



BOARD OF SUPERVISORS AGENDA ITEM REPORT AWARDS / CONTRACTS / GRANTS

Award Contract Grant

Requested Board Meeting Date: December 3, 2024

* = Mandatory, information must be provided

or Procurement Director Award:

***Contractor/Vendor Name/Grantor (DBA):**

Metropolitan Tucson Convention & Visitors Bureau d/b/a Visit Tucson and Arizona Soccer Holdings, INC d/b/a FC Tucson

***Project Title/Description:**

Hospitality and Promotional Agreement

***Purpose:**

FC Tucson is hosting preseason training camps over the course of the next three seasons. The camps will include soccer teams representing the Major League Soccer, National Women's League and the United Soccer League. Teams will be traveling to participate at the Kino Sports Complex from across the country. This Agreement will put into place a reimbursement fund FC Tucson will be able to use annually for the preseason training camp to assist incoming teams with their hospitality costs. Reimbursements will only be provided for hotel costs associated with room nights booked in unincorporated Pima County on a sliding scale depending on the size of the travel parties and number of room nights booked. Total funding is not to exceed \$80,000 annually. The first \$40,000 of reimbursables will be funded through the Stadium District & Kino Sports Complex Fund annually. Funds above the first \$40,000 will be paid from Attractions & Tourism Special Revenue Fund, not to exceed an additional \$40,000 annually.

***Procurement Method:**

This agreement is a non-procurement contract and not subject to procurement rules.

***Program Goals/Predicted Outcomes:**

Incentivize travel to Pima County and booking hotel room nights at hospitality venues located in unincorporated Pima County.

***Public Benefit:**

National exposure of Pima County and the Kino Sports Complex, community engagement with teams, promotion of Kino Sports Complex as a host site for major soccer events.

***Metrics Available to Measure Performance:**

Expenditure of funds will result in generation of bed tax revenues which benefits Pima County.

***Retroactive:**

Not Applicable

THE APPLICABLE SECTION(S) BELOW MUST BE COMPLETED

Click or tap the boxes to enter text. If not applicable, indicate "N/A". Make sure to complete mandatory (*) fields

Contract / Award Information

Document Type: PO Department Code: KSC Contract Number (i.e., 15-123): PO2400013748
Commencement Date: 01/07/2025 Termination Date: 03/31/2027 Prior Contract Number (Synergen/CMS):
Expense Amount \$ 240,000 * Revenue Amount: \$

*Funding Source(s) required: KSC-2024FD \$120,000 Attractions and Tourism Special Revenue Fund \$120,000

Funding from General Fund? Yes No If Yes \$ %

Contract is fully or partially funded with Federal Funds? Yes No

If Yes, is the Contract to a vendor or subrecipient?

Were insurance or indemnity clauses modified? Yes No

If Yes, attach Risk's approval.

Vendor is using a Social Security Number? Yes No

If Yes, attach the required form per Administrative Procedure 22-10.

Amendment / Revised Award Information

Document Type: Department Code: Contract Number (i.e., 15-123):
Amendment No.: AMS Version No.:
Commencement Date: New Termination Date:
Prior Contract No. (Synergen/CMS):

Expense Revenue Increase Decrease

Is there revenue included? Yes No If Yes \$

Amount This Amendment: \$

*Funding Source(s) required:

Funding from General Fund? Yes No If Yes \$ %

Grant/Amendment Information (for grants acceptance and awards)

Award Amendment

Document Type: Department Code: Grant Number (i.e., 15-123):
Commencement Date: Termination Date: Amendment Number:
Match Amount: \$ Revenue Amount: \$

*All Funding Source(s) required:

*Match funding from General Fund? Yes No If Yes \$ %

*Match funding from other sources? Yes No If Yes \$ %

*Funding Source:

*If Federal funds are received, is funding coming directly from the Federal government or passed through other organization(s)?

