

Sports Facility Reports



Sports Facility Reports, Volume 7, Appendix 2

{last update July 30, 2006}

National Basketball Association

Team: Atlanta Hawks

Principal Owner: Atlanta Spirit, LLC

Year Established: 1946 in the National Basketball League, joined the NBA in 1949

[Team Website](#)

Most Recent Purchase Price (\$/Mil): \$250 (2004) includes Atlanta Hawks, Atlanta Thrashers, and operating rights in Philips Arena

Current Value (\$/Mil): \$262 (2005)

Percent Change From Last Year: +13%

Arena: Philips Arena

Date Built: 1999

Facility Cost (millions): \$213.5

Percentage of Arena Publicly Financed: 91%

Facility Financing: The facility was financed through \$149.5 M in government-backed bonds to be paid back at \$12.5 M a year for 30 years. A 3% car rental tax was created to pay for \$62 M of the public infrastructure costs and Time Warner contributed \$20 M for the remaining infrastructure costs.

[Facility Website](#)

UPDATE: In June 2006, a circuit court ruled that Atlanta Spirit co-owner Steve Belkin was entitled to buy out his partners and take over operation of the Hawks, Thrashers and Philips Arena. The judge held that the other owners had breached an earlier agreement to buy out Belkin. Belkin had the ability to take over the teams as early as July 13, 2006; however, the Spirit co-owners filed a motion stay the order to sell the shares until after the co-owners have had a chance to appeal the decision. As of August 2006, the Atlanta Spirit ownership situation remained unclear.

NAMING RIGHTS: Philips Electronics is paying \$180 million over 20 years for the naming rights that expire in 2019.

Team: Boston Celtics

Principal Owner: Boston Basketball Partners, LP, made up of Wycliffe Grousbeck, H. Irving Grousbeck and Stephen Pagliuca

Year Established: 1946

[Team Website](#)

Most Recent Purchase Price (\$/Mil): \$360 (2002)

Current Value (\$/Mil): \$353

Percent Change From Last Year: +5%

Arena: TD Banknorth Garden

Date Built: 1995

Facility Cost (millions): \$160

Percentage of Arena Publicly Financed: 0%

Facility Financing: The Arena was financed by the NHL's Bruins and a 2% ticket surcharge for Celtics tickets.

[Facility Website](#)

UPDATE: In April 2006, the Boston Celtics and Delaware North Company (the owner of TD Banknorth Garden) reached an agreement to amend and extend the Celtics current lease. The extended lease will run through the 2020-2021 season. The amendments to the lease call for a series of upgrades to the arena. Some upgrades have already begun and will be completed in time for the 2006-2007 season.

NAMING RIGHTS: FleetBoston Financial paid Bruins owner Jeremy Jacobs \$2 M a year for the 15-year naming rights deal that was to expire in 2010. In 2003 FleetBoston was sold to Bank of America and in January 2005 the Bank of America announced that it would not change the name of the Center and would actually pay \$3 M to exit the existing naming rights deal. In March 2005, arena owner and operator, Delaware North Company, reached a 20-year naming rights agreement worth as much as \$7.5 M per year. The agreement changed the name of the FleetCenter to the TD Banknorth Garden.

Team: Charlotte Bobcats

Principal Owner: Robert Johnson

Year Established: 2004

[Team Website](#)

Most Recent Purchase Price (\$/Mil): \$300 (2002) Estimated

Current Value (\$/Mil): \$300

Percent Change From Last Year: N/A (The 2005 valuation of the team was the first since it was established)

Arena: Charlotte Bobcats Arena

Date Built: 2005

Facility Cost (millions): \$265

Percentage of Arena Publicly Financed: 65%

Facility Financing: The facility was paid for with two bond issues, backed by revenue from city tourist taxes. Bank of America, Duke Energy and Wachovia are underwriting \$100 M in exchange for approximately \$50 M from the sale of real estate downtown, where the venue is located. \$16.8 M is coming from exclusive food and beverage rights, and there is a 3% seat tax at events in city arenas generating \$15 M. The balance is coming from the team.

[Facility Website](#)

UPDATE: In June 2006, Michael Jordan acquired a partial ownership in the Bobcats and was named Manager of Basketball Operations. Jordan holds the second largest ownership stake in the team behind principal owner Robert Johnson. In his position Jordan oversees all basketball player personnel decisions.

NAMING RIGHTS: The Bobcats have not yet secured a naming rights sponsor.

