



CITY COUNCIL REPORT

Meeting Date: **7/2/2013**
Meeting Type: **Voting**
Title: **PROFESSIONAL MANAGEMENT SERVICES AND ARENA LEASE AGREEMENT AND NONCOMPETITION AND NON-RELOCATION AGREEMENT WITH ICEARIZONA MANAGER CO., LLC AND ICEARIZONA HOCKEY CO., LLC**
Staff Contact: **Richard A. Bowers, Acting City Manager**

Purpose and Recommended Action

This is a request for City Council to vote to adopt a resolution authorizing the entering into of a Professional Management Services and Arena Lease Agreement and a Noncompetition and Non-Relocation Agreement with IceArizona Manager Co., LLC and IceArizona Hockey Co., LLC for the use of the city-owned Jobing.com Arena by the Phoenix Coyotes.

Background Summary

In 2001, the City of Glendale entered into an Arena Development Agreement, an Arena Management and Use Agreement (AMULA), and a Mixed-Use Development Agreement (MUDA) with Arena Management Group, LLC, Coyotes Hockey, LLC, Glendale 101 Development, LLC, and Coyote Center Development, LLC. The purpose of these actions was to create a high-quality major economic center in Glendale, consisting of offices, hotels, entertainment, retail and restaurants.

Unexpectedly, in May of 2009, the former team owner Coyotes Hockey, LLC and its affiliated entity, Arena Management Group, LLC (collectively referred to as the "Coyotes") filed for federal bankruptcy protection. The city's investment was meeting financial projections and attracting economic development to the area until the Coyotes were thrust into bankruptcy. During the bankruptcy proceedings, the National Hockey League (NHL) purchased the assets of the Coyotes but did not assume the Arena Management, Use and Lease Agreement.

For the past four years, under the direction of Council, the city has been actively working with the NHL and potential buyers of the Coyotes to structure a deal that would keep the team in Glendale.

Council established criteria for negotiations with potential buyers of the Phoenix Coyotes including:

- Keep team in Glendale for the full length of lease
- Keep current arena revenues in tact
- Provide opportunity to share in revenue streams, when feasible



CITY COUNCIL REPORT

The loss of the team as an anchor tenant would result in a loss of 44 major events each year at Jobing.com Arena.

Previous Related Council Action

On June 28, 2013, a Council special workshop was held to discuss the status of negotiations and review the draft proposed arena management agreement with RSE.

On March 26, 2013, Council voted to ratify the entering into of an agreement with Beacon Sports Capital Partners, LLC to provide representation for Glendale, assist the city in soliciting and reviewing offers, and negotiate a new Arena Management Agreement for the future lease and management of the city-owned Jobing.com Arena. A Request for Proposal was let on April 16, 2013 with a deadline of May 24, 2013 for Venue Management of Jobing.com Arena. At the direction of City Council, an extension was approved until May 31, 2013.

On February 5, 2013, the Acting City Manager presented a review of the options regarding the city-owned Jobing.com Arena and the impact of the unfulfilled sale of the Phoenix Coyotes. The deadline for prospective Phoenix Coyotes' owner, Greg Jamison of Arizona Hockey Arena Partners, LLC and the Arizona Hockey Partners, LLC, to purchase the Phoenix Coyotes' team was Thursday, January 31, 2013 at midnight. Mr. Jamison was required under terms of the finalized Arena Lease and Management Agreement and Noncompetition and Non-relocation Agreement to purchase the team from the National Hockey League by the deadline date and time to secure the 20 year deal with the city to use and manage the city-owned Jobing.com Arena. Mr. Jamison was not able to complete the purchase of the Phoenix Coyotes and did not sign the agreement by the deadline on January 31, 2013.

On November 27, 2012, Council voted and approved an ordinance with an emergency clause, authorizing and directing the City Manager to enter into an Arena Lease and Management Agreement with Arizona Hockey Arena Partners, LLC and Arizona Hockey Partners, LLC for the use of the city-owned Jobing.com Arena by the Phoenix Coyotes.

