

Sports Facility Reports



[Sports Facility Reports, Volume 11, Appendix 2](#)

National Basketball Associaton

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): \$306

Percent Change From Last Year: 0%

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

[Facility Website](#)

UPDATE: Atlanta Spirit, LLC has denied rumors of a pending sale of the Atlanta Hawks, Thrashers, and Phillips Arena citing the uncertain economic future of Atlanta as making the sale too difficult.

The Hawks previous owner, Turner Broadcasting System, in December 2008, was found liable for renegeing on a promise to sell the team to David McDavid. Instead, Turner sold the team to the current Spirit Investment Group. In March of 2010 the Georgia Court of Appeals upheld the judgment. The final award, with interest, was nearly \$300 million dollars.

Phillips Arena became the first NBA or NHL arena to earn a LEED certification from the United States Green Building Council. The certification is given to buildings that meet a high level of environmental building operating standards.

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; consisting of Wycliffe Grousbeck, H. Irving Grousbeck, and Stephen Pagliuca

Year Established: 1946

[Team Website](#)

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

Current Value (\$/Mil): \$433

Percent Change From Last Year: -3%

Arena: TD Banknorth Garden

Date Built: 1995

Facility Cost (millions): \$160

Percentage of Arena Publicly Financed: 0%

Facility Financing: Primarily from bank financing, Delaware North (25%), City bonds and land (10%) and 2% ticket surcharge.

[Facility Website](#)

UPDATE: The Celtics signed Arbella Insurance Group as the presenting sponsor of their 2010 playoff games. Arbella had previously been a sponsor for the team, but now are the namesake of Celtic playoff runs.

NAMING RIGHTS: TD Banknorth Inc. is paying \$120 million over 20 years for the naming rights that expire in 2025.

Team: Charlotte Bobcats

Principal Owner: Michael Jordan

Year Established: 2004

[Team Website](#)

Most Recent Purchase Price (\$/Mil): \$275 (2010)

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

Percent Change From Last Year: -2%

Arena: Time Warner Cable Arena

Date Built: 2005

Facility Cost (millions): \$265

Percentage of Arena Publicly Financed: 100%

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 million in exchange for approximately \$50 million from the sale of real estate downtown, where the venue is located. \$16.8 million is coming from exclusive food and beverage rights, and there is a 3% seat tax at events in city arenas generating \$15 million.

[Facility Website](#)

UPDATE: Michael Jordan became the majority owner of the Charlotte Bobcats in 2010. He owns an 80% majority share of the team and will continue to have the final say in basketball operations for the team, a responsibility he has had since 2006. In addition to his basketball responsibilities, Jordan will use his marketing experience to revive the failing business side of the franchise.

Jordan will make the Bobcats his number one priority and believes he has a unique perspective because he is the league's only former player turned owner. Mario Lemieux - co-owner of the NHL's Pittsburgh Penguins - is the only other major North American franchise owner who was a former player.

NAMING RIGHTS: Time Warner Cable and the Bobcats have not released terms and years involved in the deal.

Team: Chicago Bulls

Principal Owner: Jerry Reinsdorf and Rocky Wirtz

Year Established: 1966

[Team Website](#)

Most Recent Purchase Price (\$/Mil): \$16 (1985)

Current Value (\$/Mil): \$511

Percent Change From Last Year: +2%

Arena: United Center

Date Built: 1994

Facility Cost (millions): \$175

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](#)

UPDATE: The United Center added Theater Box seating to the arena in late 2009. For \$90,000 per season, fans get tickets to all Bulls and Blackhawks games for four people. Theater Box owners also have first priority when it comes to playoff tickets for either franchise.

NAMING RIGHTS: United Airlines is paying \$1.8 million annually for 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): \$476

Percent Change From Last Year: 0%

Arena: The Quicken Loans Arena

Date Built: 1994

Facility Cost (millions): \$152

Percentage of Arena Publicly Financed: 48%

Facility Financing: The arena was 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: Cavs owner Dan Gilbert was fined \$100,000 by the NBA for a scathing public letter he wrote after former Cavalier LeBron James decided to leave the team and join the Miami Heat via free agency. The letter claimed that James' move was cowardly and guaranteed Cleveland fans that their team would win a title before LeBron. Thousands of fans responded to Gilbert's letter by offering to pay the fine themselves, but Gilbert asked for these fans to donate to the Cavaliers Youth Fund instead.

Voters in Ohio granted the rights to Cavs owner Dan Gilbert to build a casino in downtown Cleveland in 2009. In 2010, Gilbert announced that Harrah's, a long time casino management and development company would manage the casino.

