

THIS LEASE AGREEMENT, (hereinafter "Lease") is made and entered into this ____ day of _____, ~~2019~~2020, by and between the City of Colonial Heights, Virginia (hereinafter "City"), P.O. Box 3401, Colonial Heights, Virginia 23834, and Collegiate Baseball Experience (hereinafter "CBE"), a Virginia Corporation, 2300 Oak Lake Blvd., Midlothian, VA 23112.

WITNESSETH:

WHEREAS, the City owns certain real property in Colonial Heights, Virginia, locally known as Shepherd Stadium (hereinafter "Stadium") and located at 901 Meridian Avenue, Colonial Heights, Virginia, 23834; and

WHEREAS, CBE desires to operate a Coastal Plain League (hereinafter "CPL") franchise baseball team in Colonial Heights, Virginia and desires to lease the Stadium from the City; and

WHEREAS, the City and CBE desire to provide the citizens of Colonial Heights and surrounding localities the opportunity to attend and view summer baseball; and

WHEREAS, the City and CBE agree that it is their desire to reduce to writing their agreement relating to their respective rights and duties with respect to the Stadium, as provided herein;

NOW, THEREFORE, in consideration of the terms and conditions expressed herein and other good and valuable consideration, the parties agree as follows:

1. Term. The initial term of this Lease shall run from ~~September-November 1, 2019-2020~~ through ~~August-October 31, 2022-2023~~. CBE and the City shall have the right to extend and renegotiate the terms of this Lease for additional years, if either party gives the other at least six months written notice prior to the expiration of the initial term.
2. Purpose. CBE commits to operate a summer collegiate baseball team as a member of the CPL, which shall play all of its home games at the Stadium for the term of the agreement unless the City and CBE agree in writing to an alternative location.
3. Use of Stadium. Each year the team shall play at the Stadium approximately 26 regular season CPL games, and any CPL post-season home playoff games; ~~and~~ hold up to 10 youth baseball tournaments and be responsible for applicable rental fees; and hold up to five special events – such as a team naming event, fan appreciation nights, and sports' camps. CBE shall provide the City with a list of CBE's proposed scheduled games and events at the Stadium, which shall be subject to the City's approval. The City shall continue to schedule events at the Stadium, at its discretion, that do not interfere with the schedule for CBE games and events. CBE shall have the exclusive right to use those portions of the Stadium that are needed to operate CBE scheduled games, practices, and events, to include concession stand, City-owned concession equipment, press box, locker rooms, public address system, field lights, scoreboard, and reasonable access and use of a designated area of the Recreation & Parks Department office. It is expressly agreed and understood that during those times not specifically scheduled for CBE games, practices and sponsored events, the Stadium shall be open and available for use for other games and activities by the City.

4. Rental Payment. CBE shall pay the City ~~\$11,000~~\$16,000 for the first year of this Lease and payments of ~~\$25,000~~\$30,000 per year for the Leases' second and third years, according to the following schedule:

First Year – September 1, 2019 to August 31, 2020 <u>November 1, 2020 to October 31, 2021</u>	\$5,500 <u>\$8,000</u> payment due on October 1, 2019 <u>May 1, 2021</u>	\$5,500 <u>\$8,000</u> payment due on April 1, 2020 <u>July 1, 2021</u>
Second Year – September 1, 2020 to August 31, 2021 <u>November 1, 2021 to October 31, 2022</u>	\$12,500 <u>\$15,000</u> payment due on October 1, 2020 <u>May 1, 2022</u>	\$12,500 <u>\$15,000</u> payment due on April 1, 2021 <u>July 1, 2022</u>
Third Year – September 1, 2021 to August 31, 2022 <u>November 1, 2022 to October 31, 2023</u>	\$12,500 <u>\$15,000</u> payment due on October 1, 2021 <u>May 1, 2023</u>	\$12,500 <u>\$15,000</u> payment due on April 1, 2022 <u>July 1, 2023</u>

Such fees shall offset a portion of ~~planned capital improvements for the 2020 CPL season and~~ three years of facility operation costs (field preparation, materials, labor, light and power, etc.).

