



**St. Louis Regional Convention and Sports Complex Authority,
the City of St. Louis, and the County of St. Louis**

v.

**National Football League, The Rams Football
Company, LLC, et al.**

**THE CIRCUIT COURT OF ST. LOUIS CITY, MISSOURI TWENTY-SECOND JUDICIAL CIRCUIT
No. 1772-CC00976**

By Martin J. Greenberg and Brett Blayer



NFL Relocation Since 1960:

- 1960 Cardinals (Chicago to St. Louis)
- 1961 Chargers (Los Angeles to San Diego)
- 1963 Chiefs (Dallas to Kansas City)
- 1982 Raiders (Oakland to Los Angeles)
- 1984 Colts (Baltimore to Indianapolis)
- 1987 Cardinals (St. Louis to Phoenix)
- 1995 Rams (Los Angeles to St. Louis)
- 1995 Raiders (Los Angeles to Oakland)
- 1996 Browns (Cleveland to Baltimore)
- 1997 Titans (Houston to Nashville)
- 2016 Rams (St. Louis to Los Angeles)
- 2017 Chargers (San Diego to Los Angeles)
- 2020 Raiders (Oakland to Las Vegas)

In total 8 NFL franchises have relocated since 1960 as compared to the MLB (6), NHL (7), and NBA (13).



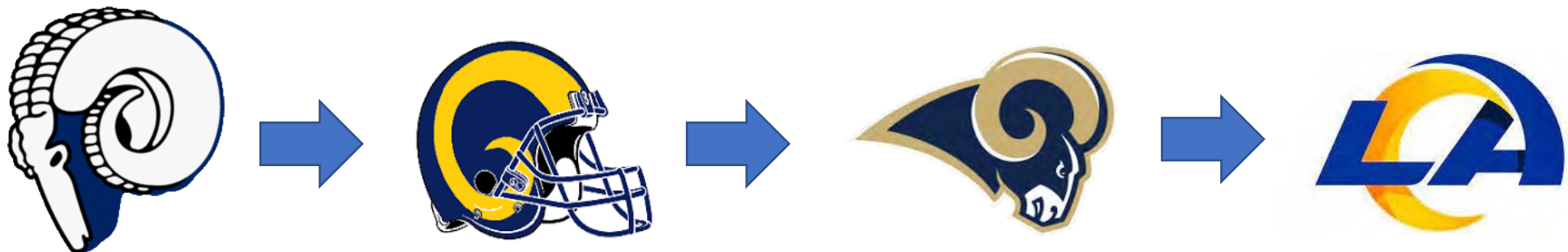
Who is E. Stanley Kroenke?

- Born in Columbia, Missouri in 1947.
- From a young age worked at his father's lumber yard.
- Graduated from the University of Missouri with a BA and MBA.
- Married Ann Walton, heiress to the Walmart fortune in 1973.
- Founded the Kroenke Group, a real estate development company in 1983.
- Chairman of THF Realty.
- Principal Owner of Los Angeles Rams, Denver Nuggets, Colorado Avalanche, Colorado Rapids, Colorado Mammoth, Arsenal F.C., Arsenal W.F.C., and multiple Esports organizations.
- 2021 estimated net worth according to Forbes is \$10.7 billion.



History of the Rams Franchise and St. Louis

- Rams founded in 1936 as the Cleveland Rams.
- In 1946, the franchise moved to Los Angeles.
- Rams enticed to relocate to St. Louis in 1995, with favorable lease including a “First-Tier Promise.”
- Rams relocated back to Los Angeles in 2016.



NFL Relocation Policy



KEY REQUIREMENTS AND SECTIONS:

- **Article 4.3** of the Relocation Policy requires prior approval by 3/4 of member clubs before a club may relocate (high mark to keep geographic stability).
- **Article 4.3** further clarifies that owners lack an inherent “entitlement” to relocate, even for greater revenue opportunities.
- **Section A(1)** of the Relocation Policy stipulates each NFL club’s “primary *obligation*...is to advance the interests of the League in its territory” and “clubs are *obligated* to work diligently and **in good faith** to obtain and to maintain suitable stadium facilities in their home territories, and to operate in a manner that maximizes fan support in their current home community.”
- Club must file a **Relocation Notice with the League** and publish the Notice in newspapers of general circulation within the incumbent community.
- Interested parties have opportunity to provide oral and/or written comments on proposed transfer, including a public hearing conducted by the League in the community from which the team seeks to relocate.
- Club must provide a “**Statement of Reasons,**” along with financial documents and negotiation descriptions, to incumbent community as outlined in Appendix One of the Relocation Policy. **Documents must also be submitted to the League Office.**

NFL Relocation Policy: Post-Submission to the League Office



POST-SUBMISSION TO THE LEAGUE OFFICE:

- Following the NFL Commissioner's evaluation of the transfer documents, the proposal will be presented to membership for a relocation vote (3/4 approval required).
- The League must publish, within 30 days of any relocation decision, a written Statement of Reasons in newspapers of general circulation within the incumbent community setting forth the basis of its decision.
- The League must deliver copies of the Statement of Reasons to the local governments in the community from which the club seeks to relocate and any sports authority or similar entity with jurisdiction over the stadium or facility from which the club seeks to relocate.
- **Section D of the Relocation Policy** stipulates that no request to relocate shall be unconditionally approved, nor shall a relocation be allowed to take effect, if it would result in a breach of the club's current stadium lease.
- **Section E of the Relocation Policy** if a club's proposal to relocate to a new home territory is approved, the relocating club will ordinarily be expected to pay a transfer fee to the League. The transfer fee will compensate other member clubs of the League for the loss of the opportunity appropriated by the relocating club and/or the enhancement (if any) in the value of the franchise resulting from the move.

Statement of Reasons: What Must Be Addressed and Additional Considerations



Factor 1: Extent to which the club has satisfied, particularly in the last four years, its principal obligation of effectively representing the NFL and serving fans in its current community; whether club has previously relocated and the circumstances of such prior relocation.

Factor 2: The extent to which fan loyalty to and support for the club has been demonstrated during the team's tenure in the current community:

- Visiting team share vs. League average
- Per game paid attendance vs. League average
- Per game attendance as a % of capacity vs. League average
- Maximum average attendance in a season
- Blackouts and usage of manifest policy
- Season tickets sales as a % of capacity vs. League average

Factor 3: The adequacy of the stadium in which the club played its home games in the previous season; the willingness of the stadium authority or community to remedy any deficiencies in or to replace such facility, including whether there are legislative or referenda proposals pending to address these issues; and the characteristics of the stadium in the proposed new community:

- Stadium deficiencies
- Availability of alternatives

Factor 4: The extent to which the club, directly or indirectly, received public financial support by means of any publicly financed playing facility, special tax treatment, or any other form of public financial support and the views of the stadium authority (if public) in the current community:

- Current location support
- Proposed location support

Statement of Reasons: What Must Be Addressed and Additional Considerations Cont.



Factor 5: The club's financial performance, particularly whether the club has incurred net operating losses (on an accrual basis of accounting), exclusive of depreciation and amortization, sufficient to threaten continued financial viability of the club, as well as the club's financial prospects in its current community:

- Average net operating loss or profit (excluding depreciation) vs. League average
- Projected operating income (excluding depreciation) vs. League average
- Average net operating loss or profit before player costs, depreciation, and SRS payments vs. League average
- Net operating CAGR 2004-2018 vs. League average
- Suite premiums vs. League average
- Cash flow

Factor 6: The degree to which the club has engaged in good faith negotiations (and enlisted the League office to assist in such negotiations) with appropriate persons concerning the terms and conditions under which the club would remain in its current home territory and afforded that community a reasonable amount of time to address pertinent proposals:

- Duration and expense of negotiations

Factor 7: The degree to which the owners or managers of the club have contributed to circumstances which might demonstrate a need for such relocation:

- Club contribution to circumstances
- Average ticket prices vs. League average
- Winning % and number of player seasons

Factor 8: Whether any other member clubs of the League are located in the community in which the club is currently located.

Statement of Reasons: What Must Be Addressed and Additional Considerations Cont.



Factor 9: Whether the club proposes to relocate to a community or region in which no other member club of the League is located; and the demographics of the community to which the team proposes to move.

Factor 10: The degree to which interests reflected in the League's collectively negotiated contracts and obligations might be advanced or adversely affected by the proposed relocation, either standing alone or considered on a cumulative basis with other completed or proposed relocations:

- Impact on broadcast and labor agreements

Factor 11: The effect of the proposed relocation on NFL scheduling patterns, travel requirements, divisional alignments, traditional rivalries, and fan and public perceptions of the NFL and its member clubs, and:

- Change in distance from other clubs in division and change in distance from all other clubs

Factor 12: Whether the proposed relocation, for example, from a larger to a smaller television market, would adversely affect a current or anticipated League revenue or expense stream (for example, network television) and, if so, the extent to which the club proposing to transfer is prepared to remedy that adverse effect:

- Current location's Nielsen TV market ranking vs. proposed location
- Current location's metropolitan statistical area population (2013) vs. proposed location
- Current locations population growth vs. proposed location
- Current location's total effective buying income vs. proposed location
- Professional baseball, basketball, and hockey clubs within 100 miles of each location

Additionally, the NFL's interest in strong and geographically distributed franchises is considered (**Section A of the Relocation Policy**) and if there is an existing lease would be breached (**Section D of the Relocation Policy**).

What is a “First-Tier” Promise?

- Under the Amended and Restated St. Louis NFL Lease, **the St. Louis stadium as a whole and each of the 15 specific components** (qualitative and quantitative measurements) (Ex. 2 at 3, Sec. 1.3.1) must be ranked in the top 25% of all NFL stadiums to meet the “First-Tier” requirements.



The 15 Components of the Rams' First-Tier Promise

1. The box suites, suite concourses, and related amenities;
2. The club seats, club lounge, club concourse;
3. Stadium seating;
4. Stadium and playing field lighting, sound and communication systems;
5. Stadium scoreboards, computer systems, video systems, and other communication media;
6. Advertising infrastructure in or around the facilities, including exterior marquees;
7. Concession facilities, equipment, service, and preparation areas;
8. Common areas, entrances, lavatories, public safety, fire alarm and protection areas, and security services, signage, facilities, and equipment;
9. Facilities support equipment, facilities transportation, mechanical, electrical, plumbing, HVAC, and related equipment and systems;
10. NFL franchise football-related team facilities;
11. The playing field;
12. Electronics, telecommunications, and computer systems, box offices and ticket printing and taking equipment, ticket accounting and control systems;
13. The physical structure of the facilities;
14. Facilities management, including without limitation, NFL game data preparation, and NFL game data services and personnel; and
15. Maintenance of the facilities.

The “First-Tier” Provision of the Rams’ Lease

- **Section 1.3.1. First Tier Standard.** The Facilities taken as a whole, and each Component of the Facilities, respectively taken as a whole, are to be “First Tier” on March 1, 2005 and March 1, 2015. To be “First Tier” at those dates, the Facilities, taken as a whole, and each Component of the Facilities, respectively taken as a whole, must be among the “top” twenty-five (25%) of all NFL football stadia and NFL football facilities, if such NFL football were to be rated or ranked according to the matter sought to be measured. It is acknowledged and agreed by the parties hereto that to meet this First Tier Standard at such times may require upgrades, alterations, additions and improvements, including without limitation additional construction to the Facilities, any or all of the Components and any or all part(s) thereof.

The Amended and Restated St. Louis NFL Lease

On January 17, 1995, the St. Louis Convention and Visitors Commission (CVC) and the Rams agreed to a 30-year lease with a **“First-Tier Promise”** ending in 2025.



Relevant provisions in the lease:

- The “First-Tier Promise” requirement was to be enforced on March 1st, **2005**, and March 1st, **2015**, on the RSA, Convention and Visitors Commission (CVC) and Sponsors. (Ex. 2 at 3, Sec. 1.3.1)
- **The St. Louis Regional Convention and Sports Complex Authority (RSA), CVC, and Sponsors will pay for the First-Tier Improvements. (Ex. 4 at 3, Sec. 1.3.4)**
- The RSA, CVC, and the Rams agreed to arbitration before three experienced, independent decision-makers if they did not agree on the scope of improvements (Ex. 1 at 33, Sec. 25; Ex. 4 at 5-6.)



The Rams' Relocation Provision

“If the Dome is not maintained to a ‘First Class Standard’ for 60 days following written notice by the RAMS to the CVC (or 5 days during the NFL season), the RAMS must first attempt to remedy such condition and offset the cost thereof against any obligation it has to the CVC under the Lease, and **thereafter may terminate the Lease or convert the Lease to an annual term with the RAMS having successive unilateral annual renewal options thereafter until March 31, 2025.**”

If the RSA and CVC default on their First-Tier Promise, the Rams may exercise the right to relocate from St. Louis. (Ex. 4 at 9, Sec. 5.1)



What constitutes a “Default” under the Amended and Restated St. Louis NFL Lease Agreement?

- Each of the following occurrences shall constitute a default on the part of the CVC:
 - Failing to pay any sum due and payable to the Rams hereunder or fail to perform any other covenant or obligation on its part to be performed hereunder and such failure shall remain uncured for sixty days after delivery to the CVC of written notice thereof.
 - Failing to perform any obligation to be performed by the CVC and such failure shall result in the cancellation or postponement of any NFL game:
 - This includes the 2005 and 2015 “First-Tier” Promise Benchmarks.



LEASE → 2005 Benchmark for “First-Tier Facilities”

- Rams begin negotiating improvements in 2002.
- Based on a 2004 report (2004 HOK Report), the Edward Jones Dome was not a First-Tier Stadium.
- The parties agreed to negotiation extensions for the 2005 benchmark all the way to 2007.
- The Rams agreed to waive the 2005 benchmark requirement in 2007 in exchange for \$30 million in cosmetic improvements to the stadium.

LEASE → 2015 Benchmark for “First-Tier Facilities”

- Parties begin negotiations in 2012 for a more “efficient process.”
- St. Louis plan never exceeded \$160 million and had the Rams taking on the majority of the expenses.
- The Ram's plan was near \$700 million.
- In June of 2012, both sides filed arbitration demands.
 - St. Louis wanted the Rams to pay for more than 50% of the stadium improvements.
 - The Rams wanted the City to pay for all improvements as the lease specified.
- In February of 2013, the arbitration panel concluded that the proposed St. Louis plan would not produce a First-Tier Stadium and rejected the position that the Rams were obligated to pay for the improvements.
- In July of 2013, the RSA and CVC advised the Rams that they would not implement the arbitration award, which entitled the Rams to break the lease.
- **With negotiations at a standstill, in early 2015, the Rams exercised their right to terminate the lease and converted it to a year-to-year tenancy.**



Post 2013 Arbitration Efforts and New “Riverfront” Stadium Proposal

- After over a year of silence, in November of 2014, Missouri Governor Jay Nixon formed a Task Force, including Dave Peacock and the RSA’s lawyer, Robert Blitz, to develop a new proposal to keep the Rams in St. Louis.
- In 2015, the RSA overcame a significant public funding hurdle by winning a lawsuit which invalidated a 2002 ordinance requiring a public vote to approve the use of any City of St. Louis funds for the development of a professional sports stadium for being “overly broad.”
- In October of 2015, the Task Force released its stadium project proposal titled “St. Louis Riverfront Stadium Project.”
- Acting as if the arbitration award did not exist, the RSA’s current stadium funding proposal asks the Rams, League and private parties to finance 69% of the costs of stadium construction.
 - Agreement to this proposal would essentially circumvent the arbitration award.
 - The Rams did not care for the new proposed stadium as it was not a First-Tier Stadium.

The Rams Franchise's Options

- Keep pushing for St. Louis to implement First-Tier improvements to Edward Jones Dome pursuant to the lease.
- Relocate.
- Stay in St. Louis demanding a new “Riverfront” stadium.
- Move to Los Angeles.



