about half. Chargers' officials contended they cannot remain economically competitive at
9 Qualcomm Stadium. "We have always tried . . . to keep the public informed about what we're
10 doing," Fabiani said. "We just think people deserve at this point to see where we stand on the
11 issues." Fabiani said the Chargers presented a similar conceptual proposal to City negotiators in
12 early June, and briefed the City Council on June 17 in a closed meeting. Council members, who
13 have stressed it is illegal to disclose discussions from closed sessions, invited the team July 1 to
14 present its plan to the public. Fabiani said copies were to be dropped off at the Council offices,
15 where members are on a three-week recess.

16 39. By late afternoon, the copies had not arrived. Ky Snyder, president of the San
17 Diego International Sports Council, said the Chargers' proposal was "pretty exciting. . . .
18 Everybody needs to know more details at this point.

19 40. On May 1, 2006, the City made an additional concession to the NFL and Chargers
20 Football when the City agreed Chargers Football would be allowed to discuss relocation of the
21 Franchise to any site within the boundaries of the County of San Diego.

22 41. On May 21, 2011 renovation contractor AECOM estimated Qualcomm
23 maintenance for stadium could accomplished for \$79.8 million. Maintenance and improvements
24 needed, would include \$18 million for mechanical issues, \$17 million for site repairs and \$12
25 million for plumbing. A new video display would cost \$9.6 million. Renovating offices, suites
26 and the press box would cost about \$460,000, while replacing and repairing stadium seats would
27 amount to almost \$780,000.

28 ///

1 42. Fred Maas, who had been advising Mayor Jerry Sanders on the Chargers stadium
2 issue, said reports like the new one show “we need to find some other solution.” He said, “We’re
3 fortunate the Chargers are hanging in there with us while we’re trying to figure out what to do.”
4 The comments show the City and its officials were misled by Chargers Football.

5 43. On February 26, 2015, Mayor Kevin Faulconer appointed yet another stadium
6 advisory group to recommend site and financing for a new or refurbished Chargers stadium.

7 44. On July 14, 2015, San Diego moved forward with a \$2.1 million-dollar
8 environmental impact report (EIR) on the proposed stadium plan in San Diego. The proposed
9 stadium was designed to be in Mission Valley by the site of the Qualcomm Stadium, which
10 would be torn down.

11 45. The nine-member team formed by Faulconer to plan the stadium discussed
12 mechanisms to provide the project with up to \$1.4 billion in funding, which would likely require
13 voter approval. The price tag for a new stadium and surrounding development was estimated at
14 between \$1.1 and \$1.5 billion. City officials sought to make an agreement with the Chargers
15 early in 2015 to get the proposal before voters by December 15, 2015.

16 46. The City's plan would have required circumventing the environmental impact
17 review of the proposal. In order to put the measure on the December 2015 ballot, a finalized
18 agreement and the text of the measure needed to be given to the county registrar of voters by
19 September 18, 2015. Faulconer said, "The city/county negotiating team, as you see us here, is
20 prepared to meet as often as necessary with the Chargers to reach an agreement by that time. We
21 can get a new stadium approved this year if we work together to get it done."

22 47. Ultimately, however, no agreement was reached. Management officials of the
23 Chargers team said on June 16, 2015, after the third negotiation meeting with the City, that they
24 saw no legally stalwart method of putting a measure on the December 2015 ballot while also
25 complying with the "state's election law and the California Environmental Quality Act." This
26 conclusion seemed to contradict Mayor Faulconer's optimistic view of the possibility of a ballot
27 measure. Faulconer reported that the third meeting with the Chargers was "a productive
28 exchange."

1 **C. The Ballot Measures**

2 48. According to the Chargers, a stadium deal in San Diego was not taken off the
3 table, but a ballot measure for the project would have to be delayed until the beginning of 2016 at
4 the earliest to comply with all legal requirements.

5 49. Chargers Football concealed its concrete plans to leave the City of San Diego. An
6 official statement from the Chargers team gave the following explanation of the team's decision
7 not to move forward with a stadium ballot measure in 2015:

8 On behalf of our entire organization, the Chargers thank the City of San Diego
9 negotiating team for working with us to try to find a way, at this late date, to place
10 a stadium ballot measure before the voters in December 2015. ** Because of all of
11 this work and discussion, the Chargers have concluded that it is not possible to
12 place a ballot measure before the voters in December 2015 in a legally defensible
13 manner **.

