MEMORANDUM OF UNDERSTANDING
BETWEEN
THE CITY OF SAN DIEGO
AND
THE COUNTY OF SAN DIEGO

Recitals

A. WHEREAS, the San Diego Chargers Football Team (the "Chargers") has been a valued regional community asset contributing to the quality of life in San Diego since 1961, first as a member of the American Football League and, since 1970, the National Football League ("NFL"); and

B. WHEREAS, Qualcomm Stadium, the home field of the Chargers since 1967, is, according to the Chargers, approaching the end of its useful life and the Chargers have advised the greater San Diego community that development and construction of a new stadium is important to providing the Chargers with the opportunity for long-term economic and competitive viability; and

C. WHEREAS, the existing 1995 Agreement for Partial Use and Occupancy of San Diego Jack Murphy Stadium, as amended, between the Chargers and the City of San Diego ("City"), obligates the Chargers to play in San Diego only through the 2008 NFL season and includes provisions that would allow the Chargers to relocate after that time; and

D. WHEREAS, on May 1, 2006, the City Council authorized the Chargers to have stadium discussions with respect to stadium sites within the County of San Diego ("County") and within the boundaries of other cities in the County; and

E. WHEREAS, the City and the County desire to provide a collaborative framework in which to consider reasonable alternatives to assure the continued presence of the Chargers in San Diego County, including the potential development and construction of a new stadium; and

NOW, THEREFORE, the City and County hereby agree as follows:

1. **Purpose and Intent.** The purpose and intent of this Memorandum of Understanding is to affirmatively demonstrate to the citizens of the City and County the commitment of the City and County to cooperatively work together and to consider establishment of a collaborative intergovernmental structure or agreement to address all reasonable, fiscally responsible alternatives to assure the continued presence of the Chargers in the San Diego region long-term, including the potential development and construction of a new stadium in the City, the County, or another city in the County.

2. **Cooperative Activities.** In an effort to satisfy the purpose and intent of this MOU, the City and County hereby agree, as promptly and as reasonably practical, to simultaneously:

(a) investigate the feasibility of establishing an intergovernmental structure or agreement such as a Joint Powers Authority between the City, County and, potentially, other

Entities or cities in the County, to address retention of the Chargers in greater San Diego and the potential development and construction of a new stadium;

(b) recommend to the Mayor and City Council and to the County Board of Supervisors the elements of a proposed intergovernmental structure or agreement, including but not limited to, membership, organizational structure, financing, staffing, decision-making process, purposes, powers, goals and objectives; and

Deleted: or

(c) in the event a feasible intergovernmental structure or agreement is identified by the City and County indicated under (a) above, and approved by the legislative bodies of the City and County, (i) conduct a comprehensive evaluation and fiscal analysis of the issues involved in the development, construction, financing and operation of a new stadium, and (ii) commence a dialogue with the Chargers to assess the team's long term stadium issues and proposed solutions.

3. **Miscellaneous.**

(a) Notwithstanding the provisions of this MOU, nothing herein shall bind the parties with respect to the expenditure of public funds or to any future proposal for establishment of an intergovernmental structure or agreement or development of a new stadium in the City or County.

(b) This MOU shall be governed by and construed according to the laws of California.

(c) It is acknowledged that the City of San Diego established a negotiating team on November 1, 2005 tasked with evaluating Qualcomm Stadium lease issues and that

entering into this MOU would suspend that negotiating team and redirect City staff to work with the County for the purpose of investigating, in the following order i) the establishment of an intergovernmental structure or agreement; and if established and approved by the legislative bodies of the City and County, ii) development of a new stadium in the City, the County, or another city in the County; and at a later date this negotiating team may be reconstituted if necessary or its duties to be assigned as determined by the Mayor and City Council.

Deleted: or

Deleted: or

CITY OF SAN DIEGO

By: _____
Mayor

COUNTY OF SAN DIEGO

By: _____
Chairman, County Board of Supervisors