(R-85-524)

RESOLUTION NUMBER R-261601 ADOPTED ON September 18, 1984

WHEREAS, San Diego Entertainment, Inc., a California corporation, entered into an operating sublease in 1971 with San Diego Arena Lease Company for the operation of the premises commonly known as the San Diego Sports Arena; and

WHEREAS, said operating sublease provides that The City of San Diego approve any license agreement regarding said Arena which exceeds three (3) years in duration; and

WHEREAS, said San Diego Entertainment, Inc. desires to enter into a license agreement with Volume Services, Inc. for the food and beverage concession service at said Arena for a period in excess of three (3) years, pursuant to that certain document on file in the office of the City Clerk as Document No. Re-261601 and

WHEREAS, the City Council has determined that said Arena premises are not being maintained in conformance with said operating sublease and further that said San Diego Entertainment, Inc. has been found to have violated the provision of the operating sublease in the case of <u>San Diego Clippers Basketball</u> Club, Inc. v. San Diego Entertainment, Inc., San Diego Superior Court No. 445447; and

WHEREAS, the said license agreement calls for a reduced rate of return from the concession revenues for a period of two (2) years pursuant to a separate agreement whereby Volume Services,

Inc. has agreed to secure or cause to be secured an appeal bond to allow appeal of the adverse judgment in the amount of \$868,114.29; NOW, THEREFORE,

BE IT RESOLVED, by the Council of The City of San Diego, that the proposed license agreement is determined not to be in the best interests of The City of San Diego and the City does hereby not approve said license agreement.

APPROVED: John W. Witt, City Attorney

Rohald L. do hson Senior Chief Deputy

RLJ:ps:731.1.2 9/20/84 Or.Dept:Clerk R-85-524

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ed and adopted by the Council e following vote:	of The City of San Diego on	SEP 18 1984
Councilmen Bill Mitchell Bill Cleator Gloria McColl William Jones Ed Struiksma Mike Gotch Dick Murphy Uvaldo Martinez Mayor Roger Hedgecock	Yeas Nays	Not Present Ineligible
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	*****************	ROGER HEDGECOCK I The City of San Diego, California.
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		of The City of San Diego, California .
	Office of the City	Clerk, San Diego, California
	Resolution A-26160	1 Adopted SEP 18 1984