



# BANK OF AMERICA STADIUM

INVESTING IN A COMMUNITY ASSET

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## TOPICS

- I. OUR "WHY"
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# INVESTING IN A COMMUNITY ASSET

Bank of America Stadium has been an economic and cultural anchor for nearly 30 years and has helped grow Charlotte into the world-class city it is today.

CITY of CHARLOTTE

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**ECONOMIC IMPACT**

**\$1.1B+**

2023 Annual Economic Impact to Charlotte MSA

**\$54.3M+**

Annual Fiscal Impact  
Taxes Generated in the MSA

**9,111+** JOBS

Annual Employment Impact to Charlotte MSA

**\$530.5M+**

Annual Labor Income  
NC workers in Mecklenburg Co.

Source: Economic Impact Report created by Dr. Tom H. Regan, Department of Sport and Entertainment Management, University of South Carolina

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**ECONOMIC IMPACT**

CHARLOTTE FC EVENTS AND CONCERTS/OTHER EVENTS CREATED AN **ADDITIONAL \$303.7M** IN ANNUAL ECONOMIC IMPACT TO THE CHARLOTTE MSA

**PANTHERS**

**\$706.4M+**

**CHARLOTTE FC**

**\$234.2M+**

**CONCERTS & OTHER  
EVENTS**

**\$169.5M+**

Source: Economic Impact Report created by Dr. Tom H. Regan, Department of Sport and Entertainment Management, University of South Carolina

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**ECONOMIC IMPACT**

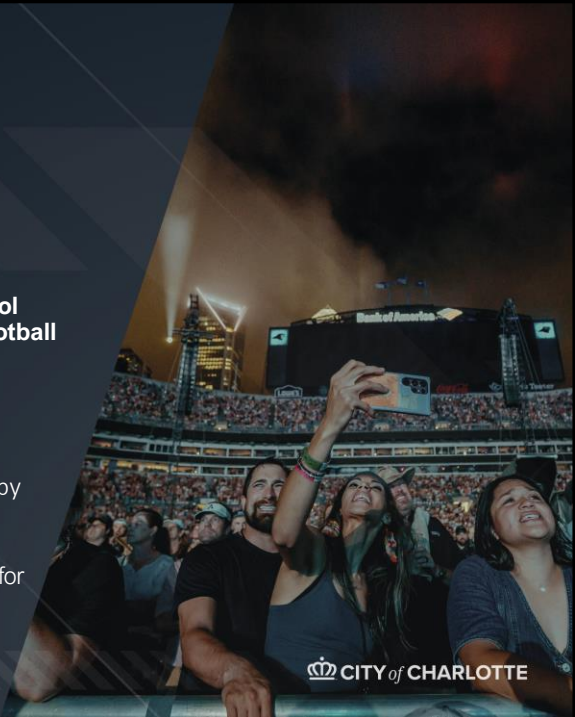
# 40+ EVENTS ANNUALLY

- 10 Panthers games
- 18 CLT FC Matches
- Concerts
- International Soccer
- Collegiate Football
- Keep Pounding High School Football Classic & Flag Football

9 out of 10 of the top days for Uptown visits in 2023 came on days of Stadium programming (Center City Partners)

\$8.3M was spent on hotels, restaurants and other expenses by visiting fans, participating schools and organizers at 2022 Duke's Mayo Bowl (Charlotte Business Journal)

Beyoncé concert in 2023 delivered 10th-highest revenue night for hotels in Mecklenburg County history (CRVA)



**CITY of CHARLOTTE**

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## “BASICALLY, BANK OF AMERICA STADIUM, REGARDLESS OF WHAT EVENT THEY HAVE OVER THERE, HAS BEEN ABSOLUTELY PHENOMENAL FOR OUR INDUSTRY.”

