

American Legion Memorial Stadium Preferred Tenant Lease Terms (Draft)

Articles	Articles Mutually Accepted	
1	X	County agrees to lease to QCSC and QCSC agrees to lease from County, the real property described as Follows: American Legion Memorial Stadium located at 1218-1238 Armory Drive, Charlotte, North Carolina and all applicable parking areas (the "Premises").
2	X	The purpose of the lease is to allow QCSC to use the Premises to play a maximum of thirty (30) professional soccer games and lacrosse games, including, but not limited to, regular season games, scrimmage games, exhibition games, and playoff games from March through October per Lease Year. County and QCSC will work collaboratively to coordinate booking dates, however, QCSC will be limited to a maximum of seventeen (17) weekend date blocks (defined as any booking (s) Friday through Sunday) from March through October. Initially, the County will reserve twenty-five (25) open weekend date blocks from March through October to allow QCSC to finalize its home schedules by December 15 prior to its seasons. After December 15, eight (8) of the twenty-five (25) weekend date blocks will be released for County use.
3	X	The term of this Agreement will become effective upon the later of (i) final approval of the Agreement by County's Board or (ii) upon QCSC's substantial occupancy of the premises (which at the latest, will occur on the Monday before the first game played), and shall continue in effect for ten (10) years after the effective date.
4	X	<p>Provided QCSC is not in default of this Agreement, County and QCSC may mutually agree to two (2) additional terms of five (5) years each ("Renewal Terms").</p> <p>Renewal Terms shall be under the same terms and conditions as the original Term. Renewal Fees are outlined in the original Term.</p> <p>QCSC shall provide County written notice of its desire to extend the Term as provided at least 24 months prior to the end of the ten (10) year Initial Term and to the five (5) year Renewal Term(s)</p>
5	X	The term "Lease Year" shall mean the twelve (12) months commencing on the Effective Date and on the succeeding anniversaries of such day.
6	X	<p>QCSC game day means each day scheduled for a QCSC soccer or lacrosse match. One calendar day in which two QCSC events are scheduled and held by QCSC are counted as two game days.</p> <p>QCSC will make every effort to use the field and rooms for their intended purposes. QCSC (or its Invitees) will not use areas such as locker rooms and media rooms for storage and staging.</p> <p>QCSC may be permitted to use the Premises for walk through practices the day before each game, provided that such practices do not interfere or conflict with any previously scheduled County events, and further provided the Premises shall not be used for day to day practices. Walk through practices shall not be considered games and no Event Rental shall be due to County.</p>

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6	X	<p>Use of Premises Continued</p> <p>Game day stadium use will begin at 9 am and end three (3) hours after the QCSC event is completed. These times may be adjusted by mutual consent of QCSC and County. Parking is permitted two and a half (2.5) hours prior to the QCSC weekday (Monday - Friday) events and five (5) hours prior to Saturday and Sunday events.</p> <p>Video Board: TBD</p> <p>Broadcast / Media Room & Equipment: TBD</p> <p>On Field Seating Areas: TBD</p> <p>Referree Room: TBD</p> <p>Training Room: TBD</p> <p>Ticket Office: TBD</p>																						
7	X	<p>Base Rent</p> <p>QCSC will pay a base rent of \$185,000.00 per year in year 1 of the lease term. In year two (2) and each of the subsequent years of the ten (10) year lease term, and any renewal terms, the base rent will increase by 3% per year.</p> <p>Base Rent is due and payable by QCSC to County on or before the tenth (10th) day of the applicable month without offset or deduction prorated as follows:</p> <table border="0" style="margin-left: 40px;"> <tr><td>March</td><td style="text-align: right;">8%</td></tr> <tr><td>April</td><td style="text-align: right;">12%</td></tr> <tr><td>May</td><td style="text-align: right;">12%</td></tr> <tr><td>June</td><td style="text-align: right;">12%</td></tr> <tr><td>July</td><td style="text-align: right;">12%</td></tr> <tr><td>August</td><td style="text-align: right;">12%</td></tr> <tr><td>September</td><td style="text-align: right;">12%</td></tr> <tr><td>October</td><td style="text-align: right;">10%</td></tr> <tr><td>November</td><td style="text-align: right;">5%</td></tr> <tr><td>December</td><td style="text-align: right;">5%</td></tr> <tr><td></td><td style="text-align: right; border-top: 1px solid black;">100%</td></tr> </table> <p>Base Rent is subject to a late charge equal to two percent (2%) per month of the amount of base rent not received within ten (10) days after the due date.</p>	March	8%	April	12%	May	12%	June	12%	July	12%	August	12%	September	12%	October	10%	November	5%	December	5%		100%
