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UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION

PERRI L. IRMER,	
Plaintiff,	Case No.
vs.	
JERRY M. REINSDORF and JAMES R. THOMPSON	JURY TRIAL DEMANDED
Defendants,	

COMPLAINT FOR VIOLATION OF CIVIL RIGHTS AND TORTIOUS INTERFERENCE WITH PROSPECTIVE ECONOMIC ADVANTAGE

Plaintiff, PERRI IRMER, by attorneys Carmen D. Caruso and Linda C. Chatman, for her complaint against Defendants, JERRY M. REINSDORF and JAMES R. THOMPSON, states and alleges as follows:

Nature of the Case

Perri L. Irmer, a successful real estate executive, attorney, and dedicated public servant, brings suit against Defendant Jerry M. Reinsdorf, the chairman and principal owner of the Chicago White Sox, and Defendant James R. Thompson, a former Illinois governor and former chairman of the board of the Illinois Sports Facilities Authority ("ISFA"), for causing the termination of her former employment as ISFA's Executive Director and Chief Executive Officer. Her claims against these Defendants are as follows:

Count I: Against Defendant James R. Thompson under 42 U.S.C. §1983 for infringement of Plaintiff's First Amendment right to exercise free speech and to be free from retaliation for the exercise of that right.

Count II: Against Defendants James R. Thompson and Jerry M. Reinsdorf for conspiracy to deprive the Plaintiff of her civil rights under 42 U.S.C. §1983.

Count III: State law claim against Defendant Jerry M. Reinsdorf for tortious interference with Plaintiff's prospective economic advantage in her continued employment.

ISFA is the public entity that was created to develop and operate the baseball stadium known as U.S. Cellular Field ("Cellular Field"), the home of the Chicago White Sox. Since 1991, when Cellular Field opened, the Chicago White Sox have enjoyed the most lucrative and one-sided deal (which Defendants Reinsdorf and Thompson had negotiated while Thompson was still the governor) ever granted by a state to a privately owned professional sports team.

From late 2004 forward, Perri Irmer worked tirelessly to try and improve ISFA's financial position. She continually sought to increase ISFA's revenues by promoting the use of the stadium for special events and concerts, and by seeking to develop State-owned real estate assets to generate rent payments, which are the only two areas of revenue at the stadium that were not pledged to Reinsdorf and the White Sox under their sweetheart lease. However, Reinsdorf and his political influence stymied all such efforts on behalf of the state and its taxpayers.

Perri Irmer also sought to increase public access to the "people's ballpark," as she liked to call Cellular Field. She sought to increase public events on nongame days and she sought to fill some of the unsold seats at the ballpark with persons who might not otherwise be able to attend a ballgame, especially African-American and Hispanic youth. She also worked to increase minority and women contracting with considerable success.

In 2010, over Perri Irmer's objections, the ISFA Board gave the White Sox a rent free deal enabling the team to obtain all of the revenue from the operations of *Bacardi at the Park*, which is the new restaurant that opened on publically owned land on 35th Street, across the street from Cellular Field. The terms of this deal should have outraged every citizen and taxpayer in Illinois. As the Chicago Tribune belatedly reported on October 27, 2011:

White Sox restaurant, Bacardi at the Park, is paid for with millions of public funding without return on investment

With the White Sox losing more than they won last season, a new restaurant across the street from U.S. Cellular Field gave fans a place where they could drink away their sorrows.

But Bacardi at the Park was not brought to the north side of 35th Street by a generous corporate sponsor or the team's marketing department.

Taxpayers covered the tab.

The Illinois Sports Facilities Authority, the government agency that built and owns The Cell, paid \$3.2 million for construction of the restaurant plus just about everything inside the place, from walk-in refrigerators to bar stools, the Tribune and WGN-TV found in a joint investigation.

Another \$3.7 million from the agency went for infrastructure upgrades for water and sewers at the Gate 5 plaza that made the restaurant possible.

A 2010 agreement between the Sox, who selected Gibson's Restaurant Group to run the business, and the agency shows that at the project's completion, the team was exempt from owing the agency any money. ...

The Illinois Sports Facilities Authority agreed with White Sox owner Jerry Reinsdorf that the agency should not share in any restaurant profits.

"We said to Jerry, 'Jerry can we have part of the

profits?' and he said no," former Gov. Jim Thompson, who was the agency's board chairman when the deal was made, said in an interview. "We said, OK.'

"I've known Jerry for 52 years. He's tough. He's tough."1

Then, in early 2011, the White Sox asked ISFA to spend another approximate \$10.5 million in improvements at Cellular Field. Perri Irmer reviewed that request, and concluded that many of the requested improvements were neither necessary nor affordable under the ISFA budget. To protect taxpayers, she sought to cut approximately \$7 million from the White Sox request.

And, Perri Irmer saw clearly what should have been obvious to anyone familiar with ISFA. Under former Governor Thompson's leadership, the ISFA Board had become ineffective to protect taxpayer interests, and was acting as nothing more than a cash cow puppet for Jerry Reinsdorf.

Irmer thus initiated an effort to try and bring reform to ISFA. Speaking out as a highly informed citizen, she sought intervention from the Governor of Illinois, Patrick Quinn, and the new Mayor of Chicago, Rahm Emanuel, among other members of the Illinois political community who would be in a position to impose reform upon ISFA.

