



**Miami-Dade Commission on Ethics & Public Trust**

**Report of Inquiry**

**Investigator:** Sylvia Batista

<b>Case:</b> PI13-040	<b>Case Name:</b>	<b><u>Date Opened:</u></b>	Closed.
<b>Complainant(s):</b> N/A	<b>Subject(s):</b> David Beckham	12/11/13	03/26/14

**Allegation(s):**

A local lobbyist raised the issue as to whether soccer star David Beckham (Beckham) was required to register as a lobbyist because he met with the Miami-Dade County Mayor and others County officials. A story also appeared in the 12/08/13 Watchdog Report alleging Beckham failed to register as a county lobbyist and had engaged in lobbying activities in his search for a soccer stadium location in Miami-Dade County.

**Relevant Law:**

The Conflict of Interest and Code of Ethics Ordinance, Sec. 2-11.1 (s) *Lobbying definition, requirements regarding registration and disclosure of expenses.*

Document/Audio/Video Review:

01/30/14 – a review of Miami-Dade County lobbyist registrations database reflects that Miami-Dade County lobbyist Jose Villalobos, Esq. (Villalobos) registered to lobby on behalf of Miami Beckham United (MBU) involving its search for a Major League Soccer (MLS) stadium in Miami-Dade County. MBU is a foreign limited liability company filed with the Florida Department of State, Division of Corporations on 12/09/13. Villalobos registered on behalf of this principal on 12/06/13. It was noted that Villalobos had not submitted his 2014 Annual Registration.

02/10/14 – a review of Miami-Dade County principal registration database reflects that several lobbyists registered on behalf of principal Beckham Brand Limited (BBL) in connection with the M L S stadium planned for Miami-Dade County. BBL is listed as the Manager of MBU. Lobbyists T. Spencer Crowley, Javier Fernandez and Neisen Kasdin registered on 11/06/13 and John Alschuler, Jr. and Cary Hirschstein registered on 11/21/13.

02/14/14 – review of several articles regarding Beckham and his proposed MLS stadium for Miami, as follows:

- *Reuters*, 06/01/13, “Beckham says prospect of owning Miami MLS team ‘exciting’ -“

Article reports that Beckham and potential partner Marcelo Claire (Claire) visited two potential stadiums (Sun Life and FIU stadiums) and met with Mayor Gimenez and Jose “Pepe” Diaz on Saturday, June 1, 2013. Claire is a member of the FIU boards of trustees.

Beckham, together with Simon Fuller (Fuller), who handles his business affairs, visited the stadium at FIU; and

Jose Sotolongo, executive director of Miami-Dade Sports Commission, met with Beckham.

- *Associated Press*, 10/29/13, “Source: David Beckham picks Miami for MLS franchise.”

Confirms June meeting between Beckham, Claire, and Mayor Gimenez, and their tour of the Sun Life and FIU stadiums.

- *The Miami Herald*, 11/26/13, “Beckham asks Miami-Dade to consider PortMiami as soccer stadium site.”

Article reports that Chip Iglesias (Iglesias) and the Mayor’s office confirmed that Beckham and his investors are interested in the seaport as the top potential site for the stadium. The county agreed to consider it. Beckham’s group is considering 30 or so potential stadium sites which they are analyzing with Miami-Dade County officials. Reports of an 11/25/13 meeting between Gimenez, Iglesias, and Alschuler. It was their second meeting in 10 days.

- *The Miami Herald*, 01/27/14, “Miami-Dade to begin negotiations with David Beckham

investors over potential soccer stadium.”

Reports that negotiations for the new Major League Soccer franchise will begin on Tuesday (01/28/14). Miami Beckham United and Gimenez’s office have scheduled a private meeting to review the investors’ list of up to 30 possible stadium sites. The groups’ favorite location is said to be on county-owned land at PortMiami. Progress on a new expansion franchise will be announced as early as next week. Chip Iglesias said that they anticipate further commitment to Miami from the group. Gimenez and county commissioners have said the county would not fund a stadium, and that use of public lands would require a fair rent payment. A Tallahassee lobbyist has been hired to go after state funds. The investors and New York real estate developer, John Alschuler, have been laying the groundwork with the county since before county commissioners gave their approval for the Mayor to proceed. Alschuler has met with Xavier Suarez and plans to meet with other commissioners as part of an ongoing dialogue involving the potential stadium and soccer in Miami. Suarez updated Bruno Barreiro, whose district includes downtown Miami. Suarez asked the investors to consider a site east of the Miami Intermodal Center, but they concluded that building at that site would be too costly. Suarez was more open to the PortMiami site and said he is still worried that the seaport stadium site could attract terrorists. Barreiro was noncommittal about the seaport site saying that it has a substantial amount of hurdles.

- *The Miami Herald*, 01/29/14, “David Beckham, Miami-Dade County to rally support for MLS stadium.”

Reports that MLS commissioner Don Garber and Mayor Gimenez are targeting next Wednesday (Feb. 5), to hold a news conference to rally support for a privately funded stadium and inform on the status of the plan to bring MLS to Miami. Gimenez confirmed the date of the news conference and said that there could be another related event next Tuesday (Feb. 4). A timeline has been set to complete any negotiations by the ends of the summer. Of the 30 sites toured by Beckman’s group only five are viable, according to Gimenez. Favorite is the waterfront lot on the S.W. corner of PortMiami. Alschuler said that negotiations are just getting started. Beckham is expected to return to Miami on Monday, February 3<sup>rd</sup>. Garber was quoted as saying that they want to do as much as they can to work with Beckham and his manager/business partner, Simon Fuller.

- *The Miami Herald*, 02/03/14, “Beckham-Miami deal one step closer; local visit plans revealed.”

Announcement that Beckham has exercised his option to buy an MLS franchise which he plans to bring to Miami. Beckham, his investment group and MLS commissioner Garber will be in Miami gathering support from community leaders and youth soccer clubs. There is an invitation only reception planned at the James L. Knight Concert Hall for Feb. 4<sup>th</sup> and a press conference planned for Wednesday at PAM. Beckham is in negotiations with Mayor Gimenez and the commission to lease county-owned land for the stadium. A deal is expected in the next few months.

- *The Miami Herald*, 02/05/14, “Beckham scores points on eve of team decision.”

Reports that Beckham is expected to get a MLS expansion franchise. Beckham spent over an hour on Tuesday, Feb. 4 meeting with politicians, and others at the James L.

Knight center as he tried to gain support for a MLS franchise in Miami. Garber is expected to formally announce at the PAM that Beckham has exercised his option to buy an expansion franchise. Beckham hopes to establish the team in Miami. The site that Beckham and investors are focusing on is the SW corner of PortMiami and other sites near downtown are being considered. Negotiations have started with the county over the publicly owned seaport site. Beckham's group intends to use private funds to build the stadium, but has hired a Tallahassee lobbyist to seek a state subsidy other professional sports teams have received.

- *The Miami Herald*, 02/10/14, "6 soccer stadium sites short-listed."  
Reports that the Beckham's venture with the county hinges upon building a new soccer stadium and finding one won't be easy. Beckham's group wants 10 to 12 acres downtown near public transportation to save on parking costs. The investors have pledged to pay for the stadium construction mostly with private money, but are seeking a state subsidy for new sports facilities. They prefer that the county help them get a publicly owned site, though the mayor and commissioners have said they expect Beckham and the investors pay a fair price for any public property. Each site is analyzed for its benefits and drawbacks. They are PortMiami, Marlins Park, two-acre parcel owned by the School Board, 12 acre in Wynwood, and an 8.5 acre site belonging to the Florida Department of Transportation by MIA.
- *The Miami Herald*, 02/14/14, "Should David Beckham have registered as a Miami-Dade County Hall lobbyist?"  
Article gives an analysis of the initial meeting held between Beckham and investors with Gimenez and Commissioner Diaz. Beckham and the investors did not register as lobbyists before the meeting and tour of the stadiums. The article asks whether Claire, an FIU trustee, was considered a principal when he brought Beckham and Fuller to FIU to sell them on Miami and concludes that the men would be considered principals now that they have announced plans to bring an MLS franchise to Miami. Several of Beckham representatives handling negotiations over the stadium have registered. The first Beckham lobbyists to register were T. Spencer Crowley, Javier Fernandez and Neisen Kasdin, on Nov. 6<sup>th</sup>. Gimenez dined at Claire's home on November 12<sup>th</sup>. Kasdin was present at the dinner. Two other Beckham representatives, Alschuler and Cary Hirschstein of HR&A Advisors, a New York development firm, registered as lobbyists on Nov. 21, and another lobbyist, Jose Villalobos registered on Dec. 6.

