

1 [Affirmation of Support of San Francisco bid for 2012 Olympic Games and authorizing Joinder
2 Undertaking Agreement with the United States Olympic Committee and Agreement with
3 BASOC.]

4 **Resolution supporting the efforts of the Bay Area Sports Organizing Committee**
5 **(BASOC) to bring the 2012 Olympic Games to the San Francisco Bay Area and**
6 **encouraging the United States Olympic Committee to select San Francisco as the**
7 **official U.S. Candidate City for the 2012 Olympic Games; authorizing the Mayor to**
8 **execute the Joinder Undertaking Agreement with the United States Olympic Committee**
9 **subject to certain conditions; and authorizing the Mayor to execute an Agreement with**
10 **BASOC.**

11 WHEREAS, The Bay Area Sports Organizing Committee (BASOC) has submitted a bid
12 to the United States Olympic Committee to host the 2012 Olympic Games in the San
13 Francisco Bay Area, with the City and County of San Francisco as the official Candidate City;
14 and,

15 WHEREAS, Hosting the 2012 Olympic Games in the San Francisco Bay Area is
16 expected to generate billions of dollars for the regional economy; and,

17 WHEREAS, BASOC has developed a self-sufficient bid for a privately financed
18 Olympic Games, which is based on realistic and conservative revenue scenarios and seeks a
19 third party insurance guaranty to address any financial deficit; and,

20 WHEREAS, BASOC has budgeted over \$32 million to reimburse security and other
21 service costs provided by local regional governments during the 2012 Olympic Games; and,

22 WHEREAS, BASOC plans to build over 2,500 new units of transit-accessible, high
23 density in-fill, energy self-sufficient housing for the Olympic Village, serving as a model of
24 environmentally responsible, sustainable development for the region; and,

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1 WHEREAS, After the Olympic Games, the new housing units of the Olympic Village
2 would be released to the market, many at below-market rates, in a region that continues to
3 face a critical housing shortage; and,

4 WHEREAS, BASOC has shown great attention to the potential environmental,
5 displacement and transportation impacts of hosting the Olympic Games and has taken
6 extraordinary steps to address these concerns in its bid; and,

7 WHEREAS, BASOC has placed a commitment to the environment at the core of its bid,
8 including a comprehensive Environmental Management System that integrates
9 environmental, financial and operational management strategies, use of existing venues, a
10 commitment to support organic farmers and registration of the entirety of the Olympic Games
11 to the ISO 14001 environmental management system standard and all construction to the
12 U.S. Green Building Council's highest levels of sustainable development; and,

13 WHEREAS, BASOC has committed to sports and recreational opportunities for young
14 people throughout the San Francisco Bay Area by planning to endow a foundation for youth
15 programs with excess revenues from the 2012 Olympic Games; and,

16 WHEREAS, Polling shows 80% of San Franciscans support bringing the 2012 Olympic
17 Games to the San Francisco Bay Area; and,

18 WHEREAS, BASOC has involved athletes, sports professionals, environmentalists,
19 business and financial experts, non-profit organizations, youth service leaders and individuals
20 who represent the entire diversity of the San Francisco Bay Area in its bid and Board of
21 Directors; and,

22 WHEREAS, BASOC is the only United States Bid Committee with a female Olympian
23 as its President and CEO; and,

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1 WHEREAS, Hosting the 2012 Olympic Games can help catalyze regional cooperation
2 to address transportation, housing and environmental issues for the long-term benefit of the
3 entire Bay Area; and,

4 WHEREAS, With our natural beauty, ideal climate and international population and
5 diverse cultures that reflect the whole world, the City and County of San Francisco is the best
6 place on earth to host the 2012 Olympic Games; and,

7 WHEREAS, San Francisco is one of ~~eight~~ four bid cities throughout the country to be
8 selected by the United States Olympic Committee (USOC) as the United States Candidate
9 City for the 2012 summer Olympic Games; and,

10 WHEREAS, BASOC has submitted a bid to the USOC on behalf of San Francisco to
11 host sporting events for the 2012 Olympic Games in San Francisco, Sacramento, San Jose,
12 Oakland, Palo Alto and several other Bay Area cities and counties; and

13 WHEREAS, The USOC requires that all bid cities and bid committees execute certain
14 agreements, including the Joinder Undertaking, which must be executed on or before
15 November 30, 2001; and,

16 WHEREAS, The Joinder Undertaking imposes certain obligations on bid cities
17 including the obligation to sign the Joinder Agreement if selected in 2002 by the USOC as the
18 Candidate City; and,

