## WHARTON ALDHIZER & WEAVERPLC

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October 17, 2018

P. Marshall Yoder Ginger T. Chapman James L. Johnson Ashley H. Waterbury Alexandra E. Humphreys Lucas I. Pangle Briana A. Stevens

Donald E. Showalter (Retired) Glenn M. Hodge (Retired)

Reply to the Harrisonburg office

Kuttro Ross Date: 2018.10.18 13:42:27 -04'00'

<u>VIA U.S. MAIL AND</u> <u>ELECTRONIC MAIL: CELA@FEC.gov</u> Jeff S. Jordan Assistant General Counsel Federal Election Commission Complaints Examination & Legal Administration Attn: Kathryn Ross, Paralegal 1050 First Street, NE Washington, DC 20463

Re: Response: MUR 7388: Respondent Mary Sayre and Stonebridge Properties, LLC

Dear Mr. Jordan and Ms. Ross:

This law firm represents Stonebridge Properties, LLC and Mary Sayre, Managing Member<sup>1</sup> (collectively, "Respondents") with respect to the above-mentioned matter under review ("MUR") that addresses a complaint filed by Georgia Alvis-Long ("Claimant") on May 16, 2018.

This letter constitutes the Respondents' response. The Commission should dismiss this complaint with no further action for the following reasons:

#### Introduction and Background

While MUR 7388 was processed in May 2018 naming four other respondents: The Sixth Congressional District Republican Committee (the "Committee"), Cynthia N. Dunbar (Candidate for Congress), Scott Sayre (Committee Chairman) and Sayre Enterprises, Inc. (a Virginia corporation), all of whom responded in July, 2018, the MUR has now been amended to include

<sup>&</sup>lt;sup>1</sup> The amended Complaint improperly names Mary Sayre as the CEO, Stonebridge Properties, LLC. The LLC has no CEO; rather, all facility scheduling and operations are under the control of the <u>Managing Member</u>, Mary Sayre.

naming the above Respondents<sup>2</sup> via a letter dated September 28, 2018 received from the Federal Election Commission on October 5, 2018 stating: "The complaint was not sent to you earlier due to administrative oversight". This law firm now represents Mary Sayre and Stonebridge Properties, LLC but finds no mention of Respondents in the entire Matter Under Review subject of this complaint.

MUR 7388 concerns two complaints. <u>Complaint One</u>: Source-Prohibited Contribution to Federal Committee. <u>Complaint Two</u>: Source-Prohibited Contribution to a Federal Candidate. The first complaint concerns use of facilities and the second complaint concerns payment of funds to an individual.

Because <u>Complaint One</u> has to do with the facilities provided to the Committee, and the Respondents own and operate these facilities, this response will fully address those concerns. We presume the Commission wishes the Respondents subject of this amended complaint provide answers for the "administrative oversight" by claims rightfully addressed to the owner and manager of the facilities at issue.

Because <u>Complaint Two</u> is related to alleged payment of funds to an alleged candidate for elective office and Respondents assert they have nothing to do with such payments nor is any allegation or evidence addressed to these Respondents, the allegations in <u>Complaint Two</u> (see footnote 2) of the Complaint *as amended* would improperly name Respondents in <u>Complaint</u> <u>Two</u> as related to paying an individual any funds.

# 1. Stonebridge Properties, LLC, made no Improper Provision of Facilities to the Committee.

Paragraphs 8-17 of Complaint One claim that Scott Sayre and Sayre Enterprises, Inc., provided use of its corporate facilities to the Virginia Sixth Congressional District Republican Committee (the "Committee") and the Dunbar campaign that violated the federal corporate contribution prohibition (11 C.F.R. 114.2(b)) and the federal contractor prohibition (11 C.F.R. 115). That claim is addressed and rejected by the Bopp Law Firm in their July 12, 2018 response to MUR 7388 representing Sayre Enterprises. In this amended complaint Respondents assert all property and facilities relevant to these matters under review are owned by Stonebridge Properties, LLC, and managed by Mary Sayre. Only she manages those facilities. Her duties include leasing and renting facilities as well as invoicing and collecting payments for facility use.

