

Appendix 4 to Sports Facility Reports, Volume 3, Number 2
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NATIONAL HOCKEY LEAGUE

Note: Information compiled from Forbes Magazine (franchise values), Lexis.com, Sports Business News, Sports Business Journal, and other sources published on or before November 22, 2002.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Atlanta Thrashers	AOL/Time Warner, Inc.		AOL acquired Time Warner, including the Atlanta Hawks and Atlanta Thrashers, as part of a \$165 billion dollar merger in 2000	\$134
Arena	ETA	COST (millions)	%'s Publicly Financed	FACILITY FINANCING
Philips Arena	1999	\$213.25	91%	The facility was financed with \$130.75 M in taxable revenue bonds that will be paid back through stadium revenues; \$62.5 M for public infrastructure costs, which will be repaid with a new 3% car rental tax; and \$20 M for the remaining infrastructure costs from Time Warner. In addition, Philips Electronics signed a 20-year, \$180 M deal for the naming rights.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Boston Bruins	Jeremy Jacobs			\$230
Arena	ETA	COST (millions)	%'s Publicly Financed	FACILITY FINANCING

FleetCenter	1995	\$160	0%	Privately financed. Fleet Bank paid \$30 for 15-year naming rights deal.
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Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Buffalo Sabres	National Hockey League		\$ 95.6 in cash and debt assumption for 50% stake (1998), the other 50% was purchased in 2000 (no terms were disclosed)	\$117
Arena	ETA	COST (millions)	%'s Publicly Financed	FACILITY FINANCING
HSBC Arena	1996	\$122.5	44%	The Arena was financed through a state loan (20%); County bonds backed by ticket surcharge (16%), City bonds (8%), and private bank loans (56%). The Marine Midland Bank paid \$15 M for 20-year naming rights in 1996.
Update				
<p>In June of 2002, the NHL officially took over the operations of the Sabres, after Adelphia Communications filed bankruptcy and former owner John Rigas was arrested on charges of fraud and criminal self-dealing. The league soon began looking for potential buyers for the team.</p> <p>In November of 2002, Hamister was selected by the National Hockey League to purchase the financially troubled Sabres. As of November 22, 2002 details of the purchase were not yet made available.</p>				

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Calgary Flames	Harley Hotchkiss, Daryl Seaman, Byron J. Seaman, Ronald V. Joyce, and N. Murray Edwards			\$92
Arena	ETA	COST (millions)	%'s Publicly Financed	FACILITY FINANCING

Pengrowth Saddledome	1983	C\$176	100%	Paid for by the City and Province of Alberta. Canadian Airlines paid C\$10 M for 20-year naming rights in 1996.
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Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Carolina Hurricanes	Peter Karmonos Jr.		\$47.5 (1994)	\$103
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
RBC Center	1999	\$158	73%%	\$20 million by the Hurricanes, \$75.2 million (\$48 million financing by hotel tax) by Wake County and the City of Raleigh, \$22 million by North Carolina State University, and \$18 million by the State of North Carolina plus infrastructure costs.
Update				
<p>On September 20, 2002, the Carolina Hurricanes entered into a twenty-year, \$80 million naming rights deal with RBC Centura Banks, Inc. The bank will pay \$4 million per year for the naming rights to the 20,000-seat building, with \$2.1 million a year going to Gale Force Holdings Limited Partnership, the Hurricanes holding company; \$1.3 million to N.C. State University; and \$600,000 to the buildings governing body, the Centennial Authority.</p>				

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Chicago Blackhawks	William Wirtz family			\$200
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
United Center	1994	\$150	7%	Joint Venture between Bulls and NHL Blackhawks. Financed jointly with City and private corporations, with the city contributing some infrastructure costs.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Colorado Avalanche	Stan Kroenke		\$450 (2000) (93% along with Nuggets & Pepsi Center)	\$243

Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
Pepsi Center	1999	\$164.5	3%	Financed mostly through private loans. Also received \$15 M from Liberty Media and \$4.5 M in infrastructure, \$2.25 M for construction sales tax rebates and \$2.1 M annually for property tax exemptions. Pepsi pays \$68 M for naming rights over 20 years.

