

SPORTS AUTHORITY OF THE METROPOLITAN GOVERNMENT OF NASHVILLE & DAVIDSON COUNTY

Minutes of June 15, 2017 Meeting of the Board of Directors

Bridge Building- Cumberland River Compact

10:30 a.m.

Board Members: Kim Adkins, Margaret Behm, Bob Obrohta, Ralph Perrey, Dudley West, Emmett Wynn, Khalat Hama, Christie Wilson, Chuck Meriwether, Catana Starks, Cathy Bender

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

Titans/ Nissan Stadium: Jenneen Kaufman (CFO), Bob Flynn (V.P. of Facilities), Steve Underwood (CEO), Walter Overton (General Manager)

Predators: Kyle Clayton, Keith Hegger, Dave Urso, Tom Gallo

First Tennessee Park: Doug Scopel (Senior Vice President), Adam Nuse (General Manager)

Visitors: Jordan Wyman (Common Wealth Development), Roxianne Bethune, Brasher Burbank (Stewart Logistics), Eddie Stewart (Stewart Logistics), Joe Mattioli (Grand Prix), Matt Crews (Grand Prix), Mike Gillespie (Grand Prix), Andy Moats (Grand Prix), Jay Abraham (Grand Prix), Jeremy Holly (Grand Prix), Joey Newgarden (Grand Prix), Kix Brooks (Grand Prix), Scott Ramsey (Nashville Sports Council), Jay Grider (Nashville Sports Council), JD Rich (Hankook Tires), Andrew Kintz (First Tennessee), Bill Emendorfer (TN Sports Hall of Fame), Thomas Comisky (Sirius), Tom Koch (Sirius), Russell Payne (Nashville Downtown Partnership), Brandon Cox (Nashville Sports Council), Todd Heifner (Nashville Sports Council), Tres Wittum (TN Senate), Joey Garrison (Tennessean)

Chairwoman Kim Adkins called the meeting of the Sports Authority to order at 10:30 a.m. and welcomed all in attendance. Ms. Adkins 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 18, 2017 meeting.**

Executive Director's Report

Chairwoman Adkins recognized the Nashville Predators organization for their determination in the Stanley Cup Finals and stated that the Sports Authority was proud of them. She then recognized Ms. Monica Fawknotson to give the Executive Director's Report. Ms. Fawknotson began her report by acknowledging Ms. Eleanor Barbee and Ms. Mekayle Houghton from the Cumberland River Compact (CRC). She thanked them for hosting the meeting and recognized the organization as one of the Sports Authority's many partners within the Nissan Stadium footprint. The CRC's mission is, "To enhance the health and the enjoyment of the Cumberland River and its tributaries through education, collaboration, and action." Ms. Fawknotson continued with a brief review of the meeting agenda, noting that three agenda items would require action by the Authority:

- A Memorandum of Understanding (MOU) between the Sports Authority, Grand Prix of Nashville, and Cumberland Stadium, Inc.

- An Amended and Restated Agreement between the Sports Authority and the Nashville Downtown Partnership for management of the Sports Authority parking lots at Nissan Stadium; and
- A contract extension with Sirius XM Radio, Inc.

Ms. Fawknotson next gave a brief project management report for Nissan Stadium, stating that Phase 2 of the project (the replacement of 13 expansion joints on the East Club Level, waterproofing, and extending guard rails) is now complete. Diversity Business Enterprise (DBE) participation during Phase 2 is currently at 30% and 12 DBE firms have received a total of \$4 million as a result of this project. Ms. Fawknotson thanked Ms. Roxianne Bethune for working so diligently to keep DBE participation above the requirement.

Ms. Fawknotson additionally reported that during Phase 2, an internal gutter failure was found to have caused more water damage, but noted that funding is available to cover the costs associated with the newly found problem. Ms. Fawknotson concluded her report by stating that the gutter repair is the only project in Phase 3 and should be fixed before football season begins.

