

FRANK T. MARTINEZ  
City Clerk

KAREN E. KALFAYAN  
Executive Officer

When making inquiries  
relative to this matter  
refer to File No.

05-1865

April 3, 2007

Honorable Antonio Villaraigosa, Mayor  
Councilmember Parks  
Councilmember Greuel  
Councilmember Garcetti

Councilmember Rosendahl  
Councilmember Hahn  
Councilmember Smith  
Chief Legislative Analyst

RE: ENTERING INTO AN AGREEMENT FOR THE CITY OF LOS ANGELES' BID TO HOST THE 2016  
OLYMPIC SUMMER GAMES

At the meeting of the Council held March 30, 2007, the following action was taken:

Attached reports adopted .....	_____
Attached substitute resolution (Parks – Garcetti – et al.) adopted .....	<u>    X    </u>
Attached resolution adopted .....	_____
FORTHWITH .....	_____
Mayor concurred .....	_____
FORTHWITH .....	<u>    X    </u>
Motion adopted to approve communication recommendation(s) .....	_____
Motion adopted to approve committee report recommendation(s) .....	_____
Ordinance number .....	_____
Publication date.....	_____
Effective date .....	_____
Mayor approved .....	_____
Findings adopted .....	_____
Negative Declaration adopted .....	_____

City Clerk  
dng

# CITY OF LOS ANGELES

CALIFORNIA



ANTONIO R. VILLARAIGOSA  
MAYOR

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**CITY CLERK**  
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CLAUDIA M. DUNN  
Chief, Council and Public Services Division  
[www.cityclerk.lacity.org](http://www.cityclerk.lacity.org)

# SUBSTITUTE - Item 79

## RESOLUTION

WHEREAS, the Southern California Committee for the Olympic Games (SCCOG) has submitted a bid to host the 2016 summer Olympics and has submitted its plan to the United States Olympic Committee (USOC) for consideration to be the USOC's candidate to host the 2016 Olympic Games; and

WHEREAS, the United States Olympic Committee is expected to name its bid city by April 14, 2007, and the International Olympic Committee will make its selection in 2009; and

WHEREAS, the Los Angeles bid emphasizes Southern California's wealth of existing world-class sporting facilities, its strong travel and tourism infrastructure, its position as one of the great media capitals of the world and its close ties with the entertainment industry, which can be so important in a global event of the size and scope of the Olympic Games; and

WHEREAS, the City of Los Angeles staunchly supports the Southern California Committee for the Olympic Games' bid to have the City of Los Angeles host the 2016 Olympic Summer Games; and

WHEREAS, the City has authorized Los Angeles 2016 (the "Bid Committee"), a non-profit corporation organized under the laws of the State of California to represent the City in its candidature to host the 2016 Olympic Games and the 2016 Paralympic Games (collectively, the "Games") and to serve as the Organizing Committee for the Olympic Games (the "OCOG") in the event that the International Olympic Committee (the "IOC") and the International Paralympic Committee (the "IPC") award the Games to the City; and

WHEREAS, in order for the City to be competitive in the selection process the City should approve a 'Joinder Undertaking' and a 'Joinder Agreement' attached thereto as Exhibit A, to provide the United States Olympic Committee (the "USOC") various confirmations, acknowledgments and agreements; and

WHEREAS, action is needed to approve such a document as a condition to the selection of Los Angeles for the 2016 Olympic Games;

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Los Angeles hereby authorizes the Mayor and the President of the City Council to execute a 'Joinder Undertaking' including a 'Joinder Agreement' attached thereto as Exhibit A, to provide the United States Olympic Committee (the "USOC") various confirmations, acknowledgments and agreements relative to the 2016 Olympic Games, substantially in conformance with the drafts attached to this Resolution and subject to the approval of the City Attorney as to form and legality.

*Sub RESOL.*  
**ADOPTED**

MAR 30 2007

**LOS ANGELES CITY COUNCIL**

March 30, 2007<sup>ak</sup>

*FORTHWITH*

PRESENTED BY:

*Bernard C. Parks*  
BERNARD C. PARKS  
Councilmember, Eighth District

SECONDED BY:

*E. G. H.*

*Don Rahn* *Agree* *John* *Garry*

*EL*

## EXHIBIT A

### Joinder Agreement (2016 Olympic Games)

This Joinder Agreement is entered into by the undersigned City of Los Angeles (the "City") as of the \_\_\_\_ day of \_\_\_\_\_, 2007, to provide the United States Olympic Committee (the "USOC") the confirmations, acknowledgments and agreements set forth below.

#### I. BACKGROUND

A. Pursuant to the Olympic Charter, the USOC is entitled to nominate to the International Olympic Committee (the "IOC") and the International Paralympic Committee (the "IPC") one (1) city within the United States as its applicant (the "U.S. Applicant City") to host the 2016 Olympic Games and the 2016 Paralympic Games (collectively, the "Games").