The Stonebridge Center is an event facility that accommodates short term and long-term usage through Stonebridge Properties, LLC. The limited liability company has nothing to do with Federal contracts and, therefore, Federal contracting laws or regulations.

A brochure of the facilities available at the Stonebridge Center is forwarded with this response. (Enclosure One) Facilities on the property are used for weddings, reunions, corporate

<sup>&</sup>lt;sup>2</sup> Stonebridge Properties, LLC, holds and Mary Sayre manages property only. As such, Respondents had no involvement in paying funds to anyone other than partners, vendors, and 1099 employees. No funds of any type from Mary Sayre or Stonebridge Properties, LLC were paid to an individual (Cynthia Dunbar) as mentioned in Complaint Two.

and civic meetings, sports, entertainment and other such activities based on an hourly rate. Other facilities are rented based on a daily or monthly rate.

No violation of the corporate contribution prohibition is at issue for rent of the facilities as alleged in the Complaint because use of the space provided by Stonebridge Properties, LLC, to the 6<sup>th</sup> District Committee was granted in accordance with customary business practices and customary usage of the Stonebridge Center facilities.

Paragraph 12 of the Complaint refers to a total lack of compensation made by the 6<sup>th</sup> District Committee for facilities usage. On the contrary, the Committee reimbursed every use of the Stonebridge facilities by the 6th District Committee in a commercially reasonable time and at the normal rates and practices given to all other customers and civic organizations. Copies of all invoices are enclosed. (Enclosure Two) The 6<sup>th</sup> District Committee has reported all payments for each invoice in its response to MUR 7388.

The MUR mentions the use of two rooms. The Banquet Hall was used quarterly by the Committee (10 times in a two year period) on a Saturday morning for its routine meeting and was used on May 8, 2018 by a subcommittee to hear a few delegates to the District's biannual convention. Records enclosed show each use was invoiced by Stonebridge Properties, LLC.

State filings by the Committee (Committee Response to MUR 7388) show these invoices were reported and filed and that a portion of the invoice was donated by Stonebridge Properties, LLC as a Contribution-in-Kind and Set-ups were billed for payment. The Committee always paid the billings by Stonebridge. (See the Committee's response to MUR 7388.)

The Committee responded to MUR 7386 on July 26, 2018, regarding the use of this facility, stating, "throughout the period at issue, the vast majority of the Committee's reporting was properly limited to Virginia . . . reporting expenditures with no connection to a federal election. (Last paragraph, page 3, July 26, 2018 Committee response to MUR 7386 from the Bopp Law Firm, PC). As reported, only two uses of this facility may have been considered by the Committee as having to do with a federal activity. Both uses were invoiced by Stonebridge Properties, LLC (Enclosure Two: invoices dated 4/30/18 and 5/12/18).

# 2. Stonebridge Properties, LLC made no Improper Provision of Facilities to Dunbar or the Dunbar Campaign.

The second room mentioned is a Conference room. Paragraph 8 of the Complaint cites a newspaper article and contains a quote related to the use of this Conference room by committee members and its co-location with Sayre Enterprises, which leases space in the same building. First, the Claimant makes statements referring to ownership of the Conference room that are not supported by the text (incorrectly claiming ownership by a tenant). Second, Sayre Enterprises neither rents nor has ever used either the Conference room or Banquet Hall. Third, while the Conference room was offered for use by the 6<sup>th</sup> District Committee, the Committee never took up the offer to the extent a lease or even an invoice would be generated. Use by Tederick (Committee Vice Chairman) and Dunbar (Committee Member) mentioned in the newspaper article was a one time event lasting a couple hours and required no set ups, labor or attention on the part of Stonebridge Properties, LLC.

Complaint One at paragraph 17 asserts conference room and office space was provided to Dunbar's campaign for planning purposes and not to her seven competitors. This assertion was rejected by the Bopp Law Firm response for Sayre Enterprises MUR 7388 on July 12, 2018 stating at page 7, paragraph 3: "Mrs. Dunbar was not offered and did not use any space in the Stonebridge Center as an office for her campaign. Neither Mrs. Dunbar nor her campaign have or had office space at the Stonebridge Center . . . if Mrs. Dunbar incidentally came to a meeting at this venue, that still would not constitute an in-kind contribution because space at the Stonebridge Center falls under 11 C.F.R. 114.13's "meeting room" exception." Those claims are properly addressed in the Dunbar and Committee responses also filed by the Bopp Law Firm in July 2018.