But Jerry Reinsdorf and Jim Thompson were determined to stop her. Perri Irmer was scheduled to meet with Mayor Emanuel in the week of April 25, 2011.

That meeting never occurred. On Monday, April 25, 2011, former Governor

¹ See http://articles.chicagotribune.com/2011-10-27/news/ct-met-sox-bacardi-20111027 1 white-sox-new-restaurant-bacardi (Downloaded on March 2, 2013) (Emphasis added).

Thompson arranged for Perri Irmer to be locked out off her office, and at Reinsdorf's behest he orchestrated a special meeting of the Board of Directors to have her fired. Thompson gave Ms. Irmer the choice of resigning or waiting to be fired, and he added that if she refused to resign, and they "had to" fire her, that her reputation would be ruined.

In no uncertain terms, Perri Irmer was terminated as the direct and proximate result of Jerry Reinsdorf's exercise of undue influence over former Governor Thompson and apparently over other members of the ISFA Board of Directors who became complicit in allowing Reinsdorf to treat Cellular Field and the surrounding publically owned lands as his personal fiefdom. The Defendants sought to silence Perri Irmer and to stifle her efforts to protect Illinois taxpayers from Reinsdorf's greed.

Shortly after her termination, the White Sox received approval for the \$7 million in expenditures that Perri Irmer had sought to cut from the budget, the outrageous *Bacardi at the Park* deal was implemented, and it was soon accompanied by another egregious free-rent deal on an adjoining retail team gear store that was also built on taxpayer-owned property. Perri Irmer's efforts to reform the way that ISFA does business and to develop new revenue streams to benefit the State of Illinois and its taxpayers came to a halt. In addition, as a direct result of her termination, the White Sox and ISFA reduced or eliminated the community partnerships and ticket donation programs that Perri Irmer had instituted on behalf of Illinois citizens, which had provided thousands of

underprivileged youths with an opportunity to enjoy White Sox baseball in "the people's ballpark."

Parties

- 1. Plaintiff Perri L. Irmer is a resident of Chicago, Illinois. She is an attorney licensed to practice in the state of Illinois, and she was the Executive Director of the Illinois Sports Facilities Authority ("ISFA") from December 2004 until her termination on April 25, 2011, as more fully alleged below. Prior to assuming this position, she had experienced considerable success practicing law, as a real estate executive in the private sector and in other public service positions.
- 2. Defendant Jerry M. Reinsdorf is, on information and belief, a resident of Highland Park, Illinois. He is a lawyer, CPA, and successful businessman. In or about 1980, he became a principal owner of the Chicago White Sox and has been the chairman of the company that owns the White Sox since 1980. He also has substantial equity interests in the Chicago Bulls and the United Center.
- 3. Defendant James R. Thompson is a resident of Chicago, Illinois, and was the governor of the State of Illinois when ISFA was created. Thompson served as Chairman of the Board of ISFA from 2006 through 2011.

<u>Jurisdiction And Venue</u>

4. Plaintiff brings this action for damages and other relief pursuant to 42 U.S.C. §§ 1983, and 1985; and the law of the State of Illinois.

- 5. Jurisdiction over this action is conferred upon the Court by 28 U.S.C. §§ 1331 and 1343(a); and the law of supplemental jurisdiction over state law claims as provided at 42 U.S.C. §1367.
- 6. Venue is proper in this Court pursuant to 28 U.S.C. § 1391(b) because the unlawful conduct alleged herein occurred in the Northern District of Illinois, Eastern Division.

Background Facts

- 7. While former Governor Thompson was still the governor, White Sox chairman Reinsdorf had threatened to move the White Sox to Florida, if the State or the City of Chicago did not meet his demands for the building of a new, publically financed ballpark.
- 8. Seeking to keep the White Sox in Chicago, former Governor Thompson negotiated with Reinsdorf to meet his demands for the taxpayer financing, design and construction of a new baseball stadium in Chicago.
- 9. Former Governor Thompson's efforts to build a new ballpark for the White Sox led to the enactment of the Illinois Sports Facilities Authority Act, 70 ILCS 3205/1 et seq. (the "Act"), which created a public entity known as the Illinois Sports Facilities Authority ("ISFA" or the "Authority").

10. Under the Act:

a. ISFA is a political subdivision, unit of local government, body politic and municipal corporation of the State of Illinois created by the Illinois General Assembly. Its purpose is to use public funds (i.e. taxpayer money) for the provision of sports stadiums for the use of privately owned professional sports teams in the State of Illinois.

- b. The Mayor of the City of Chicago and the Governor of Illinois jointly appoint the members of ISFA's Board of Directors. The Governor alone is responsible for appointing the Chairman of the ISFA Board.
- c. An Executive Director, who serves as the Authority's chief executive officer and who reports to the Chairman and to the Board, manages ISFA. The Chairman of the ISFA Board recommends a candidate for the Executive Director position to the Board, which then votes on the candidate's appointment.
- 11. The principal assets of ISFA include Cellular Field, which since 1991 has been the home of the Chicago White Sox major league baseball team, and approximately 80 acres of property, owned by ISFA, that surround Cellular Field.
- 12. The relationship between ISFA and the White Sox was established by a contract entitled "Management Agreement" dated June 29, 1988, which was negotiated by former Governor Thompson for the State, and Jerry Reinsdorf for the White Sox, and their respective negotiating teams. This agreement addressed preconstruction, financing and other issues prior to the construction of the new ballpark that was built with taxpayer funds. It is also a long-term lease that, as amended, governs the relationship between the Authority and the Chicago White Sox on a myriad of issues including operations, management, insurance, purchasing procurement and overall responsibilities. In the absence of change this agreement will run until the year 2029.
 - 13. The Authority states on its web page that:

