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tax to help upgrade Bank of America Stadium would require a vote by the public.

Feb. 14, 2013

Two North Carolina state lawmakers say any effort to raise Charlotte's prepared food tax to help upgrade Bank of America Stadium would require a vote by the public.

"There will be a referendum," Rep. Bill Brawley of Matthews said Wednesday. "It's a deal-killer."

Brawley's comments, which echoed earlier remarks by House Speaker Thom Tillis of Cornelius, came on a day when Carolina Panthers owner Jerry Richardson formally asked Mecklenburg County lawmakers for state help.

They also suggest achieving a plan laid out by the city and the team, which needs approval by the state and maybe the voters, may not be easy.

The city and Panthers have reached a tentative agreement to finance an upgrade of around \$250 million.

The deal calls for the city to raise \$144 million by doubling the local restaurant and bar tax from 1 percent to 2 percent, with \$125 million going for stadium improvements. The tax also would cover game-day police traffic control and \$1.25 million in annual maintenance payments. Some would eventually go to amateur sports.

The Panthers are also seeking \$62.5 million from the state.

In exchange, the team would be legally "tethered" to Charlotte for 15 years, through the 2027 season.

"We're a proven investment," Richardson told lawmakers. "We're not a risk."

The existing prepared food and beverage tax inside the city of Charlotte now

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Charlotte Republican, said, later adding, "We need a lot of questions answered."

Brawley asked why, if the debt would be retired in 15 years, the tax hike would not sunset for 30.

"This is a long-term solution, not just a short-term solution," replied Deputy City Manager Ron Kimble, who outlined the plan. Kimble said continuing the tax would give the city flexibility after the 15-year term of the agreement, either to reach another agreement with the team or make other arrangements for a stadium that would be 32 years old.

"It's either going to become the Wrigley Field or Fenway Park of the NFL ... or we'll be talking about a new stadium," Kimble told the delegation. "This is a long-term solution, not just a short-term solution."

But Republican Sen. Jeff Tarte of Cornelius said later, "The thing that really makes this problematic is ... this appears to be a bigger 'ask' than need."

Some cities that have used sales-tax increases to pay for sports stadiums have been required by law to direct all revenue toward paying for the debt. When the debt is retired, the tax automatically sunsets.

The city of Arlington did that for the Texas Rangers baseball stadium in the 1990s. Because of the city's booming economy, the tax ended years earlier than expected.

If the city of Charlotte directed all revenues from the proposed increase in prepared food and beverage taxes to the Panthers, the city could likely retire the debt in less than a decade.

The Charlotte City Council has not endorsed a similar tax structure.

Rep. Charles Jeter, a Huntersville Republican, called the notion of using some tax

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Hospitality groups, Kimble said, “are passionate about amateur sports.”

The other question involves the \$62.5 million the Panthers want from the state, either as a grant or “an equivalent revenue stream.” The city calls it “an essential element of the partnership with the Panthers.”

But Tillis has said he doesn't favor any direct state appropriation. However, he said he would treat the team like any other major employer.

The team could apply for an incentive grant through the state Commerce Department. But incentive programs generally are designed for companies that create new jobs. One, called Job Development Investment Grants, goes to companies that promise a net increase in employment.

‘I would never move the team’

Richardson described his long effort to win the franchise, which was awarded in 1993. He also recounted his rise from an Eastern North Carolina home with no running water to a career in the NFL and a businessman who built a \$4 billion-a-year company.

One reporter asked him why he couldn't fund the stadium improvements himself.

Franchises, he said, are “so coveted.”

“They don't have to pay for them. There are only 32. That's the reality.”

Though city officials say their participation will help keep the team in Charlotte, Richardson insisted he has no plans to move it.

“I would never move the team, I want to emphasize that,” Richardson said. “I never

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Even those who questioned the city proposal expressed support for the Panthers and Richardson.

“The reality is there’s still a long way to go,” said Samuelson. “But we do love the Panthers and would love for them to stay.”

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