March	8%																							
April	12%																							
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June	12%																							
July	12%																							
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September	12%																							
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	100%																							
8	X	<p>Event Rental & Event Marketing Fee</p> <p>QCSC will pay an event rental of \$8,000 per game played on the Premises for up to thirty (30) events per year for the ten (10) year lease term. Event rentals for the Renewal Terms (s) will adjust to the current, annual rate card rate less ten (10) percent in each year of the renewal term(s). The thirty (30) event limit applies to each year of the lease term and any subsequent renewal terms without any carryover of events from one lease year to another lease year.</p>																						

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8	X	<p>Event Rental for events scheduled during the lease term and any Renewal Term(s) above thirty (31+) events per year are at the annual rate card rates in effect less ten (10) percent plus any direct event and concessionaire expenses incurred on behalf of the QCSC for the event.</p> <p>QCSC will pay County an event marketing fee of \$800 per game for the use of Stadium assets (score board, video board, fascia board, ribbon board, and other forms of electronic signage) on which QCSC can sell video public address advertising and message board advertising. The \$800 per game event marketing fee is fixed for five years. In year six (6) and each of the subsequent years of the ten (10) year lease term, and any renewal term(s), the event marketing fee will escalate 3% per year.</p> <p>QCSC shall remit Event Rental and Event Marketing Fee to County 10 days prior to any games scheduled to be played.</p>
9	X	<p>QCSC will pay County fifteen percent (15%) of the net proceeds earned by QCSC for net concession revenues, parking fees, and tenant advertising as described below.</p> <p>QCSC retains 100% of revenues for gate receipts (net of ticket surcharge), team specific advertising, media rights, team specific memorabilia, souvenirs, collectables or team specific sponsorships.</p> <p>QCSC shall remit revenue sharing net proceeds on a monthly basis by the tenth (10th) day of each month for any revenue sharing net proceeds collected in the prior month. QCSC shall include documentation to support the amount of revenue sharing net proceeds. QCSC shall remit Event Rental to County 10 days before prior to any games being played.</p> <p>Net proceeds shall mean concession, parking, and advertising revenues offset by reasonable expenses actually incurred by QCSC, properly chargeable against income in accordance with generally accepted accounting principles (GAAP). Reasonable expenses exclude costs incurred due to QCSC violation of any terms and conditions of the lease, repairs and other work occasioned by fire, casualty, or condemnation, costs that are reimbursed by insurance proceeds or any other source, capital improvements, QCSC general overhead and general administrative expenses that would not be chargeable to the related revenues under GAAP. Revenues include non-cash receipts bartered for goods or services (like concessions and parking) and any support funds, annual or other, paid to the QCSC by concessionaires and advertisers.</p> <p>Concessions shall mean all food products and beverages offered for sale at any QCSC game played at the Premises including concessions offered for sale by third party vendors and concessionaires.</p> <p>Tenant Advertising means, collectively, all advertising, sponsorship and promotional activity, signage, designations (including designations and rights of exclusivity and priority), messages and displays of every kind and nature at or regarding the Premises including but not limited to the following:</p> <ol style="list-style-type: none"> a. The right to name portions of the stadium (example: field, corner, section); b. Signage or advertising in, on, or around the Stadium that will be permanently affixed to the Stadium during the Term; c. Fixtures or equipment such as permanently affixed scoreboard advertising and canopy advertising.