Stonebridge Properties routinely accommodates civic group customers or individuals short-term use of meeting rooms and equipment without charge.

Paragraph 17 of the Complaint alleges space was provided to one candidate but not her seven competitors. Not only is that inaccurate (as addressed by Dunbar), but NO provision or use of facilities were ever made for ANY candidate for federal office.

#### Conclusion

Provision of meeting space to the Virginia Sixth Congressional District Republican Committee was in accordance with practices customary to provision by Stonebridge Properties, LLC, of the Stonebridge Center as an events venue providing usage of rooms and facilities to civic organizations for meetings and events at normal and customary rates. Virginia Law does not prohibit an in-kind or direct contribution from a corporation to a Virginia political party committee.

Stonebridge Properties, LLC invoiced all uses by the Committee in a timely manner and payment was received from the Committee in a timely manner.

The Stonebridge Center provided no facilities to Dunbar or the Dunbar campaign.

No violation of the corporate or federal contractor contribution prohibition could have occurred because the facilities use falls under the "meeting room" exception and Stonebridge Properties, LLC is not a federal contractor.

Mrs. Alvis-Long's complaint should be dismissed with no further action because no violations have occurred.

Very truly yours,

Jocken 7 Hilton

Charles F. Hilton

CFH/dfm 2 Enclosures cc: Mary Sayre (via electronic mail)

18015475.DOCX

# STONEBRIDGE

Stonebridge Center, the former Natural Bridge High School which opened in 1939 and closed in 1992, has now been transformed into an unusually flexible event venue.

Located in Natural Bridge Station, the Stonebridge Center sits on 16 acres with a stunning backdrop of the majestic Blue Ridge mountains. Options abound here, including multiple meeting rooms, a full stage, an industrial kitchen with dedicated catering manager, ample parking, scenic outdoors, athletic fields and the beautiful James River, which borders the property.

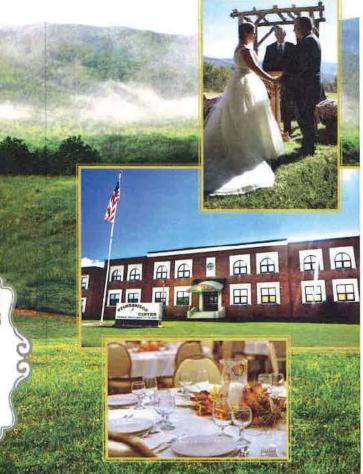
The Stonebridge Center has on-site facilities for basketball or volleyball, and

a football field, which can be used for weddings, festivals, sports activities or team-building courses.



### The Perfect Place to Host Your Event

Flexible Spaces and Multiple Rooms for Weddings, Conferences, Corporate Dinners and Retreats, Fund Raising Events, Concerts, Plays or Sporting Events.





45 Natural Bridge School Road Natural Bridge Station, VA 24579 (540)-291-3802 www.StonebridgeCenterVA.com Mary@StonebridgeCenterVA.com

#### PLANNING A WEDDING?

Along with our other amenities, we offer couples complete bridal party changing areas, and smaller, intimate spaces for rehearsal dinners, bridesmaid luncheons and post-wedding brunches.

#### MUR738800141

#### HOSTING A BUSINESS EVENT?

Stonebridge Center is well suited for business conferences, seminars and company dinners. With plenty of outdoor spaces, it is also an excellent site for team-building activities.

#### SHOWCASING TALENT?

The auditorium is perfect for plays, concerts, talent shows - the only limit is your imagination.



Also, come enjoy our cigar lounge!



AMENITIES INCLUDE: All Banquet Needs from table settings to tents Dedicated Catering Manager Meeting Rooms WiFi Audio/Visual Equipment Auditorium with Stage Dance Floor Cigar Lounge In-house Art Department from t-shirts to party favors, we can customize your event!