The Rams' New Stadium in Los Angeles (Inglewood, CA)

- Opened September 8, 2020
- Estimated cost of \$5.5 billion dollars (privately funded)
- Home to Rams and Chargers
- SoFi acquired naming rights of the stadium for \$625 million
- Base seating capacity of 70,240, expandable to 100,240 for major events
- 298 acres of property with future plans for buildings, shops, restaurants, residential units, hotels and parks
- 260 executive suites
- State of the art 2.2-million-pound “infinity screen” video board
- Hosted the 2022 Super Bowl and 2021 WrestleMania
- Will host the 2028 Summer Olympics opening ceremony and is likely to be a host location of the 2026 FIFA World Cup



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Alleging that all the NFL owners breached an enforceable contract among themselves in the relocation of the Rams to L.A. by not complying with their own relocation policy guidelines, the suit was filed in 2017 in the 22nd Circuit Court of St. Louis against the NFL, NFL owners, and all member clubs by:

- The City of St. Louis (third-party beneficiary),
- St. Louis County and the Regional Convention, and
- Sports Complex Authority

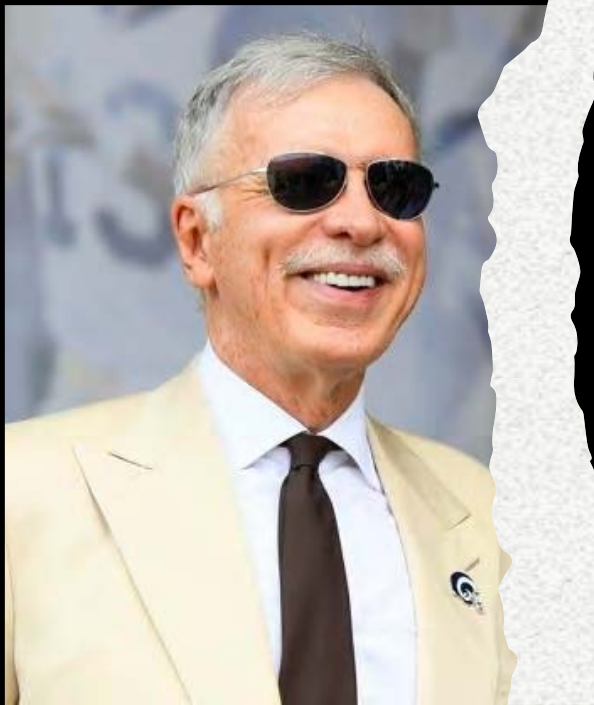


The City of St. Louis Claims Based on the Rams' Relocation:

- Breach of contract arising out of the NFL's Relocation Policy
- Unjust enrichment at the expense of the Plaintiffs
- Fraudulent misrepresentation (against the Rams and E. Stanley Kroenke)
- Fraudulent misrepresentation against all parties (NFL)
- Tortious interference with business expectancy

The Plaintiffs maintain that:

- (1) Kroenke failed to engage in good faith efforts to stay;
- (2) The NFL intentionally declined to hold the Rams accountable; and
- (3) St. Louis officials were misled into spending time and money on developing a new stadium complex plan when, contrary to their assurances, Kroenke and League officials had already decided to leave.



Claim 1: Breach of Contract Arising Out of the NFL's Relocation Policy

PLAINTIFFS' CLAIMS:

- The NFL Relocation Policy is a binding contract which requires clubs, among other things to “work diligently and in good faith . . . in a manner which maximizes fan support in their current home community.”
 - The Rams and NFL violated this policy by:
 - Not engaging in good faith negotiations.
 - According to Demoff, the Rams' Chief Operating Officer, purposely creating a situation where the team was not competitive.
- The NFL adopted the policy to reign in subjective decision making and the Plaintiffs detrimentally relied on the obligations set forth in such policy by:
 - Spending more than \$17 million communicating with the League and other team owners during its effort to build a new stadium.
 - Spending hundreds of millions of dollars to initially attract and retain an NFL franchise.



Claim 2: Unjust Enrichment at the Expense of the Plaintiffs



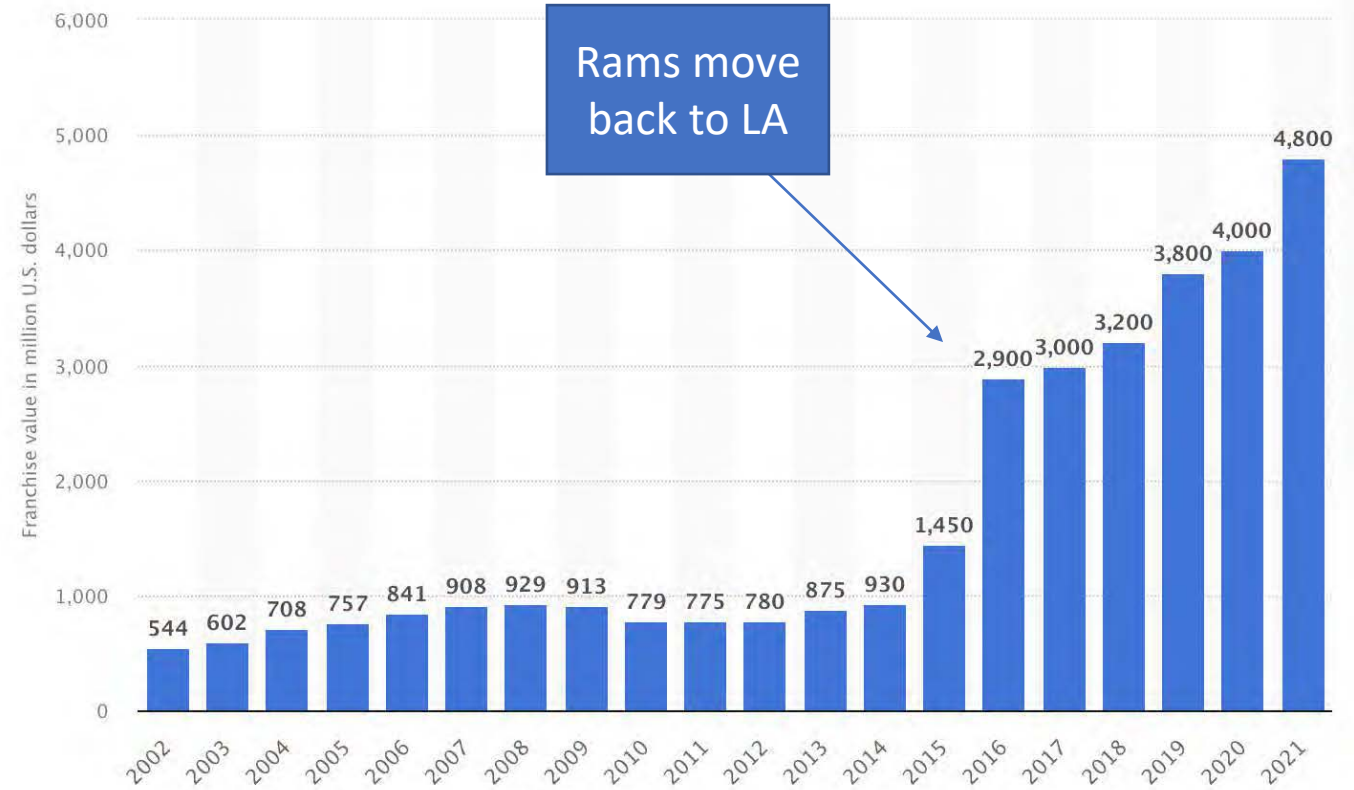
PLANTIFFS' CLAIMS:

- By virtue of allowing the Rams to relocate without enforcing the Relocation Policy, which must be satisfied before a club can move, Defendants received the benefit of relocation and the benefit of an increase in the value of the franchise at the expense of the City of St. Louis.
- The Rams and the NFL knew that Plaintiffs were spending vast amounts of time and money to develop a new stadium complex financing plan and encouraged Plaintiffs' commitments through misrepresentations.
- The benefits were provided by Plaintiffs during the time the Relocation Policy imposed objective standards on relocation decisions and imposed an obligation of due diligence and good faith on the Rams.

Rams Yearly Franchise Valuations

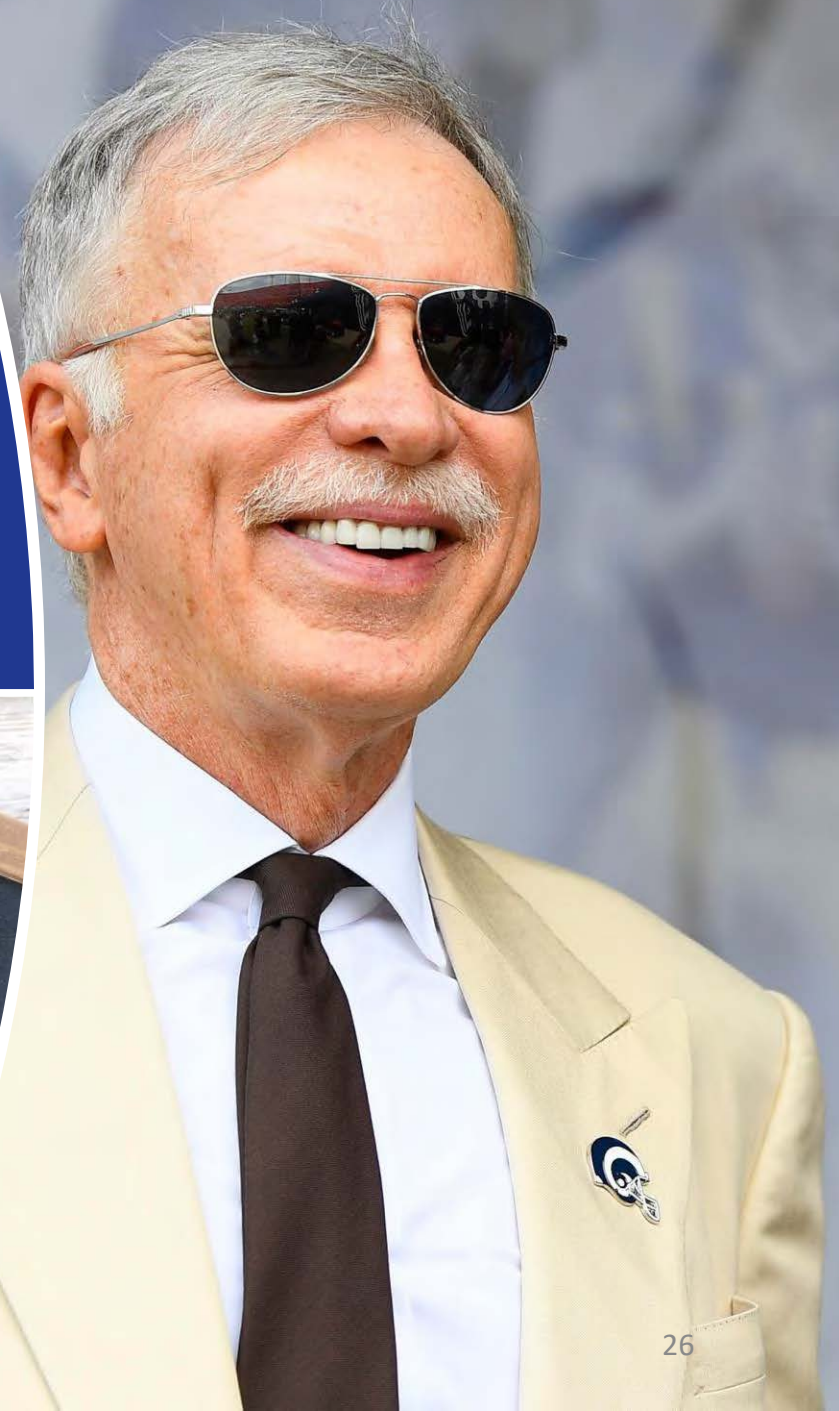
Los Angeles Rams franchise value from 2002 to 2021

(in million U.S. dollars)



Claim 3: Fraudulent Misrepresentation (Against the Rams and E. Stanley Kroenke)

- Kroenke's statements were intended to induce the Plaintiffs into continuing to finance the Dome and to spend money to create a new stadium for the Rams.
- These statements began as early as 2010.



Claim 3 Continued: Statements Made by E. Stanley Kroenke or Rams Representatives

According to the Complaint, among other statements:

- On April 21, 2010, Rams owner Kroenke stated, “I’m going to attempt to do everything that I can to keep the Rams in St. Louis.”
- In 2011, Kevin Demoff, Rams’ Chief Operating Officer and Executive Vice President of Football Operations, said, “Our entire focus is on building a winner in and for St. Louis.”
- in 2016, Demoff admitted that Kroenke, who inspected the California property in the summer of 2013, called him **before** he bought the site and told him that the location was “an unbelievable site” for a football stadium.
- In a 2014 season ticket holder event after Kroenke’s purchase of the site in Inglewood, California became public, Demoff stated that the California land was “not a piece of land that’s any good for a football stadium.”

Plaintiffs relied on statements because they believed the Rams Franchise was bound by the obligations imposed under the Relocation Policy.

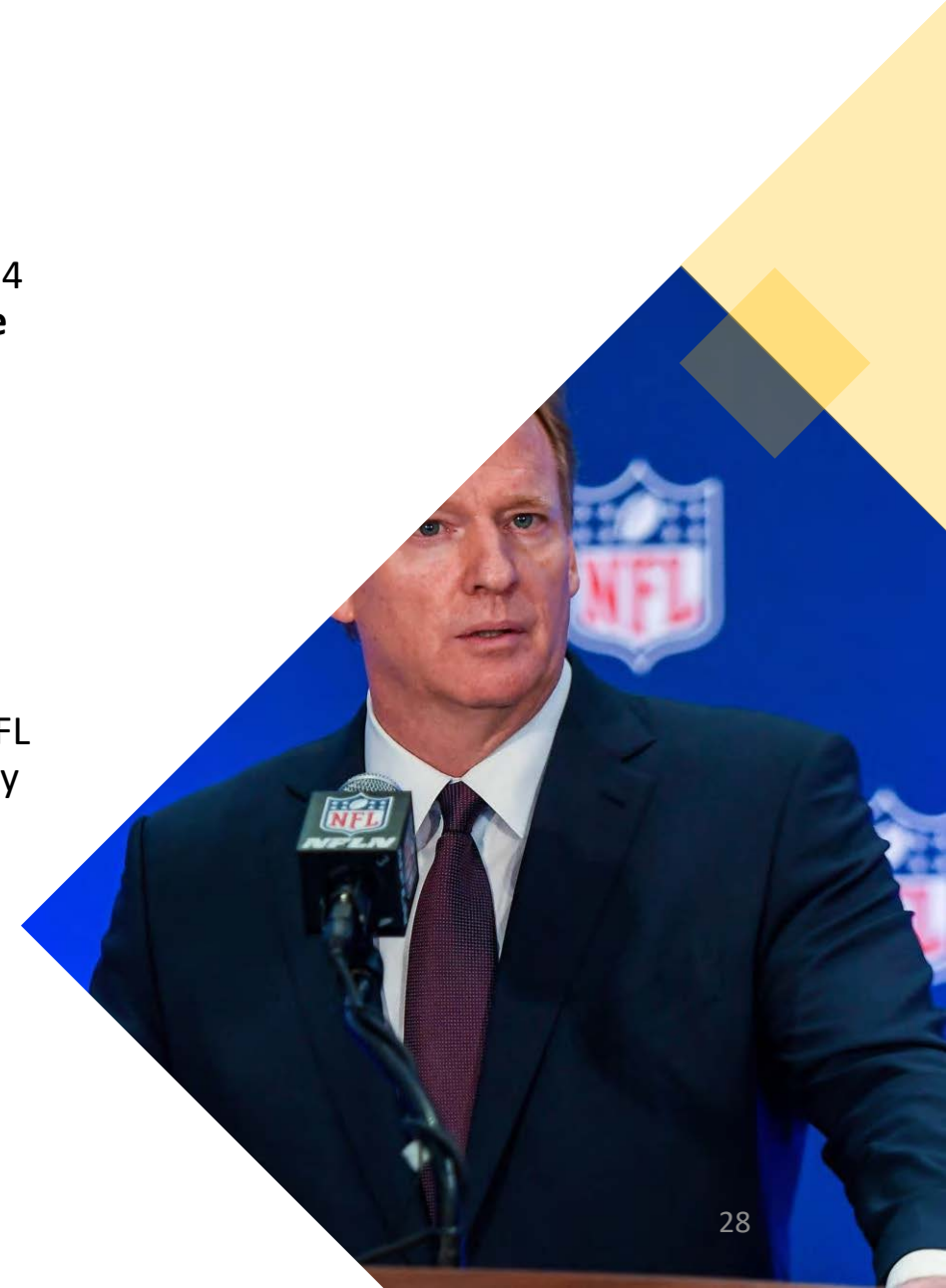


Claim 4: Fraudulent Misrepresentation Against All Parties (NFL)

According to the Complaint:

- A club has to receive 24 votes in order to relocate, and stated that, “to get 24 votes, the owners would have to reach the conclusion **that the club met the NFL guidelines.**”
- On about January 16, 2015, Eric Grubman, Executive Vice President of Defendant NFL, stated that the NFL has an “obligation, which we take very seriously” to do whatever it takes to keep NFL teams strong in their existing markets.
- On December 17, 2015, Roger Goodell, with reference to St. Louis stadium financing, stated that a St. Louis proposal assuming a commitment by the NFL to **\$300 million** for funding toward a stadium in St. Louis was “fundamentally inconsistent with the NFL’s program of stadium financing.”
- Despite these statements, less than one month later, **the NFL promised precisely that amount to two other franchises to help defray the costs of new stadiums in their home markets.**

Identical to Claim 3, Plaintiffs relied on statements because they believed the Defendants were bound by the obligations imposed under the Relocation Policy.



Claim 5: Tortious Interference with Business Expectancy

- The expectation of continued business relations between the Rams and Plaintiffs was based on a long track record of the Rams being in St. Louis and their existing business relationship.
- Defendants intentionally interfered with Plaintiffs' reasonable business expectancy by approving the Rams' relocation petition.
 - For example, according to the complaint, Dallas Cowboys' owner, Jerry Jones, after the initial vote rejecting the Rams' proposed relocation, Mr. Jones persuaded other owners to approve the Rams' petition based solely on the amount of money that could be made in Los Angeles.



Pre-Trial: The Battle over Venue and Jurisdiction

KEY DATES:

August 31, 2021:

The Rams, Stanley Kroenke, and the NFL had the change of venue application denied by Judge Christopher McGraugh of the 22nd Circuit Court.

October 1, 2021:

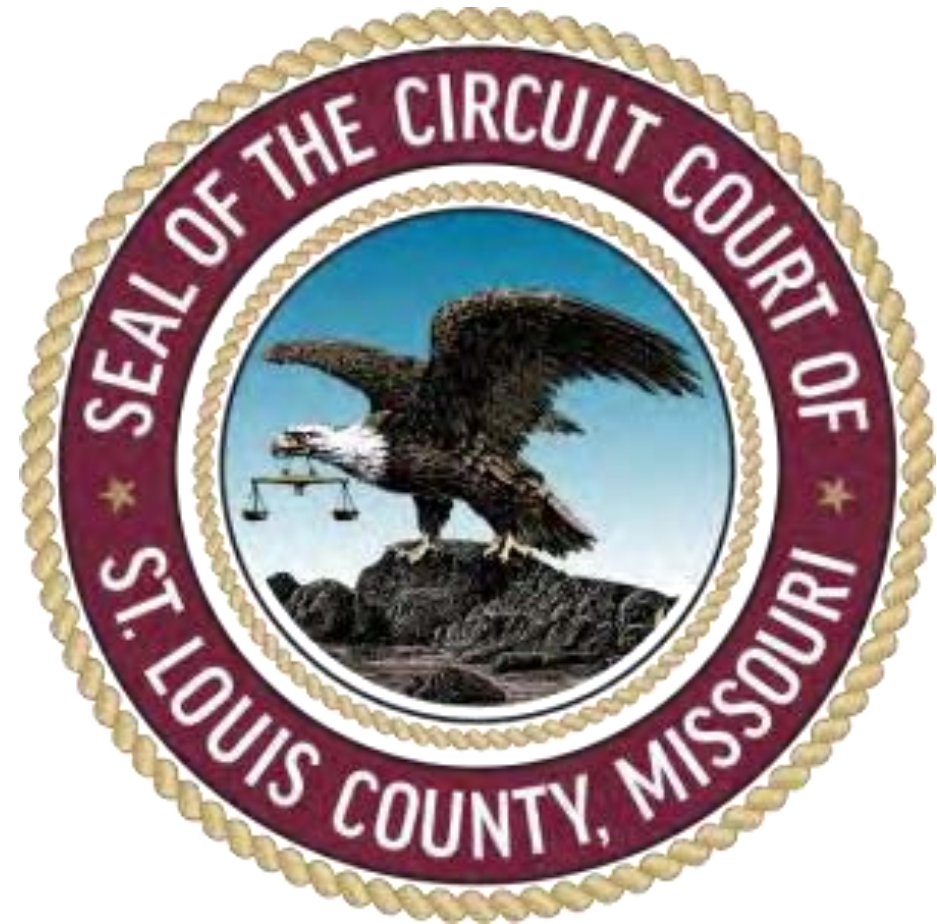
The Rams, Stanley Kroenke and the NFL filed a petition for writ of prohibition.

- Why?
 - According to the writ, “without a change of venue, [they] will be denied their constitutional right to a trial before a fair and impartial jury.”

November 2, 2021:

The Missouri Court of Appeals denied the NFL and Kroenke's emergency petition to move the impending Rams relocation trial out of St. Louis.

The November 2nd decision all but confirmed the trial would take place in January of 2022 in St. Louis.



Other Pre-Trial Developments

- In July of 2021, when trying to fight the decision of the Circuit Court that would force the NFL to disclose personal financial documents, Goodell stated the relocation policy is “mandatory.”
- In September of 2021, the Missouri Supreme Court declined to stop the trial judge, Christopher McGraugh of the St. Louis Circuit Court, from compelling Kroenke and other Defendants to turn over financial records related to the relocation.
- Robert Blitz, one of the attorneys representing the three St. Louis Plaintiffs, was disqualified in October of 2021 from representing the Plaintiffs due to his long relationship with the riverfront stadium project and potential to be called as a witness.

