



AGENDA
Committee of the Whole
Monday, October 8, 2018 5:30 p.m.
City Council Chambers, City Hall 10th Floor

Council Member Wood, Chairperson
Council Member Washington, Vice Chairperson

1. **Call to Order**
2. **Roll Call**
3. **Minutes**
 - October 1, 2018
4. **Public Comment on Agenda Items (Up to 3 Minutes)**
5. **Discussion/Action:**
 - A.) **RESOLUTION-** Stadium Soccer License Agreement; City of Lansing & Lansing Soccer Club, LLC (LSC) as a USL League 1, a United Soccer League One Club; Thomas M. Cooley Law School Stadium
6. **Other:**
7. **Adjourn**

The City of Lansing's Mission is to ensure quality of life by:

- I. Promoting a vibrant, safe, healthy and inclusive community that provides opportunity for personal and economic growth for residents, businesses and visitors
- II. Securing short and long term financial stability through prudent management of city resources.
- III. Providing reliable, efficient and quality services that are responsive to the needs of residents and businesses.
- IV. Adopting sustainable practices that protect and enhance our cultural, natural and historical resources.
- V. Facilitating regional collaboration and connecting communities



DATE OCT 8, 2018

PHONE

Various



MINUTES
Committee of the Whole
Monday, October 1, 2018 @ 5:30 p.m.
City Council Chambers, City Hall 10th Floor

CALL TO ORDER

Council President Wood called the meeting to order at 5:30 p.m.

PRESENT

Councilmember Kathie Dunbar
Councilmember Jeremy A. Garza
Councilmember Adam Hussain
Council Member Brian T. Jackson
Councilmember Peter Spadafore
Councilmember Patricia Spitzley
Councilmember Jody Washington
Councilmember Carol Wood

OTHERS PRESENT

Sherrie Boak, Council Staff
Eric Brewer, Council Internal Auditor
Jim Smiertka, City Attorney
Samantha Harkins, Mayor Executive Assistant
Lisa Hagen, Assistant City Attorney
Greg Venker, Assistant City Attorney
Mayor Schor
Brett Kaschinske, Parks & Recreation Director
Nick Grueser, Lansing Lugnuts
Joe Vitale
Elaine Womboldt
Kathy Miles
Loretta Stanaway

Minutes

Council Member Jackson stepped away from the meeting at 5:30 p.m.

**MOTION BY COUNCIL MEMBER SPADAFORE TO APPROVE THE MINUTES FROM
SEPTEMBER 24, 2018 AS PRESENTED.**

Council Member Jackson returned to the meeting at 5:31 p.m.

MOTION CARRIED 8-0.

Public Comment on Agenda Items

Ms. Miles spoke against the proposal for the stadium and the USL Soccer Club because of the financial impact.

Ms. Stanaway supported the sale of the Cooley Haze house, then spoke on her financial impact concerns with the stadium

Council Member Spitzley stepped away from the meeting at 5:34 p.m.

Ms. Womboldt stated that Rejuvenating South Lansing supported the sale of the Cooley Haze House.

Council Member Spitzley returned to the meeting at 5:35 p.m.

Ms. Womboldt continued by stating she was opposed to tax payers paying for the costs proposed for the stadium and USL Soccer Club, asking them to consider lowering ticket prices.

DISCUSSION/ACTION

RESOLUTION - Sale of Property; Cooley-Haze House, 213 W Malcom X Street

Mr. Kaschinske provided an overview of the bidding process which began in June 2017 when the Park Board decided to sell and brought that proposal to the Council, who in turn put on the ballot. The residents, by vote, agreed to sell. An RFP was done for bidders in March 2018, where they published in social media, held open houses, worked with Preservation Lansing, Michigan Preservation Network, and Old House Dreams social media site. The first RFP did not receive any bids, so they sent out again for a longer period of time and got two bids. One bid was for \$10,000 and to maintain as a single family home, and the bid before Council is one for \$20,000 and a use of retail. The proposal also contains a historical covenant which includes the home stay on site and the exterior maintained historically. Council President Wood inquired into if the home was on the Historic Registry and was informed it currently was not. Mr. Kaschinske added that in addition to the home staying on site, the 30 year historic covenant also states the exterior of the house shall remain of the same material, etc. Council President Wood asked if the property is zoned for retail, and Mr. Kaschinske stated it would need to be rezoned. Mr. Vitale introduced himself and provided a brief history of his work in the City. His proposal for the property, he informed the Council, was to create a retail of historic building materials for people to purchase as they remodel and renovate their historic homes. These materials would consist of trim, windows, doors, knobs, fixtures and anything too large would be stored off site. Council Member Jackson asked if an appraisal was performed and if that was the rationale of the price. Mr. Kaschinske confirmed no appraisal was done but they did speak to the City Assessor and their value was assessed at \$50,000-\$65,000. One issue the City had in the past as the owner was that with the structure needing work, the City covered 70% of the repairs. Prices on repairs had come in at \$142,000 for siding and a boiler at \$25,000. Council Member Washington spoke in support of the sale and proposed use. Council Member Dunbar asked if the entire space will be used, and Mr. Vitale confirmed it will be a store front for the materials and some will be stored off site. Council Member Hussain spoke in support of the project and protecting the historic structure. Mr. Vitale at that point informed the Committee is plan is to get the home on the Historic Registry and then it will be protected in the far future as well. Council President Wood asked Mr. Smiertka the legal opinion on no appraisal. Mr. Smiertka answered that the Charter does not require an appraisal for a sale, but if the City wanted to purchase it would, and if it is less than

\$50,000 in sale price there is no 30 day waiting period. Council President Wood encouraged Mr. Vitale to work with the Cherry Hill Neighborhood on attaching to their historic district.

MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE RESOLUTION FOR THE SALE OF THE PROPERTY LOCATED AT 213 W MALCOM X STREET; COOLEY-HAZE HOUSE FOR \$20,000. MOTION CARRIED 8-0.

Discussion/Resolution - Stadium Soccer License Agreement; City of Lansing & Lansing Soccer Club, LLC as United Soccer League Division Three Club; Thomas M. Cooley Law School Stadium

Mr. Smiertka took the Committee through a brief overview of the agreement, noting there are numbering changes that have to be corrected, Page 24 line 20, should be 500 tickets not 1,000; it is a 16 year agreement with USL D3 and Mr. Grueser stepped in stating it was just changed to USL League 1. Mr. Smiertka continued noting that the agreement will expire on the same term limit as the Lugnuts, the USL will play 15 home games at the stadium. And there are two (2) conditions must be fulfilled for the City obligation; a proof of franchise and a ticket manifest which the City will have 10 days to object to. The agreement outlines that the City will get \$2 per each premium ticket, the City will make marketing payment for the first five (5) years, and the USL will market the stadium as a desirable venue. In connection with the marketing payment, if the attendance achieves a certain level over the years, then a soccer service credit is applied to offset the marketing payment. The other financial conditions listed in the agreement included the City will buy the soccer conversation equipment, so it will be owned by the City; the City can solicit sponsorships for any costs; the City will reimburse up to \$36,000 annual for soccer conversions; and the City agrees to pay \$20,000 for utilities for the first 5 years, then it is a split. Mr. Smiertka and Mr. Grueser then both confirmed that they have agreed to have the Lansing Soccer Club engage with the youth in Lansing and the schools for soccer related activities. Lastly, the Committee was informed that the agreement states in the covenants that the Lansing Soccer will maintain the franchise in Lansing and not move, and it will default if the covenants are breached.

The Committee began the review of the document.

Page 1 line 1-24 no comments.

Page 2, line 1-6., the Committee inquired into what the ticket manifest was and Mr. Grueser offered to get it to the Committee and stated it basically listed seating locations and prices.

The definitions began on page 2, line 8-22, and Council Member Spitzley inquired into the broadcast rights. Mr. Smiertka clarified it is a separate agreement with the Soccer Club and City, and could be a revenue generator. Council Member Spitzley pointed out that the City already has an agreement with TMO (Take Me Out to the Ball Game) for the Lugnuts, so would this be applicable and if not to remove it. Council President Wood clarified that this agreement is separate then the Lugnut agreement and separate from what the City currently gets from baseball broadcast rights. Mr. Smiertka explained that they did use the TMO agreement as a template for this agreement and some items are identical but other items are different. When the agreement gets to the CIP, some of those items do merge with the two organizations. Council Member Dunbar asked why they pulled the liquor license details out of this agreement, and Mr. Smiertka noted it was not necessary because soccer will not be holding liquor concessions on their own.

Page 3 line 1-7 no comments.

Page 3 line 8-14, Council President Wood inquired into the sponsorship sections in the stadium. Mr. Grueser confirmed if it is sponsored by PEPSI the City gets revenue through TMO, and the suite level is sponsored by Auto Owners and they receive revenue for that as well. The Chevrolet Terrace is exempt from that revenue because it is not a venue seat.

Page 3 line 15-21 no comments.

Page 4 line 1-22 no comments.

Page 5 line 1-12 no comments.

Page 5 line 13 spoke to suites and Council Member Spitzley asked if those would be provided or purchased, and Mr. Gruese confirmed that condition is similar to the TMO agreement. There was then a question into the language of LEPFA as an entity, and Mr. Smiertka explained that the City has an operating agreement with LEPFA and they are the City's agent so LEPFA can execute any agreements that are under 5 years, but anything over that comes to Council.

Council Member Spadafore stepped away at 6:23 p.m.

Page 5 line 15-22 no comments.

Page 6 line 1-3, regarding the suites, Council President Wood asked if the same offer would be made to the people who have them at Lugnuts and she was informed they will have first rights of approval.

Page 6 line 4-5 no comments.

Regarding the naming rights item, Council President Wood asked who had them, and Mr. Gruese stated they will stay the same for the field and stadium through the 2020 year, and Mr. Smiertka confirmed that the agreement states the USL has to honor the naming rights.

Council Member Spadafore returned to the meeting at 6:25 p.m.

Page 6 line 8-21 no comments.

Page 7 line 1-2 no comments.

Page 7 3-4 on premium tickets and Council Member Spitzley inquired into how many there were. Mr. Gruese stated 100 luxury suite tickets, 60 clubhouse, 152 PEPSI porch and 100 banquet center. The stadium capacity is 12,500 and their goal is to sell 6,000.

Page 7 lines 5-16 no comments.

Page 7 line 17-18 addressed other events and Mr. Gruese confirmed that there is no intent for special events to filter through Lansing Soccer.

Page 7 line 19-22 no comments.

Council Member Washington stepped away from the meeting at 6:32 p.m.

Page 8 line 1-22 no comments.

Page 9 line 1-21 no comments.

Page 10 line 1-15 Ms. Hagen confirmed that the term of the agreement coincides with the TMO which would end 12/31.2034 beginning for soccer 11/1/2018. The conditions to terminate were listed on lines 8-15. Council President Wood asked if there was language that spoke to the City being reimbursed on their equipment purchase if the agreement is terminated. Mr. Smiertka stated that under Section 23, the City seek remedy of the damages from the default. Council Member Spitzley requested that it be added to this Section so that the City would not have to go to Court, and Council Member Spadafore added that it could violate the purchasing ordinance on depreciation of assets.

