

# LEASE SUMMARY

## BASICS

**TEAM:** Atlanta BRAVES

**Team Owner:** Liberty Media

**Team Website:** [http://atlanta.braves.mlb.com/index.jsp?c\\_id=atl](http://atlanta.braves.mlb.com/index.jsp?c_id=atl)

**FACILITY:** Turner Field

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

**Year Built:** 1997

**Ownership:** Atlanta-Fulton County Recreation Authority

### TYPE OF FINANCING:

The original stadium was built for the 1996 Summer Olympics and cost \$232 million. After the games, it was converted into a 50,000-seat baseball stadium for the Braves. The Braves paid for the conversion. *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:

Operating Agreement Between the City of Atlanta and Fulton County Recreation Authority and Atlanta National League Baseball Club, Inc.

**TERM OF AGREEMENT:** The term began with the opening of the 1997 National League Season and lasts until December 31 following the conclusion of the 20th Major League Baseball Season thereafter. The team holds four successive five-year options. –Article 6, pgs. 18-20

## PAYMENTS/EXPENSES

**RENT:** No rent requirement; the Team is expected to pay an operator's fee and remit payments to the capital fund. The Team also pays a community fee based on parking revenues:

Article 12.8—

“During the Term, as a Community Fee, the Team shall pay to the Authority . . . a sum equal to 8.25% of the gross revenues. . . . [T]he Community Fee shall be made in two parts: the first part being based upon revenues received prior to July 1 . . . , and the second part being based upon revenues received during the remainder of such Major League Baseball Season.” –pg. 42

### OPERATING EXPENSES:

Article 7.1—

“During the Term . . . the Team shall be exclusively responsible for the management and operation of the Baseball Complex in a first class manner.” –pg. 22

**Article 12.5 and 12.5.1—Operator’s Fee**

The team is required to pay the Authority an Operator’s Fee of \$500,000, payable in two equal installments due May 1 and June 1. The Authority has exclusive control to determine the uses of this Operator’s Fee. –pg. 39

**CAPITAL IMPROVEMENTS**

**Article 12.3—**

A Capital Fee is paid by the Team to the Authority on an annual basis, payable in two equal installments due July 1 and October 1, starting at \$1 M with an increase each year, reaching \$1.5 M at the end of the term of the Agreement. The Capital Fee, and all investment earnings, is segregated to the Capital Fund. –pgs. 37-38

**Article 12.4—**

“During the Term, the Authority shall use the Capital Fund and all earnings thereon solely for Capital Improvements and Repairs. At the end of the Term, the balance remaining in the Capital Fund, including investment earnings thereon, shall be used as the Authority determines in its sole discretion.” –pg. 38

**MAINTENANCE**

**Article 13.9—**

The team is responsible for all Routine Maintenance. –pgs. 49-51

**RETENTION**

**NON-RELOCATION/RETENTION CLAUSE:**

**Article 16 — Transfer of Franchise; Failure to Play All Home Games at Olympic Stadium; Equitable Remedies**

**Article 16.1—**

“The Team acknowledges and agrees that the Authority, specifically and directly, and the City, County and State of Georgia, indirectly, as either a party to or intended third-party beneficiary of this Agreement, will be irreparably harmed if, during the Term, the Team does not play all of its Regular Season Home Games and Post Season Home Games at the Olympic Stadium.” –pg. 61

**Article 16.2—**

“[T]he Authority shall have the right to seek appropriate equitable relief, including appointment of a receiver, specific performance and injunctive remedies without regard to whether the Authority is also entitled to damages for such breaches.” –pg. 63