



DENVER
THE MILE HIGH CITY

Amended and Restated Denver Arena Agreement

May 21, 2019

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Denver Arena Agreement



Denver Arena Agreement was executed in 1997 between CCD and Ascent Arena Company, LLC (predecessor in interest to Kroenke Arena Company LLC), The Denver Nuggets Limited Partnership, and Colorado Avalanche LLC.

Denver Arena Agreement

- Existing key terms include:
 - Expiration June 30, 2023
 - Requirements regarding the construction of Pepsi Center
 - Upon completion of construction, conveyance of the land to the City to secure performance obligations; Kroenke operates under a Ground Lease
 - Interim use of McNichols Sports Arena during construction of Pepsi Center
 - City use rights and hosting requirements for the Pepsi Center
 - Financial obligations as an Urban Renewal Project
 - Early Business Incentives to maximize concessions revenue
 - Sports teams to remain in City through term (2023)
 - At end of term, Ground Lease terminates and land transfers from City to Kroenke



Amended and Restated Denver Arena Agreement

- New key terms include:
 - The Denver Nuggets and Colorado Avalanche commit to remain in Denver through 2040
 - The Denver Nuggets and Colorado Avalanche will play at Pepsi Center through 2030; in Denver west of I-225 through 2040
 - Acknowledges financial obligations have been met
 - Acknowledges construction requirements have been met
 - Guaranty provision remains in place
 - Termination of the Ground Lease
 - Updated Audit provision



Amended and Restated Denver Arena Agreement

- Key terms removed in the Amended and Restated Denver Arena Agreement:
 - References to McNichols Arena and Team Commitments to that Arena
 - References to the construction obligations of the Pepsi Center as they have been met
 - References to financing obligations and restrictions as the financing has been satisfied
 - References to the incentive payments as they were further assurances for the success of the arena and are no longer needed
 - References to the lease as the property is being conveyed to KSE in accordance with the Contribution Agreement

The Division of Real Estate requests that City Council approve the Amended and Restated Denver Arena Agreement with Kroenke Arena Company LLC, The Denver Nuggets Limited Partnership and Colorado Avalanche LLC to extend the Teams' obligations to remain in the City.

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- Questions?