Council Member Washington returned to the meeting at 6:38 p.m.,

Council Member Spitzley again asked for language specific in the event of default they have to reimburse the purchase of the sod equipment. Mr. Smiertka confirmed it could be done, but he did not like a reimbursement clause in a default clause because it could be limited. Council Member Spitzley stated she would defer to law on that decision and language. Council President Wood made it known her concern was if they defaulted in the first 2 years.

Page 10 line 17 through page 11 line 17 Mr. Smiertka noted this section dovetails with the TMO agreement and this will be the amounts the City will use to make capital improvements to the stadium. M.s Hagen added this can be for field replacement and the funds can be carried

over. Mr. Gruese pointed out the amounts listed are the maximum, not the additional. The TMO agreement set the limits, but this agreement asked for the maximum. Mayor Schor added that the intent of the language was due to the action of flipping the field, and the field life span could be shorter, so they are banking funds as the field gets older to help in the future. The budget will reflect the maximum amount listed. Mr. Gruese then provided a list of Short Term Capital Improvements (attached)

Page 11 line 18-22 referenced maintenance and Council Member Spitzley asked what kinds of maintenance they envisioned that would be different than what is under and covered by TMO. Mr. Gruese admitted there was not a lot at this time, the intent with the CIP funds is to have funds for future repairs and maintenance to the stadium. Council Member Jackson asked how the CIP is different from stadium maintenance, Mr. Gruese explained that maintenance is under LEPFA, and general maintenance; CIP is a planned improvement to the ball park, not regular maintenance. Mr. Smiertka added that the City is not responsible for damage by USL, they are responsible for the major maintenance.

Page 12 line 1-10 no comments.

Page 12 line 14-17, Council Member Dunbar asked that the language be changed to reflect "shall not", not "is not intended". Council Member Jackson ask language be added to reflect their commitment to work with the community. Mr. Smiertka acknowledged they had language they could add to page 13 under subsection D. Mr. Gruese confirmed of their three (3) goals is community engagement. Mayor Schor acknowledged they have had the discussions but did not draft language until the meeting today in case there were other options.

Page 12 line 22 to page 13 line 4 no comments.

Page 13 line 14-20 no comments. Council Member Hussain asked if there were any other additional needs other than the equipment it already states the City will own.

Page 13, Council Member Spitzley asked if TMO or USL would staff the concessions and if there was a budget. Mr. Gruese assured them it would not be a City expense.

Page 14 line 20-22 no comments.

Page 15-line 1-20 no comments.

Page 15 line 21 through page 16 and 17, and Council Member Jackson asked if they had made efforts to make the ticket prices reasonable. Mr. Gruese stated it was based on a market analysis and they believe the prices are reasonable. Once the ticket manifest is submitted they will see a breakdown. Council President Wood asked if they thought of a block of 50 seats for low income or child rates, and Mr. Gruese stated they would be open to it, and could do a ticket donation program similar to baseball.

Page 17 line 4-22 no comments.

Page 18 no comments.

Page 19 no comments.

On page 20, Council Member Spitzley asked what they thought marketing as a desirable venue. Mr. Gruese stated it would be highlight the stadium as a key entity, and USL will only market soccer. Mayor Schor noted that some of the intention of the language was to focus on utilizing the asset in downtown. Council Member Hussain asked if there was a responsibility on the team to pay for marketing. Mayor Schor stated the \$125,000 for the City is based on 4,000 tickets.

Council President Wood passed the gavel and stepped away from the meeting at 7:19 p.m.

Mr. Smiertka added to the discussion that this amount is for 5 years and there is soccer credit to reduce it. Their debt is 13 years; through the end of the contract. Council Member Spitzley referenced the agreement and reminded them that it says that the City is paying \$125,000 to market it.

Council President Wood returned to the meeting at 7:20 p.m. and Council Member Washington passed the gavel.

Council Member Washington stated her concern with the amount, and asked how that fits in with the funds budgeted to LEPFA, and asked how they plan to market it since it is known as the "Lugnut Stadium". Mr. Gruese admitted it was not worked out yet, but they are marketing the stadium as a year round venue. Council President Wood asked if the \$125,000 is similar to anything the TMO agreement for baseball, and Mr. Gruese stated it was not. Council Member Washington asked again how these funds fit with what is already given to LEPFA, and Mayor Schor stated LEPFA funds pay for maintenance and operations. Council Member Spitzley stated her concern on making a payment of \$125,000 but only getting \$2 per premium ticket. Mr. Gruese assured Committee that the \$2 per premium was for the duration of the contract. The Committee then reviewed the graph on page 25 of the document and its' breakdowns.

Council Member Spitzley and Spadafore stepped away from the meeting at 7:32 p.m.

Council Member Hussain asked if there was the potential of getting revenue from the soccer field, and did not agree with the \$2 per premium ticket.

Council Member Spitzley returned to the meeting at 7:34 p.m.

Council Member Hussain then asked for another option since the ticket prices will not always be fixed over the term of the contract, so he asked for Mr. Gruese to provide a modified language that might include a percentage of a ticket instead of a set price of \$2.

Council Member Hussain stepped away from the meeting at 7:35 p.m.

Council Member Spadafore returned to the meeting at 7:35 p.m.

Council Member Garza asked Mr. Gruese how much the USL planned to put in for marketing, and he was told \$150,000-\$200,000 but since they do not have their budget set yet, he could not confirm. Mr. Smiertka informed the Committee that each party is responsible for their own marketing.

Council Member Hussain returned to the meeting at 7:37 p.m.

Mayor Schor stated that when they first start the discussions on the USL, \$125,000 was based on the equivalent to the debt payment but will only go five (5) years.

Council Member Garza stepped away from the meeting at 7:38 p.m.

Council Member Spadafore asked if they could adjust the ticket fee, and Council Member Spitzley asked for a 1/3 -2/3 split on the marketing cost so it is equitable. Council President Wood asked if they could commit to spending the same amount as what the City is giving. Mr. Gruese stated he would have to consult with ownership.

Page 21 lines 1-17; Council Member Spadafore asked if sponsorships could be obtained for the turf machine, etc. and was told it was possible.

Council Member Garza returned to the meeting at 7:42 p.m.

Page 21 lines 18-21; Council Member Spitzley asked if the City gets part of the revenue for broadcasting.

Council Member Jackson stepped away from the meeting at 7:43 p.m.

Mr. Gruese stated that the league requires them to stream all matches at the Lansing Soccer League expense at about \$102,000, and they will not come to Council to pay for broadcasting. Page 22; Council Member Spitzley asked how they were going to break out utilities for TMO and Lansing Soccer. Council President Wood stated per the agreement, TMO is responsible and Mr. Smiertka added it is shared equally.

Council Member Jackson returned to the meeting at 7:45 p.m.

Mr. Gruese admitted they are looking at smart meters, at usage not on rates. Council Member Hussain noted the agreement stated the City would pay \$20,000 for first 5 years. Mr. Gruese assured the Committee this was something similar to the TMO agreement.

Council Member Spitzley stepped away from the meeting at 7:48 p.m.

Page 22 line 7-17 no comments.

Council Member Spitzley returned to the meeting at 7:49 p.m.

Council Member Hussain again asked for a percentage on the tickets instead of \$2. Council President Wood asked Mr. Brewer was the inflation rate was, and he stated 2.5%-3%, then admitted that an agreement can be reviewed every so often. Council Member Washington suggested Mr. Gruese look at what percentage \$2 is of a \$35 premium ticket and use that as the across the board percentage. Mr. Gruese stated he was open to that change and could draft language to make the change, but the problem with basing it on an inflation rate does not work on the ticket prices. He confirmed he would send the new language with the ticket manifest by Thursday at noon.

Page 23 line 8- page 24 line 8; Mr. Smiertka directed the Committee to line 13 on page 23 which spoke to the letter of credit or security bond.

Page 24 line 9-21; the Committee was reminded of the earlier stated change from 1,000 tickets to 500.

Page 25 was the chart on average number of tickets.

Page 25 line 12-16 no comments.

Page 26; Council Member Spitzley read lines 1-4; "LEPFA shall provide and make available equipment necessary to transition a sod-based minor league baseball field at the Stadium to a USL sod-based soccer field at the Stadium, not to exceed a one-time capital equipment cost of one hundred fifty thousand dollars." She then asked if the City would buy and pass through to LEPFA then to Lansing Soccer Club. Mr. Smiertka explained that LEPFA is the City's agent, so this is saying the agent will make the equipment available. The Committee then discussed the one time use of the sod and options for the sod after it is removed for a baseball game. Mr. Gruese noted they offered the option to MSU but they declined so they have reached out to sod farmers in the surrounding area in Michigan. Mayor Schor assured the Committee they will work on language for the agreement that provides options on where the sod can be taken to, to be re-used on City properties and parks. Mr. Gruese asked to speak to his grounds superintendent first to see the requirements on moving sod.

Page 26 line 5-15 on the sod conversion, Council Member Spitzley inquired into how many they will have and Mr. Gruese confirmed 12. She then asked since the City is buying the equipment if there should be a shared cost on the switch over. Mayor Schor acknowledged that his office is actively looking for sponsorships for the machine. Council Member Spitzley asked for a shared cost in the conversation not to \$36,000. Mr. Gruese reminded the Committee the information from the earlier meeting that if they were to pay someone to do the conversions it would be \$40,000-\$50,000 if the City does not buy its own equipment. Mayor Schor pointed out that after the first five (5) years, this conversation cost will be the only expense.

Page 26 line 17-22 no comments.

Page 27 line 8-19 no comments.

Page 27 line 20-22 no comments.

Page 28 line 1- 8; Council Member Hussain asked how City residents are measured, and Mr. Gruese confirmed that when they look at staffing they look at local high schools and the majority of the staff will be shared staff from TMO and LSC. He concurred that when they do the recruiting they will make it available to be stated they are looking for Lansing residents. Council President Wood asked Mr. Gruese to provide current stats on how many are Lansing residents.

Page 28 line 10-22 no comments.

Page 29 line 1-22 no comments.

Page 30 line 1-22 no comments.

Page 31 line 1-22 no comments.

Page 32, renumber the Sections.

Page 32 on line 6, Council Member Spitzley asked if the contract was assigned to LEPFA for administration, and Mr. Smiertka stated that LEPFA already has the responsibility of operating the Stadium, the intent in this agreement is to be assigned to LEPFA.

Page 33 line 1-3; Council Member Jackson asked if they can be confident there will be 15 games, and if not can the agreement be terminated. Mr. Gruese stated the Leagues stated they will have 12-14 home league matches, but that will not be finalized until December 1st. He assured them that they will also plan to fill open days with expedition games.

Page 33 line 1-22 no comments.

Page 34 line 1-22 no comments.

Page 35 line 1-22 no comments.

Page 36 line 1-22 no comments.

Page 37, it was confirmed that there are improvement planned for a locker room.

Page 38 line 1-22 no comments.

On Page 39, under the Review Board, Council Member Spitzley inquired into why there is no City of Lansing resident on it. Mr. Smiertka explained that the model of the Board came from the TMO agreement and LEPFA is the agent of the City. In the case of the board if there is no agreement on a dispute, they will hire a mediator. Council Member Spadafore inquired into the same statement in the TMO agreement, which he pointed out that TMO would have two appeal options, so he recommended one review board with adding TMO to this Board.

Council President Wood read the changes needed in the document based on this discussion.

