

Spring Training Update

July 22, 2009

The Project

- Orioles have primary responsibility for/will take the lead in developing the design plans, specifications and elevations
- Regularly scheduled briefings between Orioles & County
- Project Design Plan to be provided to the County within 150 days after the execution of MOU
- County to review, comment upon and approve the Project Design Plan
- Will include placement of the existing (or new) plaques honoring Ed Smith and Red Ermish presently affixed at the Sports Complex (as required in Interlocal with City)

The Project (con't.)

- Design Plan will include specifications for:
 - **Major League Site**
 - A state-of-the-art renovation & possible expansion of the Major League Stadium
 - Approximate total seating capacity of between 8,500 and 9,000, with approximately 7,500, but not less than 6,500, fixed seat positions
 - Three and a half practice fields
 - A renovated and expanded state-of-the-art clubhouse (approximately 35,000 square feet)

The Project (con't.)

– **Minor League Site**

- Five practice fields
- A renovated & expanded Minor League clubhouse (approximately 25,000 square feet)

Funding Overview

County Bond Proceeds	\$18.7M
Already Collected TDT (from 3-1-08)	2.0M
County Cash (non-ad valorem)	<u>3.0M</u>
<i>Total County Contribution</i>	<i>\$23.7M</i>
City OTTED	<u>7.5M</u>
<u>Total Funding</u>	<u>\$31.2M</u>

- Any cost above \$31.2M is Orioles responsibility

Spring Training Facility Funding	
FY09 Charter Cap Par Value (Reset on 10/1/08)	\$20,720,000
Debt Service Reserve Fund (Recaptured at the end of Debt Period)	(1,381,269)
Underwriters' Discount	(186,480)
Other Issuance Costs	(452,251)
County Bond Proceeds	\$18,700,000

Spring Training Facility Funding

County Bond Proceeds

\$18,700,000

Spring Training Facility Funding	
County Bond Proceeds	\$18,700,000
Already Collected TDT (<i>Estimated</i>) (from 3/1/2008)	\$ 2,000,000
Total	\$20,700,000

Spring Training Facility Funding	
County Bond Proceeds	\$18,700,000
Already Collected TDT (<i>Estimated</i>) (from 3/1/2008)	\$ 2,000,000
County Cash (Non-Ad Valorem)* <i>Recapture from Residual TDT 2011 @ 2.5% Growth 2015 @ 1.0% Growth</i>	\$ 3,000,000
Total	\$23,700,000

*Paid from FPL Franchise Fees

Spring Training Facility Funding	
County Bond Proceeds	\$18,700,000
Already Collected TDT (<i>Estimated</i>) (from 3/1/2008)	\$ 2,000,000
County Cash (Non-Ad Valorem)	\$ 3,000,000
OTTED Grant (bonded by the City of Sarasota)	\$ 7,500,000
Total	\$31,200,000

Economic Impacts of the Orioles Baseball Stadium Design & Construction

Project Cost: \$31,200,000

- Location: Sarasota County, Florida
- The estimated economic impact within the local area:
 - Jobs Created: 430.3
 - Jobs created would have a total compensation of: \$16,280,155
 - Total expenditures within the local area: \$49,260,365

Project Development Agreement

- County & Team to execute PDA within 150 days of signing MOU including:
 - Project Design Plan (reviewed and approved by County)
 - Detailed Schedule outlining the timing and actions
 - Cost estimates
- County to expedite all reviews
- Orioles will have primary responsibility for and will take the lead in developing and constructing the Project
- Mutually selected Architect & Contractor
- County to have owners' representative on site; Orioles to have a representative or design consultant on site
- Any costs greater than \$31.2M responsibility of Orioles
 - Orioles deposit the required funds directly in the Construction Fund Account prior to the incurrence of such excess Project Costs, or provide necessary assurances (e.g., letter of credit)

