

Georgia World Congress Center Authority

July 30, 2013

Authority Meeting



Finance



Authority





Financial Snapshot

Profit/Loss



Projected June	\$903,648	966,391	\$52,958
Actual June	904,935	3,686,161	233,709
Projected YTD	1,850,831	15,996,615	30,284
Actual YTD	210,283	20,052,944	692,074



H/M Tax

Actual **\$23.5M**

Budget **\$21.9M** **7.32%**

FY12 **\$21.5M** **9.11%**



Customers

(Estimated)

78,579



Economic Impact

59.9M

(Estimated)





Customers



V103 Car and Bike Show

nic





OWNER'S (CONSTRUCTION) REPRESENTATIVE





Resolution

Pursuant to Section 3.3(c) of the MOU:

The parties agree that the Authority will have certain review rights over NSP construction which may include the Authority contracting with an independent construction representative (the “Construction Representative”) to review NSP construction for compliance with the overall material design elements identified in the MOU among other duties (the “Material Design Elements”), the cost of which Construction Representative shall be reimbursed to the Authority as a Project Cost.





Background

- Public Advertisement on the Procurement Registry
April 29
- The (“RFQ”) process is qualifications-based and elements include:
 - Statements of Qualifications review and evaluation by Authority (Selection Committee) using established criteria.
 - Ranking respondents’ levels of qualification
 - Heery International was selected for interview and negotiations.
 - Contract terms have been determined
 - Fixed fee task order approach
 - Reminder that pursuant to the MOU these fees are reimbursable expenses subject to the cap on professional fees.





Resolution

Authorizes Executive Director to execute an Agreement for the Authority's Construction Representative.





Staff Recommendation

- ❖ Staff recommends approval of the Resolution.

Questions?





REVOCABLE LICENSE AGREEMENT FOR STADCO





Resolution

Pursuant to Section 3.9 of the MOU:

- StadCo may perform feasibility studies on both of the proposed north and south sites.
- This includes the right to examine and review all aspects of the physical condition of the NSP Site and to conduct studies of the NSP Site, including engineering, soils, geotechnical, wetlands, and Phase I and/or Phase II environmental inspections.
- StadCo has requested access to State property that falls within the North Side Site.





Resolution

Authorizes the Executive Director to request the State Properties Commission issue a revocable license agreement to StadCo to perform due diligence on State property.





Staff Recommendation

- ❖ Staff recommends approval of the Revocable License Agreement request.

Questions?





Review of Proposed Documents for Successor Facility to the Georgia Dome

Franklin Jones, GreenburgTraurig



Agenda

- **General Transaction Overview**
- **Transaction Agreement**
- **Project Development and Funding Agreement**
- **Stadium License and Management Agreement**
- **Non-Relocation Agreement**
- **Club Guaranty Agreement**
- **Invest Atlanta Rights & Funding Agreement**



General Transaction Overview



- On April, 5, 2013, after Board approval, GWCCA executed the MOUs relating to the New Stadium Project or “NSP”
- The drafting, review and negotiation of the various “Project Documents” has been on-going since the execution of the MOUs
- The next step is the execution of the Transaction Agreement, which is referred to as the “Initial Closing”
 - The Transaction Agreement will supersede the MOUs
 - The Transaction Agreement will have various Project Document forms attached to it, many of which we plan to review with you today



- The road ahead calls for the parties, as the case may be, to:
 - Continue NSP Site selection activities
 - Acquire related property needed as part of the NSP Site
 - Consummate the Invest Atlanta Rights and Funding Agreement
 - Continue drafting and negotiating various Project Documents not being presented to you today, but necessary for the consummation of the Final Closing



Transaction Agreement



Pre-Final Closing Actions/Rights/Obligations

- Execution of the Transaction Agreement constitutes the “Initial Closing” as defined in the MOUs
- The Transaction Agreement supersedes the MOUs and sets forth actions to be taken prior to Final Closing and at Final Closing
- Pre-Final Closing actions and related dates include:
 - Agreement upon preliminary schematic drawings by October 31, 2013
 - StadCo, the GWCCA and the General Contractor must agree to the guaranteed maximum price on or before June 30, 2014
 - Allows GWCCA the discretion/option to enter into or extend certain license agreements for the Georgia Dome Legacy Events as part of the transition to the New Stadium



