

SPORTS AUTHORITY OF THE METROPOLITAN GOVERNMENT OF NASHVILLE &
DAVIDSON COUNTY

Minutes of June 21, 2018 Meeting of the Board of Directors
Bridge Building – Cumberland River Compact Meeting Room
10:30 a.m.

Board Members: Kim Adkins, Catana Starks, Lisa Howe, Khalat Hama, Emmett Wynn, Bob Obrohta, Margaret Behm, Rip Ryman, Jad Duncan, Leslie Fram, Rip Ryman, Cathy Bender

Staff: Monica Fawknotson, Ilesha Montesrin, Quinton Herring, Margaret Darby (Legal)

Titans/Nissan Stadium: Walter Overton, Burke Nihill, Bob Flynn

Predators: Kyle Clayton, Michelle Kennedy, Keith Hegger

Sounds/First Tennessee Park: Doug Scopel

Visitors: Ed Henley (Pillars Development), Roxanne Bethune (Alliance Synergy Group), Scott Rayson (Metro Legal), Bob Lackey (Metro Finance), Mary Cavarra (MLS2Nashville), Toby Compton (MLS2Nashville), Ron Gobble (Gobble Hays), Dick Darr (Capital Project Solutions), Jim Pustejovsky (Capital Project Solutions), Dave Heflin (Capital Project Solutions), Annie Parrish (Barton Malow), Michelle Lane (Metro Procurement)

Chairwoman Kim Adkins called the meeting of the Sports Authority to order at 10:30 a.m. and welcomed all in attendance. Ms. Adkins thanked the Cumberland River Compact for hosting the meeting and reminded everyone the appeals process for decisions by the Authority could be found at the top of the agenda. **Upon a motion duly made and seconded, the Sports Authority unanimously voted to approve the minutes of the May 17, 2018 Board of Directors meeting.**

Executive Director's Report

Chairwoman Adkins recognized Ms. Monica Fawknotson to give the Executive Director's Report. Ms. Fawknotson stated that in the coming weeks, the Authority will meet for a Special Called Meeting (informational session), to review the following MLS Stadium documents:

- Ground Lease Between the Sports Authority and the Board of Fair Commissioners
- Team Lease Agreement Between the Sports Authority and Walsh Management, LLC
- Development Agreement Between the Sports Authority and Walsh Management, LLC
- Construction Administration Agreement Between the Sports Authority, Walsh Management, LLC & Nashville Soccer Holdings, LLC

At that time Metro Legal Director Jon Cooper, will present the documents to the Board and answer questions. No action will be taken until the July 19 meeting.

Ms. Fawknorton reported that Metro and the Predators are making progress on the plan for the Ford Ice Center at Bellevue. They have determined that while the building will be owned by Parks, the Sports Authority will lease one side of the building from Parks and then sub-lease it to Mid-Ice (subsidiary of the Predators). Staff anticipates that the lease agreements will be completed in the coming month and will come before the Board at that time. The ice and community center is currently scheduled to open in August of 2019. Mr. Danny Butler, General Manager of Ford Ice Center in Antioch, noted that the Ground Breaking Ceremony for the Bellevue facility will be held on Friday, June 29th at 12:30p.m.

In addition to the MLS Stadium Architect/Design Contract, the Request for Qualification (RFQ) for the Construction Manager at Risk was issued last week. A pre-offer meeting was held earlier this week and the deadline for submission of proposals is July 9th. This process will be similar to the design RFQ, in that the Authority will be asked to approve an "Intent to Award" letter, and ultimately a contract, once negotiations have been completed. Additionally, Ms. Fawknorton expects the RFQ for the management of Sports Authority controlled lots at Nissan Stadium to be issued in the following week and a pre-offer meeting will occur around the end of June/first of July.

Ms. Fawknorton concluded her report by noting that the owner of the Quality Inn on Interstate Drive (across from Nissan Stadium) plans to change the hotel to an eleven-story LaQuinta Inn. A parking garage is included in the plan and will occupy the first 5-6 stories of the structure. Ms. Fawknorton reported that she and the Titans attended a recent Board of Zoning Appeals meeting, in which the owners of the Quality Inn requested a sky plane variance. The Titans expressed concerns regarding potential issues with ingress/egress (as well as other potential game day related challenges) once the larger hotel is built. The Titans have requested additional information and staff expects to meet with the developers prior to the MDHA's consideration of the proposal (the next step).

Fairgrounds Update

Chairwoman Adkins recognized Ms. Laura Womack, Executive Director of the Fairgrounds, to give an update on community engagement efforts and recent action taken by the

Fair Board. Ms. Womack reported that a meeting on May 17th was the first in a series of community engagement meetings to discuss the current development at the Fairgrounds site. These forums are designed to give stakeholders and community members an opportunity to meet with the designers of the Fairgrounds Improvement Plan and provide feedback. Ms. Womack reported that representatives from various stakeholders would assemble a “User Advisor Committee” and will collaborate throughout the duration of the project. On June 12th, the Fair Board approved the updated plan that included the relocation of Fairgrounds buildings to the bottom of the site plan. Ms. Womack concluded by stating that the approval is contingent upon the approval of all other stadium documents.

