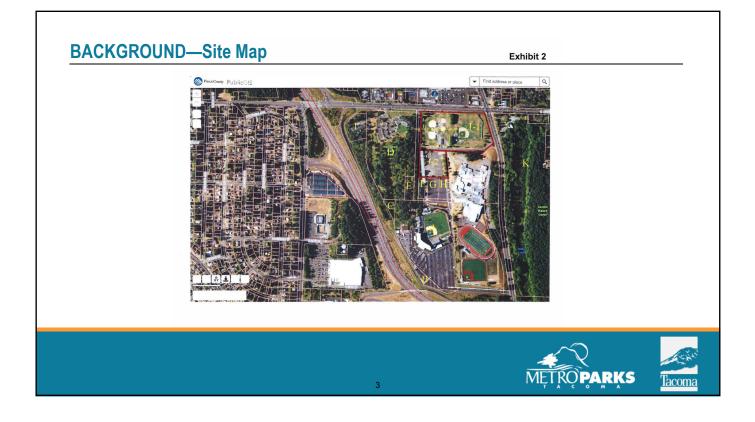
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TODAY'S AGENDA:

- Background
- Letter of Intent
- Public Benefit
- Next Steps
- Discussion







4

BACKGROUND: Scope

- LOI addresses area between Highway 16 and S. 19th Street between Foss HS and Cheney Stadium)
- Feasibility Study findings identified two phases to the project
 - Phase I: Construction of Stadium and Supporter's Green
 - Phase II: Construction of a mixed-use sports village development between Cheney and the new soccer stadium
- LOI is primarily focused on Stadium







October 2018:	Feasibility Study							
July 8, 2019:	Feasibility Study Results Presentation by Populous to Joint Meeting of City of Tacoma and Metro Parks Tacoma							
July 2019 – November 2019	Parties negotiate proposed Letter of Intent							
February 2020:	Legislative review and consideration of LOI							

LETTER OF INTENT--Soccer Stadium

INFRASTRUCTURE

\$60 Million Construction Cost

- 5000 fixed seats + flex to ~7500
- 1.5 acre Supporter's Green (Park)
- Outward facing amenities and tenants: bathrooms/parking/picnic areas/businesses open year round

OPERATIONS

TSCOT proposes to be master tenant and operator of the venue

- 50 ticketed events (Tacoma Defiance, Reign FC, Sounders)
- Suitable to host NCAA Championships, WIAA Championships
- Suitable to host other professional sports teams and sports tournaments/competitions



LETTER OF INTENT

Product of negotiations around key substantive terms to be the basis for formal future agreements.

Letter of Intent includes:

- Identification of the Project Scope and Phasing
- Describes the project property
- Stadium funding terms
- · Identifies preferred delivery mechanism and operating mechanism for the Stadium construction and operation
- Identifies immediate and long term public benefits to be provided by TSCOT



LETTER OF INTENT SCOPE

The Letter of Intent presents a framework to proceed to next steps in several ways:

- Identify and secure remaining funding.
- · Provide guidelines on transparent process for the assembly of necessary land parcels to allow for the stadium and potential mixed-use development.
- · Allows the Parties to begin drafting of binding agreements and develop more detailed Financing and Construction plans based on LOI terms.
- Any future binding agreements are still subject to review, consideration and approval by the City Council and Park Board.

9

10



SOCCER STADIUM FUNDING PLAN PROPOSED GAP FUNDING LOI FUNDING STRUCTURE TSCOT \$18.5 M New Market Tax Credits (Plus any Stadium development costs over \$60 M) City of Tacoma \$15 M \$7.5 M Metro Parks Tacoma Stadium Maintenance \$300 k per year

- To be funded through Stadium related fees (to be determined)

\$12 M

Other Public and/or Private Funding \$7 M



PUBLIC BENEFITS IDENTIFIED IN LOI

Supporters Green

- New ~1.5 acre park in Central Tacoma.
- Park constructed to complement Stadium activations on event days and community use.