14 50. Mayor Faulconer reacted to the statement by the Chargers by saying, "If San
15 Diego is their first choice, we need them to reengage. It's time for Chargers ownership to show
16 San Diego they want to stay in their hometown."

17 51. Chargers' representative Mark Fabiani responded to Faulconer's statement by
18 falsely stating, "The Ownership of the Chargers wants to stay here, but we won't be part of a half-
19 baked legal strategy put together by the city. They can criticize us all they want."

20 52. In 2016, a measure to authorize public funding for a new San Diego Chargers
21 stadium could have been, but was not, put on the ballot for San Diego voters. City officials met
22 with the management of the Chargers team several times in 2015 to seek an agreement on a plan
23 and put the measure before voters in December 2015. The Chargers, however, abandoned the
24 plans for a ballot measure in 2015. Another attempt to reach an agreement in time for an election
25 on January 12, 2016, was not successful.

26 53. Ultimately, the citizen initiative process was used to put Measure C, a measure to
27 raise the City's hotel tax rate in order to pay for the new stadium, and Measure D, a measure to
28 raise the City's hotel tax, change the hotel tax revenue structure, and authorize the sale of the
Qualcomm Stadium site. Both Measure C and Measure D were defeated by voters.

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1 54. The measure was endorsed by Mayor Kevin Faulconer and other City officials, as
2 an attempt to keep San Diego's NFL team, the Chargers, in the City. Faulconer hoped to strike a
3 deal with the Chargers that would motivate them to stay in San Diego.

4 55. On January 12, 2016, NFL owners voted 30-2 to allow the Rams to move to Los
5 Angeles. Their home stadium would be the \$1.8 billion stadium development project in
6 Inglewood backed by Rams' owner Stan Kroenke. In December 2016, the NFL owners approved
7 the Chargers' relocation to Los Angeles.

8 56. The NFL owners provided the San Diego Chargers the option of joining the Rams
9 at the Inglewood stadium. The team was given a year to consider the option.

10 57. No one from Chargers Football ownership ever attended Task Force meetings.
11 Instead of embracing an open, two-way public process, the Chargers rejected it, according to the
12 Task Force Chair.

13 **D. The Chargers' Failed Attempts at Waiver in Violation of Public Policy**
14 **and Law**

15 58. The 2004 and 2006 Supplemental Agreements to the 1995 Agreement purported to
16 include certain waivers and releases. Those provisions are not enforceable to block the causes of
17 action alleged in this complaint: (1) the behavior complained of occurred long after those
18 supplemental agreements were made; (2) they do not purport to waive any rights under the NFL
19 Relocation Policies; and (3) it would be unconscionable to enforce them against the City as a
20 matter of public policy and under the facts and circumstances of this case.

21 **E. The NFL Constitution and Bylaws**

22 59. The NFL Constitution and Bylaws, including policies and procedures adopted
23 pursuant to the NFL Constitution and Bylaws, define the contract between NFL team members.
24 By joining the NFL association, team members agree to be bound by the terms of the governing
25 NFL Constitution and Bylaws. To members, outsiders, and beneficiaries, the NFL Constitution
26 and Bylaws bind the NFL association and its team members.

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1 **1. The NFL Relocation Policy**

2 60. In 1984, the NFL adopted the “Policy and Procedure for Proposed Franchise
3 Relocations” (hereafter the “Relocation Policy” or “Policy”), pursuant to Article 8.5 of the NFL
4 Constitution and Bylaws, which vests the Commissioner with the authority to establish policy and
5 procedure with respect to the provisions of the Constitution and Bylaws and any enforcement thereof.

6 61. The Relocation Policy was adopted in response to a Ninth Circuit decision that upheld
7 a judgment that an NFL relocation decision violated the antitrust statutes. To avoid future antitrust
8 liability, the court recommended that the NFL set forth objective criteria to be considered in
9 evaluating a relocation request and establish a procedural mechanism to ensure consideration of those
10 factors. See *Los Angeles Memorial Coliseum Commission v. National Football League, et. al*, 726
11 F.2d 1381, 1396-97 (9th Cir. 1984).

