

Review of Proposed Documentation for a Successor Facility to the Georgia Dome

between

**Geo. L. Smith II Georgia World Congress Center
Authority,**

The Atlanta Development Authority (d/b/a Invest Atlanta),

Atlanta Falcons Stadium Company, LLC,

and/or

Atlanta Falcons Football Club, LLC

Prepared for:

Georgia World Congress Center Authority
Board of Directors Special Called Meeting

March 15, 2013



General Transaction Overview



General Transaction Overview

- In December, 2012, the Georgia World Congress Center Authority and the Atlanta Falcons entered into a non-binding Term Sheet detailing various aspects of the design, construction, financing and operations of a new operable roof, state-of-the-art, multi-purpose stadium to be the home field of the Falcons, as well as the related demolition of the Georgia Dome.
- It was contemplated by the Term Sheet that, contingent upon passage of certain legislation by the Georgia General Assembly, the Georgia World Congress Center Authority would issue revenue bonds to fund the majority of the public contribution to the project.
- It has been subsequently decided that the Atlanta Development Authority (d/b/a Invest Atlanta) will issue bonds rather than the Georgia World Congress Center Authority, in a net amount not less than \$200 million.
- These slides describe certain material aspects of the transaction with the Atlanta Falcons and the inclusion of Invest Atlanta given these subsequent structural changes.

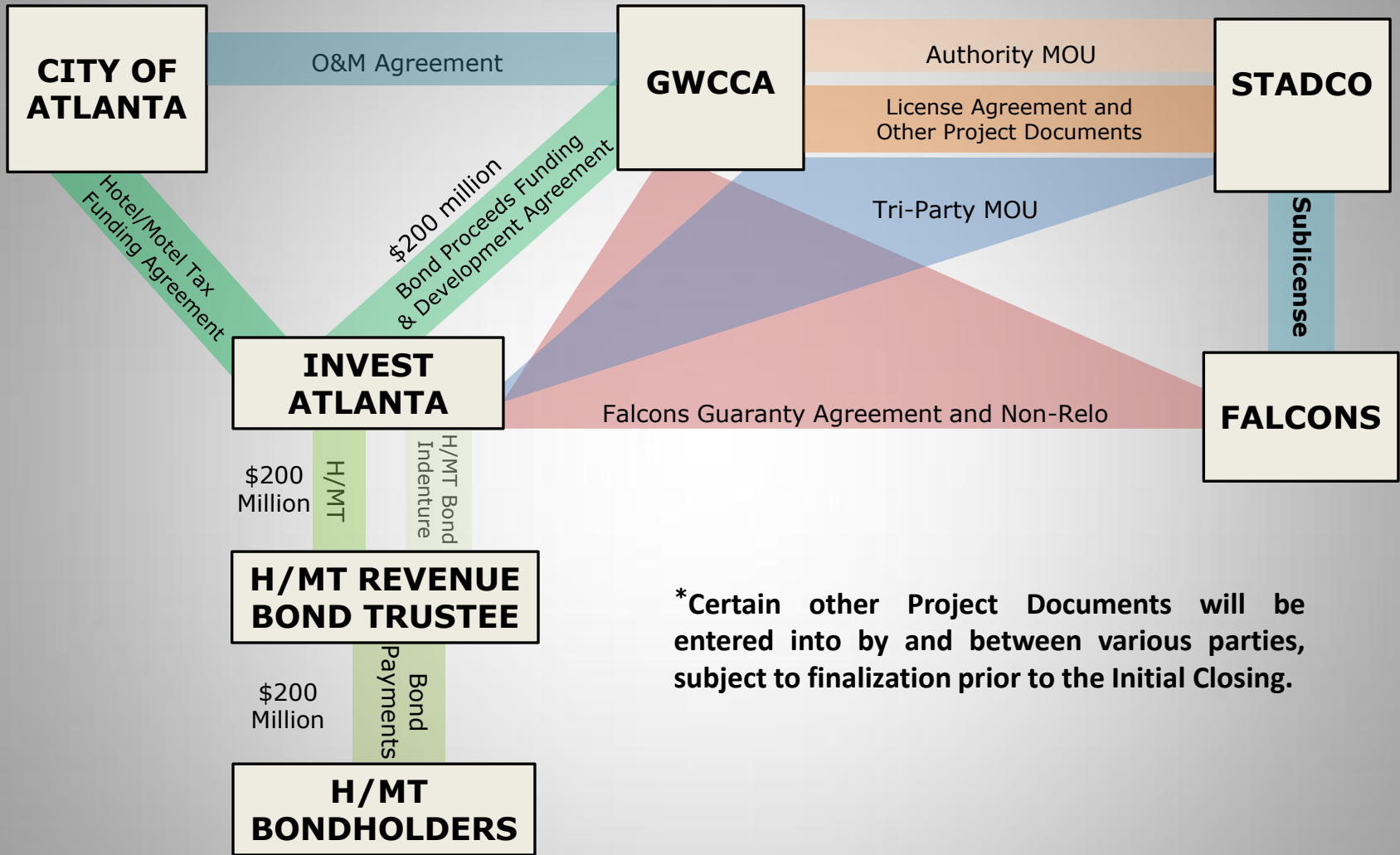


General Transaction Overview (Continued)

- Documents Summarized:
 1. Tri-Party Memorandum of Understanding for a Successor Facility to the Georgia Dome among the Geo. L. Smith II Georgia World Congress Center Authority, The Atlanta Development Authority (d/b/a Invest Atlanta), Atlanta Falcons Stadium Company, LLC, and Atlanta Falcons Football Club, LLC (the "Tri-Party MOU")
 2. Memorandum of Understanding for a Successor Facility to the Georgia Dome among the Georgia World Congress Center Authority, Atlanta Falcons Stadium Company, LLC, and Atlanta Falcons Football Club, LLC (the "Authority MOU")
 3. Hotel Motel Tax Funding Agreement between The Atlanta Development Authority (d/b/a Invest Atlanta) and City of Atlanta (the "Funding Agreement")
 4. Bond Proceeds Funding and Development Agreement between The Atlanta Development Authority (d/b/a Invest Atlanta) and Geo. L. Smith II Georgia World Congress Center Authority (the "Development Agreement")
 5. Hotel Motel Tax Operation and Maintenance Agreement between Geo. L. Smith II Georgia World Congress Center Authority and City of Atlanta (the "O&M Agreement")
 6. A Resolution of the Geo. L. Smith II Georgia World Congress Center Authority Regarding a Successor Facility to the Georgia Dome ("Board Resolution")



NSP Transaction Schematic*



*Certain other Project Documents will be entered into by and between various parties, subject to finalization prior to the Initial Closing.



General Transaction Overview

(Continued)

- The parties to the various agreements include:
 - Geo. L. Smith II Georgia World Congress Center Authority ("GWCCA" or "Authority")
 - Atlanta Falcons Stadium Company, LLC ("StadCo")
 - Atlanta Falcons Football Club, LLC ("Falcons")
 - The Atlanta Development Authority (d/b/a Invest Atlanta) ("Invest Atlanta")
 - City of Atlanta ("City")
- New Stadium Project:
 - Construction of a new operable roof, state-of-the-art, multi-purpose stadium to be the home field of the Falcons (the "New Stadium Project" or "NSP"), the successor facility to the Georgia Dome.
 - It is the goal to have the NSP completed for the 2017 NFL season.



General Transaction Overview (Continued)

- Material Authority Provisions:
 - The contribution to NSP Costs is limited to the bond proceeds received from the Invest Atlanta bond issue (\$200 million), the NSP site and the Herndon Homes land, and the net proceeds from the sale of seat rights sold through NSP Opening.
 - StadCo is solely responsible for all NSP Cost overruns.
 - The Authority will own the NSP site and the stadium.
 - The Georgia Dome will be demolished as part of NSP costs.
 - The Authority may redevelop up to 60,000 square feet on the Georgia Dome site.
 - The Authority will have approval rights over all Material Design Elements of the NSP and the selection of the Lead Architect and General Contractor.
 - The NSP License term will be 30 years plus renewals, and StadCo will pay to the Authority rent of \$2.5 million per year, escalated at 2% annually.
 - The Falcons will enter into a Non-Relocation Agreement coextensive with the License term and guarantee all of StadCo's obligations.



General Transaction Overview (Continued)

- Material Authority Provisions (continued):
 - The Authority will maintain and control the master booking calendar for the GWCCA Campus, including the NSP.
 - Georgia Dome Legacy Events will be transitioned to the NSP under the same economic terms and conditions.
 - The Authority will continue as event manager for all Georgia Dome Legacy Events transitioned to the NSP.
 - The Authority and StadCo will develop a site coordination agreement and parking agreement to coordinate all NSP and GWCCA Campus activity.
 - StadCo will be responsible for all operation, maintenance, and capital improvement costs necessary to satisfy the Quality Operations Standard. StadCo may use available surplus hotel/motel tax proceeds to offset such costs.
 - The Authority will have budgetary approval over StadCo's capital improvement plans for the NSP.
 - StadCo will reimburse the Authority up to \$2.5 million in to-be-incurred professional fees and costs.



General Transaction Overview (Continued)

- Club Seats, Suites and Super Bowl Tickets – the Authority will be entitled to the following for governmental purposes, public relations, and to market the Authority's convention and tradeshow business:
 - **The use of 2 suites in the NSP;**
 - **A total of 20 club seats (in blocks of 4 seats located in various tiers of club seat offerings); and**
 - **The purchase of up to 30 Super Bowl tickets in any year. If the NSP hosts the Super Bowl, the Authority will be entitled to purchase a total of 50 Super Bowl tickets. All Super Bowl tickets purchased by the Authority will be subject to certain re-sale restrictions.**



Proposed Transaction Timeline

- Confirmation of South Side Site as the preferred NSP location
- April 30, 2013 – Engagement of Lead Architect
- May 31, 2013 – Execution of Construction Contract
- July 1, 2013 – Agreement on the Conceptual Drawing NSP Budget
- August 1, 2013 – Completion of Feasibility Studies for South Side Site and Initial Closing, including agreement on all Project Documents
- October 1, 2013 – Completion of Feasibility Studies for North Side Site (if necessary) and Initial Closing for the North Side Site, including agreement on all Project Documents
- October 31, 2013 – Agreement upon preliminary schematic drawings and budget update
- June 30, 2014 – Agreement on the guaranteed maximum price contract and presentation of NSP Budget
- July 31, 2014 – Issuance of the H/MT Revenue Bonds and Final Closing



Overview of Funding Agreements



General Financing Overview

- Overview of Transaction Financing Structure:
 - Invest Atlanta will issue a net \$200 million dollars in revenue bonds secured by 39.3% of the hotel/motel tax levied by the City for a portion of the public contribution for the NSP (the "H/MT Revenue Bonds").
 - Invest Atlanta will enter into a trust indenture with the H/MT Revenue Bond trustee to issue the H/MT Revenue Bonds.
 - Invest Atlanta will enter into the Funding Agreement with the City for the hotel/motel tax proceeds to secure the H/MT Revenue Bonds.
 - Invest Atlanta and the Authority will enter into the Development Agreement to provide the proceeds of the H/MT Revenue Bonds to the Authority and the Authority will agree to enter into agreements with StadCo to develop and construct the NSP.
 - The Authority and the City of Atlanta will enter into the O&M Agreement to dedicate the use of surplus hotel/motel tax revenues to the NSP.



Material Terms of the Proposed Hotel Motel Tax Funding Agreement

Parties:	<ul style="list-style-type: none"> • City • Invest Atlanta
Approved by:	<ul style="list-style-type: none"> • The Authority (to the extent required by the H/MT legislation).
Purpose:	<ul style="list-style-type: none"> • Beginning July 1, 2017, establish the H/MT as security for the H/MT Revenue Bonds.
Obligations of the City:	<ul style="list-style-type: none"> • To extend the H/MT until the H/MT Revenue Bonds are repaid. • To provide 39.3% of the H/MT collections to the bond trustee.
Obligations of Invest Atlanta:	<ul style="list-style-type: none"> • Use the 39.3% of the H/MT collections to pay the H/MT Revenue Bonds and H/MT Revenue Bond-related charges on a monthly basis. • Pay all "surplus" H/MT to the GWCCA Custodian to be used for capital improvements, refurbishment, operations and maintenance expenses, etc. • Provide periodic reporting to the City regarding construction of the NSP, EBO Plan reporting, etc.
Term:	<ul style="list-style-type: none"> • Until Payment in Full of the Bonds
Conditions:	<ul style="list-style-type: none"> • Consent of the owners of the Georgia Dome Bonds or payment in full of the Georgia Dome Bonds prior to July 1, 2017.



Material Terms of the Proposed Bond Proceeds Funding and Development Agreement

Parties:	<ul style="list-style-type: none"> • Invest Atlanta • The Authority
Purpose:	<ul style="list-style-type: none"> • Provide for the issuance of the H/MT Revenue Bonds and the expenditure of the net H/MT Revenue Bond proceeds for NSP Costs.
Obligations of Invest Atlanta:	<ul style="list-style-type: none"> • Issue the H/MT Revenue Bonds. • Use proceeds of the H/MT Revenue Bonds to pay costs of issuance and capitalized interest, and establish a debt service reserve account. • Deposit remaining H/MT Revenue Bond proceeds in the Project Fund. • Honor requisitions from the Project Fund submitted by the Authority in accordance with the H/MT Revenue Bond indenture.
Obligations of the Authority:	<ul style="list-style-type: none"> • Spend the net proceeds of the H/MT Revenue Bonds for NSP Costs. • Provide periodic reporting to Invest Atlanta regarding development and construction of the NSP, compliance by StadCo with the EBO Plan, etc. • Not knowingly take any action that would adversely affect the tax-exempt status of H/MT Revenue Bonds.



Material Terms of the Proposed Hotel Motel Tax Operation and Maintenance Agreement

Parties:	<ul style="list-style-type: none"> • City • The Authority
Purpose:	<ul style="list-style-type: none"> • To provide for use of the H/MT remaining after monthly H/MT Revenue Bond debt service and related charges are paid. • Establish accounts corresponding to those called for in the Tri-Party MOU and provide for expenditures of funds on deposit in those accounts.
Obligations of the City:	<ul style="list-style-type: none"> • Continue to levy H/MT at 7% • Deposit amounts not needed for the H/MT Revenue Bonds pursuant to the O&M Agreement.
Obligations of the Authority:	<ul style="list-style-type: none"> • Use H/MT collections for NSP Costs pursuant to the O&M Agreement. • Retain ownership of the NSP. • Keep the NSP insured. • Provide certain budgets and reports received from StadCo
Term:	<ul style="list-style-type: none"> • Until the License expires (including renewal terms), but not later than December 31, 2050.



Overview of the Tri-Party MOU



Overview of Tri-Party MOU

- The Authority, Invest Atlanta, StadCo ,and the Falcons will enter into the Tri-Party MOU which sets out additional rights and obligations for development and construction of the NSP that are not covered in the Authority MOU, or which involve rights or obligations related to Invest Atlanta's commitment to issue a net \$200 million in H/MT Revenue Bonds.
- To the extent that certain provisions in the Tri-Party Agreement vary from what was in the final Term Sheet or have subsequently been defined, those provisions are noted with **bold text**.



Summary of Proposed Tri-Party MOU

Repurposing of Georgia Dome Site

- Invest Atlanta has a right of first refusal to serve as the local development authority if the Authority elects to finance a vertical development project on the Georgia Dome site.

NSP Development and Construction

- A representative of Invest Atlanta will have certain rights of review and comment on the conceptual, schematic, and construction document stages of the development of the NSP. Invest Atlanta will bear all expenses of such representative.
- StadCo, with the Authority's cooperation, will endeavor to minimize the negative collateral effects of NSP construction and development on neighboring properties as provided in the Authority MOU. **StadCo will work with the Authority to develop a written mitigation plan which will be submitted to Invest Atlanta prior to commencement of construction. StadCo will further seek to identify reasonable opportunities to enhance the area surrounding the NSP through the NSP Neighborhood Prosperity Fund as described below.**



Summary of Proposed Tri-Party MOU (Continued)

NSP Financing/NSP Costs

- "NSP Costs" will consist of:
 - NSP vertical and horizontal construction and development costs on the NSP site;
 - **Costs associated with the acquisition of real property by StadCo outside of the NSP Site in an amount up to \$20 million;**
 - All soft costs associated with construction and development of the NSP (including, but not limited to, architectural, engineering and related professional services, permit, license, and inspection fees);
 - **Up to \$50 million for infrastructure costs associated with roadwork realignment for Martin Luther King Jr. Drive, Mitchell Street and Mangum Street;**
 - NSP infrastructure and utilities on the NSP site;
 - Any plazas constructed as part of the NSP on the NSP site;
 - Any Dome Demolition Costs (defined in the Authority MOU) (subject to the cap of \$9 million if the NSP is located on the North Side Site);



Summary of Proposed Tri-Party MOU (Continued)

NSP Financing/NSP Costs (continued)

- "NSP Costs" will consist of (continued):
 - Any contiguous surface parking for the NSP on the NSP site (including all costs associated with the preparation of the Georgia Dome site for parking);
 - Pedestrian bridges and walkways as mutually agreed to by the parties;
 - Relocation of power lines and other utilities (if necessary);
 - All environmental remediation expenses, including, but not limited to, onsite contaminated soil remediation (if necessary);
 - **The Authority's Professional Fees up to \$2.5 million;**
 - Due diligence expenses to be performed and incurred by the Parties related to the NSP Site (including, but not limited to, Feasibility Studies, environmental assessments, transportation studies, legal fees (**subject to the Authority's \$2.5 million cap**), potential infrastructure and other pre-development costs, utilities, parking, signage, etc.); and
 - Any and all other costs and expenses required for timely construction of the NSP.



Summary of Proposed Tri-Party MOU (Continued)

NSP Financing/NSP Costs (continued)

- "NSP Costs" will not include:
 - Any costs associated with StadCo's participation in certain neighborhood outreach and community assistance programs during development of the NSP; and
 - **Except for the \$20 million from StadCo for real property acquisition**, costs associated with potential acquisition or lease of real property for the NSP site, including acquisition of the Herndon Homes site.
- The Authority may cooperate reasonably with StadCo in pursuing other possible governmental funding sources with respect to such offsite infrastructure costs.
- All NSP Costs will be the sole responsibility of StadCo except for the Public Contribution.



Summary of Proposed Tri-Party MOU (Continued)

NSP Financing/NSP Costs (continued)

- Contributions to NSP Costs:
 - **Invest Atlanta Contribution**: Invest Atlanta will contribute a minimum of \$200 million in net proceeds from the issuance of the H/MT Revenue Bonds (the "**H/MT Contribution**").
 - **City of Atlanta**: the City will contribute 39.3% of the proceeds collected from hotel/motel taxes ("**H/MT**") to secure the H/MT Revenue Bonds and dedicate any surplus hotel/motel tax revenues received to the NSP **pursuant to the O&M Agreement**.
 - **Authority Contribution**: **the Authority Contribution will consist of the proceeds of the H/MT Revenue Bonds received from Invest Atlanta pursuant to the Development Agreement, the NSP site, certain land in addition to the NSP site (i.e., Herndon Homes) and all net proceeds from the sale of seat rights at the NSP (sold through Opening Date of the NSP or the first NFL game played in the NSP).**



Summary of Proposed Tri-Party MOU (Continued)

NSP Financing/NSP Costs (continued)

- Contributions to NSP Costs (continued):
 - StadCo Contribution:
 - StadCo will pay all NSP Costs except for the Authority's seat right sales contribution and the H/MT Contribution.
 - StadCo will pay for all NSP Cost overruns.
 - **The Arthur M. Blank Family Foundation to contribute \$15 million to be used for Neighborhood Prosperity Fund.**
 - Falcons Guaranty Agreement: the Falcons will guarantee all obligations of StadCo to the Authority **and Invest Atlanta.**



Summary of Proposed Tri-Party MOU (Continued)

NSP Financing/NSP Costs (continued)

- Retirement of the Georgia Dome Bonds:
 - The H/MT Revenue Bonds may not be secured by the H/MT proceeds until payment in full of the Georgia Dome Bonds or the release of the lien on H/MT Proceeds by the holder of the Georgia Dome Bonds.
 - July 1, 2017 is the date on which the Authority currently expects, based on historical H/MT collections, that the H/MT will have generated sufficient revenues to enable the Authority to retire the Georgia Dome Bonds.
 - **The Falcons will provide a letter of credit or other security on July 1, 2017, if Georgia Dome Bonds have not been paid off with H/MT revenues in order for the H/MT Revenue Bonds to be issued.**
 - Neither the Authority **nor Invest Atlanta** make assurances that the Georgia Dome Bonds will be paid in full on July 1, 2017.



Summary of Proposed Tri-Party MOU (Continued)

NSP Financing/NSP Costs (continued)

- The H/MT Bond Offering:
 - Neither the Authority **nor Invest Atlanta** are responsible for the timing or amount of the H/MT funds used to secure the H/MT Revenue Bonds.
 - No Authority **or Invest Atlanta** funds will be available to pay the H/MT Revenue Bonds or to fund any amount related to the H/MT Revenue Bonds.



Summary of Proposed Tri-Party MOU (Continued)

NSP Financing/NSP Costs (continued)

- The H/MT proceeds collected pursuant to the Funding Agreement will be applied as follows:
 - First, to the Senior Lien Interest Account;
 - Second, to the Senior Lien Principal Account;
 - Third, the to Senior Lien Debt Service Reserve Account;
 - **Fourth, to the Tax Collection Stabilization Account;** and
 - **Fifth, to a fees account to pay the Invest Atlanta Annual Administrative Fee.**
- **All "surplus" H/MT proceeds collected will be dedicated for use by StadCo for costs, maintenance and improvements of the NSP as set forth on the following slides.**



Summary of Proposed Tri-Party MOU (Continued)

NSP Financing/NSP Costs

- Application of "surplus" hotel/motel tax proceeds pursuant to the O&M Agreement will be applied as follows:
 - First, to an account called the "Refurbishment and Maintenance Reserve Account", an annual amount up to \$3 million (increased each year by 2%) for refurbishment and maintenance expenses related to the NSP;
 - Second, to an account called the "NSP Renewal and Extension Account", an annual amount up to \$1 million (increased each year by 2%) for capital improvements at the NSP;
 - Third, to an account called the "Other Events Staging Expense Account", an annual amount up to \$3.5 million (increased each year by 2%) to reimburse StadCo for expenses relating to the staging of Georgia Dome Legacy Events, Authority Events, and Atlanta Bid Events at the NSP;



Summary of Proposed Tri-Party MOU (Continued)

NSP Financing/NSP Costs

- Application of "surplus" hotel/motel tax proceeds pursuant to the O&M Agreement will be applied as follows (continued):
 - Fourth, to an account called the "O&M Expense Account", an annual amount equal to the lesser of (i) \$8 million (increased each year by 2%), or (ii) the amount of Submitted Expense Budget for each year minus the sum of the amounts deposited for such year into the Refurbishment and Maintenance Reserve Account and the Other Events Staging Expense Account, for operating expenses incurred by StadCo; and
 - Fifth, to an account called the "Surplus Account", any excess amounts to be applied as determined by the Authority and StadCo for capital improvements, unfunded operating expenses of StadCo, or any other lawful purpose for the benefit of the NSP.



Summary of Proposed Tri-Party MOU (Continued)

NSP Financing/NSP Costs (continued)

- Confirmation of Respective Contributions:
 - The Authority and **Invest Atlanta** will have the right to confirm StadCo's ability to finance its contributions to the NSP.
 - If net proceeds of the H/MT Revenue Bonds are less than **\$200,000,000**, StadCo may terminate the Tri-Party MOU and the Authority MOU without any further financial obligation to the Authority or Invest Atlanta.
 - **If either the Tri-Party MOU or the Authority MOU are terminated for any reason other than a default by the Authority, the Authority will be reimbursed by StadCo for certain of its fees up to the \$2.5 million cap.**
 - **If either the Tri-Party MOU or the Authority MOU are terminated for any reason other than a default by Invest Atlanta, Invest Atlanta will be reimbursed by StadCo for certain of its fees up to \$500,000.**



Summary of Proposed Tri-Party MOU (Continued)

Additional Provisions

- Audit Rights:
 - **Invest Atlanta will have audit rights that are substantially similar to those of the Authority contained in the Authority MOU.**
- Non-Relocation Agreement:
 - **GWCCA, Invest Atlanta, and the Falcons will enter into a Non-Relocation Agreement.**
- Naming Rights, Sponsors, Signage:
 - **StadCo will include Invest Atlanta's and the City's name and logo in certain aspects of the NSP's marketing program, similar to the rights granted to the Authority.**
- Intellectual Property Rights:
 - **The Parties will enter into an Intellectual Property License Agreement, the terms of which will provide certain non-exclusive rights to each party to use certain trademarks and other intellectual property of the other Party.**



Summary of Proposed Tri-Party MOU (Continued)

Additional Provisions (continued)

- **Equal Business Opportunity ("EBO") Plan:**
 - **StadCo will use best efforts to develop and implement a plan for enlisting and monitoring participation of minority and female business enterprises in all business opportunities that relate to the design and construction of the NSP, and will require the Authority and StadCo to engage in good faith outreach efforts to identify and contact eligible enterprises for participation in the design and construction of the NSP.**
 - **StadCo will use best efforts to cause the General Contractor to comply with the City's First Source Jobs Program in connection with the design and construction of the NSP.**
 - **The Authority will use its good faith efforts to assure compliance with the EBO Plan by StadCo.**



Summary of Proposed Tri-Party MOU (Continued)

Termination of the Tri-Party MOU

- The Tri-Party MOU may be terminated under the following circumstances:
 - By the Authority or StadCo upon the occurrence of any event permitting termination of the Authority MOU; or
 - By Invest Atlanta if certain representations or warranties of StadCo or Invest Atlanta are not true or if certain of StadCo's covenants, agreements or obligations are breached, or if the Authority MOU is amended in a manner that materially and adversely affects Invest Atlanta's interest in the NSP.



Overview of the Authority MOU



Overview of Proposed Authority MOU

- The Authority, StadCo and the Falcons will enter into the Authority MOU to set forth the parties' respective rights and obligations with respect to the development, construction, and operation of the NSP and its relation to the other facilities and events held on the remainder of the GWCCA Campus.
- To the extent that certain provisions in the Authority MOU vary from what was in the Term Sheet or have subsequently been defined, those provisions are noted with **bold text**.



Summary of Proposed Authority MOU (Continued)

General

- NSP site:
 - It is currently anticipated that the NSP will be constructed on the GWCCA Campus south of the existing location of the Georgia Dome (the "South Side Site"). If the Parties determine that the South Side Site is not feasible for the NSP, the Parties will determine whether a northern location on the GWCCA Campus is feasible for construction of the NSP ("North Side Site").
 - The Authority will own the land and all improvements on the NSP site, including the NSP.
 - The NSP site will be provided "as is", and all costs associated with making the NSP site construction-ready will be included in NSP Costs.



Summary of Proposed Authority MOU (Continued)

General (continued)

- **Additional Land:**
 - **The Authority will cooperate with the City in acquiring certain additional land required for offsite infrastructure, or which is required in connection with site preparation or to situate the NSP on the NSP site.**
 - **The Authority will have no financial responsibility for the acquisition of any such land described above.**



Summary of Proposed Authority MOU (Continued)

General (continued)

- Georgia Dome Status:
 - Upon final transition of operations to the NSP, the Georgia Dome will be demolished.
 - If the South Side Site is selected for construction of the NSP, the existing Georgia Dome site will be used by StadCo exclusively for surface parking.
 - StadCo will hire a third party to demolish the Georgia Dome. The Authority will have a right of approval with respect to the demolition plans for the Georgia Dome, the third party hired to accomplish the demolition, and a right of approval with respect to the design of surface parking on the Georgia Dome Site.
 - Demolition costs and site preparation costs (including environmental remediation, if any) for the Georgia Dome ("Dome Demolition Costs") will be included in NSP Costs. If the NSP is constructed on the North Side Site, Dome Demolition Costs included as NSP Costs will be capped at \$9 million and the Authority will pay any excess costs.



Summary of Proposed Authority MOU (Continued)

General (continued)

- Georgia Dome Status (continued):
 - **StadCo will have salvage rights to all Georgia Dome equipment and property that the Authority can not put to reuse on the GWCCA Campus within 12 months of demolition, provided that all proceeds received by StadCo must be applied to NSP Costs.**
 - **Following execution of the Authority MOU, no capital expenditures or special projects can be undertaken at the Georgia Dome unless agreed to by the Parties.**
 - The Parties will endeavor to transition existing Georgia Dome Legacy Events into the NSP.
 - **StadCo acknowledges that retirement of the Georgia Dome prior to payment in full of the Georgia Dome Bonds will require the consent of:**
 - **The trustee and majority owner of the Georgia Dome Bonds**
 - **The City of Atlanta and Fulton County**



Summary of Proposed Authority MOU (Continued)

General (continued)

- Authority Development Rights:
 - The Authority may redevelop a portion (not to exceed 60,000 square feet) of the surface parking area on the Georgia Dome site, which may be exercised pursuant to specific procedures set forth in the Authority MOU.
 - **Exercise by the Authority of its redevelopment rights that affect any guaranteed parking to StadCo requires the Authority to replace all guaranteed parking spots affected by such redevelopment at its own expense and in equivalent proximity.**
- **The Authority will not be permitted to redevelop any other portion of the Georgia Dome Site, the Herndon Homes site to be acquired by the Authority, or Georgia International Plaza (Falcons Landing).**



Summary of Proposed Authority MOU (Continued)

General (continued)

- **Georgia International Plaza (Falcons Landing) Usage Rights:**
 - Georgia International Plaza will be reserved for use by StadCo for a limited period in connection with all Falcons Games, any MLS games (described below) and all Georgia Dome Legacy Events (defined below) (collectively, "Plaza Events").
 - The Authority may use Georgia International Plaza for any event that is held on a day that is not a Plaza Event day (and reasonable set-up and take-down periods on either side of such Plaza Events).



Summary of Proposed Authority MOU (Continued)

Design and Construction

- Selection of NSP Lead Architect:
 - An RFQ process is currently underway to select a Lead Architect in accordance with state procurement requirements.
 - The Lead Architect must be a nationally or internationally recognized architectural firm experienced in the design of operable roof, multipurpose professional sports and entertainment venues and related facilities similar to the NSP.
 - The Authority will have final approval rights over the Lead Architect for the NSP.
 - The Lead Architect will be responsible for engaging and coordinating the architectural and engineering design team experienced in the design of operable roof, multipurpose professional sports and entertainment venues and related facilities and construction administration for the NSP.
 - Both the Authority and StadCo will enter into the architectural services agreement (the "Architectural Services Agreement ") with the Lead Architect.
 - **StadCo has certain obligations with respect to causing the Lead Architect and its subcontractors to comply with the EBO Plan as provided in the Tri-Party MOU.**



Summary of Proposed Authority MOU (Continued)

Design and Construction (continued)

- Provisions Regarding the Lead Architect:
 - **The Authority and StadCo will jointly own all the NSP architectural drawings, renderings, designs, plans and specifications for the NSP (the "Plans"). the Authority will license to StadCo the right to use Plans for development and operation of the NSP.**
 - **StadCo will not cause the Lead Architect to suspend work on the NSP or terminate the Architectural Services Agreement without the Authority's prior written approval.**
 - The Authority will not be responsible for any architectural fees or expenses.



Summary of Proposed Authority MOU (Continued)

Design and Construction (continued)

- The General Contractor:
 - The General Contractor must be a nationally or internationally recognized construction firm experienced in the construction of multipurpose professional sports and entertainment venues and related facilities similar to the NSP.
 - **The Authority has conditional approval rights over selection of the General Contractor.**
 - **StadCo has certain obligations with respect causing the General Contractor and its subcontractors to comply with the EBO Plan as provided in the Tri-Party MOU.**



Summary of Proposed Authority MOU (Continued)

Design and Construction (continued)

- Design and Construction Procedures and Requirements:
 - The Parties will enter into a Project Development Agreement that will set forth the detailed procedures governing development and construction of the NSP.
 - The Authority will have monitoring rights over NSP development and construction.
 - **The Authority will have approval rights for all contracts requiring payment greater than \$25 million in connection with NSP design and construction.**
 - The Authority will have final approval rights for the drawings, plans, and specifications for certain material design elements of the NSP.



Summary of Proposed Authority MOU (Continued)

Design and Construction (continued)

- NSP Material Design Elements:
 - The overall material design elements are those design elements which:
 - **Materially affect the exterior appearance of the NSP;**
 - **Materially and adversely affect public access to the NSP;**
 - **Materially affect public accommodations in the NSP, such as reductions to the number of restrooms or the number or configuration of seats, concessions and support; or**
 - **Materially and adversely affect the Authority’s ability to conduct Georgia Dome Legacy Events in accordance with the requirements of the sponsoring entities.**
 - The Authority’s approval rights regarding the material design elements set forth above will apply at each of the following NSP design stages: conceptual, schematics and design development.



Summary of Proposed Authority MOU (Continued)

Design and Construction (continued)

- The Construction Contract will include the following provisions:
 - A guaranteed maximum price which must be agreed to prior to commencement of construction.
 - Customary payment and performance security from the General Contractor and subcontractors, as well as customary indemnification and insurance provisions.
 - A required substantial completion date with liquidated damages from the General Contractor that are reasonably acceptable to the Authority.
 - A provision that the Authority is an express third party beneficiary of the Construction Contract.
 - the Authority step-in rights if StadCo defaults under the Construction Contract and fails to timely cure a default.



Summary of Proposed Authority MOU (Continued)

Design and Construction (continued)

- Collateral Effects of NSP Development and Construction:
 - StadCo, as well as the General Contractor and any other persons engaged in connection with the construction and development of the NSP, will take reasonable steps to minimize the negative effects of construction of the NSP on the operations of the other facilities on the GWCCA Campus.
 - The Authority and StadCo will endeavor to minimize negative effects on traffic and neighboring properties and businesses surrounding the NSP during construction development and operation of the NSP; **provided that the Authority will not be required to incur any material costs or take any actions that materially disrupt its normal business operations in connection with such activities.**



Summary of Proposed Authority MOU (Continued)

License Terms

- Structure:
 - The Authority will license the NSP to StadCo (the "License") for an initial term commencing upon Final Closing and ending 30 years after opening of the NSP. The Falcons will enter into a sublicense agreement with StadCo that will be coterminous with the License.
 - StadCo will have the right to exercise 3-5 year renewal terms.
 - StadCo's rent under the License will be \$2.5 million per year, escalated at 2% annually.
 - StadCo will be responsible for operating the NSP and all costs of operation, **subject to reimbursement to StadCo of "surplus" H/MT proceeds described above.**
 - The Falcons will guarantee all operational obligations of StadCo.
 - All terms and conditions of the License, including non-relocation terms, will be binding on any successor to the Falcons.



Summary of Proposed Authority MOU (Continued)

License Terms (continued)

- Structure (continued):
 - StadCo will have the ability to assign its interests in the License to a successor franchise owner approved by the NFL.
 - **Operational standards will be developed consistent with a Quality Operations Standard ("QOS") to be developed by the Parties as soon as practicable after StadCo's operating team is selected, but in no event later than one year prior to opening of the NSP.**



Summary of Proposed Authority MOU (Continued)

License Terms (continued)

- Revenues:
 - StadCo will be responsible for all food and beverage concessions, sponsorship rights and advertising at the NSP.
 - StadCo will have the rights to all revenues generated from such activities and otherwise from the NSP (including premium seating) and will pay all related costs.
- Non-Relocation Agreement:
 - The term of Non-Relocation Agreement entered into between the Authority, **Invest Atlanta** and the Falcons will be coextensive with the term of the License, including exercised renewals.
- Insurance:
 - All insurance coverage for the NSP must comport with State of Georgia requirements and must be maintained at a level customarily required for similar NFL facilities, and any state costs will be reimbursed by StadCo to the State of Georgia.



Summary of Proposed Authority MOU (Continued)

Operational Considerations

- Booking/Master Calendar:
 - The Parties will agree upon a booking policy establishing certain priorities and procedures for booking events at the NSP.
 - Events held at the NSP will be booked according to the following priority system:
 - Priority 1: NFL games;
 - Priority 2: Georgia Dome Legacy Events, Authority Events, City of Atlanta Bid Events, and certain Major League Soccer games;
 - Priority 3: StadCo Events having a projected attendance greater than 20,000 (other than NFL games) and Major League Soccer games not falling within Priority 2; and
 - Priority 4: all other events at the NSP.
 - The Authority will maintain and control the master booking calendar.
 - The NSP will not host certain events that have historically been hosted by the Georgia World Congress Center or Centennial Olympic Park.



Summary of Proposed Authority MOU (Continued)

Operational Considerations (continued)

- Site Coordination – General Provisions:
 - The Parties will enter into a Site Coordination Agreement ("SCA") to assure cooperation between activities at the NSP and other events on the GWCCA Campus.
 - The SCA will primarily address certain logistical issues for coordinating event planning and staffing, traffic control, access to parking and allocation of other resources between the NSP and the GWCCA Campus.
 - A Site Coordination Committee ("SCC") will be established to address logistical issues.
 - The SCC will be composed of an equal number of representatives of the Authority and StadCo.
 - The Parties will agree on certain processes and standards for resolution of disagreements over site coordination issues. **The Executive Director of the Authority will have final approval rights over any issues related to public safety and life safety.**



Summary of Proposed Authority MOU (Continued)

Operational Considerations (continued)

- Parking Considerations – the Parties will agree on certain issues in the Parking Agreement, including:
 - NSP parking spaces and access for events at the NSP and elsewhere on the GWCCA Campus.
 - Parking rates and allocation of revenues and expenses.
 - Traffic control plan for days with events on the GWCCA Campus.
 - Security and local government law enforcement.
- **Annual Expense Budget:**
 - **Each Year StadCo will submit to the Authority StadCo's budget or operating expenses it expects to incur. The Authority will have certain limited review rights (though no approval rights) for the Annual Expense Budget, but StadCo must comply with the QOS and its other obligations under the Project Documents.**



Summary of Proposed Authority MOU (Continued)

NSP Event Management

- General Provisions:
 - If StadCo hires a third party venue management firm for the NSP, the firm must have a national reputation and representative experience with facilities similar to the NSP and be subject to the Authority approval.
 - If StadCo proposes to manage the NSP in-house, or if there is a material subsequent change to the initial organizational structure, such in-house management will be subject to Authority approval.
 - All Georgia Dome Legacy Events, Authority Events, Atlanta Bid Events currently held in the Georgia Dome will, if agreements on extensions can be reached, move to the NSP as soon as reasonably practicable after substantial completion and opening of the NSP. The License and the other Project Documents will address transitional issues.



Summary of Proposed Authority MOU (Continued)

NSP Event Management (continued)

- "Georgia Dome Legacy Events":
 - Includes events such as the SEC Championship Game, the Chick-fil-A Bowl, Georgia State Football Games and the Georgia High School Association football championships.
 - the Authority will continue as the event manager for all Georgia Dome Legacy Events.
 - StadCo will be responsible for the cost of providing its staff and other support that historically has been provided by the Authority in staging the Georgia Dome Legacy Events at the Georgia Dome. Any other costs will be the responsibility of the Authority or the sponsor/promoter.



Summary of Proposed Authority MOU (Continued)

NSP Event Management (continued)

- "Authority Events":
 - Includes the following events: regional, national or international tradeshow, conventions, corporate events, public shows, certain civic events, and city-wide events requiring the utilization of more than 75,000 gross square feet of contiguous exhibition space in the NSP due to special requirements or unavailability of space in the GWCC or as otherwise requested on a space-available basis in accordance with established booking policies and procedures, or in excess of 25,000 seats for general sessions or meetings at the NSP.
 - StadCo will not book the NSP for any event considered to be an Authority Event and for which the Authority has the capability to support and host, and has historically booked and hosted.
 - The Authority may use the NSP for Authority Events and act as event manager for these events using NSP staff.



Summary of Proposed Authority MOU (Continued)

NSP Event Management (continued)

- "Atlanta Bid Events":
 - Includes “city-wide” events that the Atlanta Convention and Visitors Bureau, Sports Council, or another entity calls upon the use of the Authority's facilities as part of a package to host an event via a competitive bid process, including, for example, BCS bowl games, WWE WrestleMania and NCAA Championships that are not Georgia Dome Legacy Events.
 - StadCo may elect to participate in the bid process for Atlanta Bid Events, including the right to review and comment on all bid documents relating to the NSP.
 - StadCo may elect to provide the NSP for Atlanta Bid Events on terms agreeable to StadCo, in which case StadCo will at a minimum be reimbursed for certain direct variable event related operating costs, not including full time staff overhead costs.
 - In the event StadCo elects not to participate in an Atlanta Bid Event, the Authority will have the ability to cause StadCo to make the NSP available for two such events per year so long as StadCo is reimbursed for direct variable event related operating costs and any bid enhancements or economic concessions.



Summary of Proposed Authority MOU (Continued)

NSP Event Management (continued)

- "Special Event Designation" - Events at the NSP designated as "special events" will include:
 - A publicly ticketed event, such as an Olympic Games event, World Cup, Super Bowl, NCAA national or conference championship or other event which, in the good faith judgment of the Authority, is of such significance as to require the Authority and StadCo to make special arrangements with the event sponsor concerning (but not limited to) advertising, sponsorship or food and beverage concessions in order to obtain a license for such event; or
 - An event, such as a Democratic or Republican national convention at which a presidential candidate of such party is nominated or confirmed, which is of such significance as to require the Authority and StadCo, in their good faith judgment, to make special arrangements with the event sponsor concerning (but not limited to) advertising, sponsorship or food and beverage concessions in order to obtain a license for such event, but not including normal trade shows or professional, trade, business or religious conventions, or other general admission events.



Summary of Proposed Authority MOU (Continued)

NSP Event Management (continued)

- "Special Event Designation" (continued):
 - The Authority will have the right to apply Special Event Designation to events that meet the requirements for up to three Georgia Dome Legacy Events per year.
 - Such Georgia Dome Legacy Events that currently enjoy a clean building provision and/or other special arrangements for the purposes of Special Event Designation will maintain the same upon transition to the NSP.
 - Future Atlanta Bid Events, such as a BCS game or NCAA Final Four, that require a clean building provision or other special arrangements will be provided with clean-building and other required assurances in the NSP in order to comply with any such requirements of the applicable Special Event Designation.



Summary of Proposed Authority MOU (Continued)

NSP Event Management (continued)

- "StadCo Events":
 - Includes all events conducted at the NSP except for Georgia Dome Legacy Events, Authority Events, and Atlanta Bid Events.
 - StadCo will have right to manage all service providers and provide such services for all StadCo Events.
 - StadCo will have the right to sell and service all premium seating and sponsorships for all StadCo Events, Georgia Dome Legacy Events, Authority Events and Atlanta Bid Events (subject to limitations to be agreed upon by the parties, including limitations as related to the Special Event Designation).
 - The purchasers of suites and club seats at the NSP will be entitled to privileges with respect to StadCo Events at least equivalent to those enjoyed by holders of suites and club seats at the Georgia Dome.



Summary of Proposed Authority MOU (Continued)

NSP Facility Management

- General Provisions:
 - StadCo will be required to keep all aspects of the NSP in "First Class Condition", which means that the facilities, operational capabilities, systems, finishes and amenities of the NSP are at least equal to that of comparable NFL facilities, taking into account the age of the facility and normal wear and tear.
 - All work on the NSP will be performed in a good and workmanlike manner, and with all reasonable efforts to preserve the aesthetic look of the NSP and to maintain an appearance and comfort level of First Class Condition, thereby reflecting positively on StadCo, the Authority, the City, the County and the State.
 - Subject to procurement requirements of Georgia law and the Authority's general procurement policy and procedures, StadCo will manage all processes for capital improvements and maintenance at the NSP subject to the inspection and review of the Authority.
 - StadCo will submit to the Authority for its review and prior approval all major vendor contracts relating to the NSP.



Summary of Proposed Authority MOU (Continued)

NSP Facility Management (continued)

- Budget and Plans:
 - Subject to procurement requirements under Georgia law and the Authority's general procurement policy and procedures, StadCo will submit to the Authority each year, by January 15, a proposed maintenance plan and capital improvement plan for StadCo's following fiscal year.
 - the Authority will notify StadCo within 25 business days if it objects to any of the proposed expenditures and the specific reasons for the objection.
 - The Parties will work together in good faith to finalize the plan within 20 business days following receipt of such objection.
 - StadCo will also submit to the Authority each year a rolling five-year forecast for projected capital improvements and maintenance.



Summary of Proposed Authority MOU (Continued)

NSP Facility Management (continued)

- Refurbishment and Maintenance Funding and Requirements:
 - Amounts on deposit in the Refurbishment and Maintenance Reserve Account may be used for any refurbishment or maintenance costs at the NSP, including all preventative or routine maintenance and all renewals and replacements of equipment parts and components.
 - Funds in the O&M Expense Account or the Surplus Account (if any) may be used by StadCo to fund any refurbishment or maintenance costs at the NSP.
 - In no event will the Authority be required to fund any refurbishment or maintenance costs.
 - Any costs not covered by these accounts will be paid for by StadCo and guaranteed by the Falcons.