**Mohammad Jenatian,**  
President/CEO, Greater Charlotte Hospitality & Tourism Alliance



**CITY of CHARLOTTE**

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**“THE CONCERTS AND WITH SOCCER, IT OPENED UP THE FLOODGATES FOR MORE BUSINESS. I TRULY BELIEVE THAT ALSO ALLOWED A LOT OF BUSINESSES TO STAY BUSY DURING AND RIGHT AFTER COVID.”**

George Photopoulos,  
French Quarter owner

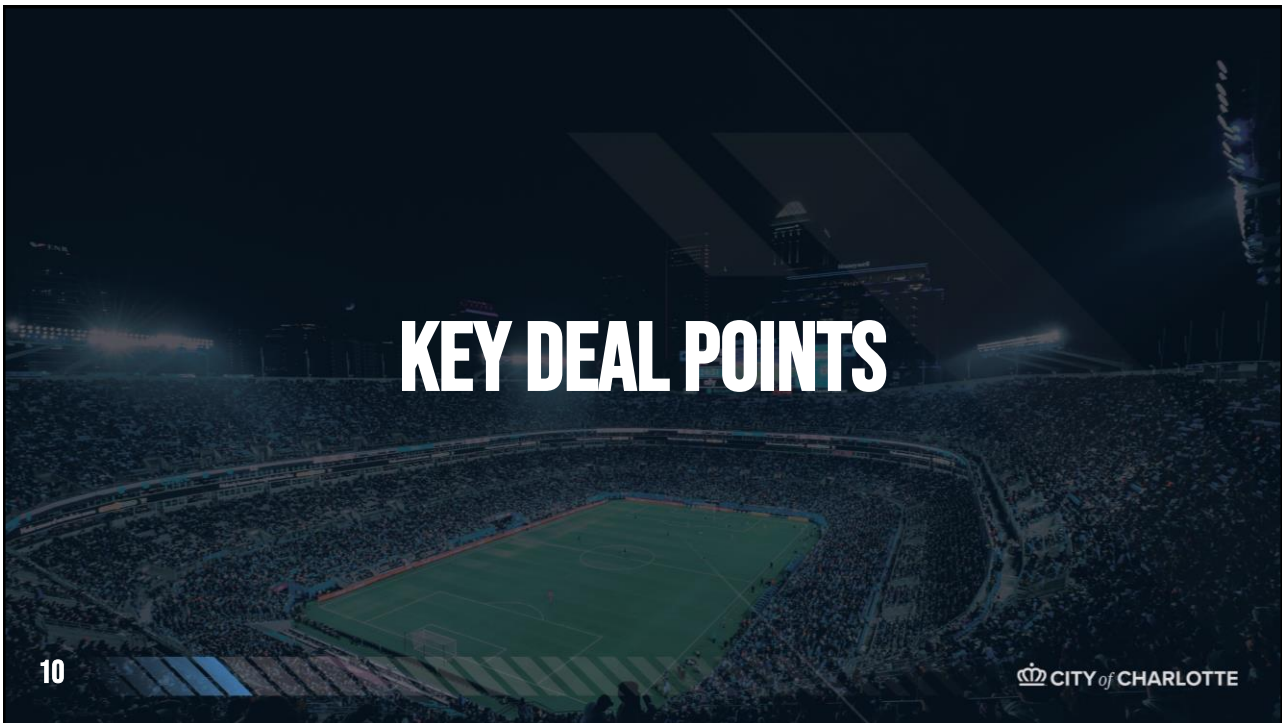


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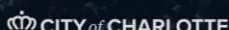
 CITY of CHARLOTTE

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# KEY DEAL POINTS



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 CITY of CHARLOTTE

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**KEY DEAL POINTS**

**\$650M City Investment**

- Facility Improvements & Modernization in 2025-2029
- Capped at \$650M

**\$688M TSE Investment**

- \$150M Facility Improvements & Modernization + Cost Overruns in 2025-2029
- \$421M (est.) Capital Improvements + Operations & Maintenance through 2045
- \$117M Facility Improvements Completed in 2018-2024

Total Stadium Investment: 1.3B (2018-2045)