Team	Principal Owner	Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Columbus Blue Jackets	Wolfe Enterprises, with John H. McConnell serving as majority owner.	\$80 (1997) (expansion fee)	\$145

Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
Nationwide Arena	2000	\$150	0%	Nationwide Insurance is contributing 90% of the costs and Dispatch Printing Co. is paying 10%. Nationwide acquired the naming rights as part of providing financing for the arena.

Team	Principal Owner	Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Dallas Stars	Thomas O. Hicks	\$84 (1995)	\$207

Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
American Airlines Center	2001	\$350	42%	The City provided \$125 M and the Mavericks and Stars are paying the remaining amount. The funds to repay the public portion of the financing are coming from a 5% car rental tax, 2% hotel tax, and \$3.4 M per year lease for 30 years. In addition, American Airlines is paying \$95 M for the 30-year naming rights.

Update

On September 9th, 2002, Stars owner Tom Hicks announced that he would be putting the team up for sale. Hicks said that he made the decision because selling the team would be a “great economic deal.” Hicks also said that selling the Stars would allow him to spend more time with his family and concentrate on transforming the Rangers into a World Series team. Hicks hopes to sell the team for three to four times the \$84 million that he paid for it in 1995. He also emphasized that he would only sell to an owner, or ownership group, for whom Dallas/Fort Worth is an important part of their life and who is committed to carrying on a winning tradition.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Detroit Red Wings	Michael and Marian Illitch			\$225
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
Joe Louis Arena	1979	\$57	100%	Publicly funded.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Edmonton Oilers	Edmonton Investors Group, headed by Cal Nichols		\$70 (1998)	\$81
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
Skyreach Centre	1974	C\$68	N/A	1994 Renovation cost C\$14 M.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Florida Panthers	Alan Cohen		\$104.7 (2001)	\$115
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
Office Depot Center	1998	\$212	87%	\$185 M publicly funded. The team funded the remainder. National Car Rental paid \$22 million over 10 years for the naming rights.

Update

Following ANC Rental Corporation's declaration of bankruptcy, the Florida Panthers sought to find a new corporate sponsor for its National Car Rental Center. While ANC wanted to keep its naming rights, it was only willing to pay \$1.25 million per year to keep its name affixed to the Panthers home. The Panthers rejected this offer. Thus, on September 14, 2002, the Panthers entered into an agreement with Office Depot in which Office Depot agreed to pay the Panthers \$1.4 million annually for the naming rights to the newly renamed Office Depot Center.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Los Angeles Kings	Philip Anschutz, Edward Roski, Jr.		\$113.25 (1995)	\$189
Arena	ETA	COST (millions)	%'s Publicly Financed	FACILITY FINANCING
Staples Center	1999	\$375	73%	The city provided \$38.5 M in bonds and \$20 M in Los Angeles Convention Center reserves. This money will eventually be repaid through arena revenues. An additional \$12 M in tax incremental financing was also provided by the city's Community Redevelopment Agency. The Clippers, Kings, and Lakers are responsible for the remaining cost and will share the arena. Another \$ 100 M is from a naming rights deal and private loans.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Mighty Ducks of Anaheim	Walt Disney Company		\$50 (1992) (expansion fee)	\$118
Arena	ETA	COST (millions)	%'s Publicly Financed	FACILITY FINANCING
Arrowhead Pond	1993	\$120	100%	Public.

