

RESOLUTION NUMBER R- 295763

ADOPTED ON NOV 20 2001, 2001

WHEREAS, on November 3, 1998, the electorate of the City of San Diego [City] approved Ordinance No. O-18613 [Ordinance] which authorized and directed 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 [Agency], and the Centre City Development Corporation [CCDC] 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 the City, the Agency, CCDC and Padres [collectively "Parties"]; and

WHEREAS, pursuant to section XV of the MOU, the City shall provide not more than \$225 million towards the construction of the Ballpark Project, based upon its financing of choice and from sources of revenue in the City's general fund and other non-general fund sources as it may determine in its sole discretion; and

WHEREAS, pursuant to section XVII of the MOU, the Agency was to provide not more

than \$50 million towards the Ballpark Project, based upon a combination of equity and tax increment financing, to be used solely for infrastructure and land acquisition; and

WHEREAS, pursuant to section XXXIII.A.1 of the MOU, the Parties' performance under the MOU was conditioned upon the City's ability to obtain its financing of choice on terms reasonably acceptable to the City and on a fully tax-exempt basis unless the Parties waive such requirement; and

WHEREAS, on January 31, 2000, in accordance with the implementation provisions of the MOU, the City Council authorized and directed the City Manager to execute the Ballpark and Redevelopment Project Implementation Agreement [Implementation Agreement] which modified certain rights and responsibilities of the Parties as set forth in the MOU by, in part, providing for additional funding on the part of the Padres and Agency; and

WHEREAS, the Implementation Agreement was executed by all the Parties; and

WHEREAS, pursuant to the Implementation Agreement, the Agency is obligated to provide an additional \$11 million toward the Ballpark Project plus an additional \$10 million solely to cover costs overruns, if any, in land acquisition costs between \$110 million and \$130 million [Contingent Excess Land Acquisition Costs], for a total investment in the Ballpark Project of \$61 million plus Contingent Excess Land Acquisition Costs; and

WHEREAS, the Parties have further determined that additional Agency funds are necessary and appropriate for the payment of additional land acquisition costs and related expenses associated with the Ballpark Project; and

WHEREAS, pursuant to the MOU the Padres have provided to the City a \$50 million first priority lien on and security interest in the Padres' Major League Baseball [MLB] franchise, which was to be released upon the Padres providing its first \$50 million into the construction

fund for the ballpark; and

WHEREAS, pursuant to the Design Build Procurement Consultant Agreement between the Parties, the Padres agreed that the lien and security interest would remain in place to secure the Padres' obligation to pay for ballpark costs in excess of the original ballpark estimate of \$267.5 million; and

WHEREAS, the City has determined to obtain municipal bond insurance for its bonds, and in order to obtain such insurance it is necessary for MLB to provide an unconditional guaranty of a significant portion of the Padres' obligation to deposit its required investment in the Ballpark Project into the construction fund for the ballpark [MLB Guaranty]; and

WHEREAS, the MLB Guaranty may be provided only if the City's first priority lien and security interest are released for so long as the MLB Guaranty remains effective; and

WHEREAS, the terms and conditions of the MLB Guaranty, and the commitments made by Major League Baseball in connection therewith, will not materially affect, and may in fact improve, the protection to the City as compared to the City Lien; and

WHEREAS, the Padres have already provided in excess of \$50 million towards construction of the ballpark; and

WHEREAS, in order that the City may obtain municipal bond insurance for its bonds, it is therefore necessary and appropriate for the City to agree that its first priority lien and security interest may be released but only for so long as the MLB Guaranty remains effective; and

WHEREAS, the City and Padres previously entered into the Joint Use and Management Agreement to set forth in more detail the rights and obligations of each other in the use and management of the Ballpark, including the right of the Padres to create a wholly owned subsidiary to manage the Ballpark, and permitting other assignments upon written agreement of

the parties; and

WHEREAS, Padres will finance certain of its obligations under the MOU by issuing "senior secured notes" in December of 2001, and Padres desires to secure these notes with the revenue derived solely by Padres from the Ballpark and other Padres' owned assets; and

WHEREAS, Padres has requested that the City approve certain assignments under the Joint Use and Management Agreement, and certain other notice and cure rights in favor of its lenders to facilitate the issuance of its notes, and it is appropriate to authorize the City Manager to negotiate and approve the appropriate assignments and notice and cure rights subject to certain minimum conditions; and

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

WHEREAS, nothing heretofore has occurred, nor is there any action herein, that modifies the \$225 million cap on the City's investment in the Project specified in Section XV of the MOU, or causes or obligates the City to spend any funds in excess of that amount; and

WHEREAS, modifications to the rights and obligations of the Parties as set forth in the MOU may be authorized without a vote of the City's electorate if such modifications do 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; and

WHEREAS, to the extent that any action authorized and directed by this resolution, or heretofore approved by this Council, is deemed to modify the rights and obligations of the Parties as set forth in the MOU, the same were intended as such, and such actions did not, and do not,

individually or in the aggregate, 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 foregoing recitals are true and correct, and the City Council so finds and determines as being in the best interests of the City.

BE IT FURTHER RESOLVED, that the City Manager be and he is hereby authorized and directed to execute for and on behalf of the City the Second Ballpark and Redevelopment Project Implementation Agreement [Second Implementation Agreement], 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- 295763.

BE IT FURTHER RESOLVED, that the City Manager be and he is hereby authorized and directed to negotiate the assignment of certain rights and obligations of Padres L.P. under the Joint Use and Management Agreement, and other notice and cure rights in favor of Padres L.P.'s lenders, as may reasonably be necessary and appropriate to facilitate the financing by Padres L.P.'s of the financial obligations of Padres L.P. under the MOU and subordinate agreements provided that: 1) any such assignment be only to a wholly owned subsidiary of Padres L.P. for the life of the assignment; 2) Padres L.P. provides a parent company guaranty in form and substance similar to the guaranty provided by Padres L.P. in connection with the Design Build Procurement Consultant Agreement; 3) any such assignment and notice and cure rights not impact the obligation of Padres L.P. to play Major League Baseball at the Ballpark; 4) the rights of any assignee or lender be no greater than the rights of Padres L.P. under the MOU, Joint Use and Management Agreement, and other Ballpark related agreements, and do not negatively

impact the rights and obligations of the bond trustee under the Indenture as the assignee of the lessor's rights under the Ballpark Facility Lease; 5) that any such assignment and notice and cure rights not materially decrease the rights or increase the obligations of the City, increase the financial commitments of the City, or decrease revenue to the City; and 6) such other and further conditions that the City Manager deems necessary and appropriate in the best interests of the City.