Team: Chicago Bulls

Principal Owner: Jerry Reinsdorf

Year Established: 1966

[Team Website](#)

Most Recent Purchase Price (\$/Mil): \$9 (1985)

Current Value (\$/Mil): \$409

Percent Change From Last Year: +11%

Arena: United Center

Date Built: 1994

Facility Cost (millions): \$150

Percentage of Arena Publicly Financed: 7%

Facility Financing: A joint venture between the NBA's Bulls and NHL's Blackhawks paid for the facility. The City contributed some of the infrastructure costs.

[Facility Website](#)

NAMING RIGHTS: United Airlines is paying \$25 M over 20 years for the naming rights that expire in 2014.

Team: Cleveland Cavaliers

Principal Owner: Dan Gilbert and David Katzman

Year Established: 1970

[Team Website](#)

Most Recent Purchase Price (\$/Mil): \$375 (2005)

Current Value (\$/Mil): \$356

Percent Change From Last Year: +20%

Arena: Gund Arena

Date Built: 1994

Facility Cost (millions): \$152

Percentage of Arena Publicly Financed: 48%

Facility Financing: Built as part of a city sports complex that was funded both publicly and privately. Public funding came from state capital improvement funds and countywide sin taxes on alcohol (\$3/gallon on liquor, 16 cents/gallon on beer) and cigarettes (4.5 cents/pack) for 15 years.

[Facility Website](#)

UPDATE: The Cavaliers are constructing a new \$20 M practice facility that will be completed in time for the 2007-2008 season. The 10,000 square foot facility will be located in Independence, Ohio, a suburb of Cleveland. The Cavaliers are paying for the construction of the facility. Cleveland and Independence will split the income tax revenue collected on the players' salaries and bonuses.

NAMING RIGHTS: Gordon Gund is paying \$14 M over 20 years for the naming rights that expire in 2014.

Team: Dallas Mavericks

Principal Owner: Mark Cuban

Year Established: 1980

[Team Website](#)

Most Recent Purchase Price (\$/Mil): \$280 for 54% of team and 50% of American Airlines Center (2000). In January of 2002, Belo Corp. sold its 12.38% share to Cuban for \$27 M.

Current Value (\$/Mil): \$403

Percent Change From Last Year: +8%

Arena: American Airlines Center

Date Built: 2001

Facility Cost (millions): \$420

Percentage of Arena Publicly Financed: 30%

Facility Financing: The city capped its spending at \$125 M. The Mavericks owner, Mark Cuban and Stars owner, Tom Hicks, covered the remaining amount. Team owners spent \$295 M in private investment dollars. The funds to repay the public portion of the financing are coming from a 5% car rental tax, 2% hotel tax and a \$3.4 M per-year lease agreement with the teams for 30 years.

[Facility Website](#)

UPDATE: The American Airlines Center is equipped as a state-of-the-art Wi-Fi access venue. The fans in premium-section seats can order food, drinks and security personnel using PDAs. In addition, the Dallas Area Rapid Transit (DART) just opened a station at the American Airlines Center, thus connecting the Center to downtown Dallas.

NAMING RIGHTS: American Airlines is paying \$195 M over 30 years for the naming rights that expire in 2031. In 2003, when American Airlines restructured to prevent filing for bankruptcy, the annual payments were restructured.

Team: Denver Nuggets

Principal Owner: Stan Kroenke

Year Established: 1967

[Team Website](#)

Most Recent Purchase Price (\$/Mil): \$450 M in 2000 for the Denver Nuggets, the Pepsi Center and 93% of the Avalanche. The Nuggets alone were \$202 M.

Current Value (\$/Mil): \$283

Percent Change From Last Year: +6%

Arena: Pepsi Center

Date Built: 1999

Facility Cost (millions): \$164.5

Percentage of Arena Publicly Financed: 3%

Facility Financing: Financed mostly through private loans. The team also received \$15 M from Liberty Media, \$4.5 M for infrastructure, \$2.25 M in construction sales tax rebates and \$2.1 M annually in property tax exemptions.

[Facility Website](#)

UPDATE: Nuggets owner, Stan Kroenke had a penthouse built atop the Pepsi Center. The two-story penthouse is located on the northwest side of the arena. One of the penthouse's four balconies is rumored to be 1120 square feet, which is larger than some of the available apartments downtown in that area. The penthouse also has four bedrooms, a nap room, exercise room and an outdoor hot tub. The loft is approximately 12,000 square feet and will be used whenever Kroenke is in town and also for visiting dignitaries.

