



Huntsville, Alabama

305 Fountain Circle
Huntsville, AL 35801

Cover Memo

Meeting Type: City Council Regular Meeting **Meeting Date:** 3/13/2025

File ID: TMP-5297

Department: Administration

Subject:

Type of Action: Approval/Action

Resolution authorizing the Mayor to execute Modification No. 3 to the Lease Agreement between the City of Huntsville and NSH Nextco, LLC.

Resolution No.

Finance Information:

Account Number: N/A

City Cost Amount: N/A

Total Cost: N/A

Special Circumstances:

Grant Funded: N/A

Grant Title - CFDA or granting Agency: N/A

Resolution #: N/A

Location: (list below)

Address:

District: District 1 District 2 District 3 District 4 District 5

Additional Comments:

RESOLUTION NO. 25-_____

BE IT RESOLVED by the City Council of the City of Huntsville, Alabama, that the Mayor be, and is hereby authorized to execute Modification No. 3 to the Lease Agreement Between the City of Huntsville and NSH Nextco, LLC, on behalf of the City of Huntsville, a municipal corporation in the State of Alabama, which said agreement is substantially in words and figures similar to that certain document attached hereto and identified as a "Modification No. 3 to the Lease Agreement between the City of Huntsville, Alabama, and NSH Nextco, LLC" consisting of six (6) pages, and the date of March 13, 2025, appearing on the margin of the first page, together with the signature of the President or President Pro Tem of the City Council, an executed copy of said document being permanently kept on file in the Office of the City Clerk of the City of Huntsville, Alabama.

ADOPTED this the 13th day of March, 2025.

President of the City Council of
the City of Huntsville, Alabama

APPROVED this the 13th day of March, 2025.

Mayor of the City of
Huntsville, Alabama

STATE OF ALABAMA)

COUNTY OF MADISON)

**Modification No. 3 to the
Lease Agreement Between
the City of Huntsville, Alabama and
NSH Nextco, LLC
as adopted and approved Pursuant to
Resolution No. 22-501 of the City Council
of the City of Huntsville and modified
pursuant to Resolution No. 23-130
and Resolution No. 23-446**

MODIFICATION NO. 3 TO LEASE AGREEMENT

This Modification No. 3 to the Lease Agreement (this "Modification No. 3") is made effective as of the 13th day of March, 2025 by and between the CITY OF HUNTSVILLE, (the "City" or "Lessor") a municipal corporation within the State of Alabama and NSH Nextco, LLC ("NSH" or "Lessee"), a Tennessee limited liability company.

WITNESSETH

WHEREAS, the City and NSH entered into that certain fixed Lease Agreement on July 14, 2022 (the "Lease"), which set forth the respective rights and responsibilities of the parties for the lease to NSH of Joe Davis Stadium; and

WHEREAS, the Lease was modified by the parties pursuant to Modification No. 1 on February 23, 2023 and Modification No. 2 on May 25, 2023; and

WHEREAS, the parties mutually desire to amend the Lease to eliminate direct, rental cost for use of the stadium by the Huntsville City Schools; and

WHEREAS, the parties mutually desire to amend the Lease to provide expanded use of the stadium by the Huntsville Sports Commission in order to generate tourism business in the City of Huntsville.

NOW THEREFORE, in consideration of the foregoing facts and circumstances, the mutual covenants and promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by each of the parties, the parties do hereby agree to the following:

1. Section 1.01(g) of the Lease is deleted in its entirety and replaced with the following language:

Base Rent. The term "Base Rent" shall mean the following:

President of the City Council of the
City of Huntsville, Alabama
Date: March 13, 2025

Lease Year(s)	Base Rent
1	\$500,000.00
2	\$750,000.00
3-6	\$700,000.00
7-8	\$750,000.00
9-10	\$800,000.00
11-15*	\$850,000.00
16-20**	\$900,000.00
21-25***	\$1,000,000.00
26-30****	\$1,250,000.00

* If First Extension Option is exercised.

**If Second Extension Option is exercised.

*** If Third Extension Option is exercised.

**** If Fourth Extension Option is exercised.

- Section 1.01(sss) of the Lease is deleted in its entirety and replaced with the following:

Presentation Certificate. The term “Presentation Certificate” is defined in Section 7.06.

- Section 1.01(dddd) of the Lease is deleted in its entirety.

- Section 4.01(a) of the Lease is deleted in its entirety and replaced with the following:

Except for the right of Huntsville City Schools to utilize the Premises for School Events pursuant to Section 4.02 and the right of the Huntsville Sports Commission to utilize the Premises pursuant to Section 4.01(b), the Lessee shall have exclusive right to possess and use the Premises for Lessee Events for each day of each Lease Year. The Lessee agrees to work in good faith with MLS NEXT Pro to schedule the first Team Home Game during the 2023 MLS NEXT Pro season no earlier than May 15, 2023. All Team Home Game Dates shall be deemed to be selected by Lessee as a Reserved Date. Lessee Events shall be scheduled to avoid conflicting with any School Event Reserved Date.

- Section 4.01(b) of the Lease is deleted in its entirety and replaced with the following:

Lessee agrees to work in good faith with the HSC, the CVB, Huntsville Schools, and the Lessor to attract other events to be conducted on the Premises with the primary purpose of generating tourism business into the City of Huntsville, provided that all such events shall not conflict with School Events scheduled pursuant to Section 4.02(a) or Team Home Games. In support of its mission, the HSC shall have right to host or co-host eight (8) events at the Premises meeting its goal of attracting tourists into Huntsville with no facility rental charge. Other provisions of event expenses and revenue distribution to be negotiated between the Lessee and the HSC on a case-by-case basis.

- Section 4.02(d) of the Lease shall be amended by striking the words “ticket sales/management” within the first sentence.

To the Lessee: NSH NEXTCO LLC
Attn: Lindsey Paola, Chief Business Officer
290 2nd Avenue South, Suite 100
Nashville, TN 37201
Email: lpaula@nashvillesc.com

With a copy to: NSH NEXTCO LLC
Attn: LaTonnsya Burney, General Counsel
290 2nd Avenue South, Suite 100
Nashville, TN 37201
Email: lburney@nashvillesc.com

Any such notices shall be deemed to have been sufficiently given or served upon any party hereto when either (a) deposited with a nationally recognized overnight courier delivery service for next day delivery, (b) deposited in the U.S. mail for first class delivery, postage prepaid and addressed as provided above, (c) sent by email during business hours of any business day, or (d) delivered by personal delivery to any of the Parties hereto at the addresses stated above. The above addresses may be changed by written notice to the other Party given in the manner set forth above.

13. The Parties agree that any form of electronic signature, including but not limited to signatures via facsimile, scanning, or electronic mail, may substitute for the original signature and shall have the same legal effect as the original signature.

14. All other terms and conditions of the Lease, as modified, remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties hereto have entered into this Modification No. 2 to Lease Agreement, on the date set forth above.

LESSOR:

CITY OF HUNTSVILLE, ALABAMA, an
Alabama municipal corporation

By: _____
Printed Name: Tommy Battle
Title: Mayor

LESSEE:

NSH NEXTCO LLC, a Tennessee limited liability
company

By: _____

Printed Name: Eleanor G. McDonald

Title: Vice President and Secretary

STATE OF ALABAMA)

COUNTY OF MADISON)

:
)

I, the undersigned, a notary public in and for said county in said state, hereby certify that Tommy Battle whose name as Mayor of **CITY OF HUNTSVILLE, ALABAMA**, an Alabama municipal corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said municipal corporation.

Given under my hand and official seal this 13th day of March, 2025.

[NOTARIAL SEAL]

Notary Public
My commission expires: _____

STATE OF TENNESSEE)

COUNTY OF DAVIDSON)

:
)

I, the undersigned, a notary public in and for said county in said state, hereby certify that Eleanor G. McDonald, whose name as Vice President and Secretary of **NSH NEXTCO LLC**, a Tennessee limited liability company, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such Vice President and Secretary, executed the same voluntarily for and on behalf of the aforesaid company.

Given under my hand and official seal this _____ day of March, 2025.

[NOTARIAL SEAL]

Notary Public
My commission expires: _____