

RESOLUTION NUMBER R- 292698

ADOPTED ON JAN 31 2000

WHEREAS, on November 3, 1998, the electorate of the City of San Diego [City] approved Ordinance No. O-18613 [Ordinance] which authorized the City to enter into a Memorandum of Understanding [MOU] with the San Diego Padres [Padres], the Redevelopment Agency of the City of San Diego, and the Centre City Development Corporation Concerning a Ballpark District, Construction of a Baseball Park, and a Redevelopment Project within the Centre City East (East Village) Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project; and

WHEREAS, the Ordinance provided that it was the intent of the electorate that the Ordinance and the MOU constitute the legislative acts establishing policy for the City on those matters, and provided for the ways and means for the implementation of that policy by such administrative and non-legislative acts as may be necessary and appropriate to carry out the purpose and intent of the Ordinance; and

WHEREAS, the MOU has been executed by all parties thereto; and

WHEREAS, the current agreement for the partial use and occupancy of Qualcomm Stadium [Agreement] between the City and Padres will expire on March 31, 2000; and

WHEREAS, the MOU provides that the City and Padres shall enter into an extension of the Agreement until such time as the proposed new ballpark is open, on the same terms as reflected in the Agreement but modified by mutually agreed-upon financial terms to address the consequences of the City-Chargers agreement; and

WHEREAS, it is now fitting to consider such actions as may be necessary and appropriate to implement the purpose and intent of the Ordinance and MOU, consistent with the City's obligations under California law, and the discretion lawfully vested in the City Council acting on behalf of the City; and

WHEREAS, the action authorized by this resolution is fully consistent with the MOU, and does not materially: 1) decrease the rights or increase the obligations of the City; 2) increase the financial commitments of the City; or 3) decrease revenue to the City; NOW, THEREFORE,

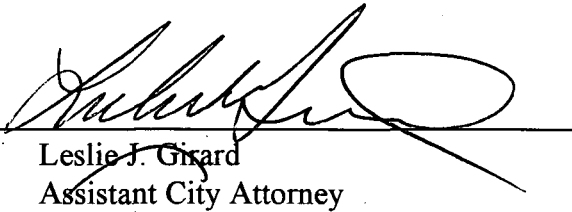
BE IT RESOLVED, by the Council of the City of San Diego, that the City Manager be and he is hereby authorized and directed to execute for and on behalf of the City the Memorandum of Agreement for the Extension of the Partial Use and Occupancy Agreement for Qualcomm Stadium between the City and the Padres, attached hereto as Exhibit 1. When that agreement is fully executed, it shall be kept on file in the Office of the City Clerk as Document No. RR- 292698.

BE IT FURTHER RESOLVED, that the City Manager be and he is hereby authorized and directed to take such other and further actions as may be necessary or appropriate to

implement the intent and purposes of this resolution, consistent with the rights and obligations of the City pursuant to the Ordinance and MOU.

APPROVED: CASEY GWINN, City Attorney

By



Leslie J. Girard
Assistant City Attorney

LJG:ljj:js

12/20/99

1/18/00 REV. 1

Or.Dept:Mgr

R-2000-754

Form=r-t.frm

DRAFT

1/26/00

**MEMORANDUM OF AGREEMENT FOR THE EXTENSION OF THE
PARTIAL USE AND OCCUPANCY AGREEMENT FOR QUALCOMM STADIUM**

January __, 2000

1. Term
 - a. April 1, 2000 through March 31, 2002.
 - b. Padres have right to extend term on a year to year basis upon 180 days notice to City.
 - c. Upon 90 days notice to City, Padres may terminate, effective at the end of the Major League Baseball Season then under way, if the MOU terminates.
2. Continuation of Terms and Conditions

As provided in the MOU, the previously existing terms and conditions of the Padres use and occupancy of Qualcomm Stadium, as modified pursuant to the effect of the 1995 Charger Agreement (as supplemented or amended) shall continue in force and effect, as further modified by these mutually agreeable economic terms and conditions.
3. Skybox Suite Use and Revenue
 - a. City shall pay to Padres annually the 10% of gross skybox suite licensing revenue (exclusive of ticket revenue) received by the City from the Chargers.
 - B. Padres shall have use of the "City Box" for up to 40 Padres games each season, and the City shall receive 22 Plaza Level tickets between the 1st and 3rd bases for each such game.
4. Stadium Operations

Padres have improved the Plaza Level (behind the Sports Club) to include a food-court, with the Padres, City and Volume Services America each agreeing to pay 1/3 of the improvement costs (\$120,000). The City shall grant to the Padres a rent credit in the amount of the City's share of such improvements (\$40,000) in the 2000 season.
5. Parking
 - a. Padres shall receive as a rent credit for the 2000

EXHIBIT 1

2- 292698

season the up-front consideration paid by the parking contractor in 1999 for the extension of the parking contract (\$50,000).

- b. Padres shall retain 100% of the revenue for any increase in the parking charge for Padres' games above \$6.