NEARBY ATTRACTIONS INCLUDE: The Natural Bridge Natural Bridge Zoo Safari Park Cave Mountain Lake Twin River Outfitters Buena Vista Links

NEARBY CAMPING FACILITIES INCLUDE: Yogi Bear's Jellystone Park Natural Bridge KOA Cave Mountain Lake



Situated between Historic Lexington and Roanoke, The Stonebridge Center is an inspired setting for any conference or event. We have much to offer, so let us take the stress out of your next event plans.



Invoice Payable to: Stonebridge Properties PO Box 52 Natural Bridge Station, VA 24579 Bill to: 6<sup>th</sup> Congressional District Republican Committee Attn: Al Tucker, Treasurer P.O. Box 34 Lexington, VA 24450

Total: \$ 300.00

Invoice #	P.O. Number	Invoice Date	Internal Use Only:	Terms
01006		6/30/16		

Banquet Hall, 20 banquet tables, 54 chairs, 1 lectern, coffee,		San reservered
vater, set-up & clean-up		\$ 300.00
	Subtotal:	\$ 300.00
		Subtotal:

# **Contribution in Kind**



Invoice Payable to: Stonebridge Properties PO Box 52 Natural Bridge Station, VA 24579 Bill to: 6<sup>th</sup> Congressional District Republican Committee Attn: Al Tucker, Treasurer P.O. Box 34 Lexington, VA 24450

\$ 300.00

Total:

Invoice #	P.O. Number	Invoice Date	Internal Use Only:	Terms
01007		07/23/16		

Quantity	Description		Total
	Banquet Hall, 20 banquet tables, 54 chairs, 1 lectern, coffee, water, set-up & clean-up		\$ 300.00
			\$
		Subtotal:	\$ 300.00

# **Contribution in Kind**



Invoice Payable to: Stonebridge Properties PO Box 52 Natural Bridge Station, VA 24579 Bill to: 6<sup>th</sup> Congressional District Republican Committee Attn: Al Tucker, Treasurer P.O. Box 34 Lexington, VA 24450

Total: \$ 300.00

Invoice #	P.O. Number	Invoice Date	Internal Use Only:	Terms
01008		09/17/16		

September 17, 2016 - Banquet Hall, 20 banquet tables, 54 chairs, 1 lectern, coffee, water, set-up & clean-up	\$ 300.00
Subtot	al: \$ 300.00

#### **Contribution in Kind**

Please reference Invoice # on check and make all checks payable to Stonebridge Properties.

THANK YOU FOR YOUR BUSINESS!



Invoice Payable to: Stonebridge Properties PO Box 52 Natural Bridge Station, VA 24579 Bill to: 6<sup>th</sup> Congressional District Republican Committee Attn: Al Tucker, Treasurer P.O. Box 34 Lexington, VA 24450

\$ 50.00

Total:

Invoice #	P.O. Number	Invoice Date	Internal Use Only:	Terms
01008A		09/17/16		

Quantity	Description		Total
	Set-ups, coffee, water, donuts, tea		\$ 50.00
		Subtotal:	\$ 50.00



Invoice Payable to: Stonebridge Properties PO Box 52 Natural Bridge Station, VA 24579 Bill to: 6<sup>th</sup> Congressional District Republican Committee Attn: Al Tucker, Treasurer P.O. Box 34 Lexington, VA 24450

Invoice #	P.O. Number	Invoice Date	Internal Use Only:	Terms
01009		10/29/16		

Quantity	Description	Total
	October 29, 2016 - Banquet Hall, 20 banquet tables, 54 chairs, 1 lectern, coffee, water, set-up & clean-up	\$ 300.00
	Subtot	al: \$ 300.00
	Tot	al: \$ 300.00

#### **Contribution in Kind**



Invoice Payable to: Stonebridge Properties PO Box 52 Natural Bridge Station, VA 24579 Bill to: 6<sup>th</sup> Congressional District Republican Committee Attn: Al Tucker, Treasurer P.O. Box 34 Lexington, VA 24450

\$ 50.00

Total:

Invoice #	P.O. Number	Invoice Date	Internal Use Only:	Terms
01009A		10/29/16		

Quantity	Description		Total
	Set-ups, coffee, water, donuts, tea		\$ 50.00
		Subtotal:	\$ 50.00



