

FOR IMMEDIATE RELEASE; WED., MAY 9, 2018

FROM CINCINNATI BENGALS COMMUNICATIONS

BENGALS AND HAMILTON COUNTY WORK TOGETHER ON STADIUM PLANS

Hamilton County Commissioners unanimously approved a Memorandum of Understanding (MOU) with the Bengals that includes stadium improvements scheduled to take place in 2018 and 2019.

STATEMENT FROM THE BENGALS

"For many years, Hamilton County and the Bengals have worked to rebuild Cincinnati's riverfront. In efforts ranging from supporting the riverfront park, to developing The Banks, to attracting GE to this community, many steps have been taken to make Cincinnati's riverfront the success that thousands of Cincinnatians enjoy on a daily basis.

"Today's agreement is another step down that path, and the Bengals appreciate Hamilton County's leadership and cooperation on the matter. Many issues will be coming down the pike in future years, and the parties need to be able to work together so that those issues can be solved, so that Paul Brown Stadium remains a wonderful venue for sports fans, and so that Cincinnati's riverfront remains a gem for the whole region."

STATEMENT FROM HAMILTON COUNTY COMMISSION PRESIDENT TODD PORTUNE

"The MOU represents another positive step in the partnership being developed between the Cincinnati Bengals and Hamilton County. It's my hope that this will be the first of many steps that will secure an even longer term commitment in Cincinnati with the team, Hamilton County and the NFL."

RESOLUTION AUTHORIZING THE COUNTY ADMINISTRATOR TO
EXECUTE A MEMORANDUM OF UNDERSTANDING WITH THE
CINCINNATI BENGALS, INC. CONCERNING THE EXISTING LEASE AGREEMENT

WHEREAS, the Board of County Commissioners of Hamilton County, Ohio (the "County") and the Cincinnati Bengals, Inc. (the "Team") had entered into a certain lease agreement on May 29, 1997 which has been amended in five separate lease amendments (hereinafter the "Lease"); and

WHEREAS, Article 13 of the Lease imposes the obligation on the County to be responsible for certain capital repairs and capital improvements at the Stadium complex; and

WHEREAS, Section 13.9 of the Lease sets forth the Reimbursement by the County to the Team of certain operating expenses during the last nine years of the Lease

WHEREAS, the Team and the County are discussing potential changes to the Lease terms addressing capital repairs, capital improvements and other lease terms for the remainder of the Lease and beyond and wish to continue such discussions; and

WHEREAS, the County has requested that the Certification of Reimbursable Expenses under Section 13.9 of the Lease be deferred at least one year until June, 2019 and [he Teun is willing to defer such certification; and

WHEREAS, the Team desires to address capital repairs and improvements for the next two years; and

WHEREAS, the County and the Team desire to set forth a Memorandum of Understanding with regard to the deferral of reimbursable expenses and the agreement on capital repairs and improvements while discussions continue concerning the overall Lease between the Team and the County.

NOW, THEREFORE, BE IT RESOLVED, that the Board of County Commissioners does hereby authorize the execution of a Memorandum of Understanding with the Cincinnati Bengals, Inc. regarding payments under Section 13.9 of the Lease and other terms of the lease concerning repairs and improvements at Paul Brown Stadium and further authorizes the County Administrator to execute such Memorandum of Understanding substantially on the terms and conditions set forth in the property Memorandum of Understanding attached hereto as Exhibit "A"; and

BE IT FURTHER RESOLVED, that the Clerk of the Board be and she is hereby authorized and directed to certify copies of this Resolution to the Hamilton County Administrator, Jeff Aluotto; to Assistant Prosecuting Attorney, Roger E. Friedmann; and the Cincinnati Bengals, Inc., Attention Bob Bedinghaus

ADOPTED at a regularly adjourned meeting of the Board of County Commissioners,
Hamilton County, Ohio, this day of May, 2018.

Mr. Portune

Ms. Driehaus

Mr. Monzel

CERTIFICATE OF THE CLERK

IT IS HEREBY CERTIFIED that the foregoing is a true and correct transcript of a
Resolution adopted by the Board of County Commissioners, Hamilton County, Ohio, on the
day of May, 2018.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal
of the Office of the Board of County Commissioners, Hamilton County, Ohio this
May, 2018.

Jacqueline Panioto, Clerk
Board of County Commissioners
Hamilton County, Ohio

MEMORANDUM OF UNDERSTANDING
(Section 13.9 Payments, etc)

This Memorandum of Understanding is entered into by and between the Board of County Commissioners of Hamilton County, Ohio (hereinafter "County") and the Cincinnati Bengals, Inc., an Ohio corporation (hereinafter "Team"), effective as of day of _____, 2018.

In consideration of the mutual agreements that follow, County and Team hereby acknowledge and agree as follows:

1. County and Team entered into a Lease Agreement for Paul Brown Stadium (hereinafter "Stadium") dated as of May 29, 1997 (the "Lease").

2. The Original Lease between County and Team has been amended in five separate Amendments dated January 31, 1998, April 10, 1998, June 24, 2000, August 11, 2010, and April 17, 2014 respectively (the Original Lease, or so amended hereinafter the "Lease"). All capitalized terms that are not otherwise defined herein shall have the respective meanings set forth in the Lease.