12 62. Article 4.3 of the NFL Constitution and Bylaws requires an affirmative vote of three-
13 fourths of its member clubs before a club may transfer its franchise or playing site to a different city.
14 Article 4.3 confirms that each club’s primary obligation to the NFL and to all other member clubs is
15 to advance the interests of the NFL in its home city. Article 4.3 also confirms that no club has an
16 “entitlement” to relocate simply because it perceives an opportunity for enhanced club revenues in
17 another location. Relocation pursuant to Article 4.3 may be available, however, if a club’s viability in
18 its home city is threatened by circumstances that cannot be remedied by diligent efforts of the club
19 working, as appropriate, in conjunction with the NFL, or if compelling NFL interests warrant a
20 franchise relocation.

21 63. In summary, the NFL Policy requires a club to submit a proposal for transfer to the
22 NFL before it may transfer its franchise or playing site outside its current home city. The club must
23 give the Commissioner of the NFL written notice of its proposed transfer and a “statement of reasons”
24 in support of the proposed transfer. The NFL Policy provides that the Commissioner will evaluate the
25 proposed transfer and report to the members. Following the Commissioner’s report, the proposal is
26 presented to the members for a vote. In considering a proposed relocation, the clubs are allowed to
27 consider a number of factors, but must address the degree to which the club has engaged in good faith
28 negotiations, and enlisted the NFL to assist in such negotiations, with appropriate persons concerning

1 terms and conditions under which the club would remain in its current home city and afforded that
2 community a reasonable amount of time to address pertinent proposals.

3 64. The Relocation Policy establishes the procedure and standards to be followed in
4 requesting and evaluating requests for relocation. Among other things, the Relocation Policy requires
5 any franchise interested in relocating to apply to the League for permission, justify the request based
6 on identified objective factors, and provide notice to designated entities. The relocation must be
7 approved by a three-fourths vote of team owners. The Relocation Policy is mandatory and imposes an
8 “obligation” on teams and the NFL.

9 65. The Relocation Policy is intended to control the relocation decision process and
10 circumscribe subjective decision-making and imposes obligations on the member teams and the
11 League. Eric Grubman, Executive Vice President of the NFL, stated that the Relocation Policy “puts
12 obligations on the club and it puts obligations on the league.” Grubman further explained that a club
13 has to receive 24 votes in order to relocate and that, “to get 24 votes, the owners would have to reach
14 the conclusion that the club met the NFL guidelines.” (Emphasis added.)

15 66. The Relocation Policy states that because the NFL favors stable team-community
16 relations, clubs are obligated to work diligently and in good faith to obtain and to maintain suitable
17 stadium facilities in their home city, and to operate in a manner that maximizes fan support in their
18 current home community.

19 67. The Relocation Policy specifically provides that, prior to any relocation, “clubs are
20 obligated to work diligently and in good faith to obtain and maintain suitable stadium facilities in their
21 home territories, and to operate in a manner that maximizes fan support in their current home
22 community.” Each club’s primary obligation is to “advance the interests of the League in its home
23 territory.”

24 68. The Relocation Policy specifically provides that, prior to relocation, a club must
25 submit a proposal for such transfer to the NFL that includes a written notice of the proposed
26 transfer and a statement of reasons supporting the transfer. The notice must include a “statement
27 of reasons” and supplementary material.

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1 69. The statement of reasons “must” address each factor outlined in the Relocation
2 Policy. Many of the relocation factors are intended to protect the interests and investments of the
3 local community and the stadium authority. These include, but are not limited to:

- 4 • The extent to which the club has satisfied its “principal obligation” of “serving the
5 fans in its current community;”
- 6 • The extent to which fan loyalty to and support for the club have been demonstrated
7 in the current community;
- 8 • The willingness of the stadium authority or community to replace a deficient
9 current stadium;
- 10 • The extent the club received direct or indirect public support for its current
11 facility;
- 12 • The degree to which the club has engaged in good faith negotiations with the
13 stadium authority and others concerning terms and conditions under which the
14 club would remain in its current home territory; and
- 15 • The extent to which the owners or managers of the club contributed to
16 circumstances that might demonstrate a need for relocation.