Other Pre-Final Closing Documents

- Contemplates the execution of the Project Development and Funding Agreement on or prior to execution of the Transaction Agreement
- Requires execution of PSL Marketing Agreement, designating StadCo as the sole and exclusive sales representative for the NSP “seat rights”
- Also requires that StadCo and the City of Atlanta enter into a Public Infrastructure Agreement prior to Final Closing



Final Closing Project Documents

- Consistent with the MOUs, the Transaction Agreement requires the execution of the following Project Documents at the Final Closing:
 - Stadium License and Management Agreement
 - Site Coordination Agreement (with Non-Competition Addendum)
 - Club Guaranty Agreement
 - Intellectual Property License Agreement
 - Club Stadium Sub-License Agreement



Final Closing Project Documents (cont.)

- Non-Relocation Agreement
- **Hotel-Motel Tax Funding Agreement***
- **Operations & Maintenance Agreement***
- **Bond Proceeds Funding and Development Agreement***
- Indemnification Agreement
- NSP Neighborhood Prosperity Agreement

***Agreements previously reviewed and approved by the Board at the MOU phase**



Other Key Provisions in the Transaction Agreement

- Consistent with the MOU, requires StadCo to reimburse the GWCCA for NSP Costs (as defined in the Project Development Agreement), including third-party legal, consulting and other professional fees and costs incurred after April 5, 2013
- Includes “wrap-around” provisions which bind the parties to take actions covered in other Project Documents during the period between the Initial and Final Closings, such as:
 - Operation of the Georgia Dome
 - StadCo selection of the name of the NSP, sponsors and signage along with the exercise of other intangible property rights associated with the NSP
 - Additional financing considerations, such as the good faith obligations of the Parties to make their respective financial contributions, as applicable, and complete Final Closing on or prior to July 31, 2014
 - Club guarantee of StadCo obligations



Other Key Provisions in the Transaction Agreement (cont.)

- The Transaction Agreement sets forth the Parties' obligation to consummate the Final Closing. The GWCCA and other Parties' protections include, without limitation, the following conditions:
 - Execution and delivery of all Project Documents by Counterparties
 - StadCo delivery and GWCCA approval of the Master Plans (with respect to the Material Design Elements)
 - StadCo delivery of the NSP Budget
 - Counterparties are not in default under the Project Documents
 - StadCo shall have satisfied its obligations with respect to the StadCo Contribution, including the delivery of executed loan documents
 - Deposit in the Bond Proceeds Account of \$200 million in H/MT Revenue Bond proceeds by Invest Atlanta
 - Delivery of a Club Letter of Credit in respect of the Georgia Dome Bonds and release of the prior lien on H/MT Revenues prior to the end of the capitalized interest period on the H/MT Revenue Bonds
 - Approval of NSP transaction and Project Documents by the NFL



Termination

- Transaction Agreement provides for the following, limited termination rights:
 - Mutual written consent of GWCCA and StadCo
 - [By GWCCA if prior to September 30, 2014 StadCo fails to satisfy its StadCo Contribution obligations]
 - [By StadCo if prior to September 30, 2014 Invest Atlanta fails to issue and properly deposit net proceeds of at least \$200 million in H/MT Revenue Bonds for the NSP Project]
 - [By either StadCo or GWCCA if the Final Closing does not occur by December 31, 2014]
 - [By either StadCo, GWCCA or Invest Atlanta, as applicable, if representations and warranties of another party are not true, the conditions precedent to closing have not been met or there is an event of default under any Project Documents]



Miscellaneous Provisions

- Includes approval procedures for consent and approval rights granted in the various Project Documents absent express provisions to the contrary
- Requires exclusive dealing as between GWCCA , StadCo and the Club regarding the NSP Project and any land constituting a part of the NSP Project



Project Development and Funding Agreement



Overview of the Project Development Agreement (PDA)