Contact: Charlotte Watts

Department: KSC

Telephone: (520) 222-1043

Department Director Signature: Date: 11.20.24

Deputy County Administrator Signature: Date: 11/20/2024

County Administrator Signature: Date: 11/20/2024

Hospitality and Promotional Agreement

This Hospitality and Promotional Agreement ("Agreement") is made and entered into between Arizona Soccer Holdings, INC, an Arizona corporation founded in October 2022, d/b/a FC Tucson ("FC Tucson"), Pima County, a body politic and corporate of the State of Arizona ("County"), Metropolitan Tucson Convention & Visitors Bureau d/b/a Visit Tucson, a 26 U.S.C. 501(c)(6) marketing and tourism organization in Pima County, Arizona ("VT") and the Pima County Stadium District, an Arizona special taxing district ("District") (collectively the "parties").

WITNESSETH

A. FC Tucson, is a soccer events company that supports an amateur men's team, amateur women's team, youth academy platform, and preseason professional soccer events in Pima County, Arizona. FC Tucson has worked with Major League Soccer ("MLS"), United Soccer Leagues ("USL"), and their member clubs since 2011 in developing and marketing a Preseason Training Camp ("PTC") and exhibition matches in Pima County, Arizona held in various locations in conjunction with District within the Kino Veterans Memorial Sports Complex ("Complex").

B. The Metropolitan Tucson Convention & Visitors Bureau, under the trade name "Visit Tucson" ("VT"), assists individuals and organizations wishing to visit or to promote leisure and business trips to Pima County, Arizona by recommending and/or securing hotel or resort guest rooms for such individuals and organizations during such leisure and business trips.

C. Major League Soccer ("MLS"), which is not a party to this Agreement, is a men's professional soccer league representing the highest level of the sport in both the United States and Canada, with headquarters in New York City. MLS is a single entity wherein MLS investors own and control each team.

D. National Women's Soccer League ("NWSL"), which is not a party to this Agreement, is a women's professional soccer league representing the highest level of the sport in the United States, with headquarters in New York City. NWSL is not a single entity and NWSL investors own and control their own teams.

E. United Soccer League ("USL"), which is not a party to this Agreement, is a professional soccer organization headquartered in Tampa, Florida that represents semi-professional and professional men's, women's, and youth academy platforms in the United States and Canada. USL is not a single entity and USL investors own and control their own teams.

F. District operates the Complex owned by County in Pima County, Arizona, which has been the site for the PTC. Pursuant to a separate Use Agreement to be executed between District and FC Tucson, County can provide use of the Kino North Stadium soccer complex ("Soccer Facilities") for teams participating in the PTC.

G. FC Tucson and County first entered into a Hospitality and Promotional Agreement on November 13, 2013, with a term from March 31, 2014, to March 31, 2016. FC Tucson, MLS, County, and District were all parties listed to a second Agreement on January 17, 2017 with a term from January 17, 2017 to March 31, 2019. The parties wish to enter into a new agreement.

NOWHEREFORE, in consideration of the mutual promises and obligations set forth herein, and other good and

valuable consideration, the receipt and sufficiency of which the parties hereby acknowledge the parties hereto agree as follows:

1. **TERM AND EXTENSION/CHANGES/RENEWAL.** This Agreement commences on January 7th, 2025 and will terminate on March 31, 2027. If the commencement date is before the signature date of the last party to execute this Agreement, the parties will, for all purposes, deem the Agreement to have been in effect as of the commencement date. The parties may renew this Agreement for up to two additional one-year periods or any portion thereof.

Any modification or extension of the termination date will be by formal written amendment executed by the parties hereto. Amendments to the Agreement must be fully executed before any work or deliveries under the Amendment commences.

2. **FC TUCSON OBLIGATIONS.** FC Tucson will continue to bring a PTC and exhibition matches to Complex in January, February, or March of each year from 2025 through 2027, with dates to be determined annually upon written mutual agreement among, participating clubs, FC Tucson, and District.

FC Tucson responsibilities include:

- a. Lease or Use the Complex annually from District, sell match tickets to all gated events, and sell concessions to ticket-buyers at all gated events if authorized by separate Use Agreement with County.
- b. Bring in MLS, USL, or international teams, which teams rent a minimum total of 2,000 or more room nights in resorts or hotels in Pima County in each year of the Agreement.
- c. Subject to separate Use Agreement with County, attract a combined total of 2,500 paid spectators to gated PTC exhibition matches at the Complex in each year of the Agreement via marketing those matches throughout Pima County, Phoenix and in the markets of the participating teams. All PTC marketing done by FC Tucson must promote the Complex as the venue for the event.