"The Chicago White Sox and Illinois Sports Facilities Authority enjoy a unique relationship in maintaining U.S. Cellular Field."²

² http://www.isfauthority.com/content/?section=477

- 14. The "unique relationship" mentioned by the Authority is indeed unique. As approved by former Governor Thompson, the Chicago White Sox enjoy one of the most favorable taxpayer-financed stadium deals among any professional sports teams in the United States. Among the key provisions of this "unique relationship," and without limitation:
 - a. ISFA paid 100% of the costs of building Cellular Field, which were approximately \$167 million as well as paying 100% of the costs of ongoing improvements, which have amounted to approximately another \$160 million to date;
 - b. The White Sox paid no rent to play major league baseball at Cellular Field for the first 18 years of their lease (until 2008) and have paid only token rent since 2008.³ This combination of free and/or below market rent will cumulatively amount to more than a \$400 million public funds subsidy to the White Sox by 2029 when the lease term ends. This \$400 million figure represents just the rent value, and does not include the value of the stadium itself, the various improvements and enhancements, the real estate tax exemptions for its nearly 80 acres of prime City of Chicago real estate, or even the amusement tax subsidies that have been enjoyed by the White Sox;
 - c. In addition, the lease allows the White Sox to keep 100% of the revenue collected at Cellular Field during baseball games and other baseball related events (except for a small percentage that only kicks in when the White Sox exceed an annual attendance number), including but not limited to the revenue derived from ticket sales, food and beverage concessions, merchandising, advertising and parking; and
 - d. The White Sox have a veto over development of the public lands that ISFA owns adjacent to Cellular Field, which the White Sox

³ The only rent that the White Sox paid before 2008 was approximately \$100,000.00 per year for rent on the conference and learning center. In 2008, as more fully discussed below, the White Sox began to pay token "baseball rent" in the amount of \$1.2 million per year.

can use to block development of new commercial enterprises unless the development economically benefits the White Sox.

- 15. The forty year Management Agreement as agreed to by former Governor Thompson and White Sox chairman Reinsdorf, as amended, gives the Chicago White Sox a very substantial advantage over other professional sports teams that play in publically-financed stadiums, and this advantage will continue until 2029 in the absence of change. Other teams, but not the White Sox, typically pay substantial rent and share concession revenue etc. with the taxpayers in their respective jurisdictions.
- 16. Simply put, the Chicago White Sox enjoy the most, or one of the most favorable publically financed stadium deals in the United States. The long-term Management Agreement that was signed in 1988 creates a leasehold interest that has substantial value to the Reinsdorf owned and controlled entity that owns the White Sox that arguably exceeds the value of the baseball team itself.
- 17. Unfortunately, the highly favorable terms granted to the White Sox in 1988 and intended to last until at least 2029 served to create a sense of entitlement on the part of White Sox Chairman Reinsdorf, who has repeatedly acted as though Cellular Field was a gift by the Illinois taxpayers to Reinsdorf and his team.
- 18. However, as a matter of law, each member of the ISFA Board of Directors, its Chairman of the Board, and the Executive Director, owe fiduciary duties to the State of Illinois and its citizens and not to Reinsdorf or the White Sox. Broadly stated, and without limitation, these fiduciary duties include the duty to

act with the highest degree of loyalty and fidelity to the interests of the State and its citizens, the people of Illinois, whose tax dollars that ISFA is authorized to spend in the fulfillment of its statutory mission.

19. In fact, there is an inherent conflict in the relationship between ISFA and the Chicago White Sox, just as there is in any landlord/tenant relationship. It is the fiduciary duty of each ISFA Board member, its Chairman, and the Executive Director, to put the interests of the taxpayers first in all negotiations and dealings with the White Sox.

Perri Irmer's Efforts To Protect Illinois Taxpayers

- 20. On December 14, 2004, Perri Irmer became the Executive Director/CEO of ISFA, with her office located at Cellular Field. She received a written contract of employment from ISFA that was renewed from time to time, for one or two year terms, until December 31, 2010.
- 21. Almost immediately upon becoming ISFA Executive Director/CEO, Perri Irmer came to realize that ISFA was in a difficult financial condition, which in substantial part was due to the fact that ISFA was putting the desires of Reinsdorf and the White Sox ahead of the interests of the State and its citizens. For example, the prevailing practice was that the White Sox were permitted to dictate which ballpark improvement projects were needed and when, and to decide how much money that the taxpayers needed to spend on those projects. ISFA was not exercising independent judgment and oversight to protect taxpayers, and in

addition, ISFA was not working to maximize revenues in ways that would benefit taxpayers.

