

MINUTES
Regular Meeting of the Board of Directors
Denver Metropolitan Major League Baseball Stadium District
June 17, 2020

Board Members Present

Bob Lee, Chairman
Stephanie Forbes Donner
Scott Martinez
Rick Ridder
Andrew Feinstein
Ramona Martinez
Damon Barry

Board Members Absent

Agenda Item 1.

On Wednesday, June 17, 2020, a regular meeting of the Board of Directors of the Denver Metropolitan Major League Baseball Stadium District was called to order at 1:30 p.m. by Bob Lee, Chairman. As there was a quorum, the following business was conducted.

Bob Lee opened by commending the Colorado Rockies Baseball Club for issuing the following statement: "We remember Ahmaud Arbery, Breonna Taylor, George Floyd and the countless other men and women who have lost their lives because of senseless brutality. We believe in the people, both past and present, who have stood for inclusion, equality and justice. We denounce racism in all its forms and condemn any violence or cruelty that arises from it. The Rockies organization believes in our Colorado community to help lead the way in making our world a safer and more tolerant place for everyone."

Bob noted that he also was moved by the personal statement of Rockies player Ian Desmond.

Rick Ridder commented that while he agreed with the Rockies statement, he was concerned that only 1 of the last 25 Rockies' draft picks was a person of color. Damon Berry stated that there should be a focus on diversity in the front office.

Agenda Item 2.

Approval of Minutes

A motion to approve the minutes of the January 14, 2020 meeting of the Board of Directors was made by Andrew Feinstein, seconded by Ramona Martinez and unanimously approved.

Agenda Item 3.

Regular Business

2019 Audited Financial Statements

Bob presented the Audited Financial Statements to the board. Bob noted that the Audit Committee had reviewed and discussed the Audited Financial Statements in detail and it was the committee's recommendation to the board that the audited financials be accepted. Matt Sugar advised that the audit occurs annually and is to be filed with the appropriate state agencies prior to July 31 each year. As part of the audit process, the District's procedures are reviewed. It was recommended that more regular communication was needed between the Rockies and the District as to the status of work in progress, the date of completion and how the financial statements account for same. Matt noted the District staff and the Rockies have set regularly scheduled meetings to address this recommendation. Rick said he was impressed with the detail of the presentation and the work that went into the audit. Rick Ridder made a motion to accept the 2019 Audited Financial Statements as presented, seconded by Andrew Feinstein and unanimously approved.

RESOLUTION 4-20:

A motion that the 2019 Audited Financial Statements of the District for the fiscal year ending December 31, 2019 and the independent auditor's report prepared for the District by RubinBrown are hereby accepted and approved to be filed with the appropriate State agencies was made by Rick Ridder, seconded by Andrew Feinstein and unanimously approved. (7-0)

Ballpark Rent Update:

Bob asked Craig Umbaugh, District's Counsel, to provide an overview of the request from the Colorado Rockies Baseball Club for deferral of some, but not all, rental payments under the Coors Field Stadium Lease and the West Lot Ground Lease. According to the Club, similar to many businesses across the U.S., the Club's finances have been severely impacted by the COVID 19 pandemic. At this time, the Club does not know if or when there will be a 2020 MLB season or what form such a season may take and requests the deferrals in order to assist in keeping staff employed through this season.

The Club has made all required payments under the Stadium Lease and all required payments under the Ground Lease and is current in its other obligations under those agreements. In addition to the required payments, the Club has already prepaid \$750,000 under the Stadium Lease that will be applied as the Capital Fund payment due on September 15, 2020. In addition, under the Ground Lease, the Club has, as of this date, prepaid \$9,250,000 of West Lot rent. The Club intends to make another \$500,000 West Lot rent prepayment in August 2020 for a total of \$9,750,000 in prepayments under the Ground Lease. The prepaid amounts under the Ground Lease will be applied as follows: \$3,750,000 applied for the full payment due on September 15, 2020; \$3,750,000 to be applied on January 15, 2021 for the full payment due on that day; and the

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remaining \$2,250,000 to be applied on September 15, 2021 as a partial payment of the \$3,570,000 payment due on that day.

The Club is requesting that the remaining \$1,500,000 of the payment that would be due on September 15, 2021 under the Ground Lease, be deferred until September 15, 2022, at which time the deferred portion would be paid in full. The Club intends to make the scheduled Ground Lease payment of \$3,750,000 in full when due on January 15, 2022. The Club proposes to pay the deferred \$1,500,000 on September 15, 2022 (along with the Club's regularly scheduled payment under the Ground Lease due on September 15, 2022 of \$2,500,000) for a total payment of \$4,000,000 on September 15, 2022.