Any party may terminate this Agreement if any of items 2(a) through 2(c) are not met.

FC Tucson is responsible for negotiating with participating teams regarding their appearances at PTC based on the criteria listed in this Agreement. FC Tucson, with assistance from VT and teams participating in the PTC, will solicit hotel or resort accommodation package rates from the hotels and/or resorts which are in unincorporated Pima County, which remit bed-tax revenue to County, for the duration of the teams stays in Pima County, Arizona.

FC Tucson will employ best efforts to develop and market travel packages for out-of-town fans of the teams participating in the 2025-2027 PTC during the term of this Agreement.

FC Tucson will work with the teams participating in the PTC to provide access to the Complex Soccer Field as necessary and appropriate for such participation by the teams.

FC Tucson will obtain and maintain such insurance coverage as required by the District in the County Use Agreement and must name County, and District as additional insureds thereunder for purposes of this Agreement. Each party to this Agreement is responsible for its own negligence.

FINANCIAL INCENTIVES

- d. VT will collect from each team participating in the PTC via FC Tucson, the Hotel and Non-Hotel Data and will insert that data into VT's economic impact calculator to determine the economic impact of the PTC each year during the term of this Agreement.
- e. VT shall pay to teams by May 31st of each year during the term of this Agreement the full amount due to the teams that participated in that year's PTC.
- f. VT will seek reimbursement from County of up to, but not to exceed, Eighty Thousand Dollars (\$80,000.00) annually during the term of this Agreement indexed to room stays in unincorporated County hotels or resorts and teams' marketing of the PTC to their fans.

MLS and NWSL teams will be eligible to receive payments of up to Fifteen Thousand Dollars (\$15,000.00) each for meeting both the lodging and marketing criteria listed in this Agreement.

USL teams will be eligible to receive payments up to Five Thousand Dollars (\$5,000) each for meeting both the lodging and marketing criteria listed in this Agreement.

Lodging: MLS and NWSL teams must stay a minimum of ten (10) nights in unincorporated Pima County and meet the marketing criteria to qualify for payments of up to a maximum of Fifteen Thousand Dollars (\$15,000.00) annually.

MLS and NWSL teams that stay ten (10) or more nights will be awarded up to \$15,000 if they average thirty (30) room nights or more per night stayed in resorts or hotels in unincorporated Pima County. Teams averaging fewer than thirty (30) room nights per night will be reimbursed at \$25 per room night for their stays, up to a maximum of \$15,000.

MLS and NWSL teams that stay fewer than ten (10) nights will be awarded up to One Thousand Dollars (\$1,000.00) per night, if they average thirty (30) room nights or more per night stayed in resorts or hotels in unincorporated Pima County. Teams averaging fewer than thirty (30) room nights per night will be reimbursed at \$25 per room night for their stays.

USL teams must stay a minimum of seven (7) nights in unincorporated Pima County and meet the marketing criteria to qualify for payments of up to a maximum of Five Thousand Dollars (\$5,000.00) annually.

USL teams that stay seven (7) or more nights will be awarded up to \$5,000 if they average fifteen (15) room nights or more per night stayed in resorts or hotels in unincorporated Pima County. Teams averaging fewer than fifteen (15) room nights per night will be reimbursed at \$15 per room night for their stays, up to a maximum of \$5,000.

USL teams that stay fewer than seven (7) nights will be awarded up to Seven Hundred Dollars (\$700.00) per night if they average fifteen (15) room nights or more per night stayed in resorts or hotels in unincorporated Pima County. Teams averaging fewer than fifteen (15) room nights per night will be reimbursed at \$15 per room night for their stays.

County will pay a maximum of \$13,000 per MLS team stay covering nights 1-8. These payments are

indexed to room stays in unincorporated Pima County and require teams to deliver marketing value to County that equals or exceeds the payment the team receives pursuant to this Agreement in each year of the Agreement.

County will pay a maximum of \$3,600 per USL team stay covering nights 1-5. These payments are indexed to room stays in unincorporated Pima County and require teams to deliver marketing value to County that equals or exceeds the payment the team receives pursuant to this Agreement in each year of the Agreement.

