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June 11, 2007

By Email

Hon. Chuck Reed, Mayor San Jose City Councilmembers City Hall 201 E. Santa Clara St. San Jose, CA 95110

Re: Support a Soccer Stadium at Former FMC Site

Dear Mayor Reed and Councilmembers:

Soccer Silicon Valley (SSV), a grass-roots volunteer organization comprised of thousands of members in San Jose and throughout the region dedicated to creating a permanent home for professional and recreational soccer in the Bay Area, urges you to support the city staff recommendation at your June 12, 2007 city council meeting and pursue a soccer stadium at the former FMC site near Mineta San Jose International Airport.

We believe that the soccer stadium proposal has the potential to confer upon the citizens of San Jose *extraordinary benefits* – both economic and social. Indeed, we believe that the potential windfall for San Jose is so great as to be unprecedented and unlikely to be replicated by any conceivable development proposal in the foreseeable future. The proposed benefits of a soccer stadium, as explained below, are by any reasonable definition "extraordinary."

We realize that the soccer stadium proposal being brought before you includes a request to convert industrial land as part of a creative mechanism for funding the stadium without resorting to a public appropriation. We appreciate that the proposal, therefore, seemingly implicates the

city's new policy against industrial land conversions – a policy which importantly (and necessarily) includes an exception where the proposal has the potential to confer extraordinary economic benefit to the city. We believe, however, that the policy does not apply because the industrial land in Edenvale proposed to be converted is being fully replaced under the proposal by the allowance of increased densities of development on adjacent industrial lands. In other words, the policy does not apply because there will in fact be *no net loss of industrial land*. We further believe, as explained below, that – even if the policy does apply – the soccer stadium proposal meets the express exception to the policy for projects which confer extraordinary economic benefit to the city.

Back in February 2007, SSV submitted to each of you our "Visitor Projections for a 25,000 Seat Soccer Stadium" (Visitor Project Report or VPR). We can make additional copies of the VPR available to you or your staff, if desired. As we stated then: "The VPR shows that over ten years there will be an economic impact to the City of San Jose of three quarters of a billion dollars (\$750,000,000) from the stadium complex, along with almost six million visitors to the stadium." We repeat those numbers again: *three quarters of a billion dollars* in economic impact over a decade, including *six million visitors to San Jose*. These numbers are by any measure extraordinary. <sup>1</sup>

The VPR reflects both the worldwide popularity of professional soccer and the American passion for recreational soccer, discussed below. Soccer – unlike anything else – has the power to connect San Jose to the entire globe while simultaneously connecting San Jose's diverse ethnic communities who hail from all corners of that globe. And while soccer is unique in this regard, San Jose is uniquely situated among American cities to capture and enjoy its benefits – both economic and social. San Jose is, and should be proclaimed, "Soccer Town USA." (In 2001, both the men's and women's professional club titles in the U.S. were won by San Jose squads, the only time that has ever happened.) Soccer is perhaps San Jose's greatest untapped resource and potentially its best claim to fame. A soccer stadium is an initial – and essential – step for tapping the rich rewards that soccer can offer San Jose.

## **Connecting San Jose to the Globe**

Soccer is undeniably the world's favorite sport. Indeed, the popularity of soccer world-wide is such that it commands a greater following than any of the planet's religions. More nations (and

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<sup>&</sup>lt;sup>1</sup> The substantial economic impact from a new soccer stadium is based on a model provided to us by the San Jose Convention & Visitors Bureau. The visitor projection is based on a study by the city's own Sports Facility Task Force. The VPR is fully annotated with source documents and scrupulously conservative in its projections. (For instance, we projected attendance at individual Earthquakes games at only 15,000, *i.e.*, only 60 percent capacity of an assumed 25,000 seat stadium.) Moreover, even discounting these projections by 20 percent (because the proposed stadium is smaller at roughly 20,000 seats than that assumed by us), the economic impact remains extraordinary.

some non-nations) participate in seeking qualification to the World Cup of soccer every four years than are seated in the general assembly of the United Nations.

