

Joint Meeting of the Sports Authority Board of Directors and the Board of Fair
Commissioners

Bridgestone Arena – Loyal Legion Meeting Room

Thursday, August 17, 2017 10:00 a.m.

Sports Authority Board of Directors Present

Kim Adkins, Chair

Cathy Bender, Vice-Chair

Christie Wilson, Secretary

Margaret Behm

Chuck Meriwether

Ralph Perrey

Rip Ryman

Catana Starks

Dudley West

Emmett Wynn

Khalat Hama

Lisa Howe

Board of Fair Commissioners Present

Ned Horton, Chair

Erin McAnally, Vice-Chair

Caleb Hemmer

Bonna Johnson

Jason Bergeron

Sports Authority Staff Present

Monica Fawknotson

Margaret Darby (Legal)

Fair Board Staff Present

Laura Schloesser

Susan Jones (Metro Legal)

Presenters and Guests

Mary Cavarra – MLS2Nashville Committee

Will Alexander– MLS2Nashville Committee

John Ingram– MLS2Nashville Committee

David Williams – Vice-Chancellor and Athletic Director, Vanderbilt University

Rich Riebeling – Chief Operating Officer from the Mayor’s Office

Introduction and Procedure

The Sports Authority/Fair Board Meeting was called to order by Chairwoman Kim Adkins. She stated that although there would be no action taken at the meeting the appeals process was at the top of the agenda. She welcomed the Fair Board and explained that the purpose of the meeting was to see a presentation from the MLS2Nashville Committee to bring a major league soccer expansion team to Nashville and to view possible stadium plans. She then introduced Mary Cavarra with the MLS2Nashville Committee. Ms. Cavarra stated that there were several presenters and then turned the meeting over to Will Alexander with the MLS2Nashville Committee.

Presentation from the MLS2Nashville Soccer Committee and Guests

Mr. Alexander started by thanking both boards for inviting them to speak. Chairwoman Adkins pointed out that this same presentation had been given to the Metro Council earlier in the week and Mr. Alexander confirmed that. He gave a brief overview of the MSL2Nashville Committee and its purpose and objectives. He talked about the sport of soccer and its popularity. He explained that 12 cities had applied for 4 expansion spots and that 2 teams would be awarded in December of 2017 and 2 more in 2018. He reported that this was the final expansion round for the league and then went over what the criteria of what the league was looking for. He finished his presentation by giving the strengths of Nashville as an expansion city and then introduced John Ingram as the lead investor, if Nashville were to be awarded a franchise.

Mr. Ingram thanked both boards for allowing them to speak. He then gave his ownership vision for the future of soccer in Nashville and reasons why he believed Nashville would be great for a soccer franchise. He added that soccer would help economic growth, help increase tourism, and because Nashville was so culturally diverse he felt soccer would thrive here. He stated that he had envisioned the stadium as a dual use facility for soccer and NCAA football and that Vanderbilt University was also possibly interested in playing at the potential stadium. He then asked Vice-Chancellor and Athletic Director of Vanderbilt University, David Williams, to speak to both boards.

Mr. Williams stated that Vanderbilt was always interested in opportunities that made Nashville even a greater city and added that Vanderbilt was very supportive of bringing an MLS soccer team here. He stated that, as the vision and plan of the stadium developed and progressed, Vanderbilt would be watching and would be interested in working with the ownership group to see if, in fact, there was a possibility for Vanderbilt to play football and soccer at that stadium. He explained that this was just exploratory at this time and that they would continue to assess that opportunity. If Vanderbilt University determined that it benefited the community, fans, and university then they would be open and happy to discuss further accommodations and partnerships. He thanked the boards for having him and gave the floor back to Mr. Ingram.