- 22. When Perri Irmer became ISFA's Executive Director/CEO, the Board was in the process of engaging a team of independent financial advisors that would ultimately recommend that ISFA should seek to increase its revenues by any and all of the following means, including the possibility of obtaining rent revenue from the White Sox; finding profitable ways to develop the publically owned land surrounding the ballpark; and/or generating revenue by holding special events such as music concerts in the ballpark.
 - 23. Throughout her tenure as ISFA's Executive Director/CEO:
 - a. Perri Irmer sought to implement the independent consultants' recommendations that were intended to increase the revenue to ISFA;
 - b. She acted with the highest fidelity to the interests of Illinois taxpayers;
 - c. She met or exceeded all reasonable expectations that were placed on her;
 - d. She was widely praised for performing her duties as Executive Director in a competent and highly professional manner; and
 - e. She received numerous official accolades for doing her job very well.
- 24. In 2005, upon Ms. Irmer's recommendation, ISFA commissioned an independent Facility Condition Assessment to provide recommendations for repairing and maintaining Cellular Field and making capital improvements in the coming years. Perri Irmer intended that the independent Facility Condition

Assessment, and its implementation, would be an important step towards reforming the abusive practices that she had inherited. When this independent assessment was received, Ms. Irmer and her staff created a facility management plan, which was an important reform of the way that ISFA does "the people's business" in managing Cellular Field.

- 25. On information and belief, the Facilities Management Plan that Ms. Irmer developed and implemented has, over the years, resulted in the savings of millions of dollars for ISFA and the taxpayers of Illinois.
- 26. The facility management plan was only Perri Irmer's first step towards reforming the relationship between ISFA and the White Sox. In or about May 2005, at a meeting of the ISFA Board of Directors with White Sox management including Reinsdorf, ISFA proposed the idea of amending the Management Agreement to require the White Sox to begin paying rent, but that proposal was rejected because the White Sox insisted that the "no rent" provision of the June 29, 1988 Management Agreement must remain intact.
- 27. Shortly after the May 2005 Board meeting, the ISFA acting chairman who had raised the "start paying rent" proposal was replaced with an interim chairman, who was a law partner of former Governor Thompson. And then, shortly after the White Sox won the 2005 World Series, former Governor Thompson became the new chairman of ISFA. On information and belief, Reinsdorf exercised influence in the changes of personnel alleged in this paragraph.

- 28. With the White Sox being adamantly opposed to paying rent or in sharing with ISFA any of the revenue that was generated on baseball game days or any other baseball events, Perri Irmer sought to implement the independent financial advisors' recommendations that ISFA develop new sources of revenues, e.g. music concerts, which would not diminish the revenue to the White Sox. She presented evidence from reliable independent consultants that the failure to hold these events at Cellular Field was costing ISFA millions of dollars in lost revenues.
- 29. However, the 1988 Management Agreement that Reinsdorf and former Governor Thompson had previously negotiated gave the White Sox the "veto power" over ISFA's ability to stage non-baseball events at Cellular Field, and the White Sox continuously opposed using Cellular Field for any non-baseball purposes that would generate revenues that the White Sox were not entitled to receive. On information and belief, Reinsdorf did not want Cellular Field to host any concerts that could be staged at the United Center, in which he has an ownership interest and where he was in position to earn money from these events.
- 30. Similarly, Perri Irmer sought to develop the publically owned lands around Cellular Field with commercial enterprises such as restaurants, shops and bars that could generate revenue for ISFA. Once again, Reinsdorf and the White Sox opposed this idea because the White Sox would not get the revenue. Reinsdorf claimed that increased economic activity on the land surrounding the ballpark would diminish the sale of concessions and merchandise inside Cellular Field, where the White Sox get to keep the revenue.

Perri Irmer's Efforts To Increase Public Access At Cellular Field

- 31. Under the 1988 Management Agreement, ISFA is given a designated number of tickets to White Sox baseball games each season, which ISFA is free to distribute to deserving community groups or other citizens that might not otherwise be able to attend a major league baseball game. Over and above the notion that Cellular Field is the "people's ballpark", the logic is that even if a baseball fan does not buy a ticket, he or she is likely to spend money on parking, concessions or souvenirs, which also generates sales tax revenues.
- 32. As ISFA Executive Director/CEO, Perri Irmer made efforts to increase the number of tickets that would be given to deserving members of the public when the White Sox did not sell those tickets. She also sought to make sure that African-American and Hispanic minorities received their fair share of the publically available tickets. In addition, she worked to increase the number of events that community groups could hold at the ballpark on days when the White Sox were not playing baseball. In all of these ways Perri Irmer sought to increase public access to their publically owned stadium and thereby increase goodwill in addition to generating more tax dollars.
- 33. In addition, while she was Executive Director/CEO of ISFA, Perri Irmer worked diligently to increase participation by minority and women in contracting and professional services at Cellular Field. Her efforts were successful. On information and belief, ISFA during Perri Irmer's tenure had the highest

minority and female contracting rate in Illinois among public entities, or in the alternative it was very close thereto.

Reinsdorf's Attempt In 2008 To Have Perri Irmer Fired

- 34. From late 2004 onward, Perri Irmer's efforts to reform the relationship between ISFA and the White Sox increasingly caused Reinsdorf to regard her as an opponent that had to be defeated.
- 35. In 2008, with Perri Irmer's strong support, ISFA persuaded the White Sox to agree for the first time to begin paying rent for the use of Cellular Field, in the token amount of \$1.2 million per year. This agreement included other concessions by the White Sox, and the deal was reached over the White Sox's initial objections.
- 36. Reinsdorf's opposition to Perri Irmer being the Executive Director of ISFA increased after the White Sox reluctantly began to pay rent in 2008, and also because of her efforts to develop the lands around Cellular Field, including the proposed development of a restaurant on 35th Street across the street from the ballpark.
- 37. In addition, Reinsdorf did not support Perri Irmer's efforts to bring more community members into the ballpark through her targeted selection of minority youth and community groups to receive an increased share of the available unsold tickets. Reinsdorf viewed these efforts as being contrary to the White Sox brand, which he viewed as appealing primarily to persons from the suburbs or other

areas of the city who were perceived as having little contact with minority communities.

