

## **2020 Republican National Convention**

### **Action:**

- A. Authorize the City Manager to negotiate and execute: (i) a Framework Agreement for the 2020 Republican National Convention; and (ii) an Arena License Agreement, consistent with the terms set forth in the attached Executive Summary, and contingent on the Republican National Committee selecting Charlotte as the site for the 2020 Republican National Convention.**
  
- B. Authorize the City Manager to award all contracts in furtherance of the City's obligation under the agreements approved in A above.**

# **2020 REPUBLICAN NATIONAL CONVENTION**

## **EXECUTIVE SUMMARY**

Subject to City Council approval, the City Manager is authorized to negotiate and execute the two agreements described below, if Charlotte is selected as the site for the 2020 Republican National Convention.

1. **FRAMEWORK AGREEMENT** (between the RNC, the Host Committee, the City, Mecklenburg County and the CRVA). Key responsibilities include:

**RNC** agrees to hold the Convention in Charlotte in July or August, 2020. Date to be announced by September 15, 2018.

**HOST COMMITTEE** agrees to:

- Raise necessary funds to prepare for and conduct the Convention
- Pay the City for Convention related costs not covered by the federal grant (excluding the cost of assets that in the Police Chief's reasonable judgement have value to the City for use after the Convention)
- Provide hospitality and welcoming functions relating to the Convention
- Provide insurance covering City, County, CRVA and RNC from Convention related losses

**CITY** agrees to:

- Provide police, fire, emergency medical and other essential municipal services needed for the Convention in accordance with a Security Plan to be developed by the CMPD as Lead Local Agency, in consultation with the RNC, Host Committee and Homeland Security
- Cooperate with the Host Committee and RNC to develop and implement a Technology and Telecommunication Plan, that may entail use of City owned technology assets (to the extent such use does not interfere with City operations and with the Host Committee or federal grant covering any associated costs)
- Develop and implement a Traffic Control Plan in consultation with the RNC, Host Committee and Homeland Security
- Relocate the Transit Center (cost covered by Host Committee)
- Allow use of available (to be determined) City owned parking lots near the Convention site
- Work with the County to expedite necessary permits

**Cost Protection.** The Parties anticipate that the City's costs relating to the Convention will be reimbursed through a federal grant in the amount of approximately fifty million dollars. If the City's Convention related costs exceed the amount of the grant, the Host Committee will pay for the excess (excluding the cost of assets that in the Police Chief's reasonable judgement have value to the City for use after the Convention). If the grant is not appropriated by March 1, 2020 the City has a right to terminate the agreement unless by March 31, 2020, the City and Host Committee are to secure alternative funding to reimburse the City for its costs. If the City terminates the Agreement due to the grant not being issued by the deadline, the Host Committee will reimburse the City for any Convention-related costs incurred prior to the City's termination notice (excluding the cost of assets that in the Police Chief's reasonable judgement have residual value to the City despite not holding the Convention).

**CRVA** grants the Host Committee the right to use the NASCAR Hall of Fame, Bojangles and Ovens for the CRVA's standard fees and terms during the Convention with lead time before and after. CRVA agrees to allow the Host Committee to use the Convention Center on a rent-free basis for official Convention events and Convention related business.

**COUNTY** agrees to:

- Work with City to expedite necessary permits

- Allow use of available, (to be determined) County owned parks and parking facilities near the Convention site under standard County license terms

2. **ARENA LICENSE AGREEMENT** between the RNC, the Host Committee, Charlotte Arena Operations, LLC (the Hornets), the City and the CRVA.

Deals primarily with arrangements for the Hornets to allow the Host Committee and RNC to use the Spectrum Center for the Convention. It addresses issues such as when the Host Committee and RNC will have access, and what each of those three entities will be responsible for in terms of putting on the Convention (including matters such as concessions, signage, storage, media equipment, janitorial service, electrical power, air conditioning, water, etc.)

The City and CRVA are parties to the Arena License Agreement for the following reasons:

- The City and the Host Committee agree to negotiate in good faith to allow the Host Committee to use the street level retail controlled by the City on the Trade Street side of the Spectrum Center site under terms mutually agreeable to the City and the Host Committee.
- As owner of the Spectrum Center, the City's consent is required for certain alterations to the facility. The City agrees to allow the Host Committee to make alterations to the Spectrum Center as needed for the Convention, subject to the following protections:
  - The City will designate a City employee to represent City, CRVA and Hornets (the "Joint Representative") in connection with the construction work.
  - The Joint Representative will have approval rights as to all plans for alterations and restoration, and the terms of the construction manager contract.
  - The construction manager hired by the Host Committee will be required to post a payment and performance bond for the full amount of all alteration work and all work needed to restore the Spectrum Center to the condition it was in prior to the Convention.
  - Before any of the alteration work begins, the Host Committee will deposit, in an escrow account, an amount sufficient to pay for all anticipated restoration work plus twenty percent.
  - The Host Committee will be fully responsible for the cost of any restoration work not paid by the performance bond or restoration reserve. To the extent not paid by the Host Committee, the Hornets will be responsible.
- The CRVA is a party to this Agreement because it provides certain back of house services to the Hornets at the Spectrum Center (such as engineering, certain event changeovers, etc.). The CRVA will be paid for such work under its agreement with the Hornets and is not assuming any additional obligations that it will not be paid for.
- The Host Committee agrees to purchase multiple types of insurance to protect the City, the CRVA, the Hornets and the RNC from liabilities associated with the Convention.