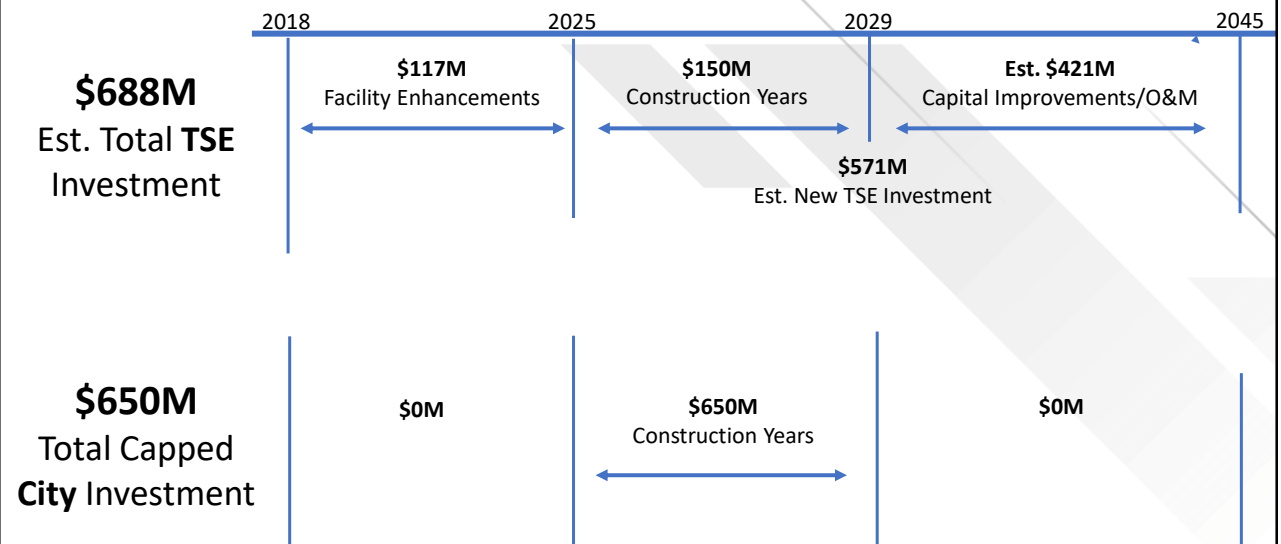
20-Year Non-relocation for Carolina Panthers and Charlotte FC

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**TIMELINE**



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## CITY PROTECTIONS

- City funds are capped.
  - TSE responsible for cost overruns or additional work.
  - TSE responsible for operations and maintenance costs for life of the extension.
- TSE funds are contributed at proportionate amounts when City funds are contributed.
- City funds are paid after work/specific projects are completed.
- City funds are paid directly to companies doing work/projects.
- 20-Year Non-relocation for Panthers and Charlotte FC
  - Should teams leave in last five years, any remaining city debt with this investment must be paid off by TSE

## STADIUM PROJECTS 2025-2029

<b>Tier 1: City Mandated Projects</b> <i>Must be done - TSE covers cost overrun</i>	<b>Tier 2: City/Owner Elected</b> <i>Planned - May be impacted by costs in T1</i>	<b>Tier 3: Owner Elected Only</b> <i>Consideration For (TSE Funds Only)</i>
<ul style="list-style-type: none"> <li>• MEP Infrastructure</li> <li>• Bowl Seating</li> <li>• Vertical Transportation</li> <li>• Elevated Exterior Facade</li> <li>• Safety &amp; Security</li> <li>• Locker Room</li> <li>• Stadium Restrooms</li> <li>• City View Patio on 500 Level</li> <li>• Field House</li> <li>• Scoreboard/Videoboard, Control Room, Sound &amp; Associated Tech</li> </ul> <p style="text-align: right;">Est. Cost: \$677M</p>	<ul style="list-style-type: none"> <li>• Exterior Soft/Hardscaping</li> <li>• Concourse Redesign &amp; Concrete</li> <li>• Retail Operations</li> <li>• F&amp;B Concession Stands</li> <li>• South Lawn Event Pavilion</li> <li>• Ramp Infill, Reclaimed Real Estate</li> <li>• Back of House Enhancements</li> </ul>	<ul style="list-style-type: none"> <li>• Locker Room &amp; Front Office</li> <li>• Stadium Annex</li> <li>• New Premium Spaces</li> <li>• Suite Level Refreshments &amp; Restrooms</li> <li>• Additional Social Spaces</li> <li>• Press Box Redesign</li> <li>• Club Level/Private Rental Enhancements</li> <li>• Exterior Façade Videoboards &amp; Wayfinding</li> </ul>

