



1 E. As Oregon's largest gathering place (based on total  
2 annual attendance) approaches 30 years of age, a new and  
3 significant investment in the Arena and the Rose Quarter would  
4 improve and extend the useful life of this unique community asset.  
5 The Parties have been involved in good faith discussions on how to  
6 best restructure a long-term public-private partnership including  
7 a major renovation of the Arena.

8 F. TBI and the City acknowledge that such restructuring  
9 cannot be accomplished by the date for the exercise of the first  
10 10-year extension in October 2024, and the Parties are,  
11 simultaneously with this 2024 Exclusive Site Agreement (the  
12 "Agreement"), entering into the Arena Lease as an "interim" bridge  
13 agreement, which would allow the Parties the time to seek to  
14 negotiate a new public-private partnership between RCM and the City  
15 for improvements to the Arena that would, if successfully  
16 finalized, benefit the City, the public, and the community.

17 G. In order to induce the City to enter into the Arena  
18 Lease, TBI is willing to make certain covenants and comply with  
19 certain restrictions regarding the use of the Arena and the  
20 location of TBI's principal place of business on the terms and  
21 conditions set forth in this Agreement. It is expressly  
22 acknowledged by TBI that the execution and delivery of this  
23 Agreement by TBI is a condition to the execution and delivery  
24 of the Arena Lease by the City.

25 H. All parties recognize that TBI and its Affiliates have  
26 publicly stated an expectation that at an undetermined point in  
27 the future, TBI and its Affiliates would engage in a process  
28 to sell, consummate the sale, or otherwise transfer the  
29 Franchise, TBI or some or all of their related assets or  
30 businesses, including a process that includes purchasers or  
31 potential purchasers who may or do intend to or do in fact

1 subsequently relocate the Franchise (either in breach of this  
2 Agreement, after the expiration of this Agreement, or otherwise)  
3 ("Sale Process").

4 I. All members of the NBA are governed by an Amended and  
5 Restated Joint Venture Agreement dated January 1, 1989, under  
6 which the affairs of the NBA are conducted in accordance with  
7 the Constitution and Bylaws of the NBA, as amended and as may  
8 be amended, interpreted and enforced by the NBA from time to  
9 time, (the "NBA Constitution"). The current NBA Constitution  
10 is that subtitled "September 2019".

11 J. All franchise and playing site relocations are  
12 governed by Articles 7 and 9 of the NBA Constitution. Article  
13 7 governs relocation of a franchise to a different city or to a  
14 new playing facility (within or outside its existing Territory  
15 (as that term is defined in the NBA Constitution)). Article 9  
16 governs "temporary" transfers of a franchise's home playing site  
17 to a different facility.

18 NOW, THEREFORE, in consideration of the execution and  
19 delivery by the City of the Arena Lease, and for other good and  
20 valuable consideration, the receipt and sufficiency of which  
21 are hereby acknowledged, TBI and the City agree as follows:

22 SECTION 1 COVENANT REGARDING USE OF ARENA

23 1.1 Home Games

24 Subject to the exceptions described in Section 1.2  
25 below, TBI hereby agrees that any and all Home Games (as defined  
26 in this Section 1.1) during the Term shall be played in the  
27 Arena, unless the City shall have given its prior, written  
28 consent to the performance of specified Home Games at a  
29 different location or locations, which consent may be withheld  
30 in the sole and absolute discretion of the City. The term "Home

1 Games" shall have the same meaning as that term is used in the  
2 NBA Constitution. The "Term" is the Term of the Arena Lease  
3 less any Completion Term (as such terms are defined in the Arena  
4 Lease), but the Term continues notwithstanding any breach of  
5 the Arena Lease by RCM or any termination of the Arena Lease  
6 following and as a result of a breach by RCM unless earlier  
7 terminated pursuant to Sections 12.2.6 or 12.2.9 of the Arena  
8 Lease; provided however, that the Term shall continue no longer  
9 than the date that the Arena Lease would have expired, without  
10 extension, absent such breach by RCM.

11 1.2 Exceptions

12 For purposes of Section 1.2, the terms "Exhibition  
13 Games," "Regular Season Games," "Playoff Games," and "Home  
14 Playing Site" shall have the meanings ascribed to such terms in  
15 the NBA Constitution. Notwithstanding the provisions of  
16 Section 1.1, TBI shall have the right:

17 1.2.1 To play Exhibition Games constituting Home  
18 Games at any location, to the extent permitted by the NBA.