Marketing: To be eligible for participation payments, teams participating in PTC must market the PTC to their fans, including encouraging them to travel to Pima County for PTC, between November and their teams' appearance in PTC, likely in January and/or February of the following year. Total value of advertising delivered by each team must equal or exceed the payment each team receives pursuant to this Agreement annually. PTC will annually provide proof of marketing value and associated data in a form acceptable to Pima County.

Pima County in consultation with FC Tucson, reserves the right to issue partial payments to teams that meet some, but not all, of the criteria listed in this section.

VT will provide County with post-event PTC reports by May 31st annually listing the lodging and marketing benefits received by each respective entity. The post-event report will include calculations outlining each entity's return or loss on investment.

VT will use its best efforts to promote the PTC each year during the term of the Agreement via appropriate media outlets outside Pima County and to customers in VT's database.

3. **DISTRICT OBLIGATIONS.** District will abide by separate District - FC Tucson Use Agreement, which shall be agreed to and signed no later than December 1, 2024, which will require the Stadium District, among other obligations, to allow the use of the Soccer Facilities by FC Tucson as necessary for the use of the teams to participate in the PTC throughout the term of this Agreement and to provide and maintain mutually agreeable facilities for the PTC.

COUNTY OBLIGATIONS. County will review the Hotel Data and the Non-Hotel Data supplied by VT on or before May 31st of each year during the term of the Agreement to confirm the appropriate amount to be paid to teams by VT. Within thirty (30) days after the receipt of such Hotel Data and Non-Hotel Data, County will reimburse VT for the entire amount paid by VT to teams pursuant to this Agreement, up to a maximum of Eighty Thousand Dollars (\$80,000.00) that relates to only those teams that have stayed in resorts or hotels within unincorporated Pima County.

4. **EVENT NON-OCCURRENCE.** If the PTC fails to occur at the Soccer Facilities in January, February and/or March of any year during this Agreement, all obligations of the parties hereunder are terminated.
5. **FORCE MAJEURE EVENT.** The term "Force Majeure Event" as used in this Agreement means acts of God, strikes, lockouts, or other industrial disturbances, casualty, ash clouds, damage, or destruction of the venue for the PTC, acts of the public enemy, orders or enactment of any kind of the Government of the United States or of the State of Arizona or of any county or municipality in which the venue for the PTC is situated or of any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, civil disturbances, explosions,

partial or entire failure of utilities, shortages of labor, material, supplies or transportation, cancellation of the PTC based upon a reasonable concern for the safety of the players and/or the spectators or other participants involved or any similar or different cause not reasonably within the control of the party claiming such inability.

If, by reason of one or more Force Majeure Event(s), the PTC fails to occur at the Soccer facilities during any calendar year during the term of this Agreement affecting any party to this Agreement, the party so affected must give written notice and full particulars of such Force Majeure Event in writing to the other parties within a reasonable time after occurrence of the event or cause relied on, including the estimated period of continuance thereof. Upon such Force Majeure Event, the obligations of FC Tucson, County and District hereunder, to the extent affected by such Force Majeure Event, will be suspended for all purposes of this Agreement and the Agreement will otherwise remain in full force and effect.

If the PTC is cancelled due to one or more Force Majeure Event(s) that have occurred and/or are continuing, or, likewise if the PTC is cancelled in any calendar year during the term of this agreement, FC Tucson will employ best efforts to reschedule the PTC. If the PTC cannot reschedule, then any of the parties to this Agreement will be entitled to terminate the Agreement and, in such event: (a) all licenses provided by any of the parties hereunder will immediately be cancelled and all parties will cease using in any manner any intellectual property (trademark or trade name) of any party to which it was granted the right of use hereunder.

6. **ENTIRE AGREEMENT.** This Agreement (including the Recitals set forth and any Exhibits attached hereto) constitutes the entire understanding of the parties and supersedes all previous representations, written or oral, with respect to the services specified herein.
7. **ARIZONA LAW.** The laws of the State of Arizona govern this Agreement. Any action relating to this Agreement must be filed and maintained in a court of the State of Arizona in Pima County.
8. **ASSIGNMENT.** No party hereto may assign or sublet its rights or obligations, in whole or in part, under this Agreement without the prior written consent of the other parties, which no party will unreasonably withhold.
9. **SUCCESSORS AND ASSIGNS.** This Agreement is binding upon the parties' successors and assigns. Notwithstanding the foregoing, however, the Agreement will not be binding on MCTVB, District, or County if Arizona Soccer Holdings, INC., is sold to any successors or assigns, including any individual, company, partnership, or other entity with or into which FC Tucson may merge, consolidate, or be liquidated, or any person, corporation, partnership or other entity to which FC Tucson sells its assets.
10. **COSTS AND EXPENSES.** Except as otherwise provided herein, each party will bear its own costs and expenses incurred in the performance of its obligations hereunder.
11. **DISPUTE RESOLUTION.** Should any party or parties believe any breach or default under this Agreement has occurred, it will notify the other party or parties in writing as to the nature of the dispute. The defaulting party or parties will have a 30-day period, upon receipt of notice, to remedy the breach or default, and will have longer than thirty (30) days if the breach or default is such that it cannot be completely remedied within a thirty-day period and the breaching or defaulting party has begun to correct or remedy the breach or default within the thirty-day period. The parties will submit the dispute to an independent mediator or arbitrator, as agreed upon and paid for by the applicable parties, prior to any party taking legal action to settle any such disputes.

12. **INDEPENDENT CONTRACTOR.** The relationship among the parties is that of independent contractors for all purposes including tax law purposes and employment law purposes and not that of employer-employee, principal-agent, partners, joint ventures, or otherwise.
13. **NON-DISCRIMINATION.** The parties agree to comply with all provisions and requirements of Arizona Executive Order 2009-09 which is hereby incorporated into this contract as set forth in full herein including flow down of all provisions and requirements to any subcontractors. During the performance of this contract, no party will discriminate against any party, employee, client or any other individual in any way because of that person's age, race, creed, color, religion, sex, disability or national origin.
14. **AMERICANS WITH DISABILITIES ACT.** The parties will comply with all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and all applicable federal regulations under the Act, including 28 CFR Parts 35 and 36.
15. **FULL AND COMPLETE PERFORMANCE.** The failure of any party to insist on one or more instances upon the full and complete performance of any of the terms or conditions of this Agreement to be performed on the part of any other party, or to take any action permitted as a result thereof, is not a waiver or relinquishment of the right to insist upon full and complete performance of the same, or any other covenant or condition, either in the past or in the future. The acceptance by any party of sums less than may be due and owing it at any time is not an accord and satisfaction.
16. **NOTICES.** All notices or demands required to be given pursuant to the terms of this Agreement must be given to the other parties in writing by email or delivered by hand or U.S. Certified mail at the addresses set forth below, or to such other address as the parties may substitute by written notice given in the manner prescribed by this paragraph.

In the case of FC Tucson:

Jon Pearlman, President
Arizona Soccer Holdings, INC
3600 South Country Club Road
Tucson, AZ 85713

Kyle Cornell, Chief Operating Officer
Arizona Soccer Holdings, INC
3600 South Country Club Road
Tucson, AZ 85713

In the case of Pima County and Stadium District:

Sarah Horvath, Director
Pima County Stadium District
2225 East Ajo Way
Tucson, AZ 85713

17. **SEVERABILITY.** If any term or provision of this Agreement is found to be illegal or unenforceable, then notwithstanding such illegality or unenforceability, this Agreement will remain in full force and effect without regard to such illegal or unenforceable term or provision.
18. **AUTHORITY.** Each party hereby warrants and represents that it has full power and authority to enter and perform this Agreement, and that the person signing on behalf of each has been properly authorized and empowered to enter into this Agreement. Each party further acknowledges that it has read this Agreement, understands it, and agrees to be bound by it.

19. **COUNTERPARTS.** This Agreement may be executed and delivered in counterparts. Signature pages delivered by facsimile or other electronic means have the same effect as the original thereof.
20. **TERMINATION.** This Agreement may be cancelled for conflict of interest pursuant to A.R.S. § 38-511, the pertinent portions of which are incorporated into this Agreement.

Notwithstanding anything herein to the contrary, any Party may terminate this Agreement by sending notice in writing to all other Parties at least thirty (30) days but no more than ninety (90) days prior to August 1 of each year during the term of the Agreement.

