

Louisville Soccer Stadium Questions

Updated - 10/19/17

✓ 1. Will the LLC partners personally guarantee payment of Metro lease for full term in the event the team folds or relocates?

✓ 2. The link below is regarding the soccer team owners campaign funds to the mayor and council members. <http://wfpl.org/soccer-team-owners-helped-fund-campaigns-of-mayor-council-members/>

- A. My question is who are the council members and the amount of money given to each of them and the date when the campaign money were given?
- B. I would also like know how much money was given to Mayor Fischer's campaign and when was it given.

✓ 3. **Cost per Property:** Please outline the costs for each parcel of property which is part of this project and include the PVA value assessed for the current or previous fiscal year.

✓ 4. **Caps on Metro Involvement in the Property:**

The cost for the land is estimated at \$24.2 million, with an additional \$800,000 for Demo and Cleanup, and \$5 million for additional infrastructure improvements. We have been told that all additional expenses will come from the LLC's not Metro.

- A. Where within the Development Agreement or other documents can we see the language that guarantees that Metro will not pay more than \$24.2 million for the purchase of the property?
- B. Where within the Development Agreement or other documents can we see language that guarantees that Metro will not pay more than \$800,000 for environmental or demolition as stated during the committee process?
- C. Where within the Development Agreement or other documents can we see language that ensures that Metro will not pay more than \$5 million for infrastructure improvements in and around the designated property?

✓ **15. Total Debt:**

The Bond Documents call for \$35 million in General Obligation Bonds and Notes from Louisville Metro. All documents seem to indicate that the total amount in new debt will be \$30 million.

- A. Can you please explain the breakdown of how all funds will be spent? Can you also explain the terms of the debt and the breakdown of debt in Notes vs. Bonds?
- B. If there are limits on the total cost to Metro, and those costs are capped at \$30 million, why would Metro take out additional debt beyond that which is required for the project?
- C. Can funds allocated beyond the \$30 million designated go towards the stadium project or any other projects now or in the future?

✓ **16. Additional Project Costs:**

Would the ownership group be opposed to the Metro Council including provisions within the document that ensure that no more than the amount allotted (\$30 million) can be spent on this project? Meaning if there are overruns or changes in costs associated with the project, additional funds outside of what has been explained to this council will not be made available without additional Metro Council approval?

✓ **17. \$35 million Bond:**

- A. Does the Metro Council have the commitment of the Mayor that no other projects other than those stated within the Development Agreement will be funded using the debt taken on as part of the proposal?
- B. Does the Metro Council have the assurances of the Mayor's office that nothing else will be funded using the additional \$5 million in additional debt being sought in the proposed documents?

✓ **8. Project Size and Scope:**

- A. According to Press Statements, this project is called a \$200 million project, but in the development agreement and other documents the number used is \$100 million. Can we get a breakdown of the investment within this proposal? (How much is associated with Soccer Stadium/Hotel/Offices/etc?)
- B. According to an opinion received from the Jefferson County Attorney's Office "The anticipated investment of \$100 million by private investors is not an enforceable term but merely a goal of the development project". Are the owners willing to adjust the language in the agreement to REQUIRE that a minimum of \$100 million is invested as part of the agreement?

✓ **9. Project Failure / Commitments to Goals:**

What happens should the project not meet its goals, established within these documents?

- A. What if they build the stadium and a small office area but don't invest \$100 million?
- B. What if the Stadium build has a cost of under \$45 million?
- C. What happens should the team be sold to another entity? Are these agreements passed on or are they dissolved and a new agreement is needed?
- D. Are there other examples of obligations that are required as part of the agreement that aren't highlighted above?

✓ **10. Rent / Reimbursement:**

I have read in the papers that the City stands to get up to \$14.5 million back from the team in "rent and from the sale of land". Please breakdown these numbers so that I can understand them.

- A. What are the rent payments and over how many years?
- B. What land is expected to be sold?
- C. And will the City get every dollar of the sale price or will the Butchertown Group keep a portion?

✓ 11. **Sale of Land by LouFC/Butchertown LLCs:**

- A. If 10 acres of land are sold by the ownership group in the first year of this agreement. What will Metro receive in payment for that 10 acres?
- B. When is the ownership group required to pay that amount to Metro?
Please cite where within the documents the rent and sale of land are stipulated.
- C. What happens to the sold land and the payment for that land should the ownership group fail to meet the outlined requirements of this agreement?
- D. Will Metro be paid the full cost for those acres that have been sold including our financing costs or will Metro take a \$250,000 or more loss on each acre sold?

✓ 12. **Property Development:**

Is there anything within this document to prevent someone from within the Butchertown or other LLCs from selling portions of the property to a business or other type of organization owned by a member of that organization?

✓ 13. **Bond ?:**

It is our understanding that the bond for this property will be for 20 years and for \$35 million.

- A. What is the expected annual debt payment/schedule expected for Louisville Metro once the bonds/notes are issued?
- B. The supporting documents do not have any numbers attached to them?
- C. When is the first payment on said bond/notes expected?

14. How (do) you propose to fund the stadium bond and the variety of projects... that include: a new/refurbished police headquarters (approximately \$25,000,000), Louisville Urban League's indoor multi-purpose sports complex (\$30,000,000), Waterfront Park's expansion into

the Russell and Shippingport areas(\$35,000,000) and an unspecified amount for improvements at Riverview Park?

15. Would you please provide the amortization chart, in detail, for the stadium bonds? Please show the specific source and amount from each source for each year to cover the debt service that Metro government will pay.

16.

About the Stadium:

Is the rendering being shown to the Media and in the attached documents an actual rendering of the stadium to be build? Will there be seat surrounding the field? Will the sail/roof/cover presented in the images shown within the various presentations?

17. **Stadium Expansion/Promise:**

Will ownership pledge to this Metro Council that funds for any expansion will be based solely from the ownership group/ticket sales/non Metro monies? There is a concern that any expansion of the stadium will be contingent on additional partial funding my Louisville Metro?

18. **What is the maximum buildout size for this stadium?**

We understand that this stadium has a second phase that could see the stadium grow to approximately 20,000-25,000 seats. What is the maximum build out size of this stadium? Could seating be added to grow the size of the stadium to 30,000-40,000 seats? Can the area surrounding the proposed stadium handle crowds in excess of 20,000 persons?

19. **Environmental Remediation:**

If there are environmental or other infrastructure overruns or unexpected costs associated with the project, who is responsible for funding such overruns?

20. **MSD Floodplain:**

Is there any anticipated filling in or building of areas that are currently located within the flood plain? If so please explain how much work is expected, where within the project such work is expected as well as the proposed use of the land that is being adjusted.

21. **MSD:**

Is Metro responsible for any preparation or other work that would include the shifting of soil to alter the flood plan or the area on the project located within the project?

Land owned by Waterfront Corporation as well as LG&E:

28. Please explain where the properties owned by the Waterfront Development Corporation as well as LG&E are located. Please include the appraised value for each property, its current use and its future use are part of the project along with the price Metro will pay to acquire property from either of these two entities.

29. **Lease/Lot Sale Payment to Louisville Metro:**

- A. Please provide a chart to Metro Council that shows how the Metro Council would expect payments over the course of the 20 year agreement using the assumption that non of the property is sold prior to the conclusion of the 20 year period.
- B. Please provide a chart to Metro Council that shows how the Metro Council would expect payments over the course of the 20 year agreement using the assumption that 10 Acres are sold in year 2 of the project and another 10 are sold in year 12 of the project. Would the sale or timing of the sale of the property have any effect on payments from ownership to Louisville Metro?