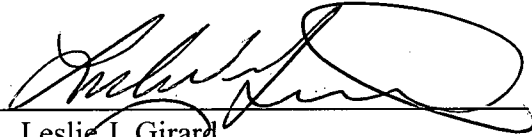
BE IT FURTHER RESOLVED, that the City Manager be and he is hereby authorized and directed to accept the parent company guaranty from Padres L.P. in connection with the assignment of certain rights and obligations as set forth above.

BE IT FURTHER RESOLVED, that the City Manager be and he is hereby authorized and directed to accept the TOT Guaranty from Padres L.P. and John J. Moores on the terms and conditions set forth in Exhibit 2, attached hereto.

BE IT FURTHER RESOLVED, that the City Manager be and he is hereby authorized and directed to execute such further and necessary extensions of the MOU as may be required prior to the receipt of bond proceeds.

BE IT FURTHER RESOLVED, that the City Manager be and he is hereby authorized and directed to take such other and further actions, and negotiate, prepare and execute such documents, as may be necessary or appropriate to implement the intent and purposes of this resolution, the Ordinance, the MOU, the Implementation Agreement, or the Second Implementation Agreement, consistent with the rights and obligations of the City pursuant to the Ordinance, MOU, Implementation Agreement and Second Implementation Agreement, and their authorizing ordinances and resolutions.

APPROVED: CASEY GWINN, City Attorney

By   
Leslie J. Girard  
Assistant City Attorney

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**SECOND BALLPARK AND REDEVELOPMENT  
PROJECT IMPLEMENTATION AGREEMENT**

WHEREAS, on November 3, 1998, the electorate of the City of San Diego [City] approved Ordinance No. O-18613 [Ordinance] which authorized and directed 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 [Agency], and the Centre City Development Corporation [CCDC] 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 the City, the Agency, CCDC and Padres [collectively "Parties"]; and

WHEREAS, pursuant to section XV of the MOU, the City shall provide not more than \$225 million towards the construction of the Ballpark Project, based upon its financing of choice



and from sources of revenue in the City's general fund and other non-general fund sources as it may determine in its sole discretion; and

WHEREAS, pursuant to section XVII of the MOU, the Agency was to provide not more than \$50 million towards the Ballpark Project, based upon a combination of equity and tax increment financing, to be used solely for infrastructure and land acquisition; and

WHEREAS, pursuant to section XXXIII.A.1 of the MOU, the Parties' performance under the MOU was conditioned upon the City's ability to obtain its financing of choice on terms reasonably acceptable to the City and on a fully tax-exempt basis unless the Parties waive such requirement; and

WHEREAS, on January 31, 2000, in accordance with the implementation provisions of the MOU, the City Council authorized and directed the City Manager to execute the Ballpark and Redevelopment Project Implementation Agreement [Implementation Agreement] which modified certain rights and responsibilities of the Parties as set forth in the MOU by, in part, providing for additional funding on the part of the Padres and Agency; and

WHEREAS, the Implementation Agreement was executed by all the Parties; and

WHEREAS, pursuant to the Implementation Agreement, the Agency is obligated to provide an additional \$11 million toward the Ballpark Project plus an additional \$10 million solely to cover costs overruns, if any, in land acquisition costs between \$110 million and \$130 million [Contingent Excess Land Acquisition Costs], for a total investment in the Ballpark Project of \$61 million plus Contingent Excess Land Acquisition Costs.

WHEREAS, the Parties have further determined that additional Agency funds are necessary and appropriate for the payment of additional land acquisition costs and related expenses associated with the Ballpark Project; and

WHEREAS, pursuant to the MOU the Padres have provided the City a \$50 million first priority lien on and security interest [City Lien] in the Padres' Major League Baseball [MLB] franchise, which was to be released upon the Padres providing its first \$50 million into the construction fund for the ballpark; and

WHEREAS, the Padres have already provided in excess of \$50 million towards construction of the ballpark; and

WHEREAS, pursuant to the Design Build Procurement Consultant Agreement between the Parties, the Padres agreed that the City Lien would remain in place to secure the Padres' obligation to pay for ballpark costs in excess of the original ballpark estimate of \$267.5 million; and

WHEREAS, the City has determined to obtain municipal bond insurance for its bonds, and in order to obtain such insurance it is necessary for MLB to provide an unconditional guaranty of a significant portion of the Padres' obligation to deposit its required investment in the Ballpark Project into the construction fund for the ballpark [MLB Guaranty]; and

WHEREAS, the MLB Guaranty may be provided only if the City Lien is released for so long as the MLB Guaranty remains in place; and

WHEREAS, the terms and conditions of the MLB Guaranty, and the commitments made by Major League Baseball in connection therewith, will not materially affect, and may in fact improve, the protection to the City as compared to the City Lien; and

WHEREAS, the Padres have agreed that the City Lien shall be reinstated immediately upon the release or satisfaction of the MLB Guaranty; and

WHEREAS, in order that the City may obtain municipal bond insurance for its bonds, it is therefore necessary and appropriate for the City to agree that the City Lien shall be released but only for so long as the MLB Guaranty remains in place; and

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

WHEREAS, nothing heretofore has occurred, nor is there any action herein, that modifies the \$225 million cap on the City's investment in the Project specified in Section XV of the MOU, or causes or obligates the City to spend any funds in excess of that amount; and

WHEREAS, modifications to the rights and obligations of the Parties as set forth in the MOU may be authorized without a vote of the City's electorate if such modifications do 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; and

WHEREAS, to the extent that the rights and obligations of the Parties as set forth set forth herein, or as previously set forth in the Implementation Agreement or any of its Supplements, are deemed to modify the rights and obligations of the Parties as set forth in the MOU, the same were intended as such, and the Parties agree that such actions did not, and do not, individually or in the aggregate, 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,

The Parties agree as follows:

**I Definitions.**

In addition to any definitions set forth herein, capitalized terms have the same meaning as given to them in the MOU.

