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9 Ethical Treatment of Animals

10 **UNITED STATES DISTRICT COURT**  
11 **SOUTHERN DISTRICT OF CALIFORNIA**

12 CITY OF SAN DIEGO, a municipal  
13 corporation,

14 Plaintiff and Counterdefendant,

15 v.

16 SEA WORLD LLC, a Delaware limited  
17 liability company, FKA Sea World,  
18 Inc.; and DOES 1-50, inclusive

19 Defendant and Counterclaimant.

Case No.: 3:23-cv-01919-W-DEB

**OBJECTIONS OF PEOPLE FOR  
THE ETHICAL TREATMENT OF  
ANIMALS, INC. TO THE  
PROPOSED SETTLEMENT**

Judge: Hon. Thomas J. Whelan  
Courtroom Number: 3C

Complaint Filed: Sept. 19, 2023

20  
21 People for the Ethical Animals, Inc. (“PETA”) submits these objections to the  
22 proposed settlement that the City of San Diego (“City”) and Sea World, LLC  
23 (“SeaWorld”) publicly announced on or around December 10, 2024.<sup>1</sup> (*See* ECF 36.)

24 <sup>1</sup> *See, e.g.,* Danielle Dawson, *SeaWorld reaches \$8.8M settlement with San Diego*  
25 *in lawsuit over unpaid rent.* December 10, 2024. FOX 5/KUSI. Available online at  
26 [https://fox5sandiego.com/news/local-news/seaworld-reaches-8-8m-settlement-](https://fox5sandiego.com/news/local-news/seaworld-reaches-8-8m-settlement-with-san-diego-in-lawsuit-over-unpaid-rent/)  
27 [with-san-diego-in-lawsuit-over-unpaid-rent/](https://fox5sandiego.com/news/local-news/seaworld-reaches-8-8m-settlement-with-san-diego-in-lawsuit-over-unpaid-rent/)

1 According to the parties’ press releases, the central feature of the proposed resolution  
2 is the City’s exchange of its right to collect millions of dollars of public funds for  
3 SeaWorld admission coupons to teachers, students, servicemembers, and veterans.

4 Notwithstanding their immediate and aggressive efforts to publicize the  
5 proposed settlement, neither party has offered any indication that a full draft of the  
6 proposed settlement will be made available to the public, or that there will be an  
7 opportunity for public comment or debate before the settlement is finalized. PETA  
8 therefore submits these objections, on its own behalf and on behalf of its San Diego  
9 members and supporters, so that the parties and the Court can consider them before  
10 the January 31, 2025, settlement disposition conference.

11 **RELEVANT FACTUAL AND PROCEDURAL BACKGROUND**

12 The City initiated this lawsuit against SeaWorld on September 19, 2023,  
13 seeking to recover more than \$12 million in unpaid rents, late fees, audit costs and  
14 interest, and prejudgment interest pursuant to a 50-year lease between the parties.  
15 (*See* ECF. 1-2, ¶¶ 9, 19-25, 27-37.) After removing the case to this Court, SeaWorld  
16 asserted counterclaims against the City—alleging a variety of purported excuses for  
17 its protracted failure to pay rents due—and then sought summary judgment on the  
18 City’s claim that SeaWorld had breached the terms of the lease. (ECF 1-2, 3-1, 31.)

19 The City and SeaWorld participated in a mandatory settlement conference on  
20 October 30, 2024. (ECF 32.) In a closed session of the San Diego City Council on  
21 November 18, 2024, the City Attorney’s Office provided an update concerning the  
22 status of the litigation to the Mayor and City Council.<sup>2</sup> The parties continued the  
23 mandatory settlement conference on November 21, 2024, November 26-27, 2024,

24 <sup>2</sup>*CITY COUNCIL OF THE CITY OF SAN DIEGO CLOSED SESSION AGENDA FOR MONDAY,*  
25 *NOVEMBER 18, 2024 AT 10:00 AM, available online at*  
26 <https://sandiego.hylandcloud.com/211agendaonlinecouncil/Meetings/ViewMeeting?id=6269&doctype=1&site=council>  
27

1 and December 10, 2024. (*See, e.g.*, ECF 32, 33, 34, & 35.) On December 10, 2024,  
2 the Court entered a minute entry reflecting that “[t]he parties have reached a  
3 settlement of all claims.” (ECF 35.) The Court scheduled a Settlement Disposition  
4 Conference for January 31, 2025, at 10:00 a.m., and denied SeaWorld’s motion for  
5 summary judgment as moot. (ECF 35-36.)

6 The terms of the settlement that was announced on December 10, 2024, do  
7 not appear in the Court’s record, and the parties have not publicly released any draft  
8 settlement documents. However, Sea World and the City nevertheless widely  
9 publicized the material terms of their apparent agreement, which received significant  
10 local, regional, and national press coverage.<sup>3</sup> According to the multiple news stories  
11 concerning the settlement, those terms include the following:

- 12 • SeaWorld will pay the City \$8.8 million (some sources reported the  
13 amount as “\$8.5 million”);
- 14 • SeaWorld’s San Diego theme park will provide free season passes to  
15 San Diego County teachers for five years;
- 16 • SeaWorld will provide one free admission annually to active-duty  
17 military and veterans for five years; and
- 18 • SeaWorld will provide the City with 1,000 admission tickets to be  
19 provided to local school districts.

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20 <sup>3</sup>*See, e.g.*, Dave Mason, *SeaWorld to pay city of San Diego \$8.8M to settle lawsuit*,  
21 VENTURE COUNTY STAR, available online at  
22 <https://www.yahoo.com/news/seaworld-pay-city-san-diego-214825005.html>; CBS  
23 8 Staff, *City of San Diego and SeaWorld settle unpaid rent lawsuit for \$8.5 million*,  
24 CBS 8, available online at <https://www.cbs8.com/article/news/local/san-diego-and-seaworld-settle-over-12-million-in-back-rent/509-a6acecfe-9a5a-4521-9eae-17a2434afcf5>; Danielle Dawson, *SeaWorld reaches \$8.8M settlement with San Diego in lawsuit over unpaid rent*. December 10, 2024. FOX 5/KUSI. Available  
25 online at <https://fox5sandiego.com/news/local-news/seaworld-reaches-8-8m-settlement-with-san-diego-in-lawsuit-over-unpaid-rent/>

1 Since the settlement was first announced on December 10, 2024, there has  
2 been no publication of a proposed settlement agreement or opportunity for public  
3 comment (before the City Council or otherwise). Because it is unclear whether the  
4 parties will give impacted members of the public an opportunity to comment  
5 concerning the proposed settlement, PETA submits these objections so that the  
6 parties can consider them in advance of the January 31, 2025, Settlement Disposition  
7 Conference, release the full settlement to the public, and allow an opportunity for  
8 public comment and revision to the settlement before it is finalized.

9 **ARGUMENT**

10 PETA objects to the City and SeaWorld's apparent settlement for two reasons.  
11 First, the settlement is essentially a promotional opportunity and a financial windfall  
12 for SeaWorld, provided at the cost of millions of dollars to the City and its residents.  
13 Although the City and SeaWorld announced the settlement as if it were a *fait*  
14 *accompli*, the parties should not be allowed to finalize a settlement that effectively  
15 spends millions of dollars of public money to subsidize and promote a controversial  
16 private company whose business is founded on the exploitation of and infliction of  
17 cruelty to orcas, dolphins, and other sea animals without reasonable transparency  
18 and an opportunity for public comment. Second, PETA objects to the settlement on  
19 the grounds that it will harm those for whose benefit the settlement was purportedly  
20 reached, including students, teachers, servicemembers, and veterans.

21 **A. The Current Proposed Settlement is a Promotional Opportunity**  
22 **and Financial Windfall for SeaWorld at the City's Expense.**

23 The City sued SeaWorld for more than \$12.2 million plus pre-judgment  
24 interest, pursuant to the terms of a lease that entitled the City to its attorneys' fees  
25 and costs if successful. (ECF 1-2, ¶ 15.) Under the terms of the proposed settlement,  
26 the City is accepting payment of only \$8.8 million, and exchanging its remaining  
27