17 70. The club also is required to publish the notice of the intent to relocate in
18 newspapers of general circulation within the club’s community. The NFL also is required to
19 provide copies of the notice of intent to relocate “to governmental and business representatives...
20 as well as the stadium authority (if any) in the incumbent community....”

21 71. The Relocation Policy requires that “interested parties,” which are defined to
22 include the community and the stadium authority, “have an opportunity to provide oral and/or
23 written comments regarding the proposed transfer, including at a public hearing conducted by the
24 League in the community from which the team seeks to relocate....”

25 72. The Relocation Policy also specifically requires the League, after a vote is taken
26 on the proposed relocation, to publish its decision in newspapers of general circulation within the
27 community, “setting forth the basis of its decision in light of the League’s rules and procedures
28 for evaluating franchise relocation,” as well as “deliver copies of its written statement of

1 reasons” to local governments and the stadium authority with jurisdiction over the facility from
2 which the club seeks to relocate.

3 73. The NFL has acknowledged that the Relocation Policy protects the interests of
4 existing home markets. Eric Grubman, Executive Vice President of Defendant NFL, has stated
5 that the NFL has an “obligation, which we take very seriously” to do whatever it takes to keep
6 NFL teams strong in their existing markets.

7 74. Under the Relocation Policy, teams must work with diligence and in good faith to
8 remain in their home community and cannot relocate unless the Policy is satisfied. With the
9 Relocation Policy in place, the City of San Diego made substantial investments in the Chargers
10 and the stadium.

11 75. The NFL Policy states that if a club’s proposal to relocate to a new home territory
12 is approved, the relocating club will ordinarily be expected to pay a transfer fee to the NFL. The
13 transfer fee will compensate other member clubs of the NFL for the loss of the opportunity
14 appropriated by the relocating club and the enhancement in the value of the franchise resulting
15 from the move.

16 **F. The City Is A Third-Party Beneficiary To The NFL Policy**

17 76. The City of San Diego is a third-party beneficiary to the NFL’s Relocation Policy
18 as stated in the NFL’s Constitution and Bylaws. The NFL and the owners/franchisees, including
19 the Chargers, intended to benefit the City of San Diego in adopting these Relocation related
20 policies. The intent of the Relocation Policy is to establish standards and procedures for franchise
21 relocation decisions. The Policy limits subjective decision-making, and many of the adopted
22 standards are designed to protect the interests and investments of home communities. The goal of
23 the Relocation Policy is to limit when a team can relocate, and those limits therefore benefit the
24 home community.

25 77. In addition, in adopting the Constitution and Bylaws and policies, the Chargers
26 assumed direct obligations to the City of San Diego, including, but not limited to, the obligation
27 to work diligently and in good faith to obtain and maintain suitable facilities in the Chargers’
28 home territory, and to operate in a manner that maximizes fan support in the Chargers’ current

1 home community. The statement that, “clubs are obligated to work diligently and in good faith to
2 obtain and maintain suitable stadium facilities in their home territories and to operate in a manner
3 that maximizes fan support in their current home community” is a provision that, by its terms, is
4 intended to benefit home communities such as the City of San Diego.

5 78. The benefits to the City of San Diego set out in the Relocation Policy are not
6 incidental. The City of San Diego has contributed hundreds of millions of dollars in taxpayer
7 funds to attract and retain an NFL team, all spent while the Relocation Policy imposed obligations
8 on teams and the League and required satisfaction with the Policy before relocation could be
9 approved.

10 79. The Chargers breached its contractual obligation of diligence and good faith to the
11 detriment of the City of San Diego as third-party beneficiaries as set out above. The Chargers, the
12 NFL, its member teams, and their owners did not comply with the Relocation Policy set out
13 above. As stated, there was a substantial expenditure of taxpayer funds to build and expand San
14 Diego’s stadium.

15 **G. Facts The Chargers Concealed and Are Now Discovered**

16 80. This action is being filed within four years from the time when the causes of action
17 accrued. Plaintiff suspected that the injury alleged was caused by wrongdoing when plaintiff
18 discovered in December 2021 that Chargers’ owner Dean Spanos admitted he had already made
19 the decision in 2006 to move the Chargers franchise to Los Angeles, yet concealed that decision.