Invoice Payable to: Stonebridge Properties PO Box 52 Natural Bridge Station, VA 24579 Bill to: 6<sup>th</sup> Congressional District Republican Committee Attn: Al Tucker, Treasurer P.O. Box 34 Lexington, VA 24450

Invoice #	P.O. Number	Invoice Date	Internal Use Only:	Terms
01010		02/04/17		

Quantity	Description	Total
	February 4, 2017 - Banquet Hall, 20 banquet tables, 54 chairs, 1 lectern, set-up & clean-up	\$ 300.00
	Subtot	al: \$ 300.00
	Tot	al: \$ 300.00

#### **Contribution in Kind**



**Invoice Payable to:** Stonebridge Properties PO Box 52 Natural Bridge Station, VA 24579 Bill to: 6<sup>th</sup> Congressional District Republican Committee Attn: Al Tucker, Treasurer P.O. Box 34 Lexington, VA 24450

Total: \$ 50.00

Invoice #	P.O. Number	Invoice Date	Internal Use Only:	Terms
01010A		02/06/2017		

Quantity	Description		Total
	Set-ups, coffee, water, donuts, tea		\$ 50.00
		Subtotal:	\$ 50.00



Invoice Payable to: Stonebridge Properties PO Box 52 Natural Bridge Station, VA 24579 Bill to: 6<sup>th</sup> Congressional District Republican Committee Attn: Al Tucker, Treasurer P.O. Box 34 Lexington, VA 24450

Invoice #	P.O. Number	<b>Invoice Date</b>	Internal Use Only:	Terms
01011		05/02/17		

Quantity	Description		Total
	May 6, 2017 - Banquet Hall, 20 banquet tables, 54 chairs, 1 lectern, set-up & clean-up		\$ 300.00
		Subtotal:	\$ 300.00
		Total:	\$ 300.00

#### **Contribution** in Kind



Invoice Payable to: Stonebridge Properties PO Box 52 Natural Bridge Station, VA 24579 Bill to: 6<sup>th</sup> Congressional District Republican Committee Attn: Al Tucker, Treasurer P.O. Box 34 Lexington, VA 24450

\$ 50.00

Total:

Invoice #	P.O. Number	Invoice Date	Internal Use Only:	Terms
01011A		05/02/2017		

Quantity	Description	Total
	Set-ups, coffee, water, donuts, tea for May 6, 2017 meeting	\$ 50.00

Please reference Invoice # on check and make all checks payable to Stonebridge Properties.

THANK YOU FOR YOUR BUSINESS!



Invoice Payable to: Stonebridge Properties PO Box 52 Natural Bridge Station, VA 24579 Bill to: 6<sup>th</sup> Congressional District Republican Committee Attn: Al Tucker, Treasurer P.O. Box 34 Lexington, VA 24450

Invoice #	P.O. Number	Invoice Date	Internal Use Only:	Terms
01012		09/16/17		

Quantity	Description	Total
	September 16, 2017 - Banquet Hall, 20 banquet tables, 54 chairs, 1 lectern, set-up & clean-up	\$ 300.00
	S	ubtotal: \$ 300.00
		Total: \$ 300.00

#### **Contribution in Kind**



Invoice Payable to: Stonebridge Properties PO Box 52 Natural Bridge Station, VA 24579 Bill to: 6<sup>th</sup> Congressional District Republican Committee Attn: Al Tucker, Treasurer P.O. Box 34 Lexington, VA 24450

Invoice #	P.O. Number	Invoice Date	Internal Use Only:	Terms
01013		11/18/17		

Quantity	Description	Total
1	November 18, 2017 - Banquet Hall, 20 banquet tables, 54 chairs, 1 lectern	\$ 250.00
1	set-up & clean-up	\$ 50.00
	Subtotal:	\$ 300.00
	Contribution in Kind	\$ - 250.00

Total: \$ 50.00



**Invoice Payable to:** Stonebridge Properties PO Box 52 Natural Bridge Station, VA 24579 **Bill to:** 6<sup>th</sup> Congressional District Republican Committee Attn: Al Tucker, Treasurer P.O. Box 34 Lexington, VA 24450

