



COUNTY OF SAN MATEO
Inter-Departmental Correspondence

Board of Supervisors

DATE: May 22 2001

TO: Honorable Board of Supervisors
FROM: Supervisor Jerry Hill District 2 *JH*
SUBJECT: MOU Agreement with the Bay Area Sports Organizing Committee for use of the San Mateo County Expo Center Facilities

Recommendation

Adopt a resolution authorizing the President of the Board of Supervisors to enter into a preliminary Memorandum of Understanding (MOU) agreement with the Bay Area Sports Organizing Committee for the use of the San Mateo County Expo Center Facilities if its bid to have the Bay Area host the 2012 Summer Olympic Games is selected

Background

The Bay Area Sports Organizing Committee (BASOC) has prepared a bid in connection with the Bay Area's effort to host the Summer Olympic Games in 2012. San Francisco has been selected as the bid city. Many venues in the greater Bay Area (from Sacramento to Monterey) will be utilized. The Expo Center is proposed to be the sole San Mateo County venue.

Discussion

The BASOC has requested that the County, as owner of the Expo Center, enter into a MOU agreement indicating that if the Bay Area is selected to host the 2012 Summer Olympic Games, the Expo Center will be used as the Main Press Center. All Expo Center facilities would be utilized as well as a temporary structure of 75,000 to 100,000 square feet. Placement of the main press center at the Expo Center will require a commitment from the County's hoteliers of 10,000 sleeping rooms per day. A great deal of support was shown by County hoteliers and their directors of sales in a recent presentation by John Marks, San Francisco Convention Bureau President, and Anne Cribbs, BASOC Executive Director.

Accommodating the 2012 Summer Olympic Games will impact the Expo Center's July and August activities. This will require rescheduling the annual County fair. The Expo Center's Board of Directors supports this proposed activity and views the improvements and anticipated revenues as a more than equivalent offset to rescheduling the fair. The BASOC will pay a rental fee based on prevailing rental fees.

The success of the 2012 Summer Olympic Games bid will be known by the Fall of 2005 or sooner. The U.S. cities to be considered will be narrowed to four (4) in the Spring of 2002. Many venues have signed their MOUs with BASOC, including seven locations in San Francisco. Some of the venues that have signed are as follows: Moscone Center, PacBell Park, San Jose Arena, and the San Jose Convention Center.

The County's MOU with BASOC assumes and is expressly conditioned on San Francisco's selection as the candidate city in 2002 and as host city in 2005. In the event that either selection does not take place, the MOU will automatically cancel. If the BASOC's bid is successful, a revised MOU will be brought back to the Board of Supervisors for review and approval.

Fiscal Impact

There is no impact to the County's General Fund. The economic benefit to San Mateo County should be substantial. The December 8-14 *SF Business Times Magazine* reported that the projected Bay Area's local economy intake would be about \$7.5 billion.

RESOLUTION NO. _____

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

* * * * *

A RESOLUTION AUTHORIZING EXECUTION OF A PRELIMINARY MEMORANDUM OF UNDERSTANDING ("MOU") AGREEMENT WITH THE BAY AREA SPORTS ORGANIZING COMMITTEE (BASOC) FOR THE USE OF THE SAN MATEO COUNTY EXPO CENTER FACILITIES IF ITS BID TO HAVE THE BAY AREA HOST THE 2012 SUMMER OLYMPIC GAMES IS SELECTED

RESOLVED, by the Board of Supervisors of the County of San Mateo State of California that