1 claim for more than \$3 million for (1) free season passes to San Diego County  
2 teachers for five years; (2) free admission to active duty military and veterans for  
3 five years; and (3) 1,000 admission tickets to be provided to local school districts.  
4 These proposed terms come on the heels of San Diego Mayor Todd Gloria’s  
5 announcement of the actions he would need to take to mitigate the City’s \$258.2  
6 million projected structural deficit for the coming fiscal year, including hiring  
7 freezes, halting the Civic Center Revitalization process, and limiting the construction  
8 of new facilities, among other painful cuts that will be required during a “difficult”  
9 budget process.<sup>4</sup> The more than \$3 million in public funds that the City is forfeiting  
10 under the terms of the Settlement could fund positions, overtime, or facilities for the  
11 public—but are instead being squandered on SeaWorld coupons for constituencies  
12 selected to benefit SeaWorld’s public image, rather than the City’s actual needs.

13 SeaWorld, by contrast, is effectively being double compensated under the  
14 terms of the proposed settlement. In contrast to the City’s reported financial straits,  
15 United Parks & Resorts, Inc. (formerly known as SeaWorld Entertainment, Inc.)  
16 received record-high total revenue of \$1,340.9 million during the first nine months  
17 of 2024.<sup>5</sup> In addition to receiving an interest-free, penalty-free, multi-year extension  
18 on approximately \$8.8 million in unpaid rent—which would have been paid to the  
19 City’s General Fund,<sup>6</sup> had SeaWorld fulfilled its rent payment obligations in the first

20 <sup>4</sup> San Diego Mayor Todd Gloria, *Mayor Gloria Details Actions to Address Budget*  
21 *Shortfall, Structural Deficit*, November 13, 2024, available online at  
22 [https://www.sandiego.gov/mayor/mayor-gloria-details-actions-address-budget-](https://www.sandiego.gov/mayor/mayor-gloria-details-actions-address-budget-shortfall-structural-deficit)  
[shortfall-structural-deficit](https://www.sandiego.gov/mayor/mayor-gloria-details-actions-address-budget-shortfall-structural-deficit)

23 <sup>5</sup> See United Parks & Resorts Inc. Reports Third Quarter and First Nine Months 2024  
24 Results, 2024-11-07, available online at  
25 [https://s1.q4cdn.com/392447382/files/doc\\_financials/2024/q3/United-Parks-](https://s1.q4cdn.com/392447382/files/doc_financials/2024/q3/United-Parks-Resorts-Inc-Reports-Third-Quarter-and-First-Nine-Months-2024-Results-2024.pdf)  
[Resorts-Inc-Reports-Third-Quarter-and-First-Nine-Months-2024-Results-2024.pdf](https://s1.q4cdn.com/392447382/files/doc_financials/2024/q3/United-Parks-Resorts-Inc-Reports-Third-Quarter-and-First-Nine-Months-2024-Results-2024.pdf)

26 <sup>6</sup> “The General Fund is the City’s main operating fund that pays for the core  
27 community services that use most of the City’s tax revenue, such as public safety,

1 place—SeaWorld will also benefit from free advertising (some of which it has  
2 already gained from the publicity concerning the proposed settlement) and the  
3 revenue that it will generate from the use of the SeaWorld coupons. Park admission  
4 is only a small part of the cost of attending SeaWorld, which includes parking, food,  
5 and merchandise, for example.<sup>7</sup> Thus, individuals who receive a coupon will  
6 invariably need to hand over more of their own money—likely much more than the  
7 full cost of an admission ticket—in order to use it. Individuals who obtain a coupon  
8 under the settlement and have the resources to afford the other costs of admission  
9 will likely not attend the park alone, so will incur the costs of admission (and the  
10 additional costs) for any others.

11 The limited public information that SeaWorld and the City provided about the  
12 proposed settlement provides no information concerning the value of the admission  
13 coupons. For example, was their value calculated at SeaWorld’s cost (which could  
14 be zero), at wholesale value, or at retail cost? Can SeaWorld use the value of the  
15 coupons as a tax deduction? Will the coupons offered under the settlement be in  
16 addition to the free passes that SeaWorld likely donates to various organizations and  
17 individuals each year, or will SeaWorld use previously budgeted funds to offset its  
18 obligations under the settlement? The answer to these questions and others is  
19 essential to understand what, if anything, the City and its residents are actually  
20 obtaining in exchange for the more than \$3 million being forfeited under the  
21 proposed settlement. As it currently stands, the proposed settlement appears to