- The PDA governs key aspects of the design, construction, development and financing of the NSP Project, as between GWCCA, StadCo and the Club
- Certain aspects of the financing component of the transaction are covered by the Invest Atlanta Rights and Funding Agreement
- Subject to the various Project Documents, StadCo, working in conjunction with GWCCA, the Lead Architect and the General Contractor, is charged with the design, development, construction, completion and operational readiness of the NSP
- StadCo's performance must be consistent with the NSP Scope set forth in the MOU and the Design Documents



NSP Site

- The NSP Site will be identified in the PDA
- StadCo agrees to furnish GWCCA with soil and other geotechnical reports relating to the Site and to make GWCCA a reliance party on such reports
- The PDA also (i) specifically identifies any off-site property and easements needed to prepare for, develop and operate the NSP, and (ii) specifies which Party is required to acquire and pay for such off-site property and easements
- StadCo is responsible, at its sole cost and expense, for addressing the feasibility and other construction and development concerns centering around the location of MARTA easements and any desired NSP connectivity with MARTA
- GWCCA must reasonably cooperate with StadCo's efforts



NSP Site (cont.)

- Any property acquired or otherwise made available as part of the NSP Site is expressly provided to StadCo “as is” (including all physical, environmental and other site conditions that may exist on, adjacent to or in proximity to the NSP Site and Off-Site Property)
- StadCo may include environmental remediation costs as NSP Costs, unless such work is required due to negligent actions of StadCo, the General Contractor or any of their respective subcontractors or consultants
- StadCo is required to procure environmental liability insurance (and cost of same included in NSP Costs)



Construction of the NSP

- StadCo is generally required to use commercially reasonable efforts to promptly cause the work under the Construction Contract to be performed in substantial accordance with its terms and provisions
- The Project Administration Standard provides guidance and protection for GWCCA and StadCo in terms of the administration of the Work in a manner designed to achieve Substantial Completion by the Substantial Completion Date
- GWCCA is entitled to notices of material defaults and StadCo may not waive, excuse, condone, release, or discharge a person under the Construction Contract or other applicable construction agreement if this would result in a violation of the Project Administration Standard
- GWCCA has final approval rights over the Material Design Elements, including the final Conceptual Design Documents, the Schematic Design Documents and the Design Development Documents



Construction of the NSP (cont.)

- Termination of the Lead Architect or the Architectural Services Agreement and suspension of the Lead Architect's work requires the prior approval of GWCCA
- Prior to Final Closing, StadCo must deliver to GWCCA a set of Design Documents, applicable Construction Documents and the NSP Budget
- All subsequently proposed costs not included in the NSP Budget but considered as NSP Costs by StadCo must be approved by GWCCA
- The PDA incorporates all key terms from the MOU relating to the Construction Contract and the arrangements with the Lead Architect, such as:
 - The Master Project Schedule, which StadCo is required to update monthly to reflect changes to the milestone dates
 - Copies of the monthly updates must be provided to GWCCA for its review
 - StadCo is required to provide notice to GWCCA of any amendments to any material milestone date and shall obtain GWCCA approval to any amendment resulting in a change to a Material Design Element or, with respect to the Substantial Completion Date, if such amendments occur after 09/01/2016



Construction of the NSP (cont.)

- A Substantial Completion Date of on or before March 1, 2017 and Final Completion within 120 days after Substantial Completion are established, subject to GWCCA Caused Delays and Force Majeure
- In the event Substantial Completion does not occur on or before June 30, 2019, as so extended, GWCCA shall have the option to terminate the PDA and the other Project Documents (within 30 days after such date)
- StadCo remains obligated to diligently pursue liquidated damages from the General Contractor and any other construction contractor
- GWCCA has a limited right to recover liquidated damages



NSP Costs/Financing the NSP

- All material provisions from the MOU relating to the composition of eligible NSP Costs, the allocation of payment responsibilities and related limitations concerning same have been incorporated from the MOU
- These provisions include, among others, StadCo's obligation to reimburse GWCCA in an amount up to \$2.5 MM for Professional Fees incurred after April 5, 2013
- Similarly, the salient provisions concerning the H/MT Revenue Bonds to be issued by Invest Atlanta, the related Public Contribution amount, and the accounts, disbursement provisions and other material financing terms have been incorporated from the MOUs



NSP Costs/Financing the NSP (cont.)