NAMING RIGHTS: Pepsi is paying \$68 M over 20 years for the naming rights that expire in 2019.

Team: Detroit Pistons

Principal Owner: William Davidson

Year Established: Ft. Wayne Pistons in 1948, moved to Detroit in 1957.

[Team Website](#)

Most Recent Purchase Price (\$/Mil): \$8 (1974)

Current Value (\$/Mil): \$402

Percent Change From Last Year: +11%

Arena: The Palace of Auburn Hills

Date Built: 1988

Facility Cost (millions): \$70

Percentage of Arena Publicly Financed: 0%

Facility Financing: Privately financed by a bank loan and equity contribution by team ownership.

[Facility Website](#)

UPDATE: In the spring of 2006, a \$25 M renovation was completed at the Palace. The renovations include a new entrance, new dining options, retail facilities and a new box office. The 60,000 square foot new atrium is the largest aspect of the renovation. In March 2006, Comcast and the Pistons agreed to a naming rights deal for the new atrium. The atrium will be named the Comcast Pavilion. The terms of the deal were not disclosed; however, reports are that Comcast paid about \$1 M for the naming rights.

NAMING RIGHTS: In 1998 the owners of The Palace hired a marketing company to negotiate the rights to rename the arena, but no deal ever developed. As of July 2006, there are still no plans to sell the naming rights to the Palace.

Team: Golden State Warriors

Principal Owner: Christopher Cohan

Year Established: 1946 as Philadelphia Warriors, moved to San Francisco in 1962, moved to Oakland and changed the name to Golden State Warriors in 1971.

[Team Website](#)

Most Recent Purchase Price (\$/Mil): \$95 (75% share) (1995)

Current Value (\$/Mil): \$243

Percent Change From Last Year: +7%

Arena: The Arena in Oakland

Date Built: 1966

Facility Cost (millions): \$25.5 (\$121 M renovation in 1997)

Percentage of Arena Publicly Financed: 100%

Facility Financing: In 1997, The Arena was renovated. The city and the county issued \$140 M to pay for the renovations. 80% was refinanced by private loans guaranteed by the Warriors and the remaining 20% was paid by the city and county.

UPDATE: Current owner, Christopher Cohan, sold a 20% share of the Golden State Warriors to a group of businessmen in 2004. This deal is rumored to be worth \$50 to \$60 million.

NAMING RIGHTS: The Warriors currently do not have a naming rights partner for the Arena in Oakland. The Team has been searching for a naming rights partner for the past few years.

Team: Houston Rockets

Principal Owner: Les Alexander

Year Established: 1967 as San Diego Rockets, moved to Houston 1971

[Team Website](#)

Most Recent Purchase Price (\$/Mil): \$85 (1993)

Current Value (\$/Mil): \$422

Percent Change From Last Year: +14%

Arena: Toyota Center

Date Built: 2003

Facility Cost (millions): \$235

Percentage of Arena Publicly Financed: 100%

Facility Financing: The city spent \$20 M on the land for the arena. The sports authority sold \$182 M in bonds to build the arena and secured \$125 M of that with money from hotel and car rental taxes. The garage project is paid for by a private business. The Rockets are responsible for cost overruns and have pledged to spend \$20 M on enhancements.

[Facility Website](#)

NAMING RIGHTS: In July 2003, the Rockets signed a 20-year, \$100 million deal with Gulf States Toyota Inc., which will expire in 2023. The major lure for Toyota to sign the naming rights deal with Houston was the signing of Yao Ming, who is very popular in the Asian market. While Toyota Motor Sales USA and Toyota Motor Corporation in Japan signed off on the deal and will fund an undisclosed portion of the purchase, Gulf States Toyota and the dealerships that it represents will be paying most of the fee. While the naming rights deal is for 20 years, it can be extended to 30 years to match the deal that the Rockets currently have to stay in the arena.

Team: Indiana Pacers

Principal Owner: Melvin and Herbert Simon

Year Established: Joined the NBA from the American Basketball Association in 1976

[Team Website](#)

Most Recent Purchase Price (\$/Mil): \$11 (1983)

Current Value (\$/Mil): \$324

Percent Change From Last Year: +4%

Arena: Conseco Fieldhouse

Date Built: 1999

Facility Cost (millions): \$183

Percentage of Arena Publicly Financed: 43%

Facility Financing: Financing for the facility is a public/private partnership. Public contributions totaled \$79 M, which included \$50 M from a professional sports developmental tax district around the new facility, \$4.7 M in infrastructure, \$9.3 M from Capital Improvement Board cash reserves and \$7 M from the Circle Centre Mall revenues. The Pacer contributed \$57 M and other private sources paid for the rest.