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10	Ticket Surcharge	<p style="margin: 0;">X QCSC agrees to pay three dollars (\$3.00) per ticket order, excluding complimentary tickets, trade tickets, or tickets provided at no cost for promotional purposes, for any game played at the Premises, for deposit to the County's capital reserve fund.</p> <p style="margin: 10px 0 0 20px;">QCSC shall remit ticket surcharge proceeds on a monthly basis by the tenth (10th) day of each month for any ticket surcharge proceeds collected in the prior month. QCSC shall include documentation to support the amount of ticket surcharge proceeds.</p>
11	County Event Restrictions	<p style="margin: 0;">X County may not rent or lease the Premises to a competing, professional sports soccer team or a competing, professional lacrosse team without QCSC approval.</p> <p style="margin: 10px 0 0 20px;">Competing professional soccer team is defined as one who is a member of Major League Soccer (MLS), United Soccer League (USL), the North American Soccer League (NASL), and any professional teams sanctioned by the United State Soccer Federation in Divisions 1, 2, or 3.</p> <p style="margin: 10px 0 0 20px;">All other soccer events, such as college, high school, and youth soccer matches or International professional soccer team exhibition matches do not compete with QCSC and are not deemed a competing professional soccer team and are not subject to County Event Restrictions.</p> <p style="margin: 10px 0 0 20px;">Competing professional lacrosse team is defined as one who is a member of Major League Lacrosse (MLL). All other lacrosse events, such as college, high school, and youth matches do not compete with QCSC and are not deemed a competing professional lacrosse team and are not subject to County Event Restrictions.</p> <p style="margin: 10px 0 0 20px;">County shall not permit any signage that displays or promotes any competing professional soccer team or any competing professional lacrosse team as defined above without QCSC approval.</p>
12	County Stadium Naming Rights, Veteran Memorials, Public Art, Branding & Signage	<p style="margin: 0;">X County has exclusive rights to name the stadium American Legion Memorial Stadium and to construct and promote memorials to all armed service veterans, greenway connections, and public art.</p> <p style="margin: 10px 0 0 20px;">QCSC has rights to market and sell signage and sponsorships within the Stadium envelope but all agreements must be approved by the County. County retains the rights to promote County events unless such promotion and advertising is in conflict with QCSC sold sponsorships and advertising and County shall retain all revenues from such promotions.</p> <p style="margin: 10px 0 0 20px;">QCSC has rights to market and sell signage and sponsorships outside the Stadium envelope under the revenue sharing but all agreements must be approved by the County. County retains the rights to promote County events outside the Stadium envelope unless such promotion and advertising is in conflict with QCSC sold sponsorships and advertising and County shall retain all revenues from such promotions.</p>

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12	X	<p>County Rights Continued</p> <p>County and QCSC may erect a reasonable amount of signage outside the Stadium for events being held the same day (example: Grady Cole and Memorial Stadium)</p>
13	X	<p>Title</p> <p>County or its assignee will retain title to the Premises during the Term and any renewal terms.</p>
14	X	<p>Termination</p> <p>In the event of non-renewal or termination (Convenience, Event of Default), set forth in Articles 23-25, QCSC agrees to peaceably surrender possession of the Real Property to County on the date of such termination and to make all payments due. County will have all legal and equitable rights and remedies to take possession of the Premises.</p> <p>County will not have the right to terminate this agreement for convenience to partner with another Professional Soccer team without QCSC agreement.</p>
15	X	<p>Concessions</p> <p>County will manage concessionaires and master vendor contracts with the exception of beer and wine concessions. The County will work with the QCSC to accommodate QCSC sponsors that desire concession rights.</p> <p>QCSC will be included in the design layout for concessionaires.</p> <p>QCSC will be included in the selection of concessionaires.</p> <p>QCSC will have the right to select the beer and wine concessionaire subject to the approval of the County, such approval not to be unreasonably withheld, conditioned, or delayed.</p> <p>County approves the sale of alcohol by concessionaires at QCSC events provided that the concessionaire obtains and maintains all required permits to sell alcoholic beverages. QCSC must maintain all required insurance coverage, and bears full responsibility for actions of alcohol concessionaires, consumers of alcohol, and payment of alcohol related taxes and permits.</p> <p>All food and beverage (non-alcohol and alcohol) must be on the approved vendor list of County</p>