Facility Questions

Chairwoman Adkins called for facility questions by the board. Ms. Christie Wilson asked the Predators organization to include their event dates in the monthly reports.

GPNTN, LLC. Presentation & Consideration of a Memorandum of Understanding

Chairwoman Adkins recognized Ms. Fawknotson to give brief remarks before the presentation from GPNTN, LLC. Ms. Fawknotson stated that following the presentation, the Board would be asked to consider a Memorandum of Understanding (MOU) between GPNTN, LLC., Cumberland Stadium, Inc., and the Sports Authority. The MOU outlines the duties of the parties with respect to the negotiation of a Master Agreement, event planning, and demonstration of the capacity to secure funding in the amount of \$2,500,000. The MOU gives GPNTN, LLC., the opportunity to secure funding within a timely manner, with the assurance that they will serve as the event promoter. Ms. Fawknotson reported that GPNTN, LLC says it will not seeking financial support from Metro or Cumberland Stadium, Inc., and noted that that the Mayor's Office has also been involved in these conversations for roughly 12 months.

Ms. Fawknotson recognized Mr. Joe Mattioli, Managing Partner of GPNTN, to introduce his team. Mr. Mattioli was followed by Mr. Matt Crews, Executive Vice President of the Grand Prix of Nashville. Mr. Crews began the presentation by stating that the vision of the Grand Prix is to be an annual, international festival of speed and sound, staged on a temporary grand prix circuit, similar to the Long Beach Grand Prix. The plan is to begin the event with Media Day at the Country Music Hall of Fame, which will give local and international media access to the teams, drivers, and celebrities that will be participating. This will also be a Day of Service where

participants will visit the Monroe Children's Hospital and also the Ronald McDonald House. Freedom Friday will follow and will be designated as a day to honor local military, law enforcement, and first responders. Later that night, they will host the Rock N Roar Music Festival and conclude with fireworks. Saturday will be the Pro-celebrity race and Sunday will be the actual race day. The day will start with a Sunrise concert with Nashville's top contemporary Christian artists on the banks of the Cumberland River. Mr. Crews stated that the two largest governing and race sanctioning bodies are Indy Car and International Motor Sports Association (IMSA). Both bodies are interested in coming to Nashville but Mr. Crews' team has not decided on one or the other yet.

Mr. Crews stated that, with the help of Mr. Tony Cotman (Race Track Engineer) and Mr. Bob Flynn (V.P. of Facilities at Nissan Stadium), the proposed temporary, 1.72 mile track will be stationed around Nissan Stadium's campus. It will have four bridges and be a level 2 circuit grade. Mr. Crews stated that the track is being constructed on a timeline, with the hope to minimize interruptions to the day-to-day business at the facility. Mr. Crews completed the PowerPoint by stating that his team has already received about a dozen letters of support from businesses such as Ryman Properties, Big Machine Records, and the Monroe Carrol Children's Hospital.

Chairwoman Adkins then asked Mr. Mattioli to discuss the team's experience with building race tracks. Mr. Mattioli stated that he has 20 years of experience with NASCAR, at the Pocono Speedway in Pennsylvania. He also produced the D.C. Grand Prix event, a course built around RFK Stadium. He added that Mr. Crews has experience with events, Mr. Tony Cotman has years of experience building tracks, and Mr. Jay Abraham specializes in broadcasting. Mr. Mattioli stated they may also partner with the Nashville Sports Council and the Nashville Area Chamber of Commerce.

Mr. Ralph Perry asked about next steps and Mr. Mattioli replied that if the MOU was approved, they would begin speaking with sanctioning bodies and discussing potential dates. Mr. Bob Flynn noted that this course was scaled back from its original plans in order to have less of an impact downtown. In response to a question from Margaret Behm, Mr. Crews stated that his team looks at this event as a big festival, from Wednesday night through Sunday night. Mr. Mattioli added that their team would like to host outreach programs to help promote driver safety. Ms. Cathy Bender asked if there were any plans to include women and minority participation in this event. Mr. Mattioli stated that once the funding is secured (within 7-10 days of MOU approval), they intend to grow their team to be inclusive.