[Facility Website](#)

UPDATE: In June 2006, the Pacers announced the addition of a new limited membership club at Conseco Fieldhouse. The club will be named Legends and will have approximately 600 seats. It will be the first major addition to Conseco Fieldhouse since it opened in 1999. Membership to Legends will include tickets for 45 Pacer games, 18 WNBA Fever games, food and beverages, VIP Parking, access to a private bar and a personal seat nameplate. Membership will cost \$5,750 per seat.

Conseco Fieldhouse was also recently awarded the 2008-2012 men's and women's Big Ten basketball tournaments.

NAMING RIGHTS: Conseco, an insurance and financial services company, is paying \$40 M over 20 years for the naming rights that expire in 2019.

Team: Los Angeles Clippers

Principal Owner: Donald. T. Sterling

Year Established: 1970 as Buffalo Braves, moved to San Diego as the Clippers in 1978, moved to Los Angeles in 1984.

[Team Website](#)

Most Recent Purchase Price (\$/Mil): \$13 (1981)

Current Value (\$/Mil): \$248

Percent Change From Last Year: +11%

Arena: Staples Center

Date Built: 1999

Facility Cost (millions): \$375

Percentage of Arena Publicly Financed: 19%

Facility Financing: Bank of America underwrote a \$305 M loan to finance construction. 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.

[Facility Website](#)

UPDATE: The Clippers are currently constructing a new practice facility. The \$20 M project is being funded by Clippers owner, Donald Sterling. The 35,000 square foot facility is expected to be complete in time for the 2006-2007 training camp. It will be located in Playa Vista, which is about 17 miles from the Staples Center.

In August 2006, the U.S. Justice Department sued Sterling for housing discrimination. Sterling is accused of discriminating against black tenants in favor of Korean tenants in Koreatown. He has also been accused of discriminating refusing to rent to families with children. The Justice Department is seeking compensation for the alleged victims, fines, and a court order barring Sterling from discrimination.

NAMING RIGHTS: Staples, and office supply company, is paying \$100 M over 20 years for the naming rights that expire in 2019.

Team: Los Angeles Lakers

Principal Owner: Dr. Jerry Buss

Year Established: 1947 in the National Basketball League, joined the NBA in 1948

[Team Website](#)

Most Recent Purchase Price (\$/Mil): \$20 (1979)

Current Value (\$/Mil): \$529

Percent Change From Last Year: +4%

Arena: Staples Center

Date Built: 1999

Facility Cost (millions): \$375

Percentage of Arena Publicly Financed: 19%

Facility Financing: Bank of America underwrote a \$305 M loan to finance construction. 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.

[Facility Website](#)

UPDATE: AEG Worldwide held a groundbreaking ceremony in September 2005 for its \$4.2 B, 4 million-square-foot development LA Live. AEG is funding \$1 B with the remaining \$3.2 B coming from private investors. The project is an attempt to revitalize downtown LA by connecting the Staple Center to the Los Angeles Convention Center with a state-of-the-art sports and entertainment development.

NAMING RIGHTS: Staples, an office supply company, is paying \$100 M over 20 years for the naming rights that expire in 2019.

Team: Memphis Grizzlies

Principal Owner: Michael Heisley, Sr.

Year Established: 1995 in Vancouver, moved to Memphis in 2001

[Team Website](#)

Most Recent Purchase Price (\$/Mil): \$160 (2000)

Current Value (\$/Mil): \$294

Percent Change From Last Year: +23%

Arena: FedEx Forum

Date Built: 2004

Facility Cost (millions): \$250

Percentage of Arena Publicly Financed: 83%

Facility Financing: Funding for the arena came from \$206.9 M in revenue bonds sold by the Shelby County Sports Authority, a \$1.15 per ticket fee, and a state sales tax rebate on the sale of merchandise and concessions at the arena. The balance came from the team.

[Facility Website](#)

UPDATE: In June 2006, Memphis City Council members called for a federal investigation into the FedEx Forum Parking Garage. The parking garage was built with \$20 M in federal funds. The garage was supposed to be a not-for-profit park-and-ride facility; however, a traditional for profit parking garage was constructed using the public money. The Tennessee Department of Transportation reports that the City of Memphis and the Memphis Arena Public Building Authority designed plans to qualify for the funding and then built a different facility.