19 WHEREAS, the City and BASOC have negotiated an agreement (the "BASOC
20 Agreement") a copy of which is on file with the Clerk of the Board in file number 011801;
21 whereby BASOC will provide certain financial assurances for the benefit of the City, and will
22 assume certain obligations, intended to minimize any financial risk to the City of hosting the
23 Games, including the obligation if chosen by the IOC as the Host City to secure insurance on
24 the City's behalf, surety bonds, a financial guaranty from an insurance company protecting
25 against any financial deficit from the games of at least \$250 million, and affording the City the

1 opportunity to oversee and monitor BASOC's performance of its obligations under various
2 agreements with the USOC and the IOC; and

3 WHEREAS, the City and BASOC expect that if San Francisco is chosen as the Host
4 City, and once the Games have concluded, there will be net revenue exceeding expenses that
5 can be devoted to legacy programs for the youth and citizens of San Francisco and the San
6 Francisco Bay Area and that BASOC has committed to providing such programs in the
7 BASOC Agreement; now, therefore, be it

8 RESOLVED, That the San Francisco Board of Supervisors affirms its support for
9 BASOC's efforts to bring the 2012 Olympic Games to the San Francisco Bay Area and
10 encourages the United States Olympic Committee to select San Francisco as the official U.S.
11 Candidate City for the 2012 Olympic Games; and, be it

12 FURTHER RESOLVED, That the Mayor is hereby authorized to execute the Joinder
13 Undertaking and the Joinder Agreement, provided that the City's obligations under the Joinder
14 Agreement referenced in the Joinder Undertaking shall be subject to satisfaction of the
15 following conditions:

16 1. That San Francisco's continuing participation in the competition for the 2012
17 Olympic Games is conditioned on the City's potential liability for any financial deficit of the
18 Games not exceeding the financial guaranty secured by BASOC to cover any such loss;

19 2. That San Francisco's commitment of governmental funding, facilities, and other
20 resources specified in BASOC's bid is contingent upon BASOC securing funding adequate to
21 cover the City's costs. The City's commitment of governmental funding, facilities, and other
22 resources shall be limited to the athletic events and Games activities occurring either within
23 San Francisco's geographical boundaries, or on property owned by the City which is outside
24 its limits;

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1 3. That San Francisco shall not be liable for liquidated damages assessed by the
2 USOC or the IOC stemming from any act or omission of BASOC;

3 4. That San Francisco's indemnity of the USOC and the IOC shall not exceed the
4 policy limits of the insurance policies secured by BASOC to cover risks for third party claims
5 and in no event shall the City be liable for any indebtedness owed by BASOC to its creditors;

6 5. That BASOC is not in default of any of its obligations under the BASOC
7 Agreement.

8 6. That if BASOC forms a successor Candidate Committee or Organizing
9 Committee of the Olympic Games (OCOG), the Candidate Committee and/or OCOG shall
10 assume all of BASOC's obligations under the BASOC Agreement.

11 7. That San Francisco shall not be obligated to execute and deliver to the IOC subsequent
12 Candidature Agreements, if such agreements impose materially greater liability and indemnity
13 obligations on San Francisco than are included in the Joinder Undertaking, the Joinder Agreement,
14 and the Candidate City Agreement.

15 And, be it

16 FURTHER RESOLVED, that if the USOC or the IOC requires the City to execute
17 agreements in addition to the Joinder Undertaking and the Joinder Agreement, such
18 additional agreements shall be subject to approval by the Board of Supervisors; and be it

19 FURTHER RESOLVED, that if requested by the Board of Supervisors, the Mayor shall
20 include a representative or designee of from the Board of Supervisors among the City team
21 selected by the Mayor to provide oversight and monitoring of BASOC's activities pursuant to
22 Section II A. of the Joinder Agreement; and be it

23 FURTHER RESOLVED, that the agreement between BASOC and San Francisco shall
24 require that BASOC must provide funding for City resources and services, as described in
25 Section 7 of the BASOC agreement, in advance of the provision of such City services. The

1 amount of the funds shall be based upon a good faith estimate of the City's reasonable and
2 necessary costs for services related to hosting the 2012 Games. BASOC will work with the
3 Controller's office to determine the good faith estimate. If the City's actual costs exceed the
4 estimate, BASOC will reimburse the City for its actual costs. If the City's actual costs are
5 lower than the funds advanced by BASOC, the City shall reimburse BASOC for the overage;
6 and be it

7 FURTHER RESOLVED, That the Board of Supervisors approves the BASOC
8 Agreement and authorizes the Mayor to execute the Agreement and also agree to any
9 amendment of that Agreement which does not materially alter the duties and obligations of the
10 parties thereto.

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12 Approved, this ____ Day of _____, 2001

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