- 38. On or about November 10, 2008, Perri Irmer distributed to the ISFA Board of Directors a study entitled "Economic and Fiscal Impact US Cellular Field Retail Development," which had been prepared by an independent consulting firm that had been hired for this purpose. This study concluded that by developing a retail corridor on the north side of 35th Street to include shopping and restaurant destinations, ISFA could earn millions of dollars per year in revenue that could benefit Illinois taxpayers.
- 39. On or about December 3, 2008, after the above alleged "Economic and Fiscal Impact --- US Cellular Field Retail Development" had been presented to the ISFA Board and shared with the White Sox, and after the White Sox had reluctantly agreed to begin paying token rent for their use of Cellular Field, the ISFA Board was scheduled to vote on extending Perri Irmer's contract.
- 40. What Perri Irmer did not know before the December 3, 2008 board meeting had commenced is that behind the scenes, Reinsdorf had lobbied former Governor Blagojevich, or members of his staff, to persuade them that Perri Irmer's contract should not be renewed.
- 41. During the ISFA Board deliberations on or about December 3, 2008, John Harris, who was then Governor Blagojevich's chief of staff, placed phone calls to the cell phones of those Board members that the governor had appointed to urge them that Ms. Irmer's contract should not be renewed. As a consequence of those

phone calls from the office of the governor, the December 3, 2008 board meeting ended without a decision being made as to whether Perri Irmer's contract would be renewed.

- 42. Then, on or about December 5, 2008, and on information and belief, John Harris enlisted a private citizen to inform Perri Irmer that it was a "done deal" that she was being removed from ISFA" for the stated reason that Reinsdorf was angry about the "rent demands" and that they wanted Perri Irmer "out of government." This private citizen informed Perri Irmer of these statements by Reinsdorf and also that if she left ISFA quietly, she would be offered a job in the private sector.
- 43. However, before any threat to her employment in 2008 by John Harris was carried out, both John Harris and Governor Blagojevich were indicted and arrested on federal criminal charges. Ms. Irmer was not terminated in December 2008, and instead her contract was extended until December 2010.

The Bacardi at the Park Fiasco

- 44. Following the threats to her continued employment at the end of 2008, Perri Irmer continued undeterred in her efforts to protect and enhance the interests of Illinois taxpayers.
- 45. In 2010, the idea of developing a retail corridor on the north side of 35th street had progressed to the point that Perri Irmer was receiving inquiries from potential restaurant tenants.

- 46. However, when Reinsdorf realized that there was strong support to open a restaurant on the north side of 35th Street, he put forth a plan, in which the White Sox partnered with the owners of the popular Gibson's restaurant in downtown Chicago, to develop this restaurant on the first floor of the State-owned Gate 5 structure. Under the Reinsdorf plan:
 - a. The White Sox and Gibson's would pay for a portion of the restaurant build out, but they refused to have the restaurant pay any rent to ISFA;
 - b. The White Sox would collect rent from Gibson's, as operator of the restaurant;
 - c. The White Sox would earn revenue from selling the naming rights for the restaurant; and
 - d. ISFA, *i.e.* Illinois taxpayers, would pay for the entire structural renovation that would make the restaurant possible, and would also pay a portion of the restaurant build-out costs, but would not receive any rent or any other income from the restaurant operations.
- 47. The deal proposed by Reinsdorf for the development of a new restaurant on the north side of 35th Street was completely one-sided and was decisively contrary to the financial best interests of the State of Illinois and its taxpayers.
- 48. At the ISFA Board meeting on September 16, 2010, the Board authorized "the White Sox proceeding with the construction of the Gibson's restaurant and the sports novelty store on 35th Street, on the condition that the White Sox reimburse ISFA for a pro rata share of the debt service on the bonds that were issued to construct the atrium and general improvements on 35th Street."

- 49. The ISFA Board's position as of September 16, 2010 was more favorable to the State than what Reinsdorf had demanded, but in Perri Irmer's opinion the Board's action on September 16, 2010 did not go far enough to protect the interests of State and its taxpayers, which would lose out on the millions of dollars of rent revenue that had been projected. Therefore, Perri Irmer objected to this proposed ISFA Board action.
- 50. But even the ISFA Board's instruction on September 16, 2010 was not good enough for Reinsdorf and the White Sox. Over Perri Irmer's continuing objection the White Sox sought and won additional concessions from ISFA that were memorialized in a letter of agreement between ISFA and the White Sox dated November 18, 2010. Under the terms of this agreement:
 - a. ISFA agreed to pay for the construction of the restaurant that became known as *Bacardi at the Park* and for the equipment and furnishings of that restaurant. On information and belief, the costs to ISFA exceed \$3.2 million;
 - b. ISFA agreed to pay for infrastructure upgrades for water and sewers at the Gate 5 plaza that made the restaurant possible. On information and belief the costs to ISFA were another \$3.7 million;
 - c. The White Sox selected Gibson's Restaurant Group ("Gibson's") to run the restaurant;
 - d. The White Sox and Gibson's receive all of the revenue and profits from operating the restaurant and from the sale of the naming rights, which were sold to Bacardi; and
 - e. ISFA, which owned the land on which this restaurant as built, and which on information and belief spent \$6.9 million to make the restaurant possible, does not make a dime in rent from the restaurant and does not share in any revenue that the restaurant generates. The return on investment to ISFA is zero.