19 1.2.2 To play Home Games at any location outside  
20 of Portland, Oregon or the Arena, if expressly required or  
21 permitted by the NBA; provided that TBI shall pay Deemed User  
22 Fees computed in accordance with Section 1.2.4 for each Regular  
23 Season Home Game played pursuant to this Section 1.2.2 which is  
24 in excess of two (2) games per season.

25 1.2.3 To play an unlimited number of Regular  
26 Season and Playoff Games constituting Home Games at Memorial  
27 Coliseum.

28 1.2.4 To play any Playoff Games constituting Home  
29 Games at another facility under the circumstances permitted by  
30 Article 9(a) of the NBA Constitution or any successor provision,

1 upon prior written notice to the City; provided that for  
2 purposes of such Article, the Home Playing Site shall refer to  
3 both the Arena and, if approved by the NBA as a playing site  
4 for the Trail Blazers, Memorial Coliseum. In the event any  
5 Playoff Game constituting a Home Game is played at a facility  
6 other than the Home Playing Site under the circumstances  
7 permitted by Article 9(a), TBI shall pay to the City the amount,  
8 if any, by which Deemed User Fees (as defined below) based upon  
9 the lesser of: (i) actual ticket sales of Non-Exempt Tickets  
10 at the Base Ticket Price for such Playoff Game played at such  
11 other facility, or (ii) the ticket sales for Non-Exempt Tickets  
12 based upon the Ticket Price assuming a sellout of the Arena  
13 (recognizing the number of Exempt Tickets customary for such a  
14 game), exceed the actual User Fees for the Event held at the  
15 Arena. "Deemed User Fees" shall be an amount computed in the  
16 same manner as the User Fees described in the Amended and  
17 Restated Development Agreement dated on or about the date of  
18 this Agreement, as may be further amended from time to time.

19           1.2.5       To play any Regular Season or Playoff Games  
20 constituting Home Games at a facility other than the Home  
21 Playing Site under the circumstances permitted by Article 9(b)  
22 of the NBA Constitution or any successor provision, as  
23 reasonably determined by TBI or as determined by the NBA;  
24 provided that for purposes of such Article, the Home Playing  
25 Site shall refer to both the Arena and, if approved by the NBA  
26 as a playing site for the Trail Blazers, Memorial Coliseum.  
27 Subject to any determination made by the NBA, in the event TBI  
28 believes that an unanticipated event or emergency renders the  
29 Home Playing Site temporarily unavailable or unsuitable for  
30 purposes of such Article, TBI shall promptly notify the City

1 and consult with RCM and the City in good faith and in a manner  
2 which is reasonable under the circumstances prior to reaching a  
3 determination that an unanticipated event or emergency renders  
4 the usual home playing site temporarily unavailable or  
5 unsuitable. By allowing TBI to play a Home Game at a site other  
6 than its Home Playing Site due to the circumstances referred to  
7 in this Section 1.2.5, the City is not waiving any claim it may  
8 or may not have against RCM for a breach of its obligations  
9 under the Arena Lease.

10           1.2.6       To play the lesser of: six Regular Season  
11 Games constituting Home Games or the number of such games  
12 permitted by the NBA Constitution, at another playing site  
13 within the Territory as permitted by Article 9(c) of the NBA  
14 Constitution or any successor provision; provided that TBI shall  
15 pay the Deemed User Fees with respect to any Home Game played  
16 pursuant to this Section 1.2.6, computed in accordance with  
17 Section 1.2.4.

18 Nothing in this Section 1.2 shall modify the obligations of RCM  
19 under the Arena Lease.

20           1.3   Relocation

21           Throughout the Term, TBI or any of its Affiliates (as  
22 defined in the Arena Lease) shall not relocate or seek to  
23 relocate the playing site of its Home Games under Article 7 of  
24 the NBA Constitution or any successor provision, except to the  
25 Arena or to Memorial Coliseum, without the prior written consent  
26 of the City, which may be withheld in the sole and absolute  
27 discretion of the City.

28           1.4   Continuous Operations

29           Throughout the Term, TBI agrees to: (i) not default  
30 on and forfeit the Franchise, (ii) field an NBA basketball team,

1 (iii) play Home Games as provided in Section 1.1, and (iv) in  
2 all other respects continuously operate an NBA basketball team  
3 for games scheduled by the NBA. This obligation of TBI shall  
4 cease upon any sale of the Franchise by TBI pursuant to  
5 Section 3.3.

6 1.5 Memorial Coliseum

7 During any period in which Memorial Coliseum is  
8 temporarily or permanently closed, references in this Section 1  
9 to Memorial Coliseum shall be deemed null and void.

10 SECTION 2 COVENANT REGARDING LOCATION OF TBI'S PLACE OF  
11 BUSINESS

12 TBI agrees that, at all times during the Term, the  
13 principal place of business of TBI shall be located within  
14 either: the City of Portland, or the city which is the principal  
15 place of business of the then owner of TBI.

16 SECTION 3 BINDING EFFECT

17 3.1 Successors

18 The covenants and restrictions of TBI set forth in  
19 this Agreement shall be binding upon TBI, its successors and  
20 assigns, and any purchaser or transferee of the Franchise.

21 3.2 Liquidation of TBI

22 In the event of the liquidation or dissolution of TBI,  
23 the covenants and restrictions of TBI set forth in this  
24 Agreement shall be binding upon the shareholders of TBI or any  
25 other distributee of the Franchise and related assets and  
26 properties of TBI.

27 3.3 Transfer of Franchise

28 Without limiting the foregoing, TBI agrees that it  
29 shall be a condition precedent to the consummation of any sale  
30 or other transfer of the Franchise, that the purchaser or  
31 transferee agree in writing to comply, without modification or

1 qualification, with the covenants and restrictions applicable  
2 to TBI set forth in this Agreement. Upon the consummation of  
3 any sale or other transfer of the Franchise, TBI shall promptly  
4 provide written notice to the City including a copy of the  
5 instrument described in the preceding sentence, and any sale or  
6 other transfer of the Franchise made without execution by the  
7 purchaser or transferee of the instrument described in the  
8 preceding sentence shall be null and void and of no force or  
9 effect, but the failure to execute such instrument shall in no  
10 event limit or modify the obligation of such purchaser or  
11 transferee to comply with the covenants and restrictions set  
12 forth in this Agreement. Any such instrument shall identify  
13 the City as an express third party beneficiary of such covenants  
14 and restrictions, with full standing to enforce the same, as if  
15 the City were a party to such instrument. TBI's obligations  
16 with respect to itself and its Affiliates (excluding any accrued  
17 obligations or liabilities as of the effective date of a  
18 transfer of the Franchise) pursuant to this Agreement shall  
19 cease as of the effective date of a transfer pursuant to this  
20 Section 3.3.

21 3.4 Transfer of Control of TBI

22 Without limiting the foregoing, TBI agrees that it  
23 shall be a condition precedent to the consummation of any sale  
24 or other Transfer of Control of TBI, that TBI reaffirm in writing  
25 that it will continue to comply, without modification or  
26 qualification, with the covenants and restrictions applicable  
27 to TBI set forth in this Agreement following the sale or Transfer  
28 of Control. Upon the consummation of any sale or other Transfer  
29 of Control of TBI, TBI shall promptly provide written notice to  
30 the City including a copy of the instrument described in the  
31 preceding sentence, and any sale or other Transfer of Control

1 of TBI made without execution by TBI of the instrument described  
2 in the preceding sentence shall be null and void and of no force  
3 or effect, but the failure to execute such instrument shall in  
4 no event limit or modify the obligation of TBI to comply with  
5 the covenants and restrictions set forth in this Agreement. Any  
6 such instrument shall identify the City as the beneficiary of  
7 such covenants and restrictions, with full standing to enforce  
8 the same, as if the City were a party to such instrument.  
9 "Transfer of Control" means any conveyance of a majority of the  
10 issued and outstanding stock of TBI in one transaction or the  
11 cumulative effect of several transactions or any other  
12 disposition of voting rights with respect to a majority of the  
13 issued and outstanding stock of TBI. Transfers of any interest  
14 in TBI not constituting a Transfer of Control are permitted  
15 without restriction.

