

LEGISLATIVE FACT SHEET

DATE: 07/30/18

BT or RC No: N/A
(Administration & City Council Bills)

SPONSOR: Sports and Entertainment
(Department/Division/Agency/Council Member)

Contact for all inquiries and presentation: Sam E. Mousa/Mike Weinstein

Provide Name: Sam. E. Mousa/Mike Weinstein

Contact Number: 904-630-7211/904-630-4999

Email Address: smousa@coj.net/mweinstein@coj.net

PURPOSE: White Paper (Explain Why this legislation is necessary? Provide: Who, What, When, Where, How and the Impact.) Council Research will complete this form for Council introduced legislation and the Administration is responsible for all other legislation. (Minimum of 350 words - Maximum of 1 page.)

The Amended and Restated Sports Facility Lease Agreement serves as an amendment to and restatement of the Lease and will be effective as of April 1, 2019. The amendments to the Lease are primarily to the business terms thereof and are summarized as follows

- Grants two additional five year extension options that if exercised will extend the term of the Lease from March 31, 2023 to March 31, 2033.
- Increases the annual Rental Fee amount from \$122,319.40 to \$240,000.00. In addition, the annual Rental Fee amount will be subject to annual 3% increases, rather than using the CPI calculation set forth in the Lease.
- The current lease provides for the City to have use of two Luxury Suites (one of which was to be provided by the City to its facility naming sponsor). In the absence of a naming sponsor the Club has been leasing one Luxury Suite from the City at the annual rate of \$69,546.61. The amended Lease releases one of the two City Luxury Suites to the Club, which the Club expects to provide to its naming sponsor.
- The current lease provides for additional surcharge in the amount of \$2.00 per home game attendee for each attendee exceeding 187,500. The amended Lease leaves the \$2.00 surcharge in place, but reduces it to \$1.00 commencing with each attendee in excess of 220,000. There is no escalator on the additional surcharge amount.
- The City currently holds the naming rights to the Facility, and the amended Lease grants the naming rights to the Club, subject to City Council approval, and the Club has the right to retain all revenue therefrom. The Club is responsible for all costs attendant to the installation, maintenance and removal of any naming sponsor signage.
- The indemnification and insurance language has been updated per Risk Management's requirements.
- There are a number of scrivener and technical changes to accommodate the foregoing revisions, as well as to acknowledge that the Club is under new ownership and to acknowledge that certain obligations of the City and Club at the time the lease was entered into in 2003 have been fulfilled.
- Ticket surcharge will remain at \$0.50 per ticket sold, with no escalator.
- Legislation authorizing execution of the lease will stipulate 20% of the annual Rent Fee in the amount of \$240,000 (plus escalator) will be deposited into the ticket surcharge account.

APPROPRIATION: Total Amount Appropriated N/A as follows:
 List the source **name** and provide Object and Subobject Numbers for each category listed below:

(Name of Fund as it will appear in title of legislation)

| | | |
|---|-------------|---------------|
| Name of Federal Funding Source(s) | From: _____ | Amount: _____ |
| | To: _____ | Amount: _____ |
| Name of State Funding Source(s): | From: _____ | Amount: _____ |
| | To: _____ | Amount: _____ |
| Name of City of Jacksonville Funding Source(s): | From: _____ | Amount: _____ |
| | To: _____ | Amount: _____ |
| Name of In-Kind Contribution(s): | From: _____ | Amount: _____ |
| | To: _____ | Amount: _____ |
| Name & Number of Bond Account(s): | From: _____ | Amount: _____ |
| | To: _____ | Amount: _____ |

PLAIN LANGUAGE OF APPROPRIATION / FINANCIAL IMPACT / OTHER:

Explain: Where are the funds coming from, going to, how will the funds be used? Does the funding require a match? Is the funding for a specific time frame? Will there be an ongoing maintenance? ... and staffing obligation? Per Chapters 122 & 106 regarding funding of anticipated post-construction operation costs.

(Minimum of 350 words - Maximum of 1 page.)

No negative fiscal impact.

ACTION ITEMS: Purpose / Check List. If "Yes" please provide detail by attaching justification, and code provisions for each.