- StadCo remains obligated to fund any NSP Costs exceeding the Public Contribution (the “StadCo Contribution”)
- StadCo also retains its liability to fund NSP Cost Overruns, which overruns remain subject to review and comment by GWCCA, and, to the extent such NSP Cost Overruns exceed StadCo’s demonstrated financing capacity, approval by GWCCA
- GWCCA and its advisors are permitted to review financial information confirming StadCo’s ability to finance the StadCo Contribution prior to the Initial Closing



Georgia Dome

- The PDA retains the Georgia Dome demolition provisions from the MOU and establishes the date the GWCCA must make the Georgia Dome available for demolition (but not earlier than the Substantial Completion Date)
- StadCo remains obligated to fund all Dome Demolition Costs, subject to a \$9 MM cap if the North Side Site is selected for the NSP



Casualty and Insurance

- The PDA addresses the use of insurance proceeds in the event of a Casualty prior to the Final Completion Date
- StadCo is required to purchase and maintain, or cause to be maintained, customary insurance policies relating to the NSP's development, construction and operation, including:
 - Builder's Risk Insurance
 - Professional Liability Insurance
 - Worker's Compensation Insurance
 - General Liability Insurance
 - Business Automobile Liability Insurance
 - Umbrella/Excess Liability insurance
- GWCCA and StadCo, among others, must be named as joint indemnitees and as additional insureds, as the case may be, under such policies



Defaults and Remedies

- The PDA also contains customary provisions addressing Events of Default and Remedies
- In addition to specific performance, injunctive and other forms of relief, GWCCA is provided with Step-In Rights in the event a court finally determines that a material StadCo Default has occurred and is continuing
- The Step-In Rights provide GWCCA with the power to take over the NSP Site, complete the construction and equipping of the NSP, use funds on deposit in the various Project Accounts to complete the NSP, etc.



Termination

- The PDA may be terminated, for among other reasons, if:
 - The Parties mutually agree
 - The Transaction Agreement is terminated
 - Various financing outs
 - Other customary events of default after giving effect to applicable cure periods
- Termination must be accomplished by the provision of written notice to the other Party
- GWCCA is entitled to payment of its out-of-pocket NSP Costs unless the termination results from a GWCCA Default



Indemnification

- The PDA includes the agreed upon indemnification for GWCCA and its officers, employees, affiliates, attorneys, consultants and agents
- The indemnification covers any loss, damage, liability, cost or expense, including reasonable attorneys' fees, directly resulting from any third party claim relating to the NSP
- Force Majeure related damages are excluded from the Indemnification



Stadium License and Management Agreement



Background/Grant of License/Term

- The Stadium License Agreement (SLA) is one of the key Project Documents concerning the operation of the NSP
- Under the SLA, GWCCA grants StadCo an exclusive license to the Stadium and the Stadium Site
- The SLA also covers the FF&E and grants StadCo use of all of the GWCCA's Intangible Property Rights described in the Intellectual Property License Agreement during the License Term



Background/Grant of License/Term (cont.)

- The Term commences on the date of the Final Closing and extends to February 28, 2047
 - The Term is subject to extension for NFL home playoff games for the Falcons
 - The Term is automatically modified so as to cover 30 full NFL seasons if the NSP does not open on or before the Falcons' first home game for the 2017 NFL Season
 - The SLA provides StadCo with 3, 5-year extension options on the Term



Background/Grant of License/Term (cont.)

