# Exhibit A

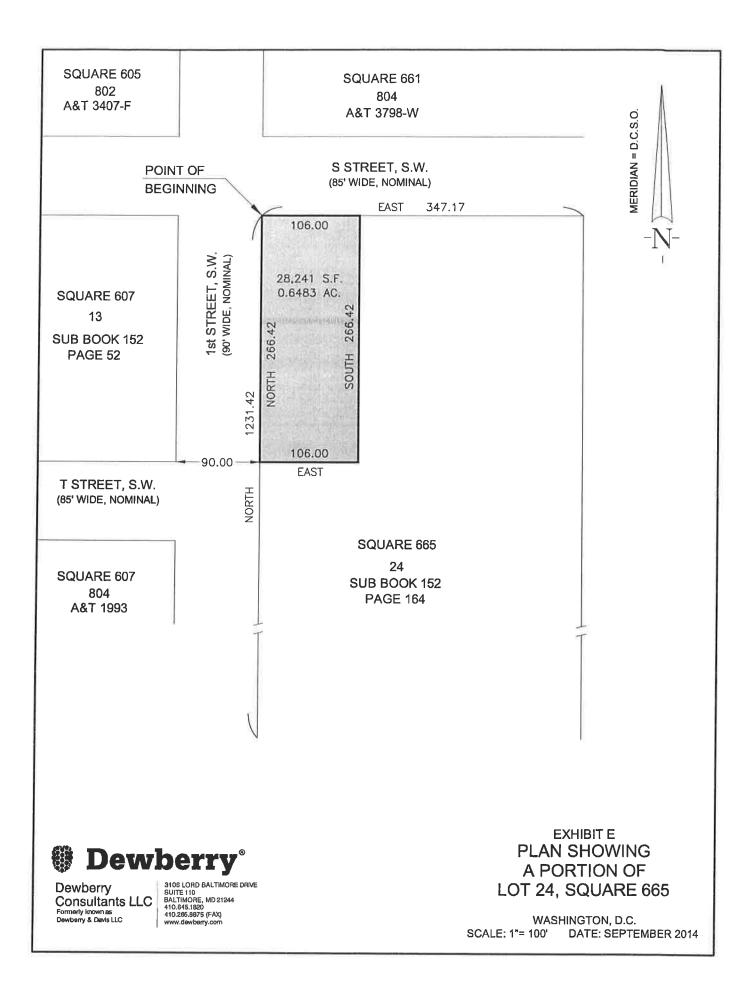
# Pepco Substation

# DESCRIPTION OF A PORTION OF LOT 24, SQUARE 665 WASHINGTON, D.C. (PER RECORD DIMENSIONS)

**BEING** a strip, or parcel of land located in, through, over and across a portion of Lot 24, Square 665 as per plat of subdivision by Potomac Electric Power Company dated October 24, 1967 and recorded on October 30, 1967 in Subdivision Book 152 at Page 164 among the records of the Office of the Surveyor for the District of Columbia and more particularly described as follows:

**BEGINNING** at a point located at the intersection of the east line of 1st Street, S.W. (90' wide, nominal) and the south line of S Street, S.W. (85' wide, nominal), said point also located at the northwest corner of Lot 24, Square 665 as shown on the previously mentioned plat recorded in Subdivision Book 152 at Page 164 among the records of the Office of the Surveyor for the District of Columbia and running thence with and along the south line of S Street, S.W. and a portion of the north line of Lot 24

- 1) East, 106.00 feet to a point, thence running over, across and through Lot 24 by two lines of division now made
- 2) South, 266.42 feet to a point, thence
- 3) West, 106.00 feet to a point on the west, or North, 1231.42 feet line Lot 24, said point located at the intersection of the extension of the north line of T Street, S.W. (85' wide, nominal) and the previously mentioned east line of 1<sup>st</sup> Street, S.W., thence with and along the east line of 1<sup>st</sup> Street, S.W.
- 4) North, 266.42 feet to the point of beginning, containing 28,241 square feet or 0.6483 acres of land by computation.



# Exhibit B

Land

## Exhibit B-1

## Stadium Land

# Exhibit B-2

Adjacent Land

# Exhibit C

**Ground Lease** 

# AMENDED AND RESTATED

### GROUND LEASE

By and Among

# THE DISTRICT OF COLUMBIA

and

# DC STADIUM LLC

э.

DATED AS OF JUNE \_\_\_\_, 2015

AFDOCS/5941392.39

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- Exhibit G Consultation Area

- Exhibit H [RESERVED]
- Exhibit I No-Relocation Agreement
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- Exhibit K Labor Peace Agreement

### AMENDED AND RESTATED GROUND LEASE

THIS AMENDED AND RESTATED GROUND LEASE (this "Lease") is duly made and entered into as of the \_\_\_\_\_ day of June, 2015, by and among (i) the DISTRICT OF COLUMBIA, a municipal corporation, acting by and through the Department of General Services, ("District"), and (ii) DC STADIUM LLC, a Delaware limited liability company ("Lessee").

#### **RECITALS:**

A. Lessee has offered to lease from the District certain real property described in <u>Exhibit A-1</u> hereto (the "<u>Stadium Land</u>"), and <u>Exhibit A-2</u> hereto (the "<u>Adjacent Land</u>", and together with the Stadium Land, the "<u>Land</u>"), and to redevelop the same for and in accordance with the uses specified in this Lease and that certain Amended and Restated Development Agreement between the District and Lessee dated as of the same date as this Lease (the "<u>Development Agreement</u>").

B. Lessee intends to (i) construct a new, state-of-the-art, LEED certified stadium, as more fully described in the Development Agreement, on the Stadium Land (the "<u>Stadium</u>"), and (ii) redevelop the Adjacent Land for other uses permitted under applicable law (the "<u>Adjacent Improvements</u>").

C. The District believes that it is in the best interests of the District and its residents for the Stadium and the Adjacent Improvements to be constructed on the Land.

D. Following the Effective Date (as hereinafter defined), the District intends to acquire fee title to the Land.

E. The District desires to lease to Lessee, and Lessee desires to lease from the District, the Land.

F. The parties wish to set forth the terms and conditions on which, once the District has acquired fee title to the Land, the District will lease to Lessee, and Lessee will lease from the District, the Stadium Land, upon which Lessee will construct, own and operate the Stadium, and the Adjacent Land, upon which Lessee will construct, own and operate the Adjacent Improvements, in accordance with the Development Agreement and this Lease, as applicable.

G. DC Soccer LLC, a Delaware limited liability company (together with its successors and assigns, the "<u>Team Operator</u>"), is an Affiliate of Lessee and is the holder of a right to operate the DC United professional soccer team ("<u>DC United</u>") pursuant to the MLS Operating Agreement. Lessee will cause the Team Operator to enter into a covenant agreement in favor of the District pursuant to which the Team Operator will (i) commit DC United to play substantially all of its home Games (as hereinafter defined) at the Stadium, (ii) commit DC United to maintain its principal offices within the District of Columbia, and (iii) use reasonable efforts to locate DC United's practice field and any related facilities in the District of Columbia, in each case, for a term

concurrent with the Term (as hereinafter defined) of this Lease (the "<u>No-Relocation Agreement</u>") pursuant to an agreement in the form attached hereto as <u>Exhibit I</u>.

H. The Parties have previously entered into a ground lease, dated as of May 23, 2014 (the "Original Lease"), that was submitted to the Council of the District of Columbia ("Council") and now wish to wish to amend and restate the Original Lease in its entirety so as to incorporate the changes required by Sections 104 and 203(b) of the Stadium Act.

I. Following its execution by the Parties, this Lease shall be transmitted by the District to the Council not fewer than thirty (30) days before the Effective Date (as hereinafter defined) of this Lease as provided in Section 104(a)(1) of the Stadium Act.

NOW, THEREFORE, in consideration of the premises, terms, conditions and agreements contained herein, the parties hereby agree as follows:

### ARTICLE 1

#### **RECITALS AND DEFINITIONS**

1.1 <u>Recitals</u>. The recitals set forth above are hereby incorporated as if set forth herein in their entirety.

1.2 <u>Definitions</u>. As used in this Lease and unless otherwise expressly indicated, the following terms shall have the following meanings:

"Additional Rent" shall have the meaning given in Section 6.3.

"Adjacent Improvements" shall have the meaning set forth in Recital "B".

"Adjacent Land" shall have the meaning set forth in Recital "A".

"Adjacent Land FMV" shall have the meaning set forth in Section 6.5.

"Adjacent Land Rent" shall have the meaning set forth in Section 6.5.

"<u>Affiliate(s)</u>" shall mean as to any named individual or entity: (a) any individual or entity directly or indirectly owning, controlling or holding with power to vote fifty percent (50%) or more of the outstanding voting interests of such named entity; (b) any entity fifty percent (50%) or more of whose outstanding voting interests are, directly or indirectly, owned, controlled or held with power to vote by such named individual or entity; or (c) any entity or individual directly or indirectly through one or more intermediate persons or entities controlling, controlled by or under common control with (using ownership of fifty percent (50%) or more of outstanding voting interests or actual control pursuant to contract or otherwise as a test for determining control with respect to an entity) such named individual or entity.

"Annual Base Rent" shall have the meaning set forth in Section 6.1.

"<u>Anti-Deficiency Act</u>" shall have the meaning set forth in Section 28.27(a).

"<u>Anti-Terrorism Order</u>" has the meaning set forth in the definition of "Disqualified Person."

"Bankruptcy Remote Entity" shall have the meaning set forth in Exhibit J.

"<u>Box Seats</u>" shall mean any box spectator seats constructed as part of the Stadium and designated as Box Seats by Lessee from time to time.

"<u>Business Day</u>" shall mean Monday through Friday, inclusive, other than (a) holidays recognized by the District or the federal government and (b) days on which the District or federal government closes for business as a result of severe inclement weather or a declared national emergency which is given legal effect in the District. If any item must be accomplished or delivered or paid under this Lease on a day that is not a Business Day, then it shall be deemed to have been timely accomplished, delivered or paid if accomplished, delivered or paid on the next following Business Day. Any time period that ends on other than a Business Day shall be deemed to have been extended to the next Business Day.

"<u>CBE</u>" shall have the meaning set forth in the CBE Act for the term "Certified Business Enterprise".

"<u>CBE Act</u>" shall have the meaning set forth in Article 20.

"<u>Certificate of Completion</u>" shall have the meaning set forth in Section 4.3.

"<u>Clubs</u>" shall mean the professional soccer clubs that play in the League, whether existing as of the Effective Date or admitted to the League during the Term.

"<u>Completion Date</u>" shall mean the date of Substantial Completion of the Stadium as set forth in the Certificate of Completion, unless otherwise specified herein.

"<u>Concessionaires</u>" shall mean the Person or Persons who contract with Lessee to operate concessions at the Stadium, which operation shall include (i) the right to sell and otherwise provide food, beverages, merchandise, novelties, souvenirs and other goods and services in the Stadium and on the Stadium Land, including such sales to the public from the general seating concession areas, and (ii) the right to sell and otherwise provide food, beverage and other goods and services from the areas of the Stadium used and operated as restaurant and catering facilities to patrons of such Stadium restaurants, persons occupying the Premier Seating and such other persons within the Stadium and on the Stadium Land as may be designated by Lessee.

"<u>Condemnation</u>" shall mean any taking of property by exercise or threat of exercise of the power of eminent domain, whether by formal condemnation proceedings or by purchase, lease or other agreement under threat of exercise of the power of eminent domain proceedings.

"<u>Consultation Area</u>" shall have the meaning set forth in Section 3.2(h).

"Council" shall have the meaning set forth in Recital "H."

"<u>D.C. ADA</u>" shall have the meaning set forth in Section 28.27(a).

"<u>DC United</u>" shall have the meaning set forth in Recital "G."

"Development Agreement" shall have the meaning set forth in Recital "A."

"Development Cost Cap" shall have the meaning given that term in the Development Agreement.

"Disqualified Person" shall mean any of the following Persons:

(a) Any Person (or any Person whose operations are directed or controlled by a Person) who has been convicted of or has pleaded guilty in a criminal proceeding for a felony under any local, state, or federal criminal statute; or

(b) Any Person organized in or controlled from a country, the effects of the activities with respect to which are regulated or controlled pursuant to the following United States laws and the regulations or executive orders promulgated thereunder: (x) the Trading with the Enemy Act of 1917, 50 U.S.C. App. §1, *et seq.*, as amended (which countries are, as of the date hereof, North Korea and Cuba); (y) the International Emergency Economic Powers Act of 1976, 50 U.S.C. §1701, et seq., as amended; and (z) the Anti-Terrorism and Arms Export Amendments Act of 1989, codified at Section 6(j) of the Export Administration Act of 1979, 50 U.S.C. App. § 2405(j), as amended (which countries are, as of the date hereof, Iran, Sudan and Syria); or

(c) Any Person who has been identified by the United States Department of the Treasury or the United States Secretary of State as a person engaged in any dealings or transactions (i) in contravention of the applicable money laundering laws or regulations or conventions or (ii) in contravention of Executive Order No. 13224 dated September 24, 2001 issued by the President of the United States (Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, the "Anti-Terrorism Order"), as may be amended or supplemented from time-to-time or any published terrorist or watch list that may exist from time to time.

(d) Any Person with whom the conduct of business is precluded because they are on the list maintained by the U.S. Treasury Department's Office of Foreign Assets Control located at 31 C.F.R., Chapter V, Appendix A or because they are described in Section 1 of the Anti-Terrorism Order.

(e) Any Person identified on a list of contractors that have been debarred by the District or the federal government or with whom the District is prohibited from doing business by District law.

(f) Any Affiliate of Lessee.

(g) Any Person known by Lessee to be an Affiliate of any of the Persons described in paragraphs (a) through (e) above.

"District" shall have the meaning set forth in the initial paragraph of this Lease.

"<u>District Agreements</u>" shall mean collectively the Employment Agreement and the Memorandum of Understanding.

"District Default" shall have the meaning set forth in Section 13.3.

"Effective Date" shall have the meaning set forth in Section 28.14.

"<u>Employment Agreement</u>" shall have the meaning set forth in Article 20.

"Environmental Law(s)" shall mean each and every law, statute, ordinance, regulation, rule, judicial or administrative order or decree, permit, license, approval, authorization and similar requirement of each and every federal and District governmental agency or other governmental authority relating to any Hazardous Substances, including the Clean Water Act, the Clean Air Act, the Toxic Substances Control Act, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, the Hazardous Materials Transportation Act, the Resource Conservation and Recovery Act, the Hazardous Substances Account Act, the Hazardous Substances Act, the Underground Storage Tank Act of 1984, and the District of Columbia Underground Storage Tank Management Act of 1990 (District of Columbia Code, Section 8-113.01 et. seq.).

"Event of Non-compliance" shall mean either (i) a failure to meet the job notice and periodic reporting requirements contained in the Employment Agreement for a (continuous) period of thirty (30) days after written notice, or (ii) a failure to meet the requirements of the Memorandum of Understanding, which failure has continued beyond any applicable written notice and cure period; provided that there shall not be an Event of Non-Compliance if the District does not declare the existence of such Event of Non-Compliance within one (1) year of the occurrence of such event. Nothing in this Lease shall impair, restrict or limit any rights or remedies that the District of Columbia Department of Employment Services may have against Lessee under the Employment Agreement in the event of a breach thereof or that the District of Columbia Department of Small and Local Business Development may have against Lessee under the Memorandum of Understanding in the event of a breach thereof.

"Federal ADA" shall have the meaning set forth in Section 28.27(a).

"<u>Field Level Seats</u>" shall mean spectator seats to be located on the soccer field constructed as part of the Stadium and designated as Field Level Seats by Lessee from time to time.

"First Source Act" shall have the meaning set forth in Article 20.

"<u>GAAP</u>" shall mean generally accepted accounting principles in the United States of America in effect from time to time, as reasonably interpreted by Lessee's certified public accountants.

"Game(s)" shall mean soccer games played by DC United for which DC United has been designated by MLS as the "home team" during each Soccer Season, including regular season games, play-off games, "Open Cup Games," "MLS Cup Games," "Local Exhibition Games," "Home Exhibition Games" (as each of those terms is used in the Rules and Regulations), and any other event held at the Stadium (including any "MLS All Star Game" held at the Stadium) in which more than one DC United professional soccer players participate as part of their professional responsibilities to DC United; but shall exclude any (i) isolated games which the MLS directs be played at a location other than the Stadium and (ii) exhibition games which DC United elects, in its sole discretion, to play at a location other than the Stadium.

"Game Day Costs" shall have the meaning set forth in Section 3.2(d).

"Game Day Experience" shall have the meaning set forth in Section 7.1.

"Hazardous Substance(s)" shall mean any substance, material, condition, mixture or waste which is now or hereafter (1) defined as a "hazardous waste," "hazardous material," "hazardous substance," "extremely hazardous waste." "restricted hazardous waste," "oil," "pollutant" or "contaminant" under any provision of District of Columbia, federal or other applicable law; (2) classified as radioactive material; (3) designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act. 33 U.S.C. Section 1251 et seq. (33 U.S.C. Section 1321) or listed pursuant to Section 307 of the Clean Water Act (33 U.S.C. Section 1317); (4) defined as a "hazardous waste" pursuant to the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq. (42 U.S.C. Section 6903); (5) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601 et seq. (42 U.S.C. Section 9601); (6) determined to be a "hazardous chemical substance or mixture" pursuant to the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq. (15 U.S.C. Section 2605); (7) identified for remediation, storage, containment, removal, disposal or treatment in any District plan for the Stadium Land; or (8) determined by District or federal authorities to pose or be capable of posing a risk of injury to human health, safety or property (such substances to include petroleum and petroleum byproducts, asbestos, polychlorinated biphenyls, polynuclear aromatic hydrocarbons, cyanide, lead, mercury, acetone, styrene, and "hazardous air pollutants" listed pursuant to the Clean Air Act, 42 U.S.C. Section 7412).

"Initial Term" shall have the meaning set forth in Section 5.1.

"Interest Rate" shall mean the interest rate equal to two percent (2%) per annum above the rate of interest per annum then published or otherwise publicly announced by Bank of America, a national banking association, or its successors as its prime rate (the "Base Rate"), but in no event exceeding the maximum legal rate permitted to be charged to the party obligated to pay such interest, the Interest Rate changing as and when the Base Rate changes; provided, however, that if any Obligation to which the Interest Rate applies remains unpaid after one hundred eighty (180) days, then, for periods commencing on the one hundred eighty-first (181st) day that said Obligation remains unpaid, five percent (5%) shall be substituted for two percent (2%) in applying the foregoing formula to calculate the Interest Rate on such Obligation.

"Labor Peace Agreement" shall have the meaning set forth in Section 28.15.

"Land" shall have the meaning set forth in Recital "A".

"<u>League</u>" means the Division 1 Outdoor Professional Soccer League organized and promoted in North America as Major League Soccer by MLS.

"Lease" shall have the meaning set forth in the initial paragraph of this Lease.

"Lessee" shall have the meaning set forth in the initial paragraph of this Lease.

"Lessee Advance" shall have the meaning set forth in Section 13.4(b).

"Lessee Default" shall have the meaning set forth in Section 13.1.

"Lessee's Property" shall have the meaning set forth in Section 14.2.

"<u>Luxury Suites</u>" shall mean enclosed, privately accessed suites to be constructed as part of the Stadium.

"<u>Memorandum of Understanding</u>" (also called a CBE Utilization Agreement) shall have the meaning set forth in Article 20.

"<u>MLS</u>" shall mean Major League Soccer LLC, a Delaware limited liability company having its principal place of business at 420 Fifth Avenue, 7<sup>th</sup> Floor, New York City, NY 20018, and its successors and assigns.

"<u>MLS Operating Agreement.</u>" the Operating Agreement between MLS and the Team Operator, as amended from time to time.

"No-Relocation Agreement" shall have the meaning set forth in Recital "G."

"<u>Notice of Extension</u>" shall have the meaning set forth in Section 5.2(a).

"Obligations" shall mean and include, of any party to this Lease, any and all of such party's obligations and/or liabilities of every kind, nature and description, direct or indirect, secured or unsecured, joint, several, joint and several, absolute or contingent, due or to become due, now or hereafter existing or arising, regardless of how such obligations or liabilities arise or by what agreement or instrument they may be evidenced or whether evidenced by any agreement or instrument, including any and all of such party's obligations and/or liabilities under this Lease or under any other agreement to which Lessee is a party and District is a party regardless of whether the obligation is to perform acts or refrain from taking any action.

"Ongoing Obligations" shall have the meaning set forth in Section 3.2.

"Participating Rent" shall have the meaning set forth in Section 6.2.

"<u>Permitted Encumbrances</u>" shall have the meaning given that term in the Development Agreement.

"<u>Person</u>" shall mean an individual, general or limited partnership, limited liability partnership or company, corporation (including a business trust), joint stock company, trust, unincorporated association, joint venture or any other entity, the District, the United States, or any federal, state or political subdivision thereof or any agency or court of any such federal, state or political subdivision.

"<u>Possession Date</u>" shall be the Business Day following the date upon which the District acquires title to all parcels comprising the Land, unless a later date is agreed by the Lessee in writing.

"Premier Seating" shall mean the Luxury Suites, the Box Seats and the Field Level Seats, collectively.

"<u>Promotional Rights</u>" means and includes any and all of the following rights as applied to, arising out of or connected in any way with the MLS Operating Agreement, Major League Soccer, DC United, the Proprietary Indicia or the Stadium, subject, however, to the limitations set forth in Section 23.8:

(a) the right to sell or license naming rights for any of the Premier Seating;

(b) rights of exploitation, in any format now known or later developed, through advertising, promotions, marketing, merchandising, licensing, franchising, sponsorship, publications, hospitality events or through any other type of commercial or promotional means, including but not limited to advertising by interior, exterior or perimeter signage, through printed matter such as programs, posters, letterhead, press releases, newsletters, tickets, photographs, franchising, concessions, displays, sampling, premiums and selling rights of any nature, the right to organize and conduct promotional competitions, to give prizes, awards, giveaways, and to conscript official music, video or other related data or information;

(c) media rights, in any format now known or later developed, including but not limited to the right to broadcast, transmit, display and record images and recordings, in any and all media now known or hereafter devised, including but not limited to radio, television, cable satellite and internet;

(d) rights to name the Stadium or any portion of it;

(e) rights to create, use, promote and commercialize any representation of the Stadium, in whole or in part, or the name or contents thereof, for licensing, promotional, publicity, general advertising and other suitable purposes, including but not limited to the creation, use promotion and commercialization of text, data, images, photographs, illustrations, animation and graphics, video or audio segments of any nature, in any media or embodiment, now known or later developed; and

(f) all other rights of marketing and advertising exploitation, in any format now known or later developed, and associated promotional opportunities.

"<u>Property Damage</u>" shall mean any partial or total damage or destruction of the Stadium caused by fire or other occurrence.

"<u>Proprietary Indicia</u>" means all trademarks, service marks, trade names, trade dress, domain names, symbols, logos or brand names, together with any other copyrighted or copyrightable properties, in any format now known or later developed, that are or become owned or controlled by the Team Operator or its Affiliates or of MLS or any Affiliate of MLS, which are or become commercially identified or associated with the Team Operator or its Affiliates or MLS or any Affiliate of MLS, or are now or hereafter licensed by or to the Team Operator or its Affiliates or MLS or any Affiliate of MLS.

"<u>Public Charges</u>" shall mean all taxes, water rents and other public charges which are levied, assessed or imposed by the District or any other public authority against the Stadium Land, the Adjacent Land, the Adjacent Improvements and/or the Stadium on or after the Effective Date; explicitly excluding (i) Real Estate Taxes, (ii) sales taxes; and (iii) any other rent, tax or charge which is required to be waived or paid by the District pursuant to the terms of this Lease or the Development Agreement.

"Real Estate Tax Phase In" shall have the meaning set forth in Section 11.3.

"<u>Real Estate Taxes</u>" shall mean real estate taxes, possessory interest taxes, assessments and other governmental levies and charges, including those taxes levied under the District of Columbia Code Sections 47-801 <u>et seq</u>. and 47-1005.01, and vault fees, charges and/or taxes, general and special, ordinary and extraordinary, of any kind or nature, lawfully levied or assessed by District, upon or with respect to the Stadium or Stadium Land and any and all other improvements hereafter constituting a part of the Stadium, any tax on Lessee's rights hereunder in the nature of a leasehold or possessory interest tax, even if levied directly against Lessee rather than against the Stadium and/or the Stadium Land and whether or not secured by a lien on any of the foregoing property or any taxes in lieu thereof, and service payments and other payments in lieu of any of the foregoing.

"Renewal Term" shall have the meaning set forth in Section 5.2(a).

"<u>Rent</u>" shall have the meaning set forth in Section 6.1.

"<u>Rent Commencement Date</u>" shall mean the date upon which Lessee receives the Certificate of Completion.

"<u>Rent Year</u>" shall mean each calendar year during the Term (excluding the time period prior to the Rent Commencement Date), with the first Rent Year commencing on the Rent Commencement Date and ending on December 31 of such calendar year and with the final Rent Year of the Term ending on the last day of the Term.

"<u>Rent Years</u>" means more than one (1) Rent Year.

"<u>Rules and Regulations</u>" shall mean the following governing documents and agreements, in each case, as they exist as of the date hereof and as they may be adopted, supplemented, amended or modified from time to time:

(a) MLS Operating Agreement;

(b) The Fourth Amended and Restated Operating Agreement of Soccer United Marketing, LLC, a Delaware limited liability company, dated as of January 3, 2012, as amended from time to time;

(c) The Fifth Amended and Restated Limited Liability Company Agreement of MLS dated as of January 3, 2012, as amended from time to time;

(d) any other agreement between the Team Operator and MLS (or either entity comprising MLS), as amended from time to time;

(e) any agreement entered into by MLS (or either entity comprising MLS) on behalf of the League or its Clubs, as amended from time to time;

(f) any other organizational agreements of MLS or any of its Affiliates (including Soccer United Marketing, LLC);

(g) any collective bargaining agreement to which MLS is bound, as amended from time to time; and

(h) other present and future MLS constitution, operations manual, club commercial guidelines, broadcast manual, reserve league manual, design guide, supporter relations guide, rulings, orders, rules, regulations, bulletins, directives and policies of MLS (or either entity comprising MLS), or of any Affiliate of MLS (including Soccer United Marketing, LLC) or of the Commissioner of MLS.

"<u>Season</u>" shall mean a period of time coextensive with the MLS season as established from time to time under the Rules and Regulations.

"Stadium" shall have the meaning given in Recital "B."

"Stadium Act" shall mean the District of Columbia Soccer Stadium Development Act of 2014, D.C. Law 20-233, effective March 11, 2015, as amended.

"<u>Stadium Advertiser</u>" shall mean a Person whose identity; services or products are the subject of advertising in the Stadium, including their respective successors and assigns.

"<u>Stadium Event(s)</u>" shall mean all sporting, entertainment or other activities held at the Stadium, including all Games.

"Stadium Land" shall have the meaning set forth in Recital "A."

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"<u>Stadium Parking</u>" shall mean the parking spaces located on or within any garage improvements on the Stadium Land.

"<u>Substantial Completion</u>" or "<u>Substantially Completed</u>" shall have the meaning given that term in Section 8.9 of the Development Agreement.

"Team Licensee" shall have the meaning set forth in Section 25.3.

"Team Operator" shall have the meaning set forth in Recital "G".

"<u>Term</u>" shall mean, collectively, the Initial Term of this Lease as set forth in Section 5.1 and any Renewal Term by which this Lease is extended pursuant to Section 5.2.

"<u>Unavoidable Delay</u>" shall mean an actual delay in the performance of any party's obligations hereunder by reason of (a) any reason beyond the reasonable control of the applicable party, including, without limitation, acts of God, unusually severe weather, flood, earthquake, fire, epidemic, riot, civil disobedience, acts of terrorism, strikes, lock-outs, labor interruptions, sabotage, withdrawal or suspension of or a failure by the District to timely issue as a result of appeals or lawsuits any permits or licenses or other legal entitlements and closure of the District or federal government, and as to the Lessee, any failure of the District to comply with any of its material obligations under this Lease, in each case only to the extent the event in question is beyond the reasonable control of and without the fault or negligence of the party claiming Unavoidable Delay (or their employees and agents); or (b) the discovery of any unknown archaeological condition or other cultural artifact, relic, remain or object of antiquity existing on the Land which are (i) subsurface or otherwise concealed, unknown physical conditions and (ii) of an unusual nature which differ materially from those ordinarily found to exist in the vicinity of the Stadium Land and generally recognized as inherent in construction activities of the character provided for in the construction contract for the Stadium; provided, however, that each such issue could not reasonably have been identified through the tests, studies and investigations of the Stadium Land that a reasonable and prudent developer of a development comparable to the Stadium in size and scope, would have undertaken in such circumstances. It is the purpose and intent of this provision that in the event of the occurrence of any such Unavoidable Delay event, the time or times for performance of the obligations of the District or of Lessee shall be equitably adjusted for the period of the Unavoidable Delay or such greater period as may be reasonable; provided, however, that (1) the party seeking the benefit of this relief shall, within fifteen (15) days after it actually becomes aware of any such Unavoidable Delay event has commenced, notifies the other party in writing of such event and the cause or causes thereof and, once determined, reasonably estimates the delay occasioned by reason of such alleged Unavoidable Delay, and (2) the party seeking the delay must use Best Commercially Reasonable Business Efforts, in the case of Lessee, or reasonable efforts, in the case of the District, to minimize the delay. If any party to this Lease claims any extension of the date of completion of any obligation hereunder due to an Unavoidable Delay, it shall be the responsibility of such party to reasonably demonstrate that the Unavoidable Delay is a proximate cause of the delay.

"<u>WMATA</u>" shall mean the Washington Metropolitan Area Transit Authority and any successor.

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1.3 <u>Accounting Terms</u>. Any accounting term used in this Lease shall have, unless otherwise specifically provided herein, the meaning customarily given in accordance with GAAP, and all financial computations hereunder shall be computed, unless otherwise specifically provided herein, in accordance with GAAP.

1.4 <u>Terms Defined in Exhibits</u>. Terms defined in Exhibits to this Lease and used in the main body of this Lease shall have the meaning given such terms in the applicable Exhibit.

### ARTICLE 2

#### **GRANTING OF THE LAND**

From and after the Possession Date, for the Term, at the Rent and upon the terms, conditions and provisions contained in this Lease, the District hereby leases to Lessee, and Lessee hereby leases from the District, the Land and all rights, privileges, easements and appurtenances thereunto belonging. Possession of the Land shall, subject to the terms of this Lease and, until the Rent Commencement Date, the Development Agreement, vest in Lessee as of the Possession Date. Promptly after the occurrence of the Possession Date, the parties to this Lease shall file a Memorandum of Lease as to this Lease, specifying among other things, the date which is the last day of the Initial Term and, upon the first day of each Renewal Term, a supplemental memorandum, with the Recorder of Deeds for recordation among the land records of the District of Columbia. The District shall waive all recordation and transfer taxes (and any similar taxes) associated with such recordation, or shall pay the same (such expense not subject to the Development Cost Cap).

#### ARTICLE 3

## CERTAIN DISTRICT REPRESENTATIONS; DISTRICT'S ONGOING OBLIGATIONS AND RESPONSIBILITIES; NO RELOCATION AGREEMENT

3.1 <u>Certain District Representations</u>. The District represents and warrants, as of the Possession Date, that:

(a) The District has acquired fee title to the Land in accordance with the Development Agreement, subject only to Permitted Encumbrances for those portions of the Land acquired other than through the exercise of eminent domain, which property acquired by eminent domain is free and clear of Permitted Encumbrances; and

(b) Timely publication has been made in the D.C. Register of all notices required under District law in connection with the District's acquisition of the Land.

3.2 <u>Ongoing Obligations of the District</u>. District hereby covenants to perform and satisfy, or cause to be performed and satisfied, each of the following matters set forth in this Section 3.2 (the "<u>Ongoing Obligations</u>"):

(a) The District shall provide Lessee with a dedicated liaison to assist with all aspects of obtaining required approvals from any District agencies (i) in connection with the

maintenance and operation of the Stadium for a period of three (3) years from the Completion Date; and (ii) in connection with the construction, maintenance and operation of any Adjacent Improvements on which construction is commenced within three (3) years of the Completion Date for a period of three (3) years from the Completion Date or the issuance of a certificate of occupancy, whichever is longer. Such liaison shall inform all District agencies that, in accordance with this Lease, all approvals for the Stadium and Adjacent Improvements shall be prioritized and expedited. Nothing in this Section shall be construed as a waiver or reduction of any governmental requirement applicable to the Stadium or any Adjacent Improvement. Nothing in this Section shall be construed to obligate the District to engage a third party inspector or plan reviewer to assist Lessee.

(b) For a period of three (3) years from the Completion Date, with respect to the construction of any Adjacent Improvements, the District shall bear the cost of or waive all fees or deposits customarily levied by District agencies or departments during the course of entitlement, permitting and construction of development projects. For the avoidance of doubt, if any such amounts are paid to an agency of the District government (as distinguished from a federal agency such as the Fine Arts Commission) and are remitted to the District's General Fund rather than being required by any law of general applicability in effect as of the date the obligation to pay such cost is incurred to be held in a special purpose fund (such as the housing trust fund), these shall not be subject to the District's Development Cost Cap, however, all other amounts paid for by the District shall be subject to the Development Cost Cap.

(c) The District shall defend its fee title to the Land, subject to Permitted Encumbrances, from any and all third parties, provided that in the event of any claim adverse to such title is asserted, the District shall promptly notify Lessee and shall allow Lessee to provide Input (as defined in the Development Agreement) in the defense thereof.

(d) The District shall use reasonable efforts to provide for all Stadium Events, at Lessee's cost and expense, police protection directly outside the Stadium and in the surrounding area at a level substantially similar to that provided by it at other major league sports venues in the District, subject to such adjustments as may be reasonable to account for differences in venue size, projected attendance and the nature of the event, so as to provide appropriate safety and security for patrons of the Stadium, traffic control personnel and other public safety personnel and measures, including emergency medical service personnel and any additional fees charged by WMATA or by the streetcar line operator that are required to be assessed through the District rather than being paid directly by Lessee, if applicable (collectively "<u>Game Day Costs</u>").

(e) The District shall publish in the D.C. Register any notice with respect to any covenant, agreement or Obligation of District or Lessee under this Lease of which notice is required under District law to be published in the D.C. Register.

(f) If reasonably requested by Lessee, the District shall provide Lessee with reasonable assistance with respect to securing permits and governmental approvals required for the commencement of construction of the Adjacent Improvements, provided that all applications for such permits and approvals are in compliance with applicable laws, regulations and rules. The District makes no representation or warranty that its assistance or participation will assure the

issuance of any permits or approvals. Nothing in this Section shall require the District to incur any cost (other than as contemplated in Section 3.2(b)) in providing assistance to Lessee and the incurrence of any such cost to assist Lessee shall be at the District's sole and absolute discretion.

(g) Intentionally Omitted.

(h) Upon Lessee's written request and subject to and in accordance with any applicable laws and regulations, District shall provide Lessee with any publicly available proposed plans that are in the District's possession for the development of any area described in Exhibit G (the "Consultation Area") to permit Lessee to provide comments to the District regarding the operational impact that such proposed development may have on the Stadium and the Adjacent Improvements. For the avoidance of doubt, the foregoing is not intended to and shall not provide Lessee with any right of approval regarding development within such area.

