

# LEASE SUMMARY

## BASICS

**TEAM: Baltimore ORIOLES**

**Team Owner:** Peter Angelos

**Team Website**

**FACILITY:** Oriole Park

**Facility Website**

**Year Built:** 1992

**Ownership:** Maryland Stadium Authority

**TYPE OF FINANCING:** The project was financed with \$137 million in lease revenue bonds and \$60 million in lease revenue notes issued by the Maryland Stadium Authority. Revenue generated by special sports-themed lottery tickets is paying the debt. The remaining costs were covered with cash that accumulated in the lottery fund that was established in 1988 to finance sports stadiums. The team contributed \$9 million for the construction of skyboxes. The Maryland Sports Authority spent \$1.5 million on improvements in 1998. *Appendix 1, Sports Facility Reports*, Vol. 18, available at <https://law.marquette.edu/assets/sports-law/MLB.Antonio.72617.pdf>.

**TITLE OF AGREEMENT:** Agreement Regarding Oriole Park at Camden Yards

**Lessor:** Maryland Stadium Authority

**Lessee:** The Orioles, Inc.

**TERM OF AGREEMENT:** “The lease shall be for a period beginning on April 1, 1992 (the ‘Commencement Date’) and continuing until the last day of December of the year in which the ORIOLES complete their thirtieth (30th) Championship Season at the Ballpark (the ‘Term’).” Section 2.03, page 18. The Orioles do have the option to extend the agreement for one five (5) year extension period. Section 2.04, page 18.

## PAYMENTS/EXPENSES

### RENT:

“The rent payable by the ORIOLES to MSA for each year of the Term (the ‘Rent’) shall be, equal to the sum of the following revenues, as and if earned under GAAP by the ORIOLES or by any entity owned or controlled by the ORIOLES:

- (a) seven percent (7%) of net admissions revenues. for all Championship Season Games;
- (b) five thousand dollars (\$5,000) for each Post Season Game, All-Star Game, exhibition Game and each charity game played at the Ballpark (in lieu of the percentages provided for in subsection (a) above);
- (c) seven and one-half percent (7-1/2%) of concession revenues [with some exceptions];
- (d) fifty percent (50%) of the ORIOLES’ net parking receipts . . .
- (e) twenty-five percent (25%) of the net Ballpark Advertising revenues;
- (f) ten percent (10%) of the net Private Suite Revenues; and

- (g) Seven and one-half percent (7-1/2%) of revenues earned by the ORIOLES from club level license or membership fees.” Section 2.03, pages 29-30.

**OPERATING EXPENSES:**

MSA’s Obligations: “MSA shall, at its own expense, Repair (or cause others to Repair) all Repair Areas . . . shall Maintain (or cause others to Maintain) all Maintenance Areas.” Section 8.02, page 80.

Oriole’s Obligations: “The ORIOLES shall be responsible, at their expense, for prompt and diligent cleaning and trash removal in the ORIOLES’ Year-Round Premises.” Section 8.03, page 83.

**CAPITAL IMPROVEMENTS**

**CAPITAL IMPROVEMENT FUND:**

“MSA shall allocate during each year of the Term of this Agreement, beginning after the second full Baseball Season of the Orioles’ occupancy of the new Baseball Stadium, the sum of \$200,000 to a Capital Improvement Fund (‘Improvements Fund’). The balance of the Improvements Fund will be used to make improvements to the new Baseball Stadium on an ‘as-needed’ basis.” Section 15, page 11.

**IMPROVEMENTS FUND:**

“[T]he purpose of which shall be to accumulate funds for the payment of the cost of Improvements . . . On or before December 1, 1993, and on or before December 1 of each calendar year thereafter, MSA shall provide \$200,000.00 for the Improvements Fund until the balance of the Improvements Fund . . . reaches six Hundred Thousand Dollars (\$600,000.00).” Section 8.10, page 89.

**MAINTENANCE**

MSA’s Obligations:

“MSA shall, at its own expense, Repair (or cause others to Repair) all Repair Areas . . . shall Maintain (or cause others to Maintain) all Maintenance Areas . . . MSA’s Maintenance and Repair obligations shall not extend to or Include:

- i. any Maintenance or Repair of the Concessionaire’s Year-Round Premises, including the provision of supplies, which are the Concessionaire’s responsibility under the Concession Agreements;
- ii. any Maintenance or Repair of the personal property of the ORIOLES (except for Repairs necessitated by damage caused by the negligence of MSA or its employees or agents); or
- iii. any Maintenance or Repair of the Playing Field equipment for which the ORIOLES are responsible.”

Section 8.02, page 80.

“Repair Areas” includes:

- i. the entire Ballpark (including the ORIOLES' Year-Round Premises and the Concessionaire's Year-Round Premises) and the pedestrian and vehicular access routes within the Camden Yards Site immediately surrounding the Ballpark,
- ii. the exterior of the CSX Warehouse, and the structural stabilization and exterior renovations of the initially undeveloped areas in the southern portion of the CSX Warehouse,
- iii. the exterior facade of Camden Station; and
- iv. the Parking Facilities."

Section 5, page 79.

"Maintenance Areas" encompass all Repair Areas (listed above) except for:

- i. "the Concessionaire's Year-Round Premises"
- ii. "cleaning and trash removal in the ORIOLES' Year-Round Premises"
- iii. "Maintenance of property owned by the ORIOLES and installed in the ORIOLES' Year-Round Premises," and
- iv. "Maintenance of the playing field equipment."

Section 7, page 79.

## **RETENTION**

### **NON-RELOCATION:**

"[T]he ORIOLES shall not permit the relocation of the Baltimore Orioles Major League Baseball team from Baltimore, Maryland, or permit any of the Championship Season or Post-Season Games to be played at any location other than the Ballpark" Article XX, pages 139-140.