



**City of Davenport
City Administration**

226 W. Fourth Street • Davenport, IA 52801
(563) 326-7763 • FAX (563) 326-7736
www.cityofdavenportiowa.com

April 24, 2019

Main Street Iowa, LLC
ATTN: David Heller
Modern Woodmen Park
209 South Gaines Street
Davenport, IA 52802

RE: LETTER OF AGREEMENT – LIST OF CAPITAL PROJECTS AND CITY PROJECT FUNDING AMOUNTS

Dear Dave,

As described in Section 10(b) of the Stadium Lease Agreement, the City and Main Street Iowa are required to periodically negotiate in good faith the amount of funding provided in the Capital Improvement Fund (CIF). As of the date of this letter, the City contributes \$375,000 annually to the CIF and \$45,000 annually to the Stadium Improvement Fund (SIF). Per the current Stadium Lease Agreement, the City's annual contribution to the SIF increases to \$136,500 in FY 2020. These amounts are committed to in the Stadium Lease Agreement through June 30, 2022 (FY 2022). The purpose of this Letter of Agreement is to acknowledge that both parties agree to extend the next required negotiation date through the City's FY 2028, or June 30, 2028. The parties agree that beginning July 1, 2028 (City's FY 2029) and every five (5) years thereafter consistent with all other considerations outlined in Section 10(b), the annual amount of the City's CIF shall be renegotiated in good faith provided, however, that such annual amount shall not be changed to an amount less than \$425,000 per fiscal year. The parties also agree to evaluate the amount contributed to the SIF at that time. Both parties agree that as of July 1, 2023 (City's FY 2024), the City shall contribute \$425,000 annually to the CIF and \$186,500 to the SIF.

Further, both parties agree that the following improvements shall be made at the ballpark and credited as follows against amounts committed by the City for the CIF and/or SIF.

PROJECT	ESTIMATED AMOUNT	CIF ALLOTMENT	SIF ALLOTMENT
Electronic Scoreboard Replacement (per conditions outlined below)	\$250,000	FY 2019 - \$125,000 FY 2020 - \$64,050 FY 2021 - \$60,950	N/A
Ribbon Board Replacement	\$250,000	FY 2021 - \$28,100 FY 2022 - \$114,050 FY 2023 - \$107,850	N/A

PROJECT	ESTIMATED AMOUNT	CIF ALLOTMENT	SIF ALLOTMENT
Sound System Replacement	\$35,000	N/A	FY 2021 - \$35,000
Ballpark Security	\$150,000	FY 2023 - \$150,000	N/A
Facia	\$500,000	FY 2023 - \$117,150 FY 2024 - \$132,850	FY 2022 - \$100,000 FY 2023 - \$100,000 FY 2024 - \$50,000
Party Plaza Shade Covering	\$375,000	FY 2024 - \$292,150 FY 2025 - \$82,850	N/A
Seat Replacement	\$425,000	FY 2025 - \$275,000	FY 2024 - \$100,000 FY 2025 - \$50,000
Generator Replacement	\$250,000	FY 2025 - \$67,150 FY 2026 - \$57,850	FY 2025 - \$100,000 FY 2026 - \$25,000

The estimated amounts and associated allotment years are not intended to obligate either of the parties to complete any or all of the listed projects should actual costs differ substantially from the estimated amounts shown. Knowing that actual costs will differ from estimated amounts, this Letter of Agreement in no way obligates or commits the City to spend more than the total amount available through CIF- and SIF-provided funding consistent with the lease agreement as modified in this Letter of Agreement through June 30, 2026, nor does it prevent the parties from adding new projects to spend down remaining funding once all projects listed herein have been completed. If a project listed herein is funded from both CIF and SIF, City agrees to first utilize the listed SIF allotment before committing the listed CIF allotment in its prioritization of payment sources.