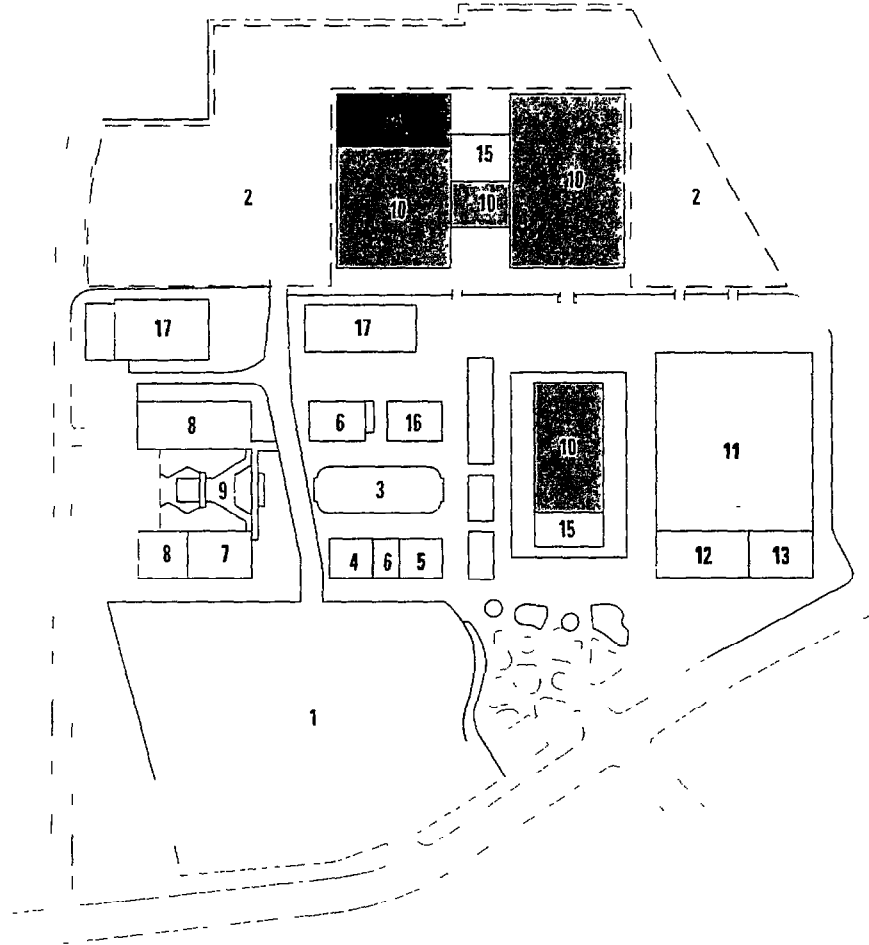
WHEREAS there has been presented to this Board of Supervisors for its consideration and Acceptance a MOU agreement between the County and the BASOC for the use of the Expo Center if its bid to have the Bay Area host the 2012 Summer Olympics is selected

WHEREAS, the BASOC desires the right to use the Expo Center on the preliminary terms and Conditions set forth in the MOU,

WHEREAS, this Board has been presented with a form of the MOU agreement and has examined and approved it as to both form and content and desires to enter into a MOU agreement

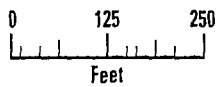
NOW THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the President of this Board of Supervisors be and is hereby authorized and directed to execute said Memorandum of Understanding for and on behalf of the County of San Mateo and the Clerk of this Board shall attest the President's signature thereto

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Media

- | | | |
|----------------------------|------------------------------|-----------------------|
| 1 Transport Mall | 7 Administration | 13 Telecommunications |
| 2 Parking Lot (650 spaces) | 8 Press Conference Rooms | 14 Main Photo Lab |
| 3 Courtyard | 9 Outdoor Press Gathering | 15 Restaurant |
| 4 Accreditation | 10 Private Rental Agencies | 16 Fire Dining |
| 5 Welcome Area | 11 General Workroom | 17 Logistics |
| 6 Services | 12 Information Mgmt Workroom | |



North

**MEMORANDUM OF UNDERSTANDING
BETWEEN
BAY AREA SPORTS ORGANIZING COMMITTEE
AND
THE COUNTY OF SAN MATEO**

This MEMORANDUM OF UNDERSTANDING (MOU) is entered into as of May 22 2001 by and between the County of San Mateo (Licensor) and the BAY AREA SPORTS ORGANIZING COMMITTEE (BASOC) a California non-profit corporation (Licensee) and concerns the Licensor's agreement that the San Mateo County Expo Center will serve as a venue for Main Press Center the following event to be held during the 2012 Summer Olympic Games (the "Games") subject to the preliminary terms set forth below as well as the final terms to be agreed upon at a later date The Main Press Center (the Event) This MOU assumes and is expressly conditioned on San Francisco's selection as the U.S. Candidate City in 2002 and as the Host City in 2005. In the event that either event does not take place this MOU is null and void and neither party has any obligations thereunder.

