

April 14, 2021

**WHEREAS**, on December 10, 1997, the Lessee and Lessor entered into an Arena Master Agreement regarding the construction and financing of the Arena Project as a sports and community venue project in the City of Dallas, Texas for the use and benefit of the public pursuant to the Act; and

**WHEREAS**, on July 28, 1998, City Council authorized a 30-year Lease Agreement with Arena/Dallas Stars, Inc., Hillwood Arena Partners, Inc., DBL Arena Partners, Inc., and Corporate Arena Associates Inc. referred to collectively as "The Arena Group" by Resolution No. 97-3998; and

**WHEREAS**, on October 13, 2020, City Council authorized the execution of a letter amendment to the Lease Agreement between the City of Dallas and the Arena Group to grant a request by the Center Operating Company, L.P. for a deferment of the October 1, 2020 rent payment in the amount of \$3,400,000.00 for the American Airlines Center until April 20, 2021, by Resolution No. 20-1519; and

**WHEREAS**, with the continued pandemic, collateral revenue loss has persisted and COC has requested further interim deferment relief to allow the COC and other AAC partners to financially recover and for the AAC to resume revenue-generating operations.

**Now, Therefore,**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:**

**SECTION 1.** That the City Manager is hereby authorized to execute a second letter amendment to the Lease Agreement between the City of Dallas and the Arena Group to grant the request by the COC to **(1)** defer the due date for the FY 2021 rent payment in the amount of \$3,400,000.00 for the AAC from a date previously requested by the COC of April 30, 2021 to September 30, 2021 and approved by the City Council on October 13, 2020 by letter amendment to the Lease Agreement between the City of Dallas and the Arena Group; and **(2)** to defer the due date for the FY 2022 rent payment in the amount of \$3,400,000.00 for the AAC from October 1, 2021 until April 30, 2022, approved as to form by the City Attorney.

**SECTION 2.** That the Chief Financial Officer is hereby authorized (1) to defer the receipt and deposit of funds originally due in October 1, 2020 in the amount of \$3,400,000.00 until September 30, 2021; and (2) to defer the receipt and deposit of funds originally due on October 1, 2021 in the amount of \$3,400,000.00 until April 30, 2022 in Sports Arena Lease Rental Fund, Fund 0A71, Department CCT, Unit 8851, Revenue Code 8480.

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**SECTION 3.** That in consideration for the October 1, 2021 deferral, the City of Dallas will receive a total of ten one-time uses of the AAC, collateral parking garages, and/or Victory Plaza over the next five years and that all other terms of the Lease Agreement shall remain unmodified and in full force and effect.

**SECTION 4.** That this contract is designated as Contract No. CCT-2021-00015931.

**SECTION 5.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.