22 parks and recreation, library services, and refuse collection as well as vital support  
23 functions.” The City of San Diego, A CITIZEN’S GUIDE TO THE CITY’S BUDGET  
24 PROCESS, *available online at*  
<https://www.sandiego.gov/sites/default/files/legacy/iba/pdf/budgetguide.pdf>

25 <sup>7</sup> See, e.g., News Release: United Parks & Resorts Inc. Reports Third and First Nine  
26 Months 2024 Results at pages 11-12, *available online at* United-Parks-Resorts-Inc-  
27 Reports-Third-Quarter-and-First-Nine-Months-2024-Results-2024.pdf

1 confer unjustifiable benefits to SeaWorld, at the expense of teachers, veterans,  
2 military members, and 1,000 San Diego students and their families.

3 Especially given its current severe budgetary deficits, it would be  
4 unconscionable to squander more than \$3 million from its General Fund in exchange  
5 for a few SeaWorld coupons. Yet, the proposed settlement accomplishes exactly  
6 that, while at the same time subsidizing and promoting the party against whom this  
7 lawsuit was initially filed. The harm that SeaWorld caused the City and its citizens  
8 by not paying millions of dollars of rent was a harm to the public generally, not only  
9 to teachers, children, servicemembers, veterans, or any other constituency.  
10 SeaWorld should not be permitted reduce its full liability for unpaid rents—which  
11 caused harm to the public generally—by offering coupons of unclear value to a tiny  
12 sliver of the impacted community and with the result being a financial benefit to  
13 SeaWorld through the additional revenue it will derive from the people using those  
14 free coupons at its facility.

15 At a minimum, the City and SeaWorld should release the full terms of the  
16 proposed settlement to the public and allow a full and fair opportunity for public  
17 comment and input before finalizing the terms of the deal. *See* City of San Diego  
18 Charter, Art. VII, Sec. 69 & Art. III, Sec. 11.1.

19 **B. The Current Proposed Settlement Will Harm the Constituents it**  
20 **Ostensibly Seeks to Benefit.**

21 In addition to the significant lack of transparency and opportunity for public  
22 input surrounding the City’s expenditure of public funds under the proposed  
23 settlement, PETA objects to the settlement on the grounds that it will harm the very  
24 constituencies it ostensibly seeks to benefit—both financially, as explained above,  
25 and personally, as explained below.

26 SeaWorld San Diego teaches people that it is acceptable to imprison animals,

1 deprive them of freedom of movement, and watch them go insane from frustration  
2 and loneliness. Because SeaWorld is an entertainment company, not a school or  
3 educational or social services organization, it shields its customers from truthful,  
4 accurate information concerning the severe harm that its core business causes orcas,  
5 dolphins, and other animals imprisoned there. Instead of actually learning about  
6 animals and the natural world—such as animals’ remarkable intellectual, emotional,  
7 and social capabilities, their natural habitats, and how they suffer in captivity—  
8 SeaWorld customers see defeated beings who cannot engage in natural behaviors or  
9 live as nature intended. The stress that orcas and other marine mammals are forced  
10 to endure in SeaWorld’s cramped tanks has led to scores of incidents in which orcas  
11 have bitten, rammed, lunged at, pinned, and swum aggressively with human  
12 trainers—including a 2010 incident in which a trainer was killed during a  
13 performance at SeaWorld’s Florida park. Other countries, such as France, have  
14 banned the use of whales and dolphins in marine zoo shows, leading to the closure  
15 of marine parks similar to SeaWorld.<sup>8</sup>

16 As just one of many examples relevant here, SeaWorld San Diego has eight  
17 orcas—Corky (captured in 1969)<sup>9</sup>, Ikaika (captive born in 2002), Kalia (captive born  
18 in 2004), Keet (captive born in 1993), Makani (captive born in 2013), Orkid (captive  
19 born in 1988), Shouka (captive born in 1993), and Ulises (captured in 1980).<sup>10</sup> Orcas  
20 are highly intelligent, social animals, who suffer great psychological harm in

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22 <sup>8</sup> See, e.g., Jack Guy, Closure of French marine park sparks outcry over future of its  
23 two orcas, CNN (January 6, 2025), available online at  
24 [https://www.cnn.com/2025/01/06/europe/marineland-orcas-closure-scli-  
intl/index.html](https://www.cnn.com/2025/01/06/europe/marineland-orcas-closure-scli-<br/>intl/index.html)

25 <sup>9</sup> Corky is the longest-held captive orca in the world, and has been imprisoned at  
26 marine parks for more than 55 years.

