



Project Data

Key Scope Items:

- 17,000-seat NBA Arena
- Term Sheet Review
- Risk Mitigation and Opportunity Analysis

HSP Professionals Involved in Project: Rob Hunden, Ethan Olson

Time of Service: 2013

Sacramento Kings Arena Term Sheet Analysis

Sacramento, California

The Sacramento Kings are currently exploring the need for a new arena. The team is currently housed in the 17,000-seat Sleep Train Arena. Opened in 1988, the facility is considered outdated by modern arena standards and is often named one of the worst professional facilities in the NBA. The team has undergone controversy in recent years as it seeks to build a new arena and possibly relocate to another city.

Hunden Strategic Partners was retained to provide a preliminary review of the terms related to the development of the Entertainment Sports Center (ESC), with the NBA Sacramento Kings as the primary tenant. The goal of the analysis was to minimize the public risk of investment in a new facility, yet be fully cognizant of the realities of the NBA and the viability of such arenas.

Utilizing its experience with NBA and other professional sports facilities, HSP conducted a review of the development agreement terms in order to make recommendations to the City regarding risks, opportunities and overall improvements to the deal. A deal point analysis with recommendations and comparisons to other arena deals was provided. The City continues to negotiate with the team and the NBA will select a host city and arena in 2013.