

1 [3 Com Stadium at Candlestick Park]
2 APPROVING THE EXTENSION OF THE MINIMUM TERM OF THE TOLLING AGREEMENT
3 BETWEEN THE CITY AND THE SAN FRANCISCO FORTY NINERS REGARDING THE
4 MAINTENANCE CONDITION OF 3 COM STADIUM AT CANDLESTICK PARK; IN
5 CONNECTION WITH THE EXTENSION OF THE TOLLING AGREEMENT, ACCEPTING
6 LATE NOTICE OF THE EXERCISE BY THE SAN FRANCISCO FORTY NINERS OF THEIR
7 OPTION TO EXTEND THE TERM OF THE AGREEMENT TO SELL STADIUM NAMING
8 RIGHTS; AND APPROVING THE EXTENSION OF THE STADIUM NAMING RIGHTS
9 AGREEMENT IN ACCORDANCE WITH ITS TERMS.

10 WHEREAS, Pursuant to Board Resolution No. 1019-98, the City, through the
11 Recreation and Park Commission, and the San Francisco Forty Niners Ltd. (the "Forty
12 Niners") entered into a Tolling Agreement Regarding the Arbitration Provision of Stadium
13 Lease between the City and the Forty Niners, dated as of December 11, 1998 (the "Tolling
14 Agreement"); and,

15 WHEREAS, The Tolling Agreement amends a provision of the Stadium Lease that
16 allows the Forty Niners to terminate the Stadium Lease if an arbitrator finds that the City failed
17 to maintain the stadium in accordance with the standards in the Stadium Lease and the City
18 does not agree to make the required repairs; and,

19 WHEREAS, The Tolling Agreement provides that neither the Forty Niners nor the City
20 can initiate the arbitration process under the Stadium Lease before December 31, 1999 and
21 further provides that such tolling arrangement continues thereafter for an indefinite period
22 unless either party gives 90 days' prior written notice of its election to terminate the Tolling
23 Agreement; and,

24 WHEREAS, In accordance with Board Resolution No. 213-96, the City, through the
25 Recreation and Park Commission, and the Forty Niners entered into an Agreement to Sell

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1 Stadium Naming Rights for the stadium known as Candlestick Park or 3 Com Park, a copy of
2 which is on file with Clerk of the Board in File No. 172-96-2 (the "Naming Rights Agreement");
3 and,

4 WHEREAS, Under Article IV of the Naming Rights Agreement the Forty Niners had the
5 right, at their sole election, to extend the initial term of the Naming Rights Agreement beyond
6 January 31, 2000, for two one-year option periods by in each case providing written notice of
7 intent to exercise the option at least 6 months before expiration of the Naming Rights
8 Agreement; and,

9 WHEREAS, Due to the change in control of the Forty Niners, the Forty Niners
10 inadvertently failed to exercise the first option to extend by the date required in the Naming
11 Rights Agreement, and the Forty Niners have requested that the City accept late notice of the
12 exercise of such option; and,

13 WHEREAS, In consideration of the City's acceptance of the late notice of exercise of
14 the first option to extend the Naming Rights Agreement, the Forty Niners are willing to agree
15 to extend the minimum term of the Tolling Agreement until the end of the term of first option
16 period under the Naming Rights Agreement and, if the Forty Niners exercise the second
17 option of the Naming Rights Agreement, for term ending at the end of the second option
18 period; and,

19 WHEREAS, It is in the City's best interests to extend the Tolling Agreement and accept
20 the late notice of exercise under the Naming Rights Agreement; now, therefore, be it

21 RESOLVED, That the Board hereby approves the extension of the minimum term of
22 the Tolling Agreement for a period corresponding to the end of the first one-year option term
23 under the Naming Rights Agreement, and in the event the Forty Niners exercise the second
24 option under the Naming Rights Agreement, for an additional one-year period; and, be it

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1 FURTHER RESOLVED, That the Board hereby accepts the late notice of exercise by
2 the Forty Niners of the first option to extend the Naming Rights Agreement; and, be it

3 FURTHER RESOLVED, That the Board hereby approves the extension of the Naming
4 Rights Agreement on its terms, including the payment by the Forty Niners of \$900,000 for the
5 one-year extension period, and upon adoption of this Resolution such approval by the Board
6 shall be deemed effective as of January 31, 2000; and, be it

7 FURTHER RESOLVED, That the General Manager of the Recreation and Park
8 Commission is hereby authorized, in the name and on behalf of the City and County, to take
9 any and all steps (including, but not limited to, the execution and delivery of any and all
10 consents and other instruments or documents) as the General Manager deems necessary or
11 appropriate, upon consultation with the City Attorney, in order to consummate the acceptance
12 of the late notice of exercise of the first option to extend the Naming Rights Agreement, or to
13 otherwise effectuate the purpose and intent of this resolution (including, but not limited to,
14 extension(s) of the minimum term of the Tolling Agreement), such determination to be
15 conclusively evidenced by the execution and delivery by the General Manager of any such
16 documents.



City and County of San Francisco

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Tails

Resolution

File Number: 000152

Date Passed:

Resolution approving the extension of the minimum term of the tolling agreement between the City and the San Francisco Forty Niners regarding the maintenance condition of 3 Com Stadium at Candlestick Park; in connection with the extension of the tolling agreement, accepting late notice of the exercise by the San Francisco Forty Niners of their option to extend the term of the agreement to sell stadium naming rights; and approving the extension of the stadium naming rights agreement in accordance with its terms.

April 17, 2000 Board of Supervisors — ADOPTED

Ayes: 9 - Ammiano, Becerril, Bierman, Brown, Kaufman, Leno, Newsom, Yaki,
Yee

Absent: 2 - Katz, Teng

File No. 000152

I hereby certify that the foregoing Resolution was ADOPTED on April 17, 2000 by the Board of Supervisors of the City and County of San Francisco.



Gloria L. Young
Clerk of the Board

APR 26 2000

Date Approved



Mayor Willie L. Brown Jr.