

The relief described hereinbelow is SO ORDERED.

SIGNED this 14th day of January, 2021.




Robert D. Berger
United States Bankruptcy Judge

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF KANSAS**

In re:

JOHN Q. HAMMONS FALL 2006, LLC, et al.,

Debtors.

Case No. 16-21142

Chapter 11

Jointly Administered

**ORDER ENFORCING THE CONFIRMATION ORDER AGAINST THE CITY
OF SPRINGFIELD AND THE SPRINGFIELD CARDINALS**

On May 8, 2020, the debtor JQH Trust¹ assigned a number of contracts related to Hammons Field (the "Contracts") to a new charitable trust, ostensibly as provided in this court's order confirming Debtors' Chapter 11 plans (the

¹ The "JQH Trust" is the Revocable Trust of John Q. Hammons dated December 28, 1989 as Amended and Restated.

“Confirmation Order”). However, according to the City of Springfield (the “City”) and the Springfield Cardinals (the “Cardinals”), the Confirmation Order requires certain “2002C Bonds” to be paid off before the JQH Trust can assign the Contracts. The matter now comes before the court on the JQH Trust’s motion² for an order:

1. Enforcing the Confirmation Order against the City and the Cardinals;
2. Declaring that the JQH Trust’s assignment of the Contracts to the charitable trust is valid; and
3. Ordering the Cardinals to withdraw their state court claims regarding the validity of those assignments.

For the reasons that follow, the JQH Trust’s motion will be granted in part.

Since 2018, the City has attempted to force the JQH Trust to pay off the 2002C Bonds under a variety of theories. First, the City argued that the JQH Trust had to pay off the 2002C Bonds in order to redeem another series of bonds issued in the same year (the “2002B Bonds”). Next, the City—having abandoned its first argument—argued that the JQH Trust had to pay off the 2002C Bonds before it could exercise a purchase option contained in a 2002 “Development Agreement” to which the City and the JQH Trust are parties.³ Now, the City—joined by the

² [ECF 2960](#).

³ At oral argument, this Court directed the parties to submit further briefing on the purchase-option issue by June 25, 2018. See [ECF 2353](#) ¶ 6. The parties decided to mediate the issue with Judge Somers and never submitted additional briefs—even after mediation failed. Thus, this Court does not currently have that issue under advisement. If the parties still require a ruling on the purchase-option issue, they may submit additional briefs or request that the matter be set for evidentiary hearing.

Springfield Cardinals—argues that the 2002C Bonds must be paid off before the JQH Trust can assign certain agreements, including the Development Agreement, to a charitable trust (the “Charitable Trust”) pursuant to the Confirmation Order.

The Confirmation Order provides, in relevant part:

JD Holdings has designated Debtors right, title and interest in Hammons Field, a minor league baseball stadium located in Springfield, Missouri, as described more fully in Exhibit C of the Plans Supplement (the “Stadium”) as an asset to transfer to the Charitable Trust under the Plans. Subject to the satisfaction of the conditions set forth in the Plans and Exhibit C of the Plans Supplement or as soon as practicable thereafter, pursuant to section 365 of the Bankruptcy Code, the JQH Trust shall assume the lease for the Stadium, development agreement, and other agreements, related to the development, ownership, and operation of the Stadium, as well as the lease for the Stadium between the JQH Trust to the Springfield Cardinals, LLC (or its successor or assignee), and the license agreement for the use of the Stadium between the JQH Trust and Missouri State University, as those agreements may have been amended or restated from time to time, and any related agreements thereto. *Upon the occurrence of the conditions set forth in Exhibit C of the Plans Supplement, or as soon thereafter as is practicable, such leases and agreements shall be assigned by the JQH Trust to the Charitable Trust, and in doing so, the JQH Trust shall assign to the Charitable Trust the development agreement and its rights thereunder including the option to purchase the land for the Stadium. The Charitable Trust shall immediately exercise the option to purchase such land, title to or, if applicable, leasehold interest in such land shall be immediately transferred to the Charitable Trust, and all parties to the relevant agreements are hereby directed to promptly execute such deeds, leases, and other documents necessary to effect such transfer.*⁴

⁴ [ECF 2188 at 34-35](#) (emphasis added).

Exhibit C of the Plans Supplement provides, in relevant part:

Hammons Field. . . . *After completion of the redemption of bonds issued in connection with the development and construction of this asset, the JQH Trust will assign to the Charitable Trust, Hammons Field, together with the Cardinals Lease, MSU License, all contracts with respect to the development, construction, ownership and operation of the Hammons Field, and title to Hammons Field will be transferred to the Charitable Trust (collectively the “Hammons Field Transfers”). The Hammons Field Transfers shall occur no later than 270 days after the Effective Date of the Plan, unless the parties agree to an extension, or the bankruptcy court enters an order (after notice and a hearing, for good cause shown) directing an extension, of this deadline.*⁵

Thus, the parties’ current dispute is whether the “bonds issued in connection with the development and construction of [Hammons Field]” include the 2002C Bonds.

This Court is in the best position to interpret its own orders,⁶ and interprets “bonds issued in connection with the development and construction of [Hammons Field]” to mean “Baseball Bonds” as that term is used in the Amended and Restated Baseball Stadium, Exposition Center and Arena Development Agreement (the “Development Agreement”)⁷ between the JQH Trust, John Q. Hammons, and Juanita Hammons (together, the “Developers”) and the City. Section 1.1 of the Development Agreement defines that term:

⁵ [ECF 2050](#) (emphasis added).

⁶ See, e.g., *In re Gawker Media LLC*, [581 B.R. 754, 760](#) (Bankr. S.D.N.Y. 2017); cf. *Travelers Indem. Co. v. Bailey*, [557 U.S. 137, 151](#) n.4 (2009); *Schnach Ret. Trust v. Unified Capital Corp. (In re BoNo Dev., Inc.)*, [8 F.3d 720, 721-22](#) (10th Cir. 1993).

⁷ [ECF 2296-7](#).

“Baseball Bonds” means the taxable revenue bonds which will be issued in two series by the SCCDC,⁸ the proceeds of the first series to be included as a portion of the Series 2002B Bonds to be issued by the SCCDC will be used to pay the acquisition costs of a portion of the real estate needed for the Baseball Stadium, the cost design of the Baseball Stadium and some of the excavation costs and the second series will be used to pay the cost to construct and equip the Baseball Stadium in Jordan Valley Park.

Although that definition is not a model of clarity, § 12.1 of the Development Agreement provides that the Developers will “pay Rent to the City in an amount equal to principal and interest on the Baseball Bonds.” Thus, whatever “Baseball Bonds” means, the JQH Trust and the City have demonstrated a common understanding of that term since 2002 by paying and accepting, respectively, a particular amount of “Rent.” And, at oral argument, the City admitted that the “Rent” paid by the JQH Trust and accepted by the City covered only the 2002B Bonds, not the 2002C Bonds.⁹ For these reasons, the Court holds that the “bonds” referenced in Exhibit C to the Plans Supplement, as incorporated by the Confirmation Order, are the 2002B Bonds and not the 2002C Bonds. The City and the Cardinals are hereby ordered to comply with the Confirmation Order as interpreted in this order. If this ruling does not resolve the parties’ dispute, the remainder of the motion will be set for evidentiary hearing.

IT IS SO ORDERED.

⁸ The “SCCDC” is the Springfield Center City Development Corporation.

⁹ *See also* Amended and Restated Phase 1 Baseball Stadium Ground Lease Agreement § 1.03(b) (providing for the payment of “Rent” equal to “the principal, premium, if any, and interest on the Series 2002B Bonds”).

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