

RESOLUTION NO. 203241 JUL 22 1971

WHEREAS, The City of San Diego and San Diego Arena Lease Company entered into a Ground Lease Agreement in August 1965, leasing certain City-owned property to San Diego Arena Lease Company for the construction of a sports arena and parking facility, a copy of which is on file in the office of the City Clerk as Document No. 691635; and

WHEREAS, The City of San Diego and the Union Oil Company of California-Breitbard Joint Venture entered into a lease of City-owned property on August 10, 1967, a copy of which is on file in the office of the City Clerk as Document No. 711224; and

WHEREAS, San Diego Arena Lease Company and said Union Oil-Breitbard Joint Venture entered into subleases of certain portions of the properties described in the Ground Lease Agreement and the Joint Venture Lease, to which subleases City consented by Resolution No. 191246; and

WHEREAS, San Diego Arena Lease Company and San Diego Sports Enterprises entered into an Operating Sublease for operation of said Sports Arena; and

WHEREAS, San Diego Sports Enterprises has failed to make the rental payments called for by the Operating Sublease and is in default thereunder; and

WHEREAS, Article XX of the Ground Lease Agreement between The City of San Diego and San Diego Arena Lease Company

provides that in the event of a default by the operator under the terms and conditions of the Operating Sublease, San Diego Arena Lease Company shall cause said Operating Sublease to be assigned to a new operator with the consent of the City; and

WHEREAS, Southern California First National Bank, a national banking association, is Trustee under that certain Indenture of Mortgage and Deed of Trust dated August 1, 1965 executed with the San Diego Arena Lease Company, said Indenture being for the purpose of providing funds to pay the cost of acquisition, construction and development of said Sports Arena and related facilities; and

WHEREAS, Graymont, Ltd., a Canadian corporation, has by letters dated July 7 and July 16, 1971, and a Memorandum of Agreement between Graymont, Ltd. and Southern California First National Bank dated July 19, 1971, copies of which are on file in the office of the City Clerk as Documents Nos. 736633, 736634 and 736635, respectively, offered to execute a new Operating Sublease for operation of the Sports Arena, all as more particularly set forth in said documents; and

WHEREAS, San Diego Arena Lease Company by a letter dated July 19, 1971, a copy of which is on file in the office of the City Clerk as Document No. 736636, has indicated its intent to enter into an operating sublease of the Sports Arena subject to the terms and conditions contained in the proposals referred to above and has requested the consent of

The City of San Diego to the appointment of the Graymont, Ltd. as successor operator of the Sports Arena; and

WHEREAS, San Diego Sports Enterprises has indicated by a letter dated July 19, 1971, a copy of which is on file in the office of the City Clerk as Document No. 736637, that it will vacate the Sports Arena upon a request from San Diego Arena Lease Company; and

WHEREAS, Southern California First National Bank, through its attorneys Gray, Cary, Ames & Frye, by a letter dated July 19, 1971, a copy of which is on file in the office of the City Clerk as Document No. 736638, has indicated its intent to dismiss pending litigation concerning the Sports Arena; and

WHEREAS, Union Oil Company of California by a letter dated July 16, 1971, a copy of which is on file in the office of the City Clerk as Document No. 736639, has indicated its consent to the appointment of Graymont, Ltd. as successor operator at the Sports Arena, all as more particularly set forth in said letter; NOW, THEREFORE,

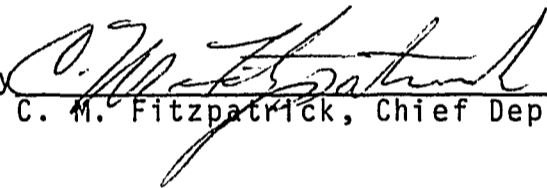
BE IT RESOLVED, by the Council of The City of San Diego, as follows:

1. That the City Manager be and he is hereby authorized to execute on behalf of The City of San Diego a consent to the appointment of Graymont, Ltd., or its nominee, as successor operator of the San Diego International Sports Arena, under the

terms and conditions set forth in Documents No. 736633,  
736634 and 736635.

2. That the City Manager be and he is hereby authorized to execute amendments to the Ground Lease Agreement and the Union Oil-Breitbard Joint Venture Lease referred to above provided, however, that said amendments shall relate only to the descriptions of the properties leased under said agreements and shall be for the purpose of substituting as descriptions of the properties leased, the descriptions set forth in Documents Nos. 736640 and 736641, copies of which are on file in the office of the City Clerk.

APPROVED: JOHN W. WITT, City Attorney

By   
C. M. Fitzpatrick, Chief Deputy

CMF:v1  
7-22-71

RECEIVED  
 CITY CLERK'S OFFICE  
 1971 JUL 22 PM 12: 11  
 SAN DIEGO, CALIF.

Passed and adopted by the Council of The City of San Diego on JUL 22 1971  
 by the following vote:

Councilmen	Yeas	Nays	Excused	Absent
Helen Cobb	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Sam T. Loftin	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Henry L. Landt	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Leon L. Williams	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Floyd L. Morrow	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bob Martinet	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Allen Hitch	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mike Schaefer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mayor Frank Curran	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AUTHENTICATED BY:

(Seal)

FRANK CURRAN  
 Mayor of The City of San Diego, California.  
 EDWARD NIELSEN  
~~JOHN LOCKWOOD~~  
 City Clerk of The City of San Diego, California.

By Edna J. Howell, Deputy. *eh*

Office of the City Clerk, San Diego, California

Resolution Number 203241 Adopted JUL 22 1971

*eh*