3. Section 13.9 of the Lease provides, among other things, that, subject to the terms of such Section 13.9, during each of the last nine (9) Lease Years of the Initial Term, County shall reimburse Team for any and all expenses of any nature whatsoever incurred by Team relating to the Stadium Complex for the immediately preceding Lease Year. Because the 2017-2018 Lease Year (covering the period from July 1, 2017 through June 30, 2018) is the ninth to last Lease Year of the Initial Term, the 2017-2018 Lease Year is the first Lease Year for which Team could submit a request to County for a reimbursement payment pursuant to such Section 13.9. Such reimbursement payment that would be payable in the 2017-2018 Lease Year is sometimes referred to herein as the "Ninth Year Reimbursement".

4. Team has offered and County has agreed for Team to defer its request for the Ninth Year Reimbursement, subject to the other provisions set forth in this Memorandum of Understanding.

5. Notwithstanding the provisions of Section 13.9 of the Lease, County and Team hereby agree that instead of Team's requesting County to make the Ninth Year Reimbursement to Team in the amount of up to \$2,670,000.00, such Ninth Year Reimbursement shall be deferred until Team has submitted the certification referred to in Section 13.9 of the Lease, which certification will be provided by Team, if at all, no sooner than June 1, 2019 and no later than June 30, 2019.

Further, the deferred Ninth Year Reimbursement shall be paid by County in installments reimbursing Team an amount of \$890,000 in each of Lease Years 2018-2019, 2019-2020 and 2020-2021 for expenses incurred by Team in, as designated by Team, the 2016-2017 Lease Year. (To illustrate, and as specified by Team, expenses incurred by Team in the 2016-2017 Lease Year would relate to the deferred portion of the Ninth Year Reimbursement payable in the 2018-2019, 2019-2020 and 2020-2021 Lease Years until the certified 2016-2017 expenses have been paid in full (up to, but not to exceed, \$2,670,000)). Such reimbursements shall otherwise follow the procedures outlined in Section 13.9 of the Lease. In recognition of Team's agreeing to the foregoing "deferral" of the Ninth Year Reimbursement that Team could otherwise request for the 2017-2018 Lease Year, County agrees that Team shall have no obligation to deliver County a certification in the 2017-2018 Lease

Year for the expenses incurred by Team in the 20160017 Lease Year, and Team's not providing any such certification in the 2017-2018 Lease Year shall in no way prejudice or constitute a waiver of (a) Team's right to seek the \$890,000 reimbursement payments described above (for expenses incurred by Team in the 2016-2017 Lease Year) or (b) Team's right to seek reimbursement payments in the amounts currently contemplated by Section 13.9 of the Lease for the last eight (8) Lease Years of the Initial Term.

6. As further clarification, County and Team expressly agree that the foregoing agreement regarding the deferment of the Ninth Year Reimbursement shall in no event impact, prejudice or constitute a waiver of either party's rights, remedies or obligations under the terms Of the Lease and in particular by Team of its rights under Section 13.9 of the Lease to seek reimbursement payments (or the amounts (hereof) relating to the last eight (8) Lease Years of the Initial Term, md accordingly the deferment of the Ninth Year Reimbursement shall in no event impact any of the parties' respective existing claims, obligations and rights with respect to Section 13.9 of the Lease as they relate to the last eight (8) Lease Years of the Initial Term (other than recognizing that the deferral of the Ninth Year Reimbursement to the 2018-2019, 20192020 and 2020-2021 Lease Years could ultimately result in additional reimbursement payments of up to \$890,000 each being sought by Team during such Lease Years over the reimbursement payrnents pursuant to Section 13,9 of the Lease that Team could otherwise already apply for in such Lease Years). As further illustration and clarification of the foregoing, the reimbursement payment under Section 13.9 as it applies to the eighth to last Lease Year of the Initial Term (that is, the 2018-2019 Lease Year) would remain an amount of up to \$2,803,300 (representing 105% of \$2,670,000), in addition to the up to \$890,000 that Team could request representing the portion of the Ninth Year Reimbursement deferred to such Lease Year.

7. Without in any way limiting County's obligations under the Lease (a) to make Capital Repairs (including, without limitation, County's obligations pursuant to Section 13.1 and .13*5 of the Lease), and (b) to fund the Reserve Account pursuant to Section 13.6 of the Lease, during calendar years 2018 and 2019, at its sole cost and expense, County shall directly pay (or otherwise reimburse Team) for capital improvements at the Stadium costing an aggregate amount of approximately \$1,460,000.00 for the following items: (a) point-of-sale system upgrade (in 2019 and at a currently projected cost of approximately \$1,200,000), (b) security cameras upgrade (in 2018 and at a currently projected cost of approximately \$100,000, (c) escalator refurbishments (in 2018 or 2019 and at a currently projected cost of approximately \$100,000), and (d) locker room maintenance and/or upgades (in 2018 and at a currently projected cost of approximately \$60,000).

8. Both the Team and the County in entering into this MOU agree that they shall continue to meet in good faith to discuss capital repairs, capital improvements, enhanced parking and other conditions affecting the Lease during the coming Lease year.

9. County and Team agree this Memorandum of Understanding is a binding agreement, and it shall be governed under the laws of the State of Ohio.

Understanding to be executed by their respective authorized lepresentatives effective as of the date first set forth above.

County:

Team:.

THE BOARD OF COUNTY
COMMISSIONERS OF HAMILTON
COUNTY, OHIO

CINCINNATI BENGALS, INC.

By: _____ By: _____ Jeff
Aluotto Printed Name: County Administrator
Title: _____

