

# LEASE SUMMARY

## BASICS

**TEAM: Milwaukee BREWERS**

**Team Owner:** Mark Attanasio

**Team Website:** <http://milwaukee.brewers.mlb.com/>

**FACILITY:** Miller Park

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

**Year Built:** 2001

**Ownership:** Southeast Wisconsin Professional Baseball Park District, Milwaukee Brewers: Team owns 29.07% and the District owns 70.93%. –Article 3.1 – **Ownership Interests**, pg. 15

**TYPE OF FINANCING:**

The Brewers contributed \$90 million for the stadium, while the public contributed \$310 million through a five-county, 0.10% sales tax increase. The \$72 million in infrastructure costs were split as follows: \$18 million from the city, \$18 million from Milwaukee County, and \$36 million from the state. *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 Miller Park Lease Agreement by and between Southeast Wisconsin Professional Baseball Park District and Milwaukee Brewers Baseball Club, Limited Partnership.

**TERM OF AGREEMENT:** 30 years, effective on March 30, 2001. The Brewers hold five consecutive two-year extension options. –Article 5, pg. 16

## PAYMENTS/EXPENSES

**RENT:**

Article 6 – **Annual Rent**

“[T]he Team shall pay an annual rent . . . to the District for the District’s Ownership Interest in the Stadium Project during the Term in the amounts set forth [below:]”

<u>Lease Year</u>	<u>Annual Rent</u>
1-10	\$ 900,000
11-20	\$1,200,000
21-30	\$1,208,401

–pg. 17; Schedule 1 attached

## **OPERATING EXPENSES:**

### **Article 9 – Management of Stadium Complex**

#### **Section 9.1 – Management**

The Team has exclusive responsibility for “management and operation of the Stadium Complex (in addition to its operation of the Team’s business), including, but not limited to, the following rights, responsibilities and obligations:

- (a) Employing, at the Team’s expense, all day-of-game, seasonal and year-round personnel including, without limitation, all security, crowd control, maintenance, cleaning, landscaping and other personnel or independent contractors required for the operation and Maintenance of the Stadium Complex;
- (b) Acquiring and maintaining all insurance required to be carried by the Team pursuant to Article 22 [Subrogation and Insurance] hereof; and
- (c) Effectuating all Maintenance of the Stadium Complex in accordance with Article 14 [Maintenance and Major Repairs; Improvements] hereof.” –pg. 21

## **CAPITAL IMPROVEMENTS**

### **Section 14.2 – Segregated Reserve Fund Projects**

#### **Section 14.2 (a) (i) – Major Capital Repairs; General**

“[T]he District shall make and perform all Major Capital Repairs.” –pg. 25

#### **Section 14.5 – Segregated Reserve Fund**

Both the Team and the District make annual deposits to the Segregated Reserve Fund. The Team contributes \$300,000.00 annually and the District contributes \$2.5 M annually. –pgs. 31-32

## **MAINTENANCE**

### **Section 14.1 – Maintenance Obligations**

#### **Section 14.1(a) – Obligations of the Team**

“The Team shall, at its sole cost and expense, make and perform any and all Maintenance on the Stadium Complex. Such Maintenance shall be performed in accordance with the provisions of Exhibit B [Standards for Maintenance].” –pg. 25

### **Section 14.2 – Segregated Reserve Fund Projects**

#### **Section 14.2(d)(i)—Roof Maintenance; General**

“[T]he District shall . . . make and perform all Roof Maintenance to the Convertible Roof and all components related to the Convertible Roof.” –pg. 28

### **Section 14.4 – District’s Annual Maintenance and Repair Contribution**

The District is obligated to make three annual contributions of \$3,850,000 for maintenance and repairs for the years 2000, 2001, and 2002. From 2003 to 2008, the District is required to deposit the lesser of 70.93% of the actual maintenance costs for the year or \$2,161,103. At the end of 2008, the District's contribution ends, but the District is still required to pay an amount equal to the annual repair and maintenance contribution surplus until 2029. –pg. 30

## **USE AND OCCUPANCY**

### **Section 8.1 – Team's Use**

“[T]he Team . . . shall be entitled to the exclusive possession and use of the Stadium Complex for only the following uses . . . :

- (a) Baseball Use;
- (b) Operating club/restaurant facilities, retail establishments, amusement arcades and other commercial, entertainment and recreational activities in connection with the utilization of the Stadium Complex . . . ;
- (c) Operating the Team's general office and utilizing or causing to be utilized reasonable and necessary office space in connection with the operation of the Stadium Complex;
- (d) Selling food and alcoholic and non-alcoholic beverages, souvenirs and other items normally considered Concessions in sports and entertainment facilities;
- (e) Selling space in the Stadium Complex for advertising of all kinds in connection with the Team's exclusive use of the Stadium Complex; and
- (f) Conducting Special Events with the District's prior written consent.” –pgs. 18-19

## **RETENTION**

**There is a separate non-relocation agreement in addition to the Stadium Lease Agreement:**

**Title:** Amended and Restated Non-Relocation Agreement by and among Southeast Wisconsin Professional Baseball Park District, State of Wisconsin and Milwaukee Brewers Baseball Club, Limited Partnership

### **Article 2 – Transfer of Team's Franchise**

“The Team hereby acknowledges that the State and District will be irreparably harmed by the transfer of the Team's Franchise to a location other than the Stadium Complex during the Initial Term of the Lease. Accordingly, during the Initial Term of the Lease, the Team hereby acknowledges and agrees as follows:

- a. The State and District do not have an adequate remedy at law for breach of this Article II.
- b. The Team shall not enter into any contract or agreement of any kind to transfer the Team's Franchise outside the City of Milwaukee to a location other than the Stadium Complex without the prior written consent of the State and the District.

- c. The Team shall not make formal application to the National League for approval to transfer the Team's Franchise to a location other than the Stadium Complex without prior written consent of the State and the District.
- d. The Team shall, from and after the Commencement Date and until the termination or expiration of this Lease, subject to Force Majeure, any Untenatability Period, and to Baseball Rules and Regulations, play all of its Baseball Home Games for each Season at the Stadium Complex.
- e. The Team agrees that, in the event of a violation of this Article II, the State and the District shall be entitled to seek and obtain . . . a temporary restraining order, together with preliminary and permanent injunctive relief, from any court of competent jurisdiction to enjoin the violation of this Article II. The Team hereby waives any requirement that the State and/or the District post a bond in connection with such injunctive relief.
- f. The State and the District shall be given prior written notice of any negotiations regarding:
  - i. Any proposed relocation of the Team's Franchise to a location other than the Stadium Complex;
  - ii. Any proposed sale or transfer that would involve relocation of the Team's Franchise to a location other than the Stadium Complex; or
  - iii. Any related sale or transfer of the Team's Ownership Interest in the Stadium Complex." –pgs. 3-4