

RESOLUTION NUMBER R- 307350

DATE OF FINAL PASSAGE APR 05 2012

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING A FIRST ADDENDUM TO THE CONTRACT BETWEEN THE CITY AND THE SAN DIEGO CONVENTION CENTER CORPORATION FOR THE MANAGEMENT OF THE SAN DIEGO CONVENTION CENTER.

WHEREAS, the City and the San Diego Convention Center Corporation, a California corporation (SDCCC), of which the City is the sole member, are parties to that certain Third Amended and Restated Management Agreement between the City of San Diego and San Diego Convention Center Corporation, Inc. (Management Agreement), filed in the Office of the San Diego City Clerk as Document No. RR-300480 on May 24, 2005; and

WHEREAS, the Management Agreement provides the terms and conditions under which SDCCC manages the San Diego Convention Center (Convention Center) located at 111 West Harbor Drive, San Diego, California 92101; and

WHEREAS, City staff have negotiated a First Addendum to the Management Agreement to: (1) allow SDCCC to assign certain sales, marketing and promotion obligations under the Management Agreement to a third party for events that are booked more than eighteen (18) months in advance, including booking, allocating meeting space, and pricing such events (provided, however, that the agreement shall require the third party to consult with SDCCC on pricing); (2) define the allocation of annual operating surplus funds; and (3) allow SDCCC to continue using Centerplate of Delaware, Inc., a Delaware corporation, as the exclusive provider of food and beverage for all events contracted at the Convention Center; and

WHEREAS, the proposed First Addendum is intended to reduce duplication of marketing and sales activities for long-term Convention Center related events, while creating opportunities for targeted outreach to attract large events to San Diego; and

WHEREAS, the proposed First Addendum addresses facility maintenance needs and provides a dedicated source of funding to ongoing expenses without obligating the City to expend any funds; and

WHEREAS, the proposed First Addendum will neither decrease the City's rights nor increase the City's obligations under the Management Agreement; and

WHEREAS, the proposed First Addendum shall provide that the City's consent or approval under the Management Agreement shall mean the written consent or approval of the Mayor and City Council, unless otherwise expressly provided; and

WHEREAS, in connection with approval of the proposed First Addendum, Council requests that SDCCC and ConVIS (as the proposed third party marketer) provide a report to the Council Committee on Economic Development and Strategies within 90 days of this action responding to the questions raised by the Office of the Independent Budget Analyst during the Council hearing and providing proposed performance metrics; NOW, THEREFORE,

BE IT RESOLVED, by the City Council of the City of San Diego, that the Mayor or his designee is authorized to execute and deliver the First Addendum to Third Amended and Restated Management Agreement, on file in the Office of the San Diego City Clerk as Document No. RR 307350.

APPROVED: JAN I. GOLDSMITH, City Attorney

By Brock Ladewig CLG
Brock L. Ladewig
Deputy City Attorney

BLL/CLG:mm:als
3/13/ 2012
03/26/2012 REV.
Or.Dept: Mayor's Office
Doc. No. 336106

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of MAR 20 2012.

ELIZABETH S. MALAND
City Clerk

By [Signature]
Deputy City Clerk

Approved: 4.5.12
(date)

[Signature]
JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor