

San Jose Giants

Municipal Stadium Lease and Renovation Agreement

March 4, 2025
Item 8.1

Nanci Klein, Director
Office of Economic Development and Cultural Affairs
Kevin Ice, Director of Real Estate
Office of Economic Development and Cultural Affairs



Background – Excite Ballpark

- San Jose Municipal Stadium ("Excite Ballpark") opened in 1942.
 - Home to the San Jose Giants since 1988.
- Giants' current lease runs until December 31, 2027.
- Excite Ballpark is not compliant with Major League Baseball's current Professional Development League standards.
- Giants must perform improvements at an estimated cost of \$20,000,000 or relocate.
- Planned improvements enhance the experience and safety of both players and fans:
 - New 17,900 sq ft clubhouse building (offices, showers, training rooms).
 - Netting and shade structures to protect fans and the adjacent Fire Training Center.
 - Regrading and remodeling of the playing field and dugouts.
 - New ancillary batting cages.
 - Weatherproofing the stadium bowl.

Excite Ballpark



Key Terms of Lease Restatement

- Extends term until December 31, 2050.
- Allow Giants to perform roughly \$20,000,000 in stadium improvements.
 - Subject to typical City permitting processes, CEQA, and prevailing wages.
- City to reimburse \$5,000,000 to the renovation of the playing field and dugouts.
 - Seven annual payments of \$714,285, starting in Fiscal Year 2027/2028.
- Giants retain responsibility for all maintenance, repairs, and MLB requirements.
 - City responsible for the structural elements of the stadium bowl.
- Giants pay an increased rent of \$40,000 annually into stadium's maintenance fund.
- Giants keep all revenue from naming rights and video board rental.
 - Roughly \$3,000,000 over term of the lease; currently going into the stadium's maintenance fund.
- Giants to receive revenue from future telecommunications lease at Excite Ballpark.
 - Expected to average \$45,000 a year.

Recommendations

1. Authorize the City Manager to negotiate and execute an amended and restated use, operation, and management agreement between the City of San José and DBH San Jose, LLC, for the San Jose Municipal Stadium ("Excite Ballpark"), for a term of 25 years, at a rent of \$40,000 per year.
2. Allow for capital improvements to Excite Ballpark funded by DBH San Jose, LLC, subject to City review as a property owner and regulatory permitting authority, as required to bring the stadium into compliance with Major League Baseball's Professional Development League standards.
3. Authorize the reimbursement by the City to DBH San Jose, LLC for expenses incurred to renovate the playing field, and dugouts, totaling \$5,000,000 to be paid annually as \$714,285 for seven years from Fiscal Year 2027-2028 through Fiscal Year 2033-2034.
4. Approve the assignment of all stadium naming rights and collection of associated income to DBH San Jose, LLC for the duration of the lease.

Thank you!

Staff are available for questions.

Contact Information:

Nanci Klein – Nanci.Klein@sanjoseca.gov

Kevin Ice – Kevin.Ice@sanjoseca.gov