16 3.5 Change in Franchise, NBA

17 The term Franchise shall be deemed to include any new  
18 franchise issued by the NBA to Franchisee, any replacement or  
19 renewal franchise issued by the NBA to Franchisee, or any  
20 franchise issued to Franchisee by a new professional basketball  
21 association, in every case only if the preceding Franchise  
22 expires or is terminated in connection therewith. For purposes  
23 of this Section 3.5, the term Franchisee means TBI or any  
24 assignee or successor of TBI, and this definition of Franchisee  
25 is applicable only to this Section 3.5. The term NBA includes  
26 the National Basketball Association and any successor to the  
27 National Basketball Association or any new association of  
28 professional basketball franchisees where TBI is a franchisee  
29 of such new association.

1           3.6 Stock Legend

2           TBI shall cause all certificates of stock of TBI to  
3 be surrendered to TBI and shall cause the placement on each such  
4 certificate of a legend substantially in the following form:

5           "THE SHARES OF STOCK REPRESENTED BY THIS  
6 CERTIFICATE ARE SUBJECT TO RESTRICTIONS SET FORTH IN SECTION  
7 3.4 OF THAT CERTAIN EXCLUSIVE SITE AGREEMENT, DATED July 31,  
8 2024, BETWEEN THE CORPORATION AND THE CITY OF PORTLAND, AND  
9 NONE OF SUCH SHARES, OR ANY INTEREST THEREIN, SHALL BE  
10 TRANSFERRED OR OTHERWISE DISPOSED OF EXCEPT AS PROVIDED IN  
11 SUCH AGREEMENT. A COPY OF THE AGREEMENT IS ON FILE AND  
12 AVAILABLE FOR INSPECTION WITHOUT CHARGE IN THE OFFICES OF  
13 THE CORPORATION."

14           3.7 Limitation of Liability

15           Notwithstanding anything to the contrary in this  
16 Agreement, upon a sale or other transfer of the Franchise or  
17 Transfer of Control of the Franchisee made in conformance with  
18 the provisions of Sections 3.3 or 3.4 hereto to a party not  
19 Affiliated with Franchisee, none of Franchisee, TBI or any of  
20 their Affiliates shall have any liability with respect to itself  
21 and its Affiliates under this Agreement, including with respect  
22 to (a) any violation of Section 1.3 by any purchaser or  
23 subsequent transferee, whether in breach of this Agreement,  
24 after the expiration of this Agreement, or otherwise, and (b)  
25 any claim that the Sale Process could be considered a breach  
26 of this Agreement by TBI or its Affiliates. Furthermore, the  
27 Parties agree that any such Sale Process as described in the  
28 preceding sentence of this Section 3.7 shall not constitute a  
29 breach of this Agreement, and the City shall not seek relief in  
30 connection with, including to prevent, any Sale Process or

1 actual sale or transfer of the Franchise. It is the intention  
2 of all parties that the foregoing provisions of this Section  
3 3.7 shall be interpreted by a court in the broadest possible  
4 way to protect TBI's Affiliates and to permit all aspects of  
5 such Sale Process or actual sale or transfer of the Franchise  
6 to proceed, without liability to TBI's Affiliates, so long as  
7 TBI complies with Sections 3.3 and 3.4 of this Agreement.  
8 Nothing in this Section 3.7 shall be construed to relieve TBI  
9 of its obligations under Section 1.3, 3.3 and 3.4 of this  
10 Agreement.

11 SECTION 4            REMEDIES

12            In the event of a breach of this Agreement by TBI,  
13 the City will suffer both damages compensable by the payment of  
14 money and damages which will not be compensable by money and  
15 which will be irreparable. Accordingly, the City is entitled  
16 to the following:

17            4.1 Compensable Damages

18            In the event of a breach of this Agreement by TBI,  
19 the City shall be entitled to claim all actual damages and  
20 consequential damages against the breaching party, including  
21 but not limited to loss of User Fee revenue and other Project  
22 Revenue referred to in the Arena Lease or the Amended and  
23 Restated Development Agreement caused by such breach.

24            4.2 Non-Compensable Damages

25            TBI acknowledges that some of the damage that would  
26 be suffered by the City in the event of a breach of the terms  
27 of this Agreement could not be adequately compensated by an  
28 award of damages because of the unique nature of the obligations  
29 of TBI and the City may obtain a decree of specific performance  
30 and/or injunctive relief with respect to any of the obligations  
31 of TBI under this Agreement.

1           4.3 Cross-Default

2           Subject to Section 3.7, any material breach of this  
3 Agreement shall also constitute an event of default under the  
4 Arena Lease, so long as the owner of the Franchise, either  
5 directly or through a controlled affiliate, is the Lessee under  
6 the Arena Lease.