MLS Stadium Update

Chairwoman Adkins recognized Ms. Mary Cavarra, Ingram Industries’ CFO, to give the MLS Stadium Update. Ms. Cavarra stated that since last month’s meeting, Nashville Soccer Holdings (NSH) hired Mr. Ian Ayre as the Team’s new CEO. MLS announced Cincinnati as the 26th MLS club and will begin playing in 2019. She stated that currently, NSH’s anticipated timeline is as follows:

- MLS Stadium Documents to be Approved
 - Team Lease Agreement: Requires approval from MLS
 - Construction Administration Agreement: Required to start construction; Describes how the Authority and NSH will collaborate throughout the design and construction processes
 - Design/Architect Agreement: Before the Authority as the next agenda item
 - Construction Management Agreement: Anticipates the Authority will consider by August of this year
- Stadium Plans Finalized: Anticipates completion in the 1st quarter of 2019
- Site Construction Begins: Breaking ground mid-2019
- Stadium Construction Begins: Commencement in early 2020
- Completion of MLS Stadium: Grand Opening in February 2021 (start of MLS season)

Ms. Cavarra noted that the anticipated deadlines above are contingent upon receiving approval of all the documents by September 4, 2018.

Consideration of MLS Stadium Architect/Design Contract between the Sports Authority and Populous

Chairwoman Adkins recognized Ms. Fawknorton to discuss the MLS Stadium Architect/Design Contract between the Sports Authority and Populous. Ms. Fawknorton noted that last month, the Authority voted to approve an “Intent to Award” letter, in which Populous was selected (by Mayor Briley) as the Architect/Designer of the MLS Stadium. Over the last month representatives from Metro Purchasing, Sports Authority/Gobbell Hayes Partners, and Nashville Soccer Holdings (NSH)/ ICON finalized contract negotiations with Populous.

The contract includes a fixed fee, payable to the architect, of approximately \$12 million. Nashville Soccer Holdings will be responsible for all cost overruns and as a result, will take the lead overseeing the budget. Ms. Fawknorton stated that negotiations are still live and, and this is not a final copy. Questions and follow-up information have been requested. Metro Purchasing continues to oversee the procurement process and Metro Legal has given approval of the current contract in its form and, due to the tight timeline, the Authority is has been asked to authorize the Chair to execute the agreement once all details are finalized, as to not cause a month delay. Board members posed several questions related to time restrictions, subcontractors, and DBE requirements. The Board requested that a redline copy of the final draft be sent to all Board members, prior to the Chair approving. **Upon a motion duly made and seconded, the Sports Authority unanimously voted to approve the MLS Stadium Architect/Design Contract between the Sports Authority and Populous, in form, and grant the Chair of the Board, the authority to execute the agreement once all details have been finalized.**

Consideration of Titans Reserved Date Request – NFL Draft

Chairwoman Adkins recognized Ms. Fawknorton to discuss the Titans’ Reserved Date Request. Ms. Fawknorton stated that at the Authority’s May meeting, Steve Underwood addressed Titans concerns regarding the use of Titans Reserved Dates, since the Titans will host the MLS team’s inaugural season at Nissan Stadium in 2020. Since that time, Nashville has been selected to host the 2019 NFL Draft and learned that the league would need exclusive use of the stadium for an estimated two and a half weeks. As stated in the Lease Agreement, the Titans are allotted 30 days each year, in which they can use the facility for events that utilize the Bowl (known as “Exclusive Dates”). Metro Legal has verified that under the Stadium Lease

Agreement, these events can be considered “Reserved Dates” because of the advanced notice the Titans provided. Events can be deemed a “Reserved Date” once the Lessee exceeds its 30 “Exclusive Dates” and provides notice at least 15 days prior to such date. **Upon a motion duly made and seconded, the Sports Authority unanimously voted to approve the Titans Reserved Date Request.**

Consideration of one-year extension to the Lease Agreement between the Sports Authority and the Tennessee Sports Hall of Fame

Ms. Fawknorton stated that the Lease Agreement between the Sports Authority and the Tennessee Sports Hall of Fame located inside Bridgestone Arena expires July 31, 2018. This concludes the completion of (2) ten-year terms. While the original lease provides for up to (3) ten-year terms, staff does not recommend entering into a long term extension as there is still uncertainty surrounding the timing of future renovations to Bridgestone Arena. Similarly, last June the Authority chose to renew SiriusXM Studios’ lease agreement for an abbreviated term of two years (as opposed to five), with the second year the result of significant investments proposed for the space by the tenant. The Authority is asked to consider an Amendment and Renewal of the agreement between the Sports Authority and the Tennessee Sports Hall of Fame which would extended by mutual agreement the lease for two (2) additional terms of one (1) year each. To be effective, notice of intent to exercise the option to extend the Lease shall be given by one party to the other at least one hundred eighty (180) days in advance of the expiration of the then current Term. In no event shall the Term of this Lease, including extensions, exceed thirty (30) years.”

Ms. Fawknorton recognized Mr. Bill Emendorfer, Executive Director of the Tennessee Sports Hall of Fame. Mr. Emendorfer stated that during his term at Bridgestone Arena, more than \$500,000 worth of upgrades to the Hall of Fame have been made. Most recently, the Hall of Fame hosted its 52nd induction with over 1,000 people in attendance. **Upon a motion duly made and seconded, the Sports Authority unanimously voted to approve the one-year extension to the Lease Agreement between the Sports Authority and the Tennessee Sports Hall of Fame.**

Facility Questions

Chairwoman Adkins called for questions regarding the facility reports submitted by the Nashville Predators, the Nashville Sounds and the Tennessee Titans, and there were none.

There being no other business, the meeting adjourned.