



# Ed Roski's NFL Obsession

THE REAL ESTATE DEVELOPER WANTS TO BRING FOOTBALL BACK TO LOS ANGELES. WITH POLITICAL BACKING FOR A NEW STADIUM, ALL HE NEEDS IS A TEAM.

By DANIEL TAUB and ANTHONY EFFINGER Photograph by MICHAEL GRECCO



A phalanx of tall, tribal statues guards billionaire Ed Roski's desk. Dozens of wooden masks—wide-eyed, big-nosed, demon-scaring masks—loom along one wall. Roski brings the relics back from his frequent treks in Asia and Africa.

A former U.S. Marine who won two Purple Hearts in Vietnam, Roski likes extreme endeavors. He has bicycled across Mongolia and Myanmar and plunged to the wreck of the *Titanic* in a Russian submarine. He's No. 128 in line to ride into space on a craft being built by Richard Branson's Virgin Galactic.

One feat so far has eluded Roski, 71, chairman of Majestic Realty Co., which owns 80 million square feet (7.4 million square meters) of mostly industrial real estate. Roski has been trying with a Captain Ahab-like effort for 13 years to bring a National Football League team back to the Los Angeles area, which the Raiders and Rams both abandoned in 1995.

"Sports are part of the fabric of a city," says Roski, who has a full head of trimmed silver hair and always wears a suit and tie to work in casual Southern California. "I've been willing to spend the time on that. A lot of time."

Roski is closer than he's ever been to reaching his goal. In October, Governor Arnold Schwarzenegger signed a bill clearing opposition to Roski's proposed \$800 million stadium in City of Industry, a smog-bound collection of factories and strip clubs 20 miles (32 kilometers) east of downtown Los Angeles that Majestic has carpeted with warehouses.

Roski is succeeding, in part, because California is failing. Unemployment was 12.3 percent in November, tied with Nevada and South Carolina for the third-highest rate in the nation, behind Michigan and Rhode Island. The state faces a \$20 billion budget deficit. By promising to create 6,735 permanent jobs and 11,964 temporary ones in construction, Roski rallied support from California lawmakers and Schwarzenegger. The legislature passed a bill that exempted the stadium from land-use laws that have been on the books since the 1930s—and quashed a lawsuit brought by citizens worried about noise and traffic.

**Ed Roski** says there are seven NFL teams that could move to Los Angeles.

"This is absolutely without precedent," says Peter Detwiler, staff director for the state Senate Committee on Local

Government. "I know of no other law that exempts a development decision from state land-use laws."

If he wants to make money, Roski would be better off erecting more warehouses, says Michael Cramer, a professor of sports management at New York University. "This transaction isn't for the faint of heart or the light of wallet," Cramer, a former president of the Texas Rangers professional baseball team, says. Being in the second-biggest media market in the U.S. doesn't help much because the NFL shares revenue from television with all 32 teams.

Roski says he won't start building a stadium until an NFL team agrees to move in. He wants at least a minority ownership, too. The seven he says are in play are the Buffalo Bills, Jacksonville Jaguars, Minnesota Vikings, Oakland Raiders, San Diego Chargers, San Francisco 49ers and St. Louis Rams.

Representatives of the Bills, Chargers, 49ers, Jaguars and Vikings all say their teams plan to stay in their respective cities. "We've said in the past we're not looking to leave here," says Ted Crews, a spokesman for the Rams. Raiders representatives didn't respond to requests for comment.

"We would like to return to the Los Angeles area," says Brian McCarthy, an NFL spokesman. "While there is real progress for the first time on a new stadium with the Roski project, we are not ruling out any other potential sites."

Roski succeeds by grinding on where others might give up, people who know him say. "This has been a hellacious process," Roger Staubach, who won two Super Bowls as quarterback of the Dallas Cowboys and now works in commercial real estate, says of Roski's stadium quest. "He's a bull," says Tim Leiweke, chief executive officer of AEG, billionaire Philip Anschutz's company, which built the Staples Center arena in downtown Los Angeles with Roski and owns it with him. "He's a friendly bull. I've never seen him gore anybody."