Should the NFL Settle?

Approach One: The NFL should not settle because Judge McGraugh's ruling that St. Louis has standing to argue the NFL ignored its relocation guidelines threatens how the League operates and would set a precedent if not reversed.

Effect: A set precedent, would help prevent similar future lawsuits.

Approach Two: The NFL should settle.

Effect: The NFL will be required to pay a large settlement but avoids discovery and the disclosure of personal financial documents.

Effect: With no set precedent, similar lawsuits could permeate in the future.





The NFL Chooses to Settle

- Kroenke's initial settlement offer of \$100 million is declined by the Plaintiffs.
 - In the initial Complaint, the Plaintiff's had stated "The City of St. Louis will have lost over \$100 million in net proceeds."
- On November 24, 2021, the Plaintiffs agree to a settlement.
- On December 24, 2021, the City announced, "St. Louis City, County, and the Regional Convention and Sports Complex Authority signed a \$790 million settlement agreement with Rams owner Stan Kroenke and the National Football League."

The Settlement



Should St. Louis Have Insisted on an Expansion Team? The Value of an NFL Team to a Community

- The St. Louis Rams' 2015 valuation was around \$1.45 billion
- To St. Louis, the Rams' brought:
 - Increased property values
 - Jobs
 - Tourism
 - The revitalization of local small businesses
 - Charitable programs
 - Tax revenues
 - Improved quality of life
 - Entertainment value
 - Community pride
 - Business location decisions
 - Valuable media exposure
 - Economic impact
 - Fiscal impact
 - Stimulus to real estate development
 - Psychic income



BOYS & GIRLS CLUBS
OF GREATER ST. LOUIS



Disappointment in the City of St. Louis

- Locals were upset there was no promise to gift a future franchise to St. Louis. Local news reports cited polls in which 75% of residents polled were disappointed with the settlement amount.

Post-Settlement Problems: Who Pays the Bill?

- The \$790 million settlement was paid by the the NFL in December through a low-interest credit line.
 - However, questions still linger as to how the settlement payments are divided up:
 - Should Kroenke be responsible for the entire \$790 Million settlement?
- OR
- Should the \$790 Million settlement be split equally among NFL clubs?



Who Pays the Bill: The Other NFL Clubs vs. Kroenke

Other NFL Club's Position:

- Many owners still regard the situation as “an open-and-shut case,” given that Kroenke agreed to indemnify his partners upon securing permission to move the team from St. Louis to Los Angeles.
- Kroenke should pay the full \$790 million settlement.

Kroenke's Position:

- The competing project at the time of the 2016 owners' vote for the L.A. market, led by the Chargers and Raiders, sent material to Gov. Nixon's office that laid out how arguably the Rams did not follow the Relocation Bylaws. Kroenke claims the competing project made it more difficult to get the Rams' case dismissed.
- The indemnity clause which was approved by the NFL's General Counsel, referred only to “costs.” Potentially this means the obligation arguably doesn't encompass the settlement or judgment and Kroenke is not responsible for \$790 million.
- The \$790 million settlement should be split equally among all 32 NFL clubs.

What Party is Deciding who Pays the Settlement?

- Normally, the NFL's Finance Committee would provide a recommendation to Commissioner Goodell, but after fierce debate at the most recent NFL Owners Meeting, it was decided that:
 - Commissioner Roger Goodell appointed a five-owner ad hoc committee to try to resolve the issue or provide a recommendation.
 - In the end, the Commissioner has the decision-making power, but there is no real pressure to decide immediately.

Settlement: Kroenke Wins . . . For Now

- According to *The Athletic*, the NFL has taken \$7.5 million from each team's revenue-sharing payments to help pay for roughly 1/3—\$232.5 million—of the settlement (The remainder was likely paid out of the NFL's Financial Reserves).
- There is no word yet on whether the teams will get that money back if Kroenke ends up paying the cost himself.
 - Kroenke continues to refuse to pay the remaining sum, arguing that he never agreed to pay the settlement costs.



History of NFL Relocation Fees

- When an NFL franchise relocates, the relocation fees are based on the projected increase in franchise value.
- Over the years, as NFL franchise values have increased, so have the relocation fees, with more recent relocations costing upwards of \$600 million.
 - 1996: The Cleveland Browns relocated to Baltimore for a relocation fee of \$29 million.
 - 1997: The Houston Oilers relocated to Nashville for a relocation fee of \$30 million.





Recent Relocation Fee Comparison

- The Chargers and Rams will each pay \$645 million (over 10 years (2019-2028)) to relocate to Los Angeles.
- The Raiders will pay \$378 million (over 10 years) to relocate to Las Vegas.
- Where does the money from the relocation fees go?



Relocation Fee Distribution

- The teams share in it equally, with all the money going to the team owners and leaving the players with nothing.
- The payments are made in equal yearly installments.
- Between the three teams' relocation fees, each of the NFL's 29 other teams will receive a total sum of \$55.2 million.

Why the Settlement Matters: Future Repercussions of the St. Louis Saga

- The Tennessee Titans and Metro Nashville hit a bump in negotiations for stadium upgrades. The City of Nashville is required to maintain a "first-class stadium."
- Future Chargers lawsuit: Chargers fans have filed a lawsuit in San Diego alleging the Chargers failed to meet their responsibilities under the Relocation Policy. They look to use the Rams lawsuit as a "Blueprint."