Based on estimated amounts, the City shall undertake each of these projects during the following fiscal years:

Project	Fiscal Year
Electronic Scoreboard Replacement (per conditions outlined below)	FY 2019
Ribbon Board Replacement	FY 2019
Sound System Replacement	FY 2019
Ballpark Security	FY 2020
Facia	FY 2021
Party Plaza Shade Covering	FY 2022
Seat Replacement	FY 2023
Generator Replacement	FY 2024

Further, the parties also agree that Section 10(d) of the Stadium Lease Agreement shall hereafter be amended as follows to reflect that the total cost of the electronic scoreboard replacement will be split evenly by the parties and that the electronic scoreboard no longer be considered a trade fixture:

“10(d) The Parties agree that prior to the replacement scheduled in FY 2019 that the electronic scoreboard, which includes the video board, shall for all purposes of this Lease be considered a removable trade fixture. The City is not responsible for the care, maintenance, repair or replacement of the scoreboard purchased in 2011. The Parties agree that the City shall replace the electronic scoreboard as outlined in a Letter of Understanding dated April 24, 2019 and that Lessee shall be responsible for half of all costs associated with the replacement to include, but is not limited to, installation, hardware, software, programming, and other related costs and equipment. Once replaced and Lessee has paid its share of the costs, the electronic scoreboard shall no longer be considered a trade fixture, but shall become a City-owned amenity of the Premises and shall be treated as any other amenity of the Premises with regards to the responsibilities of the Parties under Section 8 of this Agreement.”

Further, the City agrees to fund the replacement of the HVAC system at Modern Woodmen Park, which cost shall be borne entirely by the City in its FY 2021 Capital Improvement Program. Whereas the current HVAC system is contained above the drop ceiling on the suite level, this project shall include the installation of new HVAC equipment on the roof of the building to improve overall efficiency and effectiveness of the system. This amount shall not be deducted from or against CIF or SIF funding from the City to Main Street Iowa. As part of the HVAC project, City will determine the differential cost of removing the drop ceiling on the suite level to increase the ceiling height to the height of the original roof line versus the cost of restoring the current drop ceiling after the HVAC system has been removed. After detailed consultation between the parties, the City shall include this component to the HVAC project if the City, in its sole determination, determines that the cost differential is not substantial (i.e. less than \$50,000). If the cost is determined by the City to be substantial, the parties shall agree to a funding plan for CIF to fund the differential cost and may modify projects listed in this Letter of Agreement or utilize future uncommitted CIF.

Further, the City agrees to fund, exclusive of CIF and/or SIF funding available through the Stadium Lease Agreement, half of the Generator Replacement project scheduled in FY 2024. The City's commitment of half of the total project amount shall be spent first in its prioritization of payments, followed by scheduled SIF funding, followed by CIF funding. To be clear, the estimated cost of the Generator Replacement project is \$500,000. The City, through its CIP Program, is estimated to fund \$250,000. The remaining \$250,000 estimated amount will be spent from CIF and SIF according to the schedule in this Letter of Agreement.

This Letter of Agreement may only be modified or changed by written approval of both parties. The signatures at the bottom of this page signify approval of all terms and conditions outlined herein.

Sincerely,



Corri Spiegel
City Administrator

SIGNATURE PAGE FOLLOWS


City and Main Street Iowa, LLC have caused this Letter of Agreement to be signed and approved by their authorized representatives as witnessed below.

FOR CITY OF DAVENPORT

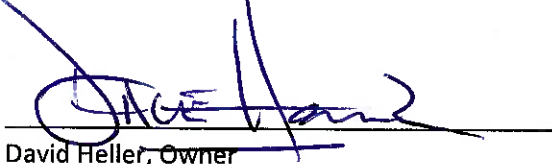


Frank Klipsch, Mayor

AS WITNESSED BY



Name: Tiffany Thendice

FOR MAIN STREET IOWA, LLC



David Heller, Owner

AS WITNESSED BY


Name: Brandon Wright