Lease

- Lease to be executed within 150 days of MOU execution
- Term 30 years (Nov 1, 2009 to October 31, 2039)
 - Orioles intend to commence Major League and Minor League Spring Training Operations at the Sites beginning with the 2010 spring training season
 - Re-branding a project expense and County will have reasonable approval rights
- Rent \$1 for Term
- Revenues generated by Orioles go to Team
- Orioles will be “promoter” of Sites and will retain “promoter” fees, if any, in connection with any for profit events (except Historical Events unless expressly agreed)

Use of Sites

- **Major League Site**

- The Spring Training Period for the Major League Site is December 15th to April 30th of each calendar year
- The Orioles' right to utilize the Major League Site is on an exclusive basis except for Historical Events and as described below
- The County may use or authorize for use the Major League Site for civic-oriented non-profit events for up to eight days per year outside of the Orioles' Spring Training Period

Major League Site Historical Events

Event	Days	Location
Booker High School Games	6	1 at Major League Stadium
Cardinal Mooney High School Games	6	1 at Major League Stadium
Sarasota Baseball Classic	4	Stadium/Complex
Florida High School Athletic Association State Baseball Championship Finals	7	Stadium/Complex
Sarasota Blues Festival	Up to 3	Complex Practice Fields
AAU 14 -Under Division 1 National Championships	7	Stadium/Complex
Circus Sarasota	Jan-Feb	North Parking Lot
Sarasota Spartans Youth Soccer	Aug – Nov*	North Parking Lot

*such temporary use not lasting more than four years from the date of this Agreement

The Orioles may permit the use of the Sites for other historical events, including AAU baseball games and practices, or other historical events

Use of Sites (con't.)

- Minor League Site
 - The Spring Training Period for the Minor League Site is January 15th to April 30th of each calendar year
 - Orioles have exclusive use for the Minor League Spring Training Period and non-exclusive use at other times
 - During the Minor League STP, the Orioles shall have the exclusive use of fields 1 and 2 and the non-exclusive use of fields 3, 4 and 5
 - Fields number 3, 4 and 5 will be exclusive to the Orioles at all times necessary to conduct Orioles' spring training operations
 - The County may make fields number 3, 4 and 5 available for public recreational purposes
 - Historical use by high school team for field 5

Tickets

- Orioles set ticket prices for all spring training games and other events at the Major League Site and the Minor League Site for which tickets are sold, other than Historical Events and County (or City or authorized public entity) civic-oriented non-profit events
 - Orioles manage all ticketing operations, including ticket sales for all events at the Sites other than at Historical Events and County civic-oriented, non-profit events
- Orioles retain revenue except for surcharge (deposited to Capital Repair and Improvements Fund)
 - Except for County ticket sales from applicable County (or City or authorized public entity) sponsored events and Historical Events
 - The ticket surcharge will be charged on all tickets sold for profit events at the Sites, whether Orioles, County or City sponsored events, including for-profit historical events

Parking & Concessions

- The Orioles control parking at the Sites except for parking revenues from County (or City) sponsored civic-oriented, non-profit events
- Orioles control concessions and retain revenue
- Orioles can “opt out” of concessions for County-sponsored events
 - For all authorized County (or City) uses of the Major League Site, and for any Historical Events, the Orioles’ concessionaire will be used for all food services unless the Orioles and/or the Orioles’ concessionaire determine not to provide concession services for the event

Scoreboard, Naming, Broadcasting Rights

- Orioles have naming rights and retain revenue
- Minor League Site referred to as “Buck O’Neil Baseball Complex”
 - Orioles will endeavor to refer to as such in materials and publications
 - Possible addition of “presenting sponsor” language
- No tobacco company/product name to be used
- Scoreboard under Orioles control
- Orioles have broadcasting rights to all events
 - County has non-exclusive rights to broadcast Historic Events and County/City civic-oriented non-profit events

Promotion & Tourism

- Orioles agree to promote Sarasota County
- Work annually with SCVB to make plan

Promotion & Tourism (con't.)

