

## MINUTES OF THE MEETING

### METROPOLITAN AUDITORIUM COMMISSION

**MONDAY, DECEMBER 4, 2023**

**10:30AM NMA Meeting Room: Window Room**

PRESENT: Blake McDaniel, Adam Knight, Nancy Menke, Jerry Pentecost, Fletcher Foster, Taneisha Alexander-Harvey, Jackie Marushka, Don Harris

ABSENT: Juanita Traugher

GUESTS: Theresa Costonis, Attorney, Metro Legal Department; Angela Smith, Linda Chambers, Musicians Hall of Fame & Museum; Antoine Teeter, Tracey Rhodes, Darrin Howard, Municipal Auditorium

Pursuant to the provision 268030 the metropolitan code of laws please take notice that the decision of the Metropolitan Nashville Municipal Auditorium commission made the appeal to the chancery court of Davidson County for review under common law. Any appeal must be filed within 60 days after the entry of a final decision by the commission. Any person or other entity considering an appeal should consult with an attorney to ensure that time and procedural requirements are met.

**Mr. McDaniel:** Let's move on to the minutes. Has everyone had a chance to read over the minutes?

(brief discussion confirming that the minutes have been read)

**Mr. McDaniel:** Ok, I will entertain a motion to approve the minutes. (one motion made in the crowd). Alright, do we have a second? (second motion made in crowd). Alright, all in favor? Any opposed? (silence) Alright, the minutes have been approved. Public Comment Period.....does anyone like to say anything from the public? (silence). OK, we will move on to the Musicians Hall of Fame Museum Report.

#### **Musicians Hall Of Fame**

**Ms. Smith:** Good morning, everyone! I'm Angie. Musicians Hall of Fame; we are doing well. We've definitely hit our slow Tourism season, but we have some really nice events going on. One tonight that's happening is hosting a couple of the bars on Broadway. We've been entertaining them for several years now, we're always pleased to have them back. Not a lot going on; we are going to start putting something together for the unveiling of our Glen Campbell Exhibit that we just got from Glen's widow, Kim Campbell. It's looking really good, and we are excited to share that with the public and with you hopefully. Ringo Starr went well. I know a couple of you guys were there; it was wonderful. We also did our Inaugural Joe Chambers Musicians Legacy Award, which is a very appropriate award for Ringo Starr. We hope

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to continue doing things like that in between big Awards Shows. The last one was November 2022. We will try to have one maybe next year, and between the Legacy Awards. So that's exciting for the future. That's all we have. Thank you.....Oh oh!, I was going to send Don an email, as you know we're inking it very close to the 25<sup>th</sup> of last year was a horrible day. Water pipes burst and water flooded all of this area and the Musicians Hall of Fame downstairs, and we just want to make sure all precautions are made to keep the heat on, especially if we have these really cold days like last year. That would be much appreciated.

**Mr. Foster:** Angie, Don and I spoke about a heater in that area where the pipes froze....

(small talk regarding heater in area where bursting pipes were affected and the plans made with NES)

**Mr. McDaniel:** Alright anything else? Ok, let's move into Staff Reports

### **Municipal Auditorium (Staff Reports)**

**Mrs. Harvey:** I'll start with the Revenue. Right now we are, as far as revenue goes, we're on a slow start. We have thru October have \$206,890.00 as far as even revenue. We budgeted \$1,000,796.00 for events to come in, but we've surpassed that. We've projected to have \$2,000,000.00 in event revenue that will be the Auditorium's revenue coming in. Right now we're still at \$206,000.00. In expenses, however, we are within budget with expenses. We have expensed out \$861,000.00, so we're projecting to be within budget. Our budget is \$2.7Million, we're projecting to be within budget finishing out FY24.

**Mr. Harris:** And, for the rest of December, we're pretty slow. We have one event left in December. January, we're completely shut down. We're going to do the NES vault, which requires the removal of some of the concrete. This is the only entrance for the booms to enter the building, so we'll be unable to get the booms in to load-in events. It will take the month of January to get that restored. I talked to Darrin yesterday and we're full tilt February thru the rest of the year. We'll be very busy. We're working on the LED Lights in the arena bowl, replacing the old lights with new LED lights. We've done over half of them so far. It's a work in progress, but we're halfway done. This should really help on the utilities. We've got the new Open Gate MAGs which allows you to walk through without a bag check. We should be able to load events twice as fast as we are now. One of our biggest problems is the lack of space for additional MAGs. One Open Gate MAG is equal to three regular MAGs.