- 6. **Chargers Related Matters** Matters relating to advertising rights, purchase of certain Padres' tickets, use of certain suites, and other matters affecting the Chargers, Padres and City shall be set forth in a separate agreement between those parties.
- 7. **Rio Vista Space** City shall continue to pay for the Padres' Rio Vista Space (not exceeding 17,654 sq. ft.) until the new Ballpark is open, on the same basis it has paid for such space pursuant to the September 25, 1996 agreement, but not including any additional space the Padres may have leased.. The City shall exercise such options in the Rio Vista lease as may be necessary to comply with this obligation.
- 8. **Parking Lot** Pursuant to the MOU, upon the opening of the new Ballpark the City will make available at no charge to the Padres or patrons 2,500 parking spaces at Qualcomm Stadium for fans wishing to attend events at the new Ballpark but desiring to park at Qualcomm Stadium in order to take the trolley downtown, subject to high attendance events at Qualcomm Stadium such as Chargers' games. After three (3) years, the program will be evaluated by the parties and adjustments to the program may made as mutually agreeable.
- 9. **Additional Signage** Subject to compliance with City laws, advertising will be permitted on the back of the Tri-visions at Qualcomm Stadium. In addition, temporary advertising such as banners and signs facing in towards the parking lot will also be permitted. These advertising opportunities are permitted on the condition that any such advertising shall not include alcohol or tobacco advertising. The revenue for such advertising will be allocated as set forth in the 1995 Charger Agreement, as supplemented, or as otherwise agreed to by the City, Padres and Chargers, however, the

DRAFT

1/26/00

City shall pay to the Padres the City's share of the revenue derived from this advertising only. If such additional signage opportunities are not available pursuant to applicable City laws, the Parties shall reopen negotiations regarding this extension solely to consider the impact of the unavailability of the additional signage opportunities.

CITY OF SAN DIEGO

PADRES L.P.

by

Michael T. Uberuaga
City Manager

by

Jack McGrory
Chief Operating Officer

Approved as to form and legality this ____ day of _____, 2000:

CASEY GWINN, City Attorney

by

Leslie J. Girard
Assistant City Attorney

EXHIBIT 1

R - 292698

DRAFT

1/28/00

**MEMORANDUM OF AGREEMENT FOR THE EXTENSION OF THE
PARTIAL USE AND OCCUPANCY AGREEMENT FOR QUALCOMM STADIUM**


January ___, 2000

1. Term
 - a. April 1, 2000 through March 31, 2002.
 - b. Padres have right to extend term on a year to year basis upon 180 days notice to City.
 - c. Upon 90 days notice to City, Padres may terminate, effective at the end of the Major League Baseball Season then under way, if the MOU terminates.
2. Continuation of Terms and Conditions

As provided in the MOU, the previously existing terms and conditions of the Padres use and occupancy of Qualcomm Stadium, as modified pursuant to the effect of the 1995 Charger Agreement (as supplemented or amended) shall continue in force and effect, as further modified by these mutually agreeable economic terms and conditions.
3. Skybox Suite Use and Revenue
 - a. City shall pay to Padres annually the 10% of gross skybox suite licensing revenue (exclusive of ticket revenue) received by the City from the Chargers.
 - B. Padres shall have use of the "City Box" for up to 40 Padres games each season, and the City shall receive 22 Plaza Level tickets between the 1st and 3rd bases for each such game.
4. Stadium Operations

Padres have improved the Plaza Level (behind the Sports Club) to include a food-court, with the Padres, City and Volume Services America each agreeing to pay 1/3 of the improvement costs (\$120,000). The City shall grant to the Padres a rent credit in the amount of the City's share of such improvements (\$40,000) in the 2000 season.
5. Parking
 - a. Padres shall receive as a rent credit for the 2000

EXHIBIT 1

 292698

season the up-front consideration paid by the parking contractor in 1999 for the extension of the parking contract (\$50,000).

- b. Padres shall retain 100% of the revenue for any increase in the parking charge for Padres' games above \$6.

- 6. **Chargers Related Matters** Matters relating to advertising rights, purchase of certain Padres' tickets, use of certain suites, and other matters affecting the Chargers, Padres and City shall be set forth in a separate agreement between those parties.
- 7. **Rio Vista Space** City shall continue to pay for the Padres' Rio Vista Space (not exceeding 17,654 sq. ft.) until the new Ballpark is open, on the same basis it has paid for such space pursuant to the September 25, 1996 agreement, but not including any additional space the Padres may have leased.. The City shall exercise such options in the Rio Vista lease as may be necessary to comply with this obligation.
- 8. **Parking Lot** Pursuant to the MOU, upon the opening of the new Ballpark the City will make available at no charge to the Padres or patrons 2,500 parking spaces at Qualcomm Stadium for fans wishing to attend events at the new Ballpark but desiring to park at Qualcomm Stadium in order to take the trolley downtown, subject to high attendance events at Qualcomm Stadium such as Chargers' games. After three (3) years, the program will be evaluated by the parties and adjustments to the program may be made as mutually agreeable.
- 9. **Additional Signage** Subject to compliance with City laws, for so long as the Padres use and occupy Qualcomm Stadium pursuant to this extension advertising will be permitted on the back of the Tri-visions at Qualcomm Stadium. In addition, temporary advertising such as banners and signs facing in towards the parking lot will also be permitted. These advertising opportunities are permitted on the condition that any such advertising shall not include alcohol or tobacco advertising. The revenue for such advertising will be allocated as set forth in the 1995 Charger Agreement, as supplemented, or

DRAFT

1/28/00

as otherwise agreed to by the City, Padres and Chargers, however, the City shall pay to the Padres the City's share of the revenue derived from this advertising only. If such additional signage opportunities are not available pursuant to applicable City laws, the Parties shall reopen negotiations regarding this extension solely to consider the impact of the unavailability of the additional signage opportunities.

CITY OF SAN DIEGO

PADRES L.P.

by

Michael T. Uberuaga
City Manager

by

Jack McGrory
Chief Operating Officer


Approved as to form and legality this ____ day of _____, 2000:

CASEY GWINN, City Attorney

by

Leslie J. Girard
Assistant City Attorney

EXHIBIT 1

 292698