On November 20, 2012, the Acting City Manager presented a comprehensive review of the finalized Arena Lease and Management Agreement and Noncompetition and Non-Relocation Agreement with Arizona Hockey Arena Partners, LLC, and Arizona Hockey Partners, LLC, for the use of the city-owned Jobing.com Arena by the Phoenix Coyotes.

On October 2, 2012, city staff sought guidance from City Council on proposed modifications to the Arena Lease and Management Agreement with Arizona Hockey Arena Partners LLC and Arizona Hockey Partners for the use of the city-owned Jobing.com Arena by the Phoenix Coyotes. Council provided direction to proceed with negotiations with Arizona Hockey Arena Partners and Arizona Hockey Partners.



CITY COUNCIL REPORT

In August 2012, Council directed the Acting City Manager to renegotiate the payment terms of the approved agreement with a stated objective of reducing the payments made in the early years of the agreement to better meet the city's cash flow needs.

On June 8, 2012, Council adopted a resolution authorizing the entering into of the following agreements with Arizona Hockey Arena Partners, LLC and Arizona Hockey Partners, LLC for the use of the city-owned Jobing.com Arena by the Phoenix Coyotes: (1) Arena Lease and Management Agreement and (2) Noncompetition and Non-Relocation Agreement.

On May 10, 2011, Council adopted a resolution extending the management agreement between the City of Glendale and the NHL, to satisfy the NHL's requirements in order for the NHL Phoenix Coyotes to remain in Glendale during the NHL 2011-12 hockey season. In May 2011, the city agreed to pay \$25 million for the NHL to operate the arena for FY 2011-12.

On December 14, 2010, staff brought forward an Arena Lease and Management Agreement and a Use and Non-Relocation Agreement with Arizona Hockey Arena Holdings, LLC and Coyotes Newco, LLC. The potential buyer did not move forward with plans to purchase the team.

Staff brought forward an MOU to Council for potential buyers of the Phoenix Coyotes on April 13, 2010 and June 8, 2010. Neither potential buyer moved forward with viable plans to purchase the team. Thus, on May 11, 2010, Council authorized an agreement with the NHL to retain the team in Glendale for the 2010-11 season while city staff completed the necessary negotiations with potential new owners.

Attachments

Resolution

Agreement

RESOLUTION NO. 4703 NEW SERIES

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE EXECUTION AND DELIVERY OF THE FOLLOWING TWO AGREEMENTS: (1) PROFESSIONAL MANAGEMENT SERVICES AND ARENA LEASE AGREEMENT WITH ICEARIZONA MANAGER CO., LLC AND ICEARIZONA HOCKEY CO., LLC; AND (2) NON-RELOCATION AGREEMENT WITH ICEARIZONA MANAGER CO., LLC AND ICEARIZONA HOCKEY CO., LLC.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLENDALE as follows:

SECTION 1. That it is deemed in the best interest of the City of Glendale and the citizens thereof that the following two agreements be entered into: (1) Professional Management Services and Arena Lease Agreement with IceArizona Manager Co., LLC and IceArizona Hockey Co., LLC; and (2) Non-Relocation Agreement with IceArizona Manager Co., LLC and IceArizona Hockey Co., LLC. The agreements, in substantial final form, are now on file in the office of the City Clerk of the City of Glendale.

SECTION 2. That the management, use, and lease of the Arena under the Professional Management Services and Arena Lease Agreement will benefit the City and its residents by assuring a substantial, regular, and continuing utilization of the Arena, providing additional employment opportunities within the City, increasing the City's tax base, and stimulating additional development on properties in the vicinity of the Arena Facility; and, therefore, this Council finds that the Professional Management Services and Arena Lease Agreement provides a substantial public benefit.

SECTION 3. That the City's proposal to enter into the agreements with IceArizona Manager Co., LLC and IceArizona Hockey Co., LLC must be accepted by those parties before 2:00 p.m. Arizona time (5:00 p.m. EDT) by their execution of the agreements or the offer to enter into the agreements shall expire and be null and void.

