SAN FRANCISCO FILED

LEGISLATIVE DIGEST

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[Recreation and Park Department – Renaming Candlestick Parks ARTHERT OF ELECTIONS

Motion ordering submitted to the voters an ordinance amending San Francisco Administrative Code Section 4.25 to allow the Recreation and Park Department to approve or enter into an agreement for the naming of the City-owned sports stadium located at Candlestick Point, and to use fifty percent of the revenue from the agreement to fund recreation center directors at an election to be held on November 3, 2009.

Existing Law

In November 2004, the voters approved an initiative ordinance naming the City-owned sports stadium at Candlestick Point "Candlestick Park" known as Prop. H. Before this ordinance was adopted, the City entered into a naming rights agreement with the San Francisco 49ers (the "49ers") that is coterminous with the City's lease of the stadium to the 49ers, including any extension options. The naming rights agreement granted to the 49ers the right to sell the name of the stadium to any of the 5 entities named in the agreement without prior City consent, subject to certain conditions. The 49ers must share the revenue from any such sale with the City as set forth in the naming rights agreement.

Amendments to Current Law

The proposed amendment authorizes the Recreation and Park Department to approve, or enter into, an agreement for naming the stadium subject to approval of the Board of Supervisors. As a result, if this ordinance is adopted, the 49ers would have the right under the existing naming rights agreement to sell the name of the stadium to any entity, not just the 5 named entities listed in the agreement, subject to the prior approval of the Recreation and Park Department and the Board of Supervisors. The ordinance also creates a City policy, subject to the budgetary and fiscal provisions of the San Francisco Charter, that not less than fifty percent (50%) of the revenue received by the City from any such agreement shall be used to fund Recreation and Park Department recreation center directors.

Second Draft: Administrative Code Section 4.24 changed to 4.25.

Background Information

The 49ers lease of the stadium is currently set to expire in May 2013, although the 49ers have 2 five-year options to extend the term. Under the existing naming rights agreement between the City and the 49ers, the 49ers must pay 50% of the net proceeds from the sale of naming rights to the City. The 49ers previously sold the naming rights to Monstercable, one of the 5 permitted entities, but the 49ers agreement with Monstercable expired.