County and District reserve the right to terminate this Agreement at any time and without cause by serving upon each other party thirty (30) days' advance written notice of such intent to terminate.

In the event of termination, the terminating party's only obligation to the other parties to this Agreement will be payment for services rendered prior to the date of termination, as applicable under the terms of this Agreement.

21. **REMEDIES.** Any party may pursue any remedies provided by law for the breach of this Agreement. No right or remedy is intended to be exclusive of any other right or remedy and each is cumulative and in addition to any other right or remedy existing at law or at equity or by virtue of this Agreement.
22. **LEGAL ARIZONA WORKERS ACT COMPLIANCE.** Each party hereby warrants that it will always during the term of this Agreement comply with all federal immigration laws applicable to party's employment of its employees, and with the requirements of A.R.S. § 23-214 (A) (together the "State and Federal Immigration Laws"). Each party will further ensure that each subcontractor who performs any work for that party under this Agreement likewise complies with the State and Federal Immigration Laws.

County and District each have the right at any time to inspect the books and records of any other party and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.

Any breach of a party's or any subcontractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, is a material breach of this Agreement subjecting that party to penalties up to and including suspension or termination of this Agreement. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, each party will be required to take such steps as maybe necessary to either self-perform the services that would have been provided under the subcontract or retain a replacement subcontractor, as soon as possible so as not to delay project completion.

Each party will advise each subcontractor of the parties' rights, and the subcontractor's obligations, under this Article by including a provision in each subcontract substantially in the following form:

"SUBCONTRACTOR hereby warrants that it will always during the term of this contract comply with all federal immigration laws applicable to SUBCONTRACTOR's employees, and with the requirements of A.R.S. § 23-214 (A).

SUBCONTRACTOR further agrees that County or District may inspect the SUBCONTRACTOR'S books and

records to ensure that SUBCONTRACTOR follows these requirements. Any breach of this paragraph by SUBCONTRACTOR is a material breach of this contract subjecting SUBCONTRACTOR to penalties up to and including suspension or termination of this contract.”

Any additional costs attributable directly or indirectly to remedial action under this Article will be the responsibility of the breaching party. If remedial action under this Article results in delay to one or more tasks on the critical path of parties’ approved construction or critical milestones schedule, such period of delay will be excusable delay for which each party will be entitled to an extension of time, but not costs.

23. **SEVERABILITY.** Each provision of this Agreement stands alone, and any provision of this Agreement found to be prohibited by law will be ineffective to the extent of such prohibition without invalidating the remainder of this Agreement.
24. **BOOKS AND RECORDS.** Each party will keep and maintain proper and complete books, records, and accounts, which will be open at all reasonable times for inspection and audit by duly authorized representatives of any party. In addition, all parties will retain all records relating to this Agreement at least five (5) years after its termination or cancellation or, if later, until any related pending proceeding or litigation has been closed.
25. **ENTIRE AGREEMENT.** This document constitutes the entire agreement between the parties pertaining to the subject matter hereof, and all prior or contemporaneous agreements and understandings, oral or written, are hereby superseded and merged herein. This Agreement may be modified, amended, altered, or extended only by a written amendment signed by the parties.

SIGNATURE BLOCKS ON NEXT PAGE

In witness whereof, the Parties listed below have hereunto subscribed their names as of the Effective Date stated above.

PIMA COUNTY

CONTRACTOR: FC TUCSON

Adelita S. Grijalva, Chair
Board of Supervisors

Jon Pearlman, President
Arizona Soccer Holdings, INC.

Date

10/17/24

Date

ATTEST:

Melissa Manriquez, Clerk of the Board

Kyle Cornell, Chief Operating Officer
Arizona Soccer Holdings, INC.

APPROVED AS TO CONTENT:

VISIT TUCSON

Sarah Horvath, Director
Pima County Stadium District

Executive Director

APPROVED AS TO FORM:

10/17/2024

Date

Bobby Yu, Deputy County Attorney
Pima County Attorney's Office

PIMA COUNTY STADIUM DISTRICT

Adelita S. Grijalva, Chair
Board of Directors, Stadium District

ATTEST:

Melissa Manriquez, Clerk of the Board