SECTION 4. That if IceArizona Manager Co., LLC and IceArizona Hockey Co., LLC accept the City's offer to enter into the two agreements in the time prescribed, the City Manager and the City Clerk are hereby authorized and directed to execute and deliver said agreements and any ancillary documents or agreements and to do all such acts required to implement the purpose and intent of the agreements on behalf of the City of Glendale, and to approve the final form of the agreements, consistent with the forms now on file and the understanding of the parties, such approval to be evidenced by execution of such documents by the City Manager and the City Clerk.

SECTION 5. That, upon execution of the agreements, the City Clerk is hereby directed to forward: a memorandum of agreement that reflects the existence of Professional Management

Services and Arena Lease Agreement with IceArizona Manager Co., LLC; and the Non-Relocation Agreement to the Maricopa County Recorder's Office for recording.

SECTION 6. The City Manager and the City Attorney are authorized to make changes to the agreements of a grammatical, form, technical or similar nature so long as there is no material increase in the obligations or exposure to the City of Glendale

SECTION 7. Neither the members of the City Council of the City of Glendale nor any officer, employee or agent of the City shall be subject to any personal liability or accountability by reason of the execution of the agreements.

SECTION 8. Notice of A.R.S. § 38-511 is hereby given.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this ____ day of _____, 2013.

M A Y O R

ATTEST:

City Clerk (SEAL)

APPROVED AS TO FORM:

Acting City Attorney

REVIEWED BY:

Acting City Manager

a_arena docs

NON-RELOCATION AGREEMENT

This **Non-Relocation Agreement** (this “**Agreement**”) is entered into as of July _____, 2013 (the “**Effective Date**”), by and between the City Of Glendale, an Arizona municipal corporation (the “**City**”), IceArizona Hockey Co. LLC, a Delaware limited liability company (the “**Team Owner**”), and IceArizona Manager Co. LLC, a Delaware limited liability company (the “**Arena Manager**”).

RECITALS

A. Upon the closing of a purchase by the Team Owner from NHLK Coyotes Holdings, LLC of all of the membership interests in Coyotes Newco, LLC (the NHL-Controlled entity currently holding all of the player contracts, the Franchise (as defined directly below) and other assets relating to the Team (as defined directly below)) pursuant to a purchase agreement dated _____, 2013 between the Team Owner, the NHL and NHL Coyotes Holdings, LLC (the “**NHL Purchase Agreement**”), the Team Owner will be the owner of the franchise (the “**Franchise**”) for the operation of the NHL hockey team currently bearing the designation “Phoenix Coyotes” (the “**Team**”).

B. The parties hereto desire to clarify, confirm and agree that following Team Owner’s acquisition of the Franchise, the Team will play its Home Games at the Arena Facility, subject to the terms and conditions set forth in this Agreement and the terms of the Arena Lease and Management Agreement (as defined below); and

B. The parties hereto acknowledge and agree that they will derive a substantial benefit from the Team’s use of the Arena Facility and have, accordingly, agreed to enter into this Agreement.

AGREEMENT

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 City, the Arena Manager and the Team Owner agree as follows:

1. **DEFINITIONS.** Capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed to them in the Arena Lease and Management Agreement (as defined below). The following terms as used herein shall have the following meanings:

“**Arena Lease and Management Agreement**” means the Professional Management Services and Arena Lease Agreement, dated as of the Effective Date, by and among the City, the Team Owner and the Arena Manager, as amended from time to time.

“**NHL Rules**” means the NHL constitution, as amended from time to time, and all then applicable NHL policies, procedures, provisions, rules, regulations, by-laws, articles, contracts and directives that govern the rights, duties, privileges and obligations of members of the NHL.

