

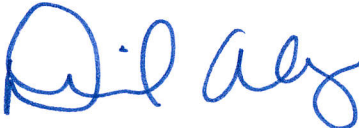


**COUNCILMEMBER DAVID ALVAREZ**  
**City of San Diego**  
**Council District Eight**

**MEMORANDUM**

**DATE:** January 11, 2016

**TO:** Scott Chadwick, COO, City of San Diego  
Joe Davis, Interim General Manager, San Diego Convention Center Corp.  
Randa Coniglio, President and CEO, Unified Port of San Diego

**FROM:** Councilmember David Alvarez 

**SUBJECT:** Convention Center Expansion Conflict of Interest

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On December 11, 2015, I received a letter from Fifth Avenue Landing, LLC regarding the sale of their leasehold interest to facilitate a contiguous convention center expansion. The letter indicated that the Mayor's office had reached an informal agreement with Fifth Avenue Landing, LLC to develop the Fifth Avenue Landing site for a contiguous convention center expansion and allow the City to complete the purchase of the leasehold interest by March 1, 2016.

A previous report in the media<sup>1</sup> indicated that there were meetings in November and October 2015 between Fifth Avenue Landing LLC, their consultant Charles Black, and Mayor Faulconer and his staff. This is the same Charles Black who prepared a March 19, 2015 memo to Chief Operating Officer Scott Chadwick, outlining development options for the Phase III expansion of the convention center. The cost estimates in the Charles Black memo were later used in the CSL Report<sup>2</sup> commissioned by the Convention Center Corporation on the costs and benefits of expansion options.

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<sup>1</sup> <http://www.voiceofsandiego.org/topics/land-use/he-said-she-said-on-whether-the-mayor-struck-a-new-deal-for-convention-center-land/>

<sup>2</sup> [http://cdn.sandiegouniontrib.com/news/documents/2015/08/31/CSLExpansionStudy8\\_28\\_20151.pdf](http://cdn.sandiegouniontrib.com/news/documents/2015/08/31/CSLExpansionStudy8_28_20151.pdf) See footnote 1 on Exhibit ES-1 on page 4 of the Executive Summary

Given that all contiguous Phase III convention center expansion options require the purchase of the Fifth Avenue Landing leasehold, I am concerned that Charles Black's work on both sides of this deal represents a clear conflict of interest. The American Bar Association's Rule 1.7 indicates that:

"Loyalty to a current client prohibits undertaking representation directly adverse to that client without that client's informed consent... Directly adverse conflicts can also arise in transactional matters. For example, if a lawyer is asked to represent the seller of a business in negotiations with a buyer represented by the lawyer, not in the same transaction but in another, unrelated matter, the lawyer could not undertake the representation without the informed consent of each client."<sup>3</sup>

Please forward to me any evidence that the City, the Convention Center Corporation, the Port of San Diego, and Fifth Avenue Landing LLC provided written informed consent to allow Charles Black to work on both sides of the negotiation over the Fifth Avenue Landing leasehold. A failure to forward such evidence would indicate that written informed consent was never granted.

CC: Honorable City Councilmembers  
Honorable Mayor Kevin Faulconer  
Honorable City Attorney Jan Goldsmith  
Honorable San Diego Convention Center Board of Directors  
Honorable Unified Port of San Diego Board of Commissioners

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<sup>3</sup>[http://www.americanbar.org/groups/professional\\_responsibility/publications/model\\_rules\\_of\\_professional\\_conduct/rule\\_1\\_7\\_conflict\\_of\\_interest\\_current\\_clients/comment\\_on\\_rule\\_1\\_7.html](http://www.americanbar.org/groups/professional_responsibility/publications/model_rules_of_professional_conduct/rule_1_7_conflict_of_interest_current_clients/comment_on_rule_1_7.html)