20 81. Under the NFL’s Policies and Procedures for Proposed Franchise Relocations,
21 Chargers Football did not have “an ‘entitlement’ to relocate simply because it perceive[d] an
22 opportunity for enhanced franchise revenues in [Los Angeles].”

23 82. Plaintiff discovered Chargers Football and the NFL actively concealed the facts
24 upon which Plaintiff’s claims rests. Chargers Football principals Dean Spanos and Mark Fabiani
25 induced the City of San Diego, on behalf of its taxpayers like Plaintiff, to believe that Chargers
26 Football was making good faith diligent efforts to remedy any circumstances that threatened
27 Chargers Football’s vitality. The City paid to expand the stadium and to pay for all unsold tickets
28 up to 60,000. The City created and appointed members to the Task Force on Chargers Issues that

1 recommended a way to enhance Chargers Football’s revenue in which the Qualcomm site would
2 be leased to Chargers Football and development rights would allow the Chargers to develop the
3 Mission Valley site. The City retained a stadium rehabilitation contractor who prepared an \$80
4 million restoration plan. The City created and appointed another advisory group under Mayor
5 Faulconer that proposed a new stadium at the Mission Valley site. Mayor Faulconer went a step
6 further and endorsed Chargers Football’s \$1.8 billion East Village joint stadium and convention
7 center proposal.

8 83. Plaintiff did not discover that for the 10 years starting in 2006, Chargers Football
9 owner, Dean Spanos, had already made up his mind to move the team to Los Angeles, according
10 to the former Chargers Football’s Chief Operating Officer Jim Steeg. Jim Steeg was Chargers
11 Football’s Executive Vice President, Chief Operating Officer from November 2004 to April
12 2010.

13 84. Plaintiff discovered these facts when Plaintiff read a December 10, 2021, Union
14 Tribune article by Sports Columnist Bryce Miller which stated:

15 Jim Steeg, a former NFL employee and San Diegan who was a member of the
16 mayor-appointed Citizens Stadium Advisory Group in 2015, worked alongside or
had knowledge of relocation situations involving the Rams, Browns and Cardinals.

17 Steeg contended the Chargers planned to leave long before it happened. “I think
18 (owner) Dean Spanos made up his mind to move in 2006,” Steeg said. “It just took
him 10 years to do it.”

19 85. Plaintiff did not discover all the elements of Plaintiff’s claim until in and around
20 December 2021.

21 86. The City of San Diego, for whom Plaintiff brings these claims, suffered harm
22 when Defendants moved the Chargers to Los Angeles after spending millions of taxpayer dollars
23 to maintain an NFL team in San Diego.

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1 **FIRST CAUSE OF ACTION**

2 **(Breach of Contract)**

3 **(Against Defendant Chargers Football, NFL and DOES 1-100)**

4 87. Plaintiff incorporates by reference each and every allegation set forth in the
5 preceding paragraphs as if fully set forth herein.

6 88. The NFL Relocation Policy promulgated pursuant to the Constitution and Bylaws
7 constituting a binding, enforceable contract.

8 89. The City of San Diego and Plaintiff are third party beneficiaries to the contract.
9 The NFL and the owners/franchises, including the Chargers, intended to benefit the City and the
10 taxpayers that reside there via the Constitution and Bylaws and policies promulgated thereto. The
11 intent of the Relocation Policy was to establish standards and procedures for relocation decisions.
12 The Policy limits subjective decision-making, and many of the adopted standards are designed to
13 protect the interests and investments of home communities and the taxpayers that reside there.
14 The Relocation Policy’s goal is to limit when a team can relocate, and those limits therefore
15 benefit the home community.

16 90. In addition, via the Constitution and Bylaws and policies promulgated thereto, the
17 Chargers assumed direct obligations to the City and other third parties, including, but not limited
18 to, the obligation to work diligently and in good faith to obtain and maintain suitable facilities in
19 the Chargers’ home territory, and to operate in a manner that maximizes fan support in the
20 Chargers’ home community. The statement that, “clubs are obligated to work diligently and in
21 good faith to obtain and maintain suitable stadium facilities in their home territories and to
22 operate in a manner that maximizes fan support in their current home community” is a provision
23 that by its terms is intended to benefit residents in the home community such as Plaintiff here.