2. NON-RELOCATION OBLIGATIONS.

2.1 Team Owner. During the Term, except as otherwise provided in (i) the Arena Lease and Management Agreement, (ii) Section 2.2 below and (iii) in this Section 2.1:

(a) the Team Owner shall maintain its principal place of business in the City as a registered business in good standing under the laws of the State of Arizona;

(b) the Team Owner shall maintain the Franchise as a validly existing and participating NHL franchise under NHL Rules;

(c) the Team Owner shall not relocate, and not permit the relocation of, the Franchise outside of the City; and

(d) the Team Owner shall cause the Team to play all of its Home Games assigned to it under NHL Rules (which shall include Regular Season Games and Play-Off Games), at the Arena Facility; provided, however, the Team Owner shall be permitted to play what would otherwise be a Home Game at a location other than the Arena Facility only as follows:

(i) during such time that the conditions of both Section 2.1(d)(i)(A) and Section 2.1(d)(i)(B) below are satisfied:

(A) as provided in the Arena Lease and Management Agreement in connection with material damage or destruction to, or condemnation of, the Arena in whole or in part (such that such damage, destruction or condemnation prevents the reasonable use of the Arena by Team Owner for the purposes contemplated by the Arena Lease and Management Agreement) or due to a "Force Majeure" as defined in the Arena Lease and Management Agreement;

(B) if necessary and required in accordance with NHL Rules for reasons of public safety or because of rescheduling due to a Force Majeure event (including, without limitation, work stoppage caused by contract negotiations); provided, that if game that otherwise would have been a Home Game is played at a location other than the Arena Facility, the Team Owner shall share fairly with the City, in a proportionate manner based on their respective losses (which with respect to the City shall include lost sales, use or ticket taxes that would have been collected by the City in respect of the Home Game, including but not limited to, the City Surcharge and the Supplemental Surcharge), any compensatory payment made to the Team Owner in respect of the lost game(s) by the NHL or any other person; or

(ii) during a period in which NHL teams are playing no games, in which case, when League plays resumes, all remaining Home Games assigned to the Term under NHL Rules (be such games Regular Season Games or Play-off Games) shall be played at the Arena.

(e) Nothing in this Section 2.1 is intended to (nor does) alter the obligations of Arena Manager and Team Owner as set forth in the Arena Lease and Management Agreement.

2.2 Early Termination. Notwithstanding the other terms and provisions of this Agreement, Team Owner and Arena Manager jointly shall have the right to terminate this Agreement only in accordance with the terms and conditions of the Arena Lease and Management Agreement.

3. TRANSFERS.

3.1 Permitted Transfer. The Team Owner shall not cause or permit any Transfer (as defined in Section 3.2 below) except in those circumstances permitted in, and in accordance with the terms and conditions of, the Arena Lease and Management Agreement, including but not limited to Section 22.2 of the Arena Lease and Management Agreement.

3.2 Transfer. For purposes of this Agreement, a “**Transfer**” shall be and mean any act described in Section 22.2 of the Arena Lease and Management Agreement.

3.3 Submission. The Team Owner shall, not less than 30 days prior to submitting a Transfer application to the NHL, deliver to the City written notice of the Team owner’s intent to deliver such application.

4. TERM.

The “**Term**” of this Agreement shall commence on the Effective Date and shall be co-terminous with the Term of the Arena Lease and Management Agreement. In addition, at the joint option of Team Owner and Arena Manager (with joint written notice provided to the City by Team Owner and Arena Manager), the Term may be terminated in accordance with Section 2.2 above.

5. DEFAULT.

5.1 Team Default. A “**Team Default**” shall mean (a) the violation of, or failure to comply with, any provision of Section 2 or Section 3 of this Agreement, including the Team Owner’s non-relocation obligations, or a material breach of the representations and warranties of the Team Owner and the Arena Manager in Section 8.1, (b) the failure (other than an event resulting from Force Majeure) of the Team to continue operations of its business in the ordinary course, (c) any suspension, revocation, or termination of the Franchise by the NHL, or (d) the Team Owner (i) becomes insolvent, as determined by a court order; (ii) makes an assignment for the benefit of creditors; (iii) applies for, or consents to, the appointment of a receiver or trustee for itself, or for a substantial part of its property or business; or (iv) commences, or have commenced against it, any case, proceeding or other action under the United States Bankruptcy Code, or any other applicable law relating to bankruptcy, insolvency, reorganization or relief of debtors and such proceeding is not terminated within one hundred twenty (120) days thereafter; provided, however, that with respect to any default set forth in clause (a), (b) or (c) above, Team Owner and Manager shall be entitled to cure such default within 30 days after the Team Owner’s

and the Arena Manager's receipt from the City of notice of such breach; provided, however, that if it is reasonably possible to cure such breach but it is not reasonably possible to cure such breach within such thirty-day period, then such cure period shall be for a period of time not to exceed 180 days so long as the Team Owner and the Arena Manager (i) commences to cure such breach within 30 days after receipt of such notice, and (ii) thereafter diligently continues to cure such breach.