RECITALS

WHEREAS Licensee is a non-profit organization formed to enrich the lives of Bay Area residents through the support and organization of athletic activities Licensee is presently in the process of preparing a bid in connection with the San Francisco Bay Area's effort to host the 2012 Olympic Games

WHEREAS Licensor coordinates and controls all events held at San Mateo County Expo Center located in San Mateo, California

WHEREAS, Licensor desires to license to Licensee and Licensee desires to license from Licensor the right to use the San Mateo County Expo Center on the preliminary terms and conditions set forth herein. Licensor and Licensee will enter into a more definitive and comprehensive agreement after such time as Licensee is selected as the Host City by the International Olympic Committee in 2005 and by no later than _____

NOW THEREFORE in consideration of the mutual promises set forth in this MOU the parties hereby agree as follow

1 LICENSE

1.1 Exclusive Use of Facility Licensor hereby grants to Licensee the exclusive right to use the following space for the presentation of the Event Main Press Center. If applicable this space includes all luxury suites thus any contracts for such suites must exclude use of the suites during the Use Period discussed below

1.2 **Nonexclusive Use of Facility** Licensor hereby grants to Licensee the nonexclusive right to use the following space for the presentation of the Event Main Press Center

1.3 **Licensed Space** The space defined above as both exclusive and non-exclusive shall be referred to as the Licensed Space

2. **USE TERM**

2.1 **Use Period** Licensee shall have access to and be permitted to use the Licensed Space during the following time period _____ to and including _____. The term of use shall commence on the first date specified above and shall end on the last date specified above. Licensee shall ensure that all equipment used for the Event is dismantled and removed before the term of use expires.

2.2 **Access** During the Use Period, Licensee or its assignee shall have complete control over access to the venue.

3. **LICENSE FEE**

In consideration for use of the Licensed Space, Licensee agrees to pay a reasonable rental fee that will be determined based upon an average of the prevailing rental fees for the venue during the period from 2008 to 2012. Payment will be made as follows _____. In the event that the Event does not take place or _____ occurs, Licensee retains the right to withdraw from this MOU or any subsequent agreement. If the Licensee withdraws, the Licensor will refund any monies paid to it under this Agreement, less the amount of the Licensor's out-of-pocket expenses incurred as of the date on which the Licensee notifies the Licensor of the termination of this MOU.

4. **MAINTENANCE AND PREPARATION OF THE FACILITY**

4.1 **General Maintenance** Licensor is responsible for maintaining the facility as defined in sections 1 (1.1 and 1.2) above at the highest standards.

4.2 **Maintenance of Field of Play** Licensor is responsible for maintaining the quality of the field of play (FOP) during the events. The FOP shall meet all applicable international standards for the subject sport.

4.3 **Changes In The Venue** Licensee shall have the right to make temporary alterations, additions, and improvements and to decorate the venue in accordance with and subject to approval from the Licensor, which approval will not be unreasonably withheld, so long as the facility is returned/restored to its original or better condition. Licensee shall be responsible for the costs of any and all facilities modifications, including FOP modifications in excess of those required to cause the FOP to comply with sections (4.1 and 4.2) above. Licensor will not make any changes to the venue without prior agreement or consultation with Licensee, and no changes will be made by Licensor which will materially affect Licensee's intended use of the venue for the Event.

4.4 **Tours And Site Inspections** Licensor agrees to cooperate with the Licensee in arranging tours and inspections of the venue.