(i) If requested by the Lessee, the District will examine the creation of an "Entertainment/Sports Area" land use overlay district that would include the Land and would be designed to encourage and harmonize uses and design throughout such Entertainment/Sports Area.

(j) The District shall assist the Team Operator in locating and obtaining the right to use appropriate practice fields in the District.

3.3 <u>No-Relocation Agreement</u>. As a material inducement to the District to enter into this Lease, on the date of execution of this Lease, the Lessee has caused the Team Operator to enter into the No-Relocation Agreement in the form attached hereto as <u>Exhibit I</u> pursuant to which the Team Operator will (i) commit DC United to play substantially all of its home Games at the Stadium, (ii) commit DC United to maintain its principal offices within the District of Columbia, and (iii) commit DC United to use reasonable efforts to locate DC United's practice field and any related facilities in the District of Columbia, in each case, for a term concurrent with the Term of this Lease.

## ARTICLE 4

## CONSTRUCTION OF STADIUM, CERTIFICATE OF COMPLETION AND ADJACENT IMPROVEMENTS

4.1 <u>Commencement and Completion of Construction of the Stadium</u>. Lessee agrees for itself and its successors and assigns that Lessee, and such successors and assigns, shall:

(a) except as otherwise set forth in this Lease or the Development Agreement, be responsible for all costs associated with the design, development, construction, financing and operation of the Stadium; and

(b) fully cooperate, and shall cause its contractor to fully cooperate, with the District to facilitate all government processes and the securing of all permits and approvals required under this Lease and the Development Agreement and/or necessary to construct the Stadium.

4.2 <u>District Suite and Box Seats</u>. For all Games, the District shall be entitled to use a designated Luxury Suite and twenty-five (25) Box Seat tickets in the Stadium in mutually agreed locations and parking without charge. For all other events at the Stadium, the District shall be entitled to use the designated Luxury Suite and the twenty-five (25) Box Seat tickets in the Stadium in mutually agreed locations and parking on the most favorable terms afforded to any other licensee of any other Luxury Suite or Box Seat, as applicable.

4.3 <u>Certificate of Completion</u>. Promptly after Substantial Completion, District shall furnish Lessee with an appropriate instrument acknowledging that Lessee has satisfied the criteria for Substantial Completion of the Stadium under Section 8.9(b) of the Development Agreement. The instrument certifying Substantial Completion shall be called the "<u>Certificate of Completion</u>." Such certificate shall also specify the date of Substantial Completion of the Stadium. The Certificate of Completion shall be in such form as will enable it to be recorded among the land records of the District of Columbia.

4.4 <u>Additions or Alterations to Completed Stadium</u>. After Substantial Completion of the Stadium, Lessee shall have the right at all times during the Term to materially reconstruct, demolish, or subtract from or make any material extensions of the Stadium, or materially alter or change the exterior materials and design, siting and landscaping, or parking or loading facilities without the prior written approval of the District as lessor under this Lease, but subject to any other approvals that may be required by applicable law, and to the requirements of the Development Agreement, including Section 7.2 thereof (it being understood that the obligations of the parties under the Development Agreement survive the opening of the Stadium).

4.5 <u>Construction, Additions or Alterations to Adjacent Improvements</u>. Lessee shall have the right at all times during the Term to construct, reconstruct, demolish, or subtract from or make any material extensions of the Adjacent Improvements, or materially alter or change the exterior materials and design, siting and landscaping, or parking or loading facilities of the Adjacent Improvements, without the prior written approval of the District as lessor under this Lease, but subject to any other approvals that may be required by applicable law, and to the extent applicable, to the requirements of the Development Agreement including Section 7.9 thereof (it being understood that the obligations of the parties under the Development Agreement survive the opening of the Stadium).

4.6 <u>No Obligation to Incur Expenses</u>. Except as otherwise provided in this Lease, the Development Agreement, the other District Agreements or as are required by law, in connection with any action required or permitted to be taken by Lessee hereunder, District will not be obligated to incur any expense or improve, reconstruct, alter, repair or maintain any portion of the Stadium, the Adjacent Improvements, the Adjacent Land or the Stadium Land, and Lessee hereby waives any right Lessee may have under any legal requirement to make repairs or take any other action at District's expense. Lessee shall reimburse District upon demand for all expenses (including reasonable attorneys' fees and expenses) District incurs in connection with (i) any failure by Lessee to take any action required to be taken by Lessee hereunder or (ii) the taking of any action required or permitted to be taken by Lessee hereunder.

#### 4.7 Title to the Stadium.

(a) Title to the Stadium and the Adjacent Improvements shall be and remain in Lessee for and during the Term, subject to the leasehold estate hereunder, but on the expiration of the Term or earlier termination of this Lease (by lapse of time or otherwise), Lessee hereby covenants and agrees, subject to the provisions of Article 19, that the sole ownership of the Stadium and the Adjacent Improvements and the right to possess and use the same shall automatically pass to and be vested in District, whereupon the entirety of Lessee's ownership of the Stadium and the Adjacent Improvements will automatically terminate and vest in District. At the end of the Term, Lessee shall make an absolute assignment (without recourse) to District, free of all monetary liens and other monetary encumbrances, of all of the unexpired warranties, guarantees and other contract rights with respect to third parties that Lessee may have, as of the end of the Term, relating to the Stadium and/or the Adjacent Improvements. At District's request, Lessee shall execute and deliver to District such instruments as may be necessary or appropriate to confirm this assignment and facilitate the exercise by District of the rights assigned hereby.

(b) For the avoidance of doubt, any air rights, combined lot development rights, or other transferrable development rights associated with the Stadium Land or the Adjacent Land shall belong solely to the District, which may dispose of such rights in its sole and absolute discretion. Notwithstanding any language to the contrary herein, Lessee shall have no interest in any such rights as a result of this Lease. The parties agree that the Memorandum of Lease provided in Article 2 shall specifically reserve such rights to the District.

4.8 <u>Promotional Rights</u>. Anything to the contrary contained notwithstanding, throughout the Term of this Lease and following its expiration or earlier termination (by lapse of time or otherwise), the District shall have no interest in any Promotional Rights; provided, however, that Lessee may not grant any Promotional Rights with respect to the Stadium that exceed the expiration of the Term of this Lease. For the avoidance of doubt, nothing in this Lease shall limit or restrict the District from using, without charge by Lessee or any of its Affiliates, images, photographs, videos and other visual representations of the Stadium to promote the District.

#### ARTICLE 5

#### TERM

5.1 <u>Initial Term</u>. The initial term of this Lease (the "<u>Initial Term</u>") shall commence on the Effective Date and shall end upon the expiration of the thirtieth (30th) Rent Year following the Rent Commencement Date.

5.2 Options to Extend.

(a) District hereby grants Lessee the right and option to extend this Lease for three (3) additional periods (each a "<u>Renewal Term</u>") of five (5) years each, commencing upon the expiration of the Initial Term or the then-expiring Renewal Term, as the case may be; provided that no material Lessee Default shall have occurred and be continuing. For purposes of this Lease,

there shall be no distinction between the terms "renewal" and "extension" or derivations thereof. Each Renewal Term shall be upon the same terms, covenants and conditions as the Initial Term of this Lease. Lessee shall notify District in writing of its election to extend this Lease (a "<u>Notice of</u> <u>Extension</u>") for any such Renewal Term no later than one (1) year prior to the expiration of the Initial Term or the then-expiring Renewal Term, as the case may be. In the event that Lessee shall fail to give a Notice of Extension prior to the expiration of such one (1) year period, District shall promptly advise Lessee in writing that it has not received a Notice of Extension. Lessee's option to extend shall then remain in full force and effect for a period of thirty (30) days from receipt by Lessee of such written notice from District.

(b) The parties to this Lease agree that it is their intention to avoid forfeiture of Lessee's options to extend this Lease as a result of Lessee's inadvertent or negligent failure to give a Notice of Extension. District agrees that if Lessee shall fail to give a Notice of Extension to District and if District shall fail to give notice to Lessee advising Lessee that a Notice of Extension has not been received by District, upon what would otherwise be the expiration of the Term without said exercise, Lessee's right to exercise the foregoing options and the Term shall both be deemed automatically extended on a month-to-month basis (unless Lessee gives notice to District that it does not intend to exercise its right to extend this Lease, in which event the Term shall expire). Such month-to-month extension shall be subject to (i) District's right to place a thirty (30) day time limit on Lessee's continuing right to exercise said option by giving notice to Lessee that District has not received a Notice of Extension from Lessee as described in Section 5.2(a), and (ii) District's and Lessee's right to terminate this Lease at the end of any month during such month-to-month period by giving the other party thirty (30) days' prior written notice, provided Lessee has not exercised its option to extend prior to such termination. Regardless of the date on which Lessee notifies District of its election to exercise its option to extend this Lease, the Renewal Term shall be deemed to have commenced upon the expiration of the Initial Term or the first Renewal Term, as the case may be.

Separate Adjacent Land Lease. In order to facilitate Lessee's financing of the 5.3 Adjacent Improvements, at Lessee's option, the leasehold estate created hereby may be partitioned and this Lease superseded by two (2) or more new leases, each on the same terms and conditions as are set out in this Lease, but one as to the Stadium Land and the other(s) as to the Adjacent Land, which Adjacent Land lease(s) shall be for a term of up to ninety-nine (99) years from the Rent Commencement Date, shall contain only those provisions applicable to the Adjacent Land (and shall therefore not include the provisions of Sections 4.1, 4.2, 4.3, 4.4, 5.3, 6.3, Article 8, Section 10.1, Article 14 (as it relates to the Stadium and the Stadium Land), Article 15, Article 16 (as it relates to the Stadium and the Stadium Land), Section 18.1, Article 21 (as it relates to the Stadium and the Stadium Land) and Exhibits C and I), and which shall provide for Annual Rent of One Dollar (\$1.00) per year, plus the Adjacent Land Rent (which shall not be included in the replacement lease for the Stadium Land). Any lease(s) for the Adjacent Land shall be on such terms as are necessary for Lessee to obtain financing for the applicable Adjacent Improvement on commercially reasonable terms, including for a term longer than the Term of this Lease but in no event shall any such term be less than forty-five (45) years commencing on the Rent Commencement Date and in excess of ninety-nine (99) years from the Rent Commencement Date.

#### ARTICLE 6

#### RENT

6.1 <u>Annual Rent</u>. Commencing on the Rent Commencement Date and on the first day of each Rent Year thereafter, Lessee shall pay to the District annual rent in the amount of One Dollar (\$1) for each Rent Year (the "<u>Annual Base Rent</u>"). Annual Base Rent and Additional Rent shall be paid without demand. Annual Base Rent and Additional Rent are collectively referred to herein as "<u>Rent</u>."

6.2 Participating Rent. Unless the Rent Commencement Date fails to occur on or before the seventh (7<sup>th</sup>) anniversary of the Effective Date by reason of the District's failure to achieve or satisfy in a timely manner any of its obligations under any of Articles III, IV, V or VI of the Development Agreement (including if such failure is otherwise excused by reason of Unavoidable Delay) or by reason of any breach of the District's obligations under the Development Agreement or this Lease, Lessee shall pay any amounts due to the District under Exhibit C attached hereto and made a part hereof, if, as and when therein provided ("Participating Rent").

6.3 <u>Additional Rent</u>. Lessee shall reimburse District for Game Day Costs within sixty (60) days after demand; provided, however, Lessee shall have no reimbursement obligation for Game Day Costs that are in excess of the costs paid to the District for such services by other major league sports venue operators in connection with ongoing events that are generally similar to the subject events at the Stadium with such adjustments as may be reasonable to account for differences in venue size, projected attendance and the nature of the event. Such Game Day Costs, any amounts due to the District under the provisions contained in <u>Exhibit C</u> attached hereto and made a part hereof and any other payment obligations of Lessee to the District hereunder which are not Annual Base Rent (including Participating Rent and Adjacent Land Rent) are collectively referred to herein as "<u>Additional Rent</u>".

6.4 <u>Rent Credit and Offset</u>. Each installment of Additional Rent shall be credited and offset by the amount, if any, of (i) any new Public Charges not of general applicability assessed by the District on the Stadium or Stadium Land not in effect as of the Effective Date, (ii) any Real Estate Tax that is not abated in accordance with Section 11.3 and <u>Exhibit D</u> and is paid by Lessee during the previous Rent Year, and (iv) amounts described in Section 14.4 of the Development Agreement. As used in subsection (i) above, the term "general applicability" means applicable to venues other than the Stadium and which include other major league sports venues in the District.

6.5 <u>Adjacent Land Rent</u>. From and after the thirty-fifth (35<sup>th</sup>) anniversary of the Possession Date, the Lessee shall pay the District, annually in arrears, an amount (the "<u>Adjacent</u> <u>Land Rent</u>") equal to five percent (5%) of the fair market value of the improvements located on the Adjacent Land on the 35<sup>th</sup> anniversary of the Possession Date (the "<u>Year 35 Adjacent</u> <u>Improvements FMV</u>"). The Adjacent Land Rent will be due on the thirty-sixth anniversary of the Possession Date and on each subsequent anniversary of the Possession Date thereafter during the Term. The Lessee and the District will attempt to agree in good faith on the Year 35 Adjacent Improvements FMV within sixty (60) days following the thirty-fifth anniversary of the Possession Date, and if they are unable to so agree by such 60<sup>th</sup> day, the Year 35 Adjacent Improvements FMV will be determined by binding arbitration administered by the American Arbitration Association under its Expedited Commercial Arbitration Rules ("CAR"), and shall occur in Washington, D.C. This agreement to arbitrate shall be specifically enforceable pursuant to and interpreted under the Federal Arbitration Act, and the parties agree that no appeal or review of the decision of the arbitrator shall be taken unless the arbitrator has clearly exceeded the scope of his or her authority under this Lease. Venue for review of and/or judgment on the award rendered by the arbitrator shall be the United States District Court for the District of Columbia. During the pendency of the resolution of any dispute hereunder, Lessee shall not be deemed in default as to the payment of Adjacent Land Rent.

#### ARTICLE 7

### **USE OF ADJACENT IMPROVEMENTS**

7.1 Use. During the Term, and subject to the terms and conditions of this Lease and, prior to the Rent Commencement Date, the Development Agreement, Lessee and its tenants, subtenants, licensees, guests and invitees shall have the exclusive right to possess, occupy and use the Adjacent Improvements and the Adjacent Land for any purposes allowed under applicable law which do not detract from the use of the Stadium Land for the Stadium. For the avoidance of doubt, for any proposed use of the Adjacent Land that is not reasonably related to the game day experience, Lessee shall be required to secure the District's prior approval in accordance with Section 7.9 of the Development Agreement and Section 4.5 of this Lease. The term "game day experience" (and similar expressions) as used in this Lease shall include, without limitation, retail establishments such as bars, restaurants and team stores and stores selling primarily merchandise generally oriented to tourists such as shirts, mugs, flags and similar items displaying the logos of the District, WMATA or other such non-sports related items.

7.2 <u>Reversionary Rights to District</u>. Except for such acts as are expressly authorized by other provisions of this Lease, (i) no act of commission or omission done or suffered to be done by Lessee shall in any manner, directly or indirectly, affect the fee title or reversionary estate of District in the Adjacent Land, including the Adjacent Improvements, and (ii) no other provisions of this Lease shall authorize, or be construed to authorize, Lessee to perform any act which may in any way encumber or change any of the rights, title or interests of District therein.

#### ARTICLE 8

#### **USE OF STADIUM**

8.1 <u>Use</u>. From and after the Rent Commencement Date, during the Term, Lessee and its guests, licensees and invitees shall have the exclusive right to possess, occupy and use the Stadium Land and the Stadium for the following purposes (subject to the Rules and Regulations and all applicable laws and regulations):

(a) to schedule and provide, for the occurrence of Stadium Events (including Games) and to conduct all activities relating to such Stadium Events (including Games);

- (b) to conduct activities relating to the maintenance and operation of professional soccer teams;
- (c) to occupy and conduct day-to-day business operations in Team Operator's office space within the Stadium;
- (d) to construct, operate and display such signs on the interior of the Stadium as Lessee deems necessary or desirable;
- (e) to operate concession areas (or to contract with Concessionaires to operate concession areas) in and around the Stadium;
- (f) to sublease or license space in the Stadium to subtenants or licensees for uses reasonably consistent with the operation of a first-class, outdoor soccer stadium (including for women's soccer and professional lacrosse) and, in connection therewith, to make such alterations, additions or improvements as are reasonably necessary or appropriate;
- (g) to advertise in the Stadium (or to contract with Stadium Advertisers for the advertisement or promotion of such Stadium Advertisers' products or services and/or to engage in sponsorship activity);
- (h) to conduct any other activity customarily conducted in outdoor sports venues or which the District has consented to be conducted in other outdoor sports venues of which it is the lessor, except that the District may decline to issue any license or permit needed to conduct activities at the Stadium in accordance with any law, rule or regulation of general applicability; and
- (i) subject to the prior written consent of the District, to use the Stadium for any and all other lawful purposes permitted or otherwise legally conducted in any other major league sports venue in the District.

Notwithstanding the foregoing, the use of the Stadium and the Stadium Land as a casino or other gaming establishment shall not be a permitted use under this Lease. From and after the Rent Commencement Date, during the Term, Lessee covenants to provide for and allow pedestrian access from T Street to Potomac Avenue across the Land, except for periods during which street fairs, ticketed concerts, ticketed events and similar events are conducted (including set up and clean up).

8.2 <u>Lessee's Operating Covenant</u>. Except as otherwise provided in Articles 15 and 19, and except in connection with an Unavoidable Delay, Lessee shall (i) cause DC United from and after the Possession Date and until the expiration of the Term or earlier termination of this Lease (by lapse of time or otherwise) to honor the No-Relocation Agreement, and (ii) cause DC United from and after the Rent Commencement Date and until the expiration of the Term or earlier termination of this Lease (by lapse of time or otherwise) to maintain its principal offices within the District of Columbia.

8.3 Lessee's Management Covenant. Lessee shall have the exclusive right to manage the Stadium during the Term, and shall manage and operate the Stadium or cause the Stadium to be managed and operated as a first-class sporting event and entertainment facility and in a professional, businesslike and efficient manner consistent with the manner in which other facilities in which MLS teams play are managed and operated, all of the foregoing being subject only to any language to the contrary in Articles 15 and 19; provided, however, that Lessee shall be excused from its obligations to manage and operate the Stadium as described in this Section 8.3 to the extent that Lessee, or any manager or operator or Concessionaire retained by Lessee, shall be prevented from compliance with such standards by (i) any District Default, (ii) the termination of this Lease, or (iii) Unavoidable Delay.

8.4 <u>Reversionary Rights to District</u>. Except for such acts as are expressly authorized by other provisions of this Lease, (i) no act of commission or omission done or suffered to be done by Lessee shall in any manner, directly or indirectly, affect the fee title or reversionary estate of District in the Stadium Land, including the Stadium, and (ii) no other provisions of this Lease shall authorize, or be construed to authorize, Lessee to perform any act which may in any way encumber or change any of the rights, title or interests of District therein.

#### ARTICLE 9

### **INSURANCE AND SUBROGATION**

9.1 <u>Lessee's Insurance</u>.

(a) Lessee shall, during the period of any construction on the Stadium Land or the Adjacent Land, as applicable, maintain in full force and effect, at Lessee's sole cost and expense, insurance as required under the Development Agreement.

(b) From and after (i) as to the Stadium, the Completion Date, and (ii) as to the Adjacent Improvements, the date that construction of the Adjacent Improvements has been substantially completed, Lessee shall maintain in full force and effect, in its name, insurance covering damage or destruction to the Stadium or the Adjacent Improvements, as applicable, Lessee's equipment, and other personal property, improvements and betterments to the Stadium or the Adjacent Improvements, as applicable, owned by Lessee for, in the case of the Stadium, one hundred percent (100%) of the replacement cost thereof and, in the case of any Adjacent Improvements, at least ninety percent (90%) of replacement cost thereof on a "risk of direct physical loss" peril basis, including coverage against explosion and collapse, and resultant damage, and sewer backup (but specifically excluding flood and earthquake coverage), subject to deductible limits not to exceed Twenty Five Thousand Dollars (\$25,000). Such insurance shall have an agreed amount endorsement. All of the insurance obtained under this Section 9.1(b) shall name the District and any other Persons determined by Lessee as additional insureds.

(c) Lessee shall, from and after (i) as to the Stadium, the Completion Date, and (ii) as to the Adjacent Improvements, the date that construction of the Adjacent Improvements has been substantially completed, maintain in full force and effect, at its expense, (A) statutory workers' compensation coverage and employer's liability coverage in the amount of One Million Dollars

(\$1,000,000) per occurrence, or such lesser amount as may satisfy carriers of Lessee's umbrella or excess liability coverage; (B) business automobile liability coverage for bodily injury and property damage with a combined single limit per accident of One Million Dollars (\$1,000,000); (C) "occurrence type" general liability insurance against bodily injury and property damage arising from occurrences on the Stadium Land or the Adjacent Land, as applicable, including in the Stadium, the Stadium Parking and the Adjacent Improvements; (D), as to the Stadium only, until such time as the annual premium attributable thereto shall be more than double the annual premium attributable thereto for the first Rent Year, liquor liability insurance in the amount of One Million Dollars (\$1,000,000) per occurrence; and (E), as to the Stadium only, umbrella or excess liability coverage (in form no less broad than the underlying coverage) to apply in excess of business automobile, liquor, general, contractual and employer's liability limits, in an amount necessary to increase overall coverage to Twenty-Five Million Dollars (\$25,000,000) per occurrence. The insurance required by clause (C) of this Section 9.1(c) may be written on a commercial general liability policy form to include premises, operations, products and completed operations, personal injury/advertising injury, independent contractors and broad form property damage, and may contain a general aggregate per location of not less than Two Million Dollars (\$2,000,000) and a products/completed operations aggregate of not less than One Million Dollars (\$1,000,000). All of the insurance obtained under this Section 9.1(c) shall name District and any other Persons determined by Lessee as additional insureds. Notwithstanding the foregoing, Lessee shall maintain the insurance required under this Section 9.1(c) in amounts not less than those required by any leasehold mortgagee, or as to the Stadium only, in the event there is no leasehold mortgage, in amounts not less than those carried by lessees of similar facilities in comparable metropolitan areas but in no event in amounts less than the amounts specified in this Section 9.1(c).

## 9.2 <u>Insurance Requirements</u>.

(a) All policies of insurance required hereunder shall be written by carriers authorized to do business in the District of Columbia and possessing an A- policyholder's rating or better and a minimum Class VII financial size category as listed at the time of issuance by <u>A.M. Best</u> <u>Insurance Reports</u> or a similar rating publication. The aforesaid rating classifications shall be adjusted if and to the extent that the applicable rating publication adjusts its rating categories.

(b) All policies shall provide that they may not be canceled or not renewed unless at least ten (10) days' notice thereof has been provided to the additional insureds. In no event shall Lessee be required to insure for liability limits in excess of coverage which is available at commercially reasonable rates. In the event that tort liability legislation is adopted which makes the limits of liability hereinabove provided in excess of commercially reasonable and prudent limits of liability, such limits will be equitably reduced.

9.3 <u>Certificates</u>. Not later than the date on which coverage is to be provided hereunder, Lessee shall furnish to District a certificate evidencing the required coverage.

9.4 <u>Waiver of Subrogation</u>. District and Lessee agree that all insurance policies against loss or damage to property and business interruption or rent loss shall be endorsed to provide that any release from liability of, or waiver of claim for recovery from, another Person

entered into in writing by the insured thereunder prior to any loss or damage shall not affect the validity of said policy or the right of the insured to recover thereunder. Such insurance policies shall further provide that the insurer waives all rights of subrogation which such insurer might have against the other Person. Without limiting any release or waiver of liability or recovery contained in any other section of this Lease, but rather in confirmation and furtherance thereof, each of the parties to this Lease waives all claims for recovery from every other party to this Lease for any loss or damage to any of its property or damages as a result of business interruption or rent loss insured under valid and collectible insurance policies to the extent of any recovery collectible under such insurance policies.

9.5 <u>No Representation as to Adequacy of Coverage</u>. The requirements set forth herein with respect to the nature and amount of insurance coverage to be maintained or caused to be maintained by Lessee hereunder shall not constitute a representation or warranty by the District or Lessee that such insurance is in any respect adequate.

## ARTICLE 10

#### MAINTENANCE AND REPAIRS

10.1 <u>Responsibility as to Stadium</u>. Lessee shall keep the Stadium in good order and repair consistent with the standard generally applicable to first-class, outdoor soccer stadiums. Lessee shall keep and maintain all portions of the Stadium Land, including landscaping, and all sidewalks, curbs and passageways adjoining or appurtenant to the same in a good and safe repair and condition, free of dirt, rubbish, snow, ice, and unlawful obstructions; <u>provided</u>, <u>however</u>, that District shall provide police and public safety measures as set forth in Section 3.2(d), and Lessee shall have no responsibility for such measures. Lessee shall maintain such reserves for capital improvements and replacements to the Stadium as may be required by any leasehold mortgagee or as otherwise reasonably required by the District.

10.2 <u>Responsibility as to Adjacent Improvements</u>. Lessee shall keep the Adjacent Improvements in good order and repair consistent with the standard generally applicable to comparable properties. Lessee shall keep and maintain (or cause to be kept and maintained) all portions of the Adjacent Land, including landscaping, and all privately owned sidewalks, curbs and passageways adjoining or appurtenant to the same in a good and safe repair and condition, free of dirt, rubbish, snow, ice, and unlawful obstructions. Lessee shall maintain such reserves for capital improvements and replacements to the Adjacent Improvements as may be required by any leasehold mortgagee or as otherwise reasonably required by the District.

10.3 <u>Mechanics' Liens</u>. Lessee shall make prompt payment of all money due and legally owing from it to all Persons doing any work or furnishing any materials or supplies to Lessee or any of its contractors in connection with development, construction, equipping or repair of the Stadium or the Adjacent Improvements, as applicable, and shall use its reasonable efforts to cause prompt payment to be made by its contractors to subcontractors. Lessee shall not permit any mechanics' or similar lien to be filed against the District's fee estate in any portion of the Land, the Adjacent Improvements or the Stadium in connection with any labor, materials, equipment or services furnished directly or indirectly to Lessee or any other user, subtenant, licensee or occupant of the Stadium or the Adjacent Improvements. Within fifteen (15) Business Days after receiving notice of the filing of any such lien, Lessee shall cause such lien to be fully discharged by (i) payment or the posting of a bond or (ii) the recordation of a release or the order of a court of competent jurisdiction. No provision hereof may be construed as constituting the consent of District to any personal liability or the right of any person to file any lien in connection with the furnishing of any labor, materials, equipment or services in connection with the Stadium, the Adjacent Improvement, the Adjacent Land or the Stadium Land.

## ARTICLE 11

#### PUBLIC CHARGES AND TAXES

Public Charges. From and after the Possession Date until the expiration of the 11.1 Term, and notwithstanding the fact that fee simple title to the Land may be held by District, Lessee covenants and agrees, subject to the terms, conditions and provisions of this Lease, to pay and discharge, before any fine, penalty, interest or cost may be added, all Public Charges (provided that Lessee may be entitled to a credit or offset against Rent for some or all of such Public Charges pursuant to Section 6.4 hereof). Notwithstanding the provisions of the preceding sentence, Lessee shall have the right to contest the amount or validity, in whole or in part, of any Public Charges by appropriate proceedings and, if Lessee is prosecuting such proceedings with reasonable diligence, Lessee, to the extent permitted by law, may postpone or defer the payment of such Public Charges so long as such contest shall continue. The District agrees to join in any such proceedings if required for the prosecution thereof. All Public Charges relating to a fiscal period of a taxing authority, (i) a part of which occurs prior to the Effective Date and part of which occurs after the Possession Date, or (ii) a part of which occurs after the expiration of the Term or earlier termination of this Lease (whether or not such Public Charges are imposed or become a lien upon the Land or become payable prior to the date of expiration of the Term or earlier termination of this Lease), shall be adjusted when paid as between the District and Lessee as of the Possession Date or as of the date of the expiration of the Term or earlier termination of this Lease, as the case may be, so that Lessee shall pay the same proportion of such Public Charges which the part of such fiscal period during which this Lease was in full force and effect bears to that entire fiscal period, and District shall pay the remainder thereof. For the avoidance of doubt, nothing in this Lease is intended to or shall exempt or abate any sales tax applicable to items sold at the Stadium or any Adjacent Improvement or as to tickets for events at the Stadium.

11.2 Evidence of Payment of Public Charges. Lessee and District, upon request of the other, shall furnish or cause to be furnished to the other official receipts of the appropriate taxing authority or other proof satisfactory to Lessee or District, as applicable, evidencing the payment of any Public Charges which were due and payable thirty (30) days or more prior to the date of such request; <u>provided</u>, <u>however</u> that if Lessee or District, as applicable, has contested any of such Public Charges, it shall submit to the other, in lieu of such receipts, evidence of such contest. Promptly after the conclusion of any such contest affecting fiscal periods with respect to which receipts were requested, Lessee or District, as applicable, shall advise the other of the results thereof and provide evidence of payment of any amounts due. If payment of Public Charges is required during the pendency of such contest, Lessee or District, as applicable, shall provide the other with evidence of such payment.

11.3 <u>Real Estate Taxes</u>.

(a) The Real Estate Taxes imposed in connection with the Stadium or Stadium Land shall be abated as provided in <u>Exhibit D</u> attached hereto. Any such abatement for any real property tax year may be allocated between half tax years at the reasonable discretion of the Office of Tax and Revenue.

(b) The abatements provided by subsection (a) of this Section 11.3 and <u>Exhibit D</u> shall terminate at the earlier of (i) the end of the half tax year during which the Stadium ceases to be used as a stadium by a major league soccer team, or (ii) the termination of this Lease.

(c) The abatements provided by this section shall be in addition to, and not in lieu of, any other tax relief or assistance from any other source applicable to the Stadium.

(d) Lessee's obligation to pay Real Estate Taxes for any Rent Year shall abate if and to the extent provided in Sections 6.4 and 13.4(b) of this Lease.

#### ARTICLE 12

# DISTRICT'S RIGHT OF ENTRY AND INSPECTION

During the Term, District shall have the right upon reasonable prior written notice to Lessee to enter into and upon the Stadium and the Adjacent Improvements for purposes of inspecting the Stadium and the Adjacent Improvements, provided such inspection does not interfere with the construction or operation of the Stadium and the Adjacent Improvements, the conducting of a Stadium Event in the Stadium, the operation of any subtenant's or licensee's activities in the Adjacent Improvements (and subject to any rights of such subtenant or licensee under its sublease or license entered into in accordance with the terms of this Lease with regard to the Adjacent Improvements), or any other activity occurring at the Stadium or the Adjacent Improvements. Said right shall be exercised only during usual business hours except in the case of an emergency. Any inspection made under this Article 12 shall be subject to Lessee restricting entry to certain areas of the Stadium or the Adjacent Improvements for reasons of health, safety or compliance with insurance, or permitting access to certain areas of the Stadium or the Adjacent Improvements only if certain protective headgear, clothing or glasses are worn, or subject to them terms of any sublease or license with regard to the Adjacent Improvements entered into in accordance with the terms of this Lease which may impose restrictions on such inspections. For the avoidance of doubt, nothing in this Article 12 shall restrict, limit or impair the District's right of entry and inspection under any regulatory or police power of the District.

## ARTICLE 13

# **DEFAULT AND REMEDIES**

13.1 <u>Default by Lessee</u>. The occurrence of any one or more of the following events constitutes a default by Lessee under this Lease (a "Lessee Default"):

(a) Failure by Lessee at any time to pay Annual Base Rent to District within ten (10) days after notice of such failure is given to Lessee by District;

(b) Failure by Lessee at any time to pay Additional Rent to District within thirty (30) days after notice of such failure is given to Lessee by District; <u>provided</u>, <u>however</u>, that Lessee shall not be in default with respect to payments being contested in good faith for the period of the good faith contest;

(c) Breach of the covenants set forth or described in Section 8.2(i) by either Lessee or the Team Operator, without the prior written consent of the District;

(d) Failure by Lessee to observe or perform any other covenant, agreement, condition or provision of this Lease for a period of more than thirty (30) days after Lessee's receipt of a notice from District specifying the failure in reasonable detail; <u>provided</u>, <u>however</u>, that Lessee shall not be in default with respect to matters that cannot be reasonably cured within such thirty (30) day period, so long as Lessee has promptly commenced such cure and diligently proceeds to complete the same to the District's reasonable satisfaction; and

(e) Institution of bankruptcy, reorganization, receivership, arrangement, insolvency or liquidation proceedings, or other proceedings for relief under any federal or District bankruptcy law, or similar law for the relief of debtors, by or against Lessee or the Team Operator, and, if instituted against Lessee or the Team Operator, not dismissed within one hundred eighty (180) days after such institution.

13.2 <u>District's Remedies</u>. If a Lessee Default occurs, subject to the rights of leasehold mortgagees set forth in Section 25.6, in addition to any other rights or remedies District may have under this Lease, District shall have the following rights:

(a) In the event of a Lessee Default under Sections 13.1(a) or 13.1(b) above, District may enforce the provisions of this Lease by seeking specific performance or the enforcement of any other appropriate legal or equitable remedy, including money damages; provided, however, that in no event shall District have the right to terminate this Lease or to seek consequential or punitive damages as a result of a Lessee Default under Sections 13.1(a) or 13.1(b).

(b) In the event of a Lessee Default under Section 13.1(c) above, District may enforce the provisions of this Lease by seeking specific performance or the enforcement of any other appropriate legal or equitable remedy, including money damages and, in the case of a breach of the No-Relocation Agreement, consequential and punitive damages; <u>provided</u>, <u>however</u>, that in no event shall District have the right to terminate this Lease as a result of a Lessee Default under Section 13.1(c).

(c) In the event of a Lessee Default under Sections 13.1(d) or 13.1(e) which has not been cured within the applicable cure period, District may enforce the provisions of this Lease by seeking specific performance or the enforcement of any other appropriate legal or equitable remedy; <u>provided</u>, <u>however</u>, that in no event shall District have the right to terminate this Lease or seek money damages as a result of a Lessee Default under Section 13.1(d).

(d) After the time District has given notice of a Lessee Default and any applicable grace period provided has expired, if any sums payable by Lessee shall remain due and payable, or after the time for performance by Lessee of any other term, covenant, provision or condition of this Lease, or before the expiration of that time in the event of a bona fide emergency (in which case District shall only be required to give such notice as is reasonable and practical under the circumstances), District may, at District's election (but without obligation), make any payment required of Lessee under this Lease, or perform or comply with any term, covenant, provision or condition imposed on Lessee under this Lease, as District deems advisable. The repayment of Lessee of amounts so paid, plus interest on such sums at the Interest Rate, shall be deemed to be Additional Rent payable by Lessee immediately upon demand. No such payment, performance or observance by District shall constitute a waiver of default or of any remedy for default or render District liable for any loss or damage resulting from any such act. District may, with notice to Lessee and at any time or from time to time, charge and set off any such delinquent sums against amounts, if any, thereafter payable by District to Lessee.

13.3 <u>Default by District</u>. The occurrence of any one or more of the following events constitutes a default by District under this Lease (a "<u>District Default</u>"):

(a) Failure by District at any time to pay any sums that this Lease provides are payable by District within sixty (60) days after notice of such failure is given to District, as applicable, by Lessee; <u>provided</u>, <u>however</u>, that District shall not be in default with respect to payments being contested in good faith for the period of the good faith contest; or

(b) Failure by District to observe or perform any other covenant, agreement, condition or provision of this Lease for a period of more than thirty (30) days after receipt by District of a notice from Lessee specifying the failure in reasonable detail; <u>provided</u>, <u>however</u>, that District shall not be in default with respect to matters that cannot be reasonably cured within such thirty (30) day period, so long as District has promptly commenced such cure and diligently proceeds in a reasonable manner to complete the same to Lessee's reasonable satisfaction.