6. REMEDIES FOR DEFAULT

6.1 City Remedies.

(a) The Team Owner acknowledges and agrees that a Team Default will cause the City irreparable harm, that money damages would not be a sufficient remedy for any such event, and that the City may, but is not required to, seek an injunction, specific performance, or other court order without any requirement for showing economic loss or the securing or posting of any bond in connection with such remedy.

(b) Alternatively upon the occurrence of a Team Default (which has not been cured as provided for in Section 5.1), the City may terminate this Agreement without any further obligation to the Team Owner, and recover from the Team Owner, as liquidated damages and not as a penalty, an aggregate amount in accordance with the schedule set forth on Exhibit "A" hereto. The Team Owner, and the City acknowledge that it would be extremely difficult if not impossible to ascertain the City's actual damages and that the amount specified on Exhibit "A" hereto is a reasonable forecast of just compensation to the City resulting from a Team Default and is not a penalty. The Team Owner and the City expressly agree that this provision is a material and bargained-for component of the consideration for this Agreement and that defining the remedies in the event of a Team Default is of mutual benefit to each of the Team Owner and the City. The Team Owner and the City further expressly agree not to contest, in any proceeding, the validity or enforceability of this provision and expressly and knowingly waive the right to do so.

6.2 Jurisdiction. Any litigation shall be subject to the exclusive jurisdiction of the state and federal courts located in Maricopa County, Arizona and the Parties irrevocably submit to such exclusive jurisdiction and expressly waive all rights to seek venue in any other jurisdiction.

7. INDEMNIFICATION.

The parties indemnity obligations under this Agreement shall be consistent with the terms and conditions of Section 20 of the Arena Lease and Management Agreement.

8. REPRESENTATIONS AND WARRANTIES.

8.1 Representations and Warranties of the Team Owner and the Arena Manager. The Team Owner and the Arena Manager jointly and severally represent and warrant to the City that

the statements below are correct and complete as of the Effective Date and will remain correct and complete at all times during the term of this Agreement.

(a) Valid Existence. Each of the Team Owner and the Arena Manager is duly organized, validly existing and in good standing under the laws of the state(s) of its organization and is duly authorized, qualified and licensed under the laws of the State of Arizona to carry on its business in the places and in the manner as presently conducted.

(b) Power. Each of the Team Owner and the Arena Manager has full right, power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement. All limited liability company action of the Team Owner and the Arena Manager necessary to approve the execution, delivery and performance of this Agreement has been taken.

(c) No Conflict. The execution, delivery and performance of this Agreement by the Team Owner and the Arena Manager do not: (i) violate, conflict with, or result in, the breach of any provision of the Team Owner's or the Arena Manager's Articles of Organization or agreements among members; (ii) conflict with or violate any Applicable Law applicable to the Team Owner or the Arena Manager or any of their respective assets, properties or businesses; or (iii) conflict with, result in any breach of, constitute a default (or event which with the giving of notice or lapse of time would become a default) under, require any consent under, or give to any other person any rights of termination, amendment, acceleration, suspension, revocation or cancellation of, any note, bond, mortgage, indenture, contract, agreement, license, permit, authorization, franchise or other instrument or arrangement to which the Team Owner or the Arena Manager is a party or by which any of their respective assets or properties are bound or affected.

(d) Valid Execution and Binding Effect. Each of the Team Owner and the Arena Manager has duly executed and delivered this Agreement, and (assuming due authorization, execution and delivery by the City) this Agreement constitutes a legal, valid and binding obligation of each of the Team Owner and the Arena Manager enforceable against each of the Team Owner and the Arena Manager in accordance with its terms.

