

### Financial Impact of New Lease v. Old Lease:

- Securing the future of the Bills in Buffalo secures their massive economic impact to the area for 30 more years, specially:
  - \$27M annually in direct income for New York, Erie County, and Buffalo
    - This is expected to grow, amounting to over \$1.6B over the life of the lease.
  - \$385M in annual spending in the area.
- The positive impacts of the Bills are secured by a strong Non-Relocation Agreement and strengthened by a Community Benefits Agreement that result in an additional contribution of \$100M throughout the life of the lease.
- Funding:
  - The New Stadium Project is actually funded by a smaller percentage of public money than all past Bills stadium projects and leases.
    - The New Stadium Project is funded by about 55% of public money
      - \$850M of the total \$1.54B cost.
    - The Bills first stadium project in 1973 was 100% publicly funded.
    - The Bills most recent stadium renovations in 2013 were 73% publicly funded.
- The county will be saving on annual capital and operating expenses, as its contribution for these purposes is limited to Surcharges Revenue from ticketing, parking, and concessions.
  - These revenues will be collected from those who attend events at the stadium and not from Erie County's tax revenues.
  - County financial obligations for capital and operating expenses are capped at the amount of revenue collected from the surcharges.
  - This is estimated to save the County tens of millions.
- Capital Improvement Fund:
  - Old Lease initial amount was \$3.8M v. New Lease at \$6M.
    - In Old lease the Bills were contributing 17.39% of the Capital Improvement Allowance in each year, made by the ECSC on behalf of the Bills from rent payments.
  - The aggregate portion of the Capital Improvement Allowance to come from the County and ECSC in both old and new lease.
  - **(Term not in old lease, but in the new lease)** Expenses related to security and utilities for events at the new stadium.
    - Provided that the Bills may only use a maximum of 1/3 of the total amount contributed by ECSC to the Capital Improvement Fund each year.
  - Contribution from ESCS and County by year and percentage in old lease:

**SCHEDULE 9.4(b)**

**SCHEDULE OF COUNTY AND ECSC OBLIGATIONS FOR PUBLIC ENTITIES'  
PORTION OF CAPITAL IMPROVEMENT ALLOWANCE**

The respective contributions of ECSC and the County to the Public Entities' Portion of the Capital Improvement Allowance shall be as follows:

<u>Lease Year(s)</u>	<u>ECSC Contribution</u>	<u>County Contribution</u>
1	57%	43%
2	56%	44%
3	55%	45%
4	54%	46%
5	53%	47%
6	52%	48%
7	51%	49%
8	50%	50%
9	50%	50%
10	50%	50%

- Annual rent payment has been raised from 800k to 900k.
- Initial capital payments made by county have increased by 200k in new lease to \$4M (both increasing annually with CPI).
- Bills allowing use of team logo and trademarks for up to 800k annually, identical to old lease.
- Operating budget actually began at a higher number in the old lease \$2.91M v. \$2.6M in new lease.
- Capital budget in both leases started/starts at \$3M.
- Repair and maintenance commitment from the County is solely generated by ticket, parking and concession revenue.

**Pros/Cons Chart:**

<b>Pros</b>	<b>Cons</b>
- Bills long-term presence in the region	- One of largest public subsidies given to an NFL stadium
- Modern amenities	- Open air design limits the stadium's use for other purpose
- The project is expected to create 10,000 union jobs	- Personal Seat License Fees will be an added one-time expense for season ticket holders
- The Bills bring in \$27M annually in direct income the area, this is estimated to grow and amount to over \$1.6B over the life of the lease	- Smaller capacity than the current stadium
- The Bills bring in \$385M annually in economic impact from spending	
- Non-relocation agreement to secure the economic benefits of the team	
- A Community Benefits Agreement to enhance the benefits to the community, Minority and Women Owned Business Enterprises	