- 51. Before the November 18, 2010 letter agreement with the White Sox was signed, Perri Irmer repeatedly protested to the Board, to individual Board members, and to the attorney for ISFA, that the deal for *Bacardi at the Park* as set forth in the November 18, 2010 letter agreement was inexcusable, and that every ISFA Board member starting with former Governor Thompson had the legal duty to say "no."
- 52. However, led by ISFA Chairman of the Board Thompson, the ISFA Board ignored Perri Irmer's protestations, breached their fiduciary duties to taxpayers, and approved the final *Bacardi at the Park* deal, giving away millions of dollars to the White Sox that should have gone to the State of Illinois.
- 53. The deal reached by the White Sox and ISFA for the development of Bacardi at the Park was so strongly against the interests of Illinois taxpayers that Perri Irmer fought for and won the inclusion of a sentence in the letter of agreement dated November 18, 2010, which provided that:

"CWS and ISFA further acknowledge and agree that the terms of this Letter Agreement shall not serve as precedent for the construction of other commercial or retail projects on ISFA property..."

54. In or about January, 2011, shortly after the *Bacardi at the Park* deal was approved over her objections, the ISFA Board voted to extend Perri Irmer's written employment agreement on a month-to-month basis instead of renewing her for a one or two-year term as had been the practice in past years. Supposedly this was done in anticipation of the fact that Chicago was set to elect a new mayor in

early 2011, and it was supposedly desired to allow the prospective new mayor to have a say in selecting the ISFA Executive Director/CEO going forward.

Perri Irmer's Effort To Enlist Political Support To Reform ISFA Leads To Her Termination

- 55. By the end of 2010, after the *Bacardi at the Park* fiasco, Perri Irmer realized that she would not, in her official position, be able to protect Illinois taxpayers from Reinsdorf's greed and Thompson's complicity. She decided to go beyond the Board of Directors in order to create pressure for reform.
- 56. In late 2010 and early 2011, Perri Irmer attempted to see Illinois Governor Patrick Quinn to give him a first-hand account of the *Bacardi at the Park* fiasco and the overall problem at ISFA that resulted from Reinsdorf's undue influence over former Governor Thompson and the Board and to enlist his support for reform. However, the governor's staff blocked her efforts to meet with Governor Quinn. Former Governor Thompson told Perri Irmer he would arrange a meeting for her with Governor Quinn, but that meeting never occurred.
- 57. In February 2011, the ISFA Board of Directors held a meeting, at which they considered a request by the White Sox for approximately \$10.5 million in new capital spending by ISFA for enhancements to Cellular Field.
- 58. At the February 2011 Board meeting, Perri Irmer sought to cut approximately \$7 million from the White Sox request, because ISFA was not obligated to spend the taxpayers' money in the manner that the White Sox were

demanding, and she was concerned that Chicago taxpayers might ultimately be stuck paying the bills from general revenues.

- 59. Blocked in her effort to speak directly with Governor Quinn, Perri Irmer met or spoke with other members of the Illinois political community and public officials seeking to lay the groundwork for reform at ISFA. The persons she met with in late 2010 and/or early 2011 include without limitation:
 - a. Retired Illinois Senate President Emil Jones, who had been publicly identified as being Governor Quinn's likely nominee to be the next chairman of the ISFA Board;
 - b. Manny Sanchez, an attorney in private practice who was also in the process of being nominated to the ISFA Board;
 - c. Joan Coogan, who was then the head of Inter-Governmental Affairs (IGA) under former Chicago Mayor Daley; and
 - d. Members of newly elected Chicago Mayor Rahm Emanuel's staff.
- 60. With each of these persons, and with others whom she met with or spoke to in the early months of 2011, Perri Irmer made it clear that Reinsdorf and the White Sox were exercising undue influence over former Governor Thompson and the ISFA Board and that the interests of Illinois taxpayers were being seriously harmed.
- 61. Then, in April 2011, Perri Irmer scheduled a meeting with newly elected Mayor Emanuel to inform him directly of all of the problems at ISFA, including but not limited to the *Bacardi at the Park* outrage, and to offer her recommendations for reform. This meeting was scheduled to occur on Thursday, April 28, 2011. This meeting was listed on Perri Irmer's calendar and was known to

her staff, including members of her staff who also reported to former Governor Thompson.

- 62. On Monday, April 25, 2011, former Governor Thompson was waiting for Perri Irmer to arrive at the ISFA offices. When she arrived, Perri Irmer discovered that she had been locked out of her office and denied access to her computer and personal property. She saw that former Governor Thompson and a member of his staff, John Frier, were waiting for her, and the former governor summoned her into a conference room to speak. Then and there, former Governor Thompson told Perri Irmer that the ISFA Board was holding a special meeting on Wednesday, April 27, 2011, to vote on her termination, and the former governor made it very clear that she would be terminated when the board voted. Thompson gave Perri Irmer the choice of resigning or waiting to be fired, and he added that if she refused to resign, and they "had to" fire her, that her reputation would be ruined.
- 63. Perri Irmer was terminated on April 27, 2011, as the direct and proximate result of Reinsdorf's exercise of influence over former Governor Thompson and apparently over other members of the ISFA Board. This termination was motivated by Reinsdorf's and Thompson's fear that Perri Irmer would be successful in creating political pressure to reform the way that the ISFA does business coupled with their noticeable lack of enthusiasm for her effort to increase the attendance of community members at White Sox baseball games at Cellular Field.