Opponents of the football stadium say they've been gored. The group that sued to stop him lives in Walnut, a collection of chain restaurants and tract homes built into grassy hills overlooking the stadium site off the Pomona Freeway. The Citizens for Communities Preservation Inc. filed its complaint against City of

Industry in California state court in Los Angeles on March 30, 2009, just days after the city of Walnut did. Majestic was named as a party in both suits, and Roski was named personally by the city of Walnut.

Both lawsuits said City of Industry didn't conduct a proper environmental review on the stadium, which will pave some of the last open land in the area. The venue will bring more traffic down Grand Avenue, a four-lane road that cuts through Walnut, running past its Starbucks, McDonald's, Staples and In-N-Out Burger, the citizens say, and the noise from football games, monster-truck rallies and rock concerts will disturb the peace.



Source: www.majesticreality.com

Roski's **proposed stadium**, shown above in an artist's rendering, will sit on **former pastureland**, right, in City of Industry.

Roski responds that when Majestic and City of Industry updated a 2004 environmental review for an office development on the same site, it included every possible impact of putting a stadium there.

"You can't imagine what we studied," he says.

**I**N MAY, MAJESTIC tried to get the citizens' complaint dismissed. When a judge let it stand in July, Roski's right-hand man, former U.S. Navy fighter pilot John Semcken, organized a lobbying effort in Sacramento. The legislature passed a bill that gave Roski an exemption to the law requiring the environmental review. Schwarzenegger was driven to the stadium site in his black sport utility vehicle on Oct. 22 to sign the bill. Roski has given Schwarzenegger's campaigns more than \$100,000, according to the California secretary of state.

"I lost faith in the system," says Joaquin Lim, 59, who lives in Walnut, a half mile from the stadium site. Lim is on the Walnut city council but says that he can't speak about the project as a council member because of a settlement with Roski that requires Walnut officials to stay out of the legal fracas. Lim was the lone dissenter on the five-person council, which settled the lawsuit in September. One member recused himself. The citizens refused to settle their suit.

Roski's love of football dates back to his childhood, when he watched the Rams play at the Los Angeles Memorial Coliseum, which hosted the 1932 and 1984 Summer Olympics. "Everybody had season tickets," he says.

Roski joined the U.S. Marine Corps while at the University of Southern California, where he graduated in 1962 with a bachelor of science in finance and real estate. Three years later, his battalion fought in Operation Starlite, routing a Viet Cong regiment poised to attack a Marine air base at Chu Lai, he says. He left the Marines as a first lieutenant with two Purple Hearts and came home to work at Majestic, a brokerage founded by his father. They ran it together starting in about 1980, turning it into a developer. Ed Sr. died in 2000.

Roski made his move into the sports business in 1995, when he and Anschutz paid \$113.25 million for the Los Angeles Kings professional hockey team. They tried to get the city to help finance the building of an arena, asking for at least \$60 million in public

money to buy land. Talks dragged on until October 1997, when Roski and Anschutz decided to foot the bill. The result was the Staples Center, which today even crit-



ics laud for reinvigorating downtown Los Angeles. Roski burnished his reputation in 2006 by pledging \$23 million to the School of Fine Arts at USC, where he is chairman of the university's board of trustees.

Roski has had less luck with bringing football back to the Los Angeles area, which would require the NFL's blessing. Starting in 1997, Roski, joined later by KB Home co-founder Eli Broad, worked with state and local officials on plans to buff up the Coliseum with luxury suites within its historic walls. Entertainment agent Michael Ovitz and supermarket magnate Ron Burkle tried to outflank them with a new stadium on a former landfill in nearby Carson.