5. Maintenance Responsibilities. CBE shall, during and following CBE events and at its expense, keep the interior of the Stadium, the exterior of the Stadium between the Stadium and the public streets immediately bordering the Stadium, and City parking lots designated by City for game day parking, in a neat, clean, safe, and sanitary condition, including but not limited to the removal of all waste and litter. The City shall provide for dumpster access for use by CBE. The City shall provide any reasonable equipment, materials, or supplies necessary for the maintenance. The City is responsible for providing CBE pregame field preparation and regular field and facility maintenance. The City ~~shall~~has provided d minimal necessary and identified locker room and umpire area upgrades ~~prior to the 2020 season~~, and shall assist CBE on game and other event days by making available for CBE's use items from the City inventory of event supplies, including but not limited to chairs, tables, and popup tents.
6. Capital Improvements. ~~Prior to the start of the 2020 season, the~~The City ~~shall~~has provided d a dedicated sponsor wall (new wall for posting sponsors extending above a portion of the current outfield wall), outfield wall padding, heightened outfield and backstop netting, and relocated ~~foul territory out-of-play~~ fencing. Other temporary facilities CBE desires for game and event operations are the sole responsibility of CBE. The City and CBE may mutually agree upon capital improvements for the Stadium and adjacent areas to be made during the initial Lease term. Any such agreed upon capital improvements during the initial lease shall be funded as the parties agree. CBE may provide other Stadium improvements at its own expense upon the City's approval.
7. Utilities. The City shall be responsible for all costs for water, sewer, and electricity services used under this Lease. CBE shall be responsible for any telephone, cable, and internet services used for its operations at the Stadium, which CBE may obtain separately or may be provided through

City-paid services with reimbursement from CBE to the City at rates the parties mutually agree upon.

8. Staffing. CBE shall be responsible for all operations to conduct CBE games and other approved events. CBE, at its sole expense, shall be responsible for staffing of the Stadium, parking lot, in-game baseball field maintenance operations, and related facilities for CBE games and events. CBE shall hire at least one part-time employee who is a current Colonial Heights Department of Recreation & Parks fulltime employee, or a mutually agreed upon non-Recreation & Parks employee, and who is experienced in facilities maintenance that is consistent with the Recreation & Parks Department's practices and procedures, to assist with game operations. Installation and removal of a City-provided tarp if there is rain shall be the responsibility of CBE.
9. Security. CBE shall provide and pay for adequate staffing to accommodate its patrons, and it shall pay for at least three off-duty Colonial Heights Police Department (CHPD) officers during its use of the Stadium for CPL home games. Based on Stadium attendance for CPL home games, the City may determine that more or less than three off-duty CHPD officers are needed at CPL home games and CBE shall pay for the number of off-duty CHPD officers required by the City. CBE shall pay for off-duty CHPD officers at other CBE events as required by the City. CBE shall provide sufficient staff and personnel to ensure, to the maximum extent practical, that good behavior is maintained and the public's safety is protected at all of its events. CHPD off-duty officers shall be on duty at the Stadium a minimum of one hour before the event and shall remain until at least 30 minutes after the conclusion of the event, or until the parking lot is cleared of substantially all vehicles.
10. Licenses and Taxes. CBE is responsible for all applicable state and local licenses, taxes, and permits, including building permits if CBE undertakes any City-approved capital improvements at the Stadium.
11. Damages. CBE agrees to pay the City for any damages to the Stadium, or to its fixtures, appliances, furniture, lockers, or other appurtenances, caused by CBE or its agents or employees, the home or visiting team, or other invitees of CBE, with the exception of standard wear and tear, and any such payments from CBE to the City shall be in sufficient amounts to restore the damaged areas to the condition in existence immediately before the damages occurred.
12. Insurance. CBE shall maintain statutory workers compensation insurance during the term of this Lease covering all CBE employees and volunteers. Also, CBE shall maintain during the term of this Lease comprehensive commercial general liability insurance against claims for bodily injury of persons and damage to property occurring on or about the Stadium in any way relating to or arising out of CBE's use of the Stadium, with minimum combined single limits of \$1,000,000. The City shall be named as an additional insured on the general liability policy. CBE shall maintain during the life of this agreement liquor liability insurance with liability coverage of not less than \$1,000,000. The City shall be named as an additional insured on the liquor liability policy. CBE shall provide the City with certificates establishing that this section's requirements have been

met as a condition to CBE's right to use the Stadium under this Lease. All required insurance coverages shall require the insurance company to provide the City with notice of any policy's cancellation.

