

Good morning Madame Chairperson and members of this distinguished Committee. My name is Bob Scalione. I am a Director of the Community Baseball Club of Central New York, which I will refer to in my comments as the CBC. I have been an active Director since 2006 and currently serve on five (5) Committees and serve as the Co-Chair of our Lease Committee. First and foremost, I want to thank each and every one of you for allowing us to appear before you this morning and to discuss with you the future of the Syracuse Chiefs. While I have a short presentation to make, I have brought a number of individuals with me to answer questions that you might have when I conclude my comments. Let me introduce them to you.

1. Mr. Michael Veley. Mr. Veley is the Director and Chair of the Department of Sport Management at Syracuse University's David B. Falk College of Sport and Human Dynamics. He was named the inaugural Director of the Department in June of 2005 and appointed Professor of Practice in July of 2006. Previously, Mr. Veley taught marketing and public relations courses as an adjunct professor in S.U.'s

S.I. New house School of Public Communications and Martin J. Whitman School of Management. He also spent nearly two decades working as a Division I athletic administrator at Cornell and Syracuse Universities. During his 10 years at Syracuse, he implemented several marketing, communications and corporate sponsorship initiatives generating a four-million dollar a year enterprise. Many of his innovative marketing and promotional ideas have appeared on ESPN Television and in published textbooks. Mr. Mike Veley.

2. Mr. Dom Cambareri. Dom is a local attorney but more importantly is the man in charge of The Challenger Baseball program which is an official Little League program under the auspices of the local District 8 Little League. There are 100+ children playing baseball in this program every summer. The participants, who range in age from 5 to 21 years, each have various special needs, physical handicaps and developmental delays. The purpose of the program is to allow all these wonderful kids to enjoy the game of baseball in a relaxed setting that is supervised by coaches and parents. If you have never been to a

Challenger baseball game, you are missing out on something special.

You will leave that game with so many good mixed emotions and a sense of local pride that people like Dom Cambareri live in Central New York. The CBC is proud to have been able to host this program for the past 15 years. Mr. Dom Cambareri.

3. Mr. Tom Brown. Tom is the Assistant Director of Circulation for The Post Standard and has been with the paper for over 25 years. Tom also serves as the President of Digital Technologies International User Group which is the largest business software provider for newspapers in the world. Today he appears before you as the Chairman of the "Strike Out Lou Gehrig's Disease High School Baseball Classic" which benefits the ALS Clinic at Upstate Medical University. The CBC has hosted this event for the past 4 years. Mr. Tom Brown.

4. Mr. John Rathbun. John is the Executive Director of Section III of the New York State Public High School Athletic Association. Section III covers 11 Counties, 108 School Districts and 23,000 student athletes. With 33 championship events, six competitive

leagues and a number of affiliate sports properties which make up Section III athletics, the excitement never stops. Student athletes compete with honor and integrity and play for the "love of the game" all because of people like John Rathbun and his tireless dedication to interscholastic athletic programs. Mr. John Rathbun.

5. Mr. Ray Rinaldi. Ray is the son of immigrants, a veteran of the U.S. Army, a member of the Syracuse Sports Hall of Fame, a husband of 59 year and the unofficial godfather and/or mentor and/or savior of thousands of Central New York kids. Ray's west side facility has attracted over 1,700 kids since it opened its doors over 5 1/2 years ago. On average, 50 youths a day descend upon his center. No "doo rags" can be worn, all pants must be cinched tightly around the waist and cursing is not allowed. Through the art of boxing, Ray channels attentiveness, humility, modesty and discipline for all those who are up for the challenge. As Bud Poliquin once wrote, Ray is "as good a man as we have had walking our streets". At a "touch over 39

years of age", Ray Rinaldi is a giant in our community. Mr. Ray Rinaldi.

6. Mr. John Simone. John, together with his legendary father "Tex", have been the face of baseball in Syracuse for decades. John currently serves as the General Manager of the Syracuse Chiefs and he and his staff are responsible for everything that happens at Alliance Bank Stadium. Mr. John Simone.

