



OFFICE OF THE COUNTY EXECUTIVE
PRICING OF OPTION TO PURCHASE
ALLIANCE BANK STADIUM

OVERVIEW:

The proposed Lease Agreement for Alliance Bank Stadium provides the Community Baseball Club of CNY (CBC) an option to purchase the Stadium at a price of \$2,800,420, plus any unpaid rent in the calendar year in which the option is exercised.

PURPOSE AND CALCULATION OF OPTION PRICE:

The County of Onondaga built the multi-purpose stadium known as Alliance Bank Stadium to benefit County residents through (1) the playing of Triple-A baseball by the Syracuse Chiefs baseball club throughout baseball season, and (2) the presentation of community use events at the stadium during and after baseball season.

In determining the fair market value of the stadium, the Office of County Executive begins with an assumption that the highest and best use of this property is (1) the playing of Triple-A baseball throughout baseball season, and (2) the presentation of community use events at the stadium during and after baseball season and recognizes that other possible uses may yield a higher fair market value.

The County is unaware of any recent sales of comparable minor-league baseball stadiums that did not also include the sale of the baseball club playing in the stadium, making a sales comparison approach to valuation difficult or impossible. The cost approach, which sums the land value and depreciated value of any improvements, yields a value below that of the option price given the assumptions stated above about the highest and best use of the property. The income approach yields a negative number, as it is easily demonstrated that the County can expect negative Net Operating Income (NOI) from the property over the short term and long term as well.

The purchase price upon the CBC's election of its option includes the following components (balances shown as of January 1, 2012):

Balance of Project acct. 422534 "Multi Purpose Baseball Stadium" (object 2705) -	\$1,873,493
Remaining Debt Service (Principal + Interest) on bonds issued for natural grass field -	\$862,500
Depreciated Value of field maintenance equipment purchased for natural grass field -	<u>\$64,427</u>
TOTAL:	\$2,800,420

FUNDING SOURCE: n/a -- No funding required or requested.

BUDGET: \$0



Onondaga County
Executive Department

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SEAN P. CARROLL
Director

TO: David Knapp, Chairman, Ways and Means
Committee Members, Ways and Means

FROM: Sean Carroll, Director

DATE: January 27, 2012

SUBJECT: Reporting Requirements under 2010-241 and 2010-242, Revenue Contracts

For the period ending January 27, 2012 the following revenue contracts have been competitively let through the RFP process.

Hopkins Road Management RFP #11-6900-003 This RFP is now closed. Two vendors proposed and the RFP committee selected the proposal from Homerun

Below please find updates on items previously reported to the committee.

Corrections Video Visitation RFP #11-1500-001 No responses were received by the deadline. Corrections will continue to pursue this opportunity, by trying to identify possible vendors.

Below please find revenue contracts which may be let in the near future.

Vending Machines Corrections/Generally - There are currently several administrative issues under review regarding this contract and a policy consideration of issuing on document combining several vending contracts set to expire over the next 18 months.

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