In the summer of 2006 there were reports that Grizzlies owner, Michael Heisley, is interested in selling the team. A group led by former NBA players Brian Davis and Christian Laettner is rumored to be interested in purchasing the team.

NAMING RIGHTS: Federal Express is paying \$4.5 M per year for the naming rights that expire in 2022. The 20-year deal is worth a total of \$90 M. The club level at the FedEx Forum will be named First Tennessee Club, for First Tennessee Bank. While the details of the agreement were not announced, it is said to be worth more than \$10 million.

Team: Miami Heat

Principal Owner: Micky Arison

Year Established: 1988

[Team Website](#)

Most Recent Purchase Price (\$/Mil): \$65 for 88% (1995)

Current Value (\$/Mil): \$362

Percent Change From Last Year: +30%

Arena: American Airlines Arena

Date Built: 1999

Facility Cost (millions): \$194

Percentage of Arena Publicly Financed: 59%

Facility Financing: The team built the arena, with Dade County providing \$8.5 M a year in bed-tax revenue to help pay the debt from the construction costs.

[Facility Website](#)

NAMING RIGHTS: American Airlines is paying \$42 M over 20 years for the naming rights that expire in 2019. To avoid bankruptcy, American Airlines restructured some of its payments for the naming rights in 2003.

Team: Milwaukee Bucks

Principal Owner: Herb Kohl

Year Established: 1968

[Team Website](#)

Most Recent Purchase Price (\$/Mil): \$18 (1985)

Current Value (\$/Mil): \$231

Percent Change From Last Year: +16%

Arena: Bradley Center

Date Built: 1988

Facility Cost (millions): \$90

Percentage of Arena Publicly Financed: 0%

Facility Financing: Money for the arena was donated by the Pettit family as a gift to the people of Wisconsin and in memory of Jane Bradley Pettit's father Harry Lynde Bradley. The team does not pay rent and gets a percentage of suite revenue and concessions.

[Facility Website](#)

UPDATE: The Bucks are adding 30 new front-row courtside seats at the Bradley Center. This will give the Bucks 120 total courtside seats. The Team is also adding 60-80 seats to the Bradley Center's Club Cambria. These additions will be completed in time for the 2006-2007 season.

NAMING RIGHTS: The money for the Bradley Center was donated by the Pettits with the understanding that it would always be named the Bradley Center after Jane Bradley Pettit's father, Harry Lynde Bradley.

Team: Minnesota Timberwolves

Principal Owner: Glen Taylor

Year Established: 1989

[Team Website](#)

Most Recent Purchase Price (\$/Mil): \$88.5 (1995), and an additional \$6 M for 10% in 1996.

Current Value (\$/Mil): \$303

Percent Change From Last Year: +4%

Arena: Target Center

Date Built: 1990

Facility Cost (millions): \$104

Percentage of Arena Publicly Financed: 100%

Facility Financing: Financed through a tax exempt bond issue.

[Facility Website](#)

NAMING RIGHTS: Target was paying \$18.8 M over 15 years for the naming rights that expired in 2005. The agreement appears to have been extended because the venue has retained the Target name.

Team: New Jersey Nets

Principal Owner: Bruce Ratner

Year Established: Joined the NBA from the American Basketball Association in 1976 as the New York Nets. In 1977 the team changed to the New Jersey Nets.

[Team Website](#)

Most Recent Purchase Price (\$/Mil): \$300 (2004)

Current Value (\$/Mil): \$271

Percent Change From Last Year: -9%

Arena: Continental Airlines Arena

Date Built: 1981

Facility Cost (millions): \$85

Percentage of Arena Publicly Financed: 100%

Facility Financing: The arena is part of larger sports complex that houses a football Arena and horse racetrack. The arena was publicly funded by bonds issued by the New Jersey Sports

Authority. The debt is paid off by revenue generated from the racetrack.

[Facility Website](#)

UPDATE: Bruce Ratner plans to have the Nets move to Brooklyn sometime in the next few years. Ratner plans to construct a \$500 M arena in Prospect Heights to house his team. The arena is only part of Ratner's \$3.5 billion Atlantic Yards development. In addition to the arena, Ratner wants to build 4,500 apartments and 2.4 million square feet of retail space. Half of the proposed 4,500 residential units would go to affordable and middle-income housing, with another 10% set aside for seniors. The construction on the development began in spring 2006. It is unclear when the Nets' new arena will be completed. The Nets' current lease at Continental Airlines Arena expires after the 2007-08 season. As of July 2006, the Nets and NJSEA (operator of Continental Airlines Arena) were still discussing an extension that would run through the 2011-12 season. Any extension would likely include an escape clause for the Nets if the Brooklyn arena is completed before the lease expires.