5. TICKET SALES

Licensee will have sole discretion over the sale of tickets including without limitation their printing pricing sale distribution and accounting Licensee (or its designee) will act as the primary box office for all ticket sales and shall have the right to distribute or retain complimentary tickets in accordance with its policies and procedures Licensor agrees to promote Licensee's ticket sales in accordance with the advertising provisions listed below Such efforts shall include the use of in-stadium advertising on scoreboards public address announcements prior to and during both BASOC events and non-BASOC events In the event that Licensee enters into an agreement with a ticket distribution entity the terms of such agreement shall control over any agreement Licensor may have with such entity or any other ticket distribution system or agency Licensor shall have the right to purchase a limited number of tickets to the Event with the number of such tickets to be determined at a later date

6. PERSONNEL

6.1 General. Licensor shall provide all personnel required for operation of the stadium/park for the Event including ticket sellers greeters guest services personnel ticket takers (if necessary ushers security first aid personnel supervisors and janitors stagehands and engineers working during the Event and if required sound light scoreboard videoboard and message center technicians unless expressly excluded in this MOU Within sixty (60) days following the date of this MOU Licensor shall provide Licensee with a list of the services that Licensor will provide and will not provide

6.2 Labor Fees. Licensor shall charge Licensee for the services of all such Event personnel at fair and reasonable rates to be mutually agreed upon by Licensor and Licensee no later than twelve (12) months prior to the Games

6.3 Background Checks. Licensee shall have the right to conduct background checks on all potential personnel and to refuse employment to any individuals who fail this background check

6.4 Right to Issue All Credentials Licensee shall have the exclusive right to issue all credentials to personnel working at the facility for the Event(s)

6.5 Uniforms. Licensee shall have the exclusive right to select the uniforms for any and all staffed personnel

7. FOOD AND BEVERAGE CONCESSIONS

7.1 Concessions. Licensor's concessionaire(s) shall be responsible for food and beverage concessions operations subject to the conditions below Licensor's concessionaire shall retail all income from the sale of food and beverages, subject to its agreement with Licensor and subject to Licensee's right to a share of the proceeds in an amount to be determined later Licensee retains the right to use any outside catering agencies it deems appropriate in addition to Licensor's concessionaires

7.2 Sponsor Products and Services. Licensee retains the right to require that all concessionaires and caterers use official Olympic sponsor products and services so long as the cost of any such products is similar to those used by the concessionaires and caterers

7.3 Labels On Service Products. The concessionaire(s) and caterer(s) may not have labels advertising any particular manufacturer or product on any of their service products. Service products include cups, boxes, containers, plates, utensils, straws, napkins, condiments or any other such products commonly associated with serving food

7.4 Use of Biodegradable/Environmentally Friendly Service Products. The concessionaire(s) and caterer(s) must use service products that meet the following specifications: _____ The cost of these products must be similar to non-recycled, non-environmentally friendly and non-biodegradable service products

7.5 No Corkage No alcoholic beverage of any kind may be brought into the facility or on to the venue property. All alcoholic beverages must be purchased in the facility if applicable

8. ADVERTISING, MERCHANDISING AND PROGRAMS

8.1 Advertising Licensee shall conduct at its sole cost and expense the entire advertising publicity and promotion campaign for the Event including without limitation the preparation and furnishing of advertising layouts and commercial mats for all media (including without limitation radio commercials and television reels) and printing all outdoor advertising paper, heralds, mailing circulars and other promotion material

8.2 Clean Venue The venue must be free of all ads and logos including those of Olympic sponsors. Licensor agrees to cooperate with Licensee in arranging for the covering or removal of any such ads or logos in all locations in and around the venue. This does not apply to the sponsor name of a venue. Licensor agrees to exclude the Use Period from any future marketing agreements

8.3. Logo The only symbol that may be used with Licensee's logo or design is the Olympic rings

8.4 Exclusive Rights to Merchandise. Licensee shall have the exclusive right to sell in the Licensed Space (either directly or indirectly or through vendors) only officially licensed merchandise and to retain all proceeds therefrom. Nothing herein shall cause Licensor to be responsible or liable for any aspect of such sales including for licenses regarding the sale of merchandise or for the enforcement or violation of such licenses provided however Licensor shall cooperate with Licensee in Licensee's efforts to prevent and stop the sale or distribution of unlicensed merchandise