## ADDITIONAL DEAL ITEMS

### Additional City-Use Days

- 7 Days up from 5 City-Use Days

### Access to CATS Lot

- Lease CATS property to allow for “bolt on,” parking and ingress/egress to 4<sup>th</sup> St. instead of Cedar St.

### Traffic Management

- Increase annual contribution from \$250,000 to \$500,000 due to the increase of events 10 to 40 annually
- Develop traffic management plan and reevaluate every 3 years

Improvements address need for greater accessibility and sustainability

# FUNDING & FINANCING



# THE WAY

## NO FUNDS FROM THE GENERAL FUND

THE FUNDING SOURCE (CONVENTION CENTER FUND) IS DERIVED FROM SALES TAXES AND IS LEGALLY REQUIRED TO BE SPENT ON PROJECTS TO SUPPORT THE CITY'S TOURISM ECONOMY, WHICH INCLUDES SPORTS FACILITIES FUNDING AND MAINTENANCE.

# THE FUNDS

### CONVENTION CENTER FUND

Permissible uses include Convention Center facilities, including parking; convention and visitor promotion; stadiums greater than 60,000 seats and ancillary, associated facilities; amateur sports facilities and ancillary facilities









### TOURISM FUND

Permissible uses include activities and programs aiding and encouraging convention and visitor promotion; convention centers, civic centers, coliseums, auditoriums, museums; visitor-related programs and activities including museums, art or cultural programs, events or festivals

### HALL OF FAME FUND

Permissible uses include Hall of Fame; Convention Center building in support of Ballroom access

## HOSPITALITY CAPITAL INVESTMENT POLICY CHECKLIST

GUIDING PRINCIPLES	FINANCIAL PARAMETERS
 Catalyzes surrounding area providing economic growth	 Fund balance maintained at 100% of following years debt service
 Self-sustaining operations	 Recession mitigation reserve maintained
 Part of a comprehensive hospitality investment portfolio	 Debt aligned with estimated life of facility
 Leverages private sector investment and partners	 Ongoing maintenance provided throughout estimated useful life

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### EVALUATING FINANCE STRUCTURE

- City currently utilizes Certificates of Participation (COPs) for projects funded by hospitality revenues
- COPs require granting a security interest in the asset that is being financed as part of the transaction (i.e., collateral)
- Alternatively, the city can use Special Obligation Bonds (SOBs) for this project since it is located within a Municipal Service District and supports downtown revitalization through tourism facilities
- SOBs require a pledge of revenue source(s) other than the city's taxing power
  - For this project, Prepared Food & Beverage and Convention Center Occupancy Taxes would be pledged along with additional revenue source(s) to be identified which would support a more marketable bond at a reasonable cost
- Requirements of the Hospitality Revenue policy can be maintained utilizing SOBs



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**AFFORDABILITY**

**Funding available in four tranches for improvements 2025-2029:**

- 1st Tranche (\$150M)
  - \$15M made available early as part of agreement to be reimbursed with debt proceeds
- 2nd Tranche (\$200M)
- 3rd Tranche (\$200M)
- 4th Tranche (\$100M)

**Anticipate utilizing multiple Bond Anticipation Notes(BANs)/Lines of Credit and then convert to fixed-rate long-term debt**

**Lease extension tied to final maturity in FY 2046**

**If TSE exercises ability to leave starting in FY 2039, TSE is required to fully fund a defeasance account to satisfy remaining outstanding debt**



