

SPORTS FACILITIES COMPANIES

To: School District 186

From: The Sports Facilities Companies, Scheels Sports Park at Legacy Pointe

RE: Letter of Intent

Date: August 15, 2022

Legacy Park welcomes the opportunity to submit this Letter of Intent (LOI) to partner with **School District 186** to host the High School and Middle School Sports for a minimum of first 10 years , with one year agreement durations, to be negotiated for extension as the parties agree after ten (10) years (with updated deal points as appropriate.).

The parties acknowledge and agree that this Letter of Intent and any subsequent agreement represents a unique opportunity for School District 186 to utilize a tax abatement to obtain services and facilities that will benefit District students and families. The parties further acknowledge that the tax abatement described in this Letter of Intent and any subsequent agreement will actually function as partial payment for the District’s use of facilities and that the District will be receiving tangible benefit for District students and families through the abatement.

This LOI is designed to outline our joint interest in entering into a multi-year license use agreement for the mutual benefit of both parties. The provisions of this LOI are informational and non-binding, but upon reaching a formal agreement and rental deposit, Legacy Sports Park will guarantee the specified dates and complex use for the **School District 186**.

Both parties agree to negotiate in good faith to reach a formal agreement/contract **to be voted on at the September 6, 2022, Board meeting..** The preliminary terms of said agreement are as follows:

1. Schedule of Activity

The preferred rates and times are as follows:

- \$50 per hour for 1160 hours from August to June (or the end of the IESA/IHSA Season)
2:30-5:30pm two full sized indoor basketball courts
(can be configured to other sports)
- \$50 per hour for 1000 hours from August to June
2:30-5:30pm (or later if game is in progress) two full outdoor fields
(can be subdivided to smaller fields for multiple sports)

Total Hours: 2160

The parties agree that games which begin no later than 3:30 shall have the ability to complete the game at the preferred rate stated above.

2. General Agreement

- a. In an effort to assist the development of Scheels Sports Park at Legacy Pointe, **School District 186** agrees to a property tax abatement (of an amount over and above the current amount due to the District, determined to be \$2,600) only on the real property utilized for the sports complex. The duration of the abatement shall be for 20 years, but District 186 has a right to terminate the abatement and the facility-use agreements associated with the abatement at the end of 10 years.
- b. In consideration of the tax abatement, **School District 186** receives a preferred rate as outlined above, and agrees to spend a minimum of \$108,000.00 annually for space rental in the sports complex, at the rates and within the time frames outlined above. However, charges will only apply to time/facilities that the District actually uses until development is complete. The parties further agree that additional hours of use within the allocated times and venues as outlined above will be at the stated preferred rate of \$50 per hour. Additional hours of use outside the allocated times and venues outlined above will be at a preferred rate which is to be negotiated. Additionally, School District 186 will have right of first refusal to utilize facilities for District activities.
- c. Payments shall be made by the District upon the receipt of an invoice on a monthly or quarterly basis.
- d. Food & beverage services shall be provided exclusively by **Scheels Sports Park at Legacy Pointe**.
- e. \$100 fee applied per 10x10 vendor space allocated; for larger spaces the amount will be increased.
- f. **Scheels Sports Park at Legacy Pointe** to provide photography services and retain all profits associated. This paragraph shall not apply to students, parents, and schools taking photographs related to school functions for non-commercial use.
- g. **School District 186** has elected to not implement a ticket/gate or parking fee associated with the Event. **Scheels Sports Park at Legacy Pointe** reserves the right to provide optional VIP parking options for attendees and retain all profits associated. Nothing in this paragraph should be interpreted in a manner that would

contravene IESA/IHSA rules related to fees or any school/activity Booster Club from charging fees at school functions.

- h. **School District 186** agrees to use the official ticketing software of **Scheels Sports Park at Legacy Pointe**.
- i. **School District 186** agrees not to sub-let or lease to any other entity, or allow any other entity to use their space/time without written permission from **Scheels Sports Park at Legacy Pointe**.

3. Responsibilities of **Scheels Sports Park at Legacy Pointe**

- a. Ensure that fields and other arenas of practice and play are ready to host tournament games and other activities.
- b. Coordinate overall facility maintenance, including trash management and removal, as well as restroom maintenance.

4. Responsibilities of **School District 186**

- a. Management of scheduling and operations of events, practices, and other activities.
- b. Marketing and organization to include pre-planning services to ensure the event is appropriately promoted and organized. These services will include marketing, game scheduling, determine rules and policies, and logistical planning.
- c. Registration and management for every team and participant to include check-in and dispute resolution.
- c. Event staff and officials to operate event.
- d. Equipment, materials, supplies and awards required to execute the event.

5. Special Circumstances: In the instance that an event is shortened due to weather, ground conditions, flooding, act of God. etc. a pro-rated rental fee will be reimbursed based upon percentage of games played.

6. Term: A completed license use agreement will provide an initial term of ----- 10 years, beginning in the first year of operations, currently projected to be 2024. The parties each has the right to opt out of the agreement related to the tax abatement and the use of facilities at the end of 10 years.

7. Signage._The parties agree that the facilities will utilize School District 186 signage

throughout the park at locations agreed to by the parties.

8. **City Bonds.** Nothing in this Letter of Intent will be interpreted to obligate School District 186 to be financially or otherwise responsible for bonds issued by the City of Springfield or other obligations incurred by Scheels Sports Park at Legacy Pointe.
9. **Additional Terms:** Terms not contemplated in this initial LOI will be negotiated in good faith prior to the execution of a final Use License Agreement for these dates.
10. **Non-Binding.** This LOI is a non-binding proposal and may be terminated in accordance with the terms of this LOI. This LOI should not be considered as a commitment to by either Party, as the LOIs expressly conditioned upon the execution and delivery of a mutually satisfactory Agreement by the parties. By signing this LOI, the Parties agree that unless and until a definitive Agreement is prepared, approved by the Board, and executed by all Parties, there is no commitment. Nothing contained in this LOI shall be deemed or construed to constitute a binding agreement between the Parties; however, the terms and conditions contained in this LOI shall be the basis for the good faith negotiation of the final Agreement.

Agreed to and Accepted by:

Scheels Sports Park at Legacy Pointe

School District 186

Date _____