8.5 Programs Licensee shall have the exclusive right to print, publish and sell programs, yearbooks and press books and other such publications in connection with the Event and retain all proceeds therefrom. Licensee shall be responsible for Event program production, editing and advertising and for all sales and distribution of the official Event program and will retain all proceeds therefrom

8.6 Images Licensee shall have exclusive ownership of and copyright in all images resulting from the Event(s) and the Games

9. PARKING

Licensor shall operate (or contract for the operation of) the parking areas adjacent to the Licensed Space to be designated later, on the day(s) of the Event. The proceeds from the parking fees shall be retained by Licensor except that a portion of the proceeds to be determined later will be shared with Licensee.

10. RIGHT TO ASSIGN TO OFFICIAL ORGANIZING COMMITTEES

Licensor agrees that this MOU and all related agreements may be assigned by Licensee provided that prompt written Notice of any such assignment(s) must be given to Licensor. If San Francisco is selected to be the U.S. Candidate City, it is expected that this MOU will be assigned by Licensee to a local organizing committee, and if San Francisco is selected to be The Host City, it is expected that this MOU will be assigned to an official Organizing Committee of the Olympic Games (OCOG).

11. INDEMNIFICATION

11.1 Indemnity by Licensee to Licensor. Licensee hereby agrees to indemnify and hold harmless Licensor, its trustees, officers, directors, members, employees, and agents from any and all obligations or liabilities, including any and all claims, losses, damages, injuries, objections, demands, recoveries, deficiencies, costs, and expenses and attorneys' fees which Licensor may suffer or incur arising out of or in connection with any wrongful acts or omissions of Licensee. Licensee agrees to indemnify and hold harmless Licensor from all liens, liability, claims, or demands arising out of any work performed on or materials supplied to the venue or surrounding property by or at the insistence of Licensee.

11.2 Indemnity by Licensor. Licensor agrees to indemnify and hold harmless Licensee, its trustees, officers, directors, members, employees, and agents from any and all obligations or liabilities, including any and all claims, losses, damages, injuries, objections, demands, recoveries, deficiencies, costs, and expenses and attorneys' fees which Licensee may suffer or incur arising out of or in connection with any wrongful acts or omissions of Licensor.

11.3 Indemnity by Licensee to USOC. BASOC agrees to hold harmless and indemnify the USOC, its trustee, directors, Executive Committee members, officers, employees, volunteers, agents, consultant, and independent contractors from and against any and all claims of, causes of action initiated by and liabilities to third parties (including costs of investigation and defense) relating to or arising out of any act or omission of Licensee in connection with the City's candidature, the LIO, the Recognition Letter, this agreement, the Subsequent Candidature Agreements, or any aspect of the bid process.

11.4 Damage and Destruction. Licensee shall be liable to Licensor for the cost of repairing any damaged caused by any act or omission of Licensee or any of Licensee's owners, employees, agents, performers, contractors, and vendors and any other person who is a guest or invitee of Licensee.

11.5 Property Owned by Licensee. Licensor shall have no liability for loss of any property owned by or under the control of Licensee or any of Licensee's invitees located at the Licensed Space that is damaged or destroyed unless such damage or destruction was caused by the gross negligence or willful misconduct of Licensor or its employees or agents.

12. INSURANCE

The parties are obligated and shall maintain the appropriate insurance which will be determined at a later date

13. ARBITRATION

Should a dispute arise between Licensor and Licensee regarding the terms of this MOU both parties agree to make a good faith effort to resolve the dispute informally and barring that to submit to binding arbitration the details of which will be determined at a later date

DATED _____ BAY AREA SPORTS ORGANIZING COMMITTEE

By _____

Title _____

DATED _____ COUNTY OF SAN MATEO

By _____

Title _____