

**City of Los Angeles
Department of Recreation and Parks
2016 Commercial Incentive Program**

The following is a term sheet that would allow for a Promoter/Agent ("User") renting the Greek Theatre ("Greek Theatre") for the presentation of commercial concerts to receive an incentive for those events in 2016. In order to qualify for this program, the User must enter into a contract, in a form acceptable to the City of Los Angeles Department of Recreation and Parks ("Department"), reflecting the terms described below, and other provisions standard in City contracts.

Qualifying Event:

An event shall be considered a "qualifying event" if it meets the minimum required number of Three Thousand Five Hundred (3,500) paid tickets.

Additional Terms:

1. This program is limited to commercial concerts (music and comedy) Users and is not applicable to Users qualifying for and using the non-profit rental rates or for other non-concert events.
2. Each performance is considered a separate event if it meets the above requirements where a performance has a discrete audience for a discrete period of time in which a ticket is used for admittance.
3. The Greek Theatre User Agreement shall only have one User named and only the agreements with said User shall be counted toward the required number of qualifying events.
4. All other rental terms as defined by Department apply including the terms in the standard User Agreement.
5. This is the only form of commercial incentive program recognized by the Department. The Department will review the incentive program requirements on an annual basis and retains the right to modify the incentive program in the future as it sees fit in the best interests of the Department, subject to rights under an existing contract.

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Incentive Payment Schedule:

Minimum number of qualify events is twenty (20) in the concert season. Incentives are not retroactive to any of the minimum qualifying events. Incentives apply only to one specific incentive tier and are not retroactive to prior incentive tier.

Incentive Tier	Number of Qualifying Events	Incentive per Paid Ticket
Qualify Events	1 - 20	\$0.00/paid ticket
One	21 - 30	\$2.00/paid ticket
Two	31 - 40	\$2.50/paid ticket
Three	41 +	\$3.00/paid ticket

Example No. 1:

Promoter A presented twenty (20) commercial events at the Greek Theatre in the 2016 Season. Each of the twenty (20) commercial events had Four Thousand Five Hundred (4,500) paid tickets sold. Under the Incentive Payment Schedule identified above, there would be **no** incentive paid to Promoter A. The twenty (20) commercial events met the minimum Three Thousand Five Hundred (3,500) paid tickets criteria. However, the twenty (20) commercial events are the qualifying events identified in the Incentive Payment Schedule.

Example No. 2:

Promoter B presented twenty-five (25) commercial events at the Greek Theatre in the 2016 Season. Each of the twenty-five (25) commercial events had Four Thousand Seven Hundred (4,700) paid tickets sold. The twenty-five (25) commercial events met the minimum Three Thousand Five Hundred (3,500) paid tickets criteria. Commercial events twenty-one to twenty-five (21-25) met the criteria in Incentive Tier One. Under the Incentive Payment Schedule identified above, there would be a \$47,000 incentive paid to Promoter B for the 2016 Season. The incentive is calculated below:

Incentive Tier	Number of Qualifying Events	Incentive per Paid Ticket	Paid Tickets Sold	Incentive Payment Calculation
Qualify Events	1 - 20	\$0.00/paid ticket	4,700	None
One	21 - 25	\$2.00/paid ticket	4,700	5 events x 4,700 paid tickets x \$2.00/paid ticket

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Example No. 3:

Promoter C presented thirty-two (32) commercial events at the Greek Theatre in the 2016 Season. Each of the thirty-two (32) commercial events had Four Thousand Seven Hundred (4,700) paid tickets sold. The thirty-two (32) commercial events met the minimum Three Thousand Five Hundred (3,500) paid tickets criteria. Commercial events twenty-one to thirty (21-30) met the criteria in Incentive Tier One and commercial events thirty-one to thirty-two (31-32) met the criteria in Incentive Tier Two. Under the Incentive Payment Schedule identified above, there would be an \$117,500 incentive paid to Promoter C for the 2016 Season. The incentive is calculated below:

Incentive Tier	Number of Qualifying Events	Incentive per Paid Ticket	Paid Tickets Sold	Incentive Payment Calculation
Qualify Events	1 - 20	\$0.00/paid ticket	4,700	None
One	21 - 30	\$2.00/paid ticket	4,700	10 events x 4,700 paid tickets x \$2.00/paid ticket
Two	31 - 32	\$2.50/paid ticket	4,700	2 events x 4,700 paid tickets x \$2.50/paid ticket

Tier One Incentive = \$94,000
Tier Two Incentive = \$23,500
Total Incentive = \$117,500

Example No. 4:

Promoter D presented twenty-seven (27) commercial events at the Greek Theatre in the 2016 Season. Twenty-six (26) of the twenty-seven (27) commercial events had Four Thousand Six Hundred (4,600) paid tickets sold and one (1) commercial event had Three Thousand (3,000) paid tickets sold. Only twenty-six (26) commercial events met the minimum Three Thousand Five Hundred (3,500) paid tickets criteria. Commercial events twenty-one to twenty-six (21-26) met the criteria in Incentive Tier One. Under the Incentive Payment Schedule identified above, there would be a \$55,200 incentive paid to Promoter D for the 2016 Season. The incentive is calculated below:

Incentive Tier	Number of Qualifying Events	Incentive per Paid Ticket	Paid Tickets Sold	Incentive Payment Calculation
Qualify Events	1 - 20	\$0.00/paid ticket	4,600	None
One	21 - 26	\$2.00/paid ticket	4,600	6 events x 4,600 paid tickets x \$2.00/paid ticket