UPDATE

For several years the Walt Disney Company has stated an interest in selling the franchise. However, publicized talks over the last few years, including discussions with Henry Nicholas, co-founder of Broadcom Corp., and others, have led nowhere.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Minnesota Wild	Minnesota Hockey Ventures Group, LP; Robert Naegele Jr.		\$80 (1997) (expansion fee)	\$135
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
Xcel Energy Center	2000	\$130	63%	The state will issue a \$65 M interest free loan with the city financing the remaining \$65 M. Team payments and the imposition of a half-cent sales tax in the City of St. Paul will repay the loans. In all, the city will end up contributing \$82 million, while the team will contribute \$48 million for the hockey specific arena.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Montreal Canadiens	George Gillett		\$181.5 for 80.1% (2001)	\$182
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
Bell Centre	1996	C\$230	0%	Full cost assumed by the Molson Co. Ltd.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Nashville Predators	Craig L. Leipold (80%) and Gaylord Entertainment (20%)		\$80 (1997) (expansion fee)	\$131
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
Gaylord Entertainment Center	1997	\$144	100%	General obligation bonds issued by the City of Nashville.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
New Jersey Devils	Puck Holdings, LLC, an affiliate of YankeeNets		\$175 for 50% (2000)	\$175
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
Continental Airlines Arena	1981	\$85	100%	Arena part of larger sports complex that houses a football stadium and hours racetrack. Publicly funded by bond issued by the New Jersey sports authority. Debt paid off by revenue generated from racetrack.

UPDATE

In May of 2002, things were looking up for the stadium deal in Newark. The State of New Jersey and YankeeNets had reached a deal to finance the \$355 million dollar arena in downtown Newark. Following this announcement, it was expected that the legislature would approve \$165 million in state bonds for the project. The agreement called for the Sports Authority to issue \$165 million in bonds to finance the arena. Taxes collected at the arena, an adjacent hotel and parking lot would pay off the bonds. YankeeNets would contribute \$120 million to the project and guarantee any shortfall if tax revenues from the arena could not cover annual debt payments of \$12.5 million. The deal also called for Newark to contribute \$35 million to the project, and Essex County \$15 million. Finally, YankeeNets and the Port Authority would loan the project \$20 million to cover predevelopment costs, with tax revenues from the arena and the adjacent projects paying off the loans. However, Governor James E. McGreevey announced that he would not ask the state legislature to approve the deal until December, much to the dismay of YankeeNets.

In July of 2002, Governor McGreevey ordered the Senate back to Trenton in an effort to break a budget impasse created by supporters of the planned Newark arena. McGreevey also vowed to call the Senate back every successive day, including the Fourth of July holiday, if the measure does not win the 21 votes needed for passage. On July 2, 2002, the New Jersey state Senate approved McGreevey’s plan to issue \$165 million in bonds that would be repaid with sales and income taxes collected from a special “sports and entertainment” district around the arena site. The legislation also calls for YankeeNets officials to pay \$120 million and Newark and Essex County to chip in \$50 million.

In August of 2002, it was reported that New York Islanders owner Charles Wang was attempting to lure the Nets to move to Long Island by offering to tear down the Islanders Nassau Coliseum and replacing it with a brand new basketball/hockey facility.

On October 19, 2002, the Newark City Council passed a resolution authorizing a \$355 million dollar partnership with YankeeNets to build a new downtown arena for the Nets and Devils. YankeeNets is expected to contribute 37 percent of the construction cost, which would amount to approximately \$130 million. The city will contribute \$200 million.

Team	Principal Owner	Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
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New York Islanders	Charles Wang & Sanjay Kumar		\$190 (2000)	\$156
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
Nassau Veterans Memorial Coliseum	1972	\$31.3	100%	Funded through tax-exempt bond issue.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
New York Rangers	Madison Square Garden LP		\$650 (team, NBA's Knicks, Facility, MSG Network: 1997)	\$277
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
Madison Square Garden	1968	\$43	100%	\$200 million renovation in 1990.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Ottawa Senators	Rod Bryden		\$50 (1991) (expansion fee)	\$96
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
Corel Centre	1996	C\$200	21%	A provincial government loan and Canadian federal government grant cover 21%. The rest is through private bank consortium loans, subordinated loans and suite sales and fees.