**II Effective Date And Term.**

This Agreement shall be effective upon execution by all the Parties, which date is \_\_\_\_\_, 2001, and shall be in effect for as long as the MOU is effective.

**III Agency Investment.**

Pursuant to section XVII of the MOU, the Agency is to provide not more than \$50 million towards the Ballpark Project; however, pursuant to the Implementation Agreement, the Parties agreed that the Agency Investment as set forth in the MOU would be increased by an additional \$11, plus an additional \$10 million solely to cover cost overruns, if any, for land acquisition above \$110 million up to \$130 million [Contingent Excess Land Acquisition Costs], for a total Agency investment in the Ballpark Project of \$61 million plus the Contingent Excess Land Acquisition Costs.

The Parties have further determined that additional Agency funds are necessary and appropriate to pay for additional land acquisition costs and related expenses associated with the Ballpark Project. Accordingly, the Agency shall provide towards the Ballpark Project as part of the Agency Investment the additional sum of \$15.4 million. In addition, the Agency may provide an additional sum up to \$8.5 million, if necessary, for other contingent expenses associated with

the Ballpark Project [Other Contingent Expenses]. The total Agency Investment shall therefore be a sum not to exceed \$76.4 million plus the Contingent Excess Land Acquisition Costs and the Other Contingent Expenses, if any.

#### **IV Release And Reinstatement Of First Priority Lien And Security Interest.**

The City has determined to obtain municipal bond insurance for its bonds. In order to permit the City to obtain such insurance, it is necessary for MLB to provide a guaranty of a significant portion of the Padres' obligation to deposit its required investment in the Ballpark Project into the construction fund for the ballpark [MLB Guaranty]; and the MLB Guaranty may be provided only if the City's first priority lien and security interest [City Lien] granted pursuant to the MOU, and as modified in the Design Build Procurement Consultant Agreement, is released for so long as the MLB Guaranty remains in place.

Accordingly, and because Padres have already provided in excess of \$50 million towards the Ballpark Project, thus satisfying the purpose of the City Lien as set forth in the MOU, and because the MLB Guaranty may provide the same or better protection to the City as the City Lien, the City agrees that the City Lien may be released for so long as the MLB Guaranty remains in place.

Padres agree that the City Lien may be reinstated immediately upon release of the MLB Guaranty. Accordingly, Padres agree to execute and deliver to the City any necessary documentation sufficient to allow the City to reinstate and file the City Lien. The City shall hold such documentation until the release of the MLB Guaranty, but may file the City Lien immediately thereafter. Padres agree to immediately notify the City of the release of the MLB Guaranty, and to obtain the approval of MLB for the refile of the City Lien upon the terms set

forth herein prior to the release of the City Lien. Padres shall also obtain the written commitment of MLB not to approve any other liens upon the Padres' MLB franchise until after the City Lien is recorded and its first priority status is confirmed.

Upon reinstatement of the City Lien, the City and Agency agree to the incremental release of the City Lien, subject to section 4.05(b) of the Design-Build Procurement Consultant Agreement. The Padres shall obtain MLB approval of said section 4.05 before the City approves the disclosure document for its bonds.

**V Extension Of MOU.**

The MOU shall be extended to and including December 21, 2001.

**VI Continuation Of Rights And Obligations.**

The terms of the Implementation Agreement, its supplements, and this Second Implementation Agreement modify certain of the rights and obligations of the Parties as set forth in the MOU, but the Parties agree that none of the modifications individually or in the aggregate, 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. Except as specifically set forth therein and herein, the rights and obligations of the Parties pursuant to the MOU, and all related agreements between the Parties, or any of them, remain unchanged.

PADRES L.P.

CITY OF SAN DIEGO

By: \_\_\_\_\_

By: \_\_\_\_\_

Robert J. Vizas  
President & Chief Executive Officer

Michael T. Uberuaga  
City Manager

REDEVELOPMENT AGENCY OF THE  
CITY OF SAN DIEGO

CENTRE CITY DEVELOPMENT  
CORPORATION

By: \_\_\_\_\_

By: \_\_\_\_\_

Michael T. Uberuaga  
Executive Director

Peter Hall  
President

I HEREBY APPROVE the form and legality of the foregoing Agreement this \_\_\_\_\_ day  
of November, 2001.

CASEY GWINN, City Attorney

By: \_\_\_\_\_  
Leslie J. Girard  
Assistant City Attorney

## TOT GUARANTY

The following are the terms and conditions of a guaranty [TOT Guaranty] provided to and for the benefit of the City of San Diego [City] by John Moores [Moores] and Padres L.P. [Padres] as co-obligors:

1. **Term.** The TOT Guaranty shall be effective if the Four Star Hotel is not open and operating by April 1, 2004. The Disposition and Development Agreement for the Four Star Hotel [Four Star DDA] shall be extended to December 31, 2003, and the TOT Guaranty shall terminate upon the earlier to happen of: a) the opening and commencement of operations of the Four Star Hotel; or b) June 30, 2008. In the event that the term of the Four Star DDA is extended beyond December 31, 2003, the TOT Guaranty shall terminate upon the earlier to happen of: a) the opening and commencement of operations of the Four Star Hotel; or b) 54 months after the expiration of the Four Star DDA.
2. **Definitions:**
  - a. "Year" means the City's fiscal year (July 1 - June 30).
  - b. "Payment Year" means the fiscal year following the Year for which the payment made pursuant to paragraph 3 is calculated.
  - c. "Four Star Hotel" means the hotel commonly referred to as the Westin Hotel, currently planned to be built on the block surrounded by Sixth Avenue, Seventh Avenue and L Street.
  - d. "Suites Hotel" means the hotel commonly referred to as the Amerisuites Hotel, currently planned to be built on the block surrounded by Sixth Avenue, Seventh Avenue, Island Avenue and J Street.
  - e. "Boutique Hotel" means the hotel currently planned to be built on the block surrounded by 10th Avenue, 11th Avenue, K Street, and the new Park Boulevard.
  - f. "Four Star TOT Projection" means the TOT projected to be produced per Year by the Four Star Hotel, assuming an April 1, 2004, opening date, as set forth in Table 1.
  - g. "Suites TOT Projection" means the TOT projected to be produced per Year by the Suites Hotel, assuming an April 1, 2004, opening date, as set forth in Table 1.
  - h. "Boutique TOT Projection" means the TOT projected to be produced per Year by the Boutique Hotel as set forth in Attachment M to the Joint Use and Management Agreement, but escalated by the projected 4.5% TOT escalation to reflect an April



1, 2004, opening date. The Boutique TOT Projection is set forth in Table 1.

- i. "TOT Projections" means the total of the Four Star TOT Projection, Suites TOT Projection, and Boutique TOT Projection for each Year.
- j. "Total TOT" means the total of TOT actually generated by the Four Star Hotel, Suites Hotel, Boutique Hotel, and any Substitute Ancillary Development hotel (as defined in the MOU) per Year.
- k. "TOT Differential" means for each Year, beginning in the City's FY 2004, the excess, if any, of the TOT Projections for that Year over the Total TOT for that Year.
- l. "O&M Expense" means the City's share of Joint Management Expenses for each Year, as determined in the Joint Use and Management Agreement.

3. For any Year in which the TOT Differential exceeds the O&M Expense, Moores or Padres, as co-obligors, shall pay to the City a sum equal to the amount by which the TOT Differential exceeds the O&M Expense for that Year. The City may decline the payment to preserve the tax-exempt status of the City's bonds.

4. The payment required by paragraph 3 shall be made no later than the close of business on August 10 of each Payment Year, on the condition that the City provides the Padres with a written report of the Total TOT for the Year by close of business on August 5 of each Payment Year.

5. In consideration of the TOT Guaranty, the City agrees that the terms of section 19.6.2 of the Joint Use and Management Agreement [JUMA] shall be amended to provide that, in the event the TOT Guaranty is not in effect, the credit/offset available to the City shall be calculated on a total room basis, rather than a hotel by hotel basis, such that the credit/offset shall be the excess, if any, by which the total TOT projection for each Year (as set forth in the revised Exhibit M) exceed the Total TOT for the Year. In addition, the Parties agree that the term "Phase I Hotel Setoff Trigger Date" will be the earlier of April 1, 2004, or the Opening Date, as defined in the JUMA. The parties further agree that Exhibit M to the JUMA shall be revised by escalating the projected TOT for each hotel, and the total TOT, by 4.5% for two years, to reflect an April 1, 2004, opening date for the hotels, and further revised to show that escalation beyond 2011 through 2021.

**BALLPARK PROJECT REVENUE ASSUMPTIONS**

Ballpark Project Revenue	Opening Date	Number of Hotel Rooms	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Rooms/Revenue	Apr-04	512	\$596,808	\$2,680,030	\$3,023,321	\$3,125,984	\$3,187,804	\$3,280,579	\$3,379,078	\$3,483,449	\$3,587,819	\$3,692,189	\$3,796,559	\$3,900,929	\$4,005,299	\$4,109,669
Occupancy Rate			63%	69%	75%	76%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
Avg Room Rate			\$1165	\$1893	\$2055	\$2111	\$2217	\$2223	\$2230	\$2237	\$2244	\$2251	\$2258	\$2265	\$2272	\$2279
Rooms/Revenue	Apr-04	203	\$186,226	\$780,642	\$829,998	\$852,938	\$1,011,202	\$1,041,544	\$1,072,761	\$1,104,970	\$1,137,188	\$1,169,406	\$1,201,624	\$1,233,842	\$1,266,060	\$1,298,278
Occupancy Rate			63%	63%	65%	73%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
Avg Room Rate			\$1511	\$1559	\$1633	\$1688	\$1773	\$1799	\$1804	\$1819	\$1834	\$1849	\$1864	\$1879	\$1894	\$1909
Rooms/Revenue	Apr-06	135	\$100,956	\$491,562	\$553,197	\$598,737	\$625,680	\$653,835	\$682,989	\$712,144	\$741,299	\$770,454	\$800,609	\$830,764	\$860,919	\$891,074
Occupancy Rate			55%	65%	70%	73%	73%	73%	73%	73%	73%	73%	73%	73%	73%	73%
Avg Room Rate			\$1422	\$1466	\$1553	\$1600	\$1660	\$1660	\$1660	\$1660	\$1660	\$1660	\$1660	\$1660	\$1660	\$1660
<b>TOTAL ROOMS/REVENUE</b>		<b>850</b>	<b>\$783,034</b>	<b>\$3,460,672</b>	<b>\$3,853,325</b>	<b>\$4,670,485</b>	<b>\$4,752,203</b>	<b>\$4,920,859</b>	<b>\$5,077,519</b>	<b>\$5,242,255</b>	<b>\$5,407,007</b>	<b>\$5,571,754</b>	<b>\$5,736,501</b>	<b>\$5,901,248</b>	<b>\$6,066,005</b>	<b>\$6,230,752</b>

NOTE: This information is based upon information provided by JMI Realty, Inc.