NAMING RIGHTS: Naming rights for the Quicken Loans Arena was part of the \$375 million purchase deal from Gordon Gund in 2005.

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 million.

Current Value (\$/Mil): \$446

Percent Change From Last Year: -4%

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 million. The Mavericks owner, Mark Cuban, and then Stars owner, Tom Hicks, covered the remaining amount. Team owners spent \$295 million 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 million per-year lease agreement with the teams for 30 years.

[Facility Website](#)

UPDATE: The Mavericks announced that they have agreed to a four-year extension of their radio rights deal with Dallas-based ESPN Radio 103.3 through the '12-13 season. The new agreement calls for additional Mavs programming on the station that has aired Mavs games since '01-02.

Former Mavs owner - and current 5% minority owner - Ross Perot, Jr. has sued Mark Cuban for the second time in less than a year. His claims are based on the \$200 million debt the Mavericks carry and claims that the team is in immediate danger of becoming insolvent. Cuban denies the allegation, a position strengthened by the fact that Cuban was reportedly interested in purchasing both the Texas Rangers MLB franchise and Dallas Stars NHL franchise after the Hicks Sports Group was forced to sell both teams after bankruptcy proceedings.

NAMING RIGHTS: With one of the largest naming rights deals, American Airlines is paying \$195 million 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 as well.

Team: Denver Nuggets

Principal Owner: Stan Kroenke

Year Established: 1967

[Team Website](#)

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

Current Value (\$/Mil): \$321

Percent Change From Last Year: -3%

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 million

from Liberty Media, \$4.5 million for infrastructure, \$2.25 million in construction sales tax rebates and \$2.1 million annually in property tax exemptions.

[Facility Website](#)

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

Team: Detroit Pistons

Principal Owner: William Davidson and Karen 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): \$479

Percent Change From Last Year: 0%

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 March 2009 owner William Davidson died at the age of 86 from pneumonia. The ownership group has been actively seeking potential purchasers for the franchise, but poor economic conditions in Detroit combined with labor uncertainty in the NBA after the 2010 season could make any potential sale very difficult. Despite the team being valued at \$479 million, it is unlikely that a potential buyer would pay anywhere near that price.

One of the potential purchasers of the Pistons is current Detroit Tigers and Detroit Red Wings owner Mike Ilitch. Ilitch has claimed that his desire to buy the team comes from rumors that other potential owners would be looking to move the team out of Detroit. Kansas City and Seattle have been rumored destinations if the Pistons were to move.

NAMING RIGHTS: The Palace of Auburn Hills has no current naming rights agreement.

Team: Golden State Warriors

Principal Owner: Joseph Lacob and Peter Guber

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): \$450 (2010)

Current Value (\$/Mil): \$315

Percent Change From Last Year: -6%

Arena: Oracle Arena

Date Built: 1966

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

Percentage of Arena Publicly Financed: 100%

Facility Financing: In 1997, the Arena was renovated. The city and the county issued \$140 million 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.

[Facility Website](#)

UPDATE: The Warriors have been sold to businessmen Lacob and Guber for an NBA record \$450 million. The deal shatters the previous record for the sale of the Phoenix Suns in 2004 at \$401 million. Oracle CEO Larry Ellison was rumored to be the front runner to purchase the team, but team officials said that his bid was entered too late and after the team had already reached preliminary agreements with Lacob and Guber.

NAMING RIGHTS: After a long search, the Golden State Warriors struck a 10-year naming rights deal with Oracle Corp. for \$30 million, the agreement will expire in 2016.

Team: Houston Rockets

Principal Owner: Les Alexander

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

[Team Website](#)

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

Current Value (\$/Mil): \$470

Percent Change From Last Year: 0%

Arena: Toyota Center

Date Built: 2003

Facility Cost (millions): \$235

Percentage of Arena Publicly Financed: 100%

Facility Financing: The city spent \$20 million on the land for the arena. The sports authority

sold \$182 million in bonds to build the arena and secured \$125 million 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 million 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. 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): \$13 (1983)

Current Value (\$/Mil): \$281

Percent Change From Last Year: -7%

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 million, which included \$50 million from a professional sports developmental tax district around the new facility, \$4.7 million in infrastructure, \$9.3 million from Capital Improvement Board cash reserves and \$7 million from the Circle Centre Mall revenues. The Pacers contributed \$57 million, while other private sources paid for the rest.

[Facility Website](#)

UPDATE: Conseco Fieldhouse will host the Big Ten Conference men's basketball tournament for five straight years starting in 2008, winning the Big Ten bid over Chicago and the United Center.