Name-brand international soccer clubs, like Manchester United and Chelsea (England), Real Madrid and Barcelona (Spain), AC Milan and Juventus of Turin (Italy), and Chivas de Guadalajara and America of Mexico City (Mexico) along with individual soccer stars, like Brazilians Kaka and Ronaldinho (each so famous that a single name suffices) and British star David Beckham, who will begin play this year for the Earthquakes' traditional arch-rival, the Los Angeles Galaxy (and who might bring throngs to a new San Jose soccer stadium in subsequent years), are vastly more popular world-wide than American baseball counterparts like the New York Yankees or Barry Bonds or football equivalents like the Dallas Cowboys or Tom Brady. Further, these teams and players command revenue-streams, and incomes, that dwarf those of American sports franchises and players. The advent of the Internet and cable television in the last generation has allowed the global soccer brands to penetrate the American landscape. It is thus unsurprising that the sports business in this country has recently come to recognize the vast profit potential from the global soccer market.

The ordinary American's understanding of this phenomenon has been skewed because the mainstream media in this country has been slow to recognize, let alone appreciate, what is evident to anyone who bothers to look. Because of American exceptionalism, and (we would argue) unseemly nativism, American sports journalists have largely discounted the significance of soccer even when it is right in their proverbial backyard, as the Earthquakes used to be here in San Jose. For example, barely a week ago, on June 2, 2007, the most-watched sporting event in the world that day was held right here in San Jose at Spartan Stadium. The U.S. national soccer team played an international "friendly" (exhibition) against the national team from China, the second most powerful nation on earth with an economy fast approaching the same plateau. The game was televised nationally in this country on ESPN2 and across the globe, and easily a half billion Chinese looked on. It rivaled, or perhaps exceeded, a Super Bowl audience. But there was almost no build-up for the game in the *Mercury News* and minimal coverage of it afterward. Some 22,000 fans showed up in person for the game, but otherwise very few in town even knew the event was happening. Yet, ignorance here cannot erase the interest in soccer elsewhere on the globe in places where we derive our software engineers and wish to sell our technological gadgetry. The match against China was the first U.S. national team game in San Jose in four years, but with a new stadium we can expect such games every year in San Jose, and indeed multiple games every year.

Because soccer is appreciated in every corner of the planet, the opportunities for friendlies such as the U.S/China match earlier this month, are endless, not just among combinations of national teams, but also among clubs, and clubs against national teams. For instance, when the San Jose Earthquakes played here in a previous incarnation, they held matches at Spartan Stadium against the Canadian national team, the English squad Aston Villa, Benfica and Sporting clubs of Lisbon, Shenhua of Shanghai, German Bundesliga club Bayer Leverkusen, CSD Municipal of

Guatemala City, and against Mexican squads Morelia, Toluca, and UNAM Pumas, as well as Club America of Mexico City at Candlestick Park. Likewise, the Earthquakes traveled to China to play matches against Beijing Guon and Sichuan Quan Xing, to Guatemala, to El Salvador, and to Spain for the LaManga Cup, where they played Dynamo Kiev and several Norwegian teams while training for the 2003 and 2004 seasons.

Every national and professional team on the planet is a potential opponent, presenting myriad cultural and economic development opportunities for San Jose across the entire globe. For example, the Earthquakes could host games against clubs from each of San Jose's sister-cities, and serve as the city's ambassadors to each of them in matches abroad – not all in the same year, of course, but over tradition-building time. (Imagine the boost to the cherry-blossom festival if it included a celebratory Earthquakes friendly against an Okayama club team.) The Earthquakes could also host name-brand teams from various countries.

All of these international games are potential money-makers and marketing opportunities for the City of San Jose, its hoteliers, its restaurateurs and its residents. All these games expose the San Jose brand to the world in a way that nothing else possibly could. In 2005, for example, the MLS "goal of the year," scored by San Jose star Dwayne De Rosario, was replayed globally by CNN WorldSports. One of SSV's board members, while on a business trip, watched it in a Japanese hotel room and saw the name "San Jose Earthquakes" emblazoned across the TV screen. Similarly, whenever Earthquakes players perform for their national teams at the World Cup or other international tournaments (De Rosario stars for the Canadian squad, while several other now former Quakes play for the U.S.), these players' club affiliations are repeatedly announced.

It is no coincidence that Barcelona's rise as an international tourist destination coincides with its soccer team's ascendance in post-Franco Spain. Barcelona is now among the greatest and most well-known soccer clubs on the planet, and visitors there have suddenly discovered the extraordinary (there's that word) charms of what was otherwise just another of many beautiful old European cities. Similarly, the priciest museum ticket in Buenos Aires, the cosmopolitan "Paris of South America," is not the *avant garde* Latin American Art Museum, nor the Eva Peron Museum, but instead the Museum of Boca Fans' Passion, dedicated to the acolytes of a slum-dwelling soccer team located in, of course, its stadium, the internationally famous La Bombanera (the chocolate box). The pricey tickets are no disincentive; pilgrims, and that's what they are, come from around the planet to pay homage.

San Jose aspires to be a global city and to compete in the global marketplace. The cachet of its soccer team, as shown, can materially assist that effort. As we have seen, soccer provides an opportunity whereby San Jose can compete on the field head-to-head with Boca or Barcelona –

<sup>2</sup> After the Sporting match in 2004, which San Jose won 4-1, the Portuguese players partied with their Portuguese-American fans at the Sporting clubhouse in San Jose's Little Portugal neighborhood. Benfica also has a San Jose clubhouse, where Portuguese men go to lunch and watch matches from the old country.

and some day beat them, securing a name for itself in the process. The Earthquakes' arch-rival Los Angeles Galaxy is already going about seeking to become an internationally renowned super-club, by scheduling friendlies against Barcelona, Chelsea of London and others, and by (as noted) signing David Beckham. San Jose can join them. San Jose's Earthquakes have the oldest tradition in American professional soccer, dating to 1974. SSV fought to save and secured from Major League Soccer (MLS) this legacy; the new Quakes will resume play with all the old team's records and colors intact, just as the NFL Cleveland Browns did in 1999. With two MLS championship trophies and an entertaining, free-wheeling style of play and the most ardent fans in the league, the Earthquakes have a proud pedigree. Moreover, the Earthquakes' natural rivalry with the Los Angeles squad is the bitterest in American soccer (and gave rise in 2003 to the greatest game in MLS history when the Earthquakes erased a four-goal aggregate deficit enroute to their second MLS Cup title). The intra-national rivalry between America's best clubs in San Jose and LA sparked interest all over the planet. Sports Illustrated Online called it among the top five of its type world-wide, up there with Barcelona versus Real Madrid, and Boca versus its cross-town rival River Plate of Buenos Aires. The rivalry was a great asset for San Jose. Recapturing that rivalry against an L.A. squad led by Beckham would provide priceless benefits to San Jose's profile internationally.

Not only is a pro soccer team beneficial to San Jose's continued prosperity in a global marketplace, it arguably is *essential*. As FirstACT San Jose has recently explained, without world-class cultural amenities in an urban and urbane environment, the driving industries of Silicon Valley will be unable to continue to attract the national and international talent they need to continue to compete. That is the sober prediction from CEOs of our leading corporate citizens, like Cisco and others, and it cannot be blithely ignored. Soccer, like the symphony, the opera, and art museums, is such a necessary amenity. Every world-class city has a stage upon which it can showcase the world's favorite sport, and they all have at least one professional team (London has six, Buenos Aires four.) Currently, the San Francisco Bay Area is virtually alone among the planet's metropolises without a major professional soccer team. This deficiency places us at an incalculable economic disadvantage in attracting the best and the brightest, a disadvantage which increases every day in magnitude directly proportional to the extent to which, in the words of New York Times journalist Thomas Friedman, the "world is flat." No longer do Asian software engineers come here because there is nowhere else to go to realize their potential. Increasingly, our region will be able to import talent only to the extent the quality of life here provides the proper inducements. Our fine weather, for which none of us can take any credit, only gets us so far. Without professional soccer, the Bay Area is necessarily, in the eyes of much of the world, a provincial hinterland.