- 64. On information and belief, almost immediately after her termination, approval to spend the \$7 million that Perri Irmer had sought to cut from the budget was restored.
- 65. Also after her termination, and on information and belief at former Governor Thompson's recommendation, the ISFA Board abandoned or sharply curtailed its attempts to attract concerts to Cellular Field. The opportunity to generate millions of dollars in revenues for ISFA and the State of Illinois, in addition to increase public access to the publically owned facility, was squandered.
- 66. Also after her termination, the ISFA Board appointed a person to replace Perri Irmer as ISFA's Executive Director whose credentials, qualifications and experience for the position were substantially less than Perri Irmer's credentials, qualifications and experience.
- 67. Also after her termination, Perri Irmer's efforts to increase public access to White Sox games and other events at the ballpark, and to increase minority attendance and minority and women participation in contracting were no longer a priority.
- 68. As the consequence of her termination and the purposefully humiliating manner in which it was carried out, Perri Irmer has suffered substantial injury and damages in amounts that she will prove at trial. Without limitation, her injuries and damages include:
 - a. Substantial economic losses resulting from her lost income and benefits from her position as Executive Director and CEO of ISFA;

- b. Substantial damage to her personal and professional reputation;
- c. Substantial economic losses resulting from lost future income as her public service career has been interrupted or ruined; and
- d. Substantial injury and damages resulting from emotional distress, anxiety, pain and suffering, including physical symptoms of distress and anxiety that she experienced after being terminated and still experiences to this date.

COUNT I

Against Defendant James R. Thompson

Violation of 42 U.S.C. §1983 Infringement of Plaintiff's First Amendment Right to Free Speech and to be free from retaliation for the exercise of that right

- 69. Plaintiff hereby incorporates by reference paragraphs 1 through 68 as though fully set forth herein.
- 70. The First Amendment to the United States Constitution guarantees that: "Congress shall pass no law ... abridging the freedom of speech ... or to petition the government for the redress of grievances."
- 71. Through operation of the Fourteenth Amendment to the United States Constitution, the protections guaranteed by the First Amendment are extended to prohibit the states from engaging in conduct that the First Amendment would prohibit the federal government from engaging in.
- 72. As more fully alleged in the paragraphs that are incorporated into this count, Perri Irmer exercised her protected rights under the First Amendment when she spoke out against the ongoing breaches of fiduciary duty at the ISFA by former

Governor Thompson and the other ISFA Board members and against the undue influence being exercised by Reinsdorf.

- 73. As more fully alleged in the paragraphs that are incorporated into this count, Perri Irmer exercised her protected rights under the First Amendment when she sought to enlist various elected officials in state and local government to support her efforts to reform ISFA and protect Illinois taxpayers.
- 74. As more fully alleged in the paragraphs that are incorporated into this count and in retaliation against Plaintiff for her exercise of her protected rights under the First Amendment, and to silence and stifle her and prevent her from the further exercise of her constitutional rights, Defendant James R. Thompson terminated Perri Irmer's employment under the pretextual guise of a "convenience" vote by the ISFA Board, which Thompson orchestrated.
- 75. Specifically, the termination of Perri Irmer's employment by

 Defendant James R. Thompson was done with the primary goals of silencing Perri

 Irmer and stifling her efforts at reforming ISFA to protect Illinois taxpayers from

 Jerry Reinsdorf's greed.
- 76. When he engaged in this retaliation against Perri Irmer for her exercise of her protected rights under the First Amendment:
 - a. Defendant James R. Thompson was the Chairman of the ISFA Board and he was acting under color of state law; and
 - b. Defendant James R. Thompson was acting as a lackey for Reinsdorf or was otherwise advancing his own personal interests. He was in breach of his fiduciary duties to the State of Illinois and its citizens. He was not carrying out any legitimate or proper policy of ISFA.

77. Defendant James R. Thompson's conduct toward Perri Irmer as alleged herein constituted a continuing violation of 42 U.S.C. §1983, which provides in pertinent part that:

"Every person who, under color of any statute, ordinance, regulation, custom, or usage, of any State or Territory or the District of Columbia, subjects, or causes to be subjected, any citizen of the United States or other person within the jurisdiction thereof to the deprivation of any rights, privileges, or immunities secured by the Constitution and laws, shall be liable to the party injured in an action at law, suit in equity, or other proper proceeding for redress, ..."

- 78. "But for" her exercise of her right of free speech and Defendant James R. Thompson's retaliation against her for the exercise of that right, Perri Irmer would not have been terminated from her employment and she would not have suffered the injuries and damages alleged in paragraph 68.
- 79. As the direct and proximate result of Defendant James R. Thompson's conduct, Perri Irmer has suffered injury and damages as alleged in paragraph 68.

 The amount of her damages will be proven at trial.
- 80. Defendant James R. Thompson's conduct as alleged herein was in intentional disregard of Perri Irmer's rights. Therefore, punitive damages are appropriate and should be awarded in an amount sufficient to punish Defendant James R. Thompson's behavior and deter future misconduct.