## 13.4 Lessee's Remedies.

(a) If a District Default occurs, in addition to any other rights or remedies Lessee may have under this Lease, Lessee may enforce the provisions of this Lease by seeking specific performance or the enforcement of any other appropriate legal or equitable remedy, including money damages, or at its election and in lieu of specific performance or any similar equitable remedy, Lessee may, in the event the District Default materially adversely affects the long-term economic benefit of the bargain expressed in this Lease, terminate this Lease.

(b) In addition to, and without limiting, any other right or remedy provided for in this Lease, after the time Lessee has given notice and any applicable grace period provided has expired, if any sums payable by District shall remain due and unpaid, or after the time for performance by District of any other term, covenant, provision or condition of this Lease, or before the expiration of that time in the event of a bona fide emergency (in which case Lessee shall only be required to give such notice as is reasonable and practical under the circumstances), Lessee may, at Lessee's election (but without obligation), make any payment required of District under this Lease, which

payment, together with amounts described in Section 14.4 of the Development Agreement advanced by Lessee, shall become a "Lessee Advance," or perform or comply with any term, covenant, provision or condition imposed on District under this Lease, as Lessee deems advisable. Any Lessee Advance so made plus the cost of such performance or compliance, plus interest on such sums at the Interest Rate, shall be payable by District upon demand. No such payment, performance or observance by Lessee shall constitute a waiver of default or of any remedy for default or render Lessee liable for any loss or damage resulting from any such act. Lessee may, with notice to District and at any time or from time to time, charge and set off Lessee Advances, or any amounts payable by District to Lessee hereunder and remaining unpaid after the due date thereof and any amount described in Sections 11.3(b) or 11.4(b) of this Lease, against any amounts thereafter payable by Lessee to District, including Additional Rent.

## 13.5 General Provisions.

(a) Except as otherwise expressly provided herein, no right or remedy herein conferred upon, or reserved to, District or Lessee is intended to be exclusive of any other right or remedy, but each shall be cumulative and in addition to every other right or remedy given herein or now or hereafter existing at law or in equity or by statute; <u>provided</u>, <u>however</u>, that neither District nor Lessee shall have any right to cancel, rescind or otherwise terminate this Lease due to a breach of this Lease by any other party to this Lease except as otherwise specifically set forth in this Lease.

(b) No waiver by any party to this Lease of any breach of Obligations, agreements or covenants herein shall be a waiver of any subsequent breach of any Obligations, agreements or covenants, nor shall any forbearance by any party to this Lease to seek a remedy for any breach by another party to this Lease be a waiver by such party of any rights or remedies with respect to such or any subsequent breach, nor shall any express waiver by any party to this Lease be deemed to apply to any other existing or subsequent right to remedy any default by another party, nor shall any waiver by any party to this Lease of any default or breach by another party in the performance of any of the covenants or Obligations of such other party be deemed to have been made by the party against which the waiver is sought to be charged unless contained in a writing executed by such party.

(c) In the event that any party to this Lease fails to pay any payment required hereunder when due, then, without limiting any other rights of the non-defaulting party or parties, the defaulting party or parties shall be liable for interest thereon at the Interest Rate from the date that such installment was due until the date paid in full.

(d) In the event the Lease is partitioned in accordance with Section 5.3, the resultant leases shall not be cross defaulted.

13.6 <u>Limitation on Liability</u>. Notwithstanding anything in this Lease to the contrary other than with respect to a breach of the No-Relocation Agreement, the liability of Lessee for performance of its Obligations hereunder shall be limited to the assets of Lessee, and none of the partners, Affiliates, members, principals or employees of Lessee shall have any liability whatsoever for performance or nonperformance of Lessee's Obligations hereunder, and District, behalf of itself and its successors and assigns, agrees to look only to the assets of Lessee or the assets of any Person who succeeds to the rights of Lessee hereunder, and not to any of Lessee's partners, Affiliates, members, principals or employees for performance or satisfaction of any of Lessee's Obligations hereunder, including any judgment relating thereto.

#### ARTICLE 14

# SURRENDER OF STADIUM AND ADJACENT IMPROVEMENTS

14.1 <u>General</u>. Upon the expiration or termination of this Lease (by lapse of time or otherwise) Lessee shall peaceably deliver up and surrender the Stadium Land, the Stadium, the Adjacent Land and the Adjacent Improvements to the District in good order and repair, except for ordinary wear and tear, and except as otherwise provided in this Lease; <u>provided</u>, <u>however</u>, that nothing contained herein shall be construed as an obligation by Lessee to repair the Stadium or any Adjacent Improvement prior to such surrender except to the extent that such an Obligation is expressly imposed upon Lessee by this Lease. Lessee shall surrender to District all keys for the Stadium and all Adjacent Improvements at the place then fixed for the receipt of notices by District, and shall notify District in writing of all combinations of locks, safes and vaults, if any, permanently installed and remaining in place. Lessee's obligations to observe and perform the covenants set forth in this Article 14 shall survive the expiration of the Term or earlier termination of this Lease (by lapse of time or otherwise).

14.2 <u>Lessee's Property</u>. Upon the expiration of the Term or earlier termination of this Lease (by lapse of time or otherwise), Lessee may remove all personal property and trade fixtures ("<u>Lessee's Property</u>") which are owned by Lessee and, in such event, Lessee shall repair at Lessee's expense any damage caused to the Stadium or any Adjacent Improvement by the removal of the Lessee's Property. If Lessee fails to remove any of Lessee's Property, such Lessee's Property shall be abandoned by Lessee. District may, at its option, (a) cause Lessee's Property which is abandoned to be removed at Lessee's expense, (b) sell all or any part of such Lessee's Property at public or private sale, without notice to Lessee, or (c) declare that title to such Lessee's Property shall have passed to the District.

#### ARTICLE 15

#### DAMAGE TO STADIUM AND CERTAIN ADJACENT IMPROVEMENTS

If any Property Damage shall occur, all proceeds (less the actual cost, fees and expenses, if any, incurred by Lessee in connection with adjustment of the loss) from insurance policies carried pursuant to the requirements of this Lease, or other recoveries for loss to the Stadium occasioned by the damage, destruction or diminution of the Stadium, shall be paid to Lessee, and, subject to any requirements of any leasehold mortgagees, Lessee shall apply such proceeds to promptly restore, repair, replace and rebuild the Stadium and any Adjacent Improvement that is related to the game day experience as nearly as reasonably practicable to its condition immediately prior to such damage or destruction. Such restoration, repairs, replacements, rebuilding or alterations shall be commenced promptly after receipt of the proceeds from insurance policies carried pursuant to the requirements of this Lease and prosecuted with reasonable diligence, unavoidable delays beyond Lessee's reasonable control excepted. During the period of restoration (or such longer period as is reasonably necessary to allow Lessee to make suitable alternate arrangements) Lessee shall have the right to use an alternate site for Stadium Events.

### ARTICLE 16

#### MAINTENANCE OF GOOD STANDING IN MLS

As long as Lessee is a tenant of the Stadium pursuant to this Lease, Lessee shall cause Team Operator to agree to remain in good standing as a professional soccer team of the MLS.

#### ARTICLE 17

#### **ENVIRONMENTAL MATTERS**

17.1 <u>Covenants</u>. Lessee shall comply with the following covenants:

(a) From and after the Possession Date, and any other time during which Lessee uses or is in possession of the Stadium and the Adjacent Improvements, Lessee shall not permit: (i) any Hazardous Substance, except products or substances used in compliance with applicable law in the ordinary course of Lessee's business (including the construction and operation of the Stadium and the Adjacent Improvements) to be brought, taken, transported, handled, manufactured, refined, treated, stored, used, generated, emitted, released, discharged or disposed of upon, about, beneath or from the Stadium, the Adjacent Improvements, the Adjacent Land or the Stadium Land, (ii) any violation of any Environmental Law in connection with the Stadium, the Adjacent Improvements, the Adjacent Land or the Stadium Land; or (iii) any lien or other encumbrance with respect to the Stadium, the Adjacent Improvements, the Adjacent Land or the Stadium Land to be imposed pursuant to Section 107(f) of the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. Section 9607(1), or any similar statute.

(b) Lessee shall obtain and maintain (or cause to be obtained and maintained) in full force and effect and comply with all permits and licenses required under any Environmental Law in connection with any use of or activity in the Stadium or the Adjacent Improvements, or on the Adjacent Land or the Stadium Land.

#### ARTICLE 18

## ASSIGNMENTS

18.1 <u>Assignment or Sublease by Lessee of Stadium or Stadium Land</u>. Until the Completion Date, any assignment, transfer or sublease by Lessee of the Stadium or the Stadium Land shall be governed by Article XI of the Development Agreement. From and after the Completion Date, except as otherwise expressly set forth in this Article 18 and Section 25.6, Lessee shall not assign, transfer or sublease all, or substantially all, of the leasehold estate created by this Lease and/or the Stadium and/or the Stadium Land, with or without consideration, to any Person, without the prior written consent of District, which consent shall not be unreasonably withheld, conditioned or delayed. District shall be entitled to require, except as otherwise provided in this Article 18 and Section 25.6, as conditions to its consent to an assignment, transfer or sublease of all, or substantially all, of the leasehold estate created by this Lease, of the Stadium Land and/or of the Stadium, that:

(a) Any proposed transferee or sublessee shall have the qualifications and financial responsibility, as reasonably determined by District, necessary and adequate to fulfill the Obligations undertaken in this Lease by Lessee;

Any proposed transferee or sublessee, by instrument in writing satisfactory to (b) District and in form recordable among the land records of the District of Columbia, shall, for itself and its successors and assigns, and expressly for the benefit of District, have expressly assumed all of the Obligations of Lessee under this Lease and agreed to be subject to all the conditions and restrictions to which Lessee is subject; provided, however, that if any transferee of, or any other successor in interest whatsoever to, the leasehold estate of Lessee in the Stadium Land created under this Lease, or any part thereof, shall, whatever the reason, have failed to assume or to agree to assume such Obligations, conditions or restrictions, that fact shall not (unless and only to the extent otherwise specifically provided in this Article 18 and Section 25.6 or agreed to in writing by District) relieve or except such transferee or successor of or from such Obligations, conditions, or restrictions, or deprive or limit District of or with respect to any of its rights, remedies or controls with respect to the leasehold estate in the Stadium or the Stadium Land; it being the intent of this, together with other provisions of this Lease, that (to the fullest extent permitted by law and equity and excepting only in the manner and to the extent specifically provided otherwise in this Article 18 and Section 25.6) no transfer of, or change with respect to, ownership in the leasehold estate in the Stadium or the Stadium Land or any part thereof, or interest therein, however consummated or occurring, and whether voluntary or involuntary, shall operate, legally or practically, to deprive or limit District of or with respect to any rights, remedies or controls provided in or resulting from this Lease with respect to the leasehold estate in the Stadium Land and the Stadium that District would have had, had there been no such transfer or change; and

(c) There shall be submitted to District all instruments and other legal documents involved in effecting any such transfer.

Notwithstanding the foregoing, an assignment, transfer or sublease may be made without District's consent if (a) the proposed assignee or sublessee (or an Affiliate of such assignee or sublessee) shall have acquired the right to operate the DC United, in accordance with all Rules and Regulations (or shall have acquired the legal right to require Team Operator to cause Lessee to satisfy the requirements contained in this Lease); and (b) in the event of an assignment, the assignee shall assume all of Lessee's Obligations under this Lease and agree to be bound by this Lease, and, in the event of a sublease, the sublessee shall agree to be bound by, and to perform, all of Lessee's Obligations under this Lease in accordance with this Section 18.1, the liability of Lessee shall cease with respect to liabilities accruing from and after the effective date of such assignment. Lessee shall use its best efforts to provide not less than thirty (30) days prior written notice to District of any such assignment, transfer or sublease; provided, however, that failure to give such notice shall in no way affect the validity of such assignment, transfer or sublease. Nothing in this Section 18.1 shall prevent or preclude Lessee from (and Lessee shall not be required to give notice prior to) granting a security interest and lien to any Person, subject to

District's rights hereunder, with respect to Lessee's estates and interests created by, or existing pursuant to, this Lease and all documents relating thereto, or with respect to the rents, issues, and profits inuring or to inure to Lessee hereunder. Notwithstanding any provision of this Lease to the contrary, any assignment, transfer or sublease of all, or substantially all, of the leasehold estate created by this Lease, of the Stadium Land and/or of the Stadium shall comply with the requirements specified in Section 28.15(b).

18.2 Sublease by Lessee of Adjacent Land and/or Adjacent Improvements. Until the Rent Commencement Date, any sublease by Lessee of the Adjacent Land and/or any Adjacent Improvements shall be governed by Article XI of the Development Agreement. From and after the Rent Commencement Date, notwithstanding anything to the contrary contained in this Lease, Lessee shall have the right at any time or times during the Term to enter into subleases, other than to Affiliates, of all or part of the Adjacent Land and/or the Adjacent Improvements, without the consent of, but with notice to, the District for terms not ending not later than the end of the Term. Lessee shall promptly provide the District with a copy of any sublease entered into pursuant to this Section. Any sublease to an Affiliate of Lessee shall require the District's consent. Any assignment, transfer or sublease of all, or any portion, of the leasehold estate created by this Lease, of the Adjacent Land and/or of the Adjacent Improvements shall comply with all applicable requirements specified in Section 28.15(b).

# 18.3 <u>Restructuring of Lessee</u>.

(a) Lessee may cause the assets of Lessee to be contributed or otherwise transferred to a corporation, limited liability company, partnership or other entity which is an Affiliate of Lessee as constituted immediately prior to said transaction, and to assign this Lease in connection with any such transfer, without District's consent, provided that Lessee shall promptly notify District of any such transaction and deliver to District a copy of the instrument whereby the assignee assumes and agrees to perform all Obligations of Lessee under this Lease.

(b) Lessee shall promptly notify District of any change in the ownership, or any other act or transaction, resulting in a change of control of the Lessee.

18.4 <u>Assignment by District</u>. District shall not have the right to assign, delegate, pledge or transfer its rights or Obligations under or its interest in this Lease (or increase burdens on Lessee under this Lease, diminish Lessee's rights under this Lease, increase rights of District under this Lease, or decrease the Obligations of District under this Lease), in whole or in part.

18.5 <u>Assignees</u>. Upon any assignment or sublease pursuant to this Article 18, Lessee and any such assignee or sublessee, in addition to any other consideration that may pass between them in connection therewith, shall be deemed to have covenanted not to make any further assignment or sublease contrary to the provisions of this Article 18. If any assignee of this Lease is not a limited liability company, the representations and warranties by Lessee set forth in Article 18 shall be appropriately modified to take into account the nature of the assignee.

# ARTICLE 19

## **EMINENT DOMAIN**

19.1 <u>Termination for Condemnation</u>. In the event of Condemnation of the whole or any material part of the Stadium, except as set forth in Section 19.4, Lessee shall have the right to terminate this Lease as of the date stated by Lessee in a notice delivered to District prior to the first anniversary of the Condemnation. If this Lease shall terminate pursuant to the provisions of this Section 19.1, all rights, obligations and liabilities of the parties hereto shall end as of the date stated by Lessee, without prejudice to any rights of the parties which have accrued prior to the effective date of such termination. Notwithstanding the foregoing sentence, if this Lease terminates because of a Condemnation, regardless of whether the Lease terminates pursuant to the provisions of this Section 19.1 or as a matter of law, this Article 19 shall survive such termination and the rights and duties of the parties to this Lease shall be as set forth in this Article 19.

#### 19.2 Allocation of Award.

In the event the Land, the Stadium, the Adjacent Improvements or any part thereof (a) shall be acquired by Condemnation, Lessee shall be entitled to receive, and there shall be paid to Lessee, the portion of any award for or on account of such Condemnation which is attributable to Lessee's ownership of the Stadium and the Adjacent Improvements and leasehold interest in the Land, and District shall be entitled to, and there shall be paid to District, the portion of any award for or on account of such Condemnation which is attributable to District's fee simple interest in the Land; provided, however, that (i) if this Lease is terminated pursuant to Section 19.1 and the portion of the award attributable to the Stadium is insufficient to repay Lessee's leasehold loans relating to the construction of the Stadium, then Lessee shall be entitled to receive, and the District shall pay to Lessee, the portion of the award attributable to the District's fee simple interest in the Land to the extent necessary to repay such loans, and (ii) if this Lease is not terminated pursuant to Section 19.1 and the portion of the award attributable to the Stadium is insufficient to restore the Stadium to substantially similar character and economic feasibility in all material respects to the Stadium immediately prior to the Condemnation, then Lessee shall be entitled to receive, and District shall pay to Lessee, the portion of the award attributable to District fee simple interest in the Land to the extent necessary to so restore the Stadium.

(b) Lessee shall have the right to be represented by counsel of its choosing in any Condemnation proceedings.

19.3 <u>Adjustment of Rent and Public Charges if Property Is Partially Condemned</u>. In the event a part of the Land shall be acquired by Condemnation and this Lease is not terminated pursuant to Section 19.1, then the Real Estate Taxes and the Public Charges in respect of the affected part of the Land shall be prorated and paid by Lessee for the period ending on the effective date of the Condemnation and Rent shall be equitably adjusted.

19.4 <u>Temporary Condemnation</u>. This Lease shall not terminate by reason of a temporary Condemnation of the Land, the Adjacent Improvements or the Stadium, or any part thereof, for public use, except as provided in this Section 19.4. In the event of such a temporary

Condemnation, the rights and Obligations of the parties under this Lease shall continue in full force and effect, except that:

(a) any award for such temporary Condemnation, which is attributable to Lessee's ownership of the Stadium and the Adjacent Improvements and leasehold interest created by this Lease or to District's interest in the Land, shall be paid to Lessee.

(b) upon the termination of such temporary Condemnation, Lessee shall restore the affected portion of the Land and/or the Stadium and the Adjacent Improvements to a state substantially equivalent to that which the same was in immediately prior to such temporary Condemnation; and

(c) during any period of a temporary Condemnation (or such longer period as is reasonably necessary to allow Lessee to make suitable alternate arrangements), Lessee shall not be required to perform its Obligations hereunder (including its Obligations under Section 8.2) and shall be entitled to make arrangements for an alternate site for Stadium Events.

Notwithstanding the foregoing, Lessee shall have the right to terminate this Lease as of the last day of any calendar month after the date of a temporary Condemnation of the Stadium that renders the Stadium unable to be used for Games if the remaining period (measured as of the date on which Lessee's termination of this Lease is to be effective) of such temporary Condemnation is reasonably anticipated by Lessee to be more than one hundred twenty (120) days during the Season, or a total of one hundred eighty (180) days at any time, as the case may be.

## ARTICLE 20

#### **COMPLIANCE WITH LEGAL REQUIREMENTS**

Lessee shall operate the Stadium and construct and operate the Adjacent Improvements in compliance with (i) all applicable federal and District of Columbia laws, statutes, ordinances, regulations and rules, including the Americans with Disabilities Act of 1990, as amended (codified at 42 U.S.C. Sections 12.101-12.213 and 47 U.S.C. Sections 225, 611), the Human Rights Act of the District of Columbia, as amended (codified at §2-1401.01 et seq. of the District of Columbia Code), the First Source Employment Act of the District of Columbia, as amended (codified at § 2-219.01 et seq. of the District of Columbia Code)(the "First Source Act"), and the Small, Local, and Disadvantaged Business Development and Assistance Act of the District of Columbia (codified at § 2-218.01 et seq. of the District of Columbia Code)(the "CBE Act"); and (ii) each of the following as amended from time to time: (A) the First Source Employment Agreement with the District of Columbia Department of Employment Services, a copy of which shall be attached hereto as Exhibit E (the "Employment Agreement"), (B) a Memorandum of Understanding with the District of Columbia Department of Small and Local Business Development, a copy of which shall be attached hereto as Exhibit F (the "Memorandum of Understanding") and (C) the Labor Peace Agreement. In the event that it is determined that an Event of Non-compliance has occurred and is continuing with respect to the Lessee under any of the District Agreements, the District may seek enforcement of any right under the applicable District Agreement and seek any available administrative, legal or equitable remedy to obtain specific performance or other relief thereunder;

provided, however, that the occurrence of an Event of Non-compliance shall not be a Lessee Default under Section 13.1 of this Lease.

#### ARTICLE 21

## **EXTERIOR SIGNAGE**

Subject to the limitations imposed by applicable law and regulations, Lessee may design and erect on the outside of the Stadium and on the outside of the Adjacent Improvements, at its own expense all legally permitted signage.

#### ARTICLE 22

#### CONDITIONS

Lessee's Obligation to commence paying Rent hereunder is conditioned upon the attainment of the Rent Commencement Date.

#### ARTICLE 23

## **REPRESENTATIONS AND COVENANTS OF LESSEE**

Lessee represents and warrants as follows, as of the date hereof and at all times from and after the date hereof until the expiration or termination of this Lease:

23.1 <u>Valid Existence</u>. Lessee is duly organized, validly existing, and in good standing under the laws of the State of its formation and is qualified to do business in and in good standing in the District of Columbia. Lessee has full organizational power to own its property and conduct its business as presently conducted.

23.2 <u>Power; No Limitation on Ability to Perform</u>. Lessee has full organizational power and authority to execute and deliver this Lease and to perform all of its Obligations under this Lease. None of Lessee's organic documents nor any applicable law by which Lessee or any of its assets is bound, prohibits Lessee from entering into, or performing its Obligations to be performed under, this Lease and each document, agreement and instrument executed and to be executed by Lessee in connection herewith and all transactions contemplated hereby and thereby. Lessee needs no consents, authorizations or approvals or other actions which have not been duly given, and is not required to give notices or make filings with any governmental authority, regulatory body or other Person in connection with the execution and delivery of this Lease or any other agreement, document or instrument executed and delivered by Lessee in connection herewith which have not been duly given or filed.

23.3 <u>Valid Execution</u>. The execution and delivery of this Lease by Lessee has been duly and validly authorized by all necessary organizational action on behalf of Lessee. This Lease and all other agreements, documents and instruments executed and delivered by Lessee in connection herewith are, and each other agreement, document or instrument to be executed and

delivered by Lessee in connection herewith when executed and delivered on behalf of Lessee will be, valid and binding obligations of Lessee.

23.4 <u>Defaults</u>. The execution, delivery and performance of this Lease and of each agreement, document and instrument executed and delivered by Lessee in connection herewith do not and will not violate or result in a violation of, contravene or conflict with, or constitute a default under, (i) any agreement, document or instrument to which Lessee is a party, (ii) any law, statute, ordinance or regulation applicable to Lessee, (iii) the organic documents of Lessee, or (iv) the Rules and Regulations. All MLS approvals required to be obtained by the Team Operator and/or Lessee in connection with the entering into and performance of this Lease as of the date hereof having been obtained.

23.5 <u>Financial Capacity and Notices of Default Under Leasehold Mortgages</u>. Lessee will, as of September 1, 2015, have sufficient net worth to perform its obligations under this Lease and the Development Agreement, except that Lessee intends to obtain financing and must consummate such financing in order to construct the Stadium and the Adjacent Improvements and perform its other obligations under this Lease and the Development Agreement. Lessee shall inform the District in writing, not later than thirty (30) Business Days, following any material adverse change in its financial condition that would prevent Lessee from performing its obligations under this Lease and the Development. Lessee shall provide District with a copy of any written notice of default received from any leasehold mortgagee promptly following receipt thereof.

23.6 <u>Sole Purpose Nature</u>. Lessee has not conducted and is not conducting and will not conduct any business other than the development, financing, construction, use, subleasing, licensing, operation and maintenance of the Stadium and the Adjacent Improvements. Lessee will be, as of the Possession Date, a Bankruptcy Remote Entity.

23.7 <u>Name</u>. Lessee shall cause the Term Operator at all times to retain the term "DC" or "District" as part of the name of DC United.

23.8 <u>Content Limitation</u>. Lessee shall not permit within the Stadium any advertisement, sponsorship or other promotional activities, including signage, displays or performances, which (a) promote the use or sale of tobacco products, (b) constitute so-called "adult entertainment," (c) promote a lottery as to which the District is not a financial beneficiary, (d) constitute unregulated gambling, or (e) is contrary to any Mayor's Order, regulation or law.

## ARTICLE 24

## **REPRESENTATIONS BY DISTRICT**

District represents and warrants as follows:

24.1 <u>Valid Existence</u>. As of the date hereof and as of the Possession Date, the District is a body corporate of perpetual duration.

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24.2 <u>Power; No Limitation on Ability to Perform</u>. As of the Possession Date, the District has full power and authority to execute and deliver this Lease and to perform all of its Obligations under this Lease. No agreement, instrument or law by which District or any of its assets are bound, prohibit District from entering into, or performing its Obligations to be performed under, this Lease and each document, agreement and instrument executed and to be executed by District in connection herewith, and all transactions contemplated hereby and thereby, District needs no consent, authorization, approval or other action which has not been duly obtained, and is not required to give any notice which has not been duly given or make filings with any governmental authority, regulatory body or other Person in connection with its execution and delivery of this Lease or any other agreement, document or instrument executed and delivered by District in connection herewith which have not been duly filed.

24.3 <u>Valid Execution</u>. As of the Possession Date, the execution and delivery of this Lease by District has been duly and validly authorized by all necessary action on behalf of District. This Lease and all other agreements, documents and instruments executed and delivered by District in connection herewith are valid and binding obligations of the District.

24.4 <u>Defaults</u>. As of the Possession Date, the execution, delivery and performance of this Lease and each agreement, document and instrument executed and delivered and to be executed and delivered by District in connection herewith (a) do not and will not violate or result in a violation of, contravene or conflict with, or constitute a default under, (i) any agreement, document or instrument to which District is a party, (ii) any law, statute, ordinance or regulation applicable to District, and (b) do not and will not result in the creation or imposition of any lien or other encumbrance upon the Land.

## ARTICLE 25

## PRIORITY OF LEASE; NONDISTURBANCE

25.1 <u>Priority of Lease</u>. All rights of the District hereunder shall be prior to any leasehold deeds of trust, collateral assignments and other documents executed by Lessee in connection therewith securing leasehold loans now or hereafter encumbering all or any part of the Land, such that it shall be treated as an "unsubordinated fee".

25.2 <u>Protection of Concessionaires</u>. District hereby covenants and agrees that in the event this Lease is terminated, District will not disturb the rights of any Concessionaire of the Stadium so long as such Concessionaire complies with all of the material terms of its concessions contract, and District, in the exercise of its rights or remedies under this Lease, shall not deprive any Concessionaire of possession or occupancy, or the right of possession or occupancy, of the concession areas and facilities during the term of its concession contract or join any such Concessionaire as a party in any action or proceeding to enforce or terminate this Lease or obtain possession of the concession areas and facilities for any reason. The provisions of this Section 25.2 shall be self-executing but District, upon request by Lessee or any Concessionaire, agree to execute additional documentation to effectuate the provisions of this Section 25.2. The Lessee hereby collaterally assigns to the District all concessionaire agreements so that if this Lease is terminated as to the Stadium and the District becomes a lessor-in-possession, it shall, subject to

any applicable intercreditor agreement, be entitled to collect any amounts due from the Concessionaires thereunder and to enforce the terms of a concessionaire agreement in the event of a default by a Concessionaire.

Protection of Licensees. District hereby covenants and agrees that in the event this 25.3 Lease is terminated, (a) District will not disturb the rights of (i) any organized sports team holding a sublease or license from Lessee that is not then an Affiliate of the Lessee under which said team plays substantially all of its home games at the Stadium (each, and its respective successors and assigns, a "Team Licensee") or (ii) MLS if it exercises its rights under Section 25.6(m), so long as, with respect to any Team Licensee, such Team Licensee complies with all of the material terms of its sublease or license, and (b) District in the exercise of its rights and remedies under this Lease shall not deprive any Team Licensee or MLS of possession or occupancy, or the right of possession or occupancy, of the area of the Stadium covered by its sublease or license during the term thereof or join any Team Licensee or MLS as a party in any action or proceeding to enforce or terminate this Lease or obtain possession of said area for any reason. The provisions of this Section 25.3 shall be self-executing but District, upon request by Lessee, any Team Licensee or MLS, agrees to execute additional documentation to effectuate the provisions of this Section 25.3. The Lessee hereby collaterally assigns to the District all Team Licensee agreements so that if this Lease is terminated as to the Stadium and the District becomes a lessor-in-possession, it shall, subject to any applicable intercreditor agreement, be entitled to collect any amounts due from the Team Licensee thereunder and to enforce the terms of a Team License agreement in the event of a default by the Team Licensee.

Protection of Sublessees. District hereby covenants and agrees that in the event 25.4 this Lease is terminated, District will not disturb the rights of any sublessee or licensee hereunder, so long as such sublessee or licensee complies with all of the material terms of its sublease or license, and District in the exercise of its rights and remedies under this Lease shall not deprive any such sublessee or licensee of possession or occupancy, or the right of possession or occupancy, of the area of the Stadium or the Adjacent Improvements or of the Land covered by its sublease or license during the term thereof or join any such sublessee or licensee as a party in any action or proceeding to enforce or terminate this Lease or obtain possession of said area for any reason. The provisions of this Section 25.4 shall be self-executing but District, upon request by Lessee or any sublessee or licensee, agree to execute additional documentation to effectuate the provisions of this Section 25.4. The Lessee hereby collaterally assigns to the District all sublessee agreements so that if this Lease is terminated as to the Stadium and the District becomes a lessor-in-possession, it shall, subject to any applicable intercreditor agreement, be entitled to collect any amounts due from the Sublessees thereunder and to enforce the terms of a sublessee agreement in the event of a default by a sublessee.

25.5 <u>Protection of Stadium Advertisers</u>. District hereby covenants and agrees that in the event this Lease is terminated, District will not disturb the rights of any Stadium Advertiser who has an advertising contract so long as such Stadium Advertiser complies with all of the material terms of its advertising contract, and District, in the exercise of its rights and remedies under this Lease, shall not deprive any Stadium Advertiser of any advertising in the Stadium to which it is entitled under the terms of its advertising contract. The provisions of this Section 25.4 shall be self-executing, but District, upon request by Lessee or such Stadium Advertiser, agree to execute

additional documentation to effectuate the provisions of this Section 25.5. The Lessee hereby collaterally assigns to the District all Stadium Advertiser advertising agreements so that if this Lease is terminated as to the Stadium and the District becomes a lessor-in-possession, it shall, subject to any applicable intercreditor agreement, be entitled to collect any amounts due from the Stadium Advertisers thereunder and to enforce the terms of an advertising agreement in the event of a default by a Stadium Advertiser.

## 25.6 Protection of Leasehold Mortgagees and MLS.

(a) Lessee shall have the right from time to time and without District's consent to mortgage or otherwise encumber this Lease or the interest of Lessee hereunder, in whole or in part, by leasehold deeds of trust, and to assign, hypothecate or pledge the same to leasehold mortgagees as security for any debt.

(b) The granting of leasehold deeds of trust against (i) the Stadium Land, (ii) the Stadium, (iii) the Adjacent Land, and/or (iv) the Adjacent Improvements, or the exercise of any rights of the leasehold mortgagees under such leasehold deeds of trust shall not operate to make the leasehold mortgagee thereunder liable for performance of any of the covenants or Obligations of Lessee under this Lease. Any such leasehold deeds of trust may be increased by additional leasehold deeds of trust and agreements consolidating the liens of such deeds of trust. Any such leasehold deeds of trust may be permanent or temporary and may be replaced, extended, increased, refinanced, modified, consolidated or renewed. In any and all events any such leasehold deeds of trust shall not encumber the fee estate of the District and any leasehold deeds of trust shall be subject to the provisions of this Lease. In no event shall a leasehold mortgage be granted to a Disqualified Person.

As to any such leasehold deeds of trust, District consents to a provision therein, at (c)the option of the leasehold mortgagee and to the extent agreed by Lessee, (i) for an absolute or conditional assignment to the leasehold mortgagee of amounts, including license payments, rents, subrents, Concessionaire's payments and advertising payments, due or to become due, (ii) for an assignment to the leasehold mortgagee of Lessee's share of the net proceeds from any award or other compensation resulting from a total or partial Condemnation as set forth in Article 19 of this Lease, (iii) for an assignment and conveyance to the leasehold mortgagee of Lessee's right, title and interest in and to the Stadium Land and/or the Adjacent Land, subject to the rights of the District therein upon expiration of the Term or earlier termination of this Lease (whether by lapse of time or otherwise), (iv) for the entry by the leasehold mortgagee into the Stadium during business hours, without notice to District or Lessee, to view the state of the Stadium and/or the Adjacent Improvements, (v) that a default by Lessee under this Lease shall constitute a default under the leasehold deed of trust, (vi) for an assignment to the leasehold mortgagee of Lessee's right, if any, to terminate, cancel, modify, change, supplement, alter or amend the Lease, (vii) for an assignment to the leasehold mortgagee of the ownership interests in Lessee and Lessee's Affiliates owned by Lessee's partners, and (viii) effective upon any default in any such leasehold deed of trust, (A) for the foreclosure of the leasehold deed of trust pursuant to a power of sale, by judicial proceedings or other lawful means and the subsequent sale of the leasehold estate to the purchaser at the foreclosure sale and a sale by such purchaser and/or a sale by any subsequent purchaser, (B) for the appointment of a receiver, irrespective of whether the leasehold mortgagee

accelerates the maturity of all indebtedness secured by the leasehold deed of trust, (C) for the right of the leasehold mortgagee or the receiver to enter and take possession of the Stadium and/or the Adjacent Improvements, to manage and operate the same and to collect the license payments, rents, subrents, Concessionaire's payments and advertising payments, issues and profits there from and to cure any default under the leasehold deed of trust or any Lessee Default, and (D) for an assignment of Lessee's right, title and interest in and to the premiums for or dividends upon any insurance provided for the benefit of any leasehold mortgagee or required by the terms of this Lease, as well as in all refunds or rebates of Public Charges upon or other charges against the Stadium Land, the Adjacent Land, the Adjacent Improvements and/or the Stadium, whether paid or to be paid.

(d) A written notice specifying the name and address of the leasehold mortgagees to which notices shall be sent shall be delivered to District. For the benefit of any leasehold mortgagees who shall have become entitled to notice as provided in Section 25.6(e), District agrees not to accept a voluntary surrender, termination or modification of this Lease at any time while such leasehold deeds of trust shall remain a lien on Lessee's leasehold estate. District and Lessee agree for the benefit of any such leasehold mortgagee that, so long as any such leasehold deed of trust shall remain a lien on Lessee's leasehold estate, District and Lessee will not subordinate this Lease to any deed of trust which may hereafter be placed on the fee of the Stadium Land and/or the Adjacent Land, or amend or alter any terms or provisions of this Lease without securing the written consent thereto of such leasehold mortgagees. No sale or transfer of the Stadium Land, the Adjacent Land, or any part thereof shall terminate this Lease by merger or otherwise so long as the lien of any leasehold deed of trust remains undischarged.

