CITY OF STURGIS, SD LEASE PROPOSAL

Meade School District, 46-1

OVERVIEW

The City of Sturgis is pleased to submit this proposal to the Meade School District toward the establishment of a property lease agreement during the 2020 Sturgis® Motorcycle Rally™. This proposed lease is for the creation of an exhibition venue at the Sturgis Brown High School (SBHS) campus during the 2020 Event. The areas of interest to the City are the main parking lots and available adjacent space, as shown on the map of page 2. The use of buildings or other School structures is not included in this request.

BACKGROUND

The 2019 Sturgis® Motorcycle Rally™ was attended by nearly 500,000 enthusiasts. During this Event, approximately 700 temporary vendors activated within the city limits of Sturgis. The lack of available space in the downtown-Sturgis area during the Rally™ makes the SBHS property an attractive location to accommodate additional exhibitors and grow the Event.

OBJECTIVES

Develop a "temporary" exhibition venue in 2020, on the aforementioned SBHS property, consisting of the following:

- Exhibitor and Vendor areas
- Parking
- Concessions
- Restrooms
- Venue to be open to public daily, during official period
  - 10 AM - 7 PM

Activities to be prohibited on leased property:

- The possession, consumption or sale of alcohol
- Camping
- Music concerts

REQUIREMENTS

The following elements apply to the respective parties, during the proposed property lease period.

The City shall:

- Provide property management for exhibitors and vendors.
- Promote venue and associated District activities/interests (i.e. breakfasts, showers, etc.) across all City channels, including print, radio, website, social and email blasts
  - Reach >1,000,000
- Construct/Dismantle temporary electrical service infrastructure to leased area, as required.
- Maintain uninterrupted access to all buildings and essential “non-lease” areas for staff, students, school customers, and the National Guard

City Requirements cont.:

- In no way inhibit or detract from SBHS “meal”, “shower” or similar programs
- Provide security, including “all-night” during the official Rally™ period
- Maintain required comprehensive insurance coverage
  - COI to District
- Provide sanitation services
  - Garbage
  - Port-o-lets
- Accommodate pre/post-Event walkthrough inspections with District personnel to assess and record physical condition of leased property
- Clean and provide necessary repairs as identified

The School District shall:

- Accommodate pre/post-Event walkthrough inspections with City personnel to assess and record physical condition of leased property
- Allow City use of available electrical and water utilities
- Allow venue attendees access, as paying customers, to School meal and shower services

Additional District Opportunities:

- The District is invited to provide exclusive food/beverage concessions on the leased property and/or expanded meal services to attendees thereof

PROPOSAL

District/City lease of the SBHS property as outlined:

- Term of 1-year
  - Commencing in 2020
- Lease period coinciding with official days of the 2020 Sturgis® Motorcycle Rally™ and including additional pre/post-periods to accommodate set-up and tear down
  - 2020 Official dates - August 7-16
  - 2020 Lease period - August 3 through August 19
- Decision to proceed by September 13, 2019
- City shall pay District the amount of $30,000 cash
- City shall pay District 50% of total property revenue over $25,000

CONCLUSION

We look forward to the opportunity to work with the District and SBHS and are confident of a beneficial partnership.

Please let me know if you have any questions and thank you for your consideration.

Respectfully,

Lance Scherer
Sponsorship Development
Rally and Events
City of Sturgis, SD

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