(e) Franchise Ownership; NHL Good Standing. Upon the closing of the NHL Purchase Agreement, the Team Owner will own the Franchise, and the Franchise will be in good standing with the NHL, and the Team Owner is in compliance with the NHL Rules, except as would not have a material adverse effect on the results of operations of the Team.

8.2 Representations and Warranties of the City. The City represents and warrants to the Arena Manager and the Team Owner that the statements below are correct and complete as of the Effective Date and will remain correct and complete at all times during the term of this Agreement.

(a) Valid Existence. The City is duly organized, validly existing and in good standing under the laws of the state(s) of its organization and is duly authorized, qualified and licensed under all Applicable Laws to carry on its business in the places and in the manner as presently conducted.

(b) Power. The City has full right, power and authority to execute and deliver this Agreement and to perform its obligations under Agreement. All action of the City, and the City Council, necessary to approve the execution, delivery and performance of this Agreement has been taken.

(c) No Conflict. The execution, delivery and performance of this Agreement by the City do not: (i) violate, conflict with or result in the breach of any provision of the City's charter; (ii) conflict with or violate any Applicable Law applicable to the City or its assets, properties or activities; or (iii) conflict with, result in any breach of, constitute a default (or event which with the giving of notice or lapse of time would become a default) under, require any consent under, or give to any other person any rights of termination, amendment, acceleration, suspension, revocation or cancellation of, or result in the creation of any lien on the assets or the properties of the City pursuant to any note, bond, mortgage, indenture, contract, agreement, license, permit, authorization, franchise or other instrument or arrangement to which the City is a party or by which any of its assets or properties are bound or affected.

(d) Valid Execution. The City has duly executed and delivered this Agreement, and (assuming due authorization, execution and delivery by the Team Owner and the Arena Manager).

9. MISCELLANEOUS.

9.1 Entire Agreement. This Agreement, together with the Arena Lease and Management Agreement and the Related Agreements, 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.

9.2 Amendments. No modification, waiver or amendment of this Agreement or of any of its conditions or provisions shall be binding upon the City, the Team Owner or the Arena Manager unless in writing signed by the City, the Team Owner or the Arena Manager, respectively.

9.3 Choice of Law. This Agreement shall be governed by and interpreted in accordance with the internal laws of the State of Arizona, without giving effect to conflict of laws provisions.

9.4 Severability; Interpretation. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under Applicable Law. If, however, any provision of this Agreement, or portion thereof, is prohibited by law or found invalid under any law, such provision or portion thereof, only, shall be ineffective without in any manner invalidating or affecting the remaining provisions of this Agreement or the valid portion of such provision, which provisions are deemed severable.

9.5 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.

9.6 Successors and Assigns. Each party binds itself and its successors and authorized assigns to the other and to the successors and authorized assigns of the other party with respect to all covenants of this Agreement. Except in connection with an assignment of this Agreement pursuant to a Transfer by Team Owner of the Franchise and Team in compliance with Section 4 above, neither this Agreement nor the obligations provided herein may be assigned without the prior written consent of the other parties, which may be granted, withheld, conditioned or delayed in such non-assigning party's sole, absolute and unfettered discretion.

9.7 Interpretation. 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.

9.8 Notices. All notices, demands, certificates or other communications under this Agreement shall be in writing (except as expressly provided otherwise in this agreement) and shall be deemed to be delivered: (a) when actually received if personally delivered by hand or by reputable commercial overnight courier service; or (b) three (3) Business Days after deposit in the U.S. Mail, postage prepaid, certified mail, return receipt requested, and in each case properly addressed to the City or Team Owner, as follows:

If to the City:

City Manager
City Of Glendale
5850 W. Glendale Avenue
Glendale, AZ 85301

With a copy (which shall not constitute notice) to:

City Attorney
City of Glendale
5850 W. Glendale Avenue
Glendale, AZ 85301

If to the Team Owner:

IceArizona Hockey Co. LLC
c/o IceArizona Acquisition Co. LLC
5709 Cal Verde Street
Suite 100
Houston Texas, 77057
Attn: Avik Dey

With a copy (which shall not constitute notice) to:

Snell & Wilmer
400 East Van Buren Street
Phoenix, Arizona 85004
Attn: Nicholas J. Wood Esq.
Joyce Wright Esq.