- Provide a ticket manifest
- Provide an option for the City to receive a percentage of the ticket sales, not the proposed \$2/ticket.
- Include the proposed language that stated the players and organization would be working with the schools and local youth.
- Include language on reusing the sod from the change-over on other City properties.
- Statistics on the number of City residents who are currently employed with Lugnuts organization.
- Add "TMO" to the Review Board
- Change any reference to "D3" or "Division 3" to "League 1".
- Page 12, line 19 should be corrected to state "shall not" not "not intended".
- Page 24, line 24 change to 500 tickets.

The item will reappear on the Committee of the Whole agenda for 10/8/2018 for action and also on the Council agenda for action the same night.

Council President Wood asked and it was confirmed that the new documents would be provided to Council staff by Thursday, 10/4 at 12:00 p.m.

Other:

No topics.

ADJOURN

The meeting was adjourned at 8:41 p.m.

Respectfully Submitted by,
 Sherrie Boak, Recording Secretary
 Lansing City Council
 Approved by the Committee on

Cooley Law School Stadium
Short Term Capital Improvement Plan (CIP)
 2019-2023

Item/Sub-Group	2019	2020	2021	2022	2023	5 Year Total	Notes
Structural							
roof replacement-curved metal roof							
winterization of clubhouse (suite level bar/kitchen)							
roof repairs/replacement-flat roof							
concrete repairs/improvements							
Update ball park lighting				\$200,000			
LED Field lighting			\$400,000				
Subtotal- Structural	\$0	\$0	\$400,000	\$200,000	\$0	\$600,000	
HVAC							
replace HVAC equipment							ballpark HVAC equip is almost 25 years old
Subtotal- HVAC					\$0	\$0	
Architectural							
Concession Stand upgrades	\$75,000						
Remodel all stadium restrooms		\$300,000					
new carpet suite level			\$20,000				
new carpet in locker rooms			\$15,000				
renovate elevator interiors			\$20,000				
replace carpeting in offices			\$7,500				
repaint concourse			\$15,000				
repaint suite level			\$10,000				
repaint club level (lockerrooms)			\$7,500				
Subtotal- Architectural	\$75,000	\$300,000	\$95,000	\$0		\$470,000	
F, F&E							
new forklift					\$35,000		
security camera system		\$7,000					
new trivision signage (plaza)					\$60,000		
Kitchen Equipment							
Subtotal- F, F&E		\$7,000		\$0	\$95,000	\$102,000	
Yearly Totals	\$75,000	\$307,000	\$495,000	\$200,000	\$95,000	\$1,172,000	

STADIUM SOCCER LICENSE
AGREEMENT

By and Between

LANSING SOCCER CLUB,
A DELAWARE LIMITED LIABILITY COMPANY

and

CITY OF LANSING

(2018)

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TMO WAIVER OF POTENTIAL CONFLICTS, CLAIMS, AND BREACH		i

STADIUM SOCCER LICENSE AGREEMENT

This Stadium Soccer License Agreement ("Agreement") is made and entered into this _____ day of _____, 2018, by and between Lansing Soccer Club, LLC., a limited liability company organized and existing under the laws of the State of Delaware ("LSC"), and the City of Lansing, a municipal corporation organized and existing under the laws of the State of Michigan (the "City") (LSC and the City shall be referred to herein collectively as the "Parties," or singularly as "Party").

ARTICLE I. RECITALS AND CONDITIONS PRECEDENT

A. Recitals.

LSC owns a USL **League 1**, a **United Soccer League One** Club, (the "Club") in the United Soccer League (the "League"), the value of which is approximately six million dollars (\$6,000,000) and for which it will incur expenditures for players, travel expenditures and other soccer related expenditure in the approximate annual amount of one million two hundred eighty-four thousand dollars (\$1,284,000), which may increase from year to year; and

LSC desires to establish and maintain its location for the playing of Club soccer games in Lansing, Michigan in connection with its franchise in the League; and

The City intends to license the use of the Stadium to LSC for certain portions of the year under the terms and conditions of this Agreement.

B. Conditions Precedent.

It shall be a condition precedent to City's obligations in this Agreement that:

- a. LSC has provided the City with written documentation of ownership of a franchise for the Club in the League to be located in Lansing, Michigan.

4 NOW THEREFORE, for and in consideration of the mutual covenants and promises
5 contained herein, and for other good and valuable consideration, the receipt of which is mutually
6 acknowledged, LSC and the City agree as follows:

7 **ARTICLE II. DEFINITIONS**

8 As used in this Agreement, the following terms shall mean:

- 2

1 E. "Clubhouse Paid Admission Ticket" shall mean the right granted in consideration for
2 monetary remuneration to any person to enter the Clubhouse on the day of a LSC Home
3 Soccer Game, whether or not that right is exercised. It does not include a Paid Admission
4 Ticket, except for the purpose of Article XIV (B) calculations. A Clubhouse Paid
5 Admission Ticket may be sold separately or in conjunction with Paid Admission Tickets
6 in packages or otherwise. A Clubhouse Paid Admission Ticket may be sold on the same
7 ticket (the physical ticket) as a Paid Admission Ticket, as reflected in the price of the ticket.

8 F. "Complimentary Admission(s)" shall mean the right granted to any person to enter the
9 Stadium on the day of a LSC Home Soccer Game for which no monetary remuneration is
10 given. Complimentary Admission(s) shall include, but not be limited to, press passes, staff
11 passes, league passes, player passes and complimentary tickets, as well as the right of
12 access granted to LSC employees and personnel. Complimentary admissions shall not be
13 provided for the Clubhouse, Expandable Luxury Suites, Banquet Center (The View) and
14 Pepsi Porch.

15 G. "Environmental Laws" shall mean all applicable environmental laws (whether statutory,
16 common law, or otherwise), rules, regulations, orders, permits, licenses, ordinances,
17 judgments and decrees of all governmental authorities (whether federal, state, local or
18 otherwise), including, without limitation, all laws regarding public health or welfare,
19 environmental protection, water and air pollution, composition of products, underground
20 storage tanks, Hazardous Materials, occupational health and safety, and/or nuisance,
21 trespass, and negligence.

1 H. "Expandable Luxury Suites" shall mean those five (5) Luxury Suites that are separated by
2 nonpermanent wall partitions so that each suite may be rented separately or in combination
3 with other such suites.

4 I. "Food and Beverage Concessions" shall mean all food and beverage (both alcoholic and
5 non-alcoholic) products and services required or appropriate for, and sold or provided at,
6 any and all Stadium Events, whether through fixed or portable stands, machines or vendors,
7 including but not limited to, dining, Luxury Suite waitperson service, catering, concessions
8 vending, vending machines, roving vendors, snack bars and any other food or beverages
9 served at the Stadium.

10 J. "Game Promotion" shall mean any attraction, performance, exhibition or event that is
11 conducted at or around the Stadium immediately before, during or immediately after a LSC
12 Home Soccer Game and that is designed to increase attendance at such games. The Parties
13 agree that Game Promotions shall include, but not be limited to, fireworks, musical groups,
14 soccer related contests, costumed characters, give-a-way items and other similar attractions.
15 LSC further agrees to provide to the City, at LSC's earliest opportunity, notice of its intent to
16 employ such Game Promotion and any costs related thereto.

17 K. "Gross Ticket Revenue" shall mean that amount which is the product of the ticket price
18 (average ticket price for LSC Home Soccer Games during the applicable year) multiplied
19 by the number of Paid Admission Tickets as defined herein.

20 L. "Hazardous Materials" shall mean any hazardous or toxic wastes, pollutants or
21 contaminants, substances or materials, including, but not limited to any radioactive

1 substances, hydrocarbons, industrial solvents, flammables or explosives, waste or used oil,
2 any "toxic, hazardous or contaminated substance" prohibited, limited or regulated under
3 the Comprehensive Environmental Response, Compensation and Liability Act, as
4 amended, 42 U.S.C. subsections 9601 et seq. ("CERCLA"), or the Resources Conservation
5 and Recovery Act, as amended, 42 U.S.C. subsections 6901, et seq., or in the United States
6 Department of Transportation Hazardous Materials Table, as amended, 49 C.F.R. 172.101,
7 or under any applicable federal, state or local statutes, regulations and ordinances, and any
8 other substances or material which could presently or at any time in the future cause a
9 detriment to or impair the value or beneficial use of the Stadium or constitute or cause a
10 health, safety or environmental hazard on or off the Stadium or to any person who may
11 enter the Stadium or surrounding property or which may require remediation at the behest
12 of any governmental authority.

13 M. "Host Suites" shall mean one (1) LSC suite and one (1) City suite.

14 N. "LEPFA" shall mean the Lansing Public Facilities and Entertainment Authority.

15 O. "LSC Home Soccer Game" shall mean a home game of the Club, as the phrase is used
16 throughout this Agreement, and shall mean all those soccer games at which the Club is a
17 participant, including pre-season, exhibition, regular season, post-season and play-off, and
18 postponed or rescheduled games and other games arranged, approved and regularly scheduled
19 by the United Soccer League, its successors or assigns and scheduled to be played in the
20 territory for which the Club holds a franchise of the United Soccer League, its successors or
21 assigns, except that any such game or games the playing of which in the Stadium is excused
22 under other provisions of this Agreement shall not be deemed a home game or games.

1 P. "Luxury Suites" shall mean those eighteen (18) suites each having a seating capacity of
2 ten (10) persons outdoors and each containing a wet bar. The Luxury Suites include all
3 suites except the Host Suites and Clubhouse.

4 Q. "Marketing Payments" shall mean the marketing payment set forth in Article X.

5 R. "MSU" shall mean Michigan State University.

6 S. "Naming Rights Suite" shall mean the suite(s) occupied by the parties which have
7 purchased the Stadium Naming Rights or the Field Naming Rights.

8 T. "Novelties and Souvenirs" shall mean any product, item, device, souvenir, novelty,
9 supply or other personal property. Novelties and Souvenirs shall include but not be
10 limited to, soccer caps and hats, soccer balls, soccer shirts, programs, souvenir books and
11 other related products which bear, contain or display the logo, trademark, trade name or
12 design of the LSC, any USL club, any team of any league which is a member of the USL
13 or any other professional soccer team.

14 U. "Paid Admission Ticket" shall mean the right granted in consideration for monetary
15 remuneration to any person to enter the Stadium through the Stadium's turnstiles on the day
16 of a LSC Home Soccer Game, whether or not that right is exercised, and includes a Clubhouse
17 Admission, Expandable Suites, Banquet Center, and Pepsi Porch ticket for the purposes of
18 Article XIV (B) calculations.

19 V. "Permanently Affixed Stadium Signage" shall mean all advertising signage at the Stadium
20 whether flat, backlighted or otherwise, that is permanently affixed to any interior portion of
21 the Stadium including, but not limited to, the outfield fence(s), the concourse, the dugouts,

1 and on or attached to any structure within the stadium. Permanently Affixed Stadium Signage
2 shall specifically exclude only Scoreboard Advertising.

3 W. "Premium Ticket" shall mean any Paid Admission Ticket that is priced and sold for the
4 Expandable Luxury Suites, Clubhouse, Pepsi Porch and Banquet Center (The View).

5 X. "Regular Season" shall mean those professional soccer games that are played in any calendar
6 year by and between the League franchise members or members of any successor to the
7 League pursuant to scheduling by and at the direction of the League or any successor to the
8 League excluding pre-season, spring-training, exhibition, all-star, post-season or playoff
9 games.

10 Y. "Scoreboard Advertising" shall mean any and all advertising affixed to or displayed on the
11 Stadium scoreboard, including video and message center advertising.

12 Z. "Stadium" shall mean the stadium located in the City of Lansing at the north side of Michigan
13 Avenue between Cedar and Larch streets, and its playing field. Stadium shall include only
14 the structure and Stadium units within the perimeter of the walls of the Stadium and field or
15 berm fences and shall not include contiguous parking and/or real property upon which the
16 Stadium does not sit.

17 AA. "Stadium Event" shall mean any TMO Home Baseball Game, TMO Special Event, City
18 Event, Mutually Sponsored Event, and/or LSC Home Soccer Game.

19 BB. "Stadium Services" shall mean and consist of the following:

- 20 a. Facility Services. The operation and staffing of the Stadium scoreboard, the
21 public address system, the box office, security within the Stadium necessary to
22 assure the reasonable safety of attendees, all ticket booths and ushering services,

1 first-aid room, and the opening and closing of the Stadium, and the operation of
2 all Stadium facilities at all Stadium Events.

- 3 b. Field Preparation. Field preparation in advance of soccer games which shall
4 include, but not be limited to, lining the field, preparation of the un-sodded areas
5 of the field (i.e. sod conversion), installation of soccer related equipment,
6 restoration of the field surface back to professional minor league baseball quality
7 and standards, and such other services needed to fully prepare the field for soccer
8 games and Stadium Events.
- 9 c. Field and Surrounding Grounds Maintenance. Shall include, but not be limited to,
10 maintenance of the playing field and interior landscaped areas of the Stadium,
11 which maintenance shall include periodic mowing, watering, fertilizing and other
12 chemical treatments required to maintain the field at professional stadium quality
13 and the exterior grounds in an attractive condition, specialized turf care as
14 required, such as aeration and other treatments which are required to maintain the
15 quality of the field as defined herein, recycling requirements, and the maintenance
16 of all unsodded areas of the field.
- 17 d. Janitorial Services. The cleaning and maintenance of the interior portions of the
18 Stadium during and after all Stadium Events, including the stocking of all
19 restrooms with paper products as required prior to such events, the pick up and
20 disposal of all trash collected from such areas immediately after such events, and
21 any necessary clean-up of trash and debris from public areas within and
22 immediately surrounding the Stadium prior to, and not to interfere with,

1 subsequent events. All janitorial services provided to the Stadium shall include
2 all action necessary to maintain the areas in a clean and attractive manner and in
3 compliance with all legal requirements, including those related to recycling.

- 4 e. Pre-Stadium Event Preparation. The preparation of the Stadium for any Stadium
5 Event as may be required, including, but not limited to, conversion of the playing
6 field for other athletic events, installation of any supplemental seating equipment,
7 installation of stage or platform equipment and/or temporary lighting that may be
8 required for the Stadium.

9 CC. "Stadium Souvenir Stores" shall mean those stores located within the Stadium.

10 DD. "Suiteholder" shall mean that third party patron that leases, licenses or rents the use of a
11 Luxury Suite.

12 EE. "TMO" shall mean Take Me Out to the Ball Game, Limited Liability Company.

13 FF. "TMO Agreement" shall mean the Stadium License, Lease, and Service Agreement by
14 and between TMO and the City in July 2014.

15 GG. "TMO Luxury Suites" shall mean those eleven (11) Luxury Suites that are not Host Suites,
16 the Naming Rights Suites (if any), Expandable Luxury Suites, or the Clubhouse.

17 HH. "TMO Special Event" shall mean any event that is scheduled by TMO pursuant to the TMO
18 Agreement and conducted at the Stadium that is not a City or a Mutually Sponsored Event.
19 This specifically excludes events scheduled in the Banquet Center.

20 II. "USL" shall mean United Soccer League.

21 JJ. "Utilities" shall mean all electric, gas, sewage, and water services utilized at the Stadium.

ARTICLE III. TERM AND TERMINATION

A. Term of Agreement. The term of this agreement will commence on November 1, 2018, and terminate on December 31, 2034, at 11:59 PM.

B. Termination of Agreement.

a. Termination by the City. Except as additionally provided or qualified in Article XXII and Article XX, and notwithstanding Paragraph A above, the City shall have the right to terminate this Agreement by providing written notice to LSC at any time if:

- i. LSC loses the franchise granted to it by the League and does not within ninety (90) days acquire another similar league franchise;
- ii. The League dissolves and LSC does not, within ninety (90) days, acquire another soccer league franchise acceptable to the City; or
- iii. LSC fails to conduct a minimum of fifteen (15) LSC Home Soccer Games during any calendar year.

ARTICLE IV. CITY'S OBLIGATIONS

In consideration of the covenants, terms, and conditions set forth in this Agreement, the City and LSC agree as follows:

A. Stadium.

a. Capital Improvements to the Stadium. The City agrees to future investments in Stadium capital improvements as outlined herein. Said Capital Improvement Plan

1 (“CIP”) payments shall be made based on an annualized CIP presented by
2 October 1 of the year preceding the next City fiscal year in which the
3 improvements are to be made. The total CIP obligation (inclusive of the CIP
4 obligation as enumerated in the TMO Agreement and not as a separate item) shall
5 be at the following amounts in each City fiscal year:

6 2018-2021	\$75,000.00 per fiscal year
7	
8 2022-2024	\$100,000.00 per fiscal year
9	
10 2025-end	\$150,000.00 per fiscal year minimum
11	\$200,000.00 per fiscal year maximum
12	

13 CIP payments may be used for the cost of field replacement, as needed about
14 every five years. CIP payments unused in any fiscal year may be carried over and
15 added to the succeeding year or years.

16 In the event the City, TMO, and LSC are unable to reach a mutually agreed
17 annual CIP, then the Parties shall submit their dispute to the alternative dispute
18 panel as set forth in **Article XXIII**, Section (Z).

19 B. Stadium Maintenance.

20 Except for the cost of damages and repairs that may be caused by the negligence of LSC,
21 its officers, employees, contractors, or team members/players, the City shall perform all
22 major maintenance, restoration, replacement and repairs of the Stadium, excluding

premises and/or spaces leased to third parties, including TMO.

C. Security.

a. LCS Home Soccer Games Security. LSC shall be responsible for providing sufficient security for all LSC Home Soccer games.

b. City's Right to Eject. Notwithstanding anything in this Agreement to the contrary, the City shall retain the right to eject from the Stadium objectionable individuals.

D. Food and Beverage Concessions Equipment.

The City shall provide the Fixed Food and Beverage Concessions Equipment.

The Fixed Food and Beverage Concessions Equipment shall remain the property of the City. TMO is the exclusive concessions manager for the Stadium. LSC shall separately contract with TMO for concessions purposes.

ARTICLE V. LSC'S OBLIGATIONS

In consideration of the covenants, terms and conditions set forth in this Agreement, the City and LSC agree as follows:

A. LSC Home Soccer Games.

For the term of this Agreement, LSC shall cause the Club to play all of its soccer games at the Stadium and, consistent with Article XVI, covenants to play a minimum of fifteen (15) LSC Home Soccer Games at the Stadium.

B. LSC Special Events.

LSC shall not have special events unless in combination with the City as a Mutually Sponsored Event.

C. Stadium Services.

- 1 a. At LSC Home Soccer Games. At LSC's sole cost and expense, LSC will provide
2 Stadium Services throughout the Stadium at LSC Home Soccer Games, excluding
3 sod conversion. LSC will retain, employ, compensate, train and manage sufficient
4 numbers of personnel to provide such services in a high quality and professional
5 manner.
- 6 b. Field Preparation and Field and Surrounding Grounds Maintenance.
7 Notwithstanding anything in this Agreement to the contrary, at all times during
8 the term of this Agreement, LSC shall be solely responsible for the Stadium
9 Services described as Field Preparation and Field and Surrounding Grounds
10 Maintenance for all soccer games held at the Stadium. In satisfaction of this
11 obligation, LSC will utilize, to the greatest reasonable extent possible, the
12 expertise of MSU.
- 13 c. Stadium Operations Plan. LSC shall comply with the Stadium Operations Plan
14 attached to this Agreement as Exhibit A.
- 15 d. Scoreboard. The Scoreboard is presently owned by TMO. It shall be the
16 responsibility of LSC to make arrangements with TMO for scoreboard usage and
17 operations.

18 **D. Community Engagement**

- 19 a. LSC shall use its best efforts to engage community youth, including students and
20 families in Lansing schools, in soccer-related education, programs, and activities.

21 **ARTICLE VI. CONCESSIONS**

22 A. Concessions Manager.

1 TMO is the exclusive concessions manager on behalf of the City. LSC shall arrange for
2 concession services with TMO.

3 **ARTICLE VII. NAMING RIGHTS**

4 A. Stadium Naming Rights.

5 The City and TMO currently have a stadium naming rights agreement with Thomas
6 Cooley Law School (“Cooley”).

7 The purchaser, lessee, or licensee of Stadium Naming Rights will receive from the
8 Parties the following identification:

- 9 a. In any written statement, including but not limited to tickets related to all Stadium
10 Events, the City and LSC will use the name and logo of the entity securing such
11 Stadium naming rights. The party securing the naming rights shall have the right,
12 as a third party beneficiary, to enforce the rights in the preceding sentence;
- 13 b. The identification of the entity securing such Stadium naming rights will appear
14 in a prominent position on the Stadium's scoreboard as described in Article V
15 above; and,
- 16 c. LSC agrees that it shall not print any advertisement on its tickets, nor allow any
17 advertisement on the Stadium Scoreboard, that conflicts with the major or
18 material products or services advertised or offered for sale by the owner, lessee or
19 licensee of such Stadium naming rights. Nor shall LSC engage a sponsor of a
20 major give-away for or naming rights to a LSC Home Soccer Game sells major or
21 material products or services that conflict with the major or material products or
22 services advertised or offered for sale by the owner, lessee or licensee of the

1 Stadium naming rights.

2 B. Stadium Name.

3 LSC agrees that whenever it uses the Stadium's name on any material, it shall use the full
4 name of the Stadium.

5 C. Field Naming Rights.

6 LSC shall not enter into any soccer field naming rights agreement without the prior
7 approval of the City, which shall have the right to refuse approval for any reason.

8 D. Field Name.

9 LSC agrees that whenever it uses the soccer field's name on any material, it shall use the
10 full name of the soccer field and Stadium.

11 **ARTICLE VIII. STADIUM USE**

12 A. LSC's Rights and Obligations.

13 The City and LSC agree that LSC shall have the following rights and obligations
14 related to the use of the Stadium:

15 a. LSC Home Soccer Games.

- 16 i. Scope. LSC shall have exclusive use of the Stadium for the conduct of
17 LSC Home Soccer Games as the same have been specifically scheduled
18 pursuant to Article IX below. Such use shall include the period of time
19 from 7:00 a.m. on the date scheduled until 12:00 a.m. (midnight) on said
20 date, unless extended with permission of the City on any particular day.
21 Except as limited in Paragraph B of this Article, such use shall encompass
22 the entire Stadium. Without the prior approval of LSC and to the extent

1 legally permissible, the City shall not conduct or authorize or permit any
2 other individual or entity to conduct professional soccer at the Stadium.

