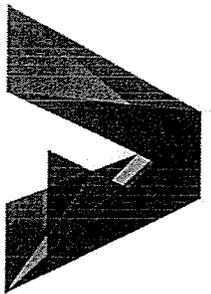


DOWNTOWN ATLANTA STADIUM PROJECT
BOND INDUCEMENT RESOLUTION

ATLANTA



INVEST ATLANTA

Atlanta's Development Authority

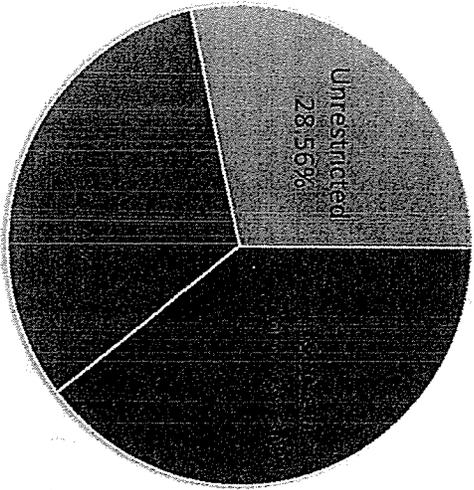
Hotel/Motel Tax

- O.C.G.A. Section 48-13-50, *et seq.* (“H/M Tax Statute”)
- Municipalities and Counties may levy and collect an excise tax on “rooms, lodgings, or accommodations”
- Tax levies range from 3% to 8%
- Percentage levy available to a municipality is determined by a list of 20+ separate options each listed in the H/M Tax Statute
- City of Atlanta collects 8% H/M Tax
 - 7% under Section 48-13-51(a)(5)
 - 1% under Section 48-13-51 (b)(7)(a)

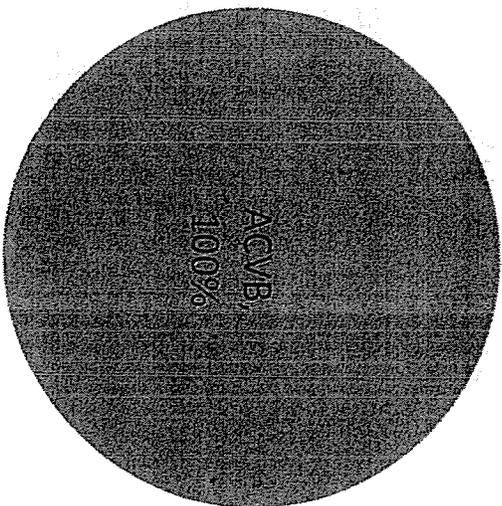
Hotel/Motel Tax

First 7% of Hotel/Motel Tax

Last 1% of Hotel/Motel Tax



■ Tourism, Convention ("C") and Trade shows (T), support state authority's facility (for C & T), support a local authority/local govt facility (C & T) (conditions apply to facilities)



Chronology of Events

- December 2012
 - GWCCA and Falcons enter into Non-Binding Term Sheet
- February-March 2013
 - City considers assisting with NSP (Multiple City Council Work Sessions and Public Input Opportunities)
- February 21, 2013
 - Invest Atlanta Board hears overview of NSP Proposal
- March 18/21, 2013
 - City Council adopts legislation, Mayor approves – extending H/M Tax, requesting Invest Atlanta to assist with NSP and approving certain documents
- March 22, 2013
 - GWCCA adopts resolution approving form of Tri-Party MOU (a separate MOU as to construction and operation and approves execution of certain documents)
- April 4, 2013
 - Invest Atlanta to consider approval of Initial Approval Resolution and forms of documents including Tri-Party MOU

Basic NSP Transaction Elements

- Hotel Motel Tax
 - Expires December 31, 2020 (unless extended)
 - If extended at 8% level must be used for “successor facility”
 - must be owned by GWCCA
 - must have same % 39.3 of 7% for “successor facility”
 - must have contract with NFL team thru 2050
- Costs of NSP
 - Estimated \$948mm for NSP, plus up to \$120mm in additional contributions for infrastructure and community
 - Private = \$748mm for NSP (plus cost overruns)
 - + \$50mm related infrastructure
 - + \$20mm contingency
 - + \$20mm site acquisition
 - + \$15mm Neighborhood Prosperity Fund
 - Public = \$200mm net bond proceeds for NSP
 - + \$15mm community development

Basic NSP Transaction Elements

- Non-Relocation
 - Invest Atlanta, GWCCA and Club will enter into a Non-Relocation Agreement co-terminus with the License Agreement
 - specific performance remedy
 - Damages at least equal to amount to re-pay Revenue Bonds
- Indemnification
 - StadCo indemnifies Invest Atlanta, the City and GWCCA for claims and expenses related to role in bond issues, plus any claims arising out of design, construction or operation of NSP
- EBO Plan
 - Minimum Goal of 31% in design/construction
 - First Source
 - MBE/FBE Data base are Contractor/Subcontractor outreach
 - Quarterly monitoring
- Issuer Fees and Reimbursement
 - One-time Issuance Fee = \$500,000
 - Annual (5 years) Administrative Fee = \$100,000 x 5
 - Cost Reimbursement = \$500,000

Transaction Documents

- **Tri-Party Memorandum of Understanding** for a Successor Facility to the Georgia Dome among GWCCA, Invest Atlanta and StadCo
- **Hotel Motel Tax Funding Agreement** between Invest Atlanta and the City of Atlanta
- **Bond Proceeds Funding and Development Agreement** between Invest Atlanta and GWCCA

Tri-Party Agreement

(Between: Invest Atlanta, GWCCA & Falcons)

- Initial Closing and Final Closing Provisions
- Invest Atlanta Rights:
 - Repurposing Development
 - Review and Comment
 - Indemnification
 - Collateral Effects Mitigated
 - Special Events
 - Fees to Reimburse Costs of Compliance and third party legal, etc.
- Invest Atlanta Obligations:
 - Issue H/MT Bonds
 - Monitoring Reports on EBO/Neighborhood Mitigation Plans
 - Fund Neighborhood development from TAD

NSP Funding Agreement

(Between: Invest Atlanta & City)

- Invest Atlanta Obligations:
 - ~~Issue~~ Issue Bonds for Partial Public Contribution to NSP
 - Receive H/MT payments from City
 - Pledge "Funding Agreement Pmts." to Bondholders
- Reporting Obligations:
 - City → Invest Atlanta: 15c2-12
 - Invest Atlanta → City: Quarterly EBO Reports, Construction Rep. Reports
- Effective Date: Upon Execution and Delivery
- Term: Expires upon payment in full of NSP Bonds
- Conditions to Disbursement:
 - (1) GWCCA Certification and
 - (2) GA Dome Bonds paid/defeased

Bond Proceeds Funding and Development Agreement

(Between: Invest Atlanta & GWCCA)

- Invest Atlanta Obligations:
 - Apply proceeds of NSP Bonds to Project
 - Approves GWCCA Requisitions
- GWCCA Obligations (Covenants):
 - Compliance with GWCCA Act and Hotel Motel Tax Statute
 - Compliance with Federal Tax Law
 - Quarterly EBO Status Reporting
- Term: Upon Execution until all NSP Bond proceeds are spent

Invest Atlanta Role

- Conduit issuer of “Special Limited Revenue Bonds”
- Receive and pledge proceeds of H/M Tax levied and collected by Atlanta
- Review and Comment Rights during conceptual, schematic and construction phases
- Monitor StadCo compliance with Mitigation Plan (re: neighboring communities)
- Monitor StadCo compliance with EBO Plan
- Enforce Non-Relocation Agreement

TIMETABLE