B. The City has authorized Los Angeles 2016 (the "Bid Committee"), a non-profit corporation organized under laws of the State of California to represent the City in its candidature to host the Games and to serve as (or create) the Organizing Committee for the Olympic Games (the "OCOG") in the event that the IOC and the IPC award the Games to the City.

C. The Bid Committee has submitted, and the USOC has reviewed and evaluated, the Bid Committee's bid (the "U.S. Applicant City Bid") to be the U.S. Applicant City.

D. The Bid Committee executed a Bid Committee Agreement on March \_\_, 2007, pursuant to which the Bid Committee agreed to execute the Applicant Committee Agreement, the Joint Marketing Agreement, the Games Operating Agreement and the Joint Marketing Programme Agreement in the event that the City is selected as the U.S. Applicant City, and to cause the OCOG to execute the Host City Agreement in the event that the City is selected as the U.S. Applicant City and that the IOC and IPC award the Games to the City.

E. The City and the State executed Joinder Undertakings on \_\_\_\_\_, 2007, and \_\_\_\_\_, 2007, respectively, pursuant to which the City and State agreed to execute Joinder Agreements in the event that the USOC selected the City as the U.S. Applicant City.

F. The State has adopted legislation and pursuant thereto the State will provide a deficit guarantee as set forth therein.

G. The USOC selected the City as the U.S. Applicant City on April 14, 2007, as represented by the Bid Committee (which is now referred to as the "Applicant Committee").

#### II. COVENANTS OF THE CITY

The City acknowledges that the Applicant Committee and the OCOG are or will be bound by a series of agreements with the USOC and the IOC, as applicable, including the Bid Committee Agreement, the Applicant Committee Agreement, the Joint Marketing Agreement, the Games Operating Agreement, the Joint Marketing Programme Agreement and the Host City Agreement (collectively, the "Candidature Agreements"). Except as prohibited by the laws and legal principles described with specificity in the legal opinions provided by the City, the City covenants and agrees that:

A. The City will provide a plan to be approved by the USOC for exercising appropriate oversight of the conduct of the Applicant Committee and the OCOG and monitoring performance of their obligations under the Candidature Agreements and will certify at least annually to the USOC that in the course of exercising oversight and monitoring of such performance, nothing (other than matters specifically described in such certification) has come to their attention that would indicate: (i) that the conduct of the Applicant Committee or the OCOG to the date of such certification has departed materially from the requirements of the USOC (and, to the extent applicable), the IOC and the IPC) regarding the conduct of the Applicant Committee and OCOG; or (ii) that the Applicant Committee or OCOG has failed to materially perform, or act in accordance with, its material obligations under the Candidature Agreements;

B. the City will review, execute and deliver such appropriate Candidature Agreements as the IOC and/or IPC may require;

C. the City will provide or cause to be provided all of the governmental funding, facilities and other resources specified in the U.S. Applicant City Bid, as the same may be modified by the USOC with the prior approval of the City;

D. subject to paragraph (F) below, and consistent with any liability assumed by the State, the City will be liable with the Applicant Committee and the OCOG for obligations of the Applicant Committee and the OCOG to the USOC, the IOC and the IPC including obligations to indemnify each of them against claims of, and liabilities to, third parties arising out of or relating to the Games (such liabilities of the City being hereinafter referred to as the "City Liabilities");

E. Subject to paragraph (F) below, and consistent with any liability assumed by the State and/or a third party approved in advance by the USOC, the City will be liable with the Applicant Committee and the OCOG for any Net Financial Deficit. As used herein, the term "Net Financial Deficit" shall mean any financial deficit of the Applicant Committee, the OCOG or the Games;

F. City's obligations under the City Liabilities and the Net Financial Deficit shall not exceed an amount equal to the direct receipts received by the City in connection with the Games and shall, in no event, exceed \$250,000,000. Direct receipts received shall include projected revenues which are realized to the extent that prior appropriations have not been made on the basis thereof. Projected revenues means projected receipts from taxes related to the presence of the Games in Los Angeles, including any increase in receipts from sales tax and Unified Transient Occupancy Tax associated with the Games in Los Angeles. Projections of revenue made under this section shall be subject to approval by the City Council taking into consideration, in the exercise of reasonable judgment, periodic reports relating to such projections which shall be submitted by the City Administrative Officer and any other relevant information from any reliable source. Furthermore, the City shall not be obligated to make any payments under paragraphs (D) or (E) above until after all Applicant Committee and all OCOG net operating revenues, surplus, reserves, contingencies, receivables, funds and other available assets and security have been fully expended; and

G. The Mayor will seek legislative approval for such legislation as may be necessary or appropriate to effectuate II.(A)-(F).