24 91. The benefits to the City set out in the Relocation Policy promulgated pursuant to
25 the Constitution and Bylaws are not incidental. The City was likely to benefit from Defendants’
26 compliance with the Relocation Policies because the Policies were intended to and did require
27 Defendants to give due consideration to the City of San Diego’s interests when evaluating the
28 Chargers’ relocation proposal.

1 92. The City is a third-party beneficiary of the Relocation Policies because it was
2 likely to benefit from the NFL Policies. Providing a benefit to Host Cities like the City of San
3 Diego was among the motivating purposes of adopting the Relocation Policies. The City of San
4 Diego’s breach of contract claim is consistent with both the objectives of the NFL Policies and
5 the reasonable expectations of the contracting parties (i.e., the NFL and its Clubs). The Statement
6 of Principles, a document negotiated by the NFL and the U.S. Conference of Mayors (the
7 “Mayors Conference”) – a representative of Host Cities – which the Relocation Policies
8 incorporate by reference, demonstrates these facts.

9 93. Relocation Policy Article 4.3 confirms that each [C]lub’s primary obligation to the
10 League and to all other member [C]lubs is to advance the interest of the League *in its home*
11 *territory.*” The Policies reference a Club’s “home territory” – defined in Article 4.3 of the NFL
12 Constitution to include “the city in which the [C]lub is located and for which it holds a franchise
13 and plays its home games, and the NFL Constitution explicitly mentions San Diego Chargers.

14 94. Defendants NFL and member teams were seeking to avoid was legislation that
15 would have effectively taken the relocation decision away from the NFL. By adopting the
16 Relocation Policies, Defendants NFL and member teams were able to retain some control over
17 relocation decision-making, but as acknowledged by Commissioner Goodell, Vice President
18 Grubman, and NFL Club owners John Mara and Dan Rooney, they had to abide by those Policies
19 in doing so.

20 95. In the Statement of Principles, the NFL recognized that Host Cities have certain
21 rights and interests, including “substantial and valuable financial, psychological and emotional
22 investment in their professional sports team” and the “jobs, revenues and other local economic
23 development” that sports teams generate. The amended Relocation Policies were intended to
24 reflect the “understanding” reached in the Statement of Principles and to “protect the interest of
25 the cities.”

26 96. San Diego is a host City that has been harmed, and thus sues – through a taxpayer
27 -- to protect the City’s interests.

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1 97. During the past decades, the City -- on behalf of taxpayers like Plaintiff --
2 contributed millions to retain the Chargers NFL team, all spent while the Relocation Policy
3 imposed obligations on teams and the League and required satisfaction with the Policy before
4 relocation could be approved.

5 98. The League Teams and the NFL continued to assure the City it should continue its
6 efforts to continue the Chargers' operation in San Diego. As a result of these and other efforts, the
7 City of San Diego spent millions in public money.

8 99. The Chargers breached its contractual obligation of diligence and good faith to the
9 detriment of the City, as third-party beneficiaries, as set forth above.

10 100. The Chargers, the NFL, its member teams, and their owners did not comply with
11 the Relocation Policy set out above. There was a substantial expenditure of public funds relating
12 to the stadium; there were no good faith negotiations from the Chargers or the NFL.

13 101. The team did not meet with the community nor the City in any meaningful way.
14 The factors set forth in the Relocation Policy mandated that the team be retained in San Diego
15 because the Chargers and the NFL had not complied with their obligations under the Policy.

16 102. Defendants are estopped from denying the binding and/or obligatory nature of the
17 Relocation Policy. The NFL adopted the Relocation Policy specifically to provide a process and
18 standards to reign in subjective decision-making in the hope of avoiding further antitrust liability.
19 Defendants, through NFL representatives, have admitted that the Policy imposes obligations on
20 the clubs and on the NFL and that the Relocation Policy must be satisfied for a relocation petition
21 to be approved. Given the history of the Relocation Policy and the NFL's position regarding the
22 Policy's role in the relocation process, the City on behalf of its taxpayers, like Plaintiff, relied on
23 the Policy's obligations and standards in structuring the relationship with the Chargers. The
24 City's reliance caused the City (and therefore its taxpayers) to suffer increased costs and other
25 damages.