## **Connecting San Jose to Itself**

Soccer not only can connect San Jose to the globe, but it is uniquely capable of uniting the diverse communities within San Jose, which is the only large American city with no single

ethnicity comprising a majority of its citizens. San Jose is thus the nation's most diverse city – and as such, San Jose has the potential to be singularly enriched by soccer.

San Jose rightly prides itself on its diverse population. We celebrate our differences, but we also seek to create a single, harmonious community. And, if there is one thing we all share – youth, adults, male and female, and in each of our ethnic communities – it is soccer. A professional soccer franchise, which would be everyone's hometown team, is a natural vehicle to unite diverse communities who already embrace the sport.

It is worth asking why this did not happen in the previous incarnation of the Earthquakes. In part, this was because of lack of commitment from the prior ownership, which city staff has correctly described in the media as being "crappy." In part, it is also because the previous incarnation, until the eleventh hour when it was too late, lacked the support of a grassroots organization like SSV. We know from working closely with them that Earthquakes Soccer, LLC is committed to reaching out to the various communities of San Jose and the Bay Area who are united by a love of soccer, and this is also a basic tenet of SSV, and a message we have shared directly with many of you and your staff.

Benefits to Hispanic Community. The Hispanic or Latino community is the fastest growing community in the Bay Area. Soccer (*futbol*) is an integral part of the fabric of this community. Its popularity among adults and children was showcased last March when, in a game sponsored by Earthquakes Soccer, LLC, the national teams of Mexico and Ecuador played at McAfee Coliseum in Oakland, drawing over 47,000 fans, most of them Hispanic. The event was so popular that it drew a rare press conference with the Mexican national team's coach, Hugo Sanchez, here in San Jose.

Earthquakes Soccer, LLC, unlike prior team owners, is dedicated to embracing San Jose's large Hispanic population. SSV is informed that this is a key component of its marketing strategy and its corporate sponsorship strategy – and it makes sense because large corporations are recognizing the need to reach out to this increasingly sizeable and lucrative demographic market and these companies have come to recognize, as we do, that soccer is the entrée.

Not only, will the team sponsor games involving the Mexican national team as well as Mexican professional club teams, as it is already doing, but the Earthquakes have plans for a third-jersey emblazoned with the Hispanic rendition of the team's name, "Los Terremotos." Team shirts with this name are already on sale in its Fairmont Hotel offices; we expect you will see some at the June 12 council meeting.

Also, we are informed by the Earthquakes management that the team intends to run Hispanic youth development leagues. Again, this makes sense because, under new MLS rules, the Earthquakes will be allowed to retain talent that is developed locally. Such rules should give the

Earthquakes a tremendous on-field competitive edge since this is the top recreational soccer area in the country.<sup>3</sup>

SSV is likewise informed that Earthquakes Soccer, LLC will make Hispanic soccer development and Hispanic charities a principal part of their community philanthropic work. We have heard some specifics which we are not at liberty to discuss, but we can say that we are quite impressed and we know the city council will be as well.

Benefits to Vietnamese Community. San Jose's Vietnamese-American community also loves soccer. SSV has made it part of its mission to embrace this community within the Earthquakes family. We have been in close contact with the office of councilmember Madison Nguyen and have forwarded to Earthquakes Soccer, LLC ideas which have emanated from there, including: advertising in Vietnamese language media, partnering in the soccer tournament held as part of the annual Tet Festival each February, participating with players in the Vietnamese-American community resource fair at city hall, assisting with the fund-raising efforts to build a Vietnamese Cultural and Community Gardens and a Vietnamese-American Community Center, and potentially a charity game involving Quakes players versus local Vietnamese-American "superstars."