### III. LEGAL OPINIONS

The City shall provide to the USOC a legal opinion from a governmental legal officer, in form and substance acceptable to the USOC, to the effect that:

(a) the execution and delivery of this Joinder Agreement has been duly authorized by all necessary public and governmental proceedings; and

(b) this Joinder Agreement has been duly executed and delivered and constitutes the legally binding obligation of the City enforceable in accordance with its terms, except as, and to the extent, set forth with specificity in such legal opinion.

THE CITY OF LOS ANGELES

THE CITY OF LOS ANGELES

By \_\_\_\_\_  
Antonio Villaraigosa  
Mayor

By \_\_\_\_\_  
Eric Garcetti  
President, City Council

Date \_\_\_\_\_

Date \_\_\_\_\_

APPROVED AS TO FORM AND LEGALITY:

ATTEST:

ROCKARD J. DELGADILLO, City Attorney

FRANK T. MARTINEZ, City Clerk

By \_\_\_\_\_

By \_\_\_\_\_  
Deputy City Clerk

Date \_\_\_\_\_

Date \_\_\_\_\_

**Joinder Undertaking  
(2016 Olympic Games)**

This Joinder Undertaking is entered into by the undersigned City of Los Angeles (the "City") as of the \_\_\_\_ day of \_\_\_\_\_, 2007, to provide the United States Olympic Committee (the "USOC") the confirmations, acknowledgments and agreements set forth below.

1. The City has authorized Los Angeles 2016 (the "Bid Committee"), a non-profit corporation organized under the laws of the State of California to represent the City in its candidature to host the 2016 Olympic Games and the 2016 Paralympic Games (collectively, the "Games") and to serve as (or create) the Organizing Committee for the Olympic Games (the "OCOG") in the event that the International Olympic Committee (the "IOC") and the International Paralympic Committee (the "IPC") award the Games to the City.
2. The Bid Committee has submitted, and the USOC has reviewed and evaluated, the Bid Committee's bid to be the city nominated by the USOC to the IOC and the IPC as its applicant to host the Games (the "U.S. Applicant City").
3. The USOC plans to select (but is not obligated to select) the U.S. Applicant City on April 14, 2007.
4. The Bid Committee has agreed that, in the event that the USOC selects the City as the U.S. Applicant City, the Bid Committee (which will then be referred to as the "Applicant Committee") shall enter into (all as described in the Bid Committee Agreement) (a) the Applicant Committee Agreement with the USOC at the time of such selection; (b) the Joint Marketing Agreement and the Games Operating Agreement with the USOC when so directed by the USOC; (c) and the Joint Marketing Programme Agreement with the USOC and the IOC when so directed by the USOC, and (d) that in the event that the USOC selects the City as the Applicant City and IOC and IPC award the Games to the City, the Applicant Committee shall become, or cause to be formed, the OCOG, and shall cause the OCOG to enter into the Host City Agreement when so directed by the USOC.
5. The City shall execute a Joinder Agreement, in substantially the form of Exhibit A attached hereto in the event that the USOC selects the City as the U.S. Applicant City.
6. The City has not entered into or approved or consented to any commitment related to the Games that would jeopardize, prevent or make impossible the fulfillment of any provision of the Joinder Agreement, and during the period between the execution of this Joinder Undertaking and the IOC's and IPC's award of the Games to a Host City, the City shall refrain from becoming a party to or approving or consenting to any act, contract, commitment or any other action contrary to or which would adversely affect any of the obligations stipulated in the Joinder Agreement.
7. The City agrees that any dispute in connection with this Joinder Undertaking arising during the period between the execution of this Joinder Undertaking and the IOC's and IPC's award of the Games to a Host City shall be resolved in accordance with the applicable laws of the United States.
8. The City has provided to the USOC a legal opinion from a governmental legal officer, in form and substance acceptable to the USOC, to the effect that: (a) the execution and delivery of this Joinder Undertaking has been duly authorized by all necessary public and governmental proceedings; (b) this Joinder Undertaking has been duly executed and delivered and constitutes

the legally binding obligation of the City enforceable in accordance with its terms, except as, and to the extent, set forth in such opinion; and (c) upon execution and delivery of the Joinder Agreement by the City, the Joinder Agreement will constitute a legally binding obligation of the City enforceable in accordance with its terms, except to the extent prohibited by applicable laws or legal principles described with specificity in such opinion.

9. The City may execute this agreement in counterparts. Upon execution, the counterparts shall be deemed one and the same document.

THE CITY OF LOS ANGELES

THE CITY OF LOS ANGELES

By \_\_\_\_\_  
Antonio Villaraigosa  
Mayor

By \_\_\_\_\_  
Eric Garcetti  
President, City Council

Date \_\_\_\_\_

Date \_\_\_\_\_

APPROVED AS TO FORM AND LEGALITY:

ATTEST:

ROCKARD J. DELGADILLO, City Attorney

FRANK T. MARTINEZ, City Clerk

By \_\_\_\_\_

By \_\_\_\_\_  
Deputy City Clerk

Date \_\_\_\_\_

Date \_\_\_\_\_