Commissioner Juan Zapata met twice in December with Alschuler, who was already registered, and Suarez met twice in January with Alschuler as well. Other commissioners have met Beckham himself, particularly during Beckham's visit during the previous week while he and MLS Commissioner Garber campaigned for the county to help the investors find a stadium.



**Investigation:**

***Interviews/Contacts***

**01/30/14 – Jose A. Villalobos, Esq. –**

Villalobos was informed of the reason for the inquiry. He advised that he did not engage in lobbying activities on behalf of MBU prior to filing his registration in December. He was advised that his registration for principal, MBU, was duly noted, but his 2014 Annual Lobbyist Registration is past due.

Villalobos submitted his 2014 Annual Registration the following day and delivered a copy to the COE.

**02/11/14 – Commissioner Bruno Barreiro –**

Barreiro was asked about any meetings that he may have had with Beckham, or any members of MBU. Barreiro said that he met once with attorney Neisen Kasdin of Ackerman Senterfit and with Beckham investor John Alschuler on the topic of the proposed MLS stadium. The meeting took place on 12/09/13.

**02/12/14 – Commissioner Xavier Suarez –**

Suarez's aide, Joanne Padron, was asked about any meetings that the Commissioner may have had in connection with the MLS stadium being proposed by Beckham and, M BU. Padron advised that on 01/15/14 Suarez met with Beckham investor John Alschuler, and lobbyist Villalobos at a potential stadium site and at the Commissioner's Coconut Grove district office. Suarez attended an event on 02/04/14 at the Adrienne Arsht Center related to the soccer stadium. The event was by invitation only. Padron no longer had the invitation, but believes it came from MBU.

**02/25/14 – Jose "Pepe" Diaz –**

Diaz met with COE investigator at his District office. Present during the interview was the commissioner's Chief of Staff, Maria Liabano. Diaz said that the first time he met with Beckham was several months ago; June 1, 2013 may be the date.

Diaz said that he was the sports commissioner. His job is to keep sports in Miami-Dade County. He has been trying to get the World Cup to come to Miami-Dade. He has been working MLS for a long time. Marcelo Claude (Claude) has been also trying to bring MLS to Miami. Claude said that he would try to bring Beckham to Miami. Claude has since announced that he is a partner in Beckham's MLS venture.

Diaz added that the 06/01/13 meeting was a result of a phone call from Claire. Claire called him a couple of days before they met. They toured Sunlife and the FIU stadiums. The group went on to see the Marlins stadium, but he did not go. Diaz said that Beckham was given the key to the county at that meeting. Present for the tour were Beckham, Claire and Simon Fuller (Fuller).<sup>1</sup> They toured the stadiums for a possible venue to be used as a soccer stadium. The stadiums were toured for Beckham to see stadium sites that were already built. During the stadium tours they did not discuss anything about finding a site for a new soccer stadium. After seeing the stadiums, Beckham was not convinced that Miami is the right place for his team. Diaz said that in actuality, the county was lobbying Beckham to come to Miami. He wants to bring people like Beckham to Miami.

Diaz said that he told Beckham about the positives of being in Miami that Latin Americans are huge fans of soccer and many live in Miami. The commissioner said that we need more jobs in the community. The figure 17,000 jobs was mentioned by someone.

Diaz said that he saw Beckham again at the reception at the art center. The reception was on the day before Beckham made his announcement at the Perez Art Museum (PAM) event. Diaz said that the PAM event was on 02/05/14. Diaz said that he did not attend the dinner hosted by Claire.

Diaz maintained that Beckham did not lobby them, but rather it was Beckham who was being lobbied. There are other cities that Beckham was looking at. It wasn't until recently that he said he liked Miami. Diaz said that should Beckham decide to come to Miami-Dade, the only break he would receive is a sports tax (franchise tax) credit.

