HB1353 - Stadium Authority
Proposed Amendments
Del. David A. Reid (VA-32)

Proposed Amendments

1. Lines 21-23 - "Campus" means the facility and parcels ~~proximate~~ <u>contiguous</u> to the facility on which development is to occur and the owners of which have petitioned to the county or city within which the facility is located to include their parcels in the campus.
    - The term "proximate" is too general, this implies that any landowner in Loudoun or Prince William counties could claim "proximity." By changing the terminology to "contiguous" it would limit the potential for abuse.

2. Lines 23-24 - The county or city, upon receiving a petition from a landowner to be included in the campus, ~~shall~~ <u>may</u> include such parcels by adoption of a resolution. <u>The locality and the Authority shall establish the criteria and process for additional parcels of land to be included in the campus.</u>
    - The original language seems to imply that the county must approve any application for inclusion in the campus, which could be abused.

3. Lines 32-33 - "Naming rights revenues" means all revenues received by the primary team for the <u>primary naming</u> right<u>s</u> to name the professional football stadium<u>, whether the term "naming rights revenues" is used or not.</u>
    - This is intended to protect the state and the locality in the event the owner tries to use a term other than "naming rights," but it is clearly understood it would be the paid sponsorship for naming the stadium.

4. Lines 68-76 - A. The Authority shall consist of ~~nine~~ <u>eleven</u> members who shall be appointed by the Governor, including the four members appointed pursuant to subsection B. The Governor shall designate one of the members as chairman; provided that no member appointed pursuant to subsection B shall be designated as chairman. The members of the Authority annually shall elect a vice-chairman from their membership who shall perform the duties of the chairman in his absence. In making appointments to the Authority, the Governor shall ensure that the geographic areas of the Commonwealth are represented; however, in the event the location of the facility is proposed, at least three members of the Authority, other than those members appointed pursuant to subsection B, shall be residents of the county or city in which the facility is to be located. <u>The Speaker shall appoint one member from the House Delegates who represents the locality and serves on the House Appropriations Committee where the facility is located. The Senate Majority Leader shall appoint one member from the Senate who represents the locality where the facility is proposed.</u>

5. Line 228 - New Section F. <u>The Authority shall develop an end-of-use plan for the disposition of the stadium when the professional football team leaves for another locality, moves to another state, ceases operations, or any event that occurs and the stadium is</u>

no longer used for its intended purpose. The plan shall be approved by the locality and sufficient funds shall be escrowed by the Authority for the implementation of the plan.

  - This is intended to ensure that a derelict stadium does not become a financial burden and detract from the local environment like the abandoned RFK Stadium.

6. Lines 200-202 - 5. Provide that the primary team will pay at least ~~50~~ 75 percent of any naming rights revenues to the Authority, annually or more frequently, until the Authority has paid off the principal, interest, and any other financing costs of all bonds issued under this chapter; and

7. Line 203 - New Section 5.a. In the event there is a delay in obtaining an agreement on naming rights, the professional football team shall pay an amount equal to the projected naming rights from other revenue sources that are not covered by this Act until the naming rights agreement has been reached.
    - Some recent stadiums have had delays in finalizing their naming rights deals because the owners have higher expectations of the market value of the naming rights than the market will support. In the event this occurs, the team should be required to pay the bonds from other sources of team revenue.

8. Lines 203-205 - 6. Provide that if the primary team relocates after the operational date but before the expiration date of any lease entered into under subsection E, the primary team will pay treble any outstanding principal, interest, and any other financing costs of all bonds issued under this chapter.
    - There needs to be some penalty on the team for leaving the deal early.

9. Lines 223-225 - 7. Provide that the primary team will pay at least ~~50~~ 75 percent of any naming rights revenues to the Authority, annually or more frequently, until the Authority has paid off the principal, interest, and any other financing costs of all bonds issued under this chapter; and

10. Lines 226-228 - 8. Provide that if the primary team relocates after the operational date but before the expiration date of any lease entered into under this subsection, the primary team will pay treble any outstanding principal, interest, and any other financing costs of all bonds issued under this chapter.

11. Lines 305-309 - J. The primary team shall agree, as part of any development agreement entered into under subsection D of § 15.2-5831 and as part of any lease agreement entered into under subsection E of § 15.2-5831, that the primary team will not be relocated for the duration of the term of this agreement and that the primary team will operate within the facility for the duration of this agreement. ~~until any bonds issued hereunder to finance and refinance the facility are redeemed or defeased.~~
    - We should not give the team the ability to pay the bonds off early and then leave. This needs to be a 20- or 30-year commitment between the team, the locality, the state, and the Authority.

12. Lines 310-314 - K. In addition to satisfying its financing obligations under any development agreement entered into pursuant to subsection D of § 15.2-5831, the Authority shall use best efforts to issue bonds to finance capital improvements in the facility at such times, in such principal amounts and with such terms to maturity, subject to the limitations of subdivision C 1, as may be requested by the primary team to develop, construct, expand, repair, and maintain the facility. If new bonds are issued that extend beyond the term of the original bond maturity date, the end date and obligation for the agreement between the team and the Authority shall be extended to match the date of the longest bond maturity date.
    - …again, this is intended to ensure the team, the Authority, and the Commonwealth are entering into a long-term, mutually beneficial agreement that doesn't leave the state or the locality in an untenable position.

13. After Line 429 - 3. The provisions of this act shall not become effective unless and until the National Football League (NFL) certifies that the team has addressed and resolved all outstanding claims of sexual harrassment or misconduct by the owner of the team planning to locate to Virginia. The NFL and the team shall also certify, in writing, to the Authority that sufficient policies and procedures have been implemented to ensure the team is operating a positive, respectful work environment.

14. After Line 429 - 4. All buildings and facilities included in the campus, shall be Leadership in Energy and Environmental Design (LEED) certified at the Gold Certification level or higher. Ten percent (10%) of all parking spaces in the campus shall include Level 2 electric vehicle (EV) chargers or greater. To the maximum extent possible, all surface and garage parking areas and building rooftops shall install solar panels. If the campus is constructed near a body of water that could be used for geothermal heating or cooling, the campus shall, to the greatest extent practicable, take advantage of the geothermal resource.

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