16	X	<p>Traffic and Parking</p> <p>County and QCSC will jointly develop, update, and maintain Event specific plans for traffic and parking management, security and public safety, including staffing levels for public and private security, traffic, and parking management.</p> <p>County has full control and responsibility for operating the Premises but may assign certain functions (like parking) to be managed by the QCSC at QCSC events contingent upon meeting acceptable County performance standards.</p>

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17	X	<p>Signage</p> <p>Generally:</p> <ol style="list-style-type: none"> a. No QCSC agreement for signage at the Stadium or Stadium grounds may extend past the lease term. b. All signage must be of professional quality and is subject to the approval by the County, such approval not to be unreasonably withheld. c. All signage must be reasonably attached, secured and detached in order to avoid personal injury and property damage or personal injury to invitees. d. No signage may be attached, secured, or detached in a way that would materially damage or undermine the structural integrity of the Stadium, or any other improvements or its appurtenances. e. No signage or sponsorships may be for or include (i) tobacco products, (ii) political and policy issues, (iii) profanity, obscenity or hate speech, (iv) sexually-oriented products, activities, or materials, or (v) the depiction in any form of illegal products, activities, or materials. f. Any addition or alteration (shape, size, composition or color) of any free standing structure is subject to the approval of the County, such approval not to be unreasonably withheld. g. County may remove or cover (at its option) any signage necessary to satisfy the requirements of a County Event Sponsor that is directly competitive with the sponsors of QCSC Events, i.e. corporate sponsors of the NCAA or the ACC, in advance of those events. County will replace or uncover such signage immediately after those events, and County will be responsible for any damage to QCSC's signage resulting from County's removal or covering of such signage. h. QCSC may remove or cover (at its option) any signage erected by or for the County for a business that is directly competitive with any QCSC sponsor in advance of each QCSC Event. QCSC will replace or uncover such signage immediately after those events, and QCSC will be responsible for any damage to County signage resulting from QCSC's removal or covering of such signage.
18	X	<p>Tenant Duties and Obligations</p> <p>QCSC will during the Lease Term, at its sole cost and expense:</p> <ol style="list-style-type: none"> a. Hold a minimum of twenty five (25) QCSC events at the Stadium b. Comply with the annual Soccer and Lacrosse Schedule c. Advertise, market and promote QCSC events at the Stadium to the public d. Except as set forth in Article 19 and except for other County's obligations in this Agreement, provide all services relating to QCSC Game Days and QCSC Events, including on-site setup and management, ticket sales prior to and during QCSC Events, parking control and receipts, resolution of match-related competition issues, takedown and removal of non-permanent equipment, advertising, and signage, scheduling officials, public address announcers, paying staff or an event management company to conduct game day operations, and all other match-related activities. e. Provide prompt notice to County in writing of any damages to the Stadium for which QCSC is responsible and promptly repair any damage, other than normal wear and tear, to Stadium f. Not sublease, rent, or license any fields or QCSC space at the Stadium, except as provided in this agreement, without County's consent g. Abide by all ordinances and regulations of Mecklenburg County Park and Recreation Department and any other governmental laws and regulations applicable to use of said premises.

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19	X	<p>County will during the Lease Term, at its own cost and expense:</p> <ul style="list-style-type: none"> a. Provide to QCSC the use of the Stadium to which QCSC is entitled and ensure that QCSC will peacefully have and enjoy the premises and the rights and privileges granted to QCSC b. Maintain the Stadium field in proper playing condition during the soccer and lacrosse seasons consistent with requirements for the Professional League Play in which QCSC participates c. Maintain the stadium in good condition, including but not limited to the stadium facility, parking areas, ticket office, and all County facilities and County equipment installed at the Stadium, subject to normal wear and tear, and make repairs thereto within a reasonable time after being notified of the need for repairs d. Provide electricity and lighting for the Stadium with USL footcandle light level (TBD) e. Provide water, sewer, heating and air conditioning, and pay the cost of all utility services f. Clean the Stadium prior to and after each QCSC event and otherwise provide janitorial services to the premises as coordinated by the parties unless specifically delegated to QCSC. g. Provide police for public safety for each QCSC Event within the Stadium and for purposes of traffic control for the ingress into and egress from the Stadium h. Comply with the annual Soccer and Lacrosse Schedule i. Maintain full control and responsibility for operating the Stadium through internal and contract staff unless specifically delegated to QCSC in this agreement. 										