26 103. As a direct and proximate result of the breach of contract, the City of San Diego,
27 has been deprived of a professional football franchise and all of its benefits, damaging the City
28 and its taxpayers in an amount to be determined at trial.

1 The relocation of the Chargers was wrongful because it caused the City damages in amount to be
2 determined at trial.

3 111. The defendant teams acted wrongfully because they were only able to obtain the
4 \$645 million by unjustly depriving San Diego of its status as a Host City and all the resulting
5 benefits associated with such status. The team defendants failed to follow the Relocation Policies
6 that were designed to consider San Diego's interest as an existing Host City.

7 112. The relocation fee and increase in value benefitted Defendants at the expense of
8 the City and its taxpayers. Defendants received those benefits only by wrongfully depriving the
9 City of the opportunity to retain the Chargers in San Diego.

10 113. The Chargers and the NFL knew that the City, on behalf of its taxpayers, was
11 spending vast amounts of time and money, and encouraged the City's commitments through
12 misrepresentations regarding the process and the Chargers' intent.

13 114. By virtue of being located in San Diego, in a publicly funded stadium designated
14 for that team, all Defendants received the many benefits of having a team within the San Diego
15 market. The Chargers paid a \$645 million relocation fee to the remaining Defendant member-
16 teams in order to move from San Diego to Los Angeles.

17 115. Defendant Chargers received the benefit of an increase in value due to the move to
18 San Diego, use of a publicly funded stadium under team-friendly terms, and stadium upgrades
19 made throughout the team's tenure in San Diego.

20 116. Those benefits were provided by the City through taxpayer funds during the time
21 the Relocation Policy imposed objective standards on relocation decisions and imposed an
22 obligation of diligence and good faith on the Chargers.

23 117. Defendants are estopped from denying the binding and/or obligatory nature of the
24 Relocation Policy. The NFL adopted the Policy specifically to provide a process and standards to
25 reign in subjective decision-making in the hope of avoiding further antitrust liability. Defendants,
26 through NFL representatives, have admitted that the Policy imposes obligations on the clubs and
27 on the League and that the Policy must be satisfied for a relocation petition to be approved. Given
28 the history of the Relocation Policy and the NFL's position regarding the Policy's role in the

1 relocation process, the City relied on the Policy's obligations and standards in structuring the
2 relationship with the Chargers.

3 118. The City's reliance caused the City and its taxpayers to suffer increased costs and
4 other damages and allowing Defendants to reverse course and deny the Policy's obligations
5 would be unjust.

6 119. Defendants received the benefits provided to them as set out herein.

7 120. Given Defendants' actions, retention by Defendants of those benefits is unjust.

8 121. As a direct and proximate result of Defendants' actions, the City and its taxpayers
9 lost, and have been deprived of, a professional football franchise in San Diego and all of its
10 benefits, and the Defendants have been improperly enriched by their conduct.

11 122. The City and its taxpayers are entitled to restitution in the amount of all sums
12 obtained by the Defendants based on their improper conduct described above, including, but not
13 limited to, the relocation fee, increase in team value resulting from the move to Los Angeles, and
14 the benefits conferred on the Chargers during the team's tenure in San Diego.

15 **THIRD CAUSE OF ACTION**

16 **(Fraudulent Misrepresentation and Concealment)**

17 **(Against the Chargers Football and DOES 50-55)**

18 123. Plaintiff incorporates by reference each and every allegation set forth in the
19 preceding paragraphs as if fully set forth herein.

20 124. As stated above, the Chargers Football through its representatives and agents made
21 repeated statements that were intended to induce the City of San Diego into continuing to support
22 and finance the stadium and to spend money in furtherance of stadium improvements and other
23 subsidies for the Chargers Football.

24 125. The Chargers' statements suggesting the Chargers Football was looking for a way
25 to stay in San Diego in and after 2006 were false. Chargers Football owner, Dean Spanos, had
26 already made up his mind to move the team to Los Angeles, according to the former Chargers
27 Football's Chief Operating Officer.