- The SLA grants StadCo with a license to use and occupy the “Premises”
- Customary covenants such as Right of Occupancy, Quiet Enjoyment, and Senior and Priority Status of the License Interest are made by GWCCA
- The SLA limits StadCo’s Air Rights and Subsurface Rights to that which is required to construct and operate the Stadium



Construction of Stadium

- The acquisition, delivery and completion requirements of the PDA are incorporated by reference
- The Stadium Site is licensed “as is, where is”
- Licensee assumes all construction and operational risks



License Fee

- StadCo will pay GWCCA a License Fee of \$2,500,000 per annum for each year during the Term, as escalated by 2% annually
- License Fee is payable by StadCo in semi-annual installments on May 1 and December 1 of each year, commencing on the later of May 1, 2017, or the first day of the first month following the [Substantial] Completion Date
- Late Payments bear interest at the Default Rate



Permitted Uses

- In addition to the exhibition, playing and presentation of sporting events and related broadcast and advertisement rights, Permitted Uses include, among others:
 - Georgia Dome Legacy Events, GWCCA Events, Atlanta Bid Events
 - Restaurants and Bars (and the sale of Alcoholic Beverages)
 - Team Store
 - Parking and Parking Facilities
 - Front office and other day-to-day operational management
 - Training and practice facilities



Prohibited Uses

- Prohibited Uses are also clearly prescribed, and include, among others:
 - Uses creating a public or private nuisance
 - Adult Businesses (including Gentlemen’s Clubs) and Businesses engaged in the sale of paraphernalia for illicit drug usage
 - Sale or Commercial Display of any lewd, offensive or immoral signage or advertisement
 - Casinos (excluding only lottery sales), target ranges/shooting galleries, commercial car washes, warehouses, manufacturing and other commercial uses which are not Permitted Uses



Revenues

- With very limited exceptions, StadCo will have full and exclusive control of the management and operation of the Premises, and responsibility for all F&B, sponsorship rights, advertising and parking on the Premises
- StadCo shall own all revenues of any source generated on or from the Premises or the operation or management thereof
- StadCo and GWCCA have the right to sell Personal Seat Licenses (PSLs) to purchase future tickets for certain premium and general seating as provided in the forthcoming PSL Agreement, but GWCCA will have no obligations or liabilities in respect of the PSL program
- Subject to the respective license agreements for Georgia Dome Legacy Events, GWCCA Events and Atlanta Bid Events, StadCo has full and exclusive rights to sell and receive revenue for all other Seat Rights



Environmental Provisions

- StadCo is prohibited from causing or permitting any Hazardous Materials to be generated, used, released, stored or disposed of in or about the Premises and must use commercially reasonable efforts to prevent others from doing so
- The SLA includes various protections for GWCCA in respect of Hazardous Materials



Insurance

- StadCo is required to maintain insurance, at their cost, meeting DOAS requirements while also meeting the level of insurance customary for Comparable NFL Facilities
- The insurance provisions specifically cover the amounts and other requirements relating to Casualty, Commercial General Liability, Auto, Workers' Compensation, Excess/Umbrella, Business Interruption, Commercial Crime, Special Policies for Contractors Engaged in Pollution or Hazardous Material Related Activities, Employment Practices Liability, any other Additional Insurance required by Governmental Rule or reasonably required to meet the Insurance Standard established for the Premises



Insurance

- Policy limits and other insurance related provisions are being developed with the technical support of DOAS
- The SLA also includes rating and financial size category requirements and other standard insurance provisions and protections, including provisions concerning the use of insurance proceeds



Indemnification

- The SLA also contains customary provisions obligating StadCo to defend, indemnify, and hold harmless GWCCA (and the other enumerated GWCCA indemnified parties) similar to those contained in other large infrastructure/public project undertakings in the State of Georgia and elsewhere
- The Indemnification provisions survive the expiration or termination of the SLA with regard to liabilities, damages, suits, claims or judgments arising prior to the expiration or termination of the SLA



Ownership of Premises; Sale or Disposal; Access

- GWCCA will own the Stadium Site and the Stadium
- During construction of the Improvements and after the Commencement Date and throughout the Term, all construction materials and consumables that will be incorporated into or constitute Improvements to be constructed on the Premises will be deemed donated by StadCo to GWCCA prior to installation
- StadCo will, however, retain the title to its personal Property located in the Premises and the right to remove such upon the expiration of the Term
- StadCo has the right to sell or dispose of any Physically Obsolete or Functionally Obsolete equipment, fixtures, machinery, furniture, furnishings and other personal property and deposit the proceeds in the Refurbishment and Maintenance Reserve Account (subject to provision of notice and compliance with GWCCA's disposal process)



Ownership of Premises; Sale or Disposal; Access (cont.)

