

# LEASE SUMMARY

## BASICS

**TEAM:** Colorado ROCKIES

**Team Owner:** Charlie and Dick Monfort

**Team Website:** <http://colorado.rockies.mlb.com/>

**FACILITY:** Coors Field

**Facility Website:** <http://mlb.com/col/ballpark/>

**Year Built:** 1995

**Ownership:** Denver Metropolitan Major League Baseball Stadium District

### TYPE OF FINANCING:

The legislature created the Denver Metropolitan Major League Baseball Stadium District in the six counties surrounding Denver. The district issued bonds and levied a one-tenth of 1% sales tax within the six-county area to fund the stadium. The tax remains in place until the bonds are paid off in about 10 years. The Rockies contributed \$53 million.

*Appendix 1, Sports Facility Reports, Vol. 12, <https://law.marquette.edu/assets/sports-law/pdf/sports-facility-reports/v12-mlb-2011.pdf>.*

### TITLE OF AGREEMENT:

Amended and Restated Lease and Management Agreement by and between Denver Metropolitan Major League Baseball Stadium District and Colorado Rockies Baseball Club, Ltd.

**TERM OF AGREEMENT:** 22 years, with an effective date on or before April 6, 1995. The Rockies have the option of extending the term for three consecutive five-year extensions. –Article 3, pgs. 10-11

## PAYMENTS/EXPENSES

**RENT:** No annual rent, but team is responsible for all costs. Team also reimburses the day-to-day operating expenses of the Stadium District, and shares revenue with the Stadium District based on ticket sales and parking.

### Article 4.2 – Payments to the District

In addition to being responsible for all costs associated with the repair, maintenance and operation, use and ownership of the leased premises, the Partnership (Colorado Rockies Baseball Club), is required to reimburse the District for day-to-day operating expenses in excess of the designated tax revenues, but not to exceed \$150,000 per year. –pgs. 13-15

The District is also entitled to share attendance revenues based on the following:

- (1) Twenty five cents (\$ .25) is paid by the Partnership per MLB game attendee in excess of 2.25M up to 2.5M per year;
- (2) Fifty cents (\$ .50) per attendee in excess of 2.5M up to 3M per year; and
- (3) One dollar (\$1.00) per attendee in excess of 3M per year.

The Partnership shall report attendance upon a turnstile count. –pg. 16

Parking revenue is shared with 80% going to the Partnership and 20% going to the District for all events during the term of the agreement. –pg. 17

## **MAINTENANCE**

### **Article 8.2(a) – Partnership Obligations; General Obligations**

“The Partnership is hereby designated operator/manager of the Leased Premises and shall be responsible for all Stadium Management unless such responsibility is terminated by the District. . . . The Partnership shall obtain or provide, at its expense, all labor, services, materials, supplies and equipment needed to perform all Stadium Management, Maintenance, Improvements, and security.” –pg. 40

### **Article 8.11 – Repairs Fund**

“[T]he Partnership shall make annual payments to the District . . . each succeeding year throughout the Term and Grace Term. . . . The amounts required to be paid . . . correspond to the anticipated costs of repairs to the Leased Premises and Partnership Property. . . . The Repairs Fund will be maintained as a separate escrow account to be used solely for Repairs to the Leased Premises and Partnership Property and will not inure to the benefit of the District. –pg. 63

## **USE AND OCCUPANCY**

### **Article 5.1 – Use of Stadium**

“Commencing with the Commencement Date and continuing for the balance of the Term and Grace Term, the Partnership shall . . . be entitled to use the Leased Premises on a year-round basis for the following purposes:

- (a) Playing of Major League Baseball Games and activities related to the playing of Major League Baseball Games and the maintenance of a Major League Baseball team . . . ;
- (b) [T]he operation of club/restaurant facilities to be known as the ‘Stadium Club’, a separate ‘Club Seating Lounge’, and the restaurant and bar facilities to be constructed in the Student Movers Building;
- (c) [T]he operation of the Partnership’s general offices;
- (d) [T]he sale of food and alcoholic and non-alcoholic beverages, souvenirs and other items normally considered “concessions”;
- (e) [T]he sale of space on or for advertising signs and billboards . . . ;

- (f) [A]ny and all other activities which, from time to time during the Term and Grace Term, are associated with, or are conducted in connection with, or are related to, the conduct of the business of a Major League Baseball team; and
- (g) [U]p to five (5) Non-Baseball Events annually.” –pg. 22

## **RETENTION**

### **NON-RELOCATON / RETENTION CLAUSE:**

#### **Article 13 – Relocation of Team**

“The Partnership acknowledges that the District will be irreparably harmed by the relocation of the Team to a location other than the Leased Premises during the Term of this Agreement. Accordingly, the Partnership agrees as follows:

- (a) The District does not have an adequate remedy at law for breach of this Article XIII.
- (b) . . . [T]he Partnership shall not apply to the National League for approval to allow the Team to play any Major League Baseball [Home] Game anywhere other than in the Stadium during the Term.
- (c) The Partnership recognizes that the Stadium is being constructed, the sales tax was imposed, and the bonds were issued solely to bring the Team and the franchise to the District, and agrees that in the event of a violation of this Article XIII, the District shall, without posting any bond, be entitled to seek and obtain an injunction from the District Court of the City and County of Denver, Colorado, or any other court of competent jurisdiction, to enjoin any violation of this Article XIII. Additionally, the District shall have the right to enforce any breach . . . through specific performance as provided in this Agreement.” –pg. 79