3 ii. Ticketing. LSC shall be exclusively responsible for all ticket printing,
4 sales and distribution related to LSC Home Soccer Games. In satisfaction
5 of this obligation, LSC shall have the right to designate the identification
6 of seating at the Stadium and to conduct such ticket sales at the Stadium
7 box office at all times it deems proper. LSC shall provide City with LSC's
8 ticket manifest each year, as provided in Article XIV (A). LSC may issue
9 up to 275 Complimentary Admissions each LSC Home Soccer Game to
10 LSC and visiting team personnel, guests and officials and representatives
11 of the media. LSC and the City recognize that LSC is required to honor,
12 as a member of the USL, Complimentary Admission passes granted to
13 members of the USL and that such Complimentary Admissions will be in
14 addition to the Complimentary Admissions discussed in the preceding
15 sentence. All Complimentary Admission press passes, staff passes, league
16 passes and player passes issued by LSC, shall be of a form previously
17 approved by the City with such approval not to be unreasonably withheld.
18 In addition, not less than sixty (60) days prior to the commencement of
19 each Regular Season, LSC will present to the City an exemplar of all other
20 Complimentary Admission passes issued by the USL that will be honored
21 at LSC Home Soccer Games. LSC shall not have the right to sell or allow
22 the sale of Paid Admission Tickets at the Stadium box office for events

1 other than LSC Home Soccer Games without the express written approval
2 of the City. LSC shall have the right to charge any amount it deems
3 appropriate for Paid Admission Tickets to LSC Home Soccer Games with
4 due consideration to prices charged at other similar stadiums in the region
5 comprising the USL. No complimentary admissions shall be provided for
6 the Clubhouse, the Banquet Center (The View), Expandable Luxury
7 Suites, or the Pepsi Porch.

8 b. LSC Home Soccer Game Promotion Tickets. In addition to Paid Admission
9 Tickets provided for Luxury Suite and Host Suite usage as described in this
10 Article, at the beginning of each Regular Season, LSC shall provide to the City,
11 for the City's public relations purposes, a block of thirty-four (34) Complimentary
12 Admission passes at a mutually agreed upon location within the Stadium for each
13 LSC Home Soccer Game.

14 c. Suites. Suites and Host Suite usage during LSC Home Soccer Games shall be
15 made by and through separate agreement between LSC, TMO, and/or the City, as
16 appropriate.

17 B. The City's Rights and Obligations.

18 a. Notwithstanding Paragraph A of this Article, the City does not relinquish and
19 does herein and hereby retain all ownership rights and control associated with the
20 Stadium. Therefore, all duly authorized representatives of the City shall have
21 access to all areas of the Stadium at any time and on any occasion, provided that
22 any such representative, other than any City operating personnel assigned to the

1 Stadium must have either a Complimentary Admission or Paid Admission Ticket
2 in order to observe a LSC Home Soccer Game. The City does hereby retain the
3 right to enforce all necessary and proper rules for the management, operation and
4 control of the Stadium.

5 Consistent with its ownership of the Stadium and with LSC's rights as granted in this
6 Agreement, the City and LSC agree that the City shall have the following rights and
7 obligations related to the use of the Stadium:

8 C. City Events

- 9 a. Scope. Subject to LSC's rights granted herein for use of the Stadium, the City
10 shall have exclusive use and control of the Stadium, subject to the TMO
11 agreement.
- 12 b. Suites. The suites, clubhouse, Luxury Suites, Expandable Luxury Suites, and Host
13 Suite located in the Stadium are subject to an existing agreement with TMO and
14 use of these spaces are subject to the provisions of the TMO Agreement.
- 15 c. Message Centers. At all times during the term of this Agreement, the City shall
16 have the exclusive right and responsibility to control the use and operation of
17 Message Centers located on Michigan Avenue or at any other location adjacent to
18 the Stadium. Notwithstanding the foregoing, the City agrees to allow LSC,
19 without charge, to advertise LSC Home Soccer Games on such Message Centers
20 in an amount and frequency to be agreed to between the Parties. Any revenues
21 generated from the sale of advertising on the Message Centers shall be retained by
22 the City.

1 D. Mutually Sponsored Events

- 2 a. Scope. The Parties shall each at their respective sole and absolute discretion, have
3 the right to jointly conduct Mutually Sponsored Events. Any Mutually Sponsored
4 Event shall be by written agreement between the Parties only. The written
5 agreement shall contain the period of time the Stadium shall be available for the
6 Mutually Sponsored Event and, unless otherwise stated, shall encompass the
7 entire Stadium.
- 8 b. Scheduling. Any Mutually Sponsored Event must be scheduled in accordance and
9 conformity with Article IX.
- 10 c. Best Practices. Both Parties agree to use best practices in the conduct of a
11 Mutually Sponsored Event and to keep the other Party fully informed of their
12 progress and any unusual expenses related to the Mutually Sponsored Event.
- 13 d. No Agency. Neither Party shall have the authority to obligate the other. Nothing
14 herein shall be construed to create an agency, servant, or employee relationship
15 between LSC and any of its employees, officers, or agents, and the City and any
16 of its employees, officers, or agents.
- 17 e. Sponsorship of Mutually Sponsored Events. The Parties may desire to obtain
18 sponsors for Mutually Sponsored Events and recognize that revenue may be
19 maximized by coordination of activities. Therefore, on an event-by-event basis,
20 the Parties will communicate with each other in advance and coordinate their
21 activities with regard to sponsors. Sponsorship agreements require the mutual
22 consent of both Parties.

1 E. Banquet Center.

- 2 a. Use During Stadium Events. The Banquet Center shall be operated as part of the
3 Stadium and used to provide services to Stadium patrons; however, its usage is
4 subject to the TMO Agreement. All Stadium patrons in the Banquet Center shall
5 be ticketed in accordance with this Agreement.

6 **ARTICLE IX. SCHEDULING**

7 The City and LSC agree that there is a need for the scheduling of events at the Stadium. As
8 such, the Parties have adopted, for implementation each year of this Agreement, the following
9 scheduling procedure:

10 A. Proposed LSC Schedule.

11 Scheduling at the Stadium is subject to the provisions of the TMO agreement. LSC shall
12 provide the City and TMO with its list of proposed dates and times for LSC Home Soccer
13 Games for the City's consideration no later than July 1st of the preceding year. The City
14 agrees to confirm the LSC Home Soccer Game schedule no later than October 31st of the
15 preceding year.

16 **ARTICLE X. MARKETING AND PROMOTION**

17 Each Party shall be responsible for its own marketing and promotion. LSC shall be
18 responsible for and have the exclusive right of marketing LSC Home Soccer Games. The City shall
19 be exclusively responsible for marketing and promoting City Events and the Stadium. Provided
20 however, LSC agrees and promises to promote and market the Stadium as a desirable sports venue in
21 connection with LSC's marketing and promotion of LSC Home Soccer Games. In consideration of
22 the foregoing agreement and promise to market and promote the Stadium, the City shall pay LSC the

sum of one hundred twenty five thousand dollars (\$125,000) per year (the “Marketing Payment”) for the first five years only of this Agreement subject to, and reduced by, the Annual Soccer Service Credit as set forth in Article XIV. Furthermore, LSC shall match the amount of City’s Marketing Payment, and dedicate at a minimum that amount toward Marketing and Promotion for LSC Home Soccer Games, for the first five years of this Agreement. LSC match shall include all marketing and promotion expenses, to include but not limited to, marketing staff, advertising, promotion, public relations, sales materials, and digital marketing.

ARTICLE XI. ADVERTISING

A. Permanently Affixed Stadium Signage, Scoreboard Advertising, Luxury Suites, Expandable Luxury Suites, and Host Suites.

All advertising at Permanently Affixed Stadium Signage, Scoreboard Advertising, Luxury Suites, Expandable Luxury Suites and Host Suites are subject to the TMO Agreement. No advertising rights are granted to LSC herein.

- a. It is specifically understood and agreed to by the Parties that there shall be no advertising in the Luxury Suites, the Expandable Luxury Suites, the Host Suites, or closed circuit television. However, the City shall retain the sole right to place Suiteholder identification signage inside and outside of Luxury Suites.

B. The City’s Advertising Rights and Responsibilities Advertising for LSC Events.

LSC agrees that it will not sell advertising on Paid Admission Tickets printed for LSC Home Soccer Games that will conflict with products and services advertised by the entity or entities granted naming rights to the Stadium pursuant to the TMO Agreement.

C. Sponsorships.

The City shall have the right to procure third-party sponsorships in support of any of the City's obligations set forth in this Agreement.

ARTICLE XII. BROADCAST RIGHTS

A. Broadcast Rights. LSC shall take all steps reasonably necessary to protect from diminution the sale of Paid Admission tickets to LSC Home Soccer Games. All revenue generated by LSC relating to Broadcast Rights shall be negotiated between the Parties.

ARTICLE XIII. UTILITIES

Payments for Utilities related to LSC Home Soccer Games shall be paid in accordance with the following schedule:

YEARS	UTILITY SPLIT
1-5	City shall pay first \$20,000. Utilities split 50/50 between LSC and City thereafter
6-16	City and LSC shall split cost of utilities 50/50

LSC and the City agree to cooperate in the development of a procedure to allocate utility costs related to LSC Home Soccer Games.

ARTICLE XIV. FINANCIAL TERMS

The obligations listed in this Article of this Agreement are in addition to the Parties' other obligations described herein.

A. LSC's Rights and Obligations.

a. License Fee. In consideration for the License granted to it by the City pursuant to this Agreement, LSC will pay to the City 6 percent (6%) of the ticket price per

1 ticket as established from time to time, or \$2 per ticket, whichever is greater, for
2 every Paid Admission Ticket sold as a Premium Ticket for LSC Home Soccer
3 Games. Such license fees shall be due and payable on the fifteenth (15th) day of
4 each calendar month. LSC shall reconcile the payments on a monthly basis and
5 shall make the necessary adjustment on the next monthly payment. LSC shall
6 provide to the City a complete and accurate accounting of Premium Ticket sales
7 of the preceding month (the reconciliation). Such accounting shall include, but
8 not be limited to, a ticket manifest in a form agreed to by the Parties detailing the
9 amount and nature of Paid Admission Tickets issued by LSC for applicable LSC
10 Home Soccer Games. The ticket manifest shall be provided to the City prior to the
11 commencement of each LSC Home Soccer Season. LSC shall identify on the
12 ticket manifest it provides City, as required in this Agreement, herein and at
13 Article I (B) (b) and Article VIII (A) (a) (ii), the Premium Ticket categories for
14 City's approval.

- 15 b. Audit of Records. In order to allow compliance with Paragraph A of this
16 Article XIV to be monitored, LSC agrees that during the term of this
17 Agreement, and for up to one (1) year after the termination of this
18 Agreement, it will preserve and make available to the City Finance Director
19 one (1) time each calendar year during reasonable business hours and at such
20 time as may be mutually convenient for LSC and the City:

- 1 i. All of those financial documents and records related to the conduct
2 of LSC Home Soccer Games that are prepared by or at the direction
3 of LSC for the United Soccer League.

4 During such annual audit, if the City Finance Director can demonstrate, pursuant
5 to Generally Accepted Accounting Principles, that LSC does not have sufficient liquid assets to
6 pay the License Fees as they become due, LSC shall secure and provide to the City a letter of
7 credit or security and in the amount two hundred twenty two thousand dollars (\$222,000). Such
8 letter of credit or security bond shall be drawn upon only if LSC is unable to pay the License
9 Fees when due. LSC shall continue to keep the letter of credit or security bond in place until
10 LSC can demonstrate, pursuant to Generally Accepted Accounting Principles, that it has
11 maintained for two (2) consecutive years sufficient liquid assets to pay the License Fees when
12 due. The Parties agree that all documentation, data and information provided to the City
13 pursuant to this Subparagraph is highly confidential and in no event, to the extent legally
14 permissible, shall such documentation data or information be disclosed to any third party or
15 become public record without the prior approval of LSC.

16 At the City's request and expense, no more than once annually, the City may obtain an audit of
17 ticket sales and revenue by a Certified Public Accountant agreed on by the City and LSC.

18 B. City's Rights and Obligations

- 19 a. Annual Soccer Service Credit. LSC agrees that the City shall be entitled to an
20 Annual Soccer Service Credit to be applied to, and reduce, the Marketing
21 Payment provided for in Article X. The Marketing Payment shall be reduced in a
22 year that the quantity of Paid Admission Tickets sold as an annual average is

greater than 4,500, calculated on a basis of actual LSC Home Soccer Games played at the Stadium that year as the denominator and total Paid Admission Tickets sold for that year as the numerator. The Marketing Payment shall be reduced by a dollar amount equal to 5% of Gross Ticket Revenues for all tickets above 4,500. For example, if the annual average Paid Admission Tickets is 5000 and the average ticket price (Gross Ticket Revenues/Paid Admission Tickets) is \$20, the Annual Soccer Service Credit would be \$10,000 (500 tickets x \$20).

EXAMPLE

Annual Soccer Service Credit for 5,000 or more Paid Admission Tickets sold

ANNUAL AVERAGE NUMBER OF TICKETS SOLD	ANNUAL SOCCER SERVICE CREDIT
5,000	\$ 10,000
6,000	\$ 30,000
7,000	\$ 50,000
8,000	\$ 70,000
9,000	\$ 90,000
10,000	\$ 110,000

After year five of this Agreement, the Marketing Payment and the Annual Soccer Service Credit shall discontinue.

b. Remainder. The City shall retain ownership of all income and sources of income that are related to City Events or Stadium usage, whether or not now known, and that are not specifically granted to LSC herein or the subject of the TMO Agreement, including but not limited to income from automated teller machines at

1 the Stadium.

- 2 c. The Marketing Payment and Annual Soccer Service Credit shall be reconciled in
3 December each calendar year, with the resulting payment made by December 15
4 of that year.

5 **ARTICLE XV. EQUIPMENT AND FIELD CONVERSION**

6 A. LSC's Obligations.

- 7 a. At no cost to the City, LSC will provide all soccer related equipment that
8 is typically provided by a USL soccer club, team, or franchise.

- 9 b. LSC shall explore with the City the potential to re-use sod within City
10 parks.

11 B. City's Obligations.

- 12 a. LEPFA shall provide and make available equipment necessary to
13 transition a sod-based minor league baseball field at the Stadium to a
14 USL sod-based soccer field at the Stadium, not to exceed a one-time
15 capital equipment cost of one hundred fifty thousand dollars (\$150,000).
16 b. All such equipment purchased pursuant to Paragraph B (1) shall remain the
17 property of the City. As such, the City is responsible for repairs, maintenance,
18 and replacement of sod equipment. Operation of sod equipment shall be
19 subject to mutual written agreement of the Parties for the term of this license.
20 c. The City agrees to reimburse LSC for the cost of sod conversion for a
21 maximum of 15 sod conversions per year, not to exceed thirty six thousand
22 dollars (\$36,000) annually upon the City's receipt of documentation of such

1 costs. This maximum amount shall be increased by the lesser of 3% or the
2 consumer price index (CPI-U, Lansing/East Lansing) on the fifth anniversary
3 date of this Agreement for the preceding twelve month period, for purposes of
4 adjusting for inflation.

5 **ARTICLE XVI. COVENANTS**

6 A. LSC's Covenants.

7 a. Taxes and Encumbrances. LSC shall pay promptly when due any and all personal
8 property taxes imposed on its personal property located in the Stadium and any
9 and all taxes which are the responsibility of LSC under the laws of the State of
10 Michigan and City of Lansing, including any payment in lieu of taxes, which may
11 be assessed pursuant to Michigan Statutes. Except as to liens or other
12 encumbrances related to the financing, installation or ownership of the Stadium's
13 scoreboard, LSC shall not permit any mechanics liens or other encumbrances or
14 liens to exist against the Stadium and shall within thirty (30) days of any such lien
15 or encumbrance being asserted against the Stadium as a result of action or
16 inaction by LSC either cause the same to be released of record or obtain title
17 insurance coverage satisfactory to the City over such lien and proceed diligently
18 to contest the same in good faith.

19 b. LSC Home Soccer Games. LSC covenants and agrees that it will play all of its
20 LSC Home Soccer Games at the Stadium whether such games be designated pre-
21 season, regular season, post-season, or exhibition games. In addition, LSC
22 covenants to the City that LSC will cause at least fifteen (15) LSC Home Soccer

1 Games to be played at the Stadium in each calendar year of this Agreement.

2 c. Membership in the United Soccer League. LSC shall, during the term of this
3 Agreement, abide by all rules and regulations of the United Soccer League. Until
4 transfer of LSC's franchise and assets, LSC agrees and covenants to the City that
5 it will maintain membership in good standing with the USL and its successors and
6 assignees, and that it will not seek, authorize, or consent to the transfer of its
7 franchise to an area outside Lansing, Michigan, without the prior written consent
8 of the City or unless this Agreement is terminated pursuant to the terms herein.

9 d. Covenant Not to Transfer Franchise. LSC agrees and covenants to the City that it
10 will not participate in any transfer or assignment of its franchise, name, goodwill,
11 trademark and other contracts unless said transfer or assignment includes its
12 interest under this Agreement.

13 e. Equal Employment Opportunity and Employment of Lansing Residents. LSC
14 agrees and covenants to the City that it is presently and will continue to be an
15 equal opportunity employer and at all times shall comply with the laws and
16 regulations that prohibit discrimination. Further, LSC agrees and covenants to the
17 City that it will use its best efforts to retain the services of residents of the City of
18 Lansing in all Stadium Services performed pursuant to this Agreement and will
19 attempt to have at least seventy-five percent (75%) of LSC's seasonal staff be
20 residents of the City of Lansing.

21 f. Stadium Name. LSC agrees and covenants to the City that in all communications
22 referring to the Stadium it shall use the full name of the Stadium.

- 1 g. Use of Matters Subject to Copyright. Should LSC, its agents, employees, invitees
2 or guests use or allow the use of any composition, work or material, LSC agrees
3 to indemnify and save the City harmless from loss, damage or expenses arising
4 from any claim of infringement of such copyright or the use of unlicensed
5 composition, work or material.
- 6 h. Prohibition Against Dangerous Materials and Substances. LSC agrees not to bring
7 into the Stadium any material, substance, equipment or object that is likely to
8 endanger the life or to cause bodily injury to any person within the Stadium, or
9 which is likely to constitute a hazard to property therein without the approval of
10 the City. The City shall have the right to refuse to allow any such materials,
11 substances or equipment to be brought into the Stadium and the further right to
12 require its immediate removal therefrom if found thereon.

13 B. City's Covenants.

- 14 a. Stadium Compliance. The City represents, covenants and warrants that
15 throughout the term of this Agreement the Stadium shall be maintained in
16 compliance with all applicable building, health, safety, bidding, procurement,
17 traffic and zoning ordinances, applicable standards for streets and roadways.

18 **ARTICLE XVII. INDEMNIFICATION AND INSURANCE**

19 A. Indemnification.

- 20 a. Indemnification of the City by LSC. LSC agrees to indemnify and hold harmless
21 the City and its respective officers, directors, duly authorized agents and
22 employees from any and all claims brought for personal injury, death, property

1 damage and any other losses, damages, charges or expenses, including attorney's
2 fees, which is in connection with, or by reason of any act, omission or negligence
3 of LSC or its duly authorized agents, or any breach of this Agreement, in
4 connection with LSC's activities pursuant to this Agreement.

5 B. Insurance Policies

6 a. Insurance Required of LSC. LSC shall obtain and maintain throughout the term of
7 this Agreement, public liability coverage including personal injury liability and
8 contractual liability; if on a commercial general liability form, the limit per
9 occurrence shall be One Million Dollars (\$1,000,000) and an aggregate of Three
10 Million Dollars (\$3,000,000) combined single limit (CSL) per occurrence and
11 include bodily injury and property damage liability; automobile coverage with
12 liability limits of One Million Dollars (\$1,000,000) combined single limits (CSL)
13 bodily injury and property damage per accident; and workers compensation
14 coverage to protect LSC's permanent and temporary employees.
15 LSC will name the City as additional insured on the public liability policy and
16 provide certificates of all insurance or original policies as they shall be on file
17 prior to the beginning of the term of this Agreement. Insurance coverage required
18 herein shall be furnished by a company approved by the insurance commission of
19 the State of Michigan.

20 **ARTICLE XVIII. DESTRUCTION OF STADIUM**

21 A. Partial Destruction.

22 If the Stadium is wholly or partially destroyed, the City shall, at its expense, promptly

1 commence and diligently complete the restoration of the Stadium to the same condition
2 as immediately prior to the destructive event, reasonable wear and tear excepted. All
3 repair activities shall be timed and organized in such a manner to facilitate LSC's ability
4 to play the LSC Home Soccer Season games at the Stadium to the degree feasible.

5 B. Reduction in Payment.

6 Should the Stadium be unavailable for any LSC Home Soccer Games as a result of the
7 destruction or other limitation in the use of the Stadium, the payments due the City and
8 the City's Marketing Payment pursuant to Article X shall be reduced proportionately to
9 that limitation of use. In the event the City's insurance coverage provides LSC with
10 reimbursement for lost profits, payments due the City shall not abate, but will continue
11 uninterrupted.

12 C. Assistance of the City in Locating a Temporary or Permanent Alternate Facility.

13 If the Stadium becomes unavailable on a temporary basis by reason of either the partial
14 destruction of the Stadium or the repair or restoration of the Stadium, or for any other
15 reason, the City shall utilize its best efforts to assist LSC in locating an adequate
16 temporary facility within the City of Lansing.

17 **ARTICLE XIX. CONDEMNATION**

18 In the event that any portion of the Stadium is taken from the City pursuant to any right of
19 eminent domain exercised by any governmental entity or pursuant to any governmental order and
20 such taking renders the Stadium unfit for its intended purpose, LSC shall receive a portion of any
21 award granted with respect to such taking, to be determined by mutual agreement of the Parties. LSC
22 shall also have the independent right to make a claim against the condemner for and retain any award

1 based thereon for the reasonable value of lost profits, improvements made to the Stadium by LSC and
2 for the expenses, attorney fees and costs incidental to relocating from the Stadium including, but not
3 limited to, the lost value of this Agreement.