NAMING RIGHTS: Continental Airlines originally was paying \$29 M over 12 years for the naming rights that expire in 2011, \$2.4 M a year. Since the Devils and Nets are moving out of the arena the fees have been reduced to \$1.4 M.

Team: New Orleans/Oklahoma City Hornets

Principal Owner: George Shinn

Year Established: 1988 as the Charlotte Hornets, moved to New Orleans in 2002.

[Team Website](#)

Most Recent Purchase Price (\$/Mil): \$33 (1987)

Current Value (\$/Mil): \$225

Percent Change From Last Year: +0%

Arena: New Orleans Arena

Date Built: 1999

Facility Cost (millions): \$110

Percentage of Arena Publicly Financed: 100%

Facility Financing: Publicly funded with revenue bonds.

[Facility Website](#)

UPDATE: Due to Hurricane Katrina, the Hornets only played 3 home games at New Orleans Arena during the 2005-06 season. The team played 32 home games at the Ford Center in Oklahoma City, OK. The other six home games were played in Pete Maravich Assembly Center at Louisiana State University. Because of the split in games, the Team's current official name is New Orleans/Oklahoma City Hornets. In February 2006, the Team announced that it plans to play 35 of its 2006-07 home games in Oklahoma City. The Team intends to return to New Orleans full time in 2007-08.

NAMING RIGHTS: When the Hornets moved to New Orleans, city officials gave them the exclusive right to sell the naming rights to the arena and keep all of the profits. Since 2001, the state has contracted with two different sports marketing firms to get naming rights deals for both the Superdome and the New Orleans Arena. Both firms have been unsuccessful. In December 2004, the Hornets hired the Bonham group to work on securing a naming rights deal for the arena. As of July 2006, there is still no naming-rights deal.

Team: New York Knicks

Principal Owner: Team and Arena are owned by Cablevision Systems Corp. ("CSC") (60%) and Fox Entertainment Group (40%).

Year Established: 1946 as part of the Basketball Association of America, joined the NBA when the leagues merged in 1949.

[Team Website](#)

Most Recent Purchase Price (\$/Mil): Fox acquired 40% of the Knicks, the New York Rangers, Madison Square Garden, and MSG Cable Network in 1997 for \$850. The Knicks alone cost \$300.

Current Value (\$/Mil): \$543

Percent Change From Last Year: +10%

Arena: Madison Square Garden

Date Built: 1968

Facility Cost (millions): \$43

Percentage of Arena Publicly Financed: 100%

Facility Financing: \$200 M in renovations completed in 1991.

[Facility Website](#)

UPDATE: Madison Square Garden ("MSG") officials are planning to construct a new arena sometime in the near future. In February 2006, MSG was close to reaching a deal with developers. The deal would move MSG one block west of its current location onto Ninth Avenue. The proposed Madison Square Garden V would cost \$750 M.

NAMING RIGHTS: Madison Square Garden's history is probably the most significant reason the owners have stated that they would never sell the naming rights to the arena. The history began when Madison Square Garden I opened in 1879. The current Madison Square Garden, Madison Square Garden IV, opened in 1968.

Team: Orlando Magic

Principal Owner: Richard DeVos

Year Established: 1989

[Team Website](#)

Most Recent Purchase Price (\$/Mil): \$85 (1991)

Current Value (\$/Mil): \$247

Percent Change From Last Year: +13%

Arena: TD Waterhouse Centre

Date Built: 1989

Facility Cost (millions): \$102

Percentage of Arena Publicly Financed: 100%

Facility Financing: Publicly financed

UPDATE: The Team has been pressuring the City of Orlando for a new arena for the past few years. In 2006 the Orlando City Council began to consider replacing TD Waterhouse Centre. City officials and Magic executives are slated to lay out plans for a new arena in September 2006. The new arena will cost an estimated \$350 - \$395 M. It is rumored that the new arena will be modeled after the FedEx Forum in Memphis.

NAMING RIGHTS: TD Waterhouse paid \$7.9 M over 5 years for the naming rights that expired in 2005. The agreement appears to have been extended because the venue has retained the TD Waterhouse name.

Team: Philadelphia 76ers

Principal Owner: Comcast-Spectacor

Year Established: 1946 in the National Basketball League as the Syracuse Nationals, joined the NBA in 1949, moved to Philadelphia in 1963.