Chairwoman Adkins recognized Ms. Claudia Huskey, Senior Advisor to Mayor Megan Barry, and stated that she has been working diligently on this event. Ms. Huskey stated that she has been involved in discussions with this group for a year and that the Administration is in favor of the MOU. Ms. Behm asked Mr. Mattioli if he ever had an event fail. Mr. Mattioli responded that in one instance an event promoter sold tickets and stole the money-an incident which he believes has led to skepticism and is the reason for the creation of the MOU. **Upon a motion duly made and seconded, the Sports Authority unanimously voted to approve the resolution authorizing the MOU between Sports Authority, GPNTN, LLC, and Cumberland Stadium, INC.**

Consideration of Contract Extension with Sirius XM Radio, INC.

Chairwoman Adkins recognized Ms. Monica Fawknotson to give a brief introduction of the contract extension under consideration. Ms. Fawknotson stated that in August of 2007 the Sports Authority entered into a Lease Agreement with XM Satellite Radio, Inc. (now Sirius XM Radio, Inc.) for a term of five (5) years. The agreement was for 2,000 rentable square feet of space on the second and third floor of Bridgestone Arena. In accordance with the Operating and Management Agreement between the Sports Authority and Powers Management, the space used by Sirius XM is one of the “Reserved Areas” not managed by Powers Management or considered part of the “Arena”. In 2012 the Authority renewed its contract with the tenant for an additional five year term (ending August 31, 2017) and the tenant now seeks to extend the term from September 1, 2017 until August 31, 2022 for the same premises. The proposed agreement provides for the tenant or the landlord to terminate the lease with one (1) year prior written notice without penalty in the event the Landlord cannot provide sufficient space to accommodate Tenant’s request for additional space; or the Landlord has entered into an agreement with the Nashville Predators, or an affiliate of the Predators, for the Premises.

Ms. Fawknotson then recognized Mr. Tom Comisky from Sirius XM Radio. Mr. Comisky introduced Mr. Tom Koch, who stated that the location in the Arena is the headquarters for the production of country music for Sirius XM Radio. Mr. Koch stated that during the ten years of this agreement, his organization has invested \$1.1 million into the theater they use and now, they have about \$1.5 million that they would like to invest into the space as well. The office currently employs 44 people; twice the number they had when they renewed their lease in 2012. Sirius XM is expected to do \$5.3 Billion in revenue this year and they currently have 31.6 million subscribers. On average, they host approximately 80 events per year in the theater. There are also 8 broadcasting studios that are used to go on air or record future programs. **Upon a motion duly made and seconded, the Sports Authority unanimously voted to approve the contract extension with Sirius XM Radio, INC.**

TN Sports Hall of Fame Report

Chairwoman Adkins recognized Mr. Bill Emendorfer with the Tennessee Sports Hall of Fame to give an update and discuss the most recent induction ceremony (which included Board member, Chuck Meriwether). Mr. Emendorfer stated that the Hall of Fame has been a tenant at the Arena since 1998 and he thanked the Board for their partnership. The mission of the Tennessee Sports Hall of Fame is to “enshrine and honor athletes, teams, coaches, sports writers and sports administrators who have made an impact on the history of sports in Tennessee.” They believe that the lessons learned through sports can be carried throughout one’s life, enabling them to not only accomplish their goals, but also excel in them. Mr. Emendorfer stated that other than the initial funding, the Hall of Fame does not receive funding from the state and that donations are greatly appreciated. The Hall of Fame created the “Champion Within Program” that is committed to educating and creating opportunities to reach out to the youth community. This program is funded through sponsorships and mostly serves the Middle Tennessee area. In addition to giving youth the opportunity to visit the Hall of Fame, the program

provides a learning platform for educators to use in their school and a strong message that everyone has a champion within his or herself. Recently the Tennessee Sports Hall of Fame held their 2017 Induction ceremony with the following:

- Julius “Chuck” Meriwether
- Chantelle Anderson
- Chad Clifton
- Haskel Stanback
- Ashley McElhiney Ayers
- Al Wilson
- Candy Reynolds
- Willie Gault
- Graham Vowell
- Burnis “Wild Bill” Wright
- Justin Gatlin
- Haley Augello
- Christian Coleman

Mr. Emendorfer announced that a new exhibit will be added for Motorsports. This exhibit will feature an Indy car donated by Mike Curb. Mr. Emendorfer concluded his report by stating that they are currently hosting 7 interns from various colleges such as, Middle Tennessee State University, Belmont, Vanderbilt, and University of Tennessee.

Consideration of an Amended and Restated Agreement between the Sports Authority and Nashville Downtown Partnership

Chairwoman Adkins recognized Ms. Fawknotsen, who gave an overview of the Nashville Downtown Partnership (“Partnership”). Ms. Fawknotsen stated that Mr. Russell Payne would give an update on the parking program and that following his report the Board will be asked to consider the amended and restated agreement. Mr. Payne, Vice President of Operations at the Partnership, stated that he oversees the shuttle program at Nissan Stadium. He stated that there are approximately 2,000 daily parkers with over 20 shuttles working four different routes. Mr. Payne reported that changes to the existing agreement include the use of 400 parking spaces in Lots R & T, an increase in shuttles, and the addition of a new route. The shuttles are also used for NDP’s “Best Ever Event Parking” program (BEEP). This program transports the Bridgestone Arena staff and patrons to the Arena and back to Nissan Stadium. In 2016, BEEP provided services for 120 events at the Arena. Not to mention, 13,494 passengers rode the shuttles, 13,554 cars parked at the Stadium, 16,484 people walked over the Pedestrian Bridge, and almost 30,000 people utilized the free parking through this program. Since inception (March 2010), BEEP has provided transportation for 729 events and shuttled 89,987 people. In 2016, the total number of riders and walkers increased by 67% from the previous year. In 2017, NDP has already sold 2,148 shuttle passes, about 1,000 more than 2013. BEEP participated in events such as:

- SEC Basketball Tournaments
- NCAA Women's Final Four
- NHL All-Star
- Stanley Cup Viewing Parties

In response to a question from Ms. Margaret Behm, Mr. Payne stated that the Partnership is a 501(c)(3) and has a contract with Metro to provide parking facilities. Revenue from their parking facilities supports the core routes during the day. For the BEEP program, they only charge what their direct costs are so no profit is being made.

Ms. Fawknorton reported that in 2014 and 2015, the Board approved two amendments to the original contract. The contract has been restated to include the amendments, while also incorporating the addition of Lots R1 and T to their route. Lots R1 and T are located to the North of the Korean Veterans Bridge (close to South 1st Street). Ms. Fawknorton additionally stated that she was approached by the Mayor's Office of Economic and Community Development and asked for assistance in finding parking for a corporate relocation to Nashville. Ms. Fawknorton noted that Sports Authority's parking contractor will still manage Lots R1 and T when there are special events at night or on the weekends. **Upon a motion duly made and seconded, the Sports Authority unanimously voted to approve the *amended and restated agreement between the Nashville Downtown Partnership and the Sports Authority.***

Chairwoman Adkins concluded by stating that the Nashville Sounds are back in season and invited all to attend a game. She also announced that Nissan Stadium will host two soccer games in July (Gold Cup on July 8th and the International Champions Cup on July 29th). The next scheduled meeting is on July 20th. Board member, Ms. Christie Wilson, thanked the Nashville Predators for their fantastic turn around during the Playoffs and making the Arena a wonderful destination for hockey fans.

There being no other business, the meeting was adjourned.