

Alternative Financing Plans for Baseball Stadium - Summary Table of All Plans

Criteria for Financial Certification

1. Plan must reduce total amount of bonds the District would need to issue.
2. Plan must reduce the Ballpark Fee needed to support debt service.
3. Plan should provide additional financial benefits with minimal additional risk.

	District Bond Issuance	CERTIFIED		NOT CERTIFIED (in Alphabetical Order)					
		Deutsche Bank	The Gates Group	Baseball Village Associates	DC Baseball Stadium Associates	DSG Capital Group	The Dubois Group	Global Development Partners	HooverMilstein
Total Project Cost	\$486.2M	\$486.2M	\$486.2M	\$765.1M	\$601.6M	\$607.7M	\$578.4M	\$543.5M	\$486.2 M
Amount of Bonds to be Repaid from District Revenues (including issuance costs)	\$534.8M	\$88.1M (plus \$405 in monetization) OR \$0 (plus \$493M in monetization)	\$340M-\$509M (plus \$26-\$175M in monetization)	\$845.4M	\$606.98M (plus 1% return on \$101M in equity)	\$642.3M	\$417.9M	\$585.6M	\$538.1M
Total Annual Repayment from District Revenues¹	\$44.3M	\$29.5 OR \$37.1M	\$46.5M, based on \$100M upfront payment	\$70.9M	\$52.3M	\$60.3M	\$35.5M	\$53.8M	\$46.4M first 10 years, \$43.3M next 5 years, \$39.0M remaining 15 years
Ballpark Fee	\$14M annually for 30 years	\$5.7M average annually for 30 years OR \$14M annually for 3 years to establish reserves, \$0 for remaining 27 years	\$6.9M average annually for 24 years to establish reserves, \$0 for remaining 6 years, based on \$100M upfront payment	\$34.9M average for three years until TIF revenues materialize; then \$7.5 M average annually for remaining 27 years	\$6.6M average annually for 30 years	\$30.5M average annually for 30 years	\$9.9M average annually for 30 years	\$22.6M average annually for 30 years	\$22.8M average for first 15 years until HM bonds retired; then \$6.8M average annually for remaining 15 years
Guarantee Required	Bond insurance	Bond insurance OR reserve built from Ballpark Fee to act as guarantee	\$40 million upfront payment can act as guarantee	Unspecified	GO	80% of Stadium Rents and Taxes	Unspecified	Guarantee for years 3-6	Perfected Pledge for Stadium Rents & Taxes
Legal Issues		No legal obstacles to plan	No legal obstacles to plan	It may not be legal for the District to acquire land through eminent domain & transfer it to a private entity without a redevelopment plan or a competitive bidding process	Risk to investors that IRS may contend that tax benefits should be reduced or recovered over a longer period of time	It may not be legal for the District to acquire land through eminent domain & transfer it to a private entity without a redevelopment plan or a competitive bidding process	It may not be legal for the District to acquire land through eminent domain & transfer it to a private entity without a redevelopment plan or a competitive bidding process	It may not be legal for the District to acquire land through eminent domain & transfer it to a private entity without a redevelopment plan or a competitive bidding process	It may not be legal for the District to acquire land through eminent domain and transfer it to a private entity without a redevelopment plan or a competitive bidding process

¹ Amounts assume 1.3x coverage on debt service. The required amounts could be reduced through the use of bond insurance.

Alternative Financing Plans for Baseball Stadium - Summary Table of All Plans

		CERTIFIED		NOT CERTIFIED (in Alphabetical Order)					
	District Bond Issuance	Deutsche Bank	The Gates Group	Baseball Village Associates	DC Baseball Stadium Associates	DSG Capital Group	The Dubois Group	Global Development Partners	HooverMilstein
Other Costs of Plan		The structuring fee is approximately \$2M more than a typical bond underwriting fee	<p>The District must create a “parking district” and dedicate revenues and taxes to repay the loan</p> <p>The District would have to grant operational control of the “parking district” to Community Parking Services</p> <p>The District gives up the development rights to the land leased to Gates</p>	Delays associated with issuance of TIF bonds increase risk of overall project completion	<p>BSA and Major League Baseball share all increases in revenue, above what is needed to service the debt</p> <p>Council must assign taxes and parking revenues from the stadium to the team</p> <p>District would need to renegotiate Baseball Agreement with MLB</p>	District must compensate DSG if the team moves before 30 years	<p>Based on preliminary due diligence, the OCFO is unable to verify the capacity of capital partner</p> <p>District must provide Dubois with all government owned land including streets and alleyways and development rights within 52-acre site</p> <p>District must rebate sales and parking taxes generated in area to Dubois</p> <p>Must extend the 10% tax on concessions to the entire 52-acre site</p>	<p>Delays associated with issuance of TIF bonds increase risk of overall project completion</p> <p>GDP would retain all tax revenues generated by the new development not required to pay debt service</p>	District must use any excess revenues from stadium rents and taxes to pay down the debt held by HM rather than reducing the Ballpark Fee
Benefits of Plan		<p>Plan allows District to obtain more upfront dollars for stadium rents and taxes than the District would receive from the bond market</p> <p>Plan would allow District to save approximately \$40M by eliminating the need to bond for a debt service reserve fund and bond insurance</p> <p>Amount of any reserve fund is optional</p>	<p>Allows District to employ a “new” revenue source, and to sell new “parking district” revenues, which would be difficult and expensive to sell in the bond market</p> <p>Offers \$40M reserve against potential shortfalls in “parking district” revenues for right to operate “parking district”</p> <p>District shares in excess parking revenues</p>	<p>May accelerate economic development in area surrounding stadium</p> <p>As manager of architect and construction company, BVA assumes cost overruns not initiated by District or MLB change orders</p>	As manager of architect and construction company, BSA assumes cost overruns not initiated by District or MLB change orders	May accelerate economic development in area surrounding stadium	<p>May accelerate economic development in area surrounding stadium</p> <p>As manager of architect and construction company, Dubois assumes cost overruns not initiated by District or MLB change orders</p>	<p>May accelerate economic development in area surrounding stadium</p> <p>As manager of architect and construction company, GDP assumes cost overruns not initiated by District or MLB change orders</p>	<p>May accelerate economic development in area surrounding stadium</p> <p>As manager of architect and construction company, HM assumes cost overruns not initiated by District or MLB change orders</p>