After I complete my presentation, all of us will be available to answer any questions you might have.

For the past 100+ years, Minor League baseball has been an essential part of the "community fabric" of Central New York.

Our most recent past started in 1934 with the construction of MacArthur Stadium. MacArthur Stadium hosted Syracuse Chiefs baseball for 62 years. It was not always easy, but dedicated people like Tex Simone with one common goal – keeping baseball in Syracuse – made it work. When my son was 7 years old, I started taking him to Cooperstown, New York for Hall of Fame weekend. The bond we have

created – through our common love of baseball – is something special and which I cherish every day. This past July, my son and I attended our 32nd consecutive Hall of Fame Weekend and 2012 will have my oldest grandson, Ethan, attending his 1st Induction Weekend.

I often sit back and wonder how many fathers and sons came to that legendary stadium and forged similar bonds watching the likes of Jackie Robinson, Stan Musial, Yogi Berra, Hank Sauer, Thurman Munson and countless more display their skills as they started their path to baseball immortality.

Unfortunately, MacArthur Stadium fell victim to technology and more stringent facility standards that were imposed by Major League Baseball.

The next phase of Syracuse Chiefs baseball started in 1996 with the construction of the current Alliance Bank Stadium. The CBC, the County of Onondaga, the State of New York, the Toronto Blue Jays and the facility concessionaire all had to "dig down deep" financially to make Alliance Bank Stadium a reality. Unfortunately, as project costs

escalated, County leaders asked the CBC to make a one-time, up-front payment rather than the previously agreed-upon monthly payment schedule. By taking that course of action, we sacrificed short term profits in the interest of long-term existence. In addition to the economic constraints caused by the construction cost overruns, we were also forced to operate under what turned out to be a vague and ambiguous Lease Agreement. The uncertainty of the Lease created a strained relationship with the County of Onondaga, often resulting in disputes and finger pointing. Fortunately for all of us, in 2008 cooler heads prevailed and both sides agreed that we needed to settle our differences and work together to do everything we could to keep Chiefs baseball in Syracuse. Our discussions with the County produced a Memorandum of Understanding and forged a new relationship between the parties.

As we entered the 2011 Baseball Season, we quickly realized that it was the last year of our Lease and we wanted 2011 to be a year of accomplishments for the CBC.

1. On September 30, 2011, the CBC made the 180th consecutive and final payment on a \$4 Million Dollar loan taken out in 1996 as part of the original Lease Agreement. The grand total of all payments made by the CBC over the 15 year term was \$6,396,136 which should explain to many why making a profit over the life of the old lease has been a significant challenge. Survival in a small baseball market like Syracuse has been a function of hard work, dedication and a never-ending commitment to making sure that Triple A Baseball never leaves Syracuse.

2. 2011 also produced the selection of Ovations Food Services, LP, a nationally recognized leader in providing high quality food and beverage services to provide exclusive concession and catering services at Alliance. Ovations will begin operations on Opening Day, April 5, 2012. Renovations will be made to existing concession areas and capital improvements to existing food service facilities will support Ovations' introduction of new menu items, many of which feature regional specialties and flavors. The CBC's involvement in this new

relationship will emphasize giving patrons better food, more options and providing them with more value for their dollar.

3. Syracuse has been identified as having one of the largest minority communities with a Minor League Baseball franchise. As such, and as part of Minor League Baseball's commitment to minority programs, the Chiefs have embarked on an outreach initiative to these groups by:

(a) Hiring Otis Jennings, former Syracuse Parks Director, to make connections with minority communities. Otis has been instrumental in putting on numerous programs at ABS;

(b) Establishing a non-profit foundation for programs supporting minority outreach; and

(c) Sending players into City Schools and minority communities.

We accomplished a lot in 2011 but have a lot of plans for 2012 and beyond.