4 **ARTICLE XX. FORCE MAJEURE**

5 LSC and the City agree that with respect to any services to be provided, payments to be made,
6 or action to be taken by either Party during the term of this Agreement, the Party required to furnish
7 or perform the same shall in no event be liable for failure to do so when prevented by any cause
8 beyond the reasonable control of such Party such as strike, lock-out, suspension of play of soccer,
9 breakdown, accident, order or regulation of or by any governmental authority, the USL or any entity
10 controlling the USL, or failure of supply, or inability, by the exercise of reasonable diligence, to obtain
11 supplies, parts, or employees necessary to furnish such services, or because of war or other
12 emergency, or for any cause due to any act or neglect of the other Party hereto, or in servants, agents,
13 employees, any assignee, or successor in interest to such other Party. The time within which such
14 services, payments, or actions shall be performed or rendered shall be extended for a period of time
15 equivalent to the delay of such cause.

16 **ARTICLE XXI. ASSIGNABILITY AND TRANSFERABILITY**

17 The rights and obligations created by this Agreement are exclusive and shall not be transferred
18 or assigned except by written agreement by both LSC and the City. LSC covenants and agrees that
19 it will not assign, transfer, or sublet this Agreement without the prior written consent of the City with
20 such consent not being unreasonably withheld. Notwithstanding the above, the City may assign this
21 Agreement for administrative and operational purposes to an authority or authorities to be created
22 under Michigan law. The Parties agree that the assignee of the City, if such an assignment should be

made, shall be able to enforce the provisions of this Agreement pursuant to such assignment without the further consent of the City.

ARTICLE XXII. TERMINATION UPON DEFAULT

In addition to the termination provisions of Article III, in the event that either Party hereto shall otherwise materially breach, violate or fail to fully perform any provision contained in this Agreement, the non-breaching Party may upon ninety (90) days written notice thereof, terminate this Agreement; provided, however, that the defaulting Party shall have the right and opportunity to cure the default within said ninety (90) day period or if such breach, violation or non-performance cannot be cured within a ninety (90) day period, to continue diligently and in good faith to effect such cure within such period, provided that, in no event shall such opportunity to cure exceed one hundred eight (180) days after receipt of such notice. In the event that such breach, violation or non-performance is not cured within said ninety (90) day period or any authorized extension thereof, then, this Agreement shall terminate upon the expiration of such period and the non-breaching Party shall thereupon have the right to exercise such additional rights or remedies as they may have by law.

ARTICLE XXIII. MISCELLANEOUS

A. Anti-Discrimination.

LSC shall not discriminate in any manner on the basis of actual or perceived race, religion, ancestry, national origin, color, gender, age, height, weight, student status, marital status, familial status, housing status, veteran status, political affiliation or belief, sexual orientation, gender identity or expression, mental or physical limitation, or source of income with respect to any applicant or employee, and shall conform in all respects to the pertinent provisions of federal, state or local laws, ordinances, rules and regulations of

1 employment practices. LSC further agrees that in serving the public, its employees shall
2 not, on the grounds of actual or perceived race, religion, ancestry, national origin, color,
3 gender, age, height, weight, student status, marital status, familial status, housing status,
4 veteran status, political affiliation or belief, sexual orientation, gender identity or
5 expression, mental or physical limitation, or source of income, discriminate or permit
6 discrimination or refuse to serve a person or group of persons in any manner prohibited
7 by federal, state or local laws, rules, ordinances and regulations.

8 B. Governing Law.

9 This Agreement shall be construed under and in accordance with the laws of the State of
10 Michigan.

11 C. Entire Agreement.

12 This Agreement constitutes the final, complete and exclusive written expression of the
13 intent of the Parties with respect to the subject matter hereof which will supersede all
14 previous verbal and written communications, representations, agreements, promises or
15 statements.

16 D. Authority.

17 LSC and the City, respectively, each represent that the individuals acting as signatories to
18 this Agreement have the authority to bind the LSC and the City and that this Agreement,
19 when properly executed by both Parties, will constitute a valid and binding agreement,
20 enforceable in accordance with this terms.

21 E. Costs and Attorney Fees.

22 The Parties hereto agree to pay all expenses incurred by the other in enforcing the

1 provisions of this Agreement, including but not limited to attorney fees, costs and
2 expenses. The Party prevailing in any litigation arising out of any dispute concerning this
3 Agreement shall be entitled to recover all expenses incurred, including without limitation,
4 reasonable attorney fees.

5 F. Mutual Dependency and Severability.

6 All rights and duties contained in this Agreement are mutually dependent on and one
7 cannot exist independent of another, provided that if any one or more of the provisions
8 contained in this Agreement shall for any reason be held to be invalid, illegal, or
9 unenforceable in any respect, and if such holding does not affect the ability of LSC to
10 perform and have access to the Stadium as provided for herein, such invalidity, illegality
11 or unenforceability shall not affect any other provision hereof, and this Agreement shall
12 be construed as if such invalid, illegal or unenforceable provision was not contained
13 herein.

14 G. Notices and Addresses.

15 All notices required to be given under this Agreement shall be given by certified or
16 registered mail, addressed to the proper Party to the following addresses, or at such other
17 address as may be subsequently given pursuant to this Section and shall be deemed given
18 when deposited in the U.S. mails, postage prepaid:

19
20 IF TO LSC:

21 MR. TOM DICKSON
22 LANSING SOCCER CLUB
23 Cooley Law School Stadium
24 505 E. Michigan Ave.
25 Lansing, MI 48912
26

1 IF TO THE CITY:

2 THE CITY OF LANSING
3 CITY ATTORNEY
4 124 W. MICHIGAN AVENUE
5 5TH FLOOR
6 LANSING, MI 48933-1694

7
8 and

9
10 CITY OF LANSING
11 MAYOR
12 124 W. MICHIGAN AVENUE
13 9TH FLOOR
14 LANSING, MI 48933
15

16 H. Amendment, Modification, or Alteration.

17 No amendment, modification or alteration of the terms of this Agreement shall be binding
18 unless in writing, dated subsequent to the date hereon and duly executed by the Parties
19 herein.

20 I. Rights and Remedies Cumulative.

21 The rights and remedies provided by this Agreement are cumulative and the use of any
22 right or remedy by either Party shall not preclude or waive its rights to use any or all
23 other remedies. Said rights and remedies are given in addition to any other rights the
24 Parties may have by law, statute, ordinance or otherwise.

25 J. Time is of the Essence.

26 Time is of the essence for this Agreement.

27 K. Counterparts.

28 This Agreement may be executed in any number of counterparts, each of which shall be
29 deemed an original, but all such counterparts together shall constitute but one and the
30 same instrument.

1 L. Headings Only for Reference.

2 The titles of articles and sections of this Agreement are for reference purposes only and
3 shall be of no binding effect.

4 M. Valid Delaware Limited Liability Company.

5 LSC represents that as of the date of the execution of this Agreement it is organized and
6 in good standing under the laws of the State of Delaware, that it is duly authorized to
7 enter into this Agreement and has taken all requisite corporate action to obtain such
8 authorization and that no consent of or notice to any other individual, private or public
9 entity or governmental authority is required in connection with the execution, delivery
10 and performance of the Agreement.

11 N. Prohibition Against Food and Beverage Being Brought Into the Stadium.

12 The City shall post signs in appropriate locations in the Stadium, which shall prohibit
13 patrons from bringing any food, beverages, beverage containers or alcoholic beverages
14 into the Stadium.

15 O. Status of Parties.

16 Parties hereto shall be deemed and construed as independent contractors with respect to
17 one another for all purposes and nothing contained in this Agreement shall be determined
18 to be created a partnership or joint venture between LSC and the City with respect to
19 LSC's activities conducted at the Stadium pursuant to the terms of this Agreement.

20 P. Waiver.

21 The waiver by either the LSC or the City of any default or breach by the other Party of
22 any of the provisions of this Agreement shall not be deemed a continuing waiver or

1 waiver of any other breach by the other Party of the same or another provision of this
2 Agreement.

3 Q. Improvements.

4 LSC shall make no improvements in the Stadium without the prior approval of the City.

5 R. Waste or Nuisance.

6 LSC shall not commit or permit any waste on or about the Stadium during the term of
7 this Agreement nor shall it maintain, commit or permit the maintenance or commission of
8 any nuisance on or about the Stadium or use the Stadium for any unlawful purposes.

9 S. Binding Effect.

10 This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto
11 and their respective successors and assigns.

12 T. References to the City.

13 All references to the City in this Agreement shall be deemed to also be references to such
14 officers or employees or other designees of the City as may be appropriate to implement
15 the terms of this Agreement.

16 U. Exhibits.

17 All exhibits attached to this Agreement are incorporated into and are a part of said
18 Agreement as if fully set out herein.

19 V. LSC's Property Loss and Damage.

20 Nothing herein shall be construed to create a bailment relationship between the City and
21 LSC or the Club concerning any property brought on the premises of the Stadium by LSC
22 or the Club unless such property is delivered into the possession of the City.

1 W. Employee Status.

2 It is understood and agreed that no agent, servant or employee of LSC or the Club or any
3 of its subcontractors shall under any circumstances be deemed an agent, servant or
4 employee of the City, and that no agent, servant or employee of the City shall be under
5 any circumstances deemed an agent, servant or employee of LSC or the Club.

6 X. Judicial Relief In The Event Of Termination Actions.

7 Anything in this Agreement to the contrary notwithstanding, neither Party shall have the
8 right to terminate this Agreement before the expiration of the period required for the
9 giving of notice before termination, if the defaulting party in good faith commences a
10 judicial proceeding to contest the existence of any such plain default and uses reasonable
11 diligence in prosecuting such action and complies with the final judgment of the court in
12 such action; but nothing herein shall prevent a court from granting such protective orders,
13 injunctions and interlocutory judgments as might otherwise be appropriate.

14 Y. Property Remaining in the Stadium After Termination or Expiration of the Agreement.

15 Any and all property belonging to LSC, or anyone claiming through or under LSC, which
16 may be found on the premises after termination or expiration of the Agreement may be
17 handled, removed or stored by the City at the risk and expense of LSC and the City shall
18 be responsible for the preservation or the safe-keeping thereof. LSC shall pay to the City
19 any and all expenses incurred for such removal and all storage charges.

20 Z. Dispute Resolution Review Board.

21 The Parties agree that in the event they are not able to mutually agree on the annual CIP
22 plan described in **Article IV, Section (A)(a)**, then they will submit their dispute to

1 mediation.

- 2 a. Review Board. The review board shall consist of four (4) parties: the Chief
3 Executive Officer of LEPFA or his designee, a representative of LSC, a
4 representative of TMO, and a fourth representative (the “Neutral Representative”)
5 to be agreed upon by both Parties. In the event the Parties are not able to
6 mutually agree on the Neutral Representative within 30 days of written notice of a
7 dispute, the Parties shall each select three (3) names from the Ingham County
8 Neutral Case Evaluators list (Commercial Panel) and select one of those six (6)
9 names randomly. LEPFA and LSC may be assisted or represented by legal
10 counsel at any stage of the proceeding.
- 11 b. Neutral Representative Compensation. The neutral representative shall be paid out
12 of available annual CIP funds, and her compensation shall be a charge against
13 those funds.
- 14 c. Time and Location. The dispute hearing will be heard at the Lansing Center at a
15 time and date established by the Neutral Representative, unless the Parties agree
16 on a different location. The Neutral Representative may adjourn the proceedings
17 upon good cause shown.
- 18 d. Issues Presented. The review board shall only hear those issues that are presented
19 in writing, in advance of the hearing, and shall only hear issues as authorized in
20 Article IV, Section (A)(a).
- 21 e. Decision has No Binding Effect. If the representatives are not able to resolve their
22 dispute at the dispute hearing, the Neutral Representative shall make his

determination in writing. The Neutral Representative's decision shall have no
binding effect on the Parties.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first
written above.