**Operating Expense Credit Calculations**

Joint Use & Management Agreement - Exhibit M	Date	Hotel Rooms	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Boutique Hotel	Apr-04	150	\$102,720	\$500,154	\$562,865	\$562,865	\$562,865	\$562,865	\$562,865	\$562,865	\$562,865	\$562,865	\$562,865	\$562,865	\$562,865	\$562,865
Rooms/Revenue			55%	65%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%
Occupancy Rate			\$130	\$134	\$140	\$140	\$140	\$140	\$140	\$140	\$140	\$140	\$140	\$140	\$140	\$140
Avg Room Rate			\$102,720	\$500,154	\$422,149	\$422,149	\$422,149	\$422,149	\$422,149	\$422,149	\$422,149	\$422,149	\$422,149	\$422,149	\$422,149	\$422,149
<b>O&amp;M Calculation</b>			<b>\$102,720</b>	<b>\$500,154</b>	<b>\$422,149</b>	<b>\$422,149</b>	<b>\$422,149</b>	<b>\$422,149</b>	<b>\$422,149</b>	<b>\$422,149</b>	<b>\$422,149</b>	<b>\$422,149</b>	<b>\$422,149</b>	<b>\$422,149</b>	<b>\$422,149</b>	<b>\$422,149</b>
<b>Subtotal</b>			<b>\$102,720</b>	<b>\$500,154</b>	<b>\$422,149</b>	<b>\$422,149</b>	<b>\$422,149</b>	<b>\$422,149</b>	<b>\$422,149</b>	<b>\$422,149</b>	<b>\$422,149</b>	<b>\$422,149</b>	<b>\$422,149</b>	<b>\$422,149</b>	<b>\$422,149</b>	<b>\$422,149</b>
<b>O&amp;M Expense</b>			<b>\$1,750,000</b>	<b>\$3,500,000</b>	<b>\$3,605,000</b>	<b>\$3,605,000</b>	<b>\$3,605,000</b>	<b>\$3,605,000</b>	<b>\$3,605,000</b>	<b>\$3,605,000</b>	<b>\$3,605,000</b>	<b>\$3,605,000</b>	<b>\$3,605,000</b>	<b>\$3,605,000</b>	<b>\$3,605,000</b>	<b>\$3,605,000</b>
<b>Balance of TOT Credit Due</b>			<b>(\$1,647,280)</b>	<b>(\$2,999,846)</b>	<b>(\$3,182,851)</b>	<b>(\$3,182,851)</b>	<b>(\$3,182,851)</b>	<b>(\$3,182,851)</b>	<b>(\$3,182,851)</b>	<b>(\$3,182,851)</b>	<b>(\$3,182,851)</b>	<b>(\$3,182,851)</b>	<b>(\$3,182,851)</b>	<b>(\$3,182,851)</b>	<b>(\$3,182,851)</b>	<b>(\$3,182,851)</b>

R-295763

BALLPARK PROJECT REVENUE ASSUMPTIONS

Ballpark Project Revenue	Opening Date	Number of Hotel Rooms	FY													
			2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Rooms/Revenue	April-04	512	\$3,640,205	\$3,804,014	\$3,975,195	\$4,154,078	\$4,341,012	\$4,536,357	\$4,740,493	\$4,953,816	\$5,176,737	\$5,409,691	\$5,653,127	\$5,907,517	\$6,173,356	\$6,451,157
Occupancy Rate			75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
Avg Room Rate			\$248	\$259	\$271	\$283	\$296	\$309	\$323	\$337	\$353	\$369	\$385	\$402	\$421	\$439
Rooms/Revenue	April-04	203	\$1,154,694	\$1,206,655	\$1,260,955	\$1,317,698	\$1,376,994	\$1,438,959	\$1,503,712	\$1,571,379	\$1,642,091	\$1,715,985	\$1,793,205	\$1,873,899	\$1,958,224	\$2,046,344
Occupancy Rate			75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
Avg Room Rate			\$198	\$207	\$216	\$226	\$236	\$247	\$258	\$269	\$281	\$294	\$307	\$321	\$336	\$351
Rooms/Revenue	April-06	135	\$683,258	\$714,005	\$746,135	\$779,711	\$814,798	\$851,464	\$889,780	\$929,820	\$971,662	\$1,015,386	\$1,061,079	\$1,108,827	\$1,158,725	\$1,210,867
Occupancy Rate			73%	73%	73%	73%	73%	73%	73%	73%	73%	73%	73%	73%	73%	73%
Avg Room Rate			\$182	\$190	\$199	\$208	\$217	\$227	\$237	\$248	\$259	\$271	\$283	\$296	\$309	\$323
<b>TOTAL ROOMS/REVENUE</b>		<b>850</b>	<b>\$5,478,157</b>	<b>\$5,724,674</b>	<b>\$5,982,284</b>	<b>\$6,251,487</b>	<b>\$6,532,804</b>	<b>\$6,826,780</b>	<b>\$7,133,985</b>	<b>\$7,455,014</b>	<b>\$7,790,490</b>	<b>\$8,141,062</b>	<b>\$8,507,410</b>	<b>\$8,890,243</b>	<b>\$9,290,304</b>	<b>\$9,708,368</b>

NOTE: This information is based upon information provided

Table 1

R-295763

BALLPARK PROJECT REVENUE ASSUMPTIONS

	Opening Date	Number of Hotel Rooms	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
<b>Ballpark Project Revenue</b>									
Rooms/Revenue	April-04	512	\$6,741,459	\$7,044,824	\$7,361,841	\$7,693,124	\$8,039,315	\$8,401,084	\$8,779,133
Occupancy Rate			75%	75%	75%	75%	75%	75%	75%
Avg Room Rate			\$459	\$480	\$502	\$524	\$548	\$572	\$598
Rooms/Revenue	April-04	203	\$2,138,430	\$2,234,659	\$2,335,219	\$2,440,304	\$2,550,117	\$2,664,873	\$2,784,792
Occupancy Rate			75%	75%	75%	75%	75%	75%	75%
Avg Room Rate			\$366	\$383	\$400	\$418	\$437	\$457	\$477
Rooms/Revenue	April-06	135	\$1,265,356	\$1,322,297	\$1,381,801	\$1,443,982	\$1,508,961	\$1,576,864	\$1,647,823
Occupancy Rate			73%	73%	73%	73%	73%	73%	73%
Avg Room Rate			\$337	\$353	\$368	\$385	\$402	\$420	\$439
<b>TOTAL ROOMS/REVENUE</b>		<b>850</b>	<b>\$10,145,245</b>	<b>\$10,601,781</b>	<b>\$11,078,861</b>	<b>\$11,577,410</b>	<b>\$12,098,393</b>	<b>\$12,642,821</b>	<b>\$13,211,748</b>