(e) No notice of a Lessee Default shall be deemed to have been given by District to Lessee unless and until a copy thereof shall have been so given (by personal delivery or by certified or registered mail, return receipt requested) to MLS and to each leasehold mortgagee of whom District has been notified (by delivery to District of the notice described in Section 25.6(d) prior to District's issuance of such notice of default). Lessee irrevocably directs that District accept, and District agrees to accept, performance and compliance by MLS or by any such leasehold mortgagee of and with any of the terms of this Lease with the same force and effect as though kept, observed or performed by Lessee and any such performance and compliance shall cause any prior termination or purported termination of this Lease to be withdrawn and void ab *initio*. Nothing contained herein shall be construed as imposing any obligation upon MLS or upon any leasehold mortgagee to so perform or comply on behalf of Lessee. In the event that Lessee receives notice from District of a Lessee Default and such Lessee Default is not cured by Lessee pursuant to the provisions of this Lease, District shall, prior to commencing any judicial proceedings, including summary dispossess proceedings, or taking any other action to obtain possession of the Stadium Land, the Adjacent Land, the Adjacent Improvements and/or the Stadium, in addition to giving the notice to MLS and to each leasehold mortgagee provided pursuant to the first sentence of this Section 25.6(e), give a second notice of the failure to cure on the part of Lessee to MLS and to each leasehold mortgagee at the expiration of the period within which Lessee may cure as set forth in this Lease, and MLS or any leasehold mortgagee may proceed to cure any such failure. In the event that breach or default on the part of Lessee arises by virtue of a failure to pay Rent, or Public Charges when due, and such breach is not cured by Lessee pursuant to the provisions of this Lease, MLS or any leasehold mortgagee may cure such breach by payment thereof, with interest thereon at the Interest Rate, within thirty (30) days after the receipt of the second notice herein set forth.

(f) A leasehold mortgagee shall have the unrestricted right to take this Lease by assignment in lieu of foreclosure and to sell it either after foreclosure or after taking the assignment, all without the consent of District.

(g) Each of MLS and any leasehold mortgagee may, at its option (but shall have no obligation to), do any act or thing necessary and proper hereunder to prevent such termination of this Lease, and any act or thing so done shall be as effective to prevent such termination of Lessee's rights hereunder as if done by Lessee, and such leasehold deed of trust may provide that, as between any such leasehold mortgagee and Lessee, such leasehold mortgagee on making good any Lessee Default shall thereby be subrogated to any and all rights of Lessee under the provisions of this Lease.

(h) Any party, including MLS or a leasehold mortgagee or the assignee or designee of such leasehold mortgagee, that becomes the owner of or acquires any interest in this Lease pursuant to foreclosure and sale or by assignment, may sell, assign, transfer or otherwise dispose of this Lease or such new lease or its interest in this Lease or in such new lease without the necessity of obtaining the prior consent of District.

(i) Any right or remedy which is expressly granted in this Lease allowing Lessee to terminate this Lease shall be conditioned on the approval by MLS and all leasehold mortgagees of such termination.

(j) In order to enable Lessee to secure financing for the purchase of fixtures, equipment, and other personalty to be located on the Stadium Land and or the Adjacent Land or in the Stadium and or the Adjacent Improvements, whether by security agreement and financing statement, chattel mortgage or other form of security instrument, District will from time to time, upon request, execute and deliver a waiver of its "landlord's" or other statutory or common law liens securing payment of Rent or performance of Lessee's other covenants under this Lease.

(k) If this Lease is rejected, in connection with any proceedings brought under the present or any future Federal Bankruptcy Code or any similar law or statute of the United States or any State thereof, by Lessee or a trustee in bankruptcy for Lessee, such rejection shall be deemed an assignment by Lessee to the leasehold mortgagee (or if there is more than one leasehold mortgagee, to the one whose lien is highest in priority) of Lessee's entire interest in this Lease, and this Lease shall not terminate and the leasehold mortgagee shall have all of the rights of the leasehold mortgagee under this Article 25 as if such bankruptcy proceeding had not occurred, unless such leasehold mortgagee shall reject such deemed assignment by notice in writing to District within thirty (30) days following rejection of this Lease by Lessee or Lessee's trustee in bankruptcy. If the leasehold mortgagee shall reject the deemed assignment within the aforesaid thirty (30) day period, or if any court of competent jurisdiction shall determine that this Lease shall have been terminated notwithstanding the provisions of the preceding sentence as a result of a rejection by Lessee or the trustee in connection with any such proceeding, the rights of any

leasehold mortgagee to a new lease from District pursuant to Section 25.6(1) shall not be affected thereby.

If this Lease is terminated by reason of a Lessee Default, or by reason of the (1)rejection or disaffirmance of the Lease by Lessee or any trustee in connection with any proceedings brought under the present or any future Federal Bankruptcy Code or any similar law or statute of the United States or any State thereof, or for any other reason, District shall give notice of such termination to MLS and to each leasehold mortgagee under any leasehold deed of trust which at the time constitutes a leasehold mortgage lien on the Land and of which District has received written notice pursuant to Section 25.6(d), and upon written request of MLS or the leasehold mortgagee that holds a first leasehold deed of trust (or if it declines to make such request, then each other leasehold mortgagee, in the order of priority of their respective leasehold deeds of trust, shall have the right to make such request and if both MLS and any leasehold mortgagee make such a request, the request of the applicable leasehold mortgagee shall be treated as superior) made at any time within sixty (60) days of the giving of such notice, and provided all defaults which are capable of being cured by the leasehold mortgagee or MLS, as applicable, shall have been cured within the applicable periods of time above set forth or such additional sixty (60) day period, Landlord shall execute and deliver a new lease to MLS or to said leasehold mortgagee or its nominee, at the same rental and for a term equal to the unexpired portion of the Term of this Lease and otherwise containing the same covenants, conditions, limitations and agreements herein contained, which new lease shall be substituted for and relate back to this Lease in all respects, to the end that as between District and the tenant under such new lease, it shall be as though this Lease had been assigned to and assumed by such new tenant. Simultaneously with the making of any new lease pursuant to this Section 25.6(1), the party obtaining such new lease and all other parties junior in priority of interest in the Land shall execute, acknowledge and deliver such new instruments and shall make such payments and adjustments among themselves as shall be necessary and proper for the purpose of restoring to each of such parties, as nearly as reasonably possible, the respective interest and status with respect to the Land which was possessed by it prior to the termination of this Lease as aforesaid. If any leasehold mortgagee or its designee shall acquire a new lease pursuant to this Section 25.6(1) and if, upon such termination of this Lease, Lessee, but for such termination, would have been entitled to receive any amount pursuant to the provisions of this Lease, then District agrees that the same shall be paid to the lessee under the new lease, in the same manner and to the same extent as it would have been paid if applied to or for the benefit of Lessee if this Lease had not terminated. Nothing herein contained in this Lease shall require MLS or any leasehold mortgagee or its designee, as a condition to its exercise of its right to enter into a new lease pursuant to this Section 25.6(1), to cure any default of Lessee not reasonably susceptible of being cured by such leasehold mortgagee or its designees, in order to comply with the provisions of this Section 25.6(1). If more than one leasehold mortgagee shall request a new lease pursuant to this Section 25.6(1), District shall enter into such new lease with the leasehold mortgagee (or its designee) whose leasehold deed of trust is prior in lien.

(m) The parties agree that in the event (i) of a default or breach of this Lease by Lessee, or (ii) the MLS Operating Agreement is terminated by MLS, then MLS shall have the right (but not the obligation) to assume all of the rights, benefits and obligations of the Lessee pursuant to this Lease by providing written notice to the District at any time within, in the case of clause (i), one hundred eighty (180) days of the date upon which the District would be legally permitted to

terminate this Lease in accordance with its terms or, in the case of clause (ii), ninety (90) days of the termination of the MLS Operating Agreement, and the District shall not attempt to terminate this Lease or exercise any other remedy against Lessee that would prevent Lessee from using or possessing the leasehold estate created under this Lease in accordance with the terms of this Lease until the expiration of the period in clause (i) or (ii), as applicable. The District shall provide MLS with written notice of any event of default or breach hereunder. MLS' step-in period shall, as described in clauses (i) and (ii) above, commence upon its receipt of notice and after conclusion of any cure period available to Lessee. Nothing in this Section 25.6(m) shall limit or restrict the District's right to pursue any remedies that may be available to the District under any other applicable agreement between the District and Lessee.

#### ARTICLE 26

## **ESTOPPEL CERTIFICATES**

Each party to this Lease agrees that, at any time and from time to time upon not less than ten (10) Business Days' prior request by any other party to this Lease or any leasehold mortgagee, it will execute, acknowledge and deliver to the requesting party a statement in writing certifying (a) that this Lease is unmodified and in full force and effect (or, if there have been modifications, that the same are in full force and effect as modified and identifying the modifications), (b) the dates to which the Rent and other charges have been paid, and (c) that, so far as it knows, the requesting party (or the Lessee in the case of a request by a leasehold mortgagee) is not in default under any provisions of this Lease or, if there has been a default or defaults, the nature of said default or defaults.

## ARTICLE 27

#### EMPLOYMENT OF DISTRICT RESIDENTS AND UTILIZATION OF CBES

27.1 <u>First Source</u>. Unless the First Source Act requires a higher percentage, from and after the Completion Date, at least fifty-one percent (51%) of the jobs at the Stadium (ticket takers, guest services, ushers, food service, etc.) will be held by District residents. In determining the total number of jobs at the Stadium for purposes of this Section, DC United's players, senior coaches, senior training staff and front office management shall not be included. The parties agree that the foregoing shall be incorporated into the Employment Agreement. From and after the Rent Commencement Date, Lessee shall submit such reports as the District may from time-to-time require regarding the employment of District residents at the Stadium in accordance with this Section.

27.2 <u>CBEs</u>. Unless the CBE Act requires a greater percentage and subject to all applicable requirements of the First Source Act and its implementing regulations, Lessee shall use its best efforts to award at least thirty-five percent (35%) by value of all operational contracts for the Stadium (i.e., janitorial, food service, security, etc.) to CBEs. The parties agree that the foregoing shall be incorporated into the Memorandum of Understanding. From and after the Rent Commencement Date, Lessee shall submit such reports as the District may from time-to-time

require regarding value of contracts awarded to CBEs (generally and by type of certification) in connection with the operation of the Stadium.

#### ARTICLE 28

## MISCELLANEOUS

28.1 <u>Amendment; Waiver</u>. No alteration, amendment or modification hereof shall be valid unless set forth in writing by an instrument in recordable form and executed by the parties hereto with the same formality as this Lease, which instrument shall be recorded, at the request of any party, in the land records of the District of Columbia. The failure of Lessee or District to insist in any one or more instances upon the strict performance of any of the covenants, agreements, terms, provisions or conditions of this Lease or to exercise any election herein contained, shall not be construed as a waiver or relinquishment for the future of such covenant, agreement, term, provision, condition, election or option, but the same shall continue and remain in full force and effect. No waiver by Lessee or District of any covenant, agreement, term, provision or condition behalf of Lessee or District. The payment by any party to this Lease of sums due and payable hereunder, with knowledge of the breach of any covenant, agreement, term, provision or condition herein contained, shall not be deemed to have been made unless expressed in writing and signed by an appropriate official on behalf of Lessee or District. The payment by any party to this Lease of sums due and payable hereunder, with knowledge of the breach of any covenant, agreement, term, provision or condition herein contained, shall not be deemed a waiver of such breach.

28.2 <u>Consent</u>. Unless otherwise specifically provided herein, no consent or approval by Lessee or District permitted or required under the terms of this Lease shall be of any validity whatsoever unless the same shall be in writing, signed by the party by whom or on whose behalf such consent is given.

28.3 <u>Severability</u>. Save and excepting Article 29, if any article, section, subsection, term or provision of this Lease or the application thereof to any party or circumstance shall, to any extent, be held invalid or unenforceable, the remainder of the article, section, subsection, term or provision of this Lease or the application of the same other than such applications as are held invalid or unenforceable shall not be affected thereby and each remaining article, section, subsection, subsection, term or provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.

28.4 <u>Covenant of Quiet Enjoyment</u>. District covenants that if, and so long as, Lessee keeps and performs each and every covenant, agreement, term, provision and condition of this Lease on the part and on behalf of Lessee to be kept and performed, Lessee shall quietly enjoy its rights under this Lease without hindrance or molestation by District or any other Person, subject to the covenants, agreements, terms, provisions and conditions of this Lease and Permitted Encumbrances. All covenants contained in this Lease shall be deemed dependent covenants, such that the failure of one party to perform a covenant hereunder shall relieve the other party of its obligations to perform its covenants hereunder.

28.5 <u>Prorations</u>. Any prorations to be made under this Lease shall be computed on the basis of a Rent Year or calendar year, as the case may be, containing three hundred sixty-five (365) days.

28.6 <u>Terms</u>. The singular includes the plural, and vice versa, and the masculine, feminine and neuter adjectives and pronouns include one another to the extent that the context clearly requires.

28.7 <u>Captions</u>. The captions of articles and sections are for convenient reference only and shall not be deemed to limit, construe, affect, modify or alter the meaning of such articles or sections.

28.8 <u>Binding Effect</u>. Each of the provisions of this Lease shall be binding upon and inure to the benefit of District and Lessee, and their respective permitted successors and assigns.

28.9 <u>Lease Contains All Terms</u>. All of the representations, agreements, understandings and obligations of the parties are contained herein and in the Exhibits attached hereto and in any and all other documents referred to herein and in the Development Agreement. Without limiting the generality of the foregoing, this Lease (including its Exhibits) and the other documents referred to herein supersede in its entirety the Term Sheet dated July 25, 2013 between the District and the Team Operator. District shall not be required to provide any services or any other thing in support of the Stadium or the Adjacent Improvements except as set forth herein or in the Development Agreement or in other agreements or as required by law.

28.10 <u>No Relationship of Parties</u>. Nothing contained in this Lease shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent, partnership, joint venture or any association between District and Lessee.

28.11 <u>Notices</u>. All notices, demands and requests and other communications required or permitted under this Lease shall be in writing, and shall be deemed to be delivered when actually received or, if earlier and regardless of whether actually received or not, five (5) days after deposit in a regularly maintained receptacle for the United States mail, registered or certified, postage prepaid, or the next Business Day if sent by a nationally recognized overnight courier service, addressed to the addressee as follows:

For District:	The District of Columbia			
	1350 Pennsylvania Avenue, N.W.			
R	Suite 317			
	Washington, D.C. 20004			
	Attn: Deputy Mayor for Planning and Economic			
T 12	Development			
With a copy to:	Office of the Deputy Mayor for Planning and			
	Economic Development			
10 72	1350 Pennsylvania Avenue, N.W.			
	Suite 317			
	Washington, D.C. 20004			
	Attn: General Counsel			
For Langes	DC Stadium LIC			

For Lessee:

DC Stadium LLC

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c/o DC United 2400 East Capitol Street, S.E. Washington, D.C. 20003 Attention: Jason Levien

and to:

DC United 2400 East Capitol Street, S.E. Washington, D.C. 20003 Attention: Tom Hunt

With a copy to:

Arent Fox LLP 1717 K Street, N.W. Washington, D.C. 20036 Attention: Richard A. Newman, Esq.

Any party may from time to time by written notice given to the other parties pursuant to the terms of this Section 28.11 change the address to which notices shall be sent.

28.12 <u>Applicable Law</u>. This Lease has been prepared in the District of Columbia and shall be governed in all respects by the laws of the District of Columbia.

28.13 <u>Cross-References</u>. Any reference in this Lease to a Recital, Section, Article or Exhibit is a reference to a recital, section, article or exhibit, as appropriate, of this Lease, unless otherwise expressly indicated.

28.14 Transmittal to Council; Effective Date.

(a) The Parties acknowledge and agree that this Lease shall not become effective unless the following requirements have been satisfied: (i) the Lease is transmitted to the Council no fewer than thirty (30) days before the effective date for the Lease specified in the transmittal letter to the Council; and (ii) the Council does not disapprove this Lease prior to the specified effective date. The date on which the foregoing requirements have been satisfied shall be the Effective Date. This Lease shall be a legally binding agreement, in full force and effect, as of the Effective Date.

(b) Promptly following the Effective Date, the District shall execute and deliver to Lessee a certification regarding the satisfaction of the requirements specified in Section 28.14(a).

(c) If the Council disapproves this Lease, the Parties agree that this Lease and the Development Agreement and the negotiations surrounding them shall not create or give rise to any contractual or other legally enforceable rights, obligations or liabilities of any kind on the part of either the District or Lessee.

(d) The Parties acknowledge that the Original Lease is being amended and restated by this Lease and does not bind the Parties and is and shall be of no force and effect whatsoever.

28.15 <u>Labor Peace Agreement</u>. Notwithstanding any other provision of this Lease or the Development Agreement to the contrary, Lessee covenants and agrees:

(a) To enter into one or more labor peace agreements that conform in content to the requirements set forth in Section 4 of the *District Hotel Development Projects Labor Peace Agreement Act of 2002*, D.C. Law 14-266, (codified at D.C. Official Code § 32-851) with each labor organization that requests a labor peace agreement and which represents, or reasonably might represent, food service or concession workers at the Stadium, workers in any hotel development located on the Adjacent Land, or any group or subgroup of such workers (collectively, the "Labor Peace Agreement" copies of which will be attached at <u>Exhibit K</u>).

(b) to require, as a condition of any assignment, sublease, or transaction of any kind transferring, in whole or in part, any rights under the Development Agreement and/or this Lease to any other entity, that such assignee, sublessee, transferee, or other entity:

(i) Adopt and execute the Labor Peace Agreement entered into by DC Stadium LLC pursuant to paragraph (a) and/or, to enter into a labor peace agreement with any labor organization(s) that represent, or reasonably might represent, workers described in paragraph (a); and

(ii) Require adoption and execution of the Labor Peace Agreement and compliance with the requirements of Section 28.16(a) by any future assignee, sublessee, transferee, or other entity as a condition of any future assignment, sublease, transfer, agreement, or transaction of any kind transferring, in whole or in part, any rights under the Development Agreement or this Lease; and

(iii) To entitle any labor organization that has entered into, or has requested to enter into, a labor peace agreement under paragraph (a) of this Section 28.15 to enforce the obligations described in paragraph (a) and paragraph (b) as a third-party beneficiary of the contractual provisions described therein, by filing a civil action in the Superior Court of the District of Columbia seeking declaratory and other equitable relief.

28.16 <u>Accord and Satisfaction</u>. Payment by any party hereto, or receipt or acceptance by a receiving party, of any payment due hereunder in an amount less than the amount required to be paid hereunder shall not be deemed an accord and satisfaction, or a waiver by the receiving party of its right to receive and recover the full amount of such payment due hereunder. Notwithstanding any statement to the contrary on any check or payment or on any letter accompanying such check or payment, the receiving party may accept such check or payment without prejudice to the receiving party's right to recover the balance of such payment due hereunder due hereunder or to pursue any other legal or equitable remedy provided in this Lease.

28.17 <u>No Merger</u>. There shall be no merger of this Lease and the leasehold estate hereby created with the fee estate or the Stadium Land, the Adjacent Land, the Adjacent Improvements and the Stadium or any part thereof by reason of the fact that the same person, firm, corporation or other legal entity may acquire or hold, directly or indirectly, this Lease or the leasehold estate and

the fee estate in the Stadium Land, the Adjacent Land, the Adjacent Improvements and the Stadium or any interest in such fee estate.

28.18 <u>Further Assurances</u>. Lessee and District shall execute, acknowledge and deliver, after the date hereof, without additional consideration, such further assurances, instruments and documents, and shall take such further actions, as District or Lessee shall reasonably request of the other party in order to fulfill the intent of this Lease.

28.19 <u>Community Benefits Undertakings</u>. The Lessee acknowledges a civic responsibility to be a good "corporate citizen" and to that end agrees to make the Stadium available to the District subject to availability and to an undertaking to reimburse it for all applicable incremental costs of operation, for events such as intramural D.C. Public School Soccer finals games. The Parties agree that the Stadium shall be made available under this Section 28.19 not less than three (3) times per calendar year, provided that the scheduling of such events shall not interfere with scheduling of other events by Lessee or scheduled facility maintenance. Lessee will also require that all concessionaires and sponsors conduct themselves in a manner consistent with the D.C. Human Rights Act, the First Source Act and the CBE Act, whether or not otherwise applicable to them. Lessee will also encourage Team players to make public appearances and participate in youth sports events throughout the District.

28.20 <u>No Third Party Beneficiary</u>. Except as provided in Article 25 and Section 28.15(b)(iii), the provisions of this Lease are for the exclusive benefit of the parties hereto and not for the benefit of any third Person nor, except as provided in Article 25, shall this Lease be deemed to have conferred any rights, express or implied, upon any third Person unless otherwise expressly provided for herein; <u>provided</u>, <u>however</u>, that MLS is hereby acknowledged as an intended third party beneficiary of this Lease and may exercise any rights expressly conferred upon MLS by this Lease (including the rights conferred by Section 25.6).

28.21 <u>Counterparts</u>. This Lease may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

28.22 <u>Community Benefits</u>. Lessee covenants and agrees that Lessee shall assist and cooperate with the District on the following initiatives under this Lease following the Substantial Completion of the Stadium:

(a) The implementation by the District of the Convention Center – Southwest Waterfront corridor as described in the "DC Circulator 2014 Transit Development Plan Update" dated September 2014.

(b) The implementation by the District of a workforce intermediary program to connect residents of ANC6D with employment during the first two (2) years after the Rent Commencement Date.

Lessee acknowledges that under its current community benefits agreement it has agreed to continue to conduct quarterly training events for school age children to promote soccer. Lessee agrees that all such training and other events to promote and encourage soccer under the

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community benefits agreement and all other philanthropic activities of Lessee and the Team Operator shall be offered equally to girls and women without discrimination as to gender. Lessee agrees to provide to the District such reports and other information regarding such training and other events as the District shall reasonably request.

28.23 Interest of Members of or Delegates to Congress. No member of or delegate to the Congress of the United States of America, shall be admitted to any share or part hereof or to any benefit arising herefrom. If any partner or Person having an interest in Lessee, directly or indirectly, shall become a member of or a delegate to Congress, his or her interest in Lessee shall automatically become and be null and void; provided, however, that this provision shall not limit, except as otherwise provided in this Lease, the right of any such person to dispose of such interest prior to his or her acceptance of any such office, which acceptance shall be deemed to have occurred at the taking of any required oath of office.

28.24 <u>Finality of Approvals</u>. Where, pursuant to this Lease, any document of or proposed action by Lessee is submitted by it to District, and Lessee has been notified in writing by District that the same is approved or is satisfactory, such determination shall be deemed to be a final determination by District with respect to such particular document or proposed action for all purposes; provided, however, such approval shall not be construed as being, or relied upon as, a determination that the applicable document or proposed action complies with applicable law or regulation, including, without limitation, any laws, regulations or codes which provide for the review and approval of the document or proposed action by any governmental authority (other than the District for the limited purpose provided herein).

28.25 <u>Agreement Made in District</u>. This Lease shall be taken and deemed to have been fully made and executed by the parties to this Lease in the District of Columbia for all purposes and intents.

28.26 <u>Sole Obligations of District</u>. The parties hereby agree that the provisions of this Lease and the Development Agreement shall be and are the sole obligation of the District with respect to the Land.

28.27 <u>Anti-Deficiency Limitations</u>. The following limitations exist as to each and every purported obligation of District set forth in this Lease, whether or not expressly conditioned:

(a) The obligations of the District to fulfill financial obligations pursuant to this Lease or any subsequent agreement entered into pursuant to this Lease or referenced herein (to which the District is a party) are and shall remain subject to the provisions of (i) the federal Anti-Deficiency Act, 31 U.S.C. §§ 1341, 1342, 1349-1351 and 1511-1519 (2004) (the "Federal ADA"), and D.C. Official Code §§ 1-206.03(e) and 47-105 (2001); (ii) the District of Columbia Anti-Deficiency Act, D.C. Official Code §§ 47-355.01 – 355.08 (2004 Supp.) (the "D.C. ADA" and (i) and (ii) collectively, as amended from time to time, the "Anti-Deficiency Acts"); and (iii) § 446 of the District of Columbia Home Rule Act, D.C. Official Code § 1-204.46 (2001). Pursuant to the Anti-Deficiency Acts, nothing in this Lease shall create an obligation of the District in anticipation of an appropriation by Congress for such purpose, and the District's legal liability for the payment

of any of its Obligations under this Lease shall not arise or obtain in advance of the lawful availability of appropriated funds for the applicable fiscal year as approved by Congress.

District agrees to exercise in a timely manner all lawful authority (including (b) seeking appropriations) available to it to satisfy the financial obligations of the District that may arise under this Lease. During the term of this Lease, the Mayor of the District of Columbia shall include in the budget application submitted to the Council for each fiscal period the amount necessary to fund the District's known potential financial obligations (including a reserve for contingencies as reasonably determined by District) under this Lease for such fiscal period. In the event that (i) a request for such appropriations is excluded from the budget approved by the Council and submitted to Congress by the President for the applicable fiscal year, or if no appropriation is made by Congress to pay for District's Obligations under this Lease for any period after the fiscal year for which appropriations have been made, and (ii) appropriated funds are not otherwise lawfully available for such purposes, the District will not be liable to make any payment under this Lease upon the expiration of any then-existing appropriation, the District shall promptly so notify Lessee and the District will not be liable to make any payment under this Lease upon the expiration of any then-existing appropriation and Lessee may fund any non-appropriated amount and offset the same against Additional Rent in accordance with Section 6.4, provided that, while non-appropriation shall discharge the District from the obligation to make a payment otherwise required of it under this Lease, any such failure to make a payment shall nonetheless be treated as a District Default and Lessee shall be entitled to exercise any and all remedies available to it under this Lease as a consequence of such District Default except remedies seeking to compel such expenditure.

(c) Notwithstanding the foregoing, no officer, employee, director, member or other natural person or agent of the District shall have any personal liability in connection with the breach of the provisions of this Section or in the event of a District Default.

(d) This Lease shall not constitute an indebtedness of the District nor shall it constitute an obligation for which the District is obligated to levy or pledge any form of taxation or for which the District has levied or pledged any form of taxation. No District of Columbia official or employee is authorized to obligate or expend any amount under this Lease unless such amount has been appropriated by the Council and by Act of Congress and is lawfully available.

(e) It is specifically understood and agreed that a failure to obtain appropriated funds in accordance with, and subject to the requirements of, this Section 28.27 shall not constitute a District Default.

## ARTICLE 29

#### MLS SUPREMACY

(a) Anything to the contrary notwithstanding herein contained, this Lease and the obligations of the Lessee hereunder and under any agreement referred to herein shall be and are in all respects subordinate to the Rules and Regulations, as amended from time to time.

#### AFDOCS/5941392.39

(b) In the event that the rights or remedies of the District under this Lease are materially impaired as a result of the application of foregoing provision, the amount of Rent payable by Lessee hereunder shall be equitably adjusted so as to compensate the District for such increased risk as such impairment may cause.

IN WITNESS WHEREC	)F, the District of C	Columbia has caused this Lease to be executed in		
its corporate name by	, its	, and attested by		
, its		, and its seal to be hereunto affixed and		
does hereby constitute and appoint		, its true and lawful Attorney-in-Fact		
for it and in its name to acknow	ledge and deliver	this Lease as its act and deed.		

ATTEST:

## DISTRICT:

DISTRICT OF COLUMBIA, a municipal corporation

By:			By:	
	Name:			Name:
	Title:	je il		Title:

# APPROVED FOR LEGAL SUFFICIENCY:

Office of the General Counsel for the Deputy Mayor for Planning and Economic Development

By:

Susan C. Longstreet, Esquire General Counsel IN WITNESS WHEREOF, DC Stadium LLC has caused this Lease to be executed by \_\_\_\_\_\_\_, which is the \_\_\_\_\_\_\_\_ of DC Stadium LLC, and attested by \_\_\_\_\_\_\_, Secretary of DC Stadium LLC, and its seal to be hereunto affixed and does hereby constitute and appoint \_\_\_\_\_\_\_ its true and lawful Attorney-in-Fact for it and in its name to acknowledge and deliver this Lease as its act and deed.

ATTEST:

LESSEE:

DC STADIUM LLC, a Delaware limited liability company

By:

By:

Secretary

President

AFDOCS/5941392.39

## DISTRICT OF COLUMBIA, SS.

I, \_\_\_\_\_\_, a Notary Public in and for the District of Columbia, do hereby certify that \_\_\_\_\_\_, who is personally well known (or satisfactorily proven) to me to be the person named as \_\_\_\_\_\_\_ of the District of Columbia, a municipal corporation, in the foregoing Lease, bearing date as of the \_\_\_\_\_ day of \_\_\_\_\_\_, 20\_\_\_, and hereto annexed, personally appeared before me in the said District of Columbia and acknowledged the same to be the act and deed of the District of Columbia, for the purposes therein contained.

WITNESS my hand and seal this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Notary Public

My commission expires:

## DISTRICT OF COLUMBIA, SS.

I, \_\_\_\_\_\_, a Notary Public in and for the District of Columbia, do hereby certify that \_\_\_\_\_\_, who is personally well known (or satisfactorily proven) to me to be the person named as President of DC STADIUM LLC, a Delaware limited liability company, in the foregoing Lease, bearing date as of the \_\_\_\_\_\_ day of \_\_\_\_\_\_, 20\_\_\_, and hereto annexed, personally appeared before me in the said District of Columbia and acknowledged the same to be the act and deed of DC Stadium LLC for the purposes therein contained.

WITNESS my hand and seal this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_.

Notary Public

My commission expires:

## Exhibit A

AS TO TRACT ONE (Lot 7 in Square 605);

Lot Seven (7) in Square numbered Six Hundred Five (605) in a subdivision made by Washington Deliveries, Inc. as per plat recorded in Liber No. 159 at Folio 10 among the Land Records of the Office of the Surveyor of the District of Columbia.

AND BEING the same property conveyed unto Rollingwood Real Estate, LLC, a Delaware limited liability company, from Enrique Lyon, by that certain Special Warranty Deed dated February 7, 2011 and recorded February 8, 2011 as Document No. 2011016719 among the Land Records of the District of Columbia.

AS TO TRACT TWO (Lot 802 in Square 605):

Original Lots Numbered One (1), Two (2) and Six (6) in Square Numbered Six Hundred Five (605) in the District of Columbia.

Also, parts of Original Lots Numbered Three (3) and Five (5) in Square Numbered Six Hundred Five (605), described as follows:

Beginning for the same at the Southeast corner of said Original Lot numbered Three (3) and running thence West along South line of said Lot to a point 46.54 feet, more or less, the said point being the Southeast corner of the property conveyed to Patroon Operating Corp., a New York Corporation, by deed dated October 27, 1954 and recorded November 19, 1954 as Instrument No. 41301 among the Land Records of the District of Columbia; thence North along the Easterly line of the property conveyed to said Patroon Operating Corp., by deed recorded November 19, 1954 as Instrument No. 41301 among the Land Records of the District of Columbia aforesaid 202.05 feet, more or less, to thw South side of Potomac Avenue; thence Northeasterly along Potomac Avenue 15.87 feet more or less, to the most Northerly line of Original Lot Numbered Five (5) in Square numbered Six Hundred Five (605); thence Southeasterly along the West side of Original Lot numbered six (6) in said Square numbered Six Hundred Five (605), 61.17 feet to the Northwest corner of Original Lot numbered Two (2) in Square numbered Six Hundred Five (605), thence along the West line of said Original Lot numbered Two (2) in Said Square numbered Six Hundred Five (605) aforesaid. 150 feet to the beginning.

4/28/2015

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Now known for Assessment and Taxation purposes as Lot Numbered Eight Hundred Two (802) in Square Numbered Six Hundred Five (605).

AND BEING the same property conveyed unto Super Salvage, Inc., a Delaware corporation, from Alice C. Hoen (f/k/a Alice Taplin Crane) and husband, Ralph Hoen, and Barbara C. Mier (f/k/a Barbara Lee Crane) and husband, John Mier, and Jean C. Carl (f/k/a Jean Hardell Crane) and husband, Donald K. Carl, by that certain Deed dated December 28, 1959 and recorded March 11, 1960 in Liber 11391 at folio 549, as Instrument No. 6431, among the Land Records of the District of Columbia.

#### AS TO TRACT THREE (Lot 805 in Square 661):

Part of Lot Numbered Seventy-three (73) in Square Numbered Six Hundred Sixtyone (661), in a subdivision made by the Potomac Electric Power Company, as per plat recorded in the Office of the Surveyor for the District of Columbia in Liber 152 at folio 55.

Now known for Assessment and Taxation purposes as Lot Numbered Eight Hundred Five (805) in Square Numbered Six Hundred Sixty-one (661).

AND BEING part of the same property conveyed unto Potomac Electric Power Company from Christian Heurich, Jr., Beverly P. Heurich, Anita Heurich Eckles, Charles E. Eckles, Karla H.K. Harrison (formerly Karla Heurich King) and Eugene L. Harrison, by that certain Deed dated August 12, 1966 and recorded September 15, 1966 in Liber 12667 at folio 625 among the Land Records of the District of Columbia.

#### AS TO TRACT FOUR (Lot 804 in Square 661):

Part of Lot Numbered Seventy-three (73) in Square Numbered Six Hundred Sixtyone (661), in a subdivision made by the Potomac Electric Power Company, as per plat recorded in the Office of the Surveyor for the District of Columbia in Liber 152 at folio 55.

Now known for Assessment and Taxation purposes as Lot Numbered Eight Hundred Four (804) in Square Numbered Six Hundred Sixty-one (661).

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AND BEING part of the same property conveyed unto Potomac Electric Power Company from Christian Heurich, Jr., Beverly P. Heurich, Anita Heurich Eckles, Charles E. Eckles, Karla H.K. Harrison (formerly Karla Heurich King) and Eugene L. Harrison, by that certain Deed dated August 12, 1966 and recorded September 15, 1966 in Liber 12667 at folio 625 among the Land Records of the District of Columbia.

#### AS TO TRACT FIVE (Lot 13 in Square 607):

Lot Numbered Thirteen (13) in Square Numbered Six Hundred Seven (607), per plat recorded in Book 152 at page 52 in the Office of the Surveyor for the District of Columbia.

AND BEING part of the property conveyed unto SW Land Holder, LLC, a Delaware limited liability company, from Potomac Electric Power Company, a District of Columbia and Virginia corporation, by that certain Special Warranty Deed dated August 25, 2005 and recorded August 26, 2005 as Document No. 2005120010 among the Land Records of the District of Columbia.

#### AS TO TRACT SIX (Lot 24 in Square 665):

Lot Numbered Twenty-four (24) in Square Numbered Six Hundred Sixty-five (665) in a subdivision made by the Potomac Electric Power Company, as per plat recorded in the Office of the Surveyor for the District of Columbia in Liber 152 at folio 164.

AND BEING part of the property conveyed to Potomac Electric Power Company in the following deeds:

Liber 12667, at folio 625, Instrument No. 29905; Liber 6660, at folio 254, Instrument No. 13237; Liber 6660, at folio 254, Instrument No. 13237; Liber 6660, at folio 255, Instrument No. 13238; Instrument No. 14063; Liber 6722, at folio 516, Instrument No. 5319; Liber 6718, at folio 13, Instrument No. 3426; Liber 6718, at folio 14, Instrument No. 3427;

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and per the following plats:

Liber 98, at folio 45; Liber 152, at folio 154.

NOTE: A metes and bounds description of all of the property described in this Exhibit "A" must be furnished to the Company.