SSV cannot speak for Earthquakes Soccer, LLC concerning its commitment to pursuing any or all of these excellent ideas, but we do pledge to place our efforts and energies behind them.

Benefits to Other Ethnic Communities. SSV has also reached out to other ethnic communities within San Jose and made introductions to Earthquakes Soccer, LLC.

For example, SSV invited prominent members of Benfica Club of San Jose, the largest Portuguese club, to attend the Mexico/Ecuador game in Oakland last March as our guests in the SSV suite along with consular officials from across Latin America. The Portuguese emissaries were introduced to Earthquakes vice president David Alioto; at a follow up meeting, they discussed how they might bring Portuguese clubs like Benfica to play and train here.

SSV is also working with the Earthquakes and planning commissioner Matt Kamkar on behalf of the Bay Area Iranian-American community to sponsor a screening of Jafar Panafi's soccer film, "Offsides," about the plight of Iranian women whose only crime is a desire to attend soccer games. The proceeds from the screening will all go to the ongoing effort to build an Iranian-American cultural center here in San Jose.

Additionally, reflecting the contribution of an Italian-American to the game of soccer here, SSV recently sponsored the renaming of the soccer bowl in Watson Park to the "Umberto Abronzino

<sup>&</sup>lt;sup>3</sup> The same rule structure historically prevailed in the National Hockey League prior to 1967 and the Montreal Canadiens used its ability to keep all the best French-Canadian players from the province of Quebec to develop a hockey dynasty; the Canadiens have won more Stanley Cups than the New York Yankees have World Series' rings.

Soccer Bowl at Watson Park." This city council passed the measure unanimously. We hope to help raise funds within the soccer community to make the Abronzino Bowl a showpiece for soccer in San Jose, and we hope and expect that the Earthquakes will contribute to the effort.

Benefits to Recreational Soccer for Youths and Adults. San Jose and the entire Bay Area is the most fertile ground for recreational soccer in the entire country. Per capita, more of us play and watch soccer than anywhere else in the United States.

According to the California Youth Soccer Assn. (CYSA), there are well over 215,000 youth soccer players in Northern California on some 16,000 teams, with 30,000 adult coaches and team managers and over 11,000 referees. In the past, teams would see a significant drop-off in participation around age 15. But the trend has reversed, and currently U15 and up participation continues to stay strong and highly competitive with players who will be the fans of the future. This is the new sport that kids are embracing over and above football, baseball and basketball, which have become almost elitist in youth sports. Additionally, professional soccer players are some of the most respectable athletes in the world and are excellent role models for today's youth. Previous San Jose players coached local youth on a regular basis. What other professional athletes do you know of that gives back to the community in such a way? The professional player's involvement is one of the factors that, for San Jose, has made the sport the fastest growing and is creating a most loyal fan base for the future of the sport.

The Earthquakes' youth development program (mentioned above) will not be exclusive to Hispanics. There will be a component that focuses on locating and developing Hispanic talent but the team's youth development program will be far reaching throughout the region to tap in to the huge talent pool that currently exists in all ethnicities. There are currently U16 players on the minor league San Jose Frogs team. This past weekend, Mexican clubs like Chivas, Club America, and Morelia had representatives at a huge Hispanic tournament in Salinas. They are here with the express purpose of signing our local players to return to Mexico to play for their club teams. With a local professional club, we will keep our talented youngsters close to home and provide role models for generations beyond.