NOTE: This information is based upon information provided

R-295763

## TOT GUARANTY

The following are the terms and conditions of a guaranty [TOT Guaranty] provided to and for the benefit of the City of San Diego [City] by John Moores [Moores] and Padres L.P. [Padres] as co-obligors:

### 1. Definitions.

1. "Year" means the City's fiscal year (July 1 - June 30).
2. "Payment Year" means the fiscal year following the Year for which the payment made pursuant to paragraph 3 is calculated.
3. "Four Star Hotel" means the hotel commonly referred to as the Westin Hotel, currently planned to be built on the block surrounded by Sixth Avenue, Seventh Avenue and L Street.
4. "Suites Hotel" means the hotel commonly referred to as the Amerisuites Hotel, currently planned to be built on the block surrounded by Sixth Avenue, Seventh Avenue, Island Avenue and J Street.
5. "Boutique Hotel" means the hotel currently planned to be built on the block surrounded by 10th Avenue, 11th Avenue, K Street, and the new Park Boulevard.
6. "Exhibit M" means Exhibit M to the JUMA.
7. "Four Star DDA" means the Disposition and Development Agreement (Sixth and L Street Hotel) by and between the Redevelopment Agency of the City of San Diego and JMI Realty, Inc., Redevelopment Agency document no. D-03075/R-03075.
8. "Four Star TOT Projection" means the TOT projected to be produced per Year by the Four Star Hotel, assuming an April 1, 2004, opening date, as set forth in Table 1, attached hereto.
9. "JUMA" means the Joint Use and Management Agreement between the City and Padres dated February 1, 2000.
10. "Suites TOT Projection" means the TOT projected to be produced per Year by the Suites Hotel, assuming an April 1, 2004, opening date, as set forth in Table 1.
11. "Boutique TOT Projection" means the TOT projected to be produced per Year by the Boutique Hotel as set forth in Attachment M to the Joint Use and Management

Agreement, but escalated by the projected 4.5% TOT escalation to reflect an April 1, 2004, opening date. The Boutique TOT Projection is set forth in Table 1.

12. "TOT Projections" means the total of the Four Star TOT Projection, Suites TOT Projection, and Boutique TOT Projection for each Year.
13. "Total TOT" means the total of TOT actually generated by the Four Star Hotel, Suites Hotel, Boutique Hotel, and any Substitute Ancillary Development hotel (as defined in the MOU) per Year.
14. "TOT Differential" means for each Year, beginning in the City's FY 2004, the excess, if any, of the TOT Projections for that Year over the Total TOT for that Year.
15. "O&M Expense" means the City's share of Joint Management Expenses for each Year, as determined in the Joint Use and Management Agreement.

2. Term.

The TOT Guaranty shall be effective as of the date of the closing of the City's bond transaction, December, \_\_, 2001, and shall continue in effect on the condition that the Four Star Hotel is not open and operating by April 1, 2004, and if the Four Star DDA is extended to December 31, 2003. Provided that the foregoing two conditions are satisfied, and the TOT Guaranty remains effective, the TOT Guaranty shall terminate upon the earlier to happen of: a) the opening and commencement of operations of the Four Star Hotel; or b) June 30, 2008. In the event that the term of the Four Star DDA is extended beyond December 31, 2003, the TOT Guaranty shall terminate upon the earlier to happen of: a) the opening and commencement of operations of the Four Star Hotel; or b) 54 months after the expiration of the Four Star DDA.

3. Guaranty.

For any Year or partial Year prior to the termination of this TOT Guaranty in which the TOT Differential exceeds the O&M Expense, Moores or Padres, jointly and severally, as co-obligors, shall pay to the City a sum equal to the amount by which the TOT Differential exceeds the O&M Expense for that Year. The City may decline the payment to preserve the tax-exempt status of the City's bonds.

4. Time of Payment.

The payment required by paragraph 3 shall be made no later than the close of business on August 10 of each Payment Year, on the condition that the City provides the Padres with a written report of the Total TOT for the Year by close of business on August 5 of each Payment Year.

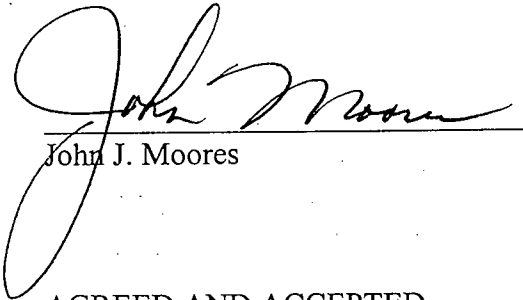
5. Other conditions.

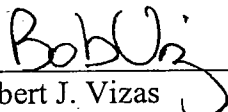
In consideration of the TOT Guaranty, the City agrees that the terms of section 19.6.2 of the JUMA shall be amended to provide that, in the event the TOT Guaranty is not in effect, the credit/offset available to the City shall be calculated on a total room basis, rather than a hotel by hotel basis, such that the credit/offset shall be the excess, if any, by which the total TOT projection for each Year (as set forth in the revised Exhibit M) exceed the Total TOT for the Year. In addition, the Parties agree that the term "Phase 1 Hotel Setoff Trigger Date" will be the earlier of April 1, 2004, or the Opening Date, as defined in the JUMA. The parties further agree that Exhibit M shall be revised by escalating the projected TOT for each hotel, and the total TOT, by 4.5% for two years, to reflect an April 1, 2004, opening date for the hotels, and further revised to show that escalation beyond 2011 through 2021.

Dated: December \_\_, 2001

Dated: December 20, 2001


Padres L.P.