The Pacers have threatened to move from Indianapolis if the city does not start paying the operating costs of Conseco Fieldhouse. A study reported that the city would lose more than 900 jobs and \$17 million in revenue if the team were to leave. However, financial experts balk at the team's demands claiming the team's favorable lease and lack of other interested cities would make any potential move highly unlikely.

NAMING RIGHTS: Conseco, an insurance and financial services company, is paying \$40 million 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): \$295

Percent Change From Last Year: -1%

Arena: Staples Center

Date Built: 1999

Facility Cost (millions): \$375

Percentage of Arena Publicly Financed: 19%

Facility Financing: Bank of America underwrote a \$305 million loan to finance construction. The city provided \$38.5 million in bonds and \$20 million in Los Angeles Convention Center reserves. This money will eventually be repaid through arena revenues. An additional \$12 million in tax incremental financing was also provided by the city's Community Redevelopment Agency.

[Facility Website](#)

NAMING RIGHTS: Staples, an office supply company, was paying \$100 million over 20 years for a naming rights deal that was set to expire in 2019. In November of 2009, the company came to an agreement with the owner of the arena, AEG, which provided it with perpetual naming rights. This is the first lifetime naming rights agreement for a stadium in a major metropolitan area.

Team: Los Angeles Lakers

Principal Owner: Dr. Jerry Buss and Philip Anschutz

Year Established: 1947 member of the National Basketball League and joined the NBA in 1948.

[Team Website](#)

Most Recent Purchase Price (\$/Mil): \$20 (1979) and \$268 (1998)

Current Value (\$/Mil): \$607

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 million loan to finance construction.

The city provided \$38.5 million in bonds and \$20 million in Los Angeles Convention Center reserves. This money will eventually be repaid through arena revenues. An additional \$12 million in tax incremental financing was also provided by the city's Community Redevelopment Agency.

[Facility Website](#)

UPDATE: In 2010, the Staples Center was ranked as the number one arena in the NBA according to a fan poll by Sports Business Journal. The arena received more than 20% of the total vote and beat out Madison Square Garden and Conesco Fieldhouse to win the award.

NAMING RIGHTS: Staples, an office supply company, was paying \$100 million over 20 years for a naming rights deal that was set to expire in 2019. In November of 2009, the company came to an agreement with the owner of the arena, AEG, which provided it with perpetual naming rights. This is the first lifetime naming rights agreement for a stadium in a major metropolitan area.

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): \$257

Percent Change From Last Year: -13%

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 million 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](#)

NAMING RIGHTS: Federal Express is paying \$4.5 million per year for the naming rights that expire in 2022. The 20-year deal is worth a total of \$90 million. 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): \$364

Percent Change From Last Year: -7%

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 million a year in bed-tax revenue to help pay the debt from the construction costs.

[Facility Website](#)

UPDATE: In 2010, the Miami Heat created one of the biggest sports stories of the decade when they signed free agents LeBron James, Chris Bosh, and Dwayne Wade. However, the NBA may investigate the Heat for possibly salary cap circumvention violations stemming from their promises to hire members of James' entourage if James would sign with the team.

The maximum fine of \$5 million for a possible salary cap violation would pale in comparison to the financial windfall the team stands to gain from the signings. Experts predict an additional \$20 million in ticket revenue alone. In addition, sponsorships for the team and arena could increase as much as 30-40%. Season tickets for the Heat were sold out within 24 hours of James' announcement.

NAMING RIGHTS: American Airlines is paying \$42 million 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: Senator Herb Kohl

Year Established: 1968

[Team Website](#)

Most Recent Purchase Price (\$/Mil): \$19 (1985)

Current Value (\$/Mil): \$254

Percent Change From Last Year: -9%

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: Just as they have for the past several years, the Bucks signed a one year lease extension agreement with the Bradley Center. The Bucks pay no rent and receive a percentage of concessions and merchandise sales. The Bradley Center will have a new \$3.2 million scoreboard installed in time for the start of the Bucks 2010 season. The new scoreboard will be almost three times as large and have more than ten times the number of pixels as the old scoreboard.

NAMING RIGHTS: The money for the Bradley Center was donated by the Pettits. The understanding was 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 million for 10% in 1996.

Current Value (\$/Mil): \$268

Percent Change From Last Year: -11%

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](#)

UPDATE: The Timberwolves, who have been receiving about \$2 million per year from the Target Corporation for naming rights, are looking to increase the revenue from their naming rights contract. The current deal in place expires in September of 2010 and the team would like to renegotiate with the Target Corporation or enter negotiations with another company.

NAMING RIGHTS: Target was paying \$18.8 million over 15 years for the naming rights that expired in 2005. The company has been paying approximately \$2 million per year since that time.

