## CITY OF CHARLOTTESVILLE, VIRGINIA CITY COUNCIL AGENDA



**Agenda Date**: June 7, 2021

**Action Required**: Yes

**Presenter:** Chris Engel, CEcD, Director of Economic Development

**Staff Contacts**: Chris Engel, CEcD, Director of Economic Development

Title: Resolution - Pavilion Naming Rights

Background & Discussion: On December 15, 2003, the City entered into a lease with the Charlottesville Industrial Development Authority (CIDA) (The authority is now known as the Charlottesville Economic Development Authority) for the area on which what is known as the Charlottesville Pavilion is now built. On September 30, 2004, CIDA entered into a Sublease, Easement and Management agreement with Charlottesville Pavilion, LLC, for the same area. These two leases allowed the construction of the current amphitheater structure and established the parameters for management of the facility. Charlottesville Pavilion, LLC, serves as the Operator.

The agreements allow the City and CEDA the opportunity to consent to the name of the facility as referenced in the following excerpts.

Article 4, Section 4.1.4 of the Sublease addresses the issue of naming rights.

Naming Rights. Operator shall have the right to select the operating name used for the Amphitheater; provided however, that Operator must receive written approval in advance from CIDA and the City for any name selected by Operator. The name shall be a name that is in compliance with Laws, does not contain any lewd or pornographic terms or materials, and does not include the name of a tobacco product or company. The name used for the Amphitheater cannot include the name of any governmental entity other than CIDA or the City except that Operator may use the following terms: "Charlottesville", "Virginia" or "Central Virginia". Operator will notify CIDA in writing of a proposed name for the Amphitheater and CIDA and the City shall approve or object to such proposed name within thirty (30) days or such proposed name shall be deemed approved by CIDA and the City. At the written request of CIDA, the approval

period may be extended up to fifteen (15) days if necessary to provide sufficient time for City approval.

Article 4, Section 4.2 of the Sublease addresses the issue of Operator Proceeds

<u>Operator Proceeds.</u> Except as otherwise provided herein, all revenue, from any source, arising out of the Operator's use, management, marketing, advertising or broadcast of or from the Premises, any activities upon the Premises, or any performance held upon the Premises, shall be solely owned by Operator.

Since 2016, the facility has operated under the name of "Sprint Pavilion." Recently the Sprint agreement ended, and a request to change the name to "Ting Pavilion" has been received. As Section 4.2 indicates the approval of a name does not entitle the City or CEDA to any additional proceeds.

Alignment with City Council's Vision and Strategic Plan: This agenda item aligns with Council's vision for Economic Sustainability. It also addresses Goal 3 in the City's Strategic Plan: Have a strong and diversified economy.

**Budgetary Impact:** This item has no budgetary impacts.

<u>Alternatives:</u> City Council may adopt the Resolution or decline to do so.

**Recommendation:** Staff recommends that Council pass the attached resolution granting approval of the proposed name.

**<u>Attachments:</u>** Letter request and proposed resolution for Council approval.

## RESOLUTION

**WHEREAS**, the City of Charlottesville entered into a Lease Agreement dated December 15, 2003 with the Charlottesville Economic Development Authority (CEDA), formerly known as the Charlottesville Industrial Development Authority, for the lease of property at the east end of the Downtown Mall; and

WHEREAS, by Sublease, Easement and Management Agreement dated September 30, 2004 (the "Sublease"), the CEDA sublet the property to Charlottesville Pavilion, LLC, which constructed and operates an amphitheater (currently known as the Charlottesville Pavilion, and hereinafter referred to as "Amphitheater") on the leased property; and

**WHEREAS**, Section 4.1.4 of the Sublease specifically permits Charlottesville Pavilion LLC to select the name of the Amphitheater, provided they receive written approval in advance from CEDA and the City for any name selected; and

**WHEREAS**, Charlottesville Pavilion, LLC has requested written approval from CEDA and the City of Charlottesville to re-name the Amphitheater as "Ting Pavilion"; now, therefore,

**BE IT RESOLVED** that the Charlottesville City Council hereby consents to the request by Charlottesville Pavilion, LLC to adopt "Ting Pavilion" as the official name of the Amphitheater.

## Charlottesville Pavilion PO Box 2318 Charlottesville, VA 22902 434-245-4920

May 18, 2021

Mr. Chris Engel CEDA PO Box 911 Charlottesville, VA 22902

Dear Chris,

As we have discussed, when Sprint and T-Mobile merged the decision was made at the corporate level to retire the Sprint brand and to terminate our naming rights agreement. That left us in the position of looking for a new partner for the naming rights to the Pavilion while closed due to the pandemic. Luckily, we were able to restart some discussions with Ting and found in them a very willing, forward-looking partner who would love to add their name to our venue and join us in welcoming the public to our mix of concerts, festivals, and community events. Ting has made a commitment to our City and has a booming business, just the type of partner we were hoping to find. We would love to rename our venue the Ting Pavilion.

Pursuant to Article 4 Section 4.1.4 of our Sublease, Easement, and Management Agreement, this letter serves as the formal written notice of our intent to change the name of the venue to the Ting Pavilion effective upon the City approval. We ask that you do what you can to expedite this approval both by CEDA and then City Council. We would like to aim for the June 7 Council meeting for consideration.

Thank you for your assistance in this matter.

Kirby R. Hutto General Manager