

EXECUTIVE SUMMARY

BASEBALL STADIUM AGREEMENT (Orange Bowl)

MIAMI-DADE COUNTY

CITY OF MIAMI

FLORIDA MARLINS, L.P.

2008

EXECUTIVE SUMMARY

Highlights

Miami-Dade County, the City of Miami and the Florida Marlins, L.P. have agreed to construct a first-class baseball stadium to be owned by the County and constructed on approximately 17 acres of the historic 42-acre Orange Bowl Site (the "Site"). The remaining acreage will be used for parking and ancillary development such as retail and a hotel.

The Marlins will be renamed the Miami Marlins prior to moving into the new ballpark and have agreed not to relocate for at least 35 years.

Economic and community benefits include thousands of jobs and millions of dollars from construction and operation of the ballpark and additional events it will draw to Miami.

Major League Baseball (MLB) has already agreed to provide more than \$3 million for a Youth Baseball Academy for local youths and to have Miami be one of the sites for the 2009 World Baseball Classic.

Ballpark

The ballpark will have a retractable roof, a natural grass playing field, approximately 37,000 seats, including 3,000 club seats, and 60 private suites.

Concession, entertainment and retail areas, fixtures, furnishings, equipment, features and systems will be comparable with other recently constructed Major League Baseball ballparks with similar capacity and amenities in San Diego, St. Louis, Houston, Philadelphia, Pittsburgh and Milwaukee.

The ballpark will be the home field for regular and post-season Marlins games and additional "Jewel Events" expected to be awarded to the Marlins club, including the MLB All-Star Game, World Baseball Classic and other MLB-controlled events.

The target completion date for the new ballpark is the 2012 baseball season.

Non-Relocation

The Team shall enter into a Non-Relocation Agreement that requires the Team to operate and maintain an MLB franchise with the Miami ballpark as its home stadium for a minimum of 35 years.

Design/Construction

The Team will act as the stadium developer and is responsible for constructing the stadium. As stadium developer, the Team will fund any and all construction cost overruns.

Although the ballpark is being built by the Team, the Florida Marlins agreed to comply with county wide ordinances related to small and minority business participation.

The parties are making efforts to build a “green” building that is LEED certified. To assist with these efforts MLB has committed for the first time a \$1 million matching grant to assist the parties achieve LEED certification.

In contrast to previous efforts, the exterior design of the ballpark has been developed with the input of the City and the County.

The Office of the Inspector General will monitor the development of the ballpark to ensure it meets with all Miami-Dade County regulations. In addition, the County and City will participate on the project coordination team to monitor the construction.

The target for completion of the ballpark is 2012.

BALLPARK CONSTRUCTION FUNDING

Ballpark capital construction cost is budgeted for \$515 million.

Team will provide \$155 million for ballpark construction, including \$35 million (present value) as rent payment to the County for the 35-year term of the Management Agreement and a \$120 million up front cash contribution. The Team is responsible for ballpark construction overruns.

The public sector will provide \$360 million for ballpark construction.

The County will provide \$347 million:

- \$50 million of Building Better Communities General Obligation Bond funds (approved via Referendum-1371-07) that were specifically earmarked for the Orange Bowl site, and
- \$297 million from existing County tourist-bed tax. These funds include tax funds generated from the Professional Sports Franchise Facilities Tax, Tourist Development Tax and Convention Development Tax.

The City will provide \$13 million from the current Tourist Development Tax controlled by the City.

Under Florida law none of the dollars contributed by either the City or the County are eligible to fund social services, general government services or other related expenses.

Additional Team Investment

- The Team has agreed to pre-purchase the Site parking spaces for the 35-year term of the Lease. This equates to a present value Team investment in excess of \$100 million.

- The Team will contribute \$750,000 per year towards the stadium capital improvement fund. These contributions may be reduced if State funding is obtained.
- The Team is responsible for paying all maintenance and repairs, operational and insurance expenses for the ballpark.

Additional Public Investment:

- The City is providing the Site.
- The City is responsible for constructing the Site parking, but the Team is paying debt service on the garage by agreeing to pre-purchase the Site parking spaces.
- County and City are paying for limited infrastructure improvements to support the ballpark.
- The City will contribute \$250,000 and the County will contribute \$750,000 to the capital improvement fund. These contributions may be reduced if State funding is obtained.

MANAGEMENT AND TERM

The Team will contract with the County to manage the ballpark for a minimum of 35 years, with two five-year renewable terms.

The Team retains ballpark revenue, promotional rights and sponsorship revenue.

TEAM COMMUNITY BENEFIT COMMITMENTS

Community Events: The County and the City shall each have unlimited use during non-baseball months and a limit of four events each during regular baseball season for amateur athletic, public service, or other nonprofit events not including professional baseball games.

The Team will continue its longstanding support of the community through its Cornerstones for Kids Foundation, which is focused on educational, athletic health, social and community service for South Florida youth. The Team will encourage its advertisers and sponsors to support the work of the Foundation.

The Team further will work to build local youth baseball infrastructure through MLB's various affiliated charitable organizations.

The Team will maintain at least 25 personal public appearances per year in support of education, youth sports, and public service activities.

A minimum of 10,000 free tickets per year, plus 81,000 discounted tickets for youth and the elderly each year.

One shared community suite for public and/or charity use, 40 games each for City, County and Stadium Manager.

MLB's Diverse Business Partners program will apply, and the Team will further develop its own aggressive small business outreach program.

Team Name will change to Miami Marlins before completion of the new ballpark.

Major League Baseball Commitments

- **Baseball Academy:** Major League Baseball will provide more than \$3 million for the City of Hialeah to build and develop a Youth Baseball Academy in Hialeah. The academy is part of MLB's Urban Youth Initiative to cultivate diversity, contribute to minority communities, provide safe activities for youth and prepare minority high school players for college and professional baseball. MLB also will provide operations training support for the Academy curriculum that will comprise retired industry professionals, including players, umpires and groundskeepers. MLB is prepared to offer to the community the operations training support that will be provided at the Academy.
- **2009 World Baseball Classic:** Major League Baseball has agreed that Miami will be one of the sites for Round 2 of the 2009 World Baseball Classic. The World baseball Classic features 16 international teams of players from around the world.
- The new stadium qualifies the Marlins to bid on future Major League Baseball jewel events such as the All-Star game and future World Baseball Classic.