



ATLANTA CITY COUNCIL

News Release

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Atlanta City Council approves resolution authorizing the use of the city's hotel/motel tax revenues to partially fund a new professional sports stadium

ATLANTA – The Atlanta City Council approved an amended resolution today authorizing the extension and use of the hotel/motel tax to partially fund a new state of the art, retractable roof sports stadium for the Atlanta Falcons.

The resolution was approved by a vote of 11-4. Yeas were: Councilmembers Carla Smith, Ivory Lee Young, Jr., Clela Winslow, Natalyn Archibong, Yolanda Adrean, C.T. Martin, Keisha Lance Bottoms, Joyce Sheperd, Michael Julian Bond, Aaron Watson and H. Lamar Willis.

Nays were: Councilmembers Kwanza Hall, Alex Wan, Howard Shook and Felicia Moore.

The new stadium is estimated to cost approximately \$1 billion. The city's development arm, Invest Atlanta has agreed to issue its revenue bonds in the amount of \$200 million as the public's contribution for the construction of the new stadium. Falcons owner Arthur Blank will contribute the remaining \$800 million needed for the public-private partnership.

"From the beginning, I championed the need to make this a 360 degree deal that touches on the issues that are important to the community including infrastructure improvements, community investment and inclusion of local businesses during the construction of this new facility," said City Council President Ceasar C. Mitchell.

"We look forward to our partnership with the Atlanta Falcons to tackle the hard work as we move forward," Mitchell said.

The resolution authorizes (1) the extension of the 39.3% hotel/motel tax to 2050, (2) approves a stadium funding agreement with Invest Atlanta and an operation and maintenance agreement

with the Georgia World Congress Center Authority (GWCCA). Eighty-six percent of the revenue generated by this tax comes from people living outside of Georgia.

“We are grateful for the Council’s vote of support today,” said Atlanta Falcons Owners & Chairman Arthur Blank. “I would like to thank Council Finance Committee Chairwoman Moore and Council President Mitchell on their leadership in ensuring that this was a transparent process.”

Since February the Atlanta City Council has held a series of work sessions and public hearings on the proposal including an extensive meeting last week with academic, accounting, and legal experts on the financial and community impact of a new stadium in downtown Atlanta.

“The agreements approved today represent the fruits of more than two years of collaborative discussions leading to a solution that serves the best interests of all involved, including the neighborhoods surrounding the new stadium. The actions taken today are also a critical step toward the completion of final agreements necessary to move the new stadium forward,” Blank said.

“The city of Atlanta and state of Georgia have a history of building strong public-private partnerships in areas that contribute to economic development. This project is no exception. We appreciate the spirit of collaboration demonstrated by the Mayor’s office, Atlanta City Council, Invest Atlanta, Georgia World Congress Center Authority and numerous community leaders in advancing a project that will benefit the city, region and state for many years to come,” said Blank.

“The Atlanta Falcons are proud to represent this fine city and state, and we look forward to continuing to work together, as well as being a significant contributor to the new stadium.”

Several amendments were attached to the resolution during Monday’s meeting. An amendment by Councilmember C.T. Martin calls for the Falcons to contribute an additional \$20 million towards infrastructure cost for a total contribution of \$70 million. The Falcons’ infrastructure contribution anticipates the need to reroute Dr. Martin Luther King, Jr. Drive in order to accommodate the facility on the preferred site south of the Georgia Dome.

Councilmember Carla Smith amended the resolution to state that no General Fund dollars will be used to finance the construction of the new stadium project or used for cost overruns, operations, maintenance or all related infrastructure costs.

Councilmember Michael Bond’s amendment calls for Invest Atlanta to facilitate development of the community benefits plan/agreement for the surrounding neighborhoods prior to the issuance of bonds. The plan/agreement must be adopted by the City Council and approved by the Mayor.

The plan is to address traffic congestion, environmental impact, public safety and game day activities and economic development.

The Arthur M. Blank Family Foundation has committed \$15 million for the purpose of investing in Vine City, English Avenue, Castleberry Hill and other neighborhoods contiguous to the new stadium. The funds, which will be controlled by the Blank Foundation, will be

dedicated beginning in 2013 and no later than 2017. All funds will be invested in projects for the communities by December 2020.

Invest Atlanta has also committed \$15 million from the Westside Tax Allocation District (“the TAD”) to co-investments in the targeted neighborhoods. It is anticipated that planned uses of the TAD funds will leverage additional public and private funds.

The Falcons organization plans to spend \$20 million for site acquisition and development costs.

To promote full and equal business opportunities in connection with the design and construction of the new stadium, the Atlanta Falcons and the GWCCA have agreed to develop an Equal Business Opportunity Plan that will ensure at least 31 percent participation by women and minority business enterprises. The construction of the stadium is expected to create more than 1,400 full-time equivalent jobs in Atlanta and more than 4,500 full-time equivalent jobs across Georgia over a three-year period, according to a study completed by Georgia State University Associate Professor Dr. Bruce Seaman.

The GWCCA Board of Governors on Friday authorized the authority to execute a binding memorandum of understanding between the Falcons and the GWCCA for a new stadium on the Georgia World Congress Center campus.

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