**LEASE EXTENSION LEADS TO AFFORDABILITY**

**CONVENTION CENTER FUND BALANCE WITH EXTENSION AGREEMENT**





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**COMMUNITY BENEFITS PLAN**

**GOAL IS FOR STADIUM IMPROVEMENTS TO BENEFIT LOCAL COMMUNITY THROUGH:**

- **COMMUNITY SUPPORT & CIVIC ENGAGEMENT**
- **WORKFORCE DEVELOPMENT**
- **BUSINESS ENGAGEMENT & UTILIZATION**
- **MWSBE STRATEGY WITH CITY AND TSE**

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## COMMUNITY SUPPORT & CIVIC ENGAGEMENT

- **Bank of America Stadium is for all in our community** (*suggested opportunities*)
  - Partner with Charlotte-Mecklenburg Schools to recognize graduating seniors
  - Develop a neighborhood engagement strategy for participation in game days
  - Continue annual local high school game
- **Continue ongoing player and staff participation in local philanthropic organizations - recent activities include:**
  - The David and Nicole Tepper Foundation has given more than \$44M to the Carolinas including \$28M in Charlotte
  - 400 community appearances in 2023 by active and former Panthers and CLTFC

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## WORKFORCE DEVELOPMENT

- **Engage no less than 10 apprenticeships in the trades utilizing local apprenticeship programs**
- **Connect to local workforce development training programs that can source construction talent for project**
- **Engage contractor(s) that prioritize local workforce development efforts**

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## BUSINESS SUPPORT & UTILIZATION

- Engage and recruit other historically underrepresented firms such as those that are LGBTQ+-owned, veteran-owned and disability-owned
- Collaborate with local small business partner organizations to identify MWSBE and other historically underrepresented firms
- Outreach to local businesses about upcoming bid opportunities at stadium
- Utilize Small Business Partner Roundtable as a pathway accessing historically underrepresented firms and support resources

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## MWSBE STRATEGY

- Targeted participation goal of 27% (15% MBE & 12% SBE)
  - Dependent on market availability and specialized project scopes
  - Engage CBI in early-stage decision making
  - Structured bid packages with individualized goals to maximize participation
  - Expedited subcontractor payment process
- MWSBE targeted recruitment events ( $\geq 8$  events) and comprehensive marketing strategy to reach/inform business owners
- Support capacity-building strategies for new and existing firms
  - With existing initiatives such as Contractor Development Program, Amp UP Charlotte, LinkUPCLT, and Charlotte Small Business Growth Fund
- Utilization, when possible, of registered MWSBEs on non-city funded stadium improvement projects.
- Assess additional areas of business/stadium operations for registered MWSBE utilization

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<p><b>JUNE 3:</b></p> <p><b>JOBS &amp; ECONOMIC DEVELOPMENT COMMITTEE</b></p> <p>OVERVIEW OF DEAL</p> <p>TSE PROVIDED OVERVIEW OF STADIUM BUILDING PROJECTS</p> <p>DIVE INTO MWSBE STRATEGY</p> <p><b>REPORT OUT: FULL COUNCIL DISCUSSION</b></p> <p>RECAP COMMITTEE DISCUSSION/FEEDBACK FROM COUNCIL</p> <p><b>LAUNCH COMMUNITY &amp; PUBLIC FEEDBACK INITIATIVE</b></p> <p>WEBSITE WITH PUBLIC FEEDBACK FORM</p>	<p><b>JUNE 10: ACTION REVIEW: COUNCIL DISCUSSION</b></p> <p>INNER CIRCLE SPORTS</p> <p>PUBLIC FEEDBACK RECEIVED TO DATE</p> <p>STAFF RESPONSE TO COUNCIL QUESTIONS</p> <p><b>JUNE 12: SPECIAL J&amp;ED COMMITTEE MEETING</b></p> <p>ECONOMIC IMPACT DISCUSSION/INDUSTRY INPUT</p> <p>DISCUSSION WITH TSE LEADERSHIP</p> <p><b>JUNE 24: BUSINESS MEETING VOTE</b></p>
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