  
\_\_\_\_\_  
John J. Moores

by   
\_\_\_\_\_  
Robert J. Vizas  
President & Chief Executive Officer

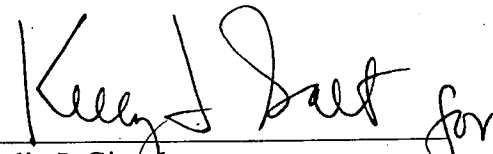
AGREED AND ACCEPTED

City of San Diego

by   
\_\_\_\_\_  
Michael T. Uberuaga  
City Manager

APPROVED AS TO FORM AND LEGALITY

CASEY GWINN, City Attorney

by   
\_\_\_\_\_  
Leslie J. Girard  
Assistant City Attorney

**BALLPARK PROJECT REVENUE ASSUMPTIONS**

	Opening Date	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Ballpark Project Revenue															
Rooms/Revenue	Apr-04	512	\$2,680,030	\$3,023,321	\$3,125,984	\$3,187,804	\$3,280,579	\$3,379,078	\$3,483,449						
Occupancy Rate		83%	69%	75%	75%	75%	75%	75%	75%						
Avg Room Rate		\$193	\$199	\$205	\$211	\$217	\$223	\$230	\$237						
Rooms/Revenue	Apr-04	203	\$780,642	\$829,998	\$852,938	\$1,011,202	\$1,041,544	\$1,072,781	\$1,104,970						
Occupancy Rate		63%	63%	73%	75%	75%	75%	75%	75%						
Avg Room Rate		\$151	\$159	\$163	\$168	\$173	\$179	\$184	\$189						
Rooms/Revenue	Apr-06	135	\$491,562	\$553,187	\$598,737	\$625,680	\$653,835	\$682,865	\$717,200						
Occupancy Rate		55%	65%	70%	73%	73%	73%	73%	73%						
Avg Room Rate		\$142	\$146	\$153	\$160	\$167	\$174	\$181	\$188						
<b>TOTAL ROOMS/REVENUE</b>		<b>880</b>	<b>\$3,460,672</b>	<b>\$3,954,275</b>	<b>\$4,570,485</b>	<b>\$4,762,203</b>	<b>\$4,920,859</b>	<b>\$5,077,519</b>	<b>\$5,242,255</b>						

NOTE: This information is based upon information provided by JMI Realty, Inc.

**Operating Expense Credit Calculations**

	Date	Hotel Rooms	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Joint Use & Management Agreement - Exhibit M																
Boulique Hotel	Apr-04	150	\$500,154	\$562,865	\$582,865	\$600,154	\$622,149	\$642,149	\$662,149							
Rooms/Revenue		55%	65%	70%	70%	70%	70%	70%	70%							
Occupancy Rate		\$130	\$134	\$140	\$140	\$140	\$140	\$140	\$140							
Avg Room Rate		\$102,720	\$500,154	\$422,149	\$422,149	\$422,149	\$422,149	\$422,149	\$422,149							
O&M Calculation		\$102,720	\$500,154	\$422,149	\$422,149	\$422,149	\$422,149	\$422,149	\$422,149							
Boulique TOT		\$102,720	\$500,154	\$422,149	\$422,149	\$422,149	\$422,149	\$422,149	\$422,149							
Subtotal		\$102,720	\$500,154	\$422,149	\$422,149	\$422,149	\$422,149	\$422,149	\$422,149							
O&M Expense		\$1,750,000	\$3,500,000	\$3,605,000	\$3,605,000	\$3,605,000	\$3,605,000	\$3,605,000	\$3,605,000							
Balance of TOT Credit Due		<u>(\$1,647,280)</u>	<u>(\$2,999,846)</u>	<u>(\$3,182,851)</u>	<u>(\$3,182,851)</u>	<u>(\$3,182,851)</u>	<u>(\$3,182,851)</u>	<u>(\$3,182,851)</u>	<u>(\$3,182,851)</u>							

R - 295763

Table 1



BALLPARK PROJECT REVENUE ASSUMPTIONS

	Opening Date	Number of Hotel Rooms	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
<b>Ballpark Project Revenue</b>																
Rooms/Revenue	April-04	512	\$3,840,205	\$3,804,014	\$3,975,195	\$4,154,078	\$4,341,012	\$4,538,357	\$4,740,493	\$4,953,816	\$5,178,737	\$5,408,691	\$5,653,127	\$5,907,517	\$6,173,356	\$6,451,157
Occupancy Rate			75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
Avg Room Rate			\$248	\$259	\$271	\$283	\$296	\$309	\$323	\$337	\$353	\$369	\$385	\$402	\$421	\$439
Rooms/Revenue	April-04	203	\$1,154,694	\$1,208,655	\$1,280,955	\$1,317,698	\$1,378,994	\$1,438,959	\$1,503,712	\$1,571,379	\$1,642,091	\$1,715,965	\$1,793,205	\$1,873,899	\$1,958,224	\$2,046,344
Occupancy Rate			75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
Avg Room Rate			\$198	\$207	\$216	\$226	\$236	\$247	\$258	\$269	\$281	\$294	\$307	\$321	\$336	\$351
Rooms/Revenue	April-06	135	\$683,258	\$714,005	\$746,135	\$779,711	\$814,798	\$851,464	\$889,780	\$929,820	\$971,662	\$1,015,388	\$1,061,079	\$1,108,827	\$1,158,725	\$1,210,987
Occupancy Rate			73%	73%	73%	73%	73%	73%	73%	73%	73%	73%	73%	73%	73%	73%
Avg Room Rate			\$182	\$190	\$199	\$208	\$217	\$227	\$237	\$248	\$259	\$271	\$283	\$296	\$308	\$323
<b>TOTAL ROOMS/REVENUE</b>		<b>650</b>	<b>\$5,478,167</b>	<b>\$5,724,674</b>	<b>\$5,982,284</b>	<b>\$6,251,487</b>	<b>\$6,632,804</b>	<b>\$6,826,760</b>	<b>\$7,133,986</b>	<b>\$7,456,014</b>	<b>\$7,790,490</b>	<b>\$8,141,082</b>	<b>\$8,607,410</b>	<b>\$8,890,243</b>	<b>\$9,290,304</b>	<b>\$9,706,368</b>