#### **03/19/14 – Mayor Carlos Gimenez and Chief of Staff Genaro “Chip” Iglesias –**

Mayor Carlos Gimenez (Gimenez) and Chief of Staff “Chip” Iglesias (Iglesias) were asked about the 06/01/13 tour of the FIU soccer stadium that they took with Beckham and investors. In addition to Beckham, Claire, Fuller and members of FIU's athletic staff were present for the tour. The arrangement to meet with Beckham was made at the request of Claire. Claire called Iglesias and told him of his and Beckham's objective to bring a major league soccer franchise to Miami. Claire asked Iglesias to be at FIU and to pitch FIU to Beckham. The 06/01/13 tour with Beckham and associates was of the FIU stadium only.

Gimenez and Iglesias said that the initial meeting was an opportunity for the county to meet Beckham and sell Miami to him as the right place for his franchise. It was an opportunity for Beckham to consider where his team would play should he decide on Miami. Gimenez and Iglesias said that Beckham was more interested in Miami at the time. Beckham has considered several other metropolitan cities as possible places for his MLS franchise. No final decision has been made to date.

Gimenez was asked about any other occasion where he may have met with Beckham. Gimenez said that the only other time that he saw Beckham was at a dinner party at Claire's home. Claire's involvement comes from his effort in 2008 to bring a MLS team to Miami. Beckham knew this, and so they became partners. Gimenez said that any other meetings that

<sup>1</sup> At no point have Beckham, Fuller or Claire registered as lobbyists in Miami-Dade County.

took place on the subject were with Beckham's registered lobbyists.

**Conclusion(s):**

Beckham was not required to register as a lobbyist prior to his June stadium tour with the Mayor and other County officials. The Ethics Commission has previously opined that preliminary, "meet and greet" general discussions of product lines, goods and services, when no related matter is foreseeably before any commission, board or committee, does not constitute lobbying. In COE Inquiry (INQ) 12-75, the Commission opined that the President of Cisco's Globalization Division could meet with the Mayor to discuss, in general terms, Cisco's activities abroad without having to register first as a lobbyist.

Not every meeting with a County official constitutes "lobbying." It would make little sense to require Mr. Beckham, or any individual who is receiving a Key to the County to register as a "lobbyist" before being ceremoniously honored in such a fashion. Moreover, the observation was made that the County was essentially lobbying Mr. Beckham in an effort to get the possible economic stimulation an MLS stadium might bring to Miami-Dade County.

However, it should be noted that now that the MLS stadium idea has gained momentum only those individuals who are properly registered should be meeting with County officials to influence or encourage the passage, defeat or modification of ordinance, resolution, action or decision of County officials or personnel. Mr. Beckham may still meet with County officials without registering as a lobbyist, as long as he does not engage in any lobbying activity.

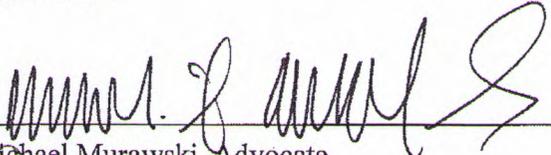
However, if he is involved in discussions intended to influence County officials, he would need to register as a lobbyist.

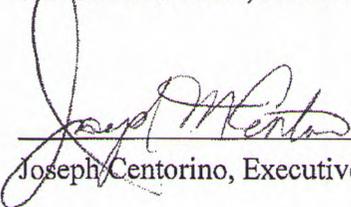
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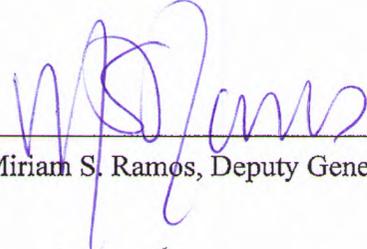
  
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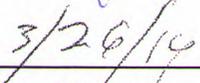
(Investigator's name), COE Investigator

Approved by:

  
Michael Murawski, Advocate

  
Joseph Centorino, Executive Director

  
Miriam S. Ramos, Deputy General Counsel

  
Date Closed

**CASE  
CLOSED**

Date: 3/26/14