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All of that certain lot or parcel of land situated, lying and being in the District of Columbia, and being more particularly described as follows:

AS TO PARCEL A (Lot 800 in Square North of 661):

Being U.S. Reservation 244 in the District of Columbia bounded on the east by Half Street, S.W., on the south by R Street, S.W., and on the north and west by Potomac Avenue, S.W.; jurisdiction of said reservation having been transferred from the National Park Service to the District of Columbia for highway purposes on January 11, 1944 as shown on a Plat of Subdivision recorded in Subdivision Book 120 at Page 24 among the Records of the Office of the Surveyor for the District of Columbia; said land being more particularly described as follows:

Beginning for the same at a point within R Street, S.W. (85 feet wide), said point lying distant the following two (2) courses and distances from the northeast corner of Square 661, North, 67.5 feet; thence East 15.0 feet; thence running within and parallel to said R Street, S.W.

- 1. Due West, 284.31 feet to a point within Potomac Avenue, S.W. (160 feet wide); thence running within and parallel to said Potomac Avenue, S.W.
- 2. North 62° 30' 00" East, 320.52 feet to a point within Half Street, S.W. (80 feet wide); thence running within and parallel to said Half Street, S.W.
- 3. Due South, 148.00 feet to the point of beginning.

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Containing a computed record area of 21,039 square feet or 0.48299 of an acre of land, more or less.

Now known for Assessment and Taxation purposes as Lot Numbered Eight Hundred (800) in Square North of Six Hundred Sixty-one (N-661).

AND BEING the same property conveyed to the District of Columbia from the United States of America by that certain Quitclaim Deed dated November 7, 2008 and recorded November 13, 2008 as Document No. 2008116044 among the Land Records of the District of Columbia.

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AS TO PARCEL B (Lot 800 in Square South of 603):

Being U.S. Reservation 243 in the District of Columbia bounded on the west by Second Street, S.W., on the north by R Street, S.W. and on the south and east by Potomac Avenue, S.W.; jurisdiction of said reservation having been transferred from the National Park Service to the District of Columbia for highway purposes on January 11, 1944 as shown on a Plat of Subdivision recorded in Subdivision Book 120 at Page 24 among the Records of the Office of the Surveyor for the District of Columbia; said land being more particularly described as follows:

Beginning for the same at a point within R Street, S.W. (85 feet wide), said point lying distant the following two (2) courses and distances from the southwest corner of Square 603, South, 67.5 feet, thence West, 15.0 feet; thence running within and parallel to said R Street, S.W.

- 1. Due East, 281.50 feet to a point within Potomac Avenue, S.W. (160 feet wide); thence running within and parallel to said Potomac Avenue, S.W.
- South 62° 30' 00" West, 317.36 feet to a point within Second Street, S.W. (90 feet wide); thence running within and parallel to said Second Street, S.W.
- 3. Due North, 146.54 feet to the point of beginning.

Containing a computed record area of 20,625 square feet or 0.47348 of an acre of land, more or less.

Now known for Assessment and Taxation purposes as Lot Numbered Eight Hundred (800) in Square South of Six Hundred Three (S-603).

AND BEING the same property conveyed to the District of Columbia from the United States of America by that certain Quitclaim Deed dated November 7, 2008 and recorded November 13, 2008 as Document No. 2008116043 among the Land Records of the District of Columbia.

NOTE: A metes and bounds description of all of the property described in this Exhibit "A" must be furnished to the Company.

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# EXHIBIT A-1

# Legal Description of the Stadium Land

[Being Squares 603S, 605, 607, 661N and 661 and Lots \_\_\_\_\_\_ in Square 665, all as per plat recorded in the Office of the Surveyor for the District of Columbia in Liber \_\_\_\_\_ at page \_\_\_\_\_.]

# EXHIBIT A-2

# Legal Description of the Adjacent Land

[Being Lots \_\_\_\_\_\_ in Square 605, Lots \_\_\_\_\_\_ in Square 607, Lots \_\_\_\_\_\_ in Square 661, and Lots \_\_\_\_\_\_ in Square 665, all as per plat recorded in the Office of the Surveyor for the District of Columbia in Liber \_\_\_\_\_\_ at page \_\_\_\_\_.]

# EXHIBIT B

[RESERVED]

## EXHIBIT C

### Participating Rent

### I. Sold Seat Fee

Lessee shall pay or cause the Team to pay to the District annually in arrears, not later than ninety (90) days after the last day of each Rent Year commencing with the 11<sup>th</sup> Rent Year after Substantial Completion, the "Sold Seat Fee" accrued with respect to the immediately prior Rent Year. The "Sold Seat Fee" shall be calculated by multiplying the "Sold Seat Amount" times the number of full price tickets sold to events at the Stadium other than charity events, events sponsored by non-profit organizations and events described in Section 28.19 of the Lease, less the number of tickets so sold but for which at least fifty percent (50%) of the sale price was refunded by Lessee or Team Operator. For the avoidance of doubt, free tickets, promotional tickets sold at a discount to or for use by special needs persons such as military veterans undergoing rehabilitation, school children and similar groups for which the Lessee or Team Operator receives less than fifty percent (50%) of the face amount of the applicable ticket price are not included in the foregoing calculation provided the face amount of the ticket is reasonably related to the average ticket price of the event. The "Sold Seat Amount" shall be: (i) for the period comprising the 11<sup>th</sup> Rent Year after Substantial Completion, through and including the 21st Rent Year after Substantial Completion, Two Dollars (\$2.00), and (ii) commencing for the 22<sup>nd</sup> Rent Year following Substantial Completion and thereafter, the Sold Seat Fee with respect to such year and each following Rent Year shall be an amount equal to Two Dollars (\$2.00), as the same may be increased or decreased by the net change in CPI between the tenth (10<sup>th</sup>) anniversary of Substantial Completion and the 20<sup>th</sup> anniversary of the date of Substantial Completion. As used herein, CPI means the Consumer Price Index for All Urban Consumers (CPI-U), all Items (1967 = 100) and if such index ceases to be published, a comparable index selected by the District subject to appropriate adjustment to be comparable to CPI.

## II. Fee on Sale

In the event of a (i) sale of more than fifty percent (50%) of the voting interests in Team Operator prior to April 1, 2019, the Lessee shall pay or cause Team Operator to pay to the District fifteen percent (15%) of the excess, if any, of the sale price over the Seller's total investment in the interests being sold, and (ii) sale of the "Operating Right" (hereafter defined) prior to April 1, 2019, the Lessee shall pay or cause Team Operator to pay to the District fifteen percent (15%) of the excess, if any, of the sale price less any cumulative net operating losses of Team Operator over acquisition price of the current ownership of Team Operator of the Operating Right. As used herein, the term "Operating Right" means the right to operate DC United under the MLS Operating Agreement.

Any controversy or claim arising out of or relating to the calculation of the amounts due under this <u>Exhibit C</u> shall be settled by binding arbitration administered by the American Arbitration Association under its Expedited Commercial Arbitration Rules ("CAR"), and shall occur in Washington, D.C. The arbitrator shall <u>not</u> issue a "reasoned award," as such term is used in Rule 42 of the CAR. This agreement to arbitrate shall be specifically enforceable pursuant to

and interpreted under the Federal Arbitration Act, and the parties agree that no appeal or review of the decision of the arbitrator shall be taken unless the arbitrator has clearly exceeded the scope of his or her authority under this Lease. Venue for review of and/or judgment on the award rendered by the arbitrator shall be the United States District Court for the District of Columbia. During the pendency of the resolution of any dispute hereunder, Lessee shall not be deemed in default as to the payment of Windfall Profits Recapture Amount.

## III. Confidentiality

The following provisions are applicable to requests filed under the District of Columbia Freedom of Information Act of 1976, as amended (D.C. Official Code §§ 2-531 *et seq.*) ("**DCFOIA**") or any similar applicable law for information regarding this Lease or any communications, documents, agreements, information or records with respect to this Lease:

(a) *Non-Disclosure*. Communications, documents, agreements, information and records that qualify as "**Confidential Information**" under DCFOIA or any similar applicable law provided to the District by Lessee under or pursuant to this Lease shall be maintained by the District as confidential, and the District shall not disclose such information to any Persons other than the appropriate attorneys, accountants, consultants, auditors and employees of the District.

Acknowledgment; Requests for Disclosure. As required by the (b) terms of this Lease, Lessee shall provide to the District certain documentation and information, the disclosure thereof could cause substantial harm to the competitive position of Lessee. The District acknowledges and agrees that Lessee will be considered as the "submitter" of such documentation and information for purposes of the DCFOIA. Accordingly, if a Person files a request under the DCFOIA or any similar applicable law for any such documentation or information (a "Request"), the District shall promptly, and in any event not more than five (5) days following the receipt of the Request, notify Lessee of the Request and allow Lessee a sufficient, and not less than a reasonable, period of time (and, in any event, prior to the disclosure of any documentation or information ("Requested Information") that would be disclosed pursuant to the Request) within which to object to the District, and any other relevant judicial or administrative body, to the disclosure of any of the Requested Information. If, following receipt of Lessee's objection to the release of the Requested Information, or not less than ten (10) days following receipt of the Request, the District reasonably determines that the Requested Information is exempt from disclosure pursuant to the DCFOIA or any similar applicable law, the District shall promptly, and in any event, within the time limits mandated under the DCFOIA, assert such exemption from disclosure and decline to provide such information. If, following receipt of Lessee's objection to the release of the Requested Information, or not less than ten (10) days following receipt of the Request, the District reasonably determines that the information sought by the Request is not exempt from disclosure pursuant to the DCFOIA or any similar applicable law, the District shall promptly notify Lessee of such determination, and shall refrain from making such disclosure for not less than five (5) days following notice to Lessee in order to afford Lessee an opportunity to seek an injunction or other appropriate remedy if Lessee believes that the District's determination is erroneous. The term "days" as used in this Section 16.19 shall be determined in the manner provided in the DCFOIA.

(c) *Notice*. Lessee shall endeavor to clearly mark each page of all documents which Lessee wishes to designate as Confidential Information "Confidential Trade Secret Information, Contact Lessee Before Any Disclosure" and shall also include a reference to this Lease; provided, however, that Lessee's failure to mark any document shall not foreclose Lessee from asserting that a document should be designated as Confidential Information.

(d) *Certain Required Disclosures*. Nothing in this Lease shall limit or restrict the District from disclosing, to the extent required by applicable law, any information, communication, or record to the United States Congress, the Council, the District of Columbia Inspector General or the District of Columbia Auditor; provided that the District shall use all reasonable measures to prevent further dissemination of such information to the extent such information is Confidential Information.

## EXHIBIT D

### **Real Estate Taxes**

Tenant's obligation to pay Real Estate Taxes with regard to the Stadium and the Stadium Land shall be phased in during the Term as set forth below:

Rent Year Prior to the first Rent Year Rent Years 1 - 5 Rent Years 6 - 10

0% of Assessed Value 0% of Assessed Value 25% of Assessed Value 50% of Assessed Value 75% of Assessed Value 100% of Assessed Value

Obligation to Pay Real Estate Taxes

Rent Years 16-20

Rent Years 11-15

Rent Years 21 - end of Term

# EXHIBIT E

# First Source Employment Agreement

To be Attached Prior to September 1, 2015

# EXHIBIT F

# Memorandum of Understanding

To Be Attached Prior to September 1, 2015

# EXHIBIT G

# **Consultation Area**

# EXHIBIT H

# INTENTIONALLY OMITTED

### EXHIBIT I

#### **No-Relocation Agreement**

#### **NO-RELOCATION AGREEMENT**

THIS NON-RELOCATION AGREEMENT (this "Agreement") is entered into as of \_\_\_\_\_\_, 201\_\_, (the "Effective Date") by and between the **DISTRICT OF COLUMBIA**, a municipal corporation acting by and through the Department of General Services (the "<u>District</u>"), and **DC SOCCER LLC**, a Delaware limited liability company ("<u>Team</u>"). Capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed to them in the Lease.

#### **RECITALS:**

A. Team is the holder of a right to operate the DC United professional soccer team ("<u>DC United</u>") pursuant to the MLS Operating Agreement and is an affiliate of DC STADIUM LLC, a Delaware limited liability company ("<u>Lessee</u>").

B. Lessee and District are parties to that certain Ground Lease dated as of \_\_\_\_\_\_, 201\_\_\_ (as amended from time to time, the "Lease"), pursuant to which, among other things, Lessee is leasing from the District certain real property described in Exhibit A hereto (the "<u>Stadium Land</u>"), and is constructing a new, state-of-the-art, LEED certified stadium, on the Stadium Land (the "<u>Stadium</u>"), in accordance with that certain Development Agreement between the District and Lessee dated as of \_\_\_\_\_\_, 201\_\_ (the "<u>Development Agreement</u>"), for the use and benefit of the Team.

C. As a condition to District entering into and performing its obligations under the Lease and the Development Agreement, Lessee agreed to cause the Team to enter into this Agreement, pursuant to which the Team will (i) commit DC United to play substantially all of its Games (as hereinafter defined) at the Stadium, (ii) commit DC United to maintain its principal offices within the District of Columbia, and (iii) use reasonable efforts to locate DC United's practice field and any related facilities in the District of Columbia, in each case, for a term concurrent with the term of the Lease, on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants set forth below and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the District and Team agree as follows:

### ARTICLE I.

#### **DEFINITIONS**

The following terms as used herein shall have the following meanings:

"Agreement" means this Non-Relocation Agreement, as amended from time to time.

"**Casualty**" means any material damage or destruction of the Stadium or of any material part thereof caused by fire or other occurrence.

"Casualty Repair Work" means all work to restore, repair, replace and rebuild the Stadium or the applicable portion of the Stadium affected by a Casualty, as nearly as reasonably practicable to its condition immediately prior to such damage or destruction.

"Casualty Untenantablity Period" means the period, if any, commencing on the date that an Untenantable Condition exists due to a Casualty and ending ninety (90) days after the date that such Casualty Untenantable condition ceases to exist following completion of the Casualty Repair Work.

"**Commencement Date**" means the first day of the first MLS season, the first day of which follows the date upon which the Stadium is Substantially Completed and can be used for Games.

"District" is defined in the initial paragraph of this Agreement.

"Effective Date" means the date of this Non-Relocation Agreement.

"Force Majeure" means an occurrence, including any of the following, for the period of time, if any, that the Team's performance of the Non-Relocation Covenants is actually, materially and reasonably delayed, hindered or prevented thereby: acts of God; acts of the public enemy; the condemnation (permanent or temporary), confiscation or seizure by any Governmental Authority; insurrections; wars or war-like action (whether actual and pending or expected); arrests or other restraints of government (civil or military); blockades; embargoes; labor interruptions, strikes, labor unrest, labor disputes or unavailability of labor or materials; strikes, lock-outs or other work stoppages; epidemics; unusually severe weather; lightning; earthquakes; fires; hurricanes; storms; floods; wash-outs; epidemic; explosions; any delays occasioned by arbitration actions and proceedings; civil disturbance or disobedience; riot; sabotage; terrorism, threats of sabotage or terrorism; withdrawal or suspension of permits or licenses or other legal entitlement; closure of the District or federal government, any failure of the District to comply with any of its obligations under the Lease or Development Agreement (including failure by reason of non-appropriation) if such failure by the District materially adversely affects the long-term economic benefit of the bargain expressed in the Lease or any other cause, whether of the kind herein enumerated or otherwise, that is not within the reasonable control of the Party claiming the right to excuse performance on account of such occurrence and which, in any event, is not a result of the negligence or willful misconduct of the Party claiming the right to excuse performance on account of such occurrence; provided, however, that the Team may not claim Force Majeure as a result of actions on the part of MLS, or any of its affiliates or subsidiaries.

"Games" has the meaning given that term in the Lease.

"Governmental Authority" means any federal, state, District of Columbia, local or foreign governmental entity, authority or agency, court, tribunal, regulatory commission or other body, whether legislative, judicial or executive (or a combination or permutation thereof).

"Landlord Failure" means the District's failure to perform any obligation required to be performed by the District under any Project Agreement that materially adversely impacts Team's ability to play Games at the Stadium. "Lease" is defined in Recital B of this Agreement.

"Non-Relocation Covenants" means the collective covenants made by Team under Article 2 of this Agreement.

"Non-Relocation Default" means Team's breach of any of the terms, covenants or agreements of Article 2 of this Agreement.

"Non-Relocation Term" means the period beginning on the Commencement Date and continuing until the termination of this Agreement pursuant to Section 4.2 of this Agreement.

"Operating Right" means the right granted by the MLS (as such term is defined in the Lease) to Team allowing Team to operate the DC United professional soccer team under the MLS Operating Agreement (as such term is defined in the Lease)

"Other Default" means (i) any failure of the Team to observe or perform in any respect any of the terms, covenants or agreements of this Agreement, other than the terms, covenants or agreements of Article 2 of this Agreement or (ii) any representation or warranty made by the Team in this Agreement shall have been false or inaccurate in any material respect when made, which failure or misrepresentation shall continue for a period of thirty (30) days after notice thereof to the Team in writing of its purported failure or misrepresentation, or, if the failure or misrepresentation is not reasonably susceptible of cure within such thirty (30)-day period, the Team fails to commence the cure within such period and thereafter to prosecute the cure diligently to completion).

"**Parties**" or "**Party**" means the District and Team, as the context in this Agreement may require.

"Practice Facilities" is defined in Section 3.2 of this Agreement.

"Project Agreements" means, collectively, (i) the Lease, and (ii) the Development Agreement.

"Public Parking Spaces" means the parking spaces located on the Stadium Land.

"**RFK Stadium**" means the outdoor multipurpose stadium improvements (including parking lots) known as Robert F. Kennedy Memorial Stadium located at 2400 East Capitol St SE Washington, DC 20003.

"Stadium" is defined in Recital A.

"Team" has the meaning given in the initial paragraph of this Agreement.

"Untenantable Condition" means the existence of any one of the following conditions as a result of Condemnation, Casualty, Force Majeure or Landlord Failure, but only to the extent the same is not the result of the willful misconduct of Team or Lessee:

(a) The condition of the applicable facility (the Stadium or the RFK Stadium) is such that the playing of Games (or as to practice fields, practices) is not permitted under the Rules and Regulations that are generally applicable to other similar MLS facilities;

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(b) The condition of the applicable facility (the Stadium or the RFK Stadium) does not reasonably permit it to be used, occupied or exploited by the Team in connection with Games (or practices);

(c) The use or occupancy of the applicable facility (the Stadium or the RFK Stadium) for a Game (or practice) is not permitted under applicable laws or regulations or is restricted in any material respect under applicable laws or otherwise, including, but not limited to, denial of access;

(d) The use or occupancy of twenty (20%) or more of the total manifested seats within the Stadium, is restricted or such seats are unusable or are subject to a material restriction on access; or

(e) The use or occupancy of more than twenty percent (20%) or more of the Public Parking Spaces is restricted or such Public Parking Spaces are unusable or are subject to a material restriction on access and this materially adversely impacts the sale of tickets to the Games.

### ARTICLE 2

#### **NON-RELOCATION**

### 2.1 Obligation to Maintain Franchise.

So long as this Agreement is in effect, Team covenants to the District that it shall continue to own the Operating Right.

## 2.2 Covenant to Play.

(a) From the Effective Date until the Commencement Date, subject only to the exceptions described in this Section 2.2, Team covenants to the District to play substantially all of Team's Games at RFK Stadium during each Season. During the Non-Relocation Term, subject only to the exceptions described in this Section 2.2, Team covenants to the District to play substantially all of Team's Games at the Stadium during each Season.

(b) Notwithstanding subsection (a) of this Section 2.2 above, Team shall be permitted to play, and to enter into arrangements to permit it to play, Games at a location other than RFK Stadium or the Stadium, as applicable, (i) if an Untenantable Condition exists or is reasonably expected to exist at the time of any scheduled Game, (ii) due to Force Majeure, or (iii) during any Casualty Untenantablity Period and, if such Casualty Untenantability Period ends, or is reasonably expected to end, during a Season or within ninety (90) days prior to the beginning of a Season, during the entirety of such Season. Team shall give written notice to the District promptly following any determination by Team that it intends to play or enter into arrangements to play one or more Game(s) at a location other than the Stadium (or the RFK Stadium, as applicable) pursuant to this paragraph.

## 2.3 Non-Relocation.

As of the Effective Date, there is no contract or agreement in effect with respect to or which would result in the move or relocation of Games to a location other than the Stadium or RFK Stadium, other than as permitted under Section 2.2. For so long as this Agreement is in effect, the Team shall not enter into any contract or agreement with respect to or which would result in the move or relocation of, or make application to the MLS with respect to or which would result in the move or relocation of, and shall not move or otherwise relocate or attempt to move or otherwise relocate, Games to a location other than the Stadium, other than as permitted under Section 2.2, except that the prohibitions set forth in this Article 2 shall not apply to prospective applications or agreements if any such proposed move or relocation would not take effect during the Non-Relocation Term.

#### ARTICLE 3

### **OTHER COVENANTS**

#### **3.1** Office Location.

So long as this Agreement is in effect, Team will (subject to Force Majeure) maintain its principal offices within the District of Columbia.

#### 3.2 Practice Fields.

So long as this Agreement is in effect, Team shall use reasonable efforts to locate DC United's primary practice fields and any related facilities (collectively, the "<u>Practice Facilities</u>") in the District of Columbia. Team will apprise District of its efforts to identify and secure a location in the District of Columbia for such Practice Facilities. District will use reasonable efforts to assist the Team in identifying a location in the District of Columbia for the Practice Facilities.

#### ARTICLE 4

#### TERM

#### 4.1 Effective Date and Non-Relocation Term.

The terms and provisions of this Agreement shall be effective as of the Effective Date and shall continue until the termination of this Agreement under Section 4.2.

#### 4.2 Termination.

This Agreement shall terminate upon the occurrence of any of the following events: (i) written agreement of the Parties to terminate this Agreement; (ii) expiration of the Lease in accordance with its terms; (iii) termination of the Lease in accordance with its terms other than as a result of a Lessee Default except that in the event of a Lessee Default, if the Performance Assurance has been realized upon pursuant to Section 8.1(a) of the Development Agreement, then this Agreement shall terminate; (iv) the Stadium Land is no longer subject to the Lease, or (v) at the election of the Team, if the Commencement Date does not occur on or before March 31, 2021 as a proximate result of any failure (including a failure by reason of non-appropriation) of the District to perform any of its obligations under the Development Agreement or the Lease if such failure materially adversely affects the long-term economic benefit of the bargain expressed in the Development Agreement or in the Lease.

## ARTICLE 5

## **DEFAULTS AND REMEDIES**

#### 5.1 Agreements and Acknowledgments

Team acknowledges (i) that Lessee is an Affiliate, (ii) that the Team will benefit from the lease by the District of the Stadium Land to Lessee, (iii) that its obligations under the Non-Relocation Covenants are unique, are the essence of the bargain, and are essential consideration for this Agreement and for the Project Agreements being entered into by the District with Lessee. Team also recognizes, agrees, and stipulates that the financial, civic, and social benefits to the District from the presence of Team and the playing of its Games at the Stadium in accordance with this Agreement are great, but that the precise value of those benefits is difficult to quantify. Accordingly, the magnitude of the damages that would result from a Non-Relocation Default would be difficult to quantify, including, without limitation, damages to reputation and finances of the District and such damages would not be compensable by money. Based on the foregoing, Team hereby agrees as follows:

(a) That any Non-Relocation Default by Team shall constitute irreparable harm to the District for which monetary damages or other remedies at law will not be an adequate remedy, and that Team shall not assert or argue otherwise in any action or proceeding.

(b) That the specific performance of the Non-Relocation Covenants is a bargained-for expectation of the District and Team and that in the event of a Non-Relocation Default, the District shall be entitled to a judicial order and judgment directing Team to specifically perform its obligations under the Non-Relocation Covenants and enjoining it from failing to perform its obligations under the Non-Relocation Covenants or acting in a manner that would constitute a Non-Relocation Default.

(c) That, in the event of a Non-Relocation Default, the District shall be entitled to seek and obtain, and Team hereby consents to the entry of, temporary, preliminary and permanent injunctive and other similar equitable relief restraining, enjoining and prohibiting any such Non-Relocation Default, and directing the specific performance of the terms of the Non-Relocation Covenants.

(d) That it will not assert that (i) the rights of the District to injunctive relief as a result of a Non-Relocation Default shall not constitute a claim pursuant to Section 101(5) of the United States Bankruptcy Code, (ii) such rights are subject to discharge or restraint of any nature in any bankruptcy proceeding involving Team, nor (iii) that this Agreement is an "executory contract" as contemplated by Section 365 of the United States Bankruptcy Code.

(e) That in any proceeding seeking relief for a Non-Relocation Default, any requirement for the District to post any bond or other security or collateral as a condition of any relief sought or granted is hereby waived, and the Team shall not assert or argue otherwise in any action, suit or proceeding.

(f) That Team waives any right it may have to object to or to raise any defense to any actual or requested award of the remedy of specific performance in any action brought by or on behalf of the District in respect of a Non-Relocation Default except: (i) alleged unclean hands of the plaintiff in the commencement

of the proceedings, and

(ii) the defense that there has in fact not been a Non-Relocation Default in accordance with the terms of this Agreement.

(g) That the obligations of Team under the Non-Relocation Covenants are absolute, irrevocable and unconditional, except as expressly provided herein, and shall not be released, discharged, limited or affected by any right of setoff or counterclaim that Team may have to the performance thereof.

(h) That the failure of any party to seek redress for violation of, or to insist upon the strict performance of, any provision of the Non-Relocation Covenants shall not prevent a subsequent act, which would have originally constituted a violation, from having effect of an original violation. No delay in the exercise of any remedy shall constitute a waiver of that remedy.

## 5.2 District Remedies for Non-Relocation Default

Upon the occurrence of a Non-Relocation Default or the threat of an imminent breach of any of the Non-Relocation Covenants, in addition to any other remedies the District may pursue, the District shall be entitled to seek declaratory relief or similar equitable remedy, including but not limited, to an injunction or specific performance, without the following: posting a bond or other security; demonstrating inadequacy of money damages as a remedy; or showing irreparable harm.

## 5.3 Other Defaults

In the event of any Other Default, the District shall have the right to institute any and all proceedings or claims permitted by law or equity to recover any and all amounts necessary to compensate the District for all damages proximately caused by the Team's breach under this Agreement.

## ARTICLE 6

## REPRESENTATIONS

## 6.1 **Representations and Warranties**

Team hereby represents and warrants to the District the following, which representations and warranties speak solely as of the Effective Date:

(a) Team is a limited liability company, duly formed and validly existing under the laws of the State of Delaware, qualified to do business in the District, with all necessary limited liability power and authority to carry on its present business, to enter into and perform this Agreement and to consummate the transactions herein contemplated.

(b) All proceedings required to be taken by or on behalf of Team to authorize Team to execute and deliver this Agreement and to perform its covenants, obligations and agreements hereunder have been duly taken. This Agreement has been duly authorized and executed by Team.

(c) This Agreement constitutes the valid and legally binding obligation of Team, enforceable in accordance with its terms and conditions, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws presently or hereafter in effect, and by general principles of equity whether applied in a proceeding at law or in equity.

(d) No consent to the execution and delivery of this Agreement by Team is required from MLS or from any member, manager, creditor, judicial, legislative or administrative body, Governmental Authority or any other person, other than any such consent which already has been given in writing or has otherwise been obtained, without any unfulfilled conditions to the effectiveness thereof and which consent remains in effect on the Effective Date.

(e) Neither the execution and delivery of this Agreement by Team nor the performance by Team of its obligations hereunder (a) violates any statute, regulation, rule, judgment, order, decree, stipulation, injunction, charge, or other restriction of any Governmental Authority, or court to which Team is subject or any provision of the operating agreement of Team or any provisions of the Rules and Regulations, or (b) conflicts with, results in a breach of, constitutes a default under, results in the acceleration of or creates in any party the right to accelerate, terminate, modify, or cancel, or require any notice under any contract, lease, sublease, license, sublicense, franchise, permit, indenture, agreement or mortgage for borrowed money, instrument of indebtedness, security interest, or other agreement to which Team is a party or by which Team or its assets (including, Team) are bound (including the Rules and Regulations), except in each case for violations, conflicts, breaches, defaults, accelerations or terminations that in good faith would not be reasonably likely to materially impair Team's ability to perform under this Agreement.

(f) Team has the Operating Right pursuant to the MLS Operating Agreement.

## 6.2 Notice of Inaccuracy

If Team becomes aware that any representation or warranty made in this Article 6 shall have been false or inaccurate in any material respect when made, Team will give prompt notice thereof to the District.

#### ARTICLE 7

#### MISCELLANEOUS

## 7.1 Entire Agreement

This Agreement represents the entire agreement among the Parties with respect to the matters set forth herein and supersedes all prior negotiations, representations or agreements, written or oral, pertaining to the subject matter of this Agreement. The provisions of this Agreement are for the exclusive benefit of the Parties and the Lessee and not for the benefit of any third person (other than the Lessee); nor shall this Agreement be deemed to have conferred

any rights, express or implied, upon any third person other than the Lessee, which is acknowledged to be an intended third-party beneficiary of the provisions of Section 5.3(b).

## 7.2 Amendments

No modification or amendment of this Agreement or of any of its conditions or provisions shall be binding upon the District or Team unless in writing signed by the District and Team.

#### 7.3 Choice of Law

This Agreement shall be governed by and interpreted in accordance with the internal laws of the District of Columbia, without giving effect to conflict of laws provisions.

#### 7.4 Interpretation

Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law. The conditions to the Team's obligations under this Agreement set forth herein represent essential elements of the bargain and shall not be deemed severable from the rights of the District hereunder. This Agreement is not intended to give rise to a private right of action on the part of any citizen of or business doing business in the District. This Agreement is not intended to, and does not create a relationship of principal and agent, partnership, joint venture or association between the District and Team.

#### 7.5 No Implied Waivers

No waiver by a Party of any term, obligation, condition or provision of this Agreement shall be deemed to have been made, whether due to any course of conduct, continuance or repetition of non-compliance, or otherwise, unless such waiver is expressed in writing and signed and delivered by the Party granting the waiver, nor shall any forbearance by either Party to seek a remedy for any breach by the other Party be a waiver by such party of any rights or remedies with respect to such or any subsequent breach. No express waiver shall affect any term, obligation, condition or provision other than the one specified in such waiver and that one only for the time and in the manner specifically stated.

#### 7.6 Interpretations

All personal pronouns used in this Agreement, whether used in the masculine, feminine or neuter gender, shall include all other genders; and the singular shall include the plural and vice versa. Any accounting term used in this Agreement shall have, unless otherwise specifically provided herein, the meaning customarily given in accordance with generally accepted accounting principles, and all financial computations hereunder shall be computed, unless otherwise specifically provided herein, in accordance with generally accepted accounting principles. The captions and headings in this Agreement are only for convenience and do not define, limit or describe the scope or intent of any of the provisions of this Agreement. The use herein of the word "including," when following any general statement, term or matter, shall not be construed to limit such statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not nonlimiting language (such words as "without limitation," or "but not limited to," or words of similar import) is used with reference thereto, but rather shall be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such general statement, term or matter. The Parties agree that they have been represented by counsel during the negotiation, drafting, preparation and execution of this Agreement and, therefore, waive the application of any law or rule of construction providing that ambiguities in a contract or other document will be construed against the party drafting such contract or document.

### 7.7 Notices

All notices, demands, certificates or other communications under this Agreement shall be given in writing at the address set forth below or at such other address as such party shall designate by written notice to the other party and may be (a) sent by registered or certified U.S. Mail with return receipt requested, (b) delivered personally (including delivery by private courier services), or (c) sent by nationally recognized overnight courier service. Such notices shall be deemed to be duly given or made (i) five (5) Business Days after posting if mailed as provided, (ii) when delivered by hand unless such day is not a Business Day, in which case such delivery shall be deemed to be made as of the next succeeding Business Day, or (iii) the next Business Day when delivered by overnight courier. Addresses for delivery of notices are as follows:

For District:	The District of Columbia 1350 Pennsylvania Avenue, N.W. Suite 521 Washington, D.C. 20004 Attn: City Administrator
With a copy to:	Office of the Deputy Mayor for Planning and Economic Development 1350 Pennsylvania Avenue, N.W. Suite 317 Washington, D.C. 20004 Attn: General Counsel
For Team:	DC Soccer LLC c/o DC United 2400 East Capitol Street, S.E. Washington, DC 20003 Attention: Jason Levien
and to:	DC United 2400 East Capitol Street, S.E. Washington, D.C. 20003 Attention: Tom Hunt
With a copy to:	Arent Fox LLP 1717 K Street, N.W. Washington, D.C. 20036 Attention: Richard A. Newman, Esg.

Any party may from time to time by written notice given to the other parties pursuant to the terms hereof change the address to which notices shall be sent.

## 7.8 Counterparts

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same fully executed agreement Delivery of an executed counterpart of a signature page to this Agreement by facsimile or other electronic transmission shall be effective as delivery of a manually executed counterpart of this Agreement.

#### 7.9 MLS Supremacy

Anything to the contrary notwithstanding herein contained, this Agreement and the obligations of the Team hereunder and under any agreement referred to herein shall be and are in all respects subordinate to the Rules and Regulations, as amended from time to time; provided, however, that nothing in this Section 7.9 shall be construed to limit or impair the District's rights and remedies against the Team in the event of a breach of the obligations in Section 2.3 regarding non-relocation, except that if such breach arises from MLS terminating, suspending or cancelling the right of the Team Operator to operate the Team, the District shall have no right to assert damages against the Team except to the extent of any termination payment made by or at the direction of MLS to the Team.

[Remainder of page intentionally blank - Signature page follows]

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

**DISTRICT OF COLUMBIA**, a municipal corporation

By:	
Name: Title:	

**DC SOCCER LLC**, a Delaware limited liability company

Name:	ñ	
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# EXHIBIT J

## **Bankruptcy Remote Entity**

In order to preserve and ensure its separate and distinct identity, the Lessee will conduct its affairs in accordance with the following provisions:

(1) It will establish and maintain an office through which its business will be conducted separate and apart from that of any Affiliate and will allocate fairly and reasonably any overhead for shared office space.

(2) It will maintain records, bank accounts and books of account separate from those of any Affiliate.

- (3) It will observe all "corporate" formalities.
- (4) It will not commingle its funds or assets with those of any Affiliate.
- (5) It will conduct its own business and hold all of its assets in its own name.

(6) It will maintain financial statements separate from any Affiliate, or if such financial statements are consolidated, it will cause such financial statements to contain footnotes disclosing that the Stadium is owned by the Lessee, not the Affiliate with which the financial statements are consolidated, and indicating that the Lessee's separate assets and liabilities are not available to pay the debts of any Affiliates and do not constitute obligations of any Affiliates.

(7) It will pay its expenses and liabilities, including salaries of any employees, out of its own funds, not funds of any Affiliate.

(8) It will maintain an arm's length relationship with any Affiliate.

(9) It will not guarantee or become obligated for the debts or obligations of any other entity, including any Affiliate. It will not hold itself out to be responsible for debts or obligations of any other entity, including any Affiliate.

(10) It will use stationery, invoices and checks separate from any Affiliate.

(11) It will not pledge its assets for the benefit of any other entity, including any Affiliate.

(12) It will hold itself out to the public as a legal entity separate and distinct from any entity, including any Affiliate, and conduct its business solely in its own name in order not to (i) mislead others as to the identity with which such other party is transacting business or (ii) suggest that Lessee is responsible for the debts of any third party or any Affiliate.

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(13) It will maintain its deposit accounts separate from any Affiliate.

(14) It will not acquire obligations or securities of any Affiliate.

(15) It will not make any loans or advances to any third parties, including any Affiliate, or buy or hold indebtedness issued by any other Person.