NOTE: This information is based upon information provided

R-295763

BALLPARK PROJECT REVENUE ASSUMPTIONS

	Opening Date	Number of Hotel Rooms	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
<b>Bellpark Project Revenue</b>									
Rooms/Revenue	April 01	512	\$8,741,459	\$7,044,824	\$7,361,841	\$7,693,124	\$8,039,315	\$8,401,084	\$8,779,133
Occupancy Rate			75%	75%	75%	75%	75%	75%	75%
Avg Room Rate			\$459	\$480	\$502	\$524	\$548	\$572	\$598
Rooms/Revenue	April 04	203	\$2,138,430	\$2,234,659	\$2,335,219	\$2,440,304	\$2,550,117	\$2,664,873	\$2,784,792
Occupancy Rate			75%	75%	75%	75%	75%	75%	75%
Avg Room Rate			\$396	\$383	\$400	\$418	\$437	\$457	\$477
Rooms/Revenue	April 06	135	\$1,265,356	\$1,322,297	\$1,381,801	\$1,443,982	\$1,508,981	\$1,576,984	\$1,647,823
Occupancy Rate			73%	73%	73%	73%	73%	73%	73%
Avg Room Rate			\$337	\$353	\$368	\$385	\$402	\$420	\$439
<b>TOTAL ROOMS/REVENUE</b>		<b>850</b>	<b>\$10,145,245</b>	<b>\$10,601,781</b>	<b>\$11,078,861</b>	<b>\$11,577,410</b>	<b>\$12,098,393</b>	<b>\$12,642,821</b>	<b>\$13,211,748</b>

NOTE: This information is based upon information provided

R- 295763

**SECOND SUPPLEMENT TO SECOND  
BALLPARK AND REDEVELOPMENT PROJECT  
IMPLEMENTATION AGREEMENT**

Dated January 10, 2002

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 Padres L.P. [Padres], the Redevelopment Agency of the City of San Diego [Agency], and the Centre City Development Corporation [CCDC] [collectively, the "Parties"] 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 [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 MOU was set to expire on March 31, 2000, unless extended in writing by the Parties; and

DOCUMENT NO. RR-295763-a  
FILED NOV 20 2001  
OFFICE OF THE CITY CLERK  
SAN DIEGO, CALIFORNIA

R-295763

WHEREAS, in accordance with the implementation provisions of the MOU, the Parties previously agreed that the MOU should be extended a number of times, most recently to and including January 11, 2002, pursuant to the First Supplement to Second Ballpark and Redevelopment Project Implementation Agreement; and

WHEREAS, the City has been unable to obtain the permanent financing contemplated by the MOU to fund its investment in the Project, and a further extension of the MOU is necessary and appropriate to allow sufficient time for the City to obtain its permanent financing; and

WHEREAS, the City Manager has been authorized to execute this extension on behalf of the City and Agency pursuant to Resolution Nos. 295763 and R-03408, respectively, and the President of CCDC has been authorized pursuant to Resolution No. 2001-06.

WHEREAS, nothing herein modifies the \$225 million cap on the City's investment in the Project specified in Section XV of the MOU, or causes or obligates the City to spend any funds in excess of that cap; and

WHEREAS, this Agreement is fully consistent with the MOU, and, as provided in Section XXXVIII of the MOU 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,

The Parties agree as follows:

**I. Definitions.**

Unless specifically set forth herein, all capitalized terms herein are defined in the MOU.

**II. Extension of MOU Term and Termination.**

Section III of the MOU provides that the MOU shall be effective until March 31, 2000, unless all the conditions subsequent set forth in Section XXXIII of the MOU have been satisfied, in which case the MOU shall continue in force and effect for the same term as any lease or other agreement between the City and the Padres for the use and occupancy of the Ballpark. By the Ballpark and Redevelopment Project Implementation Agreement, dated February 25, 2000, the Parties agreed to extend the MOU to and including September 30, 2000. The Parties further agreed to extend the MOU to and including March 31, 2001, in the First Supplement to Ballpark and Redevelopment Project Implementation Agreement, and further agreed to extend the MOU to and including September 30, 2001, in the Second Supplement to Ballpark and Redevelopment Project Implementation Agreement. Most recently, the Parties agreed to extend the MOU to and including October 31, 2001, in the Third Supplement to Ballpark and Redevelopment Project Implementation Agreement, to November 30, 2001, in the Fourth Supplement to Ballpark and Redevelopment Project Implementation Agreement, to December 21, 2001, in the Second Ballpark and Redevelopment Project Implementation Agreement, and to January 11, 2002 pursuant to the First Supplement to Second Ballpark and Redevelopment Project Implementation Agreement.

The Parties have continued to move forward in good faith in efforts to implement the MOU as authorized and directed by the electorate, but all conditions subsequent may still not be satisfied by January 11, 2002. The Parties therefore agree that the termination date of the MOU shall be extended to and including January 18, 2002.

This extension is made without waiving the position of any Party with regard to the existence or effect of any Force Majeure Event, and without waiving any right or obligation of any Party pursuant to the MOU.

PADRES L.P.

CITY OF SAN DIEGO

By: Bob Viz  
Bob Vizas  
President & Chief Executive Officer

By: Michael T. Uberuaga  
Michael T. Uberuaga  
City Manager

REDEVELOPMENT AGENCY OF THE  
CITY OF SAN DIEGO

CENTRE CITY DEVELOPMENT  
CORPORATION

By: Michael T. Uberuaga  
Michael T. Uberuaga  
Executive Director

By: Peter Hall  
Peter Hall  
President

I HEREBY APPROVE the form and legality of the foregoing Agreement this 7<sup>th</sup> day  
of January, ~~2000~~ 2002

CASEY GWINN, City Attorney

By: Leslie J. Girard  
Leslie J. Girard  
Assistant City Attorney