

ORDINANCE NUMBER O- 18339 (NEW SERIES)

ADOPTED ON SEP 09 1996

AN ORDINANCE REPEALING SECTION 17 OF  
ORDINANCE NO. O-18253, AND IMPOSING AN  
ADMISSION ASSESSMENT ON CERTAIN EVENTS AT  
MUNICIPALLY OWNED STADIA.

WHEREAS, by Ordinance No. O-18182, adopted on May 30, 1995, the City of San Diego authorized the execution of the 1995 Agreement for Partial Use and Occupancy of San Diego Jack Murphy Stadium ("Agreement") between the City of San Diego ("City) and the Chargers Football Company ("Chargers"); and

WHEREAS, Section 11(d)(ii) of the Agreement provides that the Chargers shall collect a user fee in the amount of seventy-five cents (\$0.75) per admission ticket for each pre-season and regular season home game for the 1996 season, and one dollar and fifty cents (\$1.50) for each pre-season and regular season home game commencing with the 1997 season and thereafter; and

WHEREAS, the user fee is to be collected by the Chargers and transferred to the City's General Fund in order to assist in the financing of the improvements to the Stadium, as described in the Agreement; and

WHEREAS, the Agreement further provides that the user fees collected by the Chargers will not be included in "Gross Income" for purposes of the Agreement, and will not be subject to the revenue sharing requirements of the National Football League ("NFL"); and

WHEREAS, the user fee was to be implemented by the adoption of Section 17 of Ordinance No. O-18253, adopted on January 9, 1996;

WHEREAS, Section 17 of Ordinance No. O-18253 presently provides that the user fee is implemented by the imposition of an "admission assessment" on each ticket sold for Chargers games, as more fully set forth in the Agreement; and

WHEREAS, the NFL has informed the City Manager that the imposition of the admission assessment in the manner set forth in Section 17 of Ordinance No. O-18253 does not meet its requirements for exclusion from its revenue sharing provisions; and

WHEREAS, the NFL has advised the City Manager that for the admission assessment to be excluded from its revenue sharing requirements the assessment must be applied to all commercial events at the Stadium, excluding events organized, sponsored or otherwise presented by non-profit or educational organizations, and excluding events conducted under or pursuant to existing agreements; and

WHEREAS, in order to implement the provisions of the Agreement, it is necessary to repeal Section 17 of Ordinance No. O-18253 and adopt this Ordinance to comply with NFL requirements; NOW, THEREFORE,

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

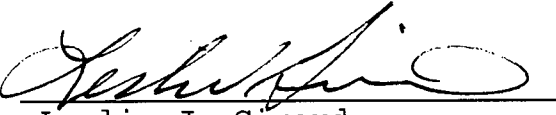
Section 1. Section 17 of Ordinance No. O-18253 is hereby repealed.

Section 2. Section 11 of the 1995 Chargers Agreement for Partial Use and Occupancy of San Diego Jack Murphy Stadium provides that a portion of the revenue derived from the sale of Chargers tickets by the Chargers shall be deposited with the City to assist in the financing of the improvements to the Stadium, as more fully set forth in that Agreement. That provision is hereby implemented by the imposition of an Admission Assessment on all admission tickets sold for commercial events at municipally owned stadia in the City of San Diego with a seating capacity of at least 50,000 seats. Events organized, sponsored or otherwise presented by bona fide non-profit and educational organizations, and events conducted under or pursuant to existing agreements during the current specified term thereof, whether or not such existing agreements are amended or modified prior to their termination, shall not be subject to the requirements of this Ordinance. The amount of the Admission Assessment shall be seventy-five cents (\$.75) for each admission ticket sold from the effective date of Ordinance No. O-18253 through January 31, 1997, and one dollar fifty cents (\$1.50) for each admission ticket sold thereafter. The Admission Assessment for each event shall be charged or assessed against the sponsor, organizer or presenter of the event, including but not limited to the Chargers, and remitted to the City to be placed in the City's General Fund and available for general governmental purposes. The City Manager is hereby authorized to adopt rules and regulations governing the transfer to the City of the Admission Assessment, including the timing of any transfer and the auditing of amounts collected and transferred.

Section 3. This Ordinance is not intended to, nor shall be construed as, amending or in any way affecting previous actions of the City Council concerning the Agreement, any part thereof, or any actions relating to the Agreement or the proposed expansion of San Diego Jack Murphy Stadium, except as specifically set forth herein.

Section 4. This Ordinance shall take effect and be in force on the thirtieth day from and after its passage.

APPROVED: JOHN W. WITT, City Attorney

By   
Leslie J. Girard  
Assistant City Attorney

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