

THIRD AMENDMENT TO AGREEMENT
BETWEEN THE CITY AND COUNTY OF SAN FRANCISCO
AND THE MOSCONE CENTER JOINT VENTURE TO
RENEW TERM OF AGREEMENT FOR AN ADDITIONAL FIVE YEARS

WHEREAS, the City and County of San Francisco and Facility Management Incorporated of California ("FMI") had entered into an agreement dated November 6, 1990 for the management, operation and maintenance of the George R. Moscone Convention Center, Brooks Hall and the Bill Graham Civic Auditorium for a term terminating on June 30, 1995; and

WHEREAS, the agreement provides an option to the City to renew said agreement for additional terms "...if in the opinion of CAO, FMI's performance there under had been adequate, courteous, safe and efficient in every material respect and the public interest has been and is expected to be well served"; and

WHEREAS, on March 18, 1991, the City had consented to the assignment of the November 6, 1990 agreement by FMI to Spectacor Management Group; and

WHEREAS, by the first amendment dated December 20, 1993 to the November 6, 1990 agreement, the City exercised its option to renew the term of the November 6, 1990 agreement for an additional five-year term commencing July 1, 1994 and ending June 30, 1999; and

WHEREAS, by said amendment, the City had agreed to the assignment by Spectacor Management Group of 25% of its interest in the agreement of Thigpen Limited, Incorporated and a further assignment by Spectacor Management Group and Thigpen of their respective interests to the Moscone Center Joint Venture; and

WHEREAS, by the second amendment dated January 14, 1999 to the November 6, 1990 agreement, the City exercised its right to renew the term of the November 6, 1990 agreement for an additional five-year term commencing July 1, 1999 and ending June 30, 2004; and

WHEREAS, the City after determining that the Moscone Center Joint Venture's performance had been adequate, courteous, safe and efficient in every material respect and the public interest had been and is expected to be well serve, now desires to exercise its option to renew the Agreement for a further five-year term; and

WHEREAS, by Resolution No. 398-03, the Board of Supervisors on June 17, 2003 had approved the extension of the Agreement for an additional five years to June 30, 2009 and the revised calculation and payment of fees as set forth in Article 9, Section D of the Agreement;

NOW, THEREFORE the parties agree as follows:

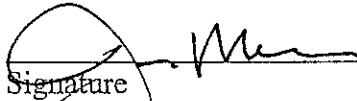
1. The term set forth in the Second Amendment dated January 14, 1999 is hereby extended for an additional five-years, commencing July 1, 2004 and ending June 30, 2009.
2. The calculation and payment of fees set forth in Article 9, Section D of the agreement shall be as follows:
 1. Alcoholic beverages, food and beverage concessions – Twenty percent (20%) of gross revenues.
 2. Other sales – Twenty percent (20%) of gross revenues.
 3. Services – Twenty percent (20%) of the first two million dollars per annum and twenty five percent (25%) of all gross sales over two million dollars per annum.
3. In all other respects, the terms and conditions of the November 6, 1990 agreement and all amendments thereto shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement of the date first mentioned above.

CITY

CONTRACTOR

Recommended by:



Signature

Jack Moerschbaecher

Name

Director, Convention Facilities Dept.

Title and Department

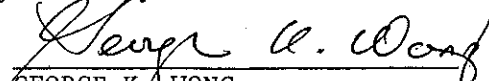
Approved:



William Lee, City Administrator

Approved as to Form:

DENNIS HERRERA
City Attorney

By: 

GEORGE K. WONG
Deputy City Attorney

Moscone Center Joint Venture

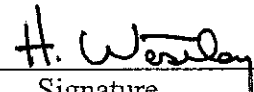
Name

747 Howard Street

Address

San Francisco, CA 94103

City, State, Zip

By: 

Signature

Wes Westley

Name

President & CEO

Title

LETTER OF AGREEMENT

It is hereby agreed by the Moscone Center Joint Venture that upon the execution of the Third Amendment to the Agreement between the City and County of San Francisco and the Moscone Center Joint Venture extending the agreement for an additional five years, commencing July 1, 2004 and ending June 30, 2009 that the provisions of Paragraph 2 of the amendment will take effect as of July 1, 2003.

Paragraph 2:

The calculation and payment of fees set forth in Article 9, Section D of the Agreement shall be as follows:

1. Alcoholic beverages, food and beverage concessions – Twenty percent (20%) of gross revenues.
2. Other sales – Twenty percent (20%) of gross sales.
3. Services – Twenty percent (20%) of the first two million dollars (\$2 million) per annum and twenty-five percent (25%) of all gross sales over two million dollars (\$2 million) per annum.

CONTRACTOR

Moscone Center Joint Venture
Name

747 Howard Street
Address

San Francisco, CA 94103
City, State, Zip

By: H. Westley
Signature

Wes Westley
Name

President & CEO
Title