In October 1999, the NFL passed over both proposals and awarded its 32nd team to Houston. "We could never really satisfy all the requirements of the NFL," Roski says. "They wanted to have a great facility." Broad says Houston's plan was made more attractive by the public money—more than \$195 million—it included. "We didn't have any," he says. "So that was the end of that."

The loss sent Roski back to City of Industry,



Governor **Arnold Schwarzenegger**, with **Roski** at his left shoulder, signed into law a bill that exempted the proposed stadium from a California environmental statute.

Majestic's home base. Industry, as the locals call it, is truly industrial. It has 2,500 businesses and just 800 residents, even though it occupies 12 square miles (31 square kilometers) in the crowded San Gabriel Valley.

Roski controls an estimated 27 percent of the land in town through various entities, according to a book published in September by California Polytechnic State University professor Victor Valle, *City of Industry: Genealogies of Power in Southern California* (Rutgers University Press).

The small number of voters makes it easy to pass business-friendly measures, Valle says. In January 2009, the town voted 60-1 to authorize the sale of \$500 million of bonds, some of which may be used to build roads and sewers for the stadium, according to City Manager Kevin Radecki.

Industry's neighbors weren't so compliant. Howard Wang, one of the citizen plaintiffs, says Roski met with

them last year and listened to concerns of Walnut's residents, more than half of whom are Asian-Americans, according to the town's Web site. Roski brought along his daughter, who speaks fluent Chinese, and he gave out copies of a children's book that his wife, Gayle, an artist, had illustrated. The talks went nowhere.

Roski sent Semcken to lobby in Sacramento. First-term Assemblyman Isadore Hall agreed to sponsor a bill that effectively neutralized the citizens' lawsuit. Hall says he supported the bill because the stadium would create jobs. It passed the assembly 54-18 on Sept. 10.

Senate President Pro Tem Darrell Steinberg held the bill and asked the sides to negotiate further. Walnut settled its complaint after Roski agreed to pay the city \$9 million for traffic improvements, \$725,000 in legal fees and other expenses and at least \$350,000 a year to mitigate the project's impacts.

The Walnut citizens pressed ahead with their suit. Steinberg gave up on the talks. The bill passed the Senate 21-14.

"The argument is that you can weaken environmental review because the economy is hurting," says Senator Alan Lowenthal, a Democrat from Long Beach, who voted against the bill. "It's a terrible precedent."

Schwarzenegger signed the bill on Oct. 22. With that, Roski, the tenacious collector of masks, statues, and thrilling experiences, charged closer to winning the bigger trophy he's been eyeing for 13 years. **B**

**Daniel Taub** covers real estate at Bloomberg News in Los Angeles. [dtaub@bloomberg.net](mailto:dtaub@bloomberg.net) **Anthony Effinger** is a senior writer at BLOOMBERG MARKETS in Portland. [aeffinger@bloomberg.net](mailto:aeffinger@bloomberg.net)

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## Tracking Lawsuits

You can use the Bloomberg Law Search (BLS) function to search for information related to legal proceedings brought against City of Industry, California, by a citizens group and the neighboring town of Walnut over Ed Roski's plans to build a football stadium there. Majestic Realty, Roski's real estate firm, was named as a party in both suits, and Roski also was named personally by Walnut. Type BLS <Go> and click on United States and then on All United States so that it appears under Selected Sources at the bottom of the screen. Tab in to the ENTER SEARCH TERMS field and enter *MAJESTIC REALTY*, as shown at right. Then type <Go> 1 <Go>.

To view the docket for Walnut's case against Industry, including a calendar of court dates and a summary of proceedings, scroll down until you

see the item beginning "CITY OF WALNUT VS CITY OF INDUSTRY, Docket No. BS119780." Click on the item and then on 1 under Docket Proceedings to request a copy of the petition filed on March 25, 2009.

For a menu of sports news, type BSP <Go>. Click on NFL Football to access news, statistics and audio/visual reports on the National Football League.

**BETH WILLIAMS**