7           4.4 All Remedies

8           Upon a breach of this Agreement by TBI, the City shall  
9 be entitled to pursue all legal and equitable remedies against  
10 the breaching party, whether or not those are specifically set  
11 forth in this Agreement. All remedies are cumulative and may  
12 be exercised concurrently, successively, or in any order.

13          4.5 Repayment of City Contribution.

14          If the City makes a demand to RCM for repayment of the City  
15 Contribution (pursuant to and consistent with Section 10.9.1 of  
16 the Arena Lease), and within six (6) months from such demand  
17 the City is unable to collect full repayment of the City  
18 Contribution from RCM, TBI shall promptly satisfy the repayment  
19 obligation on behalf of RCM. For purposes of this Section 4.5,  
20 all references to RCM and TBI include the successors and assigns  
21 of RCM and TBI.

22 SECTION 5           GENERAL PROVISIONS

23          5.1 Benefit

24          The provisions of this Agreement shall inure to the  
25 benefit of the City and its successors and assigns.

26          5.2 Integration

27          This Agreement contains the entire agreement and  
28 understanding of the City and TBI with respect to the matters  
29 described herein, and supersedes all prior and contemporaneous  
30 agreements between them with respect to such matters.

1           5.3 Amendment

2           This Agreement may not be modified or amended except  
3 by the written agreement of the City and TBI.

4           5.4 Further Assurances

5           TBI agrees to take such further actions and execute  
6 such additional documents as may be necessary or appropriate to  
7 carry out the provisions and purposes of this Agreement,  
8 including, without limitation, the execution of any instruments  
9 necessary to record or provide notice of the encumbrance imposed  
10 by this Agreement on TBI's right and power to sell or otherwise  
11 dispose of the Franchise.

12          5.5 Attorneys' Fees

13          If a suit, action, or other proceeding of any nature  
14 whatsoever (including any proceeding under the U.S. Bankruptcy  
15 Code) is instituted in connection with any controversy arising  
16 out of this Agreement or to interpret or enforce any rights  
17 hereunder, the prevailing party shall be entitled to recover  
18 its attorneys', accountants', and other experts' fees and all  
19 other fees, costs, and expenses actually incurred and reasonably  
20 necessary in connection therewith, as determined by the court  
21 at trial or on any appeal or review, in addition to all other  
22 amounts provided by law.

23          5.6 Construction and Interpretation

24          The headings or titles of the sections of this  
25 Agreement are intended for ease of reference only and shall have  
26 no effect whatsoever on the construction or interpretation of  
27 any provision of this Agreement. The use in this Agreement of  
28 the words "including," "such as," and words of similar import  
29 following any general statement, term, or matter shall not be  
30 construed to limit such statement, term, or matter in any  
31 manner, whether or not language of non-limitation (such as

1 "without limitation" or "but not limited to") is used in  
2 connection therewith, but rather shall be deemed to refer to  
3 all other items or matters that could reasonably fall within  
4 the scope of the general statement, term, or matter. All  
5 provisions of this Agreement have been negotiated at arms length  
6 and this Agreement shall not be construed for or against the  
7 City or TBI by reason of the authorship or alleged authorship  
8 of any provision hereof.

9 5.7 Waiver

10 Failure of the City at any time to require performance  
11 of any provision of this Agreement shall not limit the City's  
12 right to enforce such provision, nor shall any waiver of any  
13 breach of any provision of this Agreement constitute a waiver  
14 of any succeeding breach of such provision or a waiver of such  
15 provision itself. Any waiver of any provision of this Agreement  
16 shall be effective only if set forth in writing and signed by  
17 the City.

18 5.8 Severability

19 If any term or provision of this Agreement or the  
20 application thereof to any person or circumstance shall to any  
21 extent be invalid or unenforceable, the remainder of this  
22 Agreement and the application of such term or provision to  
23 persons or circumstances other than those as to which it is held  
24 invalid or unenforceable shall not be affected thereby, and each  
25 term or provision of this Agreement shall be valid and  
26 enforceable to the fullest extent permitted by law.

27 5.9 Notices

28 All notices, requests, and other communications  
29 hereunder shall be in writing and shall be delivered personally  
30 or deposited in the U.S. Mails, postage prepaid, return receipt  
31 requested, addressed as follows:



