

DISPOSITION AND DEVELOPMENT AGREEMENT (STADIUM LEASE)

THIS DISPOSITION AND DEVELOPMENT AGREEMENT (STADIUM LEASE) (this "Agreement") is made as of December __, 2011, by and between the Santa Clara Stadium Authority, a California joint powers authority and Forty Niners Stadium, LLC, a Delaware limited liability company, with reference to the following facts, purposes, and understandings. All initially capitalized terms used herein are referenced in Article 1 and, except as otherwise stated, are either defined therein or elsewhere in this Agreement as specified in Article 1.

RECITALS

A. On June 8, 2010, the voters of the City approved Measure J, which endorses the construction, operation and maintenance of a Stadium suitable for the exhibition of professional football games and other events.

B. The Stadium Authority is a joint powers authority originally formed by the City and the Agency, and currently comprised of, the City, the Agency and the Bayshore North Project Enhancement Authority pursuant to the Joint Powers Agreement for the purpose of acquiring, financing, constructing, owning, managing, operating and maintaining the Stadium and related facilities.

C. Stadco is an Affiliate of the Team. The Team is a member club of the NFL. Subject to the terms of the Team Sublease, the Team will play its home games in the Stadium. The Stadium will also be used for events other than NFL Games such as other sporting events, concerts and civic events and to provide additional meeting spaces that can be used in conjunction with the City's Convention Center.

D. The City owns the Stadium Site depicted on the Site Plan attached as Exhibit A. The Stadium Site is located within the Redevelopment Project Area. The Stadium Authority intends to lease the Stadium Site from the City subject to the terms of the Ground Lease to be entered into concurrently with the Stadium Lease.

E. Upon satisfaction or waiver of the conditions to Close of Escrow set forth in Article 3 of this Agreement, the Stadium Authority and Stadco intend to enter into the Stadium Lease, a summary of which is set forth in Exhibit B.

F. Concurrently upon entering into the Stadium Lease, Stadco shall enter into the Team Sublease with the Team.

G. Concurrently upon entering into the Team Sublease, the Team shall enter into the Non-Relocation Agreement with the Stadium Authority and the City.

H. The construction of the Stadium will further the goals of the City of creating an entertainment destination in the Redevelopment Project Area, and will provide significant economic benefits to the City and its residents and businesses.

I. Pursuant to CEQA, the City (in its capacity as “lead agency”) has prepared, reviewed, and certified that certain Final Environmental Impact Report. The Final Environmental Impact Report has served as the environmental documentation for the Stadium Authority’s consideration and approval of this Agreement and the transactions contemplated by this Agreement.

J. On February 22, 2011, the Stadium Authority and the Agency entered into the Cooperation Agreement to Assist Publicly-Owned Stadium, and the parties re-executed such agreement with clarifying amendments on February 28, 2011 (collectively, the “Cooperation Agreement”), pursuant to which the Agency agreed to assist the Stadium Authority in funding the Development Costs of the Project.

K. On March 21, 2011, the Stadium Authority, the Agency and Stadco entered into the Predevelopment Funding Agreement (“Predevelopment Funding Agreement”), pursuant to which the parties thereto established a process for the reimbursement for payment of certain predevelopment costs relating to the Make-Ready Work from Net Tax Increment.

L. On April 5, 2011, the Stadium Authority and Stadco entered into the Naming Rights Marketing Agreement (“Naming Rights Marketing Agreement”) pursuant to which the Stadium Authority granted Stadco the exclusive right and responsibility to market the Stadium Naming Rights on behalf of the Stadium Authority.

M. On July 5, 2011, the Stadium Authority and Stadco entered into the Agreement Regarding Stadium Design (“Stadium Design Agreement”), pursuant to which the Stadium Authority authorized Stadco to proceed with Design Development Documents and other Stadium design work on behalf of the Stadium Authority in advance of the execution of this Agreement, and to more specifically provide for the reimbursement of Stadco for certain Stadium design costs from the Development Fund. The Stadium Design Agreement is superseded by this Agreement and is hereby terminated and shall be of no further force or effect as of the Effective Date.

N. On July 15, 2011, the Stadium Authority and Stadco entered into the Stadium Marketing and Loan Agreement, pursuant to which Stadco agrees to supervise Legends’ performance under the Legends SBL Agreement, coordinate the SBL marketing program with Stadco’s marketing of Suites at the Stadium, and loan the Stadium Authority amounts due to Legends under the Legends SBL Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE 1.
DEFINITIONS

Section 1.1. Definitions. In addition to the terms defined elsewhere in this Agreement, the following capitalized words shall have the following meanings: