



**COUNCILMEMBER DAVID ALVAREZ**

**City of San Diego  
Council District Eight**

**MEMORANDUM**

**DATE:** April 15 , 2013

**TO:** Honorable City Councilmembers

**FROM:** Councilmember David Alvarez

**SUBJECT: Modified First Amendment to 2013 Operating Agreement between City and TMD Corp. for the April 15, 2013 City Council Hearing**

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The past few months, this City Council has discussed the 2013 Operating Agreement for the San Diego TMD Corporation numerous times. On March 28<sup>th</sup> I presented a compromise agreement to the City Council that I believed had resolved the issues of contention surrounding the operating agreement. However, as we all discovered earlier this week, some areas of disagreement still existed. After further discussion with Mayor Filner and the TMD, these areas of concern have been addressed within the language attached to this memorandum. This revised compromise increases protections to taxpayers by significantly reducing the level of risk to the City's general fund and allows for increased marketing dollars to be used to continue to market San Diego as a tourist destination while the City awaits a ruling on the pending litigation.

After the last Council hearing the message was clear: we all believe that effectively marketing the City is a top priority, as is protecting the City's general fund from significant risk. It is my belief that these additional changes strike a balance between these two goals. I strongly encourage the City Council to support the attached changes to the proposed first amendment to the 2013 operating agreement between the City and the TMD Corporation.

CC:

Honorable Mayor Bob Filner

Honorable City Attorney Jan Goldsmith

Independent Budget Analyst, Andrea Tevlin