20	X	<p>QCSC shall purchase and maintain during the Lease Term insurance for protection from claims under workers' or workmen's compensation acts, comprehensive general liability insurance covering personal injury, advertising and bodily injury and property damage, automobile liability insurance, umbrella or excess liability insurance. If children are primary guests or invitees, then insurance for sexual abuse including physical abuse is required.</p> <p>The minimum insurance ratings for any company insuring QCSC shall be Best's A-. QCSC's insurance carriers shall be licensed to do business in North Carolina.</p> <p>Minimum Limits of Insurance Coverage are:</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 60%;">General Liability</td> <td style="width: 40%;">\$1,000,000 per occurrence</td> </tr> <tr> <td>General Liability - Damage to Rented Premises</td> <td>\$1,000,000 per occurrence \$2,000,000 aggregate</td> </tr> <tr> <td>Commercial Automobile Liability</td> <td>\$1,000,000 CSL</td> </tr> <tr> <td>Commercial Excess Liability / Umbrella</td> <td>\$2,000,000 per occurrence & \$4,000,000 aggregate</td> </tr> <tr> <td>Workers Compensation</td> <td>Statutory Limits \$100,000 per accident \$500,000 disease per policy limit \$100,000 disease per employee limit</td> </tr> </table> <p>General Liability, Automobile Liability, and Excess/Umbrella can be satisfied through a combination.</p>	General Liability	\$1,000,000 per occurrence	General Liability - Damage to Rented Premises	\$1,000,000 per occurrence \$2,000,000 aggregate	Commercial Automobile Liability	\$1,000,000 CSL	Commercial Excess Liability / Umbrella	\$2,000,000 per occurrence & \$4,000,000 aggregate	Workers Compensation	Statutory Limits \$100,000 per accident \$500,000 disease per policy limit \$100,000 disease per employee limit
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21 Ticketing Systems		QCSC is allowed to used Ticketmaster as its ticketing system. At its option, the County may use Ticketmaster at its events at no additional cost or it may use its own ticketing system. Should the County desire to use its own ticketing system, it cannot remove the Ticketmaster infrastructure prior to the termination of this Lease Agreement.
22 Hold Harmless, Indemnity	X	QCSC agrees to indemnify, defend and save harmless the County and its agents, officers, and employees from and against any and all liability, expense (including defense costs and legal fees) and claims for damages arising from or not limited to, bodily injury, death, personal injury, or property damage arising from or connected with QCSC's operations or its services including any workers compensation suits, liability or expense, arising from or connected with services performed on behalf of QCSC by any person pursuant to the Lease Agreement except to the extent that such bodily injury, death, personal injury or property damage arises from or is caused by the County's operations or services. QCSC's duty to indemnify the County shall survive the expiration or other termination of this Lease Agreement.
23 Limitations	X	<p>QCSC will during the Lease Term:</p> <ul style="list-style-type: none"> a. Abide by the Mecklenburg County Department of environmental Health rules for provision of food for the public. Permit(s) are required. b. Insure no sales, public demonstrations or other activities are allowed that do not use appropriate concessionaires, vendors, or other users who are licensed by the County c. Shall not transfer the Lease Agreement to any other person or entity without County permission d. Shall ensure that all QCSC events are available to all participants without regards to race, religion, national origin, sex, or disability e. Acknowledge awareness of condition of goals and assume responsibility for ensuring goals remain anchored during all play f. Assume responsibility for ensuring that attendees park only in appropriate locations
24 Termination for Convenience - TBD		
25 Termination for Default - TBD		
26 Termination for Non-Renewal - TBD		