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1 126. Plaintiff discovered these facts when Plaintiff read a December 10, 2021, Union
2 Tribune article by Sports Columnist Bryce Miller which stated:

3 Jim Steeg, a former NFL employee and San Diegan who was a member of the
4 mayor-appointed Citizens Stadium Advisory Group in 2015, worked alongside or
had knowledge of relocation situations involving the Rams, Browns and Cardinals.

5 Steeg contended the Chargers planned to leave long before it happened. “I think
6 (owner) Dean Spanos made up his mind to move in 2006,” Steeg said. “It just took
him 10 years to do it.”

7 127. Plaintiff did not discover all the elements of Plaintiff’s claim until in and around
8 December 2021.

9 128. Neither Dean Spanos nor the Chargers Football has disclosed that Chargers
10 Football owner had made up its mind in 2006 to move the team out of San Diego to Los Angeles.

11 129. Dean Spanos’ and the Chargers’ plans to relocate rendered the prior statements
12 misleading.

13 130. The foregoing material misrepresentations and omissions were false, and were
14 known to be false when made. The City, on behalf of its taxpayers, were ignorant of the falsity of
15 the representations.

16 131. The Chargers intended for the City to act on the Chargers’ false representations.

17 132. The City relied on the false representations and in fact, spent considerable time,
18 effort, and funds to work on plans to meet the Chargers’ demands for additional public taxpayer
19 subsidies.

20 133. The City has a right to rely on the Chargers’ representations because, amongst
21 other reasons, the Chargers franchise is bound by obligations imposed under the Relocation
22 Policy.

23 134. As a direct and proximate result of the Chargers’ fraudulent misrepresentations,
24 the City of San Diego and its taxpayers have suffered damages in an amount to be determined at
25 trial.

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1 **FOURTH CAUSE OF ACTION**

2 **(Fraudulent Misrepresentation and Concealment)**

3 **(Against the National Football League and DOES 1-32 and 55-60)**

4 135. Plaintiff incorporates by reference each and every allegation set forth in the
5 preceding paragraphs as if fully set forth herein.

6 136. On about August 13, 2015, Eric Grubman, Executive Vice President of Defendant
7 NFL, stated that the Relocation Policy “puts obligations on the club and it puts obligations on the
8 league,” explained that a club has to receive 24 votes in order to relocate, and stated that, “to get
9 24 votes, the owners would have to reach the conclusion **that the club met the NFL guidelines.**”
10 (Emphasis added.)

11 137. On about January 30, 2015, prior to the relocation of the Chargers, Roger Goodell
12 stated that the NFL “want[s] all of our franchises to stay in their current markets.” On about
13 January 16, 2015, Mr. Grubman stated that the NFL has an “obligation, which we take very
14 seriously” to do whatever it takes to keep NFL teams strong in their existing markets.

15 138. At that time, Mr. Goodell on behalf of the NFL knew those statements were false,
16 and that host cities like the City of San Diego would rely on them and spend money and resources
17 in reliance.

18 139. At this time, the NFL was in fact aware that the Chargers were attempting to race
19 to Los Angeles.

20 140. The foregoing material misrepresentations and omissions were false, and were
21 known to be false when made. The City, on behalf of its taxpayers, were ignorant of the falsity of
22 the representations.

23 141. The NFL intended for the City to act on the Chargers’ false representations.

24 142. The City relied on the false representations and in fact, spent considerable time,
25 effort, and funds to work on plans to meet the Chargers’ demands for additional public taxpayer
26 subsidies.

27 143. The City has a right to rely on the NFL’s representations under the NFL’s own
28 Relocation Policy.

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As to All Causes of Action

7. For damages under CCP § 526a and other damages according to proof at trial;

8. For Plaintiff’s attorney fees and costs of suit incurred in this matter as provided by Cal. Code. Civ. Proc. § 1021.5 and any other applicable law;

9. For interest at the legal rate; and

10. For any other further relief, the Court deems just and proper.

AGUIRRE & SEVERSON, LLP

Dated: January 24, 2022

/s/Maria C. Severson
Maria C. Severson, Esq.