[Team Website](#)

Most Recent Purchase Price (\$/Mil): \$125 (1996)

Current Value (\$/Mil): \$351

Percent Change From Last Year: +3%

Arena: Wachovia Center

Date Built: 1996

Facility Cost (millions): \$206

Percentage of Arena Publicly Financed: 11%

Facility Financing: \$140 M was financed through a private bank. Comcast contributed \$45 M and \$30 M will come from the naming rights revenue. The state provided \$17 M and the City of Philadelphia is lending \$8.5 M for infrastructure improvements. Additionally, \$10 M came from

state capital redevelopment assistance funding for general site improvements.

[Facility Website](#)

UPDATE: The 76ers added 16 courtside seats during the 2006 off season. The seats will cost \$100,000 per pair, or approximately \$1,200 each per game. The tickets include continual food and drink service, VIP parking, and entrance to all of the arena's three clubs.

NAMING RIGHTS: CoreStates Bank purchased the naming rights for the Center and the Spectrum for \$1.4 M a year until 2023. CoreStates was acquired by First Union, which then merged with Wachovia Bank in 2001, keeping the Wachovia name. In 2003 the Center and Spectrum acquired the new name. It was the arena's third name change in seven years.

Team: Phoenix Suns

Principal Owner: Robert Sarver

Year Established: 1968

[Team Website](#)

Most Recent Purchase Price (\$/Mil): \$401 (2004)

Current Value (\$/Mil): \$395

Percent Change From Last Year: +11%

Arena: U.S. Airways Center

Date Built: 1992

Facility Cost (millions): \$90

Percentage of Arena Publicly Financed: 39%

Facility Financing: 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 to repay a portion of the contribution at \$500,000 per year, with an annual 3% increase. The city will also receive 40% of revenue from luxury boxes and advertising.

[Facility Website](#)

NAMING RIGHTS: US Airways is paying \$26 M over 30 years for the naming rights that expire in 2019. In January 2006, the name of the arena was changed from America West Arena to the US Airways Center after America West and US Airways merged in 2005.

Team: Portland Trail Blazers

Principal Owner: Paul Allen

Year Established: 1970

[Team Website](#)

Most Recent Purchase Price (\$/Mil): \$70

Current Value (\$/Mil): \$227

Percent Change From Last Year: -8%

Arena: Rose Garden

Date Built: 1995

Facility Cost (millions): \$262

Percentage of Arena Publicly Financed: 82%

Facility Financing: Public and private funds. The plan called for the public money to be supplied by city bonds backed by event revenues. The city also contributed \$34.5 M for roadwork and utilities. \$46 M in private money came from team owner, Paul Allen.

[Facility Website](#)

UPDATE: In August 2006, \$10-12 M worth of renovations began at the Rose Garden. The main purpose of the renovations will be to improve premium seating.

NAMING RIGHTS: There is no naming rights agreement in place.

Team: Sacramento Kings

Principal Owner: Gavin and Joseph Maloof

Year Established: 1945 in the National Basketball League as the Rochester Royals, joined the NBA in 1948, moved to Cincinnati in 1957, moved to Kansas City as the Kings in 1972 and moved to Sacramento in 1985.

[Team Website](#)

Most Recent Purchase Price (\$/Mil): The Maloofs bought 24% in 1998 and 29% in 1999 for a total of between \$240 and \$250 M.

Current Value (\$/Mil): \$345

Percent Change From Last Year: +5%

Arena: ARCO Arena

Date Built: 1988

Facility Cost (millions): \$40

Percentage of Arena Publicly Financed: 0%

Facility Financing: Privately financed.

[Facility Website](#)

UPDATE: The Maloofs have been pushing for a new arena for the past few years. The Team, city and county have been discussing the possibility for a new arena. The most recent proposal would require voter approval of a sales tax increase that would finance the arena.

NAMING RIGHTS: ARCO is paying \$750,000 per year for ten years for the naming rights that expire in 2007. The naming rights deal was originally signed in 1985 as a 99-year deal for only \$7.5 M. In 1997, the deal was renegotiated. Since then ARCO was bought by British Petroleum, but the company is going to keep the ARCO name because of its recognition on the west coast.

Team: San Antonio Spurs

Principal Owner: Peter Holt

Year Established: Joined the American Basketball Association in 1967 as the Dallas Chaparrals. Moved to San Antonio as the Spurs in 1973. Joined the NBA in 1976.

