Multi-use Stadium Project
April 2021
Stadium Project Background Information

- **Multi-sport**
  - Field will be configured for baseball and other sports that use a rectangular field

- **Multi-use**
  - Concerts, festivals, markets, community events, corporate events, weddings, and more.

- **Public amenity**
  - Concourse open for public use, except during events.

- **Redevelopment project**
  - Turning a decades-vacant area into an asset

- **Economic development project**
  - Private investment and jobs
Stadium Project Background Information

- Publicly owned by Sports Authority
- Land for stadium will be donated for the project
- Stadium will be leased to Boyd Sports for Tennessee Smokies baseball
- City and County will have guaranteed booking for a set number of community events
- Boyd Sports will market the stadium for events such as concerts, festivals, and other events
- GEM Community Development Group will lead private development around stadium
Stadium Project Impact and Our Community

- Redeveloping vacant property
- Public amenity open to surrounding community
- “Civic Furniture” important to retain and attract talent
- Jobs
- Small business growth
- Civic pride
- Affordable family activity
- Community process
- Sustainable design
- Workforce and small business development
- Local labor recruitment
- Partnerships with neighborhood schools
Sports Stadium Financing

- Vast majority of stadiums, including minor league baseball stadiums, in the United States are publicly owned and/or publicly supported.
- The use of public stadiums by professional sports teams has been common for over a century.
- In Knoxville, professional baseball teams first used a municipal stadium at least 100 years ago.
- Public Stadiums financed in TN use a Sports Authority (or IDB) structure
  - Bonds are payable from identified revenue sources
  - If there is a funding gap, City/County agree to make it up through non-property tax revenue.
## Likely Revenue Sources

<table>
<thead>
<tr>
<th>Revenue Source</th>
<th>Predictability of Source</th>
<th>New or Existing</th>
<th>Likely Percentage of Debt Service/Cost</th>
<th>Verification Approach</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Tax Revenues from Stadium (Existing Law with Minor Changes)</td>
<td>High; small risk from future pandemics or loss of franchise</td>
<td>New</td>
<td>15% to 22%</td>
<td>Third-party consultant study</td>
</tr>
<tr>
<td>State of Tennessee Grant</td>
<td>High</td>
<td>New</td>
<td>19% to 22%</td>
<td>State Budget</td>
</tr>
<tr>
<td>Rent from team</td>
<td>High; only risk is bankruptcy of team</td>
<td>New</td>
<td>22% to 30%</td>
<td>NA</td>
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<tr>
<td>Incremental property tax revenues (as a TIF or PILOT) from adjoining development</td>
<td>High; like property tax collections</td>
<td>New</td>
<td>17% to 30%</td>
<td>Confirmation of tax assessment by assessor; Development Agreement</td>
</tr>
<tr>
<td>Non-Property Tax Revenues of City and County (50/50 split)</td>
<td>High</td>
<td>New and Existing</td>
<td>0% to 30%</td>
<td>Third-party consultant study as to new revenues</td>
</tr>
</tbody>
</table>
Proposed Process and Timeline

- March/April: State funding process
- April 2021: Council and Commission vote on Sports Authority board appointees
- March - July 2021:
  - Community information meetings and community input on design, programming
  - Sports Authority convened, meetings to deliberate development agreements, lease and construction documents
  - Cost estimates refined and economic impact verified
  - Workshops as requested by Council and Commission
- Summer 2021:
  - Development agreements, lease and construction documents finalized
  - Approval of interlocal agreement (all Sports Authority documents will be available)
  - Approval of bond issuance by Sports Authority
  - Approval of TIF or PILOT for adjoining private development (if required)
- Fall 2021 - Spring 2023: Construction
- Spring 2023: Stadium Open
Question and Answer