The Club is requesting that it be allowed to defer the rent payment under the Stadium Lease of \$500,000 due on September 15, 2020 until September 15, 2022 (on which date the Club would make a \$1,000,000 payment consisting of the regularly scheduled payment and the deferred payment), and defer the rent payment under the Stadium Lease of \$500,000 due on January 15, 2021 until January 15, 2023 (on which date the Club would make a \$1,000,000 Stadium Rent Payment consisting of the regularly scheduled payment and the deferred payment). The Club intends to continue making Capital Fund payments of \$750,000 as scheduled and intends to make the rent payments under the Stadium Lease of \$500,000 due on September 15, 2021 and January 15, 2022 as scheduled.

Bob asked for any questions concerning this request. Andrew noted that if the stadium is unused, then there should be limited wear and tear on the ballpark and therefore less need for current capital repair expenditures. Andrew asked for an update as to whether the ballpark would be utilized this year. Greg Feasel of the Colorado Rockies advised that the current plan being discussed with the City and State is that the Rockies would have "Spring Training" at Coors Field to include 50 players and 15 coaches, but they have to work with the City and State on variances. As to having fans attend this year, protocols would involve social distancing and less fans in the ballpark if any, but the cost would be about the same to have a functioning ballpark.

Rick said that his concern was that this is unlike other business and to his knowledge, other businesses are not getting deferred lease payments. Rick said given the high valuation of the Club, the public should not expect to defer payments and at least the public should expect to receive interest on the deferred amounts. Andrew said that you cannot look at net worth as that does not help when revenue is displaced. Andrew said he was aware of many companies that are having rent payments deferred. Ramona asked if the Rockies received federal PPP Funds. Hal Roth, Colorado Rockies, advised that the Rockies did not receive PPP Funds and did not apply. Damon said he supported allowing deferred payments especially with the amount of prepaid rent and given that PPP Funds were not received. After further discussion by the board, Bob asked for a motion to accept the proposal to allow the Rockies to defer rent payments as set forth above.

Andrew Feinstein made a motion to approve allowing the deferred rent payments, Damon Barry seconded and the motion was approved (5-2 (R. Martinez, Ridder)).

RESOLUTION 5-20

A motion that the Colorado Rockies be allowed to defer the rent payment due under the Stadium Lease on September 15, 2020 (until September 15, 2022) and on January 15, 2021 (until January 15, 2023) and to defer \$1,500,000 of the Ground Lease payment due on September 15, 2021 to September 15, 2022 and that the Chair or any other director and the staff are authorized to execute such documents and take such other and further action as may be necessary or appropriate to effect the purposes of this resolution was made by Andrew Feinstein, seconded by Damon Barry and approved with five in favor and two opposed.

McGregor Square Update:

Allyson Gutierrez of the Colorado Rockies gave a slide presentation on the progress of McGregor Square. The project is on schedule and the outside of the buildings will soon look complete with the remaining work to be on the interiors. Scott Martinez thanked Allyson for the presentation and said he appreciated her efforts to answer his questions during a tour he took of the project. He suggested that other board members should take a tour if they have not done so. Hal said they would be more than happy to accommodate tours.

Capital Repairs and Improvements:

Allyson presented an update on the various capital improvement projects. The hydronic field heating system was completed and the padding around the field was also replaced. Four new boilers have been installed with a slot for a fifth if needed. Speakers were replaced on the main concourse and club level. Work on the escalators continues (the internal workings are being replaced). Once the escalators are complete, work will start on the elevators. Security cameras are being installed. The restroom coatings and void areas are in process.

Agenda Item 4.

Comments from the Public

There were no comments from the Public.

Agenda Item 5.

Comments from the Board:

Bob asked for an update on the current plan for playing games this season. Greg Feasel said there are many different rumors circulating. The Rockies are confident that they will play this year and hope to know soon what the protocols are and how those get implemented, but they will include testing of the players and staff every couple days, and a restricted area to quarantine if necessary. MLB contracts with a drug testing firm in Utah and they will be handling the

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testing so that they are not taking away from the public testing in Colorado. The Rockies are working with Denver Health, UCHHealth, Sky Ridge and Swedish for any hospitalizations.

Ramona asked if there were any projections for parking revenues the District anticipates receiving in this year. Craig said that staff can look at last year and make some assumptions and projections for this year, but since there are currently no games with fans scheduled, no concerts, and no events, parking revenues will decline considerably. Matt said that he would follow up with Ramona on this.

Damon asked about the use of suite by charitable organizations if baseball does start playing with fans. Matt said that the website has a sign up for use of the suite by K-12 schools and 501(c)(3) charities on a first come, first served basis. Greg Feasel noted that the suites, if they can even be used, would be limited as to capacity because of social distancing – for example, a 20-seat suite may only be allowed to host 5-10 people, but there is no guidance yet on either holding games or attendance at games.

Agenda Item 6.


Other Business

None

Agenda Item 7.

Adjourn

There being no other business, a motion to adjourn this meeting of the District was made by Damon Barry, seconded by Rick Ridder and unanimously approved.


Secretary/Treasurer