[Team Website](#)

Most Recent Purchase Price (\$/Mil): \$75 (1993)

Current Value (\$/Mil): \$350

Percent Change From Last Year: +8%

Arena: AT&T Center

Date Built: 2002

Facility Cost (millions): \$175

Percentage of Arena Publicly Financed: 84%

Facility Financing: \$146.5 M was generated through a county tax increase and an increase in hotel and rental car taxes. The Spurs contributed \$28.5 M themselves, which it raised through a \$1.00 increase in ticket fees for NBA games and a \$1.00 parking surcharge. The bulk of the facilities revenues go to the team.

[Facility Website](#)

UPDATE: The name of the arena was changed to the AT&T Center in January 2006. The change was made after SBC Communications acquired AT&T and adopted the name AT&T Inc.

NAMING RIGHTS: AT&T is paying \$41 M over 20 years for the naming rights that expire in 2022.

Team: Seattle Supersonics

Principal Owner: Professional Basketball Club, LLC

Year Established: 1967

[Team Website](#)

Most Recent Purchase Price (\$/Mil): \$350 (2006)

Current Value (\$/Mil): \$234

Percent Change From Last Year: +14%

Arena: Key Arena

Date Built: 1995

Facility Cost (millions): \$94

Percentage of Arena Publicly Financed: 79%

Facility Financing: The arena cost the city \$75 M and the Supersonics \$19 M.

[Facility Website](#)

UPDATE: In July 2006, the Sonics were sold to a group of investors from Oklahoma City. The group, which is headed by Clay Bennett, paid \$350 M for the Sonics and the Seattle Storm.

NAMING RIGHTS: Key Bank is paying \$15.1 M over 15 years for the naming rights that expire in 2010.

Team: Toronto Raptors

Principal Owner: Maple Leaf Sports and Entertainment, LTD

Year Established: 1995

[Team Website](#)

Most Recent Purchase Price (\$/Mil): \$125 (1998)

Current Value (\$/Mil): \$278

Percent Change From Last Year: -6%

Arena: Air Canada Centre

Date Built: 1999

Facility Cost (millions): \$265 Canadian; \$239.5 American

Percentage of Arena Publicly Financed: 0%

Facility Financing: Privately Financed.

[Facility Website](#)

UPDATE: Maple Leaf Sports and Entertainment ("MLSP") is planning an estimated \$34 M renovation to Air Canada Centre. The renovation will not take place until 2009. The renovations are intended to coincide with the arena's 10-year anniversary.

NAMING RIGHTS: Air Canada is paying \$40 M Canadian over 20 years for the naming rights that expire in 2019.

Team: Utah Jazz

Principal Owner: Larry Miller

Year Established: 1974 as New Orleans Jazz, moved to Utah in 1979.

[Team Website](#)

Most Recent Purchase Price (\$/Mil) : \$24 (1985)

Current Value (\$/Mil) \$274

Percent Change From Last Year: 7%

Arena: Delta Center

Date Built: 1991

Facility Cost (millions): \$94

Percentage of Arena Publicly Financed: 22%

Facility Financing: Mostly financed by team owner. The city donated the land and \$20 M for parking and support facilities.

[Facility Website](#)

UPDATE: As of February 2005, the Delta Arena will be the Nu Skin Theater a few days a year. The Nu Skin Theater will be a curtained-off concert venue in order for Miller to generate more revenue.

NAMING RIGHTS: Delta Airlines is paying \$25 M over 20 years for the naming rights that expire in 2011.

Team: Washington Wizards

Principal Owner: Abe Pollin

Year Established: Joined in 1961 as the Chicago Packers. Changed team name to Zephyrs in 1962. Moved to Baltimore as the Bullets in 1963, and then moved to Landover and changed team name to Capital Bullets in 1973. Changed name to Washington Bullets 1974, and then moved to Washington DC. Changed team name to Wizards in 1997.

[Team Website](#)

Most Recent Purchase Price (\$/Mil): \$1 (1964)
Current Value (\$/Mil): \$318
Percent Change From Last Year: 16%

Arena: Verizon Center

Date Built: 1997

Facility Cost (millions): \$260

Percentage of Arena Publicly Financed: 23%

Facility Financing: Private loans financed the building. The District of Columbia provided \$60 M in infrastructure costs.

[Facility Website](#)

UPDATE: The name of the arena changed from the MCI Center to the Verizon Center in March 2006. The change was the result of Verizon's merger with MCI.

NAMING RIGHTS: Verizon is paying \$44 M over 15 years for the naming rights that expire in 2017.