



MEMORANDUM

Council Agenda
Item No. IX. AW
9/27/2022

The City of OKLAHOMA CITY

TO: Mayor and City Council

FROM: Craig Freeman, City Manager

Joint Resolution with the Oklahoma City Public Property Authority approving Amendment No. 1 to Prime Lease between The City of Oklahoma City and the Oklahoma City Public Property Authority, extending term of Prime Lease through September 30, 2041; waiving the right of first negotiation and the right of first refusal to purchase the rights of DBH OKC, LLC; acknowledging, without objection, the proposed transfer of ownership of Diamond Baseball Parent, LLC, (the indirect parent owner of Lessee) from Endeavor Group Holdings, Inc. to Silver Lake Partners; and authorizing the Chairman of the Oklahoma City Public Property Authority to execute an estoppel certificate, if requested, related to the 2016 Amended and Restated Sublease Agreement between Lessee and the Oklahoma City Public Property Authority.

Background:

The City owns property in Bricktown on which a baseball park and related parking facilities are located. Said property is leased to the Oklahoma City Public Property Authority ("OCPPA") which subleases it to DBH OKC, LLC (aka the "Dodgers"). The sublease between the OCPPA and the Dodgers contains provisions with regard to the underlying ownership of the Dodgers, in particular regarding any changes in that ownership. The underlying ownership of the Dodgers is currently set to change.

The City and the OCPPA acknowledge this underlying ownership change. Further, they acknowledge that pursuant to the sublease between the OCPPA and the Dodgers, the OCPPA has the first right to negotiate the purchase of the Dodgers and right of first refusal in the event the Dodgers receive an unsolicited bona fide offer from a third party to acquire the Dodgers. Because the management of the Dodgers is not changing as a result of this ownership change, the City and the OCPPA desire to waive any such contractual rights.

Further it has been discovered that the term of the City's lease with the OCPPA expires in 2025, however, the OCPPA's sublease with the Dodgers is set to expire at a much later date. Therefore, this Joint Resolution will authorize the Mayor and the Chairman of the OCPPA to sign an amendment to the City's lease with the OCPPA solely for the reason of extending the lease term to be concurrent with the Dodger's sublease.

Review:

City Manager's Office

Recommendation: Resolution be adopted.