



# SARASOTA COUNTY

"Dedicated to Quality Service"

May 15, 2009

**Via Electronic Mail and Facsimile (410) 269-5274**

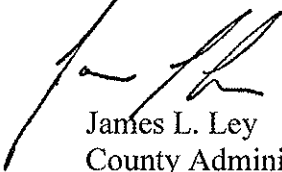
Alan M Rifkin, Esq  
Counsel for the Baltimore Orioles  
225 Duke of Gloucester St  
Annapolis, MD 21401-2435

Dear Mr. Rifkin:

The Sarasota County Commission met on May 13, 2009 and authorized staff to make the attached proposal to the Baltimore Orioles. Upon receipt of your acceptance of this proposal, the County shall prepare a formal Term Sheet incorporating these terms which will be forwarded to you for signature. The executed Term Sheet must be received by Dave Bullock, Deputy County Administrator (phone: 941-861-5293; fax: 941-861-5987; email: dbullock@scgov.net), no later than 5:00 PM, Friday, May 22, 2009. If the document is not received by that time, the County's proposal will expire.

Thank you for your prompt consideration of this proposal.

Sincerely,



James L. Ley  
County Administrator

#### Attachments

c: Sarasota County Commission  
Stephen E. DeMarsh, County Attorney  
David R. Bullock, Deputy County Administrator  
Jeffrey C. Seward, Chief Financial Planning Officer  
Robert J. Bartolotta, City Manager, City of Sarasota  
V. Peter Schneider, Deputy City Manager, City of Sarasota

- The Baltimore Orioles will construct spring training facilities to be located at the Ed Smith Stadium site and at Twin Lakes Park (TLP), as mutually agreed by the parties, and conduct spring training at the facilities. The spring training facilities shall be constructed as generally depicted in various proposals the Baltimore Orioles have previously prepared for Sarasota County (example attached) which, at a minimum, will include:
  1. A new or renovated 7,500 seat Major League Stadium (+ approximately 1,500 berm) at the Ed Smith Stadium site.
  2. Seven practice fields, either new or renovated to current Major League standards (4 practice fields at TLP and 3 practice fields at the Ed Smith Stadium site, as shown in most recent concept), or another configuration mutually agreed to by the parties.
  3. Two new or renovated clubhouses (Major League at the Ed Smith Stadium site and a Minor League facility at TLP), as mutually agreed by the parties.
  4. Other “usual and customary” Major League baseball facilities (batting tunnels, agility training area, pitching mounds, etc) as required for state of the art Major League spring training facilities.
  5. On-site parking at the Ed Smith Stadium facility, including north of 12th Street as mutually agreed to by the parties.
  6. On-site parking, as needed, at TLP.
  7. Spring training facilities to be hurricane-hardened for use as shelter and/or staging area
  
- The Baltimore Orioles will be responsible for any construction costs that exceed the County/City of Sarasota financial contributions outlined below.
  1. The County’s financial contribution will be limited to: Proceeds received from bonds issued by the County in the PAR amount equal to the maximum amount allowable under the County’s Charter bond limitation without a referendum (estimated to be \$18+ million) to the project.
  2. Tourist Development Tax proceeds collected during the period commencing March 1, 2008 through December 31, 2009 from that portion of the Initial Two Percent Levy designated for any lawful use pursuant to the Tourist Development Plan set forth in Section 114-64 of the Sarasota County Code, in an amount estimated to be \$2,000,000.
  
- The City of Sarasota’s financial contribution will be limited to: Funding from the OTTED grant from the State of Florida to the City of Sarasota in an amount estimated to be \$7.5 million net present value (NPV) to be used to renovate/construct a spring training facility.
  
- Execution of a Capital Facilities Contract between the Baltimore Orioles and the County that includes, but is not limited to, the following provisions:
  1. Construction management to be the responsibility of the Orioles.
  2. Mutually agreeable construction schedule.

3. Mutually agreeable funding schedule.
  4. County approval of design of the facilities.
  5. All contracts related to the construction of the spring training facilities shall comply with the County's procurement code.
- Execution of an Operating Agreement between the Baltimore Orioles and the County that includes, but is not limited to, the following provisions:
    1. Orioles to pay all O&M costs associated with the spring training facilities (including customary fire, traffic control and police for spring training games).
    2. Orioles to pay all property taxes associated with the spring training facilities and appurtenances.
    3. Capital reserve to be funded by ticket surcharge.
    4. At a minimum, the term of the operating agreement will run concurrent with the duration of any debt service period required for the County's financing of the spring training facilities. The operating agreement will include monetary remedies in favor of the County in the event the Orioles fail to occupy the facilities for the duration of the County's debt service obligations so as to keep the County whole until such time as the Orioles provide another Major League baseball team that will assume all the Orioles' obligations in the operating agreement.
    5. Subject to use by the Orioles, the spring training facilities and ancillary facilities shall be available for public use for no fewer than sixty (60) days per year at no cost other than clean-up and security, if needed.
    6. Orioles to begin use of the spring training facilities for the 2010 spring training season and continuously utilize the facilities for spring training for the duration of the County's bond obligations.
  - The advertising and promotion campaign, as represented by the Orioles to the Sarasota County Convention and Visitors Bureau, will be provided by the Orioles for the term of the operating agreement
  - Subject to availability of athletic fields, a Cal Ripken youth sports academy will be located in Sarasota County for at least 10 years, commencing no later than the 2012 spring training season.
  - During the 60 day period, commencing May 22, 2009, the Orioles will negotiate exclusively with Sarasota County and engage in no discussions or correspondence with any other locality or entity relating to spring training facilities.

In addition to the above, the Orioles agree to and understand that all terms and conditions contained herein are subject to an interlocal agreement being executed by the City of Sarasota and Sarasota County containing, at a minimum, the following provisions:

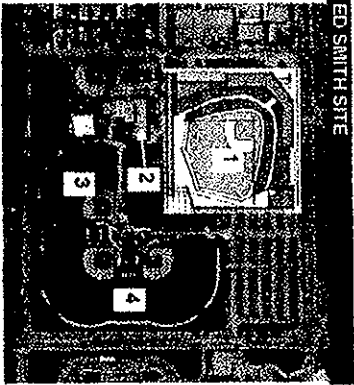
1. For the duration of any outstanding debt of the County related to the Ed Smith stadium site or the duration of the use of the Ed Smith stadium site for Major League baseball, the County shall maintain ownership of the facility located on the Ed Smith stadium site.

2. At such time as there is no such remaining County debt and the facility located on the Ed Smith stadium site is no longer used by Major League baseball, the County shall convey ownership of said facility to the City with the stated intent of both parties that the facility shall remain in public use. If at any time following transfer of title back to the City, the City determines that its best interests are better served by allowing private use of the facility, the County shall have the right to lease or purchase the Ed Smith stadium site at a cost less the value of any improvements.
3. The City of Sarasota's financial contribution will be limited to: Funding from the OTTED grant from the State of Florida to the City of Sarasota in an amount estimated to be \$7.5 million net present value (NPV) to be used to renovate/construct a spring training facility.



BALTIMORE ORIOLES SPRING TRAINING FACILITY  
SARASOTA, FLORIDA  
1/19/2009

ED SMITH SITE



1. New Stadium
2. Clubhouse Renovation/Addition
3. New Premier Field
4. Rehab Two Existing Fields
5. Clubhouse Renovation
6. Rehab Five Fields

TWIN LAKES SITE