(16) It will correct any known misunderstanding regarding its separate identity.

(17) It will maintain its assets in such a manner that it will not be costly or difficult to segregate, ascertain or identify its individual assets from those of any other Person.

(18) It will use commercially reasonable efforts to maintain a sufficient number of employees (if any) in light of its contemplated business operations.

(19) Except as set forth in the following sentence, it will not permit any Affiliate access to the Lessee's bank accounts. Notwithstanding the previous sentence, an Affiliate functioning as the manager of the Stadium may have access to the Lessee's bank accounts as expressly provided in the applicable property management agreement, but in no event will any such property manager that also has access to the bank accounts of any other Affiliate manage such access in a manner that would result in a violation of paragraphs (4) or (13) above.

(20) It will not conceal assets from any creditor, or enter into any transaction with the intent to hinder, delay or defraud its creditors or creditors or any other Person.

(21) It will file its own tax returns separate from those of any other Person, except to the extent that the Lessee is treated as a "disregarded entity" for tax purposes and is not required to file tax returns under applicable law, and will pay any taxes required to be paid under applicable law.

(22) It will not enter into any contract or agreement with any Affiliate except upon terms and conditions that are intrinsically fair and substantially similar to those that would be available on an arms'-length basis with third parties other than Affiliates.

(23) It will not hold itself out as a department or division of any Affiliate or any other Person and will correct any known misunderstanding regarding its separate identity.

(24) It will not make any distribution that, as of the time of such distribution, based upon information reasonably available to the Lessee, would cause the Lessee to become insolvent or have unreasonably small capital.

# Exhibit D

# Approved Conceptual Design

To be Attached in Accordance with Section 7.2

# Exhibit E

# CBE Utilization and Participation Agreement

To be entered into between Developer and DSLBD prior to September 1, 2015 and a copy attached

# <u>Exhibit F</u>

# Permitted Encumbrances

To be Attached in Accordance with Section 3.1(f)

# Exhibit G

# **First Source Employment Agreement**

To be entered into between Developer and DOES prior to September 1, 2015 and a copy attached

# <u>Exhibit H</u>

Projected Stadium Budget

## EXHIBIT H

## DC UNITED - NEW STADIUM BUZZARD POINT PROJECTED BUDGET

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BUDGET CATEGORY	EST. COST	
SITE DEVELOPMENT	\$ 2,250,000	
DESIGN & PROFESSIONAL SERVICES	\$ 7,757,500	
LEGAL & GOVERNMENTAL SERVICES	\$ 1,050,000	
PROJECT ADMINISTRATION	\$ 3,754,000	
CONSTRUCTION	\$ 109,300,000	
SYSTEMS & EQUIPMENT	\$ 10,000,000	
PERMITS, TESTING, FEES	\$ 4,668,450	
INSURANCE & TRANSACTIONAL COSTS	\$ 2,076,500	
START-UP EXPENSES	\$ 750,000	
PRE-OPENING EXPENSES	\$ 1,400,000	
TOTAL PROJECT COSTS (subtotal)	\$ 143,006,450	
CONTINGENCY	\$ 7,651,000	
ESTIMATED TOTAL PROJECT COSTS	\$ 150,657,450	
BUDGET ALLOCATION		
HARD COSTS (anticipated GMP Value)	\$ 118,244,000	
SOFT COSTS	\$ 32,413,450	

# Exhibit I

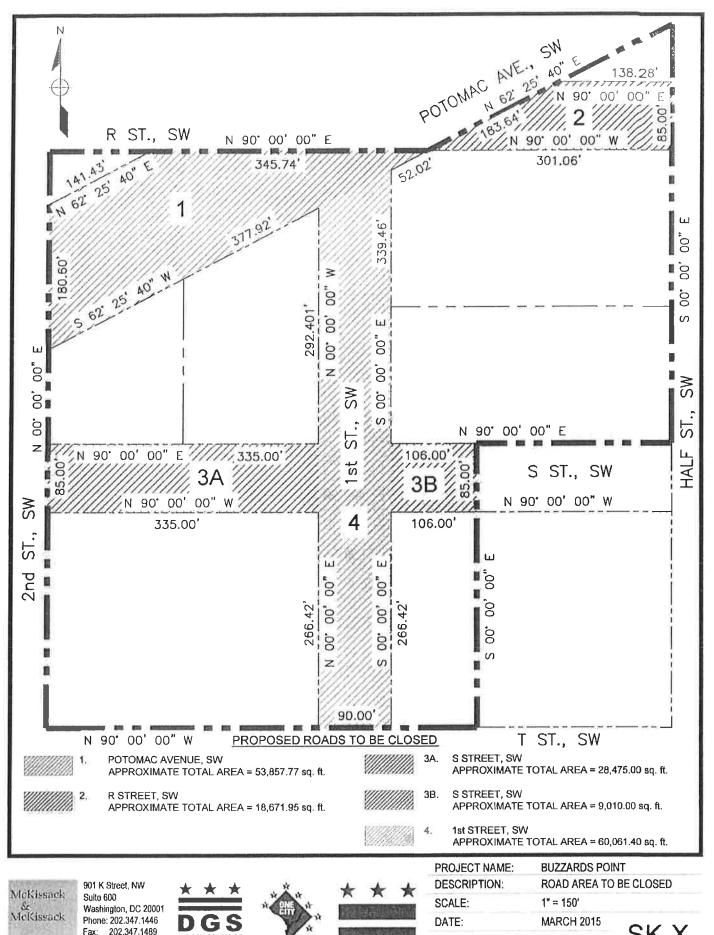
# Stadium Budget

To be Attached in accordance with Section 8.2(a)(i)

# <u>Exhibit J</u>

# Streets and Alley Ways to be Closed Within the Land

All streets and any alley ways within the perimeter of the Land (as described in Exhibit B) shall be closed.



SK-X

THE DEPARTMENT OF DENERAL DERVICES

www.mckissackdc.com

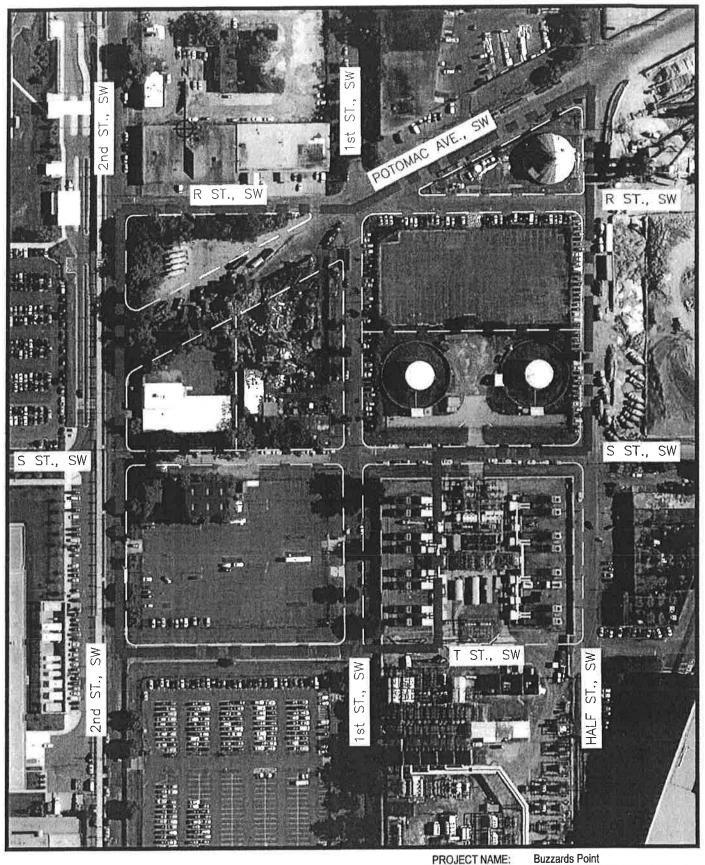
# <u>Exhibit K</u>

# Mutual Good Faith Early Delivery Goal

Preliminary Plan to Address Pepco High Voltage Line	September 1, 2015
Voluntary Clean-Up Plan	September 1, 2015
Site Control	September 30, 2015
Design Development Drawings for Stadium	March 1, 2016
Land Use Approvals for Stadium	March 1, 2016
Land Acquisition by the District	March 1, 2016
Construction Contract Execution	July 1, 2016
Substantial Completion of Stadium	March 1, 2018

# Exhibit L

Roads and Rights-of-Way Servicing as Perimeter of the Land





901 K Street, NW Suite 600 Washington, DC 20001 Phone: 202.347.1446 Fax: 202.347.1489 www.mckissackdc.com







DESCRIPTION: SCALE: DATE:

Buzzards Point Project Aerial w/ Site ID N.T.S. March 2015

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# Exhibit M

## Roadway and Sidewalks on Potomac Avenue from South Capitol Street to the Land

Proposed Streetscape improvements around the MLS Soccer stadium at Buzzard Point

The District will provide streetscape improvements around the Buzzard Point stadium generally as shown on the attached schematic and described below:

Potomac Avenue SW from South Capitol Street to First Street SW

R Street SW from First Street SW to Second Street SW

Second Street SW from R Street SW to T Street SW

T Street SW from Second Street SW to First Street SW

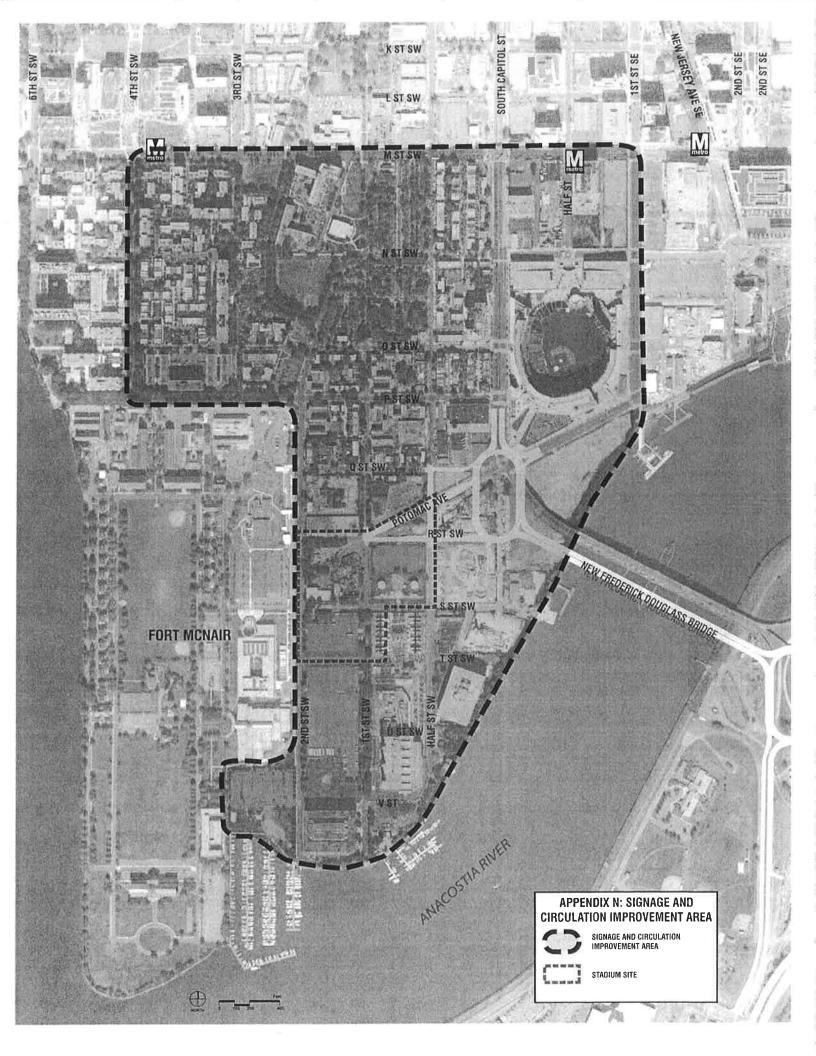
S Street SW from Half Street SW to approximately 250 feet west of Half Street SW

Half Street SW from S Street SW to Potomac Avenue SW

## Exhibit N

# Traffic Signals and Highway Signage Area

In addition to signage in the area shown on the attached schematic, the District will also install signage on highways leading to the Stadium (such as I-295, I-395 and I-695) generally consistent with the highway signage that has been installed for the Verizon Center and Nationals Park.



# Exhibit O

## Title Exceptions to be Removed

Easement Agreement dated August 25, 2005 between Pepco and SW Land Holder, LLC recorded as Instrument No. 2005120011 upon execution of the Pepco Easement, if the final form of such easement has fencing provisions that would otherwise conflict with or supersede the said 2005 Easement Agreement.

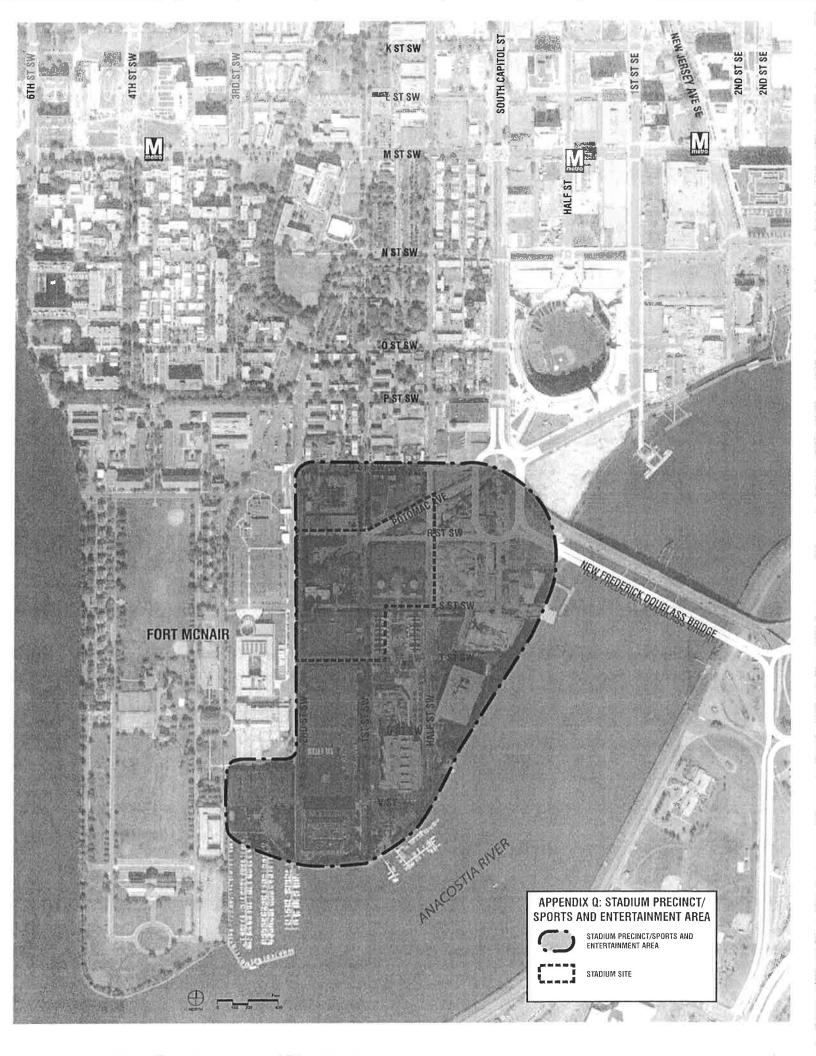
# Exhibit P

# Pepco Easement

To be Attached in Accordance with Section 3.2

# <u>Exhibit Q</u>

Potential Entertainment/Sports Area



# Exhibit R

**Project Labor Agreement** 

September 10, 2013

Jason Levien DC Stadium, LLC 2400 East Capitol Street, S.E. Washington, D.C. 20003

Dear Mr. Levien:

As you are aware, the District of Columbia ("District") and the Washington, D.C. Building and Construction Trades Council and the Mid-Atlantic Regional Council of Carpenters, acting on their own behalf and on behalf of certain of their respective affiliates and members, have entered into a Project Labor Agreement ("PLA"), a full copy of which is attached hereto and will be executed dated as of the date with this letter agreement. The PLA is designed to facilitate the timely construction of a new soccer stadium ("Stadium") in Buzzard Point and ensure employment and apprenticeship training opportunities for District residents as well as the creation of contracting opportunities for local, small and disadvantaged companies in the District's business community. Article XIX of the PLA, requires that the Development Agreement the District will enter into with DC Stadium, LLC in connection with the development and construction of the Stadium expressly provide that any construction manager or similar entity engaged to construct the Stadium shall execute the PLA or a letter of assent agreeing to be bound by the PLA. This letter agreement is to memorialize and acknowledge DC Stadium, LLC's agreement to the inclusion of the foregoing provision in any development agreement it may enter into with the District in connection with the development and construction of the Stadium.

Vincent C. Gray Mayor

#### SEEN AND AGREED TO:

DC STADIUM LLC, a Delaware limited liability company

By: hthorized Person

# PROJECT LABOR AGREEMENT

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#### **EXECUTION COPY**

### PROJECT LABOR AGREEMENT

This Project Labor Agreement ("Agreement") is made and entered into as of the 10<sup>th</sup> day of September, 2013, by and among (i) the District of Columbia (the "District"), a public body municipal and corporate acting in its own name and (ii) the Washington, D.C. Building and Construction Trades Council ("Council") and the Mid-Atlantic Regional Council of Carpenters ("MARCC"), acting on their own behalf and on behalf of their respective affiliates and members whose names are subscribed hereto who have, through their duly authorized officers, executed this Agreement, and any International Unions that become signatory hereto (hereinafter collectively referred to as "Union" or "Unions"), with respect to the Project defined below. These entities shall hereinafter be collectively referred to as the Parties to this Agreement. All Contractors who execute a Letter of Assent agreeing to be bound by this Agreement shall also be considered Parties to this Agreement.

For purposes of this Agreement, the following additional definitions shall apply:

The term "Contractor" shall include all construction contractors of whatever tier, including all subcontractors engaged in onsite construction work within the scope of this Agreement, and shall include any construction manager when it performs construction work within the scope of this Agreement.

The term "**Project**" shall mean: (i) a state-of-the-art, LEED certified outdoor soccer stadium ("**Stadium**") at the Stadium Site; (ii) certain infrastructure improvements that the District will undertake beyond the Stadium Site in conjunction with the development of the Stadium which shall be limited to (a) the roads and rights-of-way that serve as the perimeter of the Stadium Site; (b) the roadway and sidewalks on Potomac Avenue from South Capitol Street to the Stadium Site; and (c) traffic signals and highway signage that will generally not extend beyond the area north of M Street, SE or east of First Street, SE; and (iii) any ancillary development on the Stadium Site.

The term "Stadium Site" shall mean Squares 603S, 605, 607, 611N and 661 and the northern portion of Square 665.

#### ARTICLE I <u>PURPOSE</u>

Section 1. The District has placed the highest priority for employment and apprenticeship training opportunities for bona fide District residents and the creation of contracting opportunities for local, small and disadvantaged companies in the District's business community. This Agreement will advance those goals and remove obstacles that may have historically limited the full employment of such local residents or the access of such businesses to the opportunities on projects of this kind. Additionally, the District recognizes the necessity of including comprehensive programs for employment, including recruitment and training of bona fide District residents on the Project.

Section 2. The Parties recognize that completion of the Project without interruption or delay will require a steady supply of skilled labor. Timely construction of the Project will require substantial numbers of employees from construction and supporting crafts possessing the skills and qualifications necessary to complete the Project. The Parties therefore agree to work together to furnish skilled, efficient craft workers for the construction of the Project, as required by this Agreement.

Section 3. The Parties desire to mutually establish and stabilize wages, hours and working conditions for the craft workers on the Project, to encourage close cooperation between the Contractors and the Unions to the end that a satisfactory, continuous and harmonious relationship will exist between the Parties to this Agreement. This Agreement is intended to enhance this cooperative effort through the establishment of a framework for labor-management cooperation and stability.

Section 4. In recognition of the special needs of the Project, and to maintain a spirit of harmony, labor-management peace, and stability during the term of this Agreement, the Parties agree to abide by the terms and conditions in this Agreement, and to establish effective and binding methods for the settlement of all misunderstandings, disputes or grievances which may arise in connection with this Agreement. Further, all Contractors agree not to engage in any lockout, and the Unions agree not to engage in any strike, slowdown, or interruption or other disruption of or interference with the work covered by this Agreement.

Section 5. The Parties agree that this Agreement will be made available to and will fully apply to any successful bidder for work performed on the Project who becomes a signatory hereto, without regard to whether that successful bidder performs work at other sites on either a union or a non-union basis, and without regard to whether employees of such bidder are or are not members of any Union. This Agreement shall not apply to any Contractor for work that is performed on work other than the Project. The Unions hereby pledge to work cooperatively on the Project with all Contractors awarded work governed by this Agreement.

Section 6. To accomplish the important purposes of this Agreement, the District will implement this Agreement by requiring that appropriate provisions be included in the bid documents, contract specifications and other contract documents for work on the Project covered by the scope of this Agreement. It is understood by the Parties to this Agreement that the work covered by this Agreement shall be contracted exclusively to Contractors who agree to execute and be bound by the terms of this Agreement, and that all such Contractors shall be Parties to this Agreement. Contractors who are a Party to this Agreement may include businesses certified by the District of Columbia Department of Small and Local Business Development as a Local, Small and Disadvantaged Business Enterprises ("LSDBE"). For work performed under this Agreement by LSDBEs, the Unions pledge to work cooperatively with the businesses in order to help achieve the District's objectives of increasing capacity among historically disadvantaged businesses within the District.

## ARTICLE II SCOPE OF AGREEMENT

Section 1. This Agreement shall apply and is limited to the recognized and accepted historical definition of construction work that is performed by and under the direction of the Contractors who have contracts awarded for such work on the Project. Such work shall include site preparation work at the Stadium Site (including the environmental remediation of existing conditions, demolition and infrastructure work the District shall undertake at the Stadium Site), dedicated off-site work, on-site construction work necessary to complete the Project as well as the infrastructure improvements that the District will undertake beyond the Stadium Site in conjunction with the development of the Stadium.

Section 2. The District or any construction manager or similar entity for a portion of the Project that is a Party to this Agreement ("Construction Manager") shall have the absolute right to select any qualified bidder for the award of contracts on this Project without reference to the existence or non-existence of any agreements between such bidder and any Party to this Agreement; provided, however, only that such bidder is ready, willing and able to become a Party to and comply with this Agreement, should it be designated the successful bidder. All Contractors, including but not limited to all prime contractors and all subcontractors of any tier, who have been or who will be awarded contracts for work covered by this Agreement are required to accept and be bound by the terms and conditions of this Agreement by executing the Letter of Assent (*see* Appendix A hereto) prior to commencing work. A copy of the Letter of Assent executed by the Contractor shall be immediately transmitted to the Council and to the Unions prior to the dispatch of employees to the job site. The District or the Construction Manager, as applicable, shall endeavor to assure compliance with this Agreement by all Contractors engaged to perform work on the Project.

Section 3. The Parties to this Agreement understand and appreciate the need for competition in the construction markets. In order to avoid adverse cost impacts on the Project, the Parties therefore agree as follows:

At least thirty (30) days prior to the scheduled bid receipt date for each trade (a) package, the District or the Construction Manager, as applicable, shall attempt in good faith to obtain letters from at least three (3) subcontractors in which each such prospective subcontractor agrees to bid on the trade package and be subject to the terms of this Agreement (such letters are hereinafter referred to as "Intent to Bid Letters"). In the event that three (3) such Intent to Bid Letters are not received from subcontractors that are qualified to perform the work and have the business resources necessary to perform the work identified in the trade package ("qualified bidder"), then the trade package shall be exempt from this Agreement when rebid pursuant to subsection 3(b) below, subject expressly to the requirements of subsection 3(b) and Section 5, below. The District or the Construction Manager, as applicable, shall (i) provide the Council with a copy of the Request for Proposals ("RFP") for each trade package no later than thirty (30) days prior to the scheduled bid receipt date for such trade package and (ii) notify the Council upon receipt of any Intent to Bid Letter received and shall provide the Council with the opportunity to inspect such Intent to Bid Letter upon request.

If at least three (3) reasonable bids on any trade package are not received from (b) qualified bidders, the District or the Construction Manager, as applicable, shall have the right to rebid such trade package and, if rebid, the Contractor awarded the contract will not be bound by or subject to this Agreement and shall not be required to sign a Letter of Assent. The contract with such Contractor shall require the Contractor to comply fully with the requirements of Section 5 of this Article, subject to penalties for non-compliance. No other terms of the original RFP may be changed for the rebid trade package. The District or the Construction Manager, as applicable, shall (i) promptly notify the Council if at least three (3) reasonable bids on any trade package are not received, (ii) provide the Council with the opportunity to inspect all bids submitted upon request, subject to the terms of a mutually agreed-upon confidentiality agreement (iii) provide the Council with a copy of the RFP for any rebid trade package for which three (3) reasonable bids were not received at the same time such RFP is officially released, and (iv) provide the Council, subject to the terms of a mutually agreed-upon confidentiality agreement, with the opportunity to inspect all bids submitted in response to the rebid trade package upon request.

(c) To encourage full and open bidding on all trade packages, the District or the Construction Manager, as applicable, will include in all trade subcontracts a requirement that any disputes with a Contractor over payments claimed to be due the Contractor for work performed on the Project shall be subjected to expedited arbitration. The District and any Construction Manager agree that no special treatment will be accorded to any contractor bidding on a trade package unless the same special treatment is provided to all contractors bidding on the trade package.

Section 4. LSDBEs that are awarded contracts individually or with a total combined value of \$6 million or less will not be bound by or subject to this Agreement and shall not be required to sign a Letter of Assent. The contract with such LSDBE shall require the LSDBE to comply fully with the requirements of Section 5 of this Article, subject to penalties for non-compliance. The District or the Construction Manager, as applicable, shall notify the Council of the value of each contract awarded to an LSDBE at the same time the LSDBE is notified that it was the successful bidder. If the LSDBE's contract exceeds \$6 million plus a ten percent (10%) addition for change orders or, if at the time of the award, the value of the total combined contracts awarded to the LSDBE exceeds \$6 million, then the LSDBE shall no longer be exempt from any provision of this Agreement.

Section 5. Any Contractor who is exempt, by virtue of Article II, Section 3 and/or 4 from any provision of this Agreement, shall not be entitled by virtue of other provisions of this Agreement, to utilize the Agreement's provisions for Union referral of District residents, to participate in the apprenticeship programs, or to participate in any fringe benefit fund sponsored by the Unions signatory to this Agreement. The employees of such exempt Contractor shall have no right to Union representation for any purpose under this Agreement. Each such Contractor shall, nonetheless, be required by contract as described above, to:

(a) satisfy fully all District resident hiring and apprenticeship requirements set forth in this Agreement and required by law, and be subject to all sanctions set forth in this Agreement or by law for failure to satisfy such requirements; (b) demonstrate that, prior to the award of any contract to a Contractor who is otherwise exempted from this Agreement pursuant to Sections 3 and/or 4 above, it maintains an apprenticeship program that has been approved and registered by the District consistent with applicable District and federal law;

(c) pay its employees, for the duration of the Project, wages that equal the combined value of the wages and fringe benefits that are set forth in the collective bargaining agreement identified in Appendix B hereto (and as it may hereafter be modified) that is applicable to the work to be performed by the Contractor, such agreement to be designated by the Council at least fifteen (15) days prior to the bid date for such work;

(d) pay its employees, for the duration of their work on the Project, overtime and all other economic benefits that are set forth in the collective bargaining agreements identified in Appendix B hereto (and as it may hereafter be modified) that is applicable to the work to be performed by the Contractor. The Council shall identify all such economic benefits at least fifteen (15) days prior to the bid date for such work;

(c) comply with all provisions of Articles IX (Subcontracting), XIV (Hours of Work, Overtime, Reporting Pay and Holidays), XV (Safety and Health), and XVII (Non-Discrimination) of this Agreement;

(f) submit monthly certified payroll to the District or the Construction Manager, as applicable; and

(g) submit, no less often than monthly; written proof of compliance with all other obligations set forth in this Section 5 to the District or the Construction Manager, as applicable.

Section 6.

(a) The collective bargaining agreements that will apply to work covered by this Agreement will be identified by name and by specific reference to each signatory Union in Appendix B to this Agreement. The terms of each collective bargaining agreement identified in Appendix B, as currently in effect or as modified in the future by the parties to those agreements shall apply to work performed under this Agreement. No other local, area or national agreements other than those identified in Appendix B as to each signatory Union shall apply to work performed under this Agreement. Any dispute over which collective bargaining agreement identified in Appendix B shall apply shall be resolved in accordance with Article VIII.

(b) Where a term or condition covered by the provisions of this Agreement is also covered by or conflicts with the Union's agreement identified in Appendix B, then the provisions of this Agreement shall supercede and override the terms and conditions of the Union's agreement identified in Appendix B. Where a term or condition is covered by the provisions of the Union's agreement identified in Appendix B and is not covered by this Agreement, then the provisions of the Union's agreement identified in Appendix B shall apply. Notwithstanding the: foregoing, and with the exception of Article VI (Work Stoppages and Lockouts) and Article VIII (Jurisdictional Disputes) of this Agreement, the provisions of the National Agreement of the International Union of Elevator Constructors shall apply, without exception, to work covered by the National Agreement of the International Union of Elevator Constructors under the scope of this Agreement.

Section 7. This Agreement, including any Appendices hereto, represents the complete understanding of the Parties, and by virtue of having become bound to this Agreement, no Contractor will be obligated to sign any other local, area, or national agreement as a condition of performing work within the scope of this Agreement.

Section 8. Nothing contained herein shall be construed to prohibit, restrict or interfere with the performance of any other non-construction operation, work, or function which may occur at the Project site or be associated with the development of the Project such as, but not limited to, engineering, estimating, clerical, survey and layout that is not directly related to performance of construction work by and under the direction of the Contractors, accounting, timekeeping and related services. Furthermore, the provisions of this Agreement shall not apply to any work performed by the District and its agencies and instrumentalities and nothing contained herein shall be construed to prohibit or restrict the District or its employees from performing work not covered by this Agreement on the Project site.

Section 9. This Agreement shall only be binding on the signatory parties hereto and shall not apply to their parents, affiliates or subsidiaries.

Section 10. As areas and systems of the Project are inspected and construction tested and accepted by the District or the Construction Manager, as applicable, this Agreement will not have further force or effect on such items or areas, except when a Contractor or other responsible party is directed by the District or the Construction Manager, as applicable, to engage in repairs, modifications, check-out, and warranty functions on an item or area required by its contract during the term of this Agreement.

Section 11. It is understood that the liability of any Contractor and the liability of the separate Unions under this Agreement shall be several and not joint. The Unions agree that this Agreement does not have the effect of creating any joint employer status between or among the District, any Construction Manager, Contractors or any employer.

#### ARTICLE III OUTREACH ACTIVITIES

The Unions will partner with the District in conducting the outreach activities to and in promoting new initiatives to recruit bona fide District residents to apprenticeship programs or to onthe-job employment positions for which they are qualified. To that end, the Unions will assist bona fide District residents in contacting the Joint Apprenticeship Training Committee for the craft(s) or trade(s) in which they are interested. Additionally, to the extent permitted by law, the Unions will assist bona fide District residents who are seeking union jobs on the Project and union membership in assessing their work experience and giving them credit for bona fide, provable past experience in the relevant craft or trade, including experience gained working for non-union contractors. The Unions will put on their rolls and refer qualified bona fide District residents for work on this Project.

## ARTICLE IV UNION RECOGNITION AND EMPLOYMENT

Section 1. The Contractors recognize the signatory Unions as the sole and exclusive bargaining representatives of all craft employees within their respective jurisdictions working on the Project within the scope of this Agreement.

Section 2. Authorized representatives of the Unions shall have access to the Project provided they do not interfere with the work of the employees and further provided that such representatives fully comply with the visitor and security rules established for the Project. Each Union that is a party to this Agreement shall have the right to designate a working journeyperson as a Steward. The Union shall notify the Contractor in writing of the identity of the designated Steward(s) prior to the assumption of such person's duties as Steward. There will be no non-working Stewards. Such designated Steward shall be a qualified worker performing the work of that craft and shall not exercise any supervisory functions. Each Steward shall be concerned with the employees of the Steward's employer and not with the employees of any other employer. The Steward shall not have the right to determine when overtime shall be worked or who shall work overtime.

Section 3. All Contractors shall be required to seek applicants for employment first through the referral procedures of the applicable Union. The Union's referral procedures shall be those set forth in or applicable to each individual Union's collective bargaining agreement (see Appendix B). The Union agrees that there shall be no discrimination against any employee or applicant for employment because of his membership or non-membership in the union or based upon race, creed, color, sex, age, national origin of such employee or applicant or any other protected category contained in the District of Columbia Human Rights Act. No employee covered by this Agreement shall be required to join any Union as a condition of being referred to the Project. After referral, all provisions of Article XIII (Union Security) shall apply. The Unions will use the D.C. Department of Employment Services ("DCDOES") to recruit for referral qualified bona fide District residents.

Section 4. The First Source Employment Agreement Act of 1984, as amended (D.C. Official Code §§ 2-219.01 *et seq.*)("First Source Act"), currently requires that on projects that receive \$5 million or more in government assistance: (i) at least 20% of journey worker hours by trade shall be performed by District residents; (ii) at least 60% of apprentice hours by trade shall be performed by District residents; (iii) at least 51% of the skilled laborer hours by trade shall be performed by District residents; and (iv) at least 70% of common laborer hours shall be performed by District residents; (iii) at least 70% of common laborer hours shall be performed by District residents; (iii) at least 70% of common laborer hours shall be performed by District residents; (iv) at least 70% of common laborer hours shall be performed by District residents; (iv) at least 70% of common laborer hours shall be performed by District residents; (iv) at least 70% of common laborer hours shall be performed by District residents; (iv) at least 70% of common laborer hours shall be performed by District residents; (iv) at least 70% of common laborer hours shall be performed by District residents. (see D.C. Official Code § 2-219.03(e)(1A)(A)).

Section 5. Notwithstanding any provision to the contrary in their respective referral procedures, the Unions agree to identify those participants in the Unions' respective referral systems who are bona fide District residents for the purpose of meeting the requirements of the First Source Act. A Contractor seeking to hire a bona fide District resident to meet its goal set forth in the First Source Act, will contact the applicable Union dispatch and request a bona fide District resident. The Union will dispatch a bona fide District resident with the job skills specified in the notice (a

"qualified person") if one is available before qualified non-District residents are referred regardless of the District resident's place on the referral list. If the Union is unable to dispatch a qualified bona fide District resident within twenty-four (24) hours after a Contractor's request, the Union shall contact DCDOES to obtain a qualified bona fide District resident to fill the dispatch. All qualified individuals identified by DCDOES shall be directed to the Union for dispatch to the Project. If no qualified individual can be identified by DCDOES within forty-eight (48) hours after the Union's request to DCDOES, then the Contractor shall solicit applicants for referral by utilizing the Union's normal referral procedures.

Section 6. In the event the Union is unable to obtain a dispatch within seventy-two (72) hours (Saturday, Sunday and holidays excepted) after the Contractor's initial request for applicants, then the Contractor may employ applicants from any other available source, including community-based organizations in the District. The Contractor shall inform the Union of the name and social security number of any applicants hired from any other source and shall refer the applicant to the Union for dispatch to the Project.