- StadCo must replace any Personalty needed to operate the Premises in compliance with the SLA standards
- GWCCA and its authorized representatives have the right to access the Premises at reasonable times during Business Hours (provided no Stadium Event is being conducted) in order to make inspections, to exhibit the Premises to event promoters and sponsors of the Georgia Dome Legacy Events, the GWCCA Events or the Atlanta Bid Events, to exhibit the premises to others during the last 36 months of the Term and to comply with the requirements of the Project Documents



Casualty Damage

- The SLA contains detailed provisions concerning the rights and responsibilities of the Parties in the event of damage or destruction (a “Casualty”) to the Stadium Improvements or FF&E (referred to as the “Improvements”)
- StadCo has the duty to assist in the handling of insurance claims
- Casualty Repair Work exceeding \$[25],000,000 requires GWCCA’s approval of the general contract and lead architect, if any, and the terms of the agreements with such parties
- In addition, GWCCA must approve all contracts requiring payments of more than \$[15],000,000 relating to any such Casualty Repair Work
- The SLA includes detailed provisions relating to the use of insurance proceeds
- Uninsured Losses and deductibles remain the sole responsibility of StadCo



Assignment; Subletting; Sale of Franchise

- StadCo and/or the Club (as applicable) are generally prohibited from assigning or transferring the SLA or any of the Project Documents to which StadCo or the Club is a party (or any rights, title or interests of StadCo and/or the Club in, to and under same), directly or indirectly, by operation of law or otherwise (“Transfer”)
- As a general rule, such Transfers may be effected only with the written consent of the GWCCA, which consent shall not be unreasonably withheld.
 - GWCCA will not have approval rights over any change in control of StadCo or the Club so long as (i) the NFL has approved such change in control and (ii) no Controlling Person of the new owner has, during the 7-year period immediately preceding such change in control, been convicted in a federal or state felony criminal proceeding of a crime of moral turpitude



Defaults

- Customary StadCo/Licensee Defaults are contained in the SLA, including:
 - Failure to pay the License Fee within 3 days of its due date
 - Failure to make any other payments by StadCo to GWCCA (subject to a 30 day default period and applicable notice rights)
 - Cross defaults to other Project Documents under discussion



Approvals and Consents

The SLA contains detailed provisions concerning the standards for review and other mechanics relating to the respective Party's review, approval and consent rights as negotiated within the MOU



Non-Relocation Agreement



Covenant to Play

- Requires the Team to play all Home Games in Georgia Dome from Effective Date until Opening Day
- Leaves undisturbed the Club's other obligations under the Georgia Dome License Agreement
- Requires the Team to play all Home Games (with some narrow exceptions) at the Stadium from and after Opening Day through the end of the term of the SLA (as may be extended)
 - Permits play of 1 non-playoff game at another location at request of NFL
 - Does not require the Club to play “canceled” games in the event of NFL Labor Dispute
 - In the event of an untenable condition in either stadium, the Club is permitted to find a temporary facility to play its Home Games



Non-Relocation

- The Club is not permitted to relocate from the opening of the new Stadium through the end of the term of the SLA (as may be extended)
- Club also may not apply or seek approval from NFL to relocate outside of the Local Area
- Other Restrictions:
 - Third party negotiations concerning relocation are not permitted other than (i) during the last 5 years of the original 30-year term, or (ii) during any renewal term
 - Club must provide GWCCA with notice of intent not to renew the SLA at least three (3) years before the end of the original term



Defaults

- Customary Events of Defaults are covered in the Non-Relocation Agreement
 - Failures to keep, observe or perform any terms, covenants or agreements in the Non-Relocation Agreement
 - Material misrepresentations by the Falcons
 - Standard bankruptcy events



