



Office of the City Manager
City of Frisco, Texas

Memorandum

To: Mayor and City Council

From: Ron K. Patterson, Assistant City Manager

CC: George Purefoy, City Manager

Date: October 18, 2016

Re: Consider and act upon approval of a Second Amendment to that certain Soccer Complex Lease Agreement dated April 3, 2003 by and between Frisco Stadium, LLC, as successor to Frisco Stadium, LP and the City of Frisco, Texas.

Action Requested:

Approval of a Second Amendment to the Soccer Complex Lease Agreement related to improvements to be made to the Soccer Complex (Toyota Stadium).

Background Information:

The City Council approved at its September 15, 2015 meeting a First Amendment to the Soccer Complex Lease Agreement (First Lease Amendment) which outlined the terms and conditions under which improvements to the facility were to be made and funded. The Frisco Community Development Corporation (FCDC) Board of Directors at its September 17, 2015 meeting called a public hearing on the project, it held the public hearing on October 15, 2015 and on December 17, 2015 approved a Reimbursement Agreement to establish the improvements as a project of the FCDC.

Subsequent to the above actions taken by the City Council and FCDC, Frisco Stadium, LLC ("Frisco Stadium") proceeded with design and bidding of the project. That process yielded bids for construction coming in higher than expected. As a result Frisco Stadium presented to the City Council and FCDC Board of Directors at a joint work session, held on August 16, 2016, a revised scope for the project. The Council and Board provided general feedback that the revised scope Frisco Stadium presented was acceptable but that such revised scope would have to be approved with another amendment to the City Lease and an amendment to the FCDC Reimbursement Agreement. The action being requested on this agenda is to approve the Second Amendment to the Soccer Complex

Lease (Second Amendment) with the City. The FCDC Board of Directors will consider an amendment to the FCDC Reimbursement Agreement at their October 20, 2016 meeting.

This proposed Second Amendment to the Lease attached to this agenda provides for the following –

1. Increases the “Additional Rent” from \$1,000,000.00/year to \$1,050,000.00/year; and
2. Provides that should Frisco Stadium, as Lessee, have the seating required in the Revised Scope (as contained in the approved construction plans) installed by December 7, 2017 the Additional Rent will be reduced by \$50,000.00/year. This provision was provided to incent the Lessee to have the seating completed in time for the January 2018 NCAA championship game; and
3. Amends the construction commencement date from May 31, 2016 to October 10, 2016; and
4. Changes out all of the exhibits to the First Lease Amendment to reflect the revised scope of the project to include the Main Street elevations and suites.

None of the other terms and conditions contained in the First Lease Amendment have changed and are ratified by this Second Lease Amendment.

Alternatives:

The Council could consider the following alternatives:

- Table the item.
- Not pass the item.
- Direct staff to make changes or modifications.

Financial Considerations:

Funding for the proposed improvements will be through bond proceeds which were previously sold as part of the First Lease Amendment.

Legal Review:

This document has been reviewed and approved by Bob Roeder of the City Attorney’s Office.

Supporting Documents:

1. Second Amendment to Soccer Complex Lease Agreement
2. First Amendment to FCDC Reimbursement Agreement

Staff Recommendation:

Staff recommends passage as submitted.