South Bay Adult Soccer League (SBASL), with 140 teams and more than 3,000 players, is the largest adult league in all of California. But it is hardly the only one in Santa Clara County. The Peninsula Soccer League (PSL), which Abronzino formed, has another 50-plus teams and more than a thousand players, both men and women. So, too, does the co-ed Silicon Valley Soccer Assn. And then there is the primarily Hispanic San Jose Soccer League, with approximately 90 teams and more than 1500 players. San Jose's parks league has another 40 teams. Compare this level of participation to Phoenix, a city twice San Jose's size, with only a single, 40-team adult league, and you begin to realize the tremendous level of interest in adult soccer here in Santa Clara County, not to mention the rest of the Bay Area, which includes another 350 adult teams.

However, as this council is well aware, there is a dearth of quality recreational fields on which to play, especially in San Jose. A component (perhaps an essential one) of the solution is to have a professional soccer franchise with an economic interest in developing and maintaining such fields in San Jose. SSV is informed by Earthquakes Soccer, LLC that, in addition to the stadium in which the team plays, the team will need recreational soccer fields, both for practice space, but also for player development, as discussed above. These fields do not need to be in San Jose – and we suspect they will *not* be if the team is forced to look elsewhere for a stadium. But there is a significant opportunity to obtain such fields, which could serve existing youth and adult league players also.

The city, using its unspent (because the city has thus far been unable to spend it without a private partner) Measure P funds, could partner with the Earthquakes develop a recreational complex that would be the envy of the entire nation; we know that the Earthquakes would be interested in such a partnership. Further, though we cannot speak for the Earthquakes, SSV believes that the time is ripe for a proposal to the County of Santa Clara for such a complex at the fairgrounds, using the resources of the team, the city's Measure P funds and the county's land. Such a complex could also attract – onsite – the sort of hotel and retail development that the county desires to generate income on the property. This is because recreational soccer tournaments are big business in themselves. As reflected in our VPR, San Diego's annual "Surf Cup" tournament, which is held over three weekends (9 days total), generates, in excess of \$19 million annually in economic impact. San Jose can do even better, but not if the city council votes "no" to pursuing a soccer stadium on June 12.

Benefits to Women's Soccer in San Jose. Soccer is a game that can be played at a high level by both boys and girls, and men and women. Thus, the benefits in terms of recreational fields, as discussed above, inure to both genders. Additionally, a professional soccer stadium would not only be a venue for a men's professional team but a women's team, as well. Earthquakes Soccer, LLC holds an option on a franchise in a women's professional league set to begin play next year. (San Jose had a championship-level team, the CyberRays captained by Brandi Chastain, in a previous women's league which folded). SSV has been assured that the Earthquakes will exercise the option to bring back a women's team if it can obtain a stadium deal.

Benefits to Existing Earthquakes Fans. Finally, a few words about the benefits of a soccer stadium to the citizens of San Jose who happen to be Earthquakes fans: Contrary to what you might read – or not read because of poor coverage – in the San Jose Mercury News, we exist and there are many of us, in all walks of life, and all over the Bay Area. We are not "hooligans" but, instead, pillars of our community. We know, for example, that at least three of the ten chiefs of staff to individual council members are ardent Quakes fans, as is the president of the board of the San Jose Sports Authority. Some of us Earthquakes fans will be at the city council chambers wearing blue on the afternoon of June 12, just as a couple hundred were on hand in December 2005, in an effort to save the prior edition of the team, and just as more than 1500 fans rallied in Plaza de Cesar Chavez in August 2004.

Considering what we have been through the past several years, including the threatened and actual loss of our team, the local fans of the San Jose Earthquakes are the best in American soccer. A year-and-a-half after the loss of our team, we are still loud and strong, working to get our team back in the Bay Area, reflecting our motto – *nunca te rindas* or "never give up." MLS recognizes the value of this market, as does of course Lew Wolff, even if the *Mercury News* does not. That's why San Jose is getting this unprecedented second-chance at a MLS team.<sup>4</sup>

Also, not only do we exist, we matter. Many of us vote here in San Jose, others visit and spend their money here, many of them only when attending Earthquakes games and for no other reason. The benefits to us of having our team back must be factored into the city council's analysis.