27 <sup>10</sup> SeaWorld San Diego, *Meet the Orcas*, available online at  
28 <https://seaworld.com/san-diego/animals/orca-underwater-viewing/>



1 captivity. Free-roaming orcas live in large, complex social groups and swim vast  
2 distances every day in the open ocean—up to 150 miles per day. At SeaWorld, they  
3 are confined to barren concrete tanks and denied the opportunity to engage in most  
4 natural behaviors. Orcas held prisoner at SeaWorld often show signs of emotional  
5 distress such as floating listlessly, banging their heads against glass walls, and  
6 continually swimming in circles. Captive orcas break their teeth chewing on concrete  
7 walls and metal gates. Many captive male orcas exhibit complete dorsal fin collapse,  
8 which is rare in the wild. While free-roaming male orcas live an average age of 30  
9 years (and up to 60) and females an average of 50 (and up to 80), 44 orcas have died  
10 on SeaWorld’s watch, at an average age of only 14. Two orcas, Nakai (20 years old)  
11 and Amaya (6 years old) confined at SeaWorld San Diego died August 2022, and  
12 August 2021, respectively.

13 In addition to the harms inflicted by captivity itself, public records reflect that  
14 SeaWorld regularly fails to provide appropriate care for the animals confined there,  
15 at its San Diego and other locations. (*See, e.g.*, Exs.1-7.) For example, in May 2023,  
16 the United States Department of Agriculture (“USDA”) cited SeaWorld for failing  
17 to adequately treat the water in the walrus exhibit and back holding pool that  
18 contained five walruses at its San Diego location, which resulted in high coliform  
19 bacteria counts for more than a year. (Ex. 5.) A July 5, 2023 Inspection Report  
20 reflected SeaWorld San Diego’s failure to record weekly coliform water testing in  
21 its pools for orcas, dolphins, sea lions, and otters. (Ex. 3.) Recent inspection reports  
22 from SeaWorld’s Florida location show serious injuries to animals stemming from  
23 improper housing conditions, major gaps in fencing, and apparent refusal to keep or  
24 furnish required water quality and medical records. (*See* Exs. 1-2, 4, 6-7.)

25 As part of a publicly traded, for-profit enterprise, United Parks and Resorts,  
26 SeaWorld’s primary obligation is to shareholders—not animals, teachers, veterans,

1 servicemembers, or children. Its primary objective is to extract maximum revenue  
2 from each of these groups—not to educate them or provide any social or educational  
3 benefit. Instead of providing any public, socially valuable benefits whatsoever,  
4 visiting SeaWorld teaches children and others that it is acceptable to bully, confine,  
5 and mistreat those who are vulnerable. Holding sentient animals of any species  
6 captive is a form of violence, from which we should be protecting children—not  
7 offering them “free” admission.<sup>11</sup>

8 **CONCLUSION**

9 For the foregoing reasons, PETA objects to the proposed settlement between  
10 the City and SeaWorld.

11  
12 Dated: January 13, 2025 /s/ Matthew Strugar  
13 Matthew Strugar  
14 Attorney for Proposed Intervenor  
15 and Proposed Amicus Curiae  
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22 <sup>11</sup> See United Nations, *Convention on the Rights of the Child, Committee on the*  
23 *Rights of the Child, General comment No. 26 (2023) on children’s rights and the*  
24 *environment, with a special focus on climate change*, at ¶ 35 (declaring that  
25 “Children must be protected from all forms of physical and psychological violence  
26 and from exposure to violence, such as domestic violence or violence inflicted on  
27 animals.”). Available online at  
28 [https://tbinternet.ohchr.org/\\_layouts/15/treatybodyexternal/Download.aspx?symbolno=CRC%2FC%2FGC%2F26&Lang=en](https://tbinternet.ohchr.org/_layouts/15/treatybodyexternal/Download.aspx?symbolno=CRC%2FC%2FGC%2F26&Lang=en)