1. The Syracuse Chiefs have entered into an on-going partnership throughout 2012 with the David B. Falk College of Sport and Human Dynamics at Syracuse University. Through this partnership, S.U. students and our staff, with the guidance of Mike Veley, will engage in a variety of research activities in an effort to identify new marketing initiatives, audience research, advertising strategies, increase attendance through ticket sales programs and improve the overall fan experience. The Sport Management faculty consists of world-renowned individuals with a wealth of experience in economics, marketing and event management.

2. The Syracuse Chiefs, Syracuse Convention & Visitors Bureau and Syracuse Sports Corporation have announced that Syracuse will host the 2012 East Coast Professional Baseball Showcase at Alliance Bank Stadium July 31, 2012 through August 4, 2012. Event organizers signed a three-year contract ensuring the "Showcase" will call Syracuse home through 2014. The Showcase has the capability of launching the Major League Baseball careers of 150 elite high school

baseball players from the East Coast in attendance and draws hundreds of college coaches and scouts from MLB teams each year. The event is broadcast nationally on the Major League Baseball network.

The event will generate 5,000 hotel room nights in August and \$1.0 Million for the local economy.

3. Due to the reconstruction project at PNC Field in Scranton, PA, 10 Scranton/Wilkes-Barre Yankees home games will be played at Alliance Bank Stadium in 2012. The additional games will complement the 72 Syracuse Chiefs games scheduled to be played at Alliance Bank Stadium and will be offered to Season Ticket Holders at no additional cost.

4. 2012 will also produce our acquisition and installation of a new, state-of-the-art Video Scoreboard. We hope to make this new Video Board the focal point of the fan experience at ABS. As you may have read, our newest Director is Peter Sala who is the Assistant Athletic Director at S.U. and the individual who runs the Carrier Dome. Peter is already hard at work negotiating with two major video board companies

as part of our acquisition project. We are making every effort to have the new video scoreboard in place for opening day.

5. We will be partnering with Plan B Branding Company developing a "theme kit" for the use in many of our marketing events for the 2012 season. Plan B Branding is an industry leader in professional baseball that has previously rebranded the logos used by Major League Baseball to market its post-season events and recreated the brand for many Major and Minor League Baseball teams. As part of our initiative to attract younger and more diverse audiences to baseball, we are branding the Chiefs' experience at the Stadium as Chiefsville USA. Our goal for the future is to bring people to Alliance Bank Stadium because it is an event, not just because it is a baseball game.

6. We also plan on making a number of capital improvements to the Stadium, including patio seating behind home plate, a number of energy upgrades, a raised sod area behind the left and right outfield fences, patio seating below the Hank Sauer Room and a suite-level lounge area that will replace at least four 300-level suites.

7. Of most prominence, 2012 will continue our relationships with Dom Cambareri, Tom Brown, John Rathbun, Ray Rinaldi and the numerous other organizations whose events the CBC are proud to host.

We are very excited about our future. The vehicle that will make this all possible is a new Lease Agreement. We started this process back in April of last year and over the past couple months Mr. Cuffy, Mr. Fisher and I have spent countless hours negotiating a Lease. We each had the same goal: arrive at a Lease that was fair to both sides, avoid as much ambiguity as possible and most importantly, keep baseball in Syracuse for the next 11 years.

We all believe that while the proposed Lease affords the Chiefs with several opportunities to generate additional revenue, it is at the expense of assuming more financial risk. The benefit to the County is that the proposal significantly reduces the amount of money that the County will have to spend at Alliance Bank Stadium. But in the end, both sides have reached their primary goal – keep Triple A baseball in

Syracuse. While we have some minor housekeeping tasks to deal with in finalizing the document, we hope that April 5, 2012 is the start of the next 100 years of baseball in Syracuse. Each of you can be a party to a new era of baseball history in Syracuse by supporting the proposal and authorizing the County Executive to execute the final Lease document. We respectfully request your support in that regard.

Thank you.