San Jose Mercury News sports columnist Mark Purdy, who by his own candid admission is "not exactly Mr. Soccer," succinctly made the point in a column this past Sunday, observing that "even a cynic such as myself can appreciate the benefits of having a pro *futbol* squad within the city limits:"

Let's assume you are a San Jose resident, as I am. Let's assume the city's next big project involves no increase in your taxes. Would you like to see another glob of big-box retail stores and fast-food outlets bordered by an office park, where en route to your dreary cubicle you could buy a garden weasel or soybean latte? Or would you like to see the Bay Area's only modern dedicated soccer stadium, where you could take your kid or grandkid to watch a game on a warm summer day? I mean, is this even a question?

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If such a team provides a little joy, good times and family memories, what's the harm? I don't seem to recall anyone complaining that the Earthquakes were a horrible pox on our city during their eleven seasons [actually ten] in town . . .

<sup>&</sup>lt;sup>4</sup> Some critics devalue MLS as a "minor" league. However, MLS is, by definition, major in that it is the top domestic professional league. It may not (yet) have the quality of play of the English Premier League, Spain's La Liga, the German Bundesliga or Italy's Serie A, generally regarded as the world's best, but the quality of MLS play is nonetheless in the upper echelon and the league itself, now in its twelfth season, is stronger than ever, both in terms of the level of play and of its economic vitality. As of this April, seven of the league's 13 teams play in their own stadiums, while five more clubs either have stadiums under construction or are in the planning process. Soccer is getting higher television ratings in the U.S. than ever before, and MLS has lucrative multi-year contracts with ESPN, Telemundo, and HDNet to broadcast its games, and a long-term sponsorship deal with Adidas, not to mention the deal that has brought the mega-superstar David Beckham to MLS, a deal which has purportedly already paid for itself in publicity, merchandise sales and sponsorship, before Beckham has even set foot on the field.

Please remember that the San Jose Earthquakes professional soccer team is not an abstraction. It has a real history and tradition with a true and passionate following among San Jose residents, as well as residents from throughout the Bay Area. Renewing that tradition has tremendous value.

## Conclusion

In conclusion, we believe that a soccer stadium, and the consequent return of a professional soccer franchise at the highest level of the sport in this country in the form of the San Jose Earthquakes, the oldest and proudest brand in American soccer, presents truly extraordinary potential benefits to San Jose, both economic and social.

In SSV's view, the decision whether or not to pursue a soccer stadium at the former FMC site is a "no brainer." A vote "yes" on June 12 to support the staff recommendation in favor of pursuing exclusive negotiations for a soccer stadium at the former FMC site is a no-lose proposition, because the vote is non-binding. The matter would later be brought back before this council, which could still veto the deal if it found it unpalatable. On the other hand, a vote "no" to preemptively abort discussions is a no-win vote because it will be the end – forever, we believe – of the possibility of professional soccer in San Jose. The extraordinary opportunity presented to San Jose will go elsewhere in Northern California (perhaps suburban Sacramento), never to return. Further, a "no" vote would herald to business interests everywhere that San Jose is the sort of town that "looks a gift horse in the mouth" and is not open seriously for business. Make no mistake, the whole world is watching. As a consequence, we believe, a "no" vote would signal the decline of San Jose from its half-century rise, and in another half century historians will rightly vilify this council for its lack of foresight.

SSV, on behalf of the thousands of fans of the San Jose Earthquakes, urges you to support the staff recommendation and vote "yes" to pursue continued negotiations on June 12.

Regards,

Don Gagliardi President, Soccer Silicon Valley

cc: Paul Krutko, Director San Jose Office of Economic Development
David Alioto, Vice President, Earthquakes Soccer, LLC
SSV board (Jay Hipps, Freddy Adames, Dave Chamberlain, Lori Hibbett, John Jussen, Colin McCarthy, Mike Turco, Carol Vartuli-Marin and Ned Zuparko)