

**OFFICE OF INDEPENDENT BUDGET ANALYST
CITY OF SAN DIEGO
M E M O R A N D U M**

No. 06-23

DATE: September 22, 2006

TO: Honorable Council President and Members of the City Council

FROM: Andrea Tevlin, Independent Budget Analyst

SUBJECT: MOU between the City and the County regarding the continued presence of the Chargers in San Diego

Item 330 on the City Council docket for Tuesday, September 26 requests Council action to approve a Memorandum of Understanding (MOU) between the City and the County pertaining to the retention of the San Diego Chargers football team in the region. Broadly, this MOU would allow the City and the County to jointly evaluate the formation of an intergovernmental structure or agreement such as a Joint Powers Authority, which would be charged with addressing all issues related to the retention of the Chargers in the San Diego region, including the potential development and construction of a new stadium. Aside from staff time, this MOU does not provide for or authorize any new funding or resources for this purpose.

Should Council choose to approve the proposed MOU, we recommend a few slight modifications to the language:

- 1) Section 2(C) – Clarify that Council approval is required to enter into an intergovernmental structure or agreement, such as a Joint Powers Authority;
- 2) Section 3(C) – Clarify that negotiations and legislative approval regarding such a structure or agreement would be achieved prior to discussing development of a new stadium in the City of San Diego.

These changes are highlighted in the attached markup version of the MOU. It should also be noted that language in the MOU indicates that the City's existing negotiating team – which includes Council member Donna Frye and Council President Scott Peters – will be suspended if the MOU is approved. The Mayor's Office has indicated that they will be handling the negotiations relative to the MOU.

Attachment