Summary of Proposed Authority MOU (Continued)

NSP Facility Management (continued)

- Capital Improvement Funding and Requirements:
 - Amounts on deposit in the NSP Renewal and Extension Account will be used only for capital improvements at the NSP.
 - The Authority approval is required for all disbursements from the NSP Renewal and Extension Account except for those expenditures up to:
 - \$100,000 per individual item; or
 - \$1 million in the aggregate spent per year.
 - StadCo will be required to fund all capital improvement costs necessary to satisfy the QOS in excess of then-available reserves in the NSP Renewal and Extension Account and the Surplus Account.
 - StadCo will not be required to fund any capital improvements costs when reserves are available in the NSP Renewal and Extension Account or the Surplus Account.



Summary of Proposed Authority MOU (Continued)

NSP Facility Management (continued)

- **Expense Accounts:**
 - **Amounts deposited in the Other Events Staging Expense Account or the O&M Expense Account will be used only for operating expenses of the NSP incurred by StadCo.**
 - **StadCo will be required to fund all non-maintenance and refurbishment operating expenses of the NSP in excess of then-available reserves in the Other Events Staging Expense Account or the O&M Expense Account.**
 - **The Authority will not be responsible for the operating expenses of the NSP.**



Summary of Proposed Authority MOU (Continued)

NSP Facility Management (continued)

- **Surplus Account:**
 - **If certain capital improvement expenditures have been authorized but there are insufficient funds in the NSP Renewal and Extension Account to pay for such capital improvement(s), any amounts then on deposit in the Surplus Account may be used for such authorized capital improvement(s).**
 - **Any remaining proceeds in the Surplus Account may be used for unfunded operating expenses or any other lawful purpose (as determined by the Authority and StadCo) for the benefit of the NSP.**



Summary of Proposed Authority MOU (Continued)

Additional Provisions

- Naming Rights, Sponsors and Signage:
 - StadCo will retain all revenues related to any naming rights agreement(s) for the NSP.
 - All sponsorship and advertising at the NSP will be subject to certain community-based restrictions, including certain geographic restrictions as to naming **rights for the stadium and/or the field.**
 - **StadCo will include the Georgia World Congress Center's name and logo on the following aspects of the NSP's naming rights program:**
 - **Acknowledgement on the NSP's website and the Falcons' website with linkage to the Authority website;**
 - **Placement of a plaque or commemorative sign in the NSP;**
 - **Reference to the GWCC in the parking directions and all parking passes; and**
 - **Reference to the GWCCA Campus on all NSP marketing materials.**



Summary of Proposed Authority MOU (Continued)

Additional Provisions

- Naming Rights, Sponsors and Signage (continued):
 - Any naming rights agreement for the NSP entered into by StadCo must contain clean building requirements that are then customary for the holding of events of the type of Georgia Dome Legacy Events, Atlanta Bid Events or events with the Special Event Designation.
 - **The Parties may agree on terms on which StadCo will act as a broker for the Authority on the sale of all outdoor signage and naming rights for the GWCCA Campus.**



Summary of Proposed Authority MOU (Continued)

Additional Provisions

- Seat Rights, Club Seats and Suite Rights:
 - The Authority will pursue a "seats rights" campaign to help fund construction of the NSP.
 - StadCo will be the agent of the Authority for the sale, marketing and service of seat rights **for all sales consummated prior to the date of Opening Date of the NSP or the playing of the first NFL game in the NSP. All sales made after that date will be made by and for the account of StadCo (or its designee).**
 - Net proceeds from the sale of seat rights will be included in the Authority Contribution and applied to NSP Costs.



Summary of Proposed Authority MOU (Continued)

Additional Provisions (continued)

- Club Seats, Suites and Super Bowl Tickets – the Authority will be entitled to the following for governmental purposes, public relations, and to market the Authority's convention and tradeshow business:
 - **The use of 2 suites in the NSP;**
 - **A total of 20 club seats (in blocks of 4 seats located in various tiers of club seat offerings); and**
 - **The purchase of up to 30 Super Bowl tickets in any year. If the NSP hosts the Super Bowl, the Authority will be entitled to purchase a total of 50 Super Bowl tickets. All Super Bowl tickets purchased by the Authority will be subject to certain re-sale restrictions.**



Summary of Proposed Authority MOU (Continued)

Additional Provisions (continued)

- Approval Rights:
 - **The Authority MOU sets forth a universal framework setting forth procedures with respect to certain of the Authority's approval rights, both with respect to (i) pre-opening/ construction period and capital improvements, and (ii) post-opening/operational period.**
 - The NSP transaction, all definitive Project Documents and intergovernmental agreements will require approval by the NFL, **Invest Atlanta**, the Authority Board of Directors and other applicable governmental entities, as applicable.
- Falcons' Guaranty Agreement:
 - The Falcons agree to absolutely, unconditionally and irrevocably guarantee to the Authority the payment and performance in full of all liabilities and obligations of StadCo under the Authority MOU and the Project Documents, **as well as to the Authority and Invest Atlanta of all liabilities and obligations of StadCo under the Tri-Party MOU.**



Summary of Proposed Authority MOU (Continued)

Termination of the Authority MOU

- The Authority MOU may be terminated under the following circumstances:
 - Mutual written consent of the Authority and StadCo;
 - By either the Authority or StadCo if development and construction of the NSP is determined not to be feasible;
 - By either the Authority or StadCo if the Initial Closing has not occurred by October 31, 2013;
 - By either the Authority or StadCo if the Final Closing has not occurred by September 30, 2014;
 - By the Authority **and Invest Atlanta** if StadCo is unable to confirm its ability to make the StadCo Contribution;



Summary of Proposed Authority MOU (Continued)

Termination of the Authority MOU (continued)

- The Authority MOU may be terminated under the following circumstances (continued):
 - By the Authority if certain representations or warranties of StadCo **or Invest Atlanta** are not true or if certain of StadCo's covenants, agreements or obligations are breached, **or if Invest Atlanta materially breaches the Tri-Party MOU or the Project Documents to which it is a party;**
 - By StadCo if certain representations or warranties of the Authority **or Invest Atlanta** are not true or if certain of the Authority's covenants, agreements or obligations are breached, **or if Invest Atlanta materially breaches the Tri-Party MOU or the Project Documents to which it is a party;**
 - By StadCo if Invest Atlanta fails to provide reasonable evidence of a minimum amount of the H/MT Contribution; or
 - **By StadCo if it does not agree with the Lead Architect selection or if the Authority refuses to approve StadCo's first choice for the General Contractor.**



Board Action



Board Resolution

- The Board Resolution gives the Executive Director the authorization to:
 - Execute and deliver the:
 - Authority MOU;
 - Tri-Party MOU;
 - Hotel Motel Tax Funding Agreement;
 - Development Agreement; and
 - O&M Agreement.
 - Make all statutory certifications required to extend the H/MT.

