

**ADDITIONAL MATERIAL**  
**REGULAR MEETING**

**SEPTEMBER 17, 2024**

**SUBMITTED AT THE REQUEST OF**  
**COUNTY ADMINISTRATION**

**Florida Panthers | Broward County Arena Operating Agreement Extension  
Term Sheet**

**Date:** September 12, 2024

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**I. Duration of Agreement**

**A. New 9-Year Operating Agreement effective immediately after complete execution of a final agreement**

- The current operating agreement has 4 years left, expiring on June 30, 2028.
- Panthers and Broward County would agree to extend partnership 5 years, with an amended expiration of June 30, 2033 - newly amended and restated nine-year operating agreement (“Agreement”).

**B. Broward County would have unilateral option to retain Panthers for an additional 10- year period for a total of up to 19 years, at sole discretion of the County**

- Ahead of June 30, 2033, Broward County would have the option to extend the partnership by another 5 years, with an amended expiration date of June 30, 2038.
- Ahead of June 30, 2038, Broward County would have the option to extend the partnership by another 5 years, with an amended expiration of June 30, 2043.

**II. Florida Panthers Commitment**

**A. Florida Panthers would agree to pay County \$51.5 million within 30 days of an executed final agreement.**

- If the County does not exercise its first option to extend the agreement, County to repay \$34.4M of the amount paid by the Panthers.
- If the County does not exercise its second option to extend the agreement, County to repay \$17.2M of the amount paid by Panthers.
- These repayment terms apply to current ownership group and will not apply if there is a change of control.

**B. Florida Panthers investment in the community:**

- Panthers would continue to donate at least \$1 million annually to various community efforts across Broward County and South Florida.
- Panthers would continue to provide a minimum of \$300,000 annually to support youth hockey initiatives in Broward County.
- Panthers would continue to provide co-branded marketing assistance to Broward County and the value will increase from \$500,000 to at least \$1 million annually as mutually agreed upon.
  - For four full seasons (regular and post) during the duration of the Agreement, the \$1 million of marketing assistance to Broward County will be provided by the Panthers by delivering both the home and

away helmet advertising asset to Broward County, subject to the NHL's approval of helmet advertising.

**C. Florida Panthers commitment to development in Sunrise:**

- Panthers would have the exclusive right to propose and submit for County consideration a development plan for the parking lots adjacent to the Arena subject to the following two provisions:
  - Within the first four years after the date of the execution of the Agreement, Panthers may submit to the County for County's consideration a vision and plan to develop the County property around the Arena. If any such vision and plan is submitted by the Panthers and is subsequently approved by the County, the Panthers and County will work towards a land lease agreement (financial and other terms t/b/d and subject to County approval).
  - If Panthers do not: (a) submit a vision and plan within 4 years after the execution of the Agreement, (b) are unable to enter into a land lease with the County on mutually agreeable terms within a reasonable period of time after County conceptual approval of any such vision and plan, (c) do not commence any development as provided in any such land lease, or (d) do not complete foundational construction during the initial term of the Agreement (9 years), these rights shall revert back to the County.

**D. Florida Panthers to continue specific obligations (among others) from 2015 operating agreement:**

- Panthers shall continue to make "good faith efforts" to utilize registered Broward County small businesses for at least 25% of the work at the Arena (and community events). Panthers have consistently been in the mid-30% range and even achieved 58% in their most recent quarterly report to the County.
- Panthers shall continue to provide 10% revenue sharing (with increased revenue thresholds, t/b/d, compared to the 2015 Operating Agreement) or EBITDA (earnings before interest, taxes, depreciation and amortization) sharing (whichever is greater) and 10% profit sharing in the event of a sale.
- Panthers remain responsible for covering all property insurance premiums for the County-owned Arena facility.
- Retain the 2015 Agreement approval process for capital improvements and establish a process related to allowable operating expenses.
- Panthers no longer required to make future bond payments with \$51.5 million upfront payment to County. County no longer required to make remaining payments in the 2015 Operating Agreement to the Panthers (approximately \$4.8 million).

**III. Broward County Commitment**

- For the initial term of the Agreement (9 years) and the first renewal (if exercised by Broward County), Broward County would commit to pay to Panthers an annual amount of \$25 million. For the second renewal (if exercised by Broward County), Broward County would commit to pay an annual amount of \$20 million.

- Given the \$51.5 million upfront payment by the Panthers to the County upon execution of the Agreement, for the initial nine years of the Agreement, the team would be required to spend on average \$10 million/year on capital expenditures to repair and improve the County-owned Arena facility, with all such expenditures subject to County approval. The remainder of the annual payment will be used by Panthers for operating expenses that are specifically needed to run the County- owned Arena facility – maintenance, utilities, insurance, and other similar expenses as established in the Agreement and as approved by the County. After the initial nine years of the Agreement, 50% of the annual payment from the County would be used by the Panthers on capital expenditures and the remaining 50% on operating expenditures. All expenditures must be on the County-owned Arena facility and would be subject to County approval.

**This term sheet outlines the conceptual agreement of the parties. It does not bind either party; rather, only final agreement documents approved by the parties (for the County, formal approval of those documents by the Board of County Commissioners) will create a binding obligation, with development of those final agreement documents to proceed expeditiously and to be dependent upon further financial and legal review by the County and the Panthers.**