13. Indemnification and Hold Harmless. CBE shall exercise its privileges under this Lease at its own risk. CBE shall indemnify and hold the City harmless from and against any and all liability for damages, costs, and losses, resulting from or in any way connected with CBE's occupation or use of the Stadium, the occupation or use of CBE's invitees or guests, or CBE's failure of CBE to perform fully all promises contained in this Lease. The City shall not be liable to CBE if a third party disturbs CBE's occupation or use of the premises under this Lease. It is expressly agreed that CBE shall be liable for any personal injuries or property damage caused by batted balls during CBE events.
14. Ticket Sales. CBE shall have the exclusive right to set ticket prices for admission to all of its events, including CPL home games; and CBE shall be entitled to receive and retain all gross revenues for ticket sales.
15. Concessions and Merchandise. CBE shall be permitted to sell concessions and team merchandise inside the Stadium at CBE events and to retain all gross revenues from the sales. Concessions shall be defined as food, non-alcoholic beverages, and subject to Section 16 of this Lease, beer and wine. Team merchandise and concessions, with the exception of beer and wine, shall be sold in City-designated areas surrounding the stadium if the City grants approval. CBE is permitted to use City fixed concession stand equipment. CBE shall supply, at its own expense, all other equipment, fixtures, and supplies not available from the City and staff persons needed to sell concessions and merchandise at the Stadium. CBE shall be solely responsible for obtaining all necessary permits and licenses and remitting all required taxes for such sales. CBE and its employees and volunteers shall abide by all Health Department rules and regulations in the operation of CBE's food and beverage concessions.
16. Alcohol Sales. Subject to the limitations set forth in this section; applicable law; and the City of Colonial Heights Policy for Alcoholic Beverages on City Owned Property, CBE shall be permitted to sell beer and wine during CBE games and CBE events. However, beer and wine shall not be sold at any CBE youth event, which is defined as an event dedicated specifically to youth age 17 and under. If an event not sponsored by CBE occurs earlier on the same day as a CBE sponsored event, CBE shall only sell beer and wine, post signage for beer and wine sale, and have beer or wine at the Stadium only after the non-CBE sponsored event has ended. Beer and wine shall be sold inside the Stadium at a separate kiosk from the concession stand. The beer and wine kiosk shall be operated by an adult of 21 years of age or older. Beer and wine shall be served in cups or cans, and bottles are prohibited. Each adult must present a valid ID to purchase beer or wine as required by Virginia law. All beer and wine sales shall cease at the end of the 7th inning for each game. All beer and wine shall be removed from the Stadium at the end of a CBE event, or shall be properly locked and secured in a CBE-provided on-site facility. All signage regarding beer and wine sales shall be temporary in nature and removed at the end of each CBE event where beer and wine is sold. The City may revoke the authorization for CBE to sell beer and wine at the

Stadium if there are reoccurring adverse incidents related to alcohol consumption. The City shall first attempt to meet with CBE to implement alternative solutions in order to avoid future issues. In the event the parties are unable to agree to an alternative solution or adverse incidents reoccur, the City may revoke the authorization with 10 days written notice to CBE.

17. Advertising and Promotion. CBE shall have the exclusive right to lease advertising space inside the Stadium on the outfield wall and sponsor wall, and subject to approval of the City, on or adjacent to the scoreboard or in other areas inside the stadium. Any advertising on public property outside the Stadium shall be subject to City approval. CBE shall have the exclusive advertising rights to all programs and other print materials, to include scorecards and tickets. CBE shall have the exclusive radio and television broadcast rights for CBE games played at the Stadium. The City shall have the right to disapprove signs and advertising it considers objectionable and may require removal of, at CBE's expense, of objectionable signs and advertisements as well as signs the City considers in disrepair.
18. Notices. Any notice this Lease requires shall be in writing and be deemed given on the date of the mailing of such notice to the City or CBE, at the following address, by certified or registered mail, or electronic notification by email:

Collegiate Baseball Experience
2600 Loch Gate Lane
Powhatan, VA 23139
Email: Chris@risebaseball.com

City of Colonial Heights
c/o City Manager
P.O. Box 3401
Colonial Heights, VA 23834
Email: smithd@colonialheightsva.gov

19. Termination. If either party breaches its obligations under this Lease, the other party may terminate this Lease by giving the breaching party at least 30 days' prior written notice. Such notice shall not result in termination if the breaching party cures that breach before the 30 day period elapses. The City shall also have the right to terminate this Lease, within 60 days of receiving notice that the CPL has disbanded or suspended operations or that CBE will not field a team at the Stadium during the coming season, by providing written notice that this Lease is terminated. This Lease may be terminated at any time by mutual written agreement of the Parties.
20. Condition of Stadium upon Termination or Expiration of Lease. Upon termination or expiration of this Lease, CBE shall remove from the Stadium any of the equipment or improvements funded solely by CBE, unless otherwise agreed to by the City; and CBE will restore the Stadium to its prior condition, reasonable wear and tear excepted, within 30 days of such termination or expiration. Any CBE equipment or improvements not removed by CBE within 30 days of the Lease's termination or expiration shall become City property.

21. Modification of Agreement. Any modification of this Lease shall be binding only if made in writing and executed by the parties.
22. Assignment or Sublease. CBE shall not assign or transfer this Lease or any interest herein, or sublet the whole or any part of the Stadium, without the City's prior written consent.
23. Controlling Law. This Lease shall be governed by, construed, and enforced in accordance with the laws of the State of Virginia.
24. Venue. Any litigation between the parties relating to this Lease shall be filed and tried in the appropriate state court in Colonial Heights, Virginia.
25. Entire Agreement. This Lease shall constitute the entire agreement between the City and CBE and any prior understanding or representation of any kind preceding the date of this Lease shall not be binding upon either party except to the extent incorporated in this Lease.

City of Colonial Heights

By: _____
Douglas E. Smith

Title: City Manager _____

Approved as to form:

Hugh P. Fisher, III, City Attorney

Collegiate Baseball Experience

By: _____

Title: _____

Attest: _____

Title: _____