Remedies

- Customary Remedies for Events of Defaults are also covered in the Non-Relocation Agreement
 - Declaratory or injunctive relief (so long as SLA or StadCo's possession of Stadium is not terminated and GWCCA/Invest Atlanta have not recovered Liquidated Damages)
 - Recover Liquidated Damages (discussed below)
 - Exercise any other remedies available at law or in equity
 - Invest Atlanta vested with similar rights as GWCCA



Liquidated Damages

- Liquidated Damages are available to GWCCA and Invest Atlanta, ranging from **[\$350,000,000 – \$150,000,000]** for an Event of Default
- GWCCA and Invest Atlanta must use their best efforts to first seek injunctive or declaratory relief before seeking Liquidated Damages



Club Guaranty Agreement



Guaranty of Payment and Performance

- The Club guarantees the full, faithful and punctual payment and performance of all StadCo obligations under the Project Documents
- The Guaranty remains in full force and effect until the later of [3] years after the Scheduled Expiration Date (which is defined in the SLA) and payment and performance in full of the Guaranteed Obligations



Guaranty Absolute, Irrevocable and Unconditional

- The Guaranty is absolute, irrevocable and unconditional (provided GWCCA performs its obligations under the SLA)
- The Guaranty is a direct, immediate and primary guarantee
- The Guaranty is unlimited
- GWCCA and StadCo are permitted to modify or amend the Project Documents without invalidating the Guaranty
- The Club has no right to terminate the Guaranty



Other Protections

- The Guaranty permits enforcement of Guaranteed Obligations even if same are unenforceable against StadCo
- The Guaranty contains customary subrogation provisions
- The Club may NOT delegate, assign or transfer any of its obligations under the Guaranty without the consent of GWCCA
- GWCCA reserves the right to assign or transfer the Guaranty to any Person to whom it may transfer the SLA or the other Project Documents



Invest Atlanta Rights & Funding Agreement



Invest Atlanta Rights

- The Tri-Party MOU provides Invest Atlanta with certain rights with respect to the development of the NSP and these rights are incorporated in this agreement:
 - Limited rights to participate as bonding authority should the GWCCA decided to redevelop the Georgia Dome site through such an authority
 - Limited rights to review and comment on the final design documents
 - GWCCA and StadCo will endeavor to minimize the negative impact of the construction of the NSP on the surrounding neighborhoods and businesses
 - StadCo will use its best efforts to implement the equal business opportunity plan (“EBO Plan”) and the GWCCA will use good faith efforts to assure StadCo’s compliance
 - Right to apply “Special Event Designation” to one event per year and receive premium seating and rights to certain NSP events
 - StadCo will include Invest Atlanta and the City of Atlanta in certain aspects of the NSP marketing program



HMT Revenue Bonds/Financing the NSP

- All material provisions from the Tri-Party MOU relating to the H/MT Revenue Bond Offering have been incorporated into Invest Atlanta Rights and Funding Agreement including:
 - Structuring the bond issue to generate not less than \$200MM in available proceeds for construction of the NSP
 - Payment for all costs of issuance, including the Invest Atlanta Issuance Fee
- These provisions also include the right of Invest Atlanta to review financial information confirming StadCo's ability to finance its contribution before issuing the H/MT Revenue Bonds
- Invest Atlanta will also have the right to audit all expenditures related the construction of the NSP



Defaults

- The Invest Atlanta Rights and Funding Agreement also contains customary provisions addressing Events of Default:
 - Failures to keep, observe or perform any terms, covenants or agreements in the Invest Atlanta Rights and Funding Agreement
 - Material misrepresentations by the Parties



Termination

- The Invest Atlanta Rights and Funding Agreement may be terminated, for among other reasons, if:
 - The Parties mutually agree
 - The Transaction Agreement is terminated
 - The Project Development Agreement is terminated
- Termination must be accomplished by the provision of written notice to the other Party
- Invest Atlanta is entitled to payment of its out-of-pocket NSP Costs unless the termination results from an Invest Atlanta Default



QUESTIONS?





EXECUTIVE SESSION