Stadium Free Use

- TSCOT as master-tenant and operator will provide 100 days of rent-free use
- Operational support of the Stadium for community events, activities and programs which consultant team valued at a minimum of \$400,000 annually



acom

PUBLIC BENEFITS--Economic Benefits Identified by Consultant

NET NEW IMPACTS NET NEW IMPACTS Net New Sports Size New Sports Size New Sports Size New Sports Direct Spending Size New Sports Indirect and Induced Spending \$\$131.4M \$27.2M \$20.80.M Indirect and Induced Spending \$\$131.4M \$37.2M \$20.80.M Indirect and Induced Spending \$\$131.4M \$37.2M \$20.80.M Indirect And Induced Spending \$\$131.4M \$\$27.2M \$20.80.M Indirect Antiper Spending \$\$131.4M \$\$27.2M \$208.0M Indirect Antiper Spending \$\$47.8M \$138.1M \$47.9M \$233.8M Jobs 63 240 61 364 Earnings \$47.8M \$138.1M \$47.9M \$233.8M FISCAL IMPACTS Size Size Size Size Size Size Size Size	Heidelbe 32-Year NPV*	ECONOMIC AND FISCAL IMPACTS Heidelberg Sports Village 32-Year NPY' to the Local Community Dollars in Millions						
HSV Mixed Sports 32-Year ECONOMIC IMPACTS \$tadium Use Complex NPV Direct Spending \$810.0M \$283.8M \$71.0M \$435.8M Indirect and Induced Spending \$39.4M \$131.4M \$37.2M \$208.0M Total Economic Output \$120.5M \$415.2M \$108.2M \$643.8M Jobs 63 240 61 364 Earnings \$47.8M \$138.1M \$47.9M \$233.8M FISCAL IMPACTS Sales Taxes \$3.0M \$11.7M \$2.4.3M Property Taxes		NET NEW IMPACTS						
Indirect and Induced Spending \$39.4M \$131.4M \$20.8.0M Total Economic Output \$120.5M \$415.2M \$108.2M \$643.8M Jobs 63 240 61 364 Earnings \$47.8M \$138.1M \$47.9M \$233.8M FISCAL IMPACTS Sales Taxes \$3.0M \$11.7M \$2.4M \$17.2M Property Taxes \$24.3M \$24.3M Admissions Taxes \$0.5M \$0.3M Tourism Taxes \$0.2M \$0.3M Total Fiscal Benefits \$4.0M \$36.0M \$2.5M \$42.6M Note Economic months of tadjum construction and 30 years of stadjum/ancillary/complex \$42.6M \$42.6M	ECONOMIC IMPACTS				32-Year*			
Jobs 63 240 61 364 Earnings \$47.8M \$138.1M \$47.9M \$233.8M FISCAL IMPACTS								
Earnings \$47.8M \$138.1M \$47.9M \$233.8M FISCAL IMPACTS	Total Economic Output	\$120.5M	\$415.2M	\$108.2M	\$643.8M			
FISCAL IMPACTS Sales Taxes \$3.0M \$11.7M \$2.4M \$17.2M Property Taxes \$24.3M \$24.3M Admissions Taxes \$0.5M \$0.5M Tourism Taxes \$0.2M \$0.3M Business & Occupation Taxes \$0.3M \$0.3M Total Fiscal Benefits \$4.0M \$36.0M \$2.5M \$42.6M Note: leconomic impacts specific to the City of Tacema. Fical impacts include \$60% local sales tax rate and 15.76 pc \$1000 of assessed value protory tar rate. \$6000 factorset and taxe rate. Note: Het present value calculated using a 4.5% discourt rate. *23.94M for Note of satialum construction and 30 years of statialum/ancillary/complex	Jobs	63	240	61	364			
Sales Taxes \$3.0M \$11.7M \$2.4M \$17.2M Property Taxes \$24.3M \$24.3M Admissions Taxes \$0.5M \$0.5DK Tourism Taxes \$0.2M \$0.2M Business & Occupation Taxes \$0.3M \$0.3M Total Fiscal Benefits \$4.0M \$36.0M \$2.5M \$42.6M Netre Economic impacts specific to the City of Taxema. \$60.0k local sales tax rate and 1576 per 51000 assessed value property tar rate. \$60% local sales tax rate and 1576 per 1000 or \$10000 assess value property tar rate. Note: Het present value calculated using a 45% discourt rate. \$25.9M \$42.6M	Earnings	\$47.8M	\$138.1M	\$47.9M	\$233.8M			
Property Taxes \$24.3M \$24.3M Admissions Taxes \$0.5M \$0.5M Tourism Taxes \$0.2M \$0.1M \$0.2M Business & Occupation Taxes \$0.3M \$0.3M Total Fiscal Benefits \$4.0M \$36.0M \$22,5M \$42,6M Note: Economic Imparts specific to the City of Tacoma. Fiscal impacts include 3.60% local sales tax rate and 150.00m 150.0M \$22,5M Note: Note new trade calculated using a 4.5% discount rate. *23-yew NV includes 18 months of stadium construction and 30 years of stadium/ancillary/complex	FISCAL IMPACTS	_						