Team: New Jersey Nets

Principal Owner: Mikhail Prokhorov

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): \$260 (2010)

Current Value (\$/Mil): \$295

Percent Change From Last Year: -13%

Arena: Prudential Center

Date Built: 2007

Facility Cost (millions): \$375

Percentage of Arena Publicly Financed: N/A

Facility Financing: Multiple private sources. The New Jersey Devils contributed \$100 million.

[Facility Website](#)

UPDATE: The Nets intended to begin their 2011-2012 season at their new home in Brooklyn, the Barclays Center. However, John Brennan notes Nets officials have estimated it will take 24 to 26 months to build the \$772 million Barclays Center, so a fall 2011 opening may no longer be a possibility - unless the developer wants to try to break ground before the legal process is concluded.

Russian multi-billionaire Mikhail Prokhorov purchased the team in May of 2010. He becomes the first non-American to own an NBA team after the NBA's Board of Governors approved the sale of former owner Bruce Ratner's 80% stake in the team to Prokhorov. Prokhorov's first decision was to move the team to Newark to play in the Prudential Center until the Brooklyn stadium is completed. The Nets played their home games in the Izod Center in East Rutherford last season.

NAMING RIGHTS: Prudential struck a naming-rights deal with the New Jersey Devils for \$105.3 million over the next 20 years, which will expire in 2027.

Team: New Orleans 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): \$267

Percent Change From Last Year: -6%

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: In May of 2010 it was reported that George Shinn would sell the team to minority owner Gary Chouest. Differences between the two men's idea of the total value of the franchise was the major issue that stopped the sale. Shinn reports he is currently seeking other investors, but only those with a desire to keep the team in New Orleans.

After a 19% increase in ticket sales for the 2008 season, the Hornets had the biggest drop in ticket sales in the Western Conference in 2009. Sales were down 10.8% compared to the previous year.

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.

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): \$1 billion: Cablevision 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): \$586

Percent Change From Last Year: -4%

Arena: Madison Square Garden

Date Built: 1968

Facility Cost (millions): \$123

Percentage of Arena Publicly Financed: 100%

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

[Facility Website](#)

UPDATE: Madison Square Garden announced plans to renovate the arena at a projected cost of more than \$800 million. The renovations will include new seats, lighting, sound, and LED video systems in HDTV, wider public concourses and other enhancements. The renovations are scheduled to be completed by October 2013. The renovations are so substantial that they will require Madison Square Garden to be shut down three separate times during the summer of 2010 for a total of 20 weeks. This opportunity cost will add on to the cost of the renovations as dozens of events will have to be moved to another location and Cablevision will lose out on those revenues.

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: Oklahoma City Thunder

Principal Owner: Clay Bennett and the Professional Basketball Club, LLC

Year Established: 1967

[Team Website](#)

Most Recent Purchase Price (\$/Mil): \$350 (2006). Purchase also included the WNBA's Seattle Storm.

Current Value (\$/Mil): \$310

Percent Change From Last Year: +3%

Arena: Ford Center

Date Built: 2002

Facility Cost (millions): \$89

Percentage of Arena Publicly Financed: 100%

[Facility Website](#)

UPDATE: Renovations on the Ford Center were completed in 2010 and the final cost was \$9 million under the original budget. Voters in Oklahoma City approved a one-penny sales tax to upgrade the arena and lure the former Seattle SuperSonics to move to Oklahoma City.

NAMING RIGHTS: Local Ford dealers paid \$5 million for 10 years expiring in 2012.

Team: Orlando Magic

Principal Owner: Richard DeVos

Year Established: 1989

[Team Website](#)

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

Current Value (\$/Mil): \$361

Percent Change From Last Year: +4%

Arena: Amway Center

Date Built: 2010

Facility Cost (millions): \$480

Percentage of Arena Publicly Financed: 87.5%

Facility Financing: Magic owner Richard Devos contributed \$10 million, the Magic contributed \$50 million and the rest was financed as part of a \$1.05 billion plan to renovate and upgrade downtown Orlando.

[Facility Website](#)

UPDATE: The Magic will move into their new \$480 million arena for the start of the 2010 season. The arena is a part of a greater effort to revitalize downtown Orlando, with more than \$1 billion in renovations and upgrades taking place in the city. The Magic have sold a team record number of season tickets and expect revenues from the new arena to allow them to operate at a profit for the first time in several years.

NAMING RIGHTS: In August 2009, Magic COO Alex Martins formally announced a 10-year, \$40 million naming-rights deal with Amway for the new arena. Magic owner Richard DeVos is the co-founder of Amway.