ACTION ITEMS:

| | | |
|------------|--------------------------|-------------------------------------|
| | Yes | No |
| Emergency? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Justification of Emergency: If yes, explanation must include detailed nature of emergency.

| | | |
|------------------------------|--------------------------|-------------------------------------|
| | Yes | No |
| Federal or State Mandate? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Explanation: If yes, explanation must include detailed nature of mandate including Statute or Provision.

Fiscal Year Carryover?

Note: If yes, note must include explanation of all-year subfund carryover language.

CIP Amendment?

Attachment: If yes, attach appropriate CIP form(s). Include justification for mid-year amendment.

Contract / Agreement Approval?

Attachment & Explanation: If yes, attach the Contract / Agreement and name of Department (and contact name) that will provide oversight. Indicate if negotiations are on-going and with whom. Has OGC reviewed / drafted?

Sports and Entertainment will provide contract oversight. Negotiations conducted by Sam E. Mousa and Mike Weinstein. John Sawyer in OGC drafted the contract.

Related RC/BT?

Attachment: If yes, attach appropriate RC/BT form(s).

Waiver of Code?

Code Reference: If yes, identify code section(s) in box below and provide detailed explanation (including impacts) within white paper.

Code Exception?

Code Reference: If yes, identify code in box below and provide detailed explanation (including impacts) within white paper.

Related Enacted Ordinances?

Code Reference: If yes, identify related code section(s) and ordinance reference number in the box below and provide detailed explanation and any changes necessary within white paper.

ACTION ITEMS CONTINUED: Purpose / Check List. If "Yes" please provide detail by attaching justification, and code provisions for each.

ACTION ITEMS:

| | | |
|------------------------|--------------------------|-------------------------------------|
| | Yes | No |
| Continuation of Grant? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Explanation: How will the funds be used? Does the funding require a match? Is the funding for a specific time frame and/or multi-year? If multi-year, note year of grant? Are there long-term implications for the General Fund?

Surplus Property
Certification?

Attachment: If yes, attach appropriate form(s).

Reporting
Requirements?

Explanation: List agencies (including City Council / Auditor) to receive reports and frequency of reports, including when reports are due. Provide Department (include contact name and telephone number) responsible for generating reports.

CAO
Division Chief:

Sam G. [unclear]

(signature)

Date: 8/6/18

mr
Prepared By:

Jay [unclear]

(signature)

Date: 8/6/18

ADMINISTRATIVE TRANSMITTAL

To: MBRC, c/o Roselyn Chall, Budget Office, St. James Suite 325

Thru: Marlene Russell, Director Organizational Effectiveness, Mayor's Office
(Name, Job Title, Department)
Phone: 630-7232 E-mail: marlener@coj.net

From: Joey Bergman, Business and Finance Manager, Sports and Entertainment
Initiating Department Representative (Name, Job Title, Department)
Phone: 630-2010 E-mail: jbergman@coj.net

Primary Contact: Sam E. Mousa, Chief Administrative Officer, Mayor's Office/Mike Weinstein, Chief Financial Officer, Finance and Administration
(Name, Job Title, Department)
Phone: 630-7211/630-4999 E-mail: smousa@coj.net/mweinstein@coj.net

CC: Jordan Elsbury, Director of Intergovernmental Affairs, Office of the Mayor
904-630-1825 E-mail: jelsbury@coj.net

COUNCIL MEMBER / INDEPENDENT AGENCY / CONSTITUTIONAL OFFICER TRANSMITTAL

To: Peggy Sidman, Office of General Counsel, St. James Suite 480
Phone: 904-630-4647 E-mail: psidman@coj.net

From: _____
Initiating Council Member / Independent Agency / Constitutional Officer
Phone: _____ E-mail: _____

Primary Contact: Sam E. Mousa, Chief Administrative Officer, Mayor's Office/Mike Weinstein, Chief Financial Officer, Finance and Administration
(Name, Job Title, Department)
Phone: 630-7211/630-4999 E-mail: smousa@coj.net/mweinstein@coj.net

CC: Jordan Elsbury, Director of Intergovernmental Affairs, Office of the Mayor
904-630-1825 E-mail: jelsbury@coj.net

Legislation from Independent Agencies requires a resolution from the Independent Agency Board approving the legislation.

Independent Agency Action Item: Yes No
Boards Action / Resolution?

Attachment: If yes, attach appropriate documentation. If no, when is board action scheduled?

FACT SHEET IS REQUIRED BEFORE LEGISLATION IS INTRODUCED