Mr. Ingram then re-introduced Mary Cavarra who was not only the CFO of Ingram Industries, but also project lead on the MLS efforts to give details about the proposed stadium. Ms. Cavarra reported that they had checked the box on two requirements which were: 1) ownership 2) market. They now needed to complete the task of the stadium work. She stated that they must secure financing and have a soccer plan intact. She explained that they had hired IKON Venue Group, who has had experience with doing soccer stadiums all throughout the country, to draft the stadium plans. She reported that the cost for stadiums across the country ran anywhere from

\$160 million (Orlando) to \$350 million (Los Angeles) with recent estimates from other stadiums running from the low to mid \$200 million price range. She stated that once they were able to get with Mayor Barry and her team about the details of what a private/public partnership would look like, they would be able to come back to both boards in about 30 to 45 days with more details. She reported that the Fairgrounds had been selected as the site and then went over the stadium site plan on the power points and gave the details of each slide. She finished by stating that they would soon be getting with the neighbors in the area and other interested groups to share more information and to obtain feedback. She then turned the meeting over to Mr. Rich Riebeling.

Mr. Riebeling thanked both boards for hosting the joint meeting and for working together on this project for the city. He stated that, while they didn't have all the answers, he felt it was good to get a discussion started in a positive way and to get a sense of the concept before getting into the details. He reported that monumental work had been done in a short period of time and that they must continue the fast pace to secure a franchise and get a stadium plan approved before the December meeting. He added that Mayor Barry would like for this to happen and that they believed the Fairgrounds was the right location. He explained that renovations for that property had already been started and that any plans for a stadium would include recommendations for funding for major renovations to the rest of the property which would be a win/win for both. He stated that they would be working on costs and how to pay for the stadium in the next few weeks and that they would get back with any information as it developed, hopefully in the next 30 – 45 days. He added that they must be fiscally responsible and minimize the impact to the city, which had lots of needs, as they moved forward and that it should be a transaction that made sense, not only to the city, but also to the ownership group. He then asked both boards if they had any questions.

Questions and Comments

- Several members of the Sports Authority Board expressed their interest in a women's soccer league and Ms. Behm asked Mr. Ingram to bring back some information on this if there was another presentation made before their board. Mr. Ingram stated that he would and added that it was his intent to have both.
- Commissioner Bergeron from the Fair Board asked about volume (use) projections beyond 2017 and also when Vanderbilt University would be making a decision about whether or not they would be interested. Mr. Ingram stated the he did not know projections yet but that he hoped some medium size concerts could occupy the stadium and it was his hope for the stadium to be an active facility. He said he did not know when Vanderbilt would be making a decision but that, hopefully, he would have some more answers soon.
- There were several questions about ticket prices, how many games, etc. Ms. Cavarra stated that the average ticket price was about \$30 but, of course, premium seating would be more. Mr. Riebeling stated that there were about 34 games a season, or 17 home games, and that the long season ran from March to October.
- Vice-Chair Bender from the Sports Authority asked what created the variety in stadium costs and what price range were they considering. Ms. Cavarra stated that stadium design, philosophy, and location were some of the factors in the costs of stadiums and, while they were still getting cost numbers together, they were NOT heading in the direction of the Los Angeles stadium (at \$350 million).