Team: Philadelphia 76ers

Principal Owner: Comcast-Spectator

Year Established: 1946 in the National Basketball League as the Syracuse Nationals, joined the NBA in 1949, moved to Philadelphia in 1963 and became the 76ers.

[Team Website](#)

Most Recent Purchase Price (\$/Mil): \$500 which included the NHL's Philadelphia Flyers, the Spectrum Arena, and CoreStates Center. The 76ers alone were \$125 (1996).

Current Value (\$/Mil): \$344

Percent Change From Last Year: -4%

Arena: Wells Fargo Center

Date Built: 1996

Facility Cost (millions): \$206

Percentage of Arena Publicly Financed: 11%

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

[Facility Website](#)

UPDATE: Wachovia bank was bought out by Wells Fargo in December of 2008, but the ownership switch did not show up in the name of the arena until July of 2010. Wells Fargo intends to expand into the Philadelphia market and executives with the company believe that changing the arena's name will be an essential first step in this process.

NAMING RIGHTS: Wells Fargo will pay \$1.4 million per year for the naming rights of the arena until 2023.

Team: Phoenix Suns

Principal Owner: Robert Sarver

Year Established: 1968

[Team Website](#)

Most Recent Purchase Price (\$/Mil): \$401 (2004) Purchase price included the WNBA's Phoenix Mercury and the AFL's Arizona Rattlers.

Current Value (\$/Mil): \$429

Percent Change From Last Year: -5%

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 million with \$28 million going to construct the arena and \$7 million for the land. The Phoenix Suns contributed \$55 million. 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 million 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 (1988)

Current Value (\$/Mil): \$338

Percent Change From Last Year: +10%

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 million for roadwork and utilities. \$46 million in private money came from team owner, Paul Allen.

[Facility Website](#)

NAMING RIGHTS: In February 2008, the Blazers again started floating the idea of redeveloping the Rose Quarter as an attempt to sell naming rights to the 13-year-old Rose Garden. However, there is no naming rights agreement in place at this time.

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 Maloof brothers bought 24% in 1998 and 29% in 1999 for a total of between \$240 and \$250 million. The purchase price included the WNBA's Sacramento Monarchs and Arco Arena.

Current Value (\$/Mil): \$305

Percent Change From Last Year: -13%

Arena: ARCO Arena

Date Built: 1988

Facility Cost (millions): \$40

Percentage of Arena Publicly Financed: 0%

Facility Financing: Privately financed.

[Facility Website](#)

UPDATE: Rumors swirled during the summer of 2010 when a Texas-based developer claimed that he had a contract with an NBA team which would require them to move to Las Vegas contingent upon a new arena being built there. The Kings are always tied to rumors of potential moves to Las Vegas because the Maloof brothers who own the team made their fortune owning casinos in Law Vegas. Both of the brothers strongly deny the report and maintain that they are committed to Sacramento and to securing a new stadium there.

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 million. 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): \$398

Percent Change From Last Year: -4%

Arena: AT&T Center

Date Built: 2002

Facility Cost (millions): \$186

Percentage of Arena Publicly Financed: 84%

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

[Facility Website](#)

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

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): \$386

Percent Change From Last Year: -3%

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](#)

NAMING RIGHTS: Air Canada is paying \$40 million 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) \$343

Percent Change From Last Year: -4%

Arena: EnergySolutions Arena (formerly the 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 million for parking and support facilities.

[Facility Website](#)

UPDATE: The Mountain West Conference announced the five finalist venues to host the MWC Basketball Championships from 2011-2013: the Thomas & Mack Center in Las Vegas, The Pit in Albuquerque, Pepsi Center in Denver, Cox Arena in San Diego and Energy Solutions Arena in Salt Lake City.

NAMING RIGHTS: EnergySolutions bought the naming rights for an undisclosed amount, which expires in 2016.

Team: Washington Wizards

Principal Owner: Ted Leonsis

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): \$550 (reported) (2010)

Current Value (\$/Mil): \$313

Percent Change From Last Year: -11%

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 million in infrastructure costs.

[Facility Website](#)

UPDATE: Wizards owner Abe Pollin tragically passed away in November of 2009 after fighting with illness for many years. The Pollin family expressed their desire to sell the Wizards and the Verizon Center. The family already had a willing local buyer in place, Ted Leonsis, who currently owns the NHL's Washington Capitals. The two sides agreed on \$550 million price tag for the team and the arena. The NBA's Board of Governors unanimously approved the deal making Leonsis - who was already a minority owner of the team - into the majority owner. The Pollin family had previously been the longest tenured owners in the league.

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