

Chicago Park District

Legislation Text

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SOLDIER FIELD USE AGREEMENT

AUTHORIZATION TO ENTER INTO A PERMIT AND OPERATING AGREEMENT WITH CHICAGO FIRE SOCCER, LLC FOR THE USE OF SOLDIER FIELD

To the Honorable Board of Commissioners of the Chicago Park District

I. Recommendation

It is recommended that the General Superintendent and CEO or his designee enter into a permit and operating agreement with Chicago Fire Soccer, LLC for the use of Soldier Field for Chicago Fire soccer home games commencing with the 2020 Major League Soccer season.

II. Information

Company: Chicago Fire Soccer, LLC

Company Type: Delaware Limited Liability Company

Agreement Type: Permit and Operating Agreement

Agreement Term: Initial term: Three (3) years

Optional renewal term: two (2) periods of three (3) years each, followed by two (2) periods of

one (1) year each

Authorization: Authorize the General Counsel to include other relevant terms and conditions in the written

Agreement. Authorize the General Superintendent to execute the Agreement and the Secretary to attest as to the signing of the Agreement and keep an original copy of the Agreement on file.

III. Budget and Financial Information

Budget Classification: Operating

Fiscal Year: 2020-2022

VI. Explanation

The Chicago Park District ("Park District") is the owner of the property located at 425 East McFetridge Drive in the City of Chicago, on which is located a multipurpose entertainment and sports center and related improvements known as Soldier Field. Chicago Fire Soccer, LLC (the "Fire") is a Major League Soccer ("MLS") team founded on October 8, 1997 and which began play in 1998 at its original home stadium Soldier Field. In 2006, the Fire moved its home games to its new stadium in Bridgeview, Illinois and has continued to play at that stadium through the most recent MLS season.

The Fire desires to present its soccer home games at Soldier Field and the Park District desires to grant permission for this use commencing with the 2020 MLS season under agreed upon terms and conditions.

In consideration of the rights granted to the Fire, the team will pay to the Park District a use fee and reimbursement of operating expenses for each Fire game scheduled to be held at Soldier Field during the term of the agreement. In addition, the Park District will receive a facility fee for each attendee of a Fire game at Soldier Field and, based on attendance thresholds, a capital improvement attendance fee. Lastly, the Park District and the Fire will share net revenue from parking fees, food and beverage concession sales and merchandise sales based on defined percentages.

Overall, this agreement is expected to have a direct financial benefit to the Park District and bring increased economic activity to the City of Chicago as a whole. Therefore, it is in the best interest of the Chicago Park District to enter into a permit and operating agreement with Chicago Fire Soccer, LLC for the use of Soldier Field.

V. General Conditions

- 1) *Conflicts:* The Agreement shall not be legally binding on the Chicago Park District if entered into in violation of the provisions of 50 ILCS 105, the Public Officer Prohibited Activities Act.
- 2) Ethics: The Chicago Park District's Ethics Code, Chapter III of the Code of the Chicago Park District, shall be incorporated into and made part of the agreement.
- 3) Contingent Liability: Any agreement lawfully entered into for a period of more than one year shall be executory only for the amounts for which the Park District may become liable in succeeding fiscal years pursuant to 70 ILCS 1505/17(i). The agreement shall contain a clause that any expenditure beyond the current fiscal year is subject to appropriation in the subsequent fiscal year budget.
- 4) Economic Disclosure Statement ("EDS"): Contractors shall submit a properly executed EDS.