- Ms. Starks from the Sports Authority asked Mr. Ingram to get with the presidents of the other local universities to see if they were interested or had programs as well for the stadium use.
- Mr. Ryman from the Sports Authority asked how many acres the stadium site would be and Ms. Cavarra stated approximately 500,000 square feet. He also asked about how much the city was expected to spend and expressed his concern about the taxpayers. Mr. Riebeling stated that they were still working on those numbers and that the private/public partnership details still needed to be worked out. Mr. Riebeling then explained that, though things were still not finalized, they envisioned that the Fair Board (Metro), who owned the land where the stadium would sit, would lease the land to the Sports Authority. The Sports Authority would then issue revenue bonds for the cost of construction. He added that the Metro Council would have to sign off before the Sports Authority could issue these bonds. The Fair Board would have to agree on the lease. He stated that these were the basic order of steps and that this would all be brought before everyone before a decision would be made. He stated that the Fairgrounds would still have adequate space to keep all of the existing activities such as racing, events, etc. and these should not be impacted. The buildings would be restructured and reallocated but would have new, modern, and better usable space.
- Vice-Chair McAnally from the Fair Board asked about parking structures for the stadium and if any would be built on the property. Mr. Riebeling stated that because of cost there would probably not be any parking structures built but that the Fairgrounds had adequate parking space on the property, especially with the rideshare and transit capabilities. He added that he believed the new soccer practice fields could also be used for stadium parking.
- Ms. Howe from the Sports Authority complimented the MLS2Nashville Committee on their representation of the city and wonderful presentation to the Metro Council and stated that she was not a “believer” at first but was now definitely on board. She then asked if the IKON group chose the Fairgrounds site or did the committee pick that site. Mr. Riebeling stated that they told IKON that this was the site the committee had selected. He explained that the site met all the criteria with the location not being right down town, and with it being such a culturally diverse area it seemed a good convergence of this area with the Wedgewood Houston and Nashville areas. He added that if IKON had not liked the site then they would have considered other locations but that IKON felt the site was a good fit. Ms. Howe also asked if corporate sponsors came on board at the beginning or the end of a project like this and Mr. Riebeling answered that they could do either/both.
- Commissioner Hemmer from the Fair Board asked Mr. Riebeling about the bonds for both projects. Mr. Riebeling stated that the projects were two separate projects but that they would be done together. He stated that the stadium would be funded through revenue bonds through the Sports Authority and that the city would invest in the Fairgrounds property in conjunction with the development of the stadium. Commissioner Hemmer then asked that the committee/city be sure to keep Director Schloesser and Director Fawknorton involved and to make sure they are coordinating and communicating with both of them, especially as the Fairgrounds would have interruptions in existing operations and that people (vendors and promoters and staff) were nervous about these interruptions. Mr. Riebeling stated that they would be sure to coordinate with both parties and that there would be some impact but that in the end everyone would win. He reminded them that there was no immediate deadline to start construction so they would have some time to work out details later.
- Mr. Perry from the Sports Authority asked if the proceeds from the stadium bonds would go toward the Fairgrounds project also and Mr. Riebeling stated that the stadium bonds would

only go to the stadium and its footprint. He stated that the city would use general obligation bonds for the Fairgrounds as it does for its other assets across the city and, although there would be a lot of coordination between both, there would be two different bond structures for these projects.

- Commissioner Bergeron with the Fair Board wanted to make sure that, with the lease being between the Sports Authority and the MLS team, the Fair Board would have some sort mechanism to be involved and have a relationship with the MLS team. He stated that because of the long standing relationship with its stakeholders and long-time users at the Fairgrounds, he wanted to make sure the Fair Board would be able to work and coordinate with the MLS team, if needed, as they operate day to day with these vendors, promoters, racing community, Flea Market community, etc. Mr. Riebeling assured him that this had to be the case or that it (the arrangement) would not work and that they would have to work together. He added that they were trying to work out some of these details on the front end.
- Commissioner Hemmer with the Fair Board asked about what a typical management arrangement with Vanderbilt would look like. Ms. Cavarra stated that they did not have those details yet but stated that they should have them soon. Mr. Riebeling added that they envisioned that the lease would be between the MLS team and Vanderbilt and that they would be responsible for that part.

Meeting Adjourned

Chairwoman Adkins thanked everyone for all of their hard work and the positive tone that had been set. She introduced Monica Fawknorton, Executive Director of the Sports Authority, and Laura Schloesser, Executive Director of the Fairgrounds, and stated that they had already worked closely together. She added that the boards would give their support as the details were put together and that they would work to maintain that commitment to continue the process.

Chairman Horton stated that they would be getting lots of questions from the people that were interested in the Fairgrounds activities and property and that they looked forward to seeing how this all comes together. He then thanked everyone.

There being no other business, the meeting was adjourned.

Respectfully Submitted,

Kim Adkins, Chairwoman
Sports Authority Board of Directors

Ned Horton, Chairman
Board of Fair Commissioners