Admissions Taxes \$0.5M \$0.5M Tourism Taxes \$0.2M \$0.1M \$0.2M Business & Occupation Taxes \$0.3M \$0.3M Total Fiscal Benefits \$4.0M \$36.0M \$2.5M \$42.6M Note: Economic impacts specific to the City of Tacoms. Fiscal impacts include 3.60% local sales tax rate and 1576 ppr \$1000 of assessive value property tax rate. Note: Note we present value calculated using a 4.5% discount rate. Note: Note we prove value calculated using a 4.5% discount rate. *2.9ew RV includes Bronths of stadium construction and 30 years of stadium/ancillary/complex	Sales Taxes	\$3.0M	\$11.7M	\$2.4M	\$17.2M			
Tourism Taxes \$0.2M \$0.1M \$0.2M Business & Occupation Taxes \$0.3M \$0.3M Total Fiscal Benefits \$4.0M \$36.0M \$22.5M \$42.6M Note: Economic Impacts specific to the City of Tacoms. Fiscal impacts include 3.60% local sales tax rate and 1576 per \$10.00 of assessor value property tax rate. Note: Note: Net present value calculated using a 4.5% discount rate. Note: Note: Note months of stadium construction and 3D years of stadium/ancillary/complex	Property Taxes		\$24.3M		\$24.3M			
Business & Occupation Taxes \$0.3M \$0.3M Total Fiscal Benefits \$4.0M \$36.0M \$2.5M \$42.6M Note Economic impacts specific to the City of Taxoma. Fiscal impacts include 360% local sales tax rate and 15/76 or \$1000 or 13sessod value property tax rate. Note: Net present value calculated using a 4.5% discount rate. Note: Net present value calculated using a 4.5% discount rate. 32-yew T8V includes 30 years of stadium/ancillary/complex	Admissions Taxes	\$0.5M			\$0.5M			
Total Fiscal Benefits \$4.0M \$36.0M \$2.5M \$42.6M Note Economic Impacts specific to the City of Tacoma. Fiscal Impacts include 3.60% local sales tax rate and 1576 per 51000 of assessed value proorby rate rate. Note. Net present value calculated using a 4.3% discount rate. Note. Net present value calculated using a 4.3% discount rate. Sayae NV includes Bin months of stadium construction and 30 years of stadium/ancillary/complex	Tourism Taxes	\$0.2M		\$0.1M	\$0.2M			
Note: Economic impacts specific to the City of Tacoma. Fiscal impacts include 3.60% local sales tax rate and 15.76 por \$1.000 of assessed value property tax rate. Note: Net present value calculated using a 4.5% discount rate. * 3.2-yeen KVP includes 8 months of stadium construction and 30 years of stadium/ancillary/complex.	Business & Occupation Taxes	\$0.3M			\$0.3M			
15.76 pc \$1.000 or assessed value property tax rate. Note: Net present value calculated using a 4.5% discount rate. "3-2yeen KPV includes B months of stadium construction and 30 years of stadium/ancillary/complex	Total Fiscal Benefits	\$4.0M	\$36.0M	\$2.5M	\$42.6M			
	15.76 per \$1,000 of assessed value property tax r Note: Net present value calculated using a 4.5% d * 32-year NPV includes 18 months of stadium con	15.76 per \$1.000 of assessed value property tax rate. Note: Net present value calculated using a 4.5% discount rate. * 32-year NPV includes 18 months of stadium construction and 30 years of stadium/ancillary/complex						

11

NEXT STEPS:

- Discussion of LOI identify questions/concerns
- Legislative Consideration authorize signature on nonbinding LOI; tentative action: Feb. 2020.
- Future Discussions, if authorized:
 - Funding Strategy
 - Property Options
 - Legislative Strategy Development
 - Negotiation of Binding Agreements
 - Timeline: February March, 2020





Discussion



13