Section 7. The Unions agree that, on a quarterly basis for the duration of the Project on the last day of each quarter, each Union will provide to DCDOES a report on how many qualified bona fide District residents sought referral to the Project, how many such residents were referred, and if applicable, the reason why any such resident declined referral to the Project. This report will also include the number of qualified bona fide District residents referred to each Union by DCDOES for work on the Project. The Unions will also provide to DCDOES, upon request, a copy of the Unions' D.C. priority referral list(s) described in Section 5, above. The Unions agree that they will meet with the District and any Construction Manager, as applicable, on a quarterly basis, and more frequently if requested, to review the Union's efforts with respect to the goals set forth in this Agreement with respect to the recruitment, referral and hiring of District residents.

Section 8. The District is committed to provide opportunities to participate on the Project to emerging business enterprises as well as other enterprises that may not have previously had a relationship with the Unions signatory to this Agreement. To ensure that such enterprises will have an opportunity to employ their "core" employees as journeymen on this Project, the Parties agree that in those situations where a Contractor not a party to a current collective bargaining agreement with the signatory Union having jurisdiction over the affected work is a successful bidder, the Contractor may request by name, and the Union will honor, subject to the rotation set forth below, referral of persons who have applied to the Union for referral to Project work and who demonstrate the following qualifications:

(a) possess any license required by state or federal law for the Project work to be

performed;

(b) have worked a total of at least one thousand (1,000) hours in the construction craft during the prior three (3) years;

(c) were on the Contractor's active payroll for at least sixty (60) out of the one hundred twenty (120) calendar days prior to the contract award; and

(d) have the ability to perform safely the basic function of the applicable trade.

Proof of such qualifications must be presented to the Union from which the "core" employee seeks referral. The first applicant referred to such Contractor will be a journeyperson referred by the Union in accordance with the requirements set forth in this Article. The second applicant referred will be one of such Contractor's "core" employees, recognizing that bona fide District residents will have priority referral within this group and that the Contractor is required to meet its commitments under the First Source Act. This process shall be repeated, one and one, until such Contractor's crew requirements are met or until such Contractor has hired five (5) "core" employees, whichever occurs first. Thereafter, all additional employees in the affected trade or craft shall be hired exclusively from Union referrals in accordance with the requirements set forth in this Article. For the duration of such Contractor's work, this ratio shall be maintained. When such Contractor's workforce is reduced, "core" employees to other referrals as was applied in the initial hiring. Nothing in this Section shall relieve a Contractor from complying with the requirements of applicable law including, but not limited to, the First Source Act.

Section 9. The selection of craft foreman and/or general foreman and the number of foremen required shall be entirely the responsibility of the Contractor. Craft foreman shall be designated working foremen at the request of the Contractor.

#### Section 10.

(a) The Contractors and Unions recognize a desire to facilitate the entry into the building and construction trades of veterans and members of the National Guard and Reserves who are interested in careers in the building and construction industry. The Contractors and Unions agree to utilize the services of the Center for Military Recruitment, Assessment and Veterans Employment ("Center"), a joint Labor-Management Cooperation Trust, established under the authority of Section 6(b) of the Labor-Management Relations Act of 1978, 29 U.S.C. Section 175(a), and Section 302(c)(9) of the Labor-Management Relations Act, 29 U.S.C. Section 186(c)(9), and a charitable tax exempt organization under Section 501(c)(3) of the Internal Revenue Code, and the Center's "Helmets to Hardhats" program to serve as a resource for preliminary orientation, assessment of construction aptitude, referral to apprenticeship programs or hiring halls, counseling and mentoring, support network, employment opportunities and other needs as identified by the Parties.

(b) The Unions and Contractors agree to coordinate with the Center to create and maintain an integrated database of veterans and members of the National Guard and Reserves interested in working on this Project and of apprenticeship and employment opportunities for this Project. To the extent permitted by law, the Contractors and Unions will give credit to such veterans and members of the National Guard and Reserves for bona fide, provable past experience.

(c) Each Contractor performing work on this Project shall contribute to the Center the amount of one cent (\$0.01) per hour for each hour worked by each individual employee covered by this Agreement. Payment shall be forwarded monthly to the Center in a form and manner to be determined by the Center's Trustees.

(d) The Center shall function in accordance with, and as provided in the Agreement and Declaration of Trust, and any amendments thereto, and any other of its governing documents. Each Contractor performing work covered by this Agreement approves and consents to the appointment of the Trustees designated pursuant to the Trust Agreement establishing the Center and hereby adopts and agrees to be bound by the terms and provisions of the Trust Agreement.

(e) Contractors who fail to pay contributions or other payments owed to the Center within thirty (30) days of the date when such contributions or other payments are due shall be liable to the Trust for all costs of collection incurred by the Trust, including, attorneys' fees and court costs. The Trustees are empowered to initiate proceedings at law or equity, and to take any other lawful action necessary to collect contributions and all other payments due.

#### ARTICLE V MANAGEMENT'S RIGHTS

The Contractors retain full and exclusive authority for the management of Section 1. their operations. Except as otherwise limited by the terms of this Agreement, the Contractors shall have the right to determine the competency of all employees, the number of employees required subject to the lawful manning requirements of the applicable collective bargaining agreements in Appendix B, and shall have the sole responsibility for selecting employees to be laid off. Contractors shall direct their working forces at their prerogative, including, but not limited to, hiring, promotion, transfer, lay-off, and discipline or discharge for just cause. No rules, customs, or practices shall be permitted or observed which limit or restrict production, or limit or restrict the working efforts of employees. The Contractors shall utilize the most efficient method or techniques of construction, tools, or other labor saving devices, and have the right to utilize any methods or techniques of construction. There shall be no limitations upon the choice of materials or design, nor shall there be any limit on production by workers or restrictions on the full use of tools or equipment. It is recognized that installation of specialty items may require utilization, in limited circumstances, of a specialty company to protect a manufacturer's warranty or where the employees working under this Agreement lack the required skills to perform the work. In such cases, the applicable Contractor shall use commercially reasonable efforts to cause the specialty company to become bound to this Agreement and perform all such work consistent with the terms of this Agreement. There shall be no restriction, other than may be required by safety regulations, on the number of employees assigned to any crew or to any service.

Section 2. If there is any disagreement between the Contractor and the Union concerning the manner or implementation of such device or method of work, the implementation shall proceed as directed by the Contractor, and the Union shall have the right to grieve and/or arbitrate the dispute as set forth in Article VII of this Agreement.

## ARTICLE VI WORK STOPPAGES AND LOCKOUTS

Section 1. During the term of this Agreement there shall be no strikes, sympathy strikes, picketing, work stoppages, slow downs or other disruptive activity for any reason (including disputes

relating to the negotiation or renegotiation of the collective bargaining agreements attached as Appendix B hereto, or disputes directed at non-construction services companies or the District at the Stadium Site) by a signatory Union or by any employee, and there shall be no lockout by the Contractor. This provision will not affect the Contractor's right to suspend or terminate work on any portion of the Project for operational or special circumstances provided the Union is given thirty (30) days notice, and such suspension or termination of work shall not be considered a lockout within the meaning of this section.

Section 2. No signatory Union shall sanction, aid or abet, encourage or continue any work stoppage, strike, picketing or other disruptive activity at the Contractor's project site and shall undertake all reasonable means to prevent or to terminate any such activity. No employee shall engage in activities that violate this Article. Any employee who participates in or encourages any activities which interfere with the normal operation of the Project shall be subject to disciplinary action, including discharge, and if justifiably discharged for the above reasons, shall not be eligible for rehire on the Project for a period of not less than ninety (90) days.

Section 3. No Union shall be liable for acts of employees for whom it has no responsibility. The principal officer(s) of a Union will immediately instruct, order and use the best efforts of his office to cause the employees the Union represents to cease any violations of this Article. A Union complying with this obligation shall not be liable for the unauthorized acts of any employee it represents. The failure of the Contractor to exercise its right in any instance shall not be deemed a waiver of its right in any other instance.

Section 4. If there is a work stoppage or lockout dispute the parties agree to provide notice to an arbitrator from the panel, as described in Article VII below. Upon receipt of said notice, the arbitrator or his alternate shall sit and hold a hearing within twenty-four (24) hours if he believes that the work stoppage or lockout dispute still exists, but not sooner than twenty-four (24) hours after notice of such dispute is given to the Union.

#### ARTICLE VII DISPUTES AND GRIEVANCES

Section 1. This Agreement is intended to provide close cooperation between the Parties. Each of the Unions will assign a representative to this Project for the purpose of completing the construction of the Project economically, efficiently, continuously, and without interruptions, delays or work stoppages.

Section 2. The Contractors, Unions, and the employees, collectively and individually, realize the importance to all Parties to maintain continuous and uninterrupted performance of work on the Project, and agree to resolve disputes in accordance with the grievance-arbitration provisions set forth in this Article.

Section 3. Any question or dispute arising out of and during the term of this Agreement (other than trade jurisdictional disputes, which shall be governed by Article VIII) shall be considered a grievance and subject to resolution under the following procedures:

Step 1. (a) When any employee subject to the provisions of this Agreement believes he is aggrieved by a violation of this Agreement, he shall, through his Union business representative or job steward, within five (5) working days after the occurrence of the violation, give notice to the work-site representative of the involved Contractor stating the specific provision(s) alleged to have been violated. A representative of the Union or the job steward and the work-site representative of the involved Contractor and a representative of the District or the Construction Manager, as applicable, shall meet and endeavor to adjust the matter within three (3) working days after timely notice has been given. The representative of the Contractor shall respond to the Union representative in writing (copying the District or the Construction Manager, as applicable) at the conclusion of the meeting but not later than twenty-four (24) hours thereafter. If they fail to resolve the matter within the prescribed period, the grieving party may, within forty-eight (48) hours thereafter, pursue Step 2 of these Grievance Procedures, provided the grievance is reduced to writing, setting forth the relevant information concerning the alleged grievance, including a short description thereof, the date on which the grievance occurred, and the specific provision(s) of the Agreement alleged to have been violated.

(b) Should the Union(s) or any Contractor have a dispute with the other party and, if after conferring, a settlement is not reached within three (3) working days, the dispute may be reduced to writing and proceed to Step 2 in the same manner as outlined herein for the adjustment of an employee complaint.

Step 2. The Union's principal officer (or his designee) and the involved Contractor shall meet within seven (7) working days of the referral of a dispute to this second step to arrive at a satisfactory settlement thereof. If the parties fail to reach an agreement, the dispute may be appealed in writing in accordance with the provisions of Step 3 within seven (7) calendar days thereafter.

If the grievance has been submitted but not adjusted under Step 2, Step 3. (a) either party may request in writing, within seven (7) calendar days thereafter, that the grievance be submitted to an Arbitrator designated from a permanent panel of five (5) arbitrators for this Agreement. The five permanent panel arbitrators shall be selected by mutual agreement of the District, any Construction Managers and the Unions signatory to this Agreement. If the District, any Construction Managers and the Unions are unable to agree upon the five (5) panel members, they shall request the American Arbitration Association to provide them with sufficient separate panels of arbitrators so that five (5) permanent panel members may be selected. Selection of the panel members shall be made by alternately striking names from each panel provided. No more than one name from each panel shall be selected, absent mutual agreement of the Parties. Designation of the arbitrator from the panel to hear any grievance shall be by rotation among the panel members. The rules of the American Arbitration Association shall govern the conduct of the arbitration hearing. The decision of the Arbitrator shall be final and binding on all parties and any party may enter any judgment or award rendered by the arbitrator in a District of Columbia court/forum of competent jurisdiction. All jointly incurred fees and expenses of such Arbitration shall be borne equally by the Contractor and the involved Union(s). Each party shall bear its own attorneys' fees. The arbitrator shall not order nor have the power to order a party to pay or reimburse the other party for attorneys' fees, expert fees or any other fees incurred in connection with, preparing, presenting or defending its case. The arbitrator shall not award or be empowered to award punitive or exemplary damages.

(b) Failure of the grieving party to adhere to the time limits established herein shall render the grievance null and void. Time is of the essence. The time limits established herein may be extended only by written consent of the parties involved at the particular step where the extension is agreed upon. The Arbitrator shall have the authority to make decisions only on issues presented to him providing he has jurisdiction to resolve the issues, and he shall not have authority to change, amend, add to or detract from any of the provisions of this Agreement.

Section 4. The District or the Construction Manager, as applicable, shall be notified of all actions at Steps 2 and 3 and shall be permitted to participate in all proceedings at Steps 2 and 3.

Section 5. If an arbitrator determines that a Union has failed to fulfill its obligations in good faith under Article IV, Sections 4, 5, 7, and 8 or Article X, Sections 2, 3, 5, 6, 7 and 8, the arbitrator may require the Union, per violation, to pay the cost of enrolling one bona fide District resident in a building trades pre-apprentice program. In determining the extent of this specified community outreach, the arbitrator shall consider the nature of the underlying grievance.

### ARTICLE VIII JURISDICTIONAL DISPUTES

Section 1. The assignment of work will be solely the responsibility of the Contractor performing the work involved, and such work assignments will be in accordance with the then current Plan for the Settlement of Jurisdictional Disputes in the Construction Industry (the "Plan") approved by the Building and Construction Trades Department, AFL-CIO or any or any other plan or method of procedure that may be adopted in the future by the Building and Construction Trades Department, AFL-CIO.

Section 2. All jurisdictional disputes on the Project, between or among the Unions and Contractors signatory to this Agreement, shall be settled and adjusted according to the Plan. Decisions rendered shall be final, binding and conclusive on the Contractors and Unions party to this Agreement.

Section 3. All jurisdictional disputes shall be resolved without the occurrence of any strike, work stoppage, or slow down of any nature, or other disruptive activity arising out of any jurisdictional dispute or interruption in protest, and the Contractor's assignment shall be adhered to until the dispute is resolved. Employees violating this section shall be subject to immediate discharge.

Section 4. Each Contractor will conduct a pre-job conference with the Council and signatory Unions at the offices of the Building and Construction Trades Department, 815 16th Street, NW, Suite 600, Washington, DC 20006, no less than thirty (30) days prior to commencing work unless the Council agrees in writing otherwise or unless emergency conditions exist that require

fewer days' notice to the Council. The District or the Construction Manager, as applicable, will be advised in advance of all such conferences and may participate if they wish. Absent the express written consent of the Council, no work shall begin unless a timely pre-job conference has been conducted.

#### ARTICLE IX SUBCONTRACTING

Except as otherwise provided herein, the District and any Construction Manager shall not contract and no Contractor shall subcontract any work to be done on the Project except to a person who or entity that is or agrees to become party to this Agreement. Any Contractor working on the Project shall, as a condition to working on the Project, become a signatory to and perform all work under the terms of this Agreement.

## ARTICLE X APPRENTICES AND TRAINING

Section 1. The Parties recognize the need to maintain continuing support of programs designed to develop adequate numbers of competent workers in the construction industry in the District. The Parties further recognize that apprenticeship and training shall be offered consistent with the applicable signatory Union's collective bargaining agreement (*see* Appendix B) and consistent with the apprenticeship and training programs currently maintained by the Joint Apprenticeship and Training Committees sponsored by the Unions and their signatory contractors.

Section 2. The Parties agree that, subject to any restrictions contained in applicable law, Contractor(s) will employ apprentices in the respective crafts which are performing work on the project, and within the jurisdiction of the craft in which those apprentices are working. The Parties further agree to a goal that apprentices will perform up to twenty-five percent (25%) of the total craft work hours unless the applicable Union's collective bargaining agreement (see Appendix B) provides for a greater percentage. The Union agrees to cooperate with the Contractor in furnishing apprentices as requested. Apprentices shall be properly supervised and paid in accordance with this Agreement.

Section 3. Contractors will employ only bona fide District residents as new apprentices (one hundred percent (100%) of all new apprentices shall be bona fide District residents). For purposes of meeting this goal, a "new apprentice" is defined as a bona fide District resident who is indentured on or after the date the Contractor executes a Letter of Acceptance agreeing to be bound by this Agreement. A Contractor failing to meet this goal or demonstrate "good faith" efforts to do so may be referred to binding arbitration as provided for in Article VII, above, for an appropriate resolution that may include monetary sanctions. In no event shall sanctions exceed five percent (5%) of the direct labor costs of the Contractor's construction contract for the Project. For the purpose of resolution of any dispute arising under this Section, the District shall be considered a party-in-interest with full rights of participation in the arbitration proceeding.

Section 4. The Parties recognize that, on projects receiving \$5 million or more in government assistance, the First Source Act currently requires at least 60% of apprentice hours by trade shall be performed by District residents. The Contractor shall reach this goal through the utilization of the referral procedures set forth in this Agreement (where applicable), and through normal apprentice procedures. Individuals who are identified by the Parties, DCDOES and community-based organizations as potentially qualified apprentices, will be referred to the apprenticeship programs for review through the program's normal apprentice procedures.

Section 5. All Contractors and Unions shall provide a report to D.C. Office of Apprenticeship on the number of bona fide District residents who applied for apprenticeship, the number of bona fide District residents selected, and the reason(s) why those residents were not selected. The report shall be provided as the information becomes available to the Contractors and the Unions.

Section 6. All Contractors and Unions shall participate in up to three (3) apprenticeship career fairs to be organized by DCDOES for each year of construction of the Project in a concerted effort to recruit eligible District residents for apprenticeship opportunities. These career fairs shall begin prior to beginning of work on the Project.

Section 7. Contractors and Unions shall encourage the acceptance of all bona fide District residents enrolled in the applicable Union-sponsored preparatory apprenticeship training initiative, who successfully complete the training and qualify for formal registered apprenticeship programs. The Union's Business Manager shall recommend such acceptance in writing directed to the Trustees of the Joint Apprenticeship Training Fund or Committee, as applicable.

Section 8. Only those bona fide District residents who are registered in bona fide apprenticeship programs shall be counted for purposes of determining whether the apprenticeship requirements set forth in this Article have been met.

Section 9. Apprentices shall be employed to perform work in all craft areas in numerical ratios of apprentices to journeypersons that are consistent with the applicable registered apprenticeship program.

### ARTICLE XI WAGES AND BENEFITS

Section 1. Contractors shall pay the required wages and benefits set forth in each Union's collective bargaining agreement (*see* Appendix B) for persons otherwise entitled to receive benefits under such agreements, including any increases that may be negotiated with respect to those agreements in the future. All Contractors agree to be bound by all terms and conditions of the applicable fringe benefit trust agreements and the fringe benefit contribution procedures applicable to all contributing employers for persons otherwise entitled to receive benefits under such agreements. Contributions to employee benefit funds of a labor organization may be required only if, and to the extent, the employee's right to the benefits does not require membership in the labor organization.

Section 2. If a Contractor becomes delinquent in the payment of wages or fringe benefit contributions, the affected Union shall promptly give written notice thereof to such Contractor, and to the District or the Construction Manager, as applicable, specifying the nature and amount of such delinquency as nearly as can be ascertained. Upon receipt of the notice specified herein, the District or the Construction Manager, as applicable, shall withhold payment from any Contractor that has failed to make full payments for wages and fringe benefit contributions required by this Agreement. The amount withheld shall be no less than the amount of the delinquency set forth in the notice.

## ARTICLE XII WORK RULES

The Contractors agree to be bound by each individual Union's collective bargaining agreement for the work rules.

## ARTICLE XIII UNION SECURITY AND VOLUNTARY CHECK-OFF AUTHORIZATION

Section 1. All employees covered by this Agreement in the employ of the Contractors shall remain members in good standing of the Union during the term of this Agreement, and all employees hereinafter employed by the Contractors shall become members of the Union within seven (7) days after the date of their employment and shall remain members of the Union during the term of their employment on this Agreement, to the extent allowed or permitted by law.

Section 2. In interpreting good standing, a Contractor shall not discharge an employee for non-membership in the Union (a) if it has reasonable grounds for believing that such membership was not available to the employee on the same terms or conditions generally applicable to other members; or (b) that membership was denied or terminated for reasons other than the failure of the employee to tender the periodic dues and initiation fees uniformly required as a condition of acquiring or retaining membership.

Section 3. Upon receipt of a voluntary written authorization from the employee, the Contractor agrees to deduct and forward to the Union any dues checkoff or working assessment required to be paid in accordance with the provisions relating to dues checkoff and working assessments in the Union's collective bargaining agreement.

## ARTICLE XIV

# HOURS OF WORK, OVERTIME, REPORTING PAY AND HOLIDAYS

Section 1. (a) The normal workday shall be eight (8) hours and the normal workweek shall be forty (40) hours, Monday through Friday. Regular work hours will be between 5:30 a.m. and 5:30 p.m. plus one-half (½) hour unpaid for lunch approximately mid-way through the shift, which may be changed by mutual agreement of the Union and the Contractor. The District or the Construction Manager, as applicable, may arrange for multiple shifts outside of normal work hours. Saturday may be a make-up day on a voluntary basis for weather-related lost time only, with no less

than eight (8) hours' work opportunity if called in. Make-up days shall be paid as straight time unless otherwise required by law.

(b) If the District or the Construction Manager, as applicable, and the Contractor determine that it would be beneficial to the Project, the Contractor may implement a four (4) tenhour day workweek or a five (5) tenhour workweek (exclusive of one-half hour unpaid lunch approximately mid-way through the shift) after providing three (3) days notice to the Union. Once established, a four-ten or five-ten workweek shall remain in effect for at least four (4 or 5) consecutive working days. Regular working hours during the four/ten workweek will be between 5:30 a.m. and 5:00 p.m., Monday through Friday. Saturday may be a make-up day on a voluntary basis for weather-related lost time only, with no less than ten (10) hours work opportunity if called in.

(c) A uniform starting time will be established for each craft or segment of the work. The Union(s) shall be informed of the work starting time set by the Contractor at the pre-job conference.

Section 2. The need to work overtime will be determined by the Contractor. The Contractor will determine the distribution of approved overtime work. Overtime shall be paid consistent with the applicable Union's collective bargaining agreement (*see* Appendix B).

Section 3. When an employee reports for work at the time and place specified by the Contractor and he is not put to work or he works less than two (2) hours, he shall be paid for two (2) hours at the applicable straight time rate of pay. All other minimum pay requirements shall be determined by reference to the applicable Union's collective bargaining agreement (*see* Appendix B).

Section 4. The recognized holidays shall be the day celebrated as such by the Federal Government for New Year's Day, Martin Luther King's Birthday, Inauguration Day, Memorial Day, Fourth of July, Labor Day, Columbus Day, Veterans' Day, Thanksgiving Day, the Friday after Thanksgiving, and Christmas Day. Payment for holidays shall be determined by reference to the applicable Union's collective bargaining agreement (*see* Appendix B).

Section 5. Unless a longer period or other breaks are required by applicable law, there shall be a paid ten (10) minute break two (2) hours after the start of a shift. There shall be a thirty (30) minute unpaid lunch period to be mutually agreed upon. Payment for and all practices regarding clean-up time shall be determined by reference to the applicable Union's collective bargaining agreement.

Section 6. The Unions will use their best efforts to provide sufficient manpower to work on multiple shifts if the Contractor or the District or the Construction Manager, as applicable, determines that multiple shifts are necessary. Employees on a second shift shall receive eight (8) hours pay for a seven and one-half  $(7 \frac{1}{2})$  hour shift and shall also receive ten percent (10%) premium pay for each hour worked. Employees on a third shift shall receive eight (8) hours pay for a seven (7) hour shift and shall also receive ten percent (10%) premium pay for each hour worked. The Contractor shall notify the Union with two (2) days notice of the starting and quitting time of all second or third shifts in advance of initiation of said shifts.

### ARTICLE XV SAFETY AND HEALTH

Section 1. The employees covered by the terms of this Agreement shall at all times while in the employ of the Contractor be bound by the safety rules and regulations as established by the Contractor in accordance with the Construction Safety Act and OSHA. These rules and regulations will be published and posted at conspicuous places throughout the Project.

Section 2. In accordance with the requirements of OSHA, it shall be the exclusive responsibility of each Contractor on a jobsite to which this Agreement applies, to assure safe working conditions for its employees and compliance by them with any safety rules contained herein or established by the Contractor. Nothing in this Agreement will make any signatory Union liable to any employees or to other persons in the event that injury or accident occurs. Each Contractor will be responsible for supplying all safety equipment to its employees.

## ARTICLE XVI NON-DISCRIMINATION

Section 1. The Contractor and Union agree that they will not discriminate against any employee or applicant for employment because of any reason prohibited by applicable federal or District law.

Section 2. Any reference in this Agreement to the male gender shall be deemed to include the female gender.

#### ARTICLE XVII GENERAL SAVINGS CLAUSE

If any Article or provision of this Agreement shall be declared invalid, inoperative, or unenforceable by any competent authority of the executive, legislative, judicial or administrative branch of the federal or District government, the Contractor and the Union shall suspend the operation of such Article or provision during the period of its invalidity and shall substitute by mutual consent in its place and stead, an Article or provision which will meet the objections to its validity and which will be in accord with the intent and purpose of the Article or provision in question. Any final determination that any provision of this Agreement violates any law or is otherwise not binding and enforceable, shall have no effect on the validity of the remaining provisions of this Agreement.

### ARTICLE XVIII TERM OF AGREEMENT

This Agreement will remain in effect until the development agreement between the District and DC Stadium, LLC for the development and construction of the Stadium at the Stadium Site, ("Development Agreement") is terminated, at which time this Agreement will automatically terminate.

#### ARTICLE XIX DEVELOPMENT AGREEMENT

The District covenants that the Development Agreement shall expressly require that any construction manager or similar entity engaged to construct the Stadium shall execute this Agreement or a Letter of Assent agreeing to be bound by this Agreement.

## ARTICLE XX SUMMER YOUTH PROGRAM

The Council agrees that it will sponsor and finance a six (6) week summer youth program during the summers in which the Stadium is being constructed for fifteen (15) bona fide District residents who are between the ages of 16 and 18. And who have demonstrated an interest in a career in the building trades. Over the course of each summer, the program will include classroom presentations relating to the building trades, visits to the training facility of each Council affiliate, and participation in other activities related to career opportunities in the Washington area building trades. Each youth participant will receive the District of Columbia's minimum wage for all hours of attendance in the program (not to exceed 8 hours per day, 40 hours per week).

#### ARTICLE XXI GOVERNING LAW AND FORUM

The terms of this Agreement is governed exclusively by the Laws of the District of Columbia and the rules, regulations and procedures of agencies of the District of Columbia. Any dispute arising from this Agreement that is not resolved through Arbitration shall be resolved only in the courts and regulatory agencies of or in the District of Columbia. IN WITNESS WHEREOF, the Parties have executed this Agreement this 10<sup>th</sup> day of September, 2013.

# DISTRICT OF COLUMBIA

By:	
Name:	
Title:	

**UNIONS:** 

Washington, DC Building and Construction Trades Council:

Local #24, Asbestos Workers:

By:	
-	
Name:	
Title:	

Local #1, Bricklayers and Allied Craft Workers

Local #26, Electrical Workers:

Local #5, Iron Workers:

By:	
Name:	
Title:	

Local #657, Laborers:

Ву:	_
Name:	
Title:	

Local #77, Operating Engineers:

By:	
Name:	
Title:	

Local #891, Operative Plasterers & Cement Masons:

By:	
Name:	
Title:	

Painters District Council #51:

By: _		
Name:		
Title:		

Local #5, Plumbers:

By:	
Name:	
Title:	

Local #201, Reinforced Rodmen:

By:	
Name:	
Title:	

Local #30, Roofers & Waterproofers:

D	
By:	
Name:	
Title:	

Local #100, Sheet Metal Workers:

By:	
Name:	
Title:	

Local #669, Sprinkler Fitters:

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Local #602, Steamfitters:

By:		
-	······································	 
Name:		
	F	
Title:		

Local #639, Teamsters:

By:		
+	 	
Name:		
Title:		

Mid Atlantic Regional Council of Carpenter

÷

By:	
By: Name:	
Title:	

Pile Drivers

Ву:	
Name:	
Title:	

**Concrete Carpenters** 

By:	
-	
Name:	
Title:	
THE.	

Interior Systems Carpenters

By:	
Name:	
Title:	

Millwork Carpenters

Ву:	
-	
Name:	
Title:	

General Carpenters

By:	
Name:	
Title:	

Carpet Layers

By:	
Name:	
Title:	

Floor Layers

By:			
Name:			,
Title:		-	

Furniture Installers

By:	
Name:	
Titles	
Title:	 

Mill Wrights

By:			
-			
Name: _			
Title:			

## Exhibit S

Stadium Act

### AN ACT

### D.C. ACT 20-556

#### IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

#### **DECEMBER 30, 2014**

To authorize the Mayor to assemble the soccer stadium site including through the use of eminent domain, to require the Mayor to amend the ground lease of the soccer stadium site, to require the Mayor to amend the development agreement for the construction of a new soccer stadium, and to authorize the rental of airspace and vault space; to amend the Robert F. Kennedy Memorial Stadium and District of Columbia National Guard Armory Public Safety Act to make it applicable to the soccer stadium; to amend Title 25 of the District of Columbia Official Code to provide for licenses to be issued to the operator of the soccer stadium; and to amend Chapter 46 of Title 47 of the District of Columbia Official Code to provide tax abatements and to exempt the transfer of the stadium site from recordation and transfer taxes.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Soccer Stadium Development Amendment Act of 2014".

TITLE I. ASSEMBLAGE OF SITE; AUTHORITY OF MAYOR TO EXERCISE EMINENT DOMAIN.

Sec. 101. Definitions.

For the purposes of this title, the term "soccer stadium site" means the real property described as Squares 603S, 605, 607, 661, and 661N, and the northwest portion of Lot 24 in Square 665 as described in the letter of intent between the District and Potomac Electric Power Company dated December 27, 2013, and all public alleys and streets to be closed within these squares.

Sec. 102. Findings. The Council finds that:

(1) RFK Stadium is no longer suitable as a home for D.C. United in that it was not designed to host soccer, but was designed for football and baseball, has a capacity much larger

than current Major League Soccer Stadiums, is more than 50 years old, is in deteriorating condition, and is near the end of its useful life.

(2) Without the development of a new soccer stadium, it is likely that D.C. United would ultimately move to another jurisdiction where it could participate in the development of a modern, state-of-the-art, outdoor soccer stadium, which would cause the District to lose the economic and fiscal benefits associated with the team's location in the District.

(3) The development and operation of a new, state-of-the-art, LEED certified outdoor soccer stadium at Buzzard Point and the planned development on its ancillary site will increase economic activity.

(4) The stadium is proposed to be located in Buzzard Point, an underutilized industrial area that has long been targeted for redevelopment and, in anticipation of that redevelopment, has been rezoned for higher density use, but that, without a catalytic, public-sponsored project, is not likely to see significant redevelopment for a minimum of 8 years and likely longer.

(5) Developing a state-of-the-art, LEED certified outdoor soccer stadium at Buzzard Point will serve to accelerate that redevelopment as well as promote economic development in the Buzzard Point and Capitol Riverfront neighborhoods and enhance economic vitality in the District of Columbia.

(6) Improvements in the physical environment of Buzzard Point catalyzed by the soccer stadium will connect Buzzard Point to the emerging Capitol Riverfront area to create a vibrant, mixed-use neighborhood with improved pedestrian circulation and continuous public access to the water, offer new development opportunities that could promote mixed-use development and increase the inventory of affordable housing through inclusionary zoning, and provide ways to improve the environmental health of Buzzard Point.

(7) Improvements and infrastructure investments represented by the development of a new, state-of-the-art soccer stadium project at Buzzard Point will leverage other nearby District investments such as the South Capitol Street Bridge project and the parking facilities for Nationals Park and, along with the successful and planned development at the Yards and the Wharf, combine to anchor a new, mixed-use neighborhood that would reconnect residents to the waterfront, enhance the natural environment, and establish an attractive gateway to the District while improving conditions for nearby residents.

Sec. 103. Assemblage of soccer stadium site.

(a)(1) The Council disapproves the exchange agreement between the District of Columbia and SW Land Holder, LLC dated May 23, 2014 (the "exchange agreement") and the amendment to the exchange agreement dated October 7, 2014.

(2) The Mayor shall acquire Squares 605, 607, and 661 and the northwest portion of Lot 24 in Square 665 as described in the letter of intent between the District and Potomac Electric Power Company ("PEPCO") dated December 27, 2013 for market value at a cost not to

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exceed \$88.9 million; provided, that the cost may exceed \$88.9 million if in an eminent domain proceeding the court determines or an appraisal conducted by the District establishes a value for one or more properties that causes the cost to exceed \$88.9 million.

(b) Notwithstanding An Act Authorizing the sale of certain real estate in the District of Columbia no longer required for public purposes, approved August 5, 1939 (53 Stat. 1211; D.C. Official Code § 10-801 *et. seq.*), or other provision of law, the Council authorizes the Mayor to transfer Lot 82 in Square 559 to PEPCO in exchange for \$15.8 million.

(c) The Mayor is not authorized to exchange or otherwise dispose of the Franklin D. Reeves Center, located on Lot 844 in Square 204, in conjunction with the assemblage of the soccer stadium site.

(d) The Mayor shall transmit any agreement to acquire any portion of Squares 605, 607, or 661, or the northwest portion of Lot 24 in Square 665 as described in the letter of intent between the District and PEPCO dated December 27, 2013 to the Council no fewer than 30 days before the effective date of the agreement.

(e) The Mayor may exercise eminent domain in accordance with the procedures set forth in subchapter II of Chapter 13 of Title 16 of the District of Columbia Official Code to acquire any portion of Squares 605, 607, or 661, or the northwest portion of Lot 24 in Square 665 as described in the letter of intent between the District and PEPCO dated December 27, 2013.

Sec. 104. Amendments to ground lease and development agreement.

(a)(1) The Mayor shall transmit to the Council a ground lease ("revised ground lease") that amends the ground lease between the District of Columbia and DC Stadium LLC, dated May 23, 2014 ("original ground lease"), for lease of the soccer stadium site to DC Stadium LLC no fewer than 30 days before the effective date of the revised ground lease.

(2) The revised ground lease shall:

(A) Not contain any provision to abate District sales tax; and

(B) Contain modifications to conform the terms of the original ground lease to the provisions of this act.

(b)(1) The Mayor shall transmit to the Council a development agreement ("revised development agreement") that amends the development agreement between the District of Columbia and DC Stadium LLC, dated May 23, 2014 ("original development agreement"), for the development of the soccer stadium site, not fewer than 30 days before the effective date of the revised development agreement.

(2) The revised development agreement shall:

(A) Extend the date by which the District shall acquire control of the soccer stadium site to September 30, 2015;

(B) Extend the dates by which the District shall close streets and alleys, acquire fee title, demolish existing structures, perform infrastructure work (including all District obligations under article V of the original development agreement), and perform environmental

remediation work (including all District obligations under article VI of the original development agreement), as such actions are described in articles III, IV, V, and VI of the original development agreement and may be described or referenced in other provisions of the original development agreement, each by 6 months;

(C) Set a date by which DC Stadium LLC shall complete the construction of a soccer stadium at the soccer stadium site;

(D) Extend other dates as negotiated between the District and DC Stadium, LLC;

(E) Amend section 5.9 of the original development agreement to read as follows: "Land Contribution. Within 30 days of the District's acquisition of either Lot 7 or Lot 802 in Square 605, the Stadium Developer shall pay to the District, or its designee, Two Million Five Hundred Thousand Dollars (\$2,500,000.00) to offset Land acquisition costs, unless the District acquires either Lot 7 or Lot 802 in Square 605 by the use of eminent domain and the aggregate price paid by the District for Lot 7 and Lot 802 is less than \$25,148,760.";

(F) Amend section 9.1(c) of the original development agreement to read as follows: "Designated Entertainment Area. The District shall grant to the Developer 'signage rights' with respect to the Land, such signage rights to be those rights described in the proposed Chapter 8 of Title 13 of the District of Columbia Municipal Regulations published in the DC Register on August 17, 2012."; and

(G) Provide that no fees, proffers, or deposits shall be borne or waived by the District pursuant to section 7.6 of the original development agreement before October 1, 2015.