Total: \$ 100.00

Invoice #	P.O. Number	Invoice Date	Internal Use Only:	Terms
01012A		11/18/2017		

D	escription		Total
Set-ups, coffee, water, don meeting	uts, tea for 3 <sup>rd</sup> and 4 <sup>th</sup> Quarter		\$ 100.00
		Subtotal:	\$ 100.00
		Subtotal:	\$ 10

PAID 11/18/17 Check #9008



Invoice Payable to: Stonebridge Properties PO Box 52 Natural Bridge Station, VA 24579 Bill to: 6<sup>th</sup> Congressional District Republican Committee P.O. Box 34 Lexington, VA 24450

Invoice #	P.O. Number	Invoice Date	Internal Use Only:	Terms
01014		01/06/2018		

Quantity	Description	Total
1	January 6, 2018 - Banquet Hall, 20 banquet tables, 54 chairs, 1 lectern set-up & clean-up	\$ 250.00 \$ 50.00
6.11.5.r	Subtotal:	\$ 300.00
	Contribution in Kind	\$ -250.00
	Total:	\$ 50.00

Please reference Invoice # on check and make all checks payable to Stonebridge Properties.

THANK YOU FOR YOUR BUSINESS!



Invoice Payable to: Stonebridge Properties PO Box 52 Natural Bridge Station, VA 24579 Bill to: 6<sup>th</sup> Congressional District Republican Committee Attn: Treasurer P.O. Box 34 Lexington, VA 24450

Invoice #	P.O. Number	Invoice Date	Internal Use Only:	Terms
04028		04/30/18		

Quantity	Description		Total
1	April 28, 2018 - Banquet Hall, 20 banquet tables, 54 chairs, 1 lectern set-up & clean-up		\$ 100.00 \$ 50.00
	C	Subtotal: ontribution in Kind	\$ 150.00 \$ - 100.00
		Total:	\$ 50.00



Invoice Payable to: Stonebridge Properties PO Box 52 Natural Bridge Station, VA 24579 Bill to: 6<sup>th</sup> Congressional District Republican Committee Treasurer P.O. Box 34 Lexington, VA 24450

Total:

\$ -0-

Invoice #	P.O. Number	Invoice Date	Internal Use Only:	Terms
051218		05/12/2018		

Quantity	Description		Total
	May 12, 2018 Meeting in Banquet Hall		\$ 100.00
		Subtotal: Contribution in Kind	<u>.</u>

#### **Declaration of Mary Sayre**

I, Mary Sayre, declare as follows:

1. I am over 18 years of age.

 I am offering this declaration in support of a response to Federal Election Commission Matters Under Review 7388.

3. I am the Managing Member of Stonebridge Properties, LLC, a Virginia limited liability company formed in 2011.

4. Stonebridge Properties, LLC does not have publicly traded shares and files as a partnership under Internal Revenue Service rules.

5. No member of Stonebridge Properties, LLC is a corporation.

Stonebridge Properties, LLC owns and operates the Stonebridge Center, 45 Natural Bridge
Station, Virginia. I manage the operations of the Stonebridge Center.

7. I have personal knowledge of the facts about the Stonebridge Center, its business, operations, tenants, policies, and agreements and if called upon to testify I would competently testify as to the matters stated herein.

8. The Stonebridge Center is an event venue that hosts weddings, receptions, business conferences, corporate events and concerts. The Stonebridge Center also has meeting rooms and it has space suitable for office space for long-term occupancy. The corporate offices of Sayre Enterprises, Inc. are located at Stonebridge Center.

9. The Stonebridge Center has and does customarily make meeting rooms available to clubs, civic, and community groups for free or a steeply discounted rate. The Stonebridge Center would make those meeting rooms available for a political committee or candidate on request on the same terms given to other groups using the meeting rooms.

10. I verify under penalty of perjury under the laws of the United States of America that the

factual statements herein concerning the Stonebridge Center, its activities, and its intentions are true and correct. 28 U.S.C. 1746.

Executed on October 16, 2018.

Mary Saure