COUNT II

Against Defendants Jerry M. Reinsdorf and James R. Thompson Conspiracy to Violate Plaintiff's Civil Rights Under Section 1983

- 81. Plaintiff hereby incorporates by reference paragraphs 1 through 80 as though fully set forth herein.
- 82. Defendant Jerry M. Reinsdorf conspired and agreed with Defendant James R. Thompson, tacitly and/or expressly, to violate Perri Irmer's civil rights under 42 US.C. §1983 in the manner that has been alleged in the paragraphs that are incorporated into this count.
- 83. Specifically, the termination of Perri Irmer's employment by Defendant James R. Thompson was done with the primary goals of silencing Perri Irmer and stifling her efforts at reforming ISFA to protect Illinois taxpayers from Jerry Reinsdorf's greed. Defendant Jerry M. Reinsdorf established these goals, and both of the Defendants agreed between themselves, tacitly and/or expressly, that to implement their goals it was necessary to terminate Perri Irmer from her position as Executive Director/CEO of ISFA and to silence her to the extent possible.
- 84. The conspiracy between these Defendants was furthered by one or more overt acts, including the termination of Perri Irmer's employment.
- 85. "But for" the Defendants' conspiracy and the commission of overt acts in furtherance thereof, Perri Irmer would not have been terminated in the manner alleged in the paragraphs that are incorporated into this count and she would not have suffered the injury and damages that are alleged in paragraph 68.
- 86. As the direct and proximate result of the Defendants' conspiracy and the commission of overt acts in furtherance thereof, Perri Irmer has suffered

economic injuries and damages as alleged in paragraph 68. The amount of her damages will be proven at trial.

87. The Defendants' conduct as alleged herein was in intentional disregard of the Plaintiff's civil rights. Therefore, punitive damages are appropriate and should be awarded to punish these Defendants' behavior and deter future misconduct.

Count III

Against Defendant Jerry M. Reinsdorf

State Law Claim For Tortious Interference With Prospective Economic Advantage

- 88. Plaintiff hereby incorporates by reference paragraphs 1 through 87 as though fully set forth herein.
- 89. Under her written employment agreement with ISFA, Perri Irmer had the reasonable expectation of prospective economic advantages that she would obtain through her continued employment as the Executive Director and Chief Executive Officer of ISFA and the furtherance of her successful career in public service.
- 90. Defendant Jerry M. Reinsdorf knew of the Perri Irmer's prospective economic advantages in her continued employment as the Executive Director and Chief Executive Officer of ISFA and the furtherance of her successful career in public service.
- 91. With the specific intent of causing the Plaintiff to suffer injury and damages, Defendant Jerry M. Reinsdorf intentionally interfered with Perri Irmer's

continued employment as the Executive Director and Chief Executive Officer of ISFA, causing the termination of that employment, and he did so without any justification.

- 92. "But for" Defendant Jerry M. Reinsdorf's tortious interference as alleged herein, Perri Irmer would not have been terminated in the manner alleged in the paragraphs that are incorporated into these counts and she would not have suffered the injury and damages alleged in paragraph 68.
- 93. As the direct and proximate result of Defendant Jerry M. Reinsdorf's tortious interference, Perri Irmer has suffered economic injuries and damages as alleged in paragraph 68. The amount of her damages will be proven at trial.
- 94. Defendant Jerry M. Reinsdorf's conduct as alleged herein was in intentional disregard of Perri Irmer's rights. Therefore, punitive damages are appropriate and should be awarded in an amount sufficient to punish Defendant Jerry M. Reinsdorf's behavior and deter future misconduct.

REQUEST FOR RELIEF

WHEREFORE, on each count of her complaint and to the fullest extent permitted by law, Plaintiff Perri L. Irmer prays for judgment in her favor and against Defendant Jerry M. Reinsdorf and Defendant James R. Thompson, individually, jointly and severally, in amounts to be determined at trial as follows:

A. Compensatory damages in an amount sufficient to compensate Plaintiff for lost income, benefits and her reasonable expectations of future

earnings, as well as for her emotional distress, pain, suffering, humiliation and damage to reputation;

- B. Punitive damages due to Defendants' willful conduct, in an amount that is sufficient to punish these Defendants taking into account their respective financial capacity, and to deter others from like misconduct;
- C. Costs of suit, including reasonable attorneys' fees and expert fees as provided in 42 U.S.C. §1988; and
- D. Such other and further relief as the Court deems just, proper, and equitable.

JURY DEMAND

Plaintiff demands a trial before a jury of her peers.

April 15, 2013

Respectfully submitted, PERRI L. IRMER

By: <u>/s/ Carmen D. Caruso</u>
Attorney for Plaintiff

ATTORNEYS FOR PLAINTIFF:

Carmen D. Caruso (# 6189462)
Jamie L. North (#6306654)
CARMEN D. CARUSO LAW FIRM
77 West Wacker Drive, Suite 4800
Chicago, IL 60601
(312) 606-8640
cdc@cdcaruso.com
jln@cdcaruso.com

Linda C. Chatman (#6201236) CHATMAN LAW OFFICES, LLC Two Prudential Plaza 180 N. Stetson Avenue Suite 3500 Chicago, IL 60601 312-917-1005 (phone) lindachatman@chatmanlaw.com