(c) DC Stadium, LLC and the District shall agree to terms within the revised ground lease and revised development agreement providing that, notwithstanding any other provision of the revised ground lease or revised development agreement, DC Stadium LLC covenants and agrees:

(1) To enter into a labor peace agreement that conforms in content to the requirements set forth in section 4 of the District Hotel Development Projects Labor Peace Agreement Act of 2002, effective April 2, 2003 (D.C. Law 14-266; D.C. Official Code § 32-853), with each labor organization that requests a labor peace agreement and which represents, or reasonably might represent, food service or concession workers at the soccer stadium to be constructed at the soccer stadium site, workers in any hotel development located on the Adjacent Land (as defined in Exhibit A-2 to the original ground lease), or any group or subgroup of such workers; and

(2) To require, as a condition of any assignment, sublease, or transaction of any kind transferring, in whole or in part, any rights under the revised development agreement or the revised ground lease to any other entity, that such assignee, sublessee, transferee, or other entity:

(A) Adopt and execute any labor peace agreement entered into by DC Stadium LLC pursuant to paragraph (1) of this subsection or, to the extent that DC Stadium LLC has not entered into such a labor peace agreement with any labor organization that requests a

labor peace agreement and that represents, or reasonably might represent, workers described in paragraph (1), to enter into such agreement; and

(B) Require adoption and execution of such labor peace agreement (or, to the extent that such agreement has not previously been reached with any labor organization that requests a labor peace agreement and that represents, or reasonably might represent, workers described in paragraph (1) of this subsection, to require entry into such agreement) by any future assigned, sublessee, transferee, or other entity as a condition of any future assignment, sublease, transfer, agreement, or transaction of any kind transferring, in whole or in part, any rights under the revised development agreement or the revised ground lease; and

(3) To entitle any labor organization that has entered into, or has requested to enter into, a labor peace agreement under this subsection to enforce the obligations described in paragraph (1) and paragraph (2) of this subsection as a third-party beneficiary of the contractual provisions described therein, by filing a civil action in the Superior Court of the District of Columbia seeking declaratory and other equitable relief.

Sec. 105. Authority of Mayor to rent vault space, airspace.

Notwithstanding any other provision of law, the Mayor may issue a vault permit or airspace lease to DC Stadium LLC, or its designee, for the use of vault space or airspace adjacent to the soccer stadium site in accordance with the District of Columbia Public Space Rental Act, approved October 17, 1968 (82 Stat. 1156; D.C. Official Code § 10-1101.01 *et seq.*), or the District of Columbia Public Space Utilization Act, approved October 17, 1968 (82 Stat. 1166; D.C. Official Code § 10-1121.01 *et seq.*), whichever one is applicable, for a term as determined by the Mayor and at no additional fee or rent, except as may be otherwise determined by the Mayor.

Sec. 106. Cap on horizontal development costs.

Notwithstanding any other provision of law, the District shall not obligate in excess of \$150 million in aggregate costs to acquire, assemble, and develop the soccer stadium site.

Sec. 107. Soccer Stadium Financing Fund.

(a) There is established as a special fund the Soccer Stadium Financing Fund ("Fund"), which shall be administered by the Deputy Mayor for Planning and Economic Development in accordance with subsections (c) and (d) of this section.

(b) Revenue from the following sources shall be deposited in the Fund:

(1) The payment made by the District of Columbia Water and Sewer Authority to the District government pursuant to section 3.02 of the memorandum of agreement entered into between the District of Columbia and the District of Columbia Water and Sewer Authority, dated September 4, 2014;

(2) Any payment made by D.C. United to the District government pursuant to section 5.9 of the development agreement;

(3) The proceeds of the sale of the District-owned property located at 1st and K Streets, N.W., which property is designated for tax and assessment purposes as Lot 82 in Square 559; and

(4) The funds reprogrammed pursuant to section 3 of the Fiscal Year 2015 Revised Budget Request Emergency Adjustment Act of 2014, passed on emergency basis on December 17, 2014 (Enrolled version of Bill 20-1043).

(c) Money in the Fund shall be used for the following purposes:

(1) To pay for the operating expenditures or other costs incurred in the implementation of this act; and

(2) To offset the revenue reduction impacts of this act.

(d) Money in the Fund may not be used for any purpose not identified in subsection (c) of this section.

(e) (1) The money deposited into the Fund, and interest earned, shall not revert to the unrestricted fund balance of the General Fund of the District of Columbia at the end of a fiscal year, or at any other time.

(2) Subject to authorization in an approved budget and financial plan, any funds appropriated in the Fund shall be continually available without regard to fiscal year limitation.

#### Sec. 108. Community benefits.

(a) The Mayor shall utilize additional funds provided for under the Fiscal Year 2015 Revised Budget Request Emergency Adjustment Act of 2014, passed on emergency basis on December 17, 2014 (Enrolled version of Bill 20-1043), to implement the Convention Center – Southwest Waterfront corridor as described in the "DC Circulator 2014 Transit Development Plan Update" dated September 2014, in addition to previously appropriated funds identified for the extension of the Union Station-Navy Yard route to the Southwest Waterfront.

(b) The Mayor shall implement a workforce intermediary program to connect residents of ANC6D with employment during construction of the stadium and the initial 2 seasons of soccer operations.

(c) The Mayor shall utilize additional capital funds provided for "General Improvements – DPR" contained in the Fiscal Year 2015 Revised Budget Request Emergency Adjustment Act of 2014, passed on emergency basis on December 17, 2014 (Enrolled version of Bill 20-1043), for capital improvements to the Randall Recreation Center in Ward 6.

(d) The Mayor shall provide ongoing operations and programming funding for the Randall Recreation Center in Ward 6.

#### TITLE II. AMENDMENTS

Sec. 201. The Robert F. Kennedy Memorial Stadium and District of Columbia National

Guard Armory Public Safety Act, effective November 3, 1977 (D.C. Law 2-37; D.C. Official Code § 3-341 *et seq.*), is amended as follows:

(a) Section 3a (D.C. Official Code § 3-342.01) is amended to read as follows: "Sec. 3a. Definitions.

"For the purposes of this act, the term:

"(1) "Baseball Stadium" shall have the same meaning as that provided for the term "Ballpark" in D.C. Official Code § 47-2002.05(a)(1)(A).

"(2) "Soccer Stadium" means a soccer stadium constructed after October 1, 2014 on a site bounded by 2nd Street, S.W., T Street, S.W., Half Street, S.W., Potomac Avenue, S.W., and R Street, S.W.".

(b) Section 4 (D.C. Official Code § 3-343) is amended by striking the phrase "Baseball Stadium," and inserting the phrase "Baseball Stadium, the Soccer Stadium," in its place.

(c) Section 4a (D.C. Official Code § 3-343.01) is amended as follows:

(1) Subsection (a) is amended by striking the phrase "or the Baseball Stadium" and inserting the phrase ", the Baseball Stadium, or the Soccer Stadium" in its place.

(2) Subsection (b) is amended as follows:

(A) Paragraph (1A) is amended by striking the word "or" at the end.

(B) A new paragraph (1B) is added to read as follows:

"(1B) Any person duly authorized or licensed by the operator of the Soccer Stadium to possess, sell, give away, transport, or store alcoholic beverages or containers within any portion of the Soccer Stadium or an employee or agent acting for any such duly authorized or licensed person; or".

(d) Section 4b (D.C. Official Code § 3-343.02) is amended as follows:

(1) A new subsection (b-1) is added to read as follows:

"(b-1) Unless expressly authorized by the operator of the Soccer Stadium or its duly authorized agents, no person shall at any time enter onto any portion of the playing field within the Soccer Stadium.".

(2) Subsection (c) is amended by striking the phrase "or the Baseball Stadium" and inserting the phrase ", the Baseball Stadium, or the Soccer Stadium" in its place.

Sec. 202. Title 25 of the District of Columbia Official Code is amended as follows: (a) Section 25-101 is amended as follows:

(1) The existing paragraph (48A) is redesignated as paragraph (48B).

(2) A new paragraph (48A) is added to read as follows:

"(48A) "Soccer Stadium" means a soccer stadium constructed after October 1, 2014 on a site bounded by 2nd Street, S.W., T Street, S.W., Half Street, S.W., Potomac Avenue, S.W., and R Street, S.W.".

(b) Section 25-114 is amended as follows:

(1) Subsection (a) is amended by striking the phrase "DC Arena" both times it

appears and inserting the phrase "DC Arena or the Soccer Stadium" in its place.

(2) A new subsection (c) is added to read as follows:

"(c)(1) Upon application by an applicant as set forth in Chapter 4 of this title, the Board shall issue one or more retailer's licenses, class Arena C/X, to the operator of the Soccer Stadium.

"(2) At the option of the operator of the Soccer Stadium, the licenses may be issued to concessionaires and tenants of the Soccer Stadium, as may be requested from time to time by the operator of the Soccer Stadium.

"(3) Licenses may be canceled by the Board if the initial operator ceases to operate the Soccer Stadium.

"(4) If the operator of the Soccer Stadium assigns its interest in the Soccer Stadium, the Board may transfer the licenses to the operator's assignee, upon application under Chapter 4 of this title and approval by the Board.".

(3) Subsection (d) is amended by striking the phrase "DC Arena" and inserting the phrase "DC Arena, the Soccer Stadium" in its place.

(4) Subsection (e) is amended by striking the phrase "DC Arena" and inserting the phrase "DC Arena or the Soccer Stadium" in its place.

(c) Section 25-505 is amended by striking the phrase "DC Arena" and inserting the phrase "DC Arena and the Soccer Stadium" in its place.

(d) Section 25-1003 is amended as follows:

(1) The heading is amended to read as follows:

"§ 25-1003. Prohibition on beverage storage containers in the DC Arena and Soccer Stadium.".

(2) Subsection (a) is amended by striking the phrase "DC Arena" and inserting the phrase "DC Arena or the Soccer Stadium" in its place.

(3) Subsection (b) is amended as follows:

(A) Strike the phrase "DC Arena; to" and insert the phrase "DC Arena or the Soccer Stadium; to" in its place.

(B) Strike the phrase "DC Arena by the lessee or its" and insert the phrase "DC Arena or the Soccer Stadium, by the lessee of the DC Arena or its concessionaires and tenants, or by the operator of the Soccer Stadium or its" in its place.

Sec. 203. Chapter 46 of Title 47 of the District of Columbia Official Code is amended as follows:

(a) The table of contents is amended by adding a new section designation to read as follows:

"47-4663. Soccer Stadium tax abatements.".

(b) A new section 47-4663 is added to read as follows:

"§ 47-4663. Soccer Stadium tax abatements.

"(a) For the purposes of this section, the term:

"(1) "Soccer stadium" means a soccer stadium constructed after October 1, 2014 on a site bounded by Second Street, S.W., T Street, S.W., Half Street, S.W., Potomac Avenue, S.W., and R Street, S.W.

"(2) "Soccer stadium site" means the real property described as Squares 603S, 605, 607, 661, and 661N, and the northwest portion of Lot 24 in Square 665 as described in the letter of intent between the District and Potomac Electric Power Company dated December 27, 2013, and all public alleys and streets to be closed within these squares.

"(b) The real property taxes imposed under Chapter 8 of this title and the possessory interest tax imposed under § 47-1005.01 on that portion of the soccer stadium site on which the soccer stadium is constructed, shall be abated as follows:

"(1) Beginning on June 1, 2016, or the date by which the District acquires title to each portion of the soccer stadium site on which the soccer stadium is constructed, whichever is later, through the fifth lease year —100%;

"(2) For lease years 6 through 10-75%;

"(3) For lease years 11 through 15—50%;

"(4) For lease years 16 through 20–25%;

"(5) Beginning with the 21st lease year and for each lease year thereafter -- zero.

"(c)(1) The abatements provided by subsection (b) of this section for any real property tax year may be allocated between half tax years at the discretion of the Office of Tax and Revenue.

"(2) The abatements provided by subsection (b) of this section shall terminate at the end of the half tax year during which the soccer stadium ceases to be used as a stadium by a major league soccer team.

"(d)(1) All transfers of real property in the soccer stadium site from the possession date, as that term is defined in the revised ground lease transmitted pursuant to section 104(a) of the Soccer Stadium Development Amendment Act of 2014, passed on 2nd reading on December 17, 2014 (Enrolled version of Bill 20-805) ("ground lease"), through the end of the term of the ground lease shall be exempt from the taxes imposed by § 42-1103 and § 47-903.

"(2) The exemptions provided under paragraph (1) of this subsection shall expire on the termination of the ground lease.

"(e) The abatements and exemptions provided by this section shall be in addition to, and not in lieu of, any other tax relief or assistance from any other source applicable to the soccer stadium.".

### TITLE III. GENERAL PROVISIONS

Sec. 301. Applicability.

(a) This act shall apply upon the date of inclusion of its fiscal effect in an approved budget and financial plan.

(b) The Chief Financial Officer shall certify the date of the inclusion of the fiscal effect in an approved budget and financial plan, and provide notice to the Budget Director of the Council of the certification.

(c)(1) The Budget Director shall cause the notice of the certification to be published in the District of Columbia Register.

(2) The date of publication of the notice of the certification shall not affect the applicability of this act.

Sec. 302. Fiscal impact statement.

The Council adopts the fiscal impact statement of the Chief Financial Officer as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

Sec. 303. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.

Whairman Council of the District of Columbia

Ma

Mayor District of Columbia APPROVED December 30, 2014



COUNCIL OF THE DISTRICT OF COLUMBIA

THE JOHN A. WILSON BUILDING 1350 PENNSYLVANIA AVENUE, N.W. WASHINGTON, D.C. 20004

**APPROVED** 

Docket No. B20-0805

[X] ITEM ON CONSENT CALENDAR [X] ACTION & DATE

**ADOPTED FIRST READING, 12/02/2014** 

[X] VOICE VOTE

RECORDED VOTE ON REQUEST ABSENT

[ ] ROLL CALL	VOTE	– Result										(		)
Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV.	AB
Chmn. Mendelson	X				Cheh	X				Orange	X			
Alexander	X				Evans	X				Wells	X			
Bonds	X				Graham	X								_
Bowser	X				Grosso	X								
Catania	X			1	McDuffie	X								
X	. — Indi	cate Vot	e				Absent			NV -	Present,	Not Vo	ting	
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Secret	ary to t	he Coun	icil		3¥						Dat	te		
[ ] ITEM ON CO	NSENT	CALE	NDAR		9							57 s		
X ACTION & D	ATE				ADOPTED	FINA	LRE	ADI	NG, 12	/17/2014		×		
X VOICE VOTE RECORDED V		ON REQ	UEST											3
ABSENT	. •		-		APPROVE	D				ş		*		
[]ROLL CALL	VOTE -	- Result												)
Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB
Chmn. Mendelson	X				Cheh	X				Orange	X			
Alexander	X				Evans	X				Wells	X			
Bonds	Х	1			Graham	X		1	10					
Bowser	X				Grosso	X								
Catania	X		5		McDuffie	X								1-
X -	- Indica	te Vote	1			AB - A	bsent			NV –	Present,	Not Vo	ting	
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<ul> <li>] ITEM ON CON</li> <li>] ACTION &amp; DA</li> </ul>		CALEN	NDAR											×.
VOICE VOTE					in the second									
RECORDED V	OTE C	N REO	UEST											
ABSENT	0.20		0201		3									-
]ROLL CALL V	OTE -	Result										(		)
Councilmember	Aye	Nay	NV	AB .	Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB
Chmn. Mendelson					Cheh					Orange				1
Alexander					Evans					Wells	1		1	1
Bonds					Graham			-						-
Bowser					Grosso	1					-			
Catania			-		McDuffie	1			1			-		

AB - Absent CERTIFICATION RECORD

NV - Present, Not Voting

### AN ACT D.C. ACT 21-59

### IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

#### MAY 8, 2015

To amend, on an emergency basis, the Soccer Stadium Development Act of 2014 to add a new definition, clarify findings, make technical and clarifying changes regarding the transmission of documents to the Council for approval, allow for the negotiation of enhanced performance, and make other technical and conforming changes.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Soccer Stadium Development Technical Clarification Emergency Amendment Act of 2015".

Sec. 2. The Soccer Stadium Development Act of 2014, effective March 11, 2015 (D.C. Law 20-233; to be codified at D.C. Official Code § 10-1651.01 *et seq.*), is amended as follows:

(a) Section 101 (to be codified at D.C. Official Code § 10-1651.01) is amended to read as follows:

"Sec. 101. Definitions.

"For the purposes of this title, the term:

"(1) "Northwest portion of Lot 24 in Square 665" means the northwest portion of Lot 24 in Square 665 as described in the letter of intent between the District and Potomac Electric Power Company dated December 27, 2013.

"(2) "Soccer stadium site" means the real property described as Squares 603S, 605, 607, 661, and 661N, and the northwest portion of Lot 24 in Square 665, and all public alleys and streets to be closed within these squares."

(b) Section 102 (to be codified at D.C. Official Code § 10-1651.02) is amended as follows:

(1) A new paragraph (1A) is added to read as follows:

"(1A) The acquisition of land for, construction of, and operation of a new stadium for D.C. United in itself serves a public purpose, in particular because the stadium will promote the recreation, entertainment, and enjoyment of the public.".

(2) Paragraph (2) is amended by striking the phrase "Without the development" and inserting the phrase "In addition, without the development" in its place.

(c) Section 103 (to be codified at D.C. Official Code § 10-1651.03) is amended as follows: (1) Subsection (a)(2) is amended as follows:

(A) Strike the phrase "shall acquire" and insert the phrase "is authorized to acquire" in its place.

(B) Strike the phrase "as described in the letter of intent between the District and Potomac Electric Power Company ("PEPCO") dated December 27, 2013".

(2) Subsection (d) is amended to read as follows:

"(d) The Mayor shall transmit to the Council any agreement to acquire any portion of Squares 605, 607, or 661, or the northwest portion of Lot 24 in Square 665 that requires the approval of the Council pursuant to section 451 of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 803; D.C. Official Code § 1-204.51), not later than 30 days before the effective date of the agreement. Any such agreement shall be exempt from section 202(c) of the Procurement Practices Reform Act of 2010, effective April 8, 2011 (D.C. Law 18-371; D.C. Official Code § 2-352.02(c))."

(3) Subsection (e) is amended by striking the phrase "as described in the letter of intent between the District and PEPCO dated December 27, 2013".

(d) Section 104 (to be codified at D.C. Official Code § 10-1651.04) is amended as follows: (1) Subsection (a) is amended to read as follows:

"(a) Notwithstanding An Act Authorizing the sale of certain real estate in the District of Columbia no longer required for public purposes, approved August 5, 1939 (53 Stat. 1211; D.C. Official Code § 10-801 *et seq.*), the Mayor may enter into a ground lease ("revised ground lease") between the District of Columbia and DC Stadium LLC; provided, that:

"(1) The revised ground lease amends the ground lease between the District of Columbia and DC Stadium LLC, dated May 23, 2014 ("original ground lease") to:

"(A) Not contain any provision to abate District sales tax;

"(B) Include the labor peace provisions set forth in subsection (c) of this

section; and

"(C) Contain modifications to conform the terms of the original ground lease to the provisions of this act;

"(2) The Mayor transmits the revised ground lease to the Council for its review not later than 30 days before the effective date of the revised ground lease;

"(3) The Mayor transmits simultaneously to the Council for its review pursuant to section 451 of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 803; D.C. Official Code § 1-204.51), a revised development agreement ("revised development agreement") that amends the development agreement between the District of Columbia and DC Stadium LLC, dated May 23, 2014 ("original development agreement"), for the development of the soccer stadium site and that:

"(A) Extends the date by which the District shall acquire control of the soccer stadium site to September 30, 2015;

"(B) Extends the dates by which the District shall close streets and alleys, acquire fee title, demolish existing structures, perform infrastructure work (including all District obligations under article V of the original development agreement), and perform environmental remediation work (including all District obligations under article VI of the original development agreement), as such actions are described in articles III, IV, V, and VI of the original development agreement and may be described or referenced in other provisions of the original development agreement, each by 6 months;

"(C) Sets a date by which DC Stadium LLC shall complete the construction

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of a soccer stadium at the soccer stadium site;

"(D) Extends other dates as negotiated between the District and DC Stadium,

LLC;

"(E) Amends section 5.9 of the original development agreement to read as follows: "Land Contribution. Within 30 days of the District's acquisition of either Lot 7 or Lot 802 in Square 605, the Stadium Developer shall pay to the District, or its designee, Two Million Five Hundred Thousand Dollars (\$2,500,000.00) to offset Land acquisition costs, unless the District acquires either Lot 7 or Lot 802 in Square 605 by the use of eminent domain and the aggregate price paid by the District for Lot 7 and Lot 802 is less than \$25,148,760.";

"(F) Amends section 9.1(c) of the original development agreement to read as follows: "Designated Entertainment Area. The District shall grant to the Developer 'signage rights' with respect to the Land, such signage rights to be those rights described in the proposed Chapter 8 of Title 13 of the District of Columbia Municipal Regulations published in the DC Register on August 17, 2012.";

"(G) Provides that no fees, proffers, or deposits shall be borne or waived by the District pursuant to section 7.6 of the original development agreement before October 1, 2015."; and

"(H) Includes the labor peace provisions set forth in subsection (c) of this

section; and

"(4) The Council does not adopt a resolution of disapproval pertaining to the ground lease within 30 days beginning on the day on which the ground lease is submitted to the Council, excluding days of Council recess.".

(2) Subsection (b) is amended to read as follows:

"(b)(1) The revised ground lease and the revised development agreement each may provide an enhanced "Performance Assurance" without increasing the District's financial obligations.

"(2) The revised development agreement shall be exempt from section 202(c) of the Procurement Practices Reform Act of 2010, effective April 8, 2011 (D.C. Law 18-371; D.C. Official Code § 2-352.02(c)).".

(3) Subsection (c) is amended by striking the phrase "DC Stadium, LLC and the District shall agree" and inserting the phrase "The District is authorized to agree" in its place.

(e) Section 107(b) (to be codified at D.C. Official Code § 10-1651.07(b)) is amended as follows:

(1) Paragraph (1) is amended by striking the phrase "September 4, 2014;" and inserting the phrase "December 15, 2014;" in its place.

(2) A new paragraph (2A) is added to read as follows:

"(2A) Any payment made by D.C. United to the District government pursuant to the revised ground lease;".

(f) Section 108 (to be codified at D.C. Official Code § 10-1651.08) is amended as follows: (1) Subsection (a) is amended to read as follows:

"(a) The Mayor shall implement the Convention Center – Southwest Waterfront corridor as described in the "DC Circulator 2014 Transit Development Plan Update" dated September 2014.".

(2) Subsection (c) is amended to read as follows:

"(c) The Mayor shall make capital improvements of at least \$250,000 to the Randall Recreation Center in Ward 6.".

(3) Subsection (d) is amended by striking the phrase "provide ongoing operations and programming funding for" and inserting the phrase "operate and provide programmed activities for" in its place.

(4) A new subsection (e) is added to read as follows:

"(e) The Mayor is authorized to negotiate other community-benefit commitments from D.C. United and its affiliated entities, including those that promote youth soccer, education, employment opportunities, and job training programs."

Sec. 3. Fiscal impact statement.

The Council adopts the fiscal impact statement of the Chief Financial Officer as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

Sec. 4. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), and shall remain in effect for no longer than 90 days, as provided for emergency acts of the Council of the District of Columbia in section 412(a) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 788; D.C. Official Code § 1-204.12(a)).

Chairman Council of the District of Columbia

Mayor

District of Columbia APPROVED May 8,2015

#### AN ACT

#### D.C. ACT 21-70

#### IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

#### MAY 22, 2015

To amend, on a temporary basis, the Soccer Stadium Development Act of 2014 to add a new definition, clarify findings, make technical and clarifying changes regarding the transmission of documents to the Council for approval, allow for the negotiation of enhanced performance, and make other technical and conforming changes.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Soccer Stadium Development Technical Clarification Temporary Amendment Act of 2015".

Sec. 2. The Soccer Stadium Development Act of 2014, effective March 11, 2015 (D.C. Law 20-233; to be codified at D.C. Official Code § 10-1651.01 *et seq.*), is amended as follows:

(a) Section 101 (to be codified at D.C. Official Code § 10-1651.01) is amended to read as follows:

"Sec. 101. Definitions.

"For the purposes of this title, the term:

"(1) "Northwest portion of Lot 24 in Square 665" means the northwest portion of Lot 24 in Square 665 as described in the letter of intent between the District and Potomac Electric Power Company dated December 27, 2013.

"(2) "Soccer stadium site" means the real property described as Squares 603S, 605, 607, 661, and 661N, and the northwest portion of Lot 24 in Square 665, and all public alleys and streets to be closed within these squares."

(b) Section 102 (to be codified at D.C. Official Code § 10-1651.02) is amended as follows:

(1) A new paragraph (1A) is added to read as follows:

"(1A) The acquisition of land for, construction of, and operation of a new stadium for D.C. United in itself serves a public purpose, in particular because the stadium will promote the recreation, entertainment, and enjoyment of the public.".

(2) Paragraph (2) is amended by striking the phrase "Without the development" and inserting the phrase "In addition, without the development" in its place.

(c) Section 103 (to be codified at D.C. Official Code § 10-161.03) is amended as follows:

(1) Subsection (a)(2) is amended as follows:

(A) Strike the phrase "shall acquire" and insert the phrase "is authorized

to acquire" in its place.

(B) Strike the phrase "as described in the letter of intent between the District and Potomac Electric Power Company ("PEPCO") dated December 27, 2013".

(2) Subsection (d) is amended to read as follows:

"(d) The Mayor shall transmit to the Council any agreement to acquire any portion of Squares 605, 607, or 661, or the northwest portion of Lot 24 in Square 665 that requires the approval of the Council pursuant to section 451 of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 803; D.C. Official Code § 1-204.51), not later than 30 days before the effective date of the agreement. Any such agreement shall be exempt from section 202(c) of the Procurement Practices Reform Act of 2010, effective April 8, 2011 (D.C. Law 18-371; D.C. Official Code § 2-352.02(c)).".

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"(1) The revised ground lease amends the ground lease between the District of Columbia and DC Stadium LLC, dated May 23, 2014 ("original ground lease") to:

"(A) Not contain any provision to abate District Sales tax;

"(B) Include the labor peace provisions set forth in subsection (c) of this

section; and

"(C) Contain modifications to conform the terms of the original ground lease to the provisions of this act;

"(2) The Mayor transmits the revised ground lease to the Council for its review not later than 30 days before the effective date of the revised ground lease;

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development agreement and may be described or referenced in other provisions of the original development agreement, each by 6 months;

"(C) Sets a date by which DC Stadium LLC shall complete the construction of a soccer stadium at the soccer stadium site;

"(D) Extends other dates as negotiated between the District and DC

Stadium, LLC;

"(E) Amends section 5.9 of the original development agreement to read as follows: "Land Contribution. Within 30 days of the District's acquisition of either Lot 7 or Lot 802 in Square 605, the Stadium Developer shall pay to the District, or its designee, Two Million Five Hundred Thousand Dollars (\$2,500,000.00) to offset Land acquisition costs, unless the District acquires either Lot 7 or Lot 802 in Square 605 by the use of eminent domain and the aggregate price paid by the District for Lot 7 and Lot 802 is less than \$25,148,760.";

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"(G) Provides that no fees, proffers, or deposits shall be borne or waived by the District pursuant to section 7.6 of the original development agreement before October 1, 2015."; and

"(H) Includes the labor peace provisions set forth in subsection (c) of this section.; and

"(4) The Council does not adopt a resolution of disapproval pertaining to the ground lease within 30 days beginning on the day on which the ground lease is submitted to the Council, excluding days of Council recess."

(2) Subsection (b) is amended to read as follows:

(b)(1) The revised ground lease and the revised development agreement each may provide an enhanced "Performance Assurance" without increasing the District's financial obligations.

"(2) The revised development agreement shall be exempt from section 202(c) of the Procurement Practices Reform Act of 2010, effective April 8, 2011 (D.C. Law 18-371; D.C. Official Code § 2-352.02(c)).".

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Sec. 3. Fiscal impact statement.

The Council adopts the fiscal impact statement of the Chief Financial Officer as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

Sec. 4. Effective date.

(a) This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.

(b) This act shall expire after 225 days of its having taken effect.

Chairman .

Council of the District of Columbia

Mayor

District of Columbia APPROVED May 22, 2015

# Exhibit T

# Pepco High Voltage Lines Development Option

To be Attached in Accordance with Section 5.4(b)

## Exhibit U

# Utility Relocation Timeline and Requirements

To be Attached in Accordance with Section 5.2

# Exhibit V

# [INTENTIONALLY OMITTED]

### Exhibit W

# Approved Conceptual Design – Ancillary Development

To be Attached in Accordance with Section 7.9(c)

AFDOCS/4617889.34 AFDOCS/4617889.34 AFDOCS/4617889.34

## Exhibit X

# **Preliminary Schedule**

To be Attached in Accordance with Section 7.8(a)

AFDOCS/4617889.34 AFDOCS/4617889.34 AFDOCS/4617889.34

## Exhibit Y

**Compliance Form** 

AFDOCS/4617889.34 AFDOCS/4617889.34 AFDOCS/4617889.34

Page 1 of 3



Office of Deputy Mayor for Planning and Economic Development

#### PROJECT COMPLIANCE MONITORING SYSTEM FORM (PCMS)

The purpose of this form is to identify and document the monitoring and enforcement of various compliance requirements related to economic development projects within the office of the Deputy Mayor for Planning and Economic Development (DMPED). This document shall be completed by the Project Manager for the respective development project.

Monitoring Pe	riod: to	PM Initials:				
Project Name:		Cognizant DMPED Project Manager:				
Initiative:		Project Developer Name:				
Project Location	n:	Project Expenditure to Date:				
Ward:		Estimated Total Project Cost:				
Project Descrip	tion:	Project Estimated Completion Date:				
Project Start Da	ate:					
Phase:		Overall Status:				
Signed By All P	arties:	Baselined				
Yes:	No:	Yes: No:				
	E REQUIREMENT NO. 1 - AFFO	RDABLE HOUSING 5. Independent 3rd Party Income Certifier:				

2. Total No. of For-Sale Units:	6. Affordable Unit Covenant Date:
3. Total No. of For-Sale Units @30% AMI:	7. Total No. of Rental Units:
4. Total No. of For-Sale Units @60% AMI:	8. Total No. of Rental Units @30% AMI;
	9. Total No. of Rental Units @60% AMI:

#### Affordable Housing Status:

COVENANTS AND COMMITMENTS	COMPLIANT		COMMENTS
	Yes	No	
The minimum percentage (15%) AMI for each Affordable Dwelling Unit corresponds to the Affordability Requirement.			
Floor Plans/schematic drawings exist showing the location of Affordable Dwelling Units, identified by unit number or other identifier and floor.			
A finish schedule exists for all units in the project.			
The units are dispersed throughout project - not concentrated and distributed across unit mix.			
Units are being constructed at pace of market rate units.			
Household income is certified by 3rd party.			1
Sales and rents are comparable to the agreed on price schedule.			

COMPLIANCE REQUIREMENT NO. 2 - CERTIFIED BUS					
	4. Date of CBE Utilization Plan per LDA:				
Total Dollars Subcontracted to CBEs:	5. Has	Develop	oer Earne	ed Incentives per LDA:	
% Dollars Contracted to CBEs vs Total Dollars: NaN	Yes:			No:	
	Certifie	ed Busin	ess Ente	rprise Status:	
				74	
COVENANTS AND COMMITMENTS		COMPLIANT		COMMENTS	
		Yes	No		
Developer has expended a minimum of 35% of the project budget funds contracting and procuring goods and services from CBEs.					
Developer has achieved CBE minimum utilization requirement with (# Years) of execution of CBE agreement.	hin				
Developer devised a list of professional services, trade specialties other vocational non-traditional areas which are non-traditional for CBE participation to create opportunity.					

Developer utilizes DSLBD resources, DC-based newspapers, and publishes notices of opportunities to identify CBEs.

Office of Deputy Mayor for Planning and Economic Development CBE Utilization Plan submitted to DSLBD at least 30 days after LD. signed. Developer's vendors are verified by DSLBD as CBE.	ent the mon the office of ed by the P	itoring and en f the Deputy M roject Manage	forcement of various compliance re avor for Planning and Economic De
for Planning and Economic Development       related to economic development projects within (DMPED). This document shall be complet         CBE Utilization Plan submitted to DSLBD at least 30 days after LD, signed.	the office of ed by the P	f the Deputy N roject Manage	avor for Planning and Economic De
signed.			
Developer's vendors are verified by DSLBD as CBE.			
		_	•
COMPLIANCE REQUIREMENT NO. 3 - ENVIRONMENTA		DARDS	
		inated Site:	8
	4. Voluntary Cleanup Pr Yes:		Program (VCP Sugested): No:
	Environme	ental Standa	rds Slatus:
COVENANTS AND COMMITMENTS	со	MPLIANT	COMMENTS
	Yes	s No	
Project waited at least 60 days between EISF filing and permit filing	). 🗖		
The EISF filed before completion of design and project planning.			
The Project is compliant with the Green Building Act.			
The project is compliant with the District of Columbia Environmenta Policy Act of 1989.			P
The project is compliant with the District of Columbia Municipal Regulations Title 20 (Environment) Parts 1 and 2, and Title 21 (Sanitation).			
An application has been filed for VCP based on site contamination.			
A voluntary Action Plan is being followed per suggested VCP.			3
COMPLIANCE REQUIREMENT NO. 4 - HIRING OF DISTR		IDENTS	出版市政省建立
		Employment	Plan:
2. No. District Resident Hires to Date:		cinpio jinoin	
3. No, Apprentice Jobs Created: 4. No, District Residents Hired as Apprentices:	3. Date of I	First Source	Employment Agreement:
	lising of D	intrint Donid	anto Statura
	ining of D	istrict Resid	
COVENANTS AND COMMITMENTS		MPLIANT	COMMENTS
	Yes		
Developer uses DOES as its first source for recruilment, referral and placement of new hires or employees for the new jobs created by the Project.	d 🗖		
Employer hires 51% of District residents for all new jobs created on			7 <b>-</b>
	-		
the project. Developer hires 51% of apprentices employed in connection with th project.	e 🗖		
the project. Developer hires 51% of apprentices employed in connection with th	e U D		3
the project. Developer hires 51% of apprentices employed in connection with th project. Developer has entered into a First Source Employment Agreement	1.000		

68) -

Page 3 of 3



#### PROJECT COMPLIANCE MONITORING SYSTEM FORM (PCMS)

Office of Deputy Mayor for Planning and Economic Development The purpose of this form is to idenlify and document the monitoring and enforcement of various compliance requirements related to economic development projects within the office of the Deputy Mayor for Planning and Economic Development (DMPED). This document shall be completed by the Project Manager for the respective development project.

#### PREPARATION OF MONTHLY REPORT

This monthly report was prepared by:

**Representative Signatures:** 

Print Name

121

DMPED Project Manager Signature and Date

#### ACKNOWLEDGEMENT

The undersigned hereby acknowledges that the above findings are accurate and true as of the above stated monitoring period. Representative Signatures:

Print Name

Project Developer Signature and Date