If to the Arena Manager:

IceArizona Management Co. LLC
c/o IceArizona Acquisition Co. LLC
5709 Cal Verde Street
Suite 100
Houston Texas, 77057
Attn: Avik Dey

With a copy (which shall not constitute notice) to:

Snell & Wilmer
400 East Van Buren Street
Phoenix, Arizona 85004
Attn: Nicholas J. Wood Esq.
Joyce Wright Esq.

Any party, by written notice to the other parties, may change its address for purposes of this Agreement.

9.9 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.

9.10 Survival. The payment obligations for amounts due and payable prior to the expiration or any other termination of this Agreement, and the rights and obligations for indemnification, shall survive the termination of this Agreement.

9.11 Recordation of Agreement and Amendments. This Agreement will be recorded in the Official Records of Maricopa County, Arizona, within ten (10) calendar days after its approval and execution by the City and Team Owner.

9.12 Conflict of Interest. Notice is hereby given of the applicability of A.R.S. § 38-511. As of the date hereof, the parties hereto acknowledge and agree that they are aware of no such applicable conflict of interest invoked by A.R.S. § 38-511.

9.13 Attorneys Fees. In the event of any controversy, claim or dispute between or among the parties arising from or relating to this Agreement, the prevailing party or parties shall be entitled to recover reasonable costs, expenses and attorneys' fees.

9.14 Immigration Law Compliance.

a. The Team Owner and the Arena Manager warrant, to the extent applicable under A.R.S. §41-4401, compliance with all federal and state immigration laws and regulations that relate to its employees, including, without limitation, A.R.S. §23-214(A) which requires registration and participation with the E-Verify Program.

b. A breach of the warranty set forth in clause (a) may be considered a material breach of this Agreement which could be subject to penalties up to and including termination of this Agreement to the extent such breach, under the facts and circumstances of such breach would have a material and adverse effect on the Team, Team Owner or the City.

c. The City retains the legal right to inspect the papers of the Team Owner and the Arena Manager to ensure that the Team Owner, the Team and the Arena Manager each are compliant with the warranty under this Section.

d. The City may conduct random inspections, and, upon the request of the City, the Team Owner and the Arena Manager will provide copies of papers and records of the Team Owner and the Arena Manager demonstrating continued compliance with the warranty under this Section.

e. The Team Owner and the Arena Manager each agrees to keep papers and records available for inspection by the City during normal business hours and will cooperate with the City in the exercise of its statutory duties and not deny access to their business premises or applicable papers or records for the purposes of enforcement of this Section.

f. Team Owner's and the Arena Manager's warranties and obligations under this Section to the City are continuing throughout the term of this Agreement or until such time as the City determines, in its sole discretion, that Arizona law has been modified in that compliance with this Section is no longer a requirement.

g. The "E-Verify Program" above means the employment verification program administered by the United States Department of Homeland Security, the Social Security Administration, or any successor program.

9.15 Iran and Sudan Prohibitions. Team Owner certifies under A.R.S. §§ 35-391 et seq. and 35-393 et seq., that it does not, and during the term of this Agreement will not have, "scrutinized" business operations, as defined in the preceding statutory sections, in the countries of Sudan or Iran.

[Signatures appear on following pages.]

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

TEAM OWNER:

IceArizona Hockey Co. LLC, a Delaware limited liability company

By: _____
Name: _____
Its: _____

ARENA MANAGER:

IceArizona Manager Co. LLC, a Delaware limited liability company

By : _____
Name: _____
Its: _____

CITY:

CITY OF GLENDALE, an Arizona municipal corporation

By: _____
Name: Richard Bowers
Its: City Manager

ATTEST:

APPROVED AS TO FORM:

City Clerk

City Attorney

EXHIBIT A

LIQUIDATED DAMAGES

To the City pursuant to Section 6.1(b):

From the Effective Date and until June 30, 2028:

\$