



CITY OF ATLANTA
DEPARTMENT OF FINANCE
HOTEL/MOTEL REVENUE BACKED BONDS
OCTOBER, 2020

ROOSEVELT COUNCIL, JR., CFO
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SUMMARY



- The par amount of \$167,530,000 was issued by – ADA (“Invest Atlanta”) for the Mercedes Benz Stadium. These bonds are not secured by a contractual pledge of the City’s full faith and taxing power.
- The “Stadium” debt is secured by 39.3% of the net amount received by Atlanta from its Hotel-Motel Tax collected at a rate of 7% on charges to the public for rooms, lodgings and accommodations.
- Atlanta and Invest Atlanta entered into a Hotel-Motel Tax Funding Agreement pursuant to which collections are paid to Invest Atlanta in order to pay debt service on the Stadium Hotel-Motel Tax Bonds, to fund certain reserves, with any remaining amounts being paid over to GWCCA for its use in the operation, maintenance and capital improvement of the Stadium.
- A Debt Service Reserve Fund (DSRF) deposit was made for the Senior Lien Stadium Hotel-Motel Tax Bonds in the amount of \$12,499,854 and for the Second Lien Stadium Hotel-Motel Tax Bonds in the amount of \$2,514,200. This Fund is cash funded.
- A Tax Stabilization Fund was established under the Stadium Indenture and required to be funded, for each lien series, in an amount equal to the DSRF listed above for the maximum annual principal and interest requirements on the related series of Stadium Hotel-Motel Tax Bonds. This Fund is also cash funded.

DEBT SERVICE AND DEBT RESERVES



- Debt service has been paid for 2020
- There is currently 2 years worth of debt service in fully funded accounts
 - ❖ The Debt Service Reserve was funded at closing in the amount of \$15 million, which provides sufficient cash to meet upcoming debt service payments of \$11mm in '21
 - ❖ A separate Tax Stabilization Account was also fully funded for \$15 million
- The bonds also carry insurance if needed

DEBT SERVICE			
ADA GWCC Stadium Bonds Series 2015A1 A2 & 2015B (ADA_GWCC)			
GWCC Stadium Bonds Series A1 (STADA1)			
Date	Prin	Int	Debt Service
7/1/2021	\$ 4,765,000	\$ 5,944,293	\$ 10,709,293
7/1/2022	\$ 4,955,000	\$ 10,049,925	\$ 15,004,925
			<u>\$ 25,714,218</u>

DEBT SERVICE			
ADA GWCC Stadium Bonds Series 2015A1 A2 & 2015B (ADA_GWCC)			
GWCC Stadium Bonds Series A1 (STADA1)			
Cash Available			
	Debt Reserve	\$15,000,000	
	Tax Stabilization Fund	<u>\$15,000,000</u>	
	Total	\$30,000,000	
	Bond Insurance	As Needed	