Update

On August 28, 2002, Senators majority owner Rod Bryden announced that he had created a company, Senators Sports and Entertainment Inc., in the hopes of buying the Senators and the Corel Centre from its creditors outright.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
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Philadelphia Flyers	Comcast		Acquired as part of a \$250 million dollar merger in 1996.	\$250
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
First Union Corporation Center	1996	\$206	11%	Private loans and contribution from Spectator. The City and State also made contributions for the infrastructure. CoreStates paid \$40 M for 29 year naming rights. First Union acquired naming rights through a merger with Corestates in 1997.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Phoenix Coyotes	Los Arcos Sports; Steve Ellman and Wayne Gretzky		\$125 (2000)	\$79
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
America West Arena	1992	\$90	39%	America West Arena: The city of Phoenix contributed \$35 M with \$28 M going to construct the arena and \$7 m for the land. The Phoenix Suns contributed \$55 M. The city has a 30-year commitment from the suns and receives \$500,00 per year (with annual 3% increase) and 40% of revenue from luxury boxes and advertising.
Los Arcos Arena	2002	\$170 (projected)		The New Los Arcos will be paid for by the Ellman Companies, Phoenix Coyotes and financial incentives generated by the projects success.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Pittsburgh Penguins	Mario Lemieux		\$70 (1999)	\$149
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
Mellon Arena	1961	\$22	N/A	Paid for by City, County, and Edgar J. Kaufman.

UPDATE

In March of 2002 the Penguins unveiled details of proposed 18,000-seat, \$ 225 million facility built largely with public money.

In August, a plan drafted by Sports & Exhibition Authority Executive Director Stephen Leeper, called for \$ 90 million from the state and \$ 53.4 million from the Allegheny Regional Asset District, which disburses the county's share of the sales tax revenue, to help finance a new 18,000-seat arena between Centre and Fifth avenues. Leeper's plan calls for \$ 108 million in "private" funds, which includes the \$ 11 million that Lemieux's investor group has already spent to buy the former St. Francis Central Hospital on Centre Avenue, where the new arena would be built

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
San Jose Sharks	San Jose Sports and Entertainment, LLC		2002 (terms of the sale were not disclosed)	\$148
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
HP Pavilion at San Jose	1993	\$170	82%	Financed through City bonds and private equity.

Update

Following a merger between Hewlett-Packard and Compaq Computer in July of 2002, the Compaq Center was renamed the HP Pavilion at San Jose.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
St. Louis Blues	William & Nancy Laurie		\$100 (1999)	\$153
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
Savvis Center	1994	\$160	15%	The City contributed \$34 M for site preparation and garages; 20 Corporations provided \$30 M cash and guaranteed \$98 M in construction loans. Savvis Communications provided the Blues with \$70 million dollars over twenty years for the facilities naming rights.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Tampa Bay Lightning	Palace Sports and Entertainment, headed by William Davidson		\$117 (1999)	\$120
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
St. Pete Times Forum	1996	\$139	62%	New stadium construction and infrastructure costs were paid by a combination of team money (\$53 M) and public money (\$86 M).
Update				
On September 3, 2002, the Lightning announced that it had signed a twelve-year naming rights deal with the St. Petersburg Times. The Lightning’s home will now be known as the St. Pete Times Forum. Financial terms of the agreement were not disclosed.				

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Toronto Maple Leafs	Maple Leafs Sports and Entertainment and Steve Stavro		\$25 (Canadian) for 19.9% (1994)	\$216
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
Air Canada Centre	1999	C\$250-265	0%	Privately financed.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Vancouver Canucks	John McCaw		\$80.2 for and 87% share in 1996	\$106
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
General Motors Place	1995	C\$160	0%	Privately financed. General Motors Canada paid \$18.5 M for 20-year naming rights in 1995.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Washington Capitals	Lincoln Holdings, LLC; Ted Leonsis		\$85 as part of a \$200 million deal which included 36% of Washington Sports and Entertainment, LP	\$138
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
MCI Center	1997	\$260	23%	Private loans financed the building, with the District of Columbia providing \$60 M for the infrastructure. In addition, MCI purchased naming rights to the arena for an undisclosed amount.