- Advertising and Promotion
 - Estimated value of \$1 million in media, stadium promotions and sales opportunities
 - MASN Television and Orioles Radio
 - Sarasota and Her Islands Beach promotion day at Camden Yards
 - Spring Training backdrop and homeplate rotation
 - Camden Yards program full page color ad
 - Kiosks and promotion table for a weekend series in Camden Yards
 - Camden Yards homeplate signage for 2 months

Promotion & Tourism (con't.)

- Sales Opportunities
 - Sarasota as host for the Greater Baltimore Committee Annual Luncheon in January – 1,000 Baltimore business leaders
 - Orioles Fanfest in Baltimore
 - Meeting Planner and Travel Planner luncheon and game in suite at Camden Yards in June
 - Meeting Planner and Travel Planner luncheon and game in suite at Nationals park in August

Operations & Maintenance

- Orioles responsible for all O&M costs, except as provided below
 - The County is responsible for the payment of all actual and incremental, out-of-pocket expenses for all County-authorized civic and recreational uses of the Sites and is responsible to restore the fields and related facilities to the condition at the time prior to such County-authorized civic or recreational use
 - The costs, reimbursements and expenses for Historical Events will be the responsibility of the requesting party

Capital Repair & Improvements

Capital Repair and Improvements Fund Contributions of County and Team	
2011 through 2015	\$ 125,000
2016 through 2020	\$ 150,000
2021 through 2025	\$ 175,000
2026 through 2030	\$ 200,000
2031 through 2035	\$ 225,000
2036 through 2039	\$ 250,000

Capital Repair & Improvements

Capital Repair and Improvements Fund	
County Contribution over 30 years	\$ 5,375,000
Orioles Contribution over 30 years	\$ 5,375,000
Total Capital Repair and Improvement Fund Contribution over 30 years	\$ 10,750,000

Capital Repair & Improvements (con't.)

- Orioles can use ticket surcharge for their contribution and can change surcharge at their discretion
- The Orioles and the County will jointly review the Fund balance annually
- Beginning in the fifth year after substantial completion of the Project and every five years after that, the Orioles and the County will conduct an independent structural & engineering analysis of the Sites. The cost of such analysis will be paid from the Capital Repair & Improvements Fund

Capital Repair & Improvements (con't.)

- The County and the Orioles will develop a rolling five year capital repairs and improvement plan for the Sites annually
 - Orioles will submit a proposed budget of anticipated capital repairs and capital improvements for the next year to the County each year
 - County reviews the proposed budget and notifies Orioles of approval
 - For emergency capital expenditure or other capital expenditure not budgeted but necessary, the Orioles and the County will work cooperatively together to address the need for the capital expenditure
- The County is responsible for all approved capital expenditures that cannot be paid out Capital Repair and Improvements Fund, subject to appropriation and approval by the County Commissioners

Youth Baseball Academy

- County provides cleared site adjacent to Minor League Site
- Academy & Facilities funded by Orioles/Ripken
 - The timing of the development and construction of the youth fields and facilities is dependent upon the Orioles/Ripken raising the necessary funds to proceed with the project
- The Orioles and Ripken Baseball will commit to provide a commercially reasonable level of youth baseball activities in the Greater Sarasota County region pending the establishment and construction of the youth baseball fields and facilities and the availability of fields and facilities

Disaster Preparedness/Response

- Sites may be used for staging areas for personnel, equipment, debris, possible shelter

Default, Remedies and Termination

- There are default and remedy provisions requiring notification and response times if either party claims the other party is in default
- The County will be harmed if the Orioles violate the Lease by the transfer, move or other relocation of the Orioles spring training activities to other locations than the Sites
- The County can seek injunctive relief without posting a bond or seek monetary damages

Dispute Resolution

- As to matters of dispute related to design, development, construction, capital repairs and improvements the matters in dispute shall be submitted to binding arbitration

Conditions to Effectiveness of Agreement

- OTTED confirmation of funding availability within seven days after satisfaction of all conditions set forth in the OTTED letter of July 17, 2009
- Receipt of environmental indemnity satisfactory to the Parties within seven days