LANSING SOCCER CLUB
A DELAWARE LIMITED LIABILITY COMPANY

CITY OF LANSING

By: _____
Tom Dickson, Managing Member

By: _____
Andy Schor, Mayor

Approved as to form only:

I hereby certify that funds are available
In account No. : _____

City Attorney

City Finance Director

TMO WAIVER OF POTENTIAL CONFLICTS, CLAIMS, AND BREACH

TMO, by and through its Managing Member represents, agrees, covenant, and affirms that:

- 1) TMO has reviewed, analyzed, and consulted with its attorneys regarding this Stadium Soccer License Agreement between LSC and the City; and
- 2) After such consultation, review, and analysis, TMO has identified potential inconsistencies and conflicts between this Stadium Soccer License Agreement and the TMO Agreement, including but not limited to: exclusivity, entitlement to revenue, scheduling of events, CIP payments, Field Naming Rights, and usage of suites; and
- 3) After such consultation, review, and analysis, TMO waives any and all conflicts, claims of breach, default by the City, claims of exclusivity, and entitlement to revenue, as the same relate to the execution of this Stadium Soccer License Agreement by City and its performance by City and LSC. TMO covenants not to challenge, contest, or dispute the Stadium Soccer License Agreement or any of its provisions, or make any claim of right or entitlement under the TMO Agreement as a result of the execution and performance of this Stadium Soccer License Agreement.
- 4) TMO expressly agrees and consents to the execution of this Stadium Soccer License Agreement between the City and LSC.
- 5) TMO and the City agree that LSC Home Soccer Games are specifically excluded as TMO Special Events.
- 6) TMO expressly consents that the Dispute Resolution Review Board as enumerated in this Agreement, Article XXIII(Z) is the sole dispute resolution mechanism for CIP payments.

Draft – 3a
October 4, 2018

TAKE ME OUT TO THE BALLGAME
LIMITED LIABILITY COMPANY

CITY OF LANSING

By: _____
Tom Dickson, Managing Member

By: _____
Andy Schor, Mayor

EXHIBIT A

STADIUM OPERATION PLAN

Exhibit A
Operations Plan
Customer Service Game Day Staffing Schedule

Area	Description	Time Line
First Aid (Sparrow)	1 Nurse and 1 Tech	Each Game
	2 Nurses and 1 Tech	Each GSSD
Security -	1 Supervisor and 1 Guard	0-2000 fans
	3 Supervisors and 6 Guards	Thursdays
	1 Supervisor and 2-3 Guards	2001-4000
	2 Supervisors and 4-6 Guard	4000 +
	3 Supervisors and 5 Guards	GSSDs
Customer Service	2 Ticket Takers 1 Customer Service Attendant 1 Suite Attendant 1 Elevator Attendant 3 Concierges 1 Host or Hostess and 1 Gate Attendant (if Tailgate Terrace) 1 Host or Hostess (if Gasoline Alley)	0-2000 fans
	4 Ticket Takers 1 Customer Service Attendant 1 Suite Attendant 1 Elevator Attendant 5 Concierges 1 Berm Attendant 1 Host or Hostess and 1 Gate Attendant (if Tailgate Terrace) 1 Host or Hostess (if Gasoline Alley)	2001-4000 fans
	6 Ticket Takers 1 Customer Service Attendant 1 Suite Attendant 1 Elevator Attendant 8 Concierges 1 Berm Attendant 1 Host or Hostess and 1 Gate Attendant (if Tailgate Terrace) 1 Host or Hostess (if Gasoline Alley)	4000+ fans

Operations Plan

Area	Description
Maintenance (in-game)	Monitor all restrooms including toilet paper, paper towel, trash, floors, hand soap by porters and maids
	Monitor wet spills, dry spills and all trash containers on concourse
Fireworks Safety	Set up 12 pieces of bike barricade and 12 pieces of plywood for fans safety or as directed by Fire Marshal; Set up 25' of rope and stanchion away from barricades so no one can cross line
	Monitoring company is contracted to monitor all fire systems. If a fire, they call LSC/LEPFA direct cell # in order on list
Alarm Main office Cash room Food Service Office Retail 3 rd Base Store Ticket Office	Update employee codes into system
	Alarm monitoring contractor monitors all office and alarmed areas and contacts LSC management to report alarm
	Alarm contractor changes system batteries
TV Network Suite Level	
	Channels are set for menu created for each suite
Gates	Gates open 1:15 prior to scheduled game. Gates are locked approx. 30 minutes after game ends
Smoking	Fans wishing to smoke receive an exit stamp on their hand, leave park to designated smoking area, and re-enter per stadium/team policy. Anyone seen smoking in park is asked to put out their cigarette and informed of policy.
Communication	All full time LSC employees and food service managers have hand held communication systems devices. General Manager, Operations Manager and Director of Food Service have multiple channel radios or handheld communication devices with ability to contact security.

LOCAL LABOR AGREEMENT September 19, 2018

Stadium Bleacher Improvements – Local Labor Agreement

This LOCAL LABOR AGREEMENT (this "Agreement") is made and entered into as of the _____ day of September, 2018 by and between the CITY OF LANSING, a Michigan municipal corporation (the "City") and LANSING SOCCER CLUB, LLC, a Delaware limited liability company (the "Developer").

If the Developer plans to construct any Stadium Bleacher Improvements, then Developer agrees to the conditions as enumerated below.

The Developer agrees and commits to the City that it will include in the Stadium Bleacher Improvement materials a written plan or report that specifies the Developer's specific strategy to hire as much Local Labor as possible to complete the Project.

"Local labor" means employees whose permanent home address is within the City's boundaries.

Developer agrees that prior to hiring non-Local Labor for any portion of the Project, Developer must provide the City Treasurer a detailed, written documentation of why this action is necessary. Such explanation should be provided as a part of the Application.

Developer agrees and commits to the City that all work related to the Stadium Bleacher Improvements shall be compensated at prevailing wages in accordance with City Ordinances.

Developer agrees that all employees, contractors and sub-contractors related to this Project will pay all City individual income taxes.

Developer agrees that all contractors and sub-contractors will report annually to the City Treasurer all gross individual income taxes paid and current residential addresses of all employees.

Developer (if applicable) agrees to post all bid solicitations or request for bids ("Bid Solicitations") by the Developer or their agents for a minimum of 15 days ("Posting Period") on the Builders Exchange of Lansing and Central Michigan ("Builders Exchange") and to document this. The Bid Solicitations must be available to all Builders Exchange Users. Within 30 days of the end of the due dates for bids as specified in the Bid Solicitations, the Developer must provide the City Treasurer with a list of the business names and addresses of the bidders ("Bidders") who submitted bids ("Bidders List"). Within 45 days of Commencement of Construction, the Developer must provide to the City Treasurer, a list of all Bidders selected to enter into an agreement to perform all or part of the work solicited in the Bid Solicitation ("Selected Bidders List"). The Selected Bidders List must include the following information as shown on the Developers or their agents' income tax return.

1. Business Name
2. Address (number, street, and apt. or suite no.)
3. City, state, and ZIP code
4. Employer ID Number (EIN)
5. Phone Number
6. Primary Contact Person (Authorized Representative)
7. Corresponding Builders Exchange Bid Solicitation Number

The Developer will not be required to participate in the above Bidding Process, if doing so would result in the violation of federal rules concerning homeland security or the disclosure of classified information.

LANSING SOCCER CLUB, LLC:

By: Tom Dickson, on behalf of
Lansing Soccer Club, LLC
Its: Managing Member

CITY OF LANSING:

By: Andy Schor
Its: Mayor

BY THE COMMITTEE OF THE WHOLE

RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

WHEREAS, the Operating Agreement with the Lansing Entertainment and Public Facilities Authority requires that any license agreement for the use of Thomas M. Cooley Law School Stadium for a term in excess of five years be presented to City Council for approval; and

WHEREAS, a certain Stadium Soccer License Agreement ("License Agreement") between the City of Lansing and Lansing Soccer Club, LLC. for the playing of professional soccer games at the Stadium as a USL League 1, a United Soccer League One Club has been presented to this Council for approval; and

WHEREAS, the term of the License Agreement is in excess of five years requiring it to be approved by City Council; and

WHEREAS, this Council has reviewed the License Agreement and determined it to be in the best interests of the City of Lansing to approve it.

NOW, THEREFORE, BE IT RESOLVED that the License Agreement be, and hereby is, approved.



Auto-Owners
INSURANCE
SUITE LEVEL

JACKSON
Field



	Location	Advanced	Season/Group	Day of Game
	LF Lawn & HOF (GA)	\$15	—	\$16
	Supporters Club	\$15	\$15	\$16
	Family Box Seats (E-L)	\$18	\$16	\$19
	Goal Line Box Seats (M-Q)	\$20	\$18	\$21
	Mid Field Box Seats (A-D)	\$22	\$20	\$23
	Corner Bleachers (AA-DD)	\$22	\$20	\$23
	Chevy Terrace	\$35	—	\$35
	The Clubhouse	\$35	—	\$35
	Pepsi Porch	\$45	—	\$45
	The View	\$60	—	\$60
	Nightly Suites Weekeday	\$650	—	—
	Nightly Suites Weekend	\$800	—	—
	Annual Suites	\$4,000	—	—



Cooley Law School Stadium
Short Term Capital Improvement Plan (CIP)
2019-2023

Item/Sub-Group	2019	2020	2021	2022	2023	5 Year Total	Notes
Structural							
roof replacement-curved metal roof							
winterization of clubhouse (suite level bar/kitchen)							
roof repairs/replacement-flat roof							
concrete repairs/improvements							
Update ball park lighting				\$200,000			
LED Field lighting			\$400,000				
Subtotal- Structural	\$0	\$0	\$400,000	\$200,000	\$0	\$600,000	
HVAC							
replace HVAC equipment							ballpark HVAC equip is almost 25 years old
Subtotal- HVAC					\$0	\$0	
Architectural							
Concession Stand upgrades	\$75,000						
Remodel all stadium restrooms		\$300,000					
new carpet suite level			\$20,000				
new carpet in locker rooms			\$15,000				
renovate elevator interiors			\$20,000				
replace carpeting in offices			\$7,500				
repaint concourse			\$15,000				
repaint suite level			\$10,000				
repaint club level (lockerrooms)			\$7,500				
Subtotal- Architectural	\$75,000	\$300,000	\$95,000	\$0		\$470,000	
F, F&E							
new forklift					\$35,000		
security camera system		\$7,000					
new trivision signage (plaza)					\$60,000		
Kitchen Equipment							
Subtotal- F,F&E		\$7,000		\$0	\$95,000	\$102,000	
Yearly Totals	\$75,000	\$307,000	\$495,000	\$200,000	\$95,000	\$1,172,000	

C.O.W.
Submitted @mtg