

SUMMARY OF MATERIAL TERMS
SPORTS CENTER (CIP 9-041) PPEA INTERIM AGREEMENT

- PARTIES:** City of Virginia Beach (“City”)
ESM VBTEC, LLC (“Operator”)
- PURPOSE:** Advance PPEA process toward the development of a comprehensive agreement to operate and manage the Sports Center facility for a maximum term of twenty years.
- TERM:** Date of execution until November 1, 2018. However, the Interim Agreement will terminate upon one of three things: (a) execution of a comprehensive agreement; (b) either party providing notice of its intent to not proceed with the development of the project; (c) the expiration of the term.
- WORK ITEMS:**
- (1) Owner’s representative consulting fee;
 - (2) Detailed operations proforma;
 - (3) Staffing plan;
 - (4) Marketing plan (in consultation with CVB Sports Marketing);
 - (5) Operator engagement fee;
 - (6) Analysis of risk sharing model, including possible operator investment;
 - (7) Draft operating agreement: construction period & 20-year term
- COST:** Not to exceed \$150,000