(After Mr. McDaniel asked for clarification of a "MAG". Mr. Harris explains the difference between the current Medal Detectors vs the new Open Gate Medal Detectors, compared to other venues that currently use Open Gates. After the Mag explanation, Ms. Smith asked if the work on the NES vault would affect the heating unit due to concerns with the work interfering with upcoming MHOF events. Mr. Harris stated that he didn't believe it would, but he would confirm and get back to them. Mr. Harris, after being asked, explains the process of how the Municipal Auditorium would serve as an overflow Homeless Station based on needs.

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**Mr. McDaniel:** Ok, is that it for the Staff Reports?

**Mr. Harris:** Yes

**Mr. McDaniel:** Alright, moving to New Business. Any new business?

**Mr. Harris:** No....no we covered that with the LED Lights and NES Vault.

(small talk)

**Mr. Harris:** And I apologize for our new commissioners. Do you want to explain to them....he said that he would have an update on Wednesday. For TVG....

**Mr. McDaniel:** Oh ok! So first, and forgive me for not doing this firsthand Nancy, we want to welcome you into our commission as well; new commission member, Nancy Menke. Welcome! TVG....we have been in the process of years of exploring a major renovation project with the Municipal Auditorium. It's been a vision of ours for a long time and for various reasons, whether it be pandemic or Administration changes, etc, we haven't been able to do it as quickly as we wanted to. We've had several groups come in and look at it, see if it's something they want to do or not do. We've recently had another group come in and has looked through the Auditorium itself, come up with some ideas, and is really wanting to give some of those ideas to us. Now, that being said, we will go through the regular process where we put out an RFP. Everyone will be invited to give their own ideas, deals, etc. But, knowing that there's somebody out there that can potentially be interested means that when we put an RFP out there, it won't just fall dead. So, that's kind of what we're hoping for. That being the case, Peter has been speaking with the group called The Venue Group (TVG) and representing them. And, as he said, I guess you will be coming to us, I guess at the next board meeting perhaps?

**Peter:** We'll try and do it before then, which is 2 months out. We're meeting with Bob Mendez on Wednesday. It is an unsolicited (???) joint venture with the city in revamping this building. They've got financial backing etc, so it's a question of whether the city development officer, Bob Mendez, is interested in pursuing that to the next level. They've got some renderings for what they'd like to do. It's an opportunity for the city to find a (???) partner that is willing to invest a large amount of money to restore this building to its original standard. A lot of work to be done; obviously this new administration (City of Nashville Mayor and his team) has only been in for about 60 days, and they're putting out a lot of fires and got a lot going on. There's some interest there, so hopefully after the meeting Wednesday, we'll have a clear path of what his schedule might look like. How interested city may be? They may be very interested or they may go "Time out! I got the East Bank to worry about," but who knows. Hopefully by the first of the year we will have a better view of what's next. TVG; you can look it up, The Venue Group, they're a rather large organization. They've got offices in Loudon, LA, Nashville, and Huntsville, where they recently partnered with the City of Huntsville to open an Amphitheater and it's

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extremely successful. They have a lot of horse power. They have a lot of love for music, so I think it's a good match. We'll know more soon.

**Mr. McDaniel:** That being said, I'd also like to say about 10 years ago, we started this idea, this vision. Municipal Auditorium was not very attractive place to do something like this. And, through the hard work of working with an outside promoter, having a preferred promoter agreement with Live Nation to start bringing in more shows in here. With Taneisha and Don jumping in and really doing a great job with the venue itself, we were able to get our ducks in a row and show that we are a viable revenue generating entity. We went 20 years where we were operating in the red and now, we're probably at year 7 operating in the black in profits? So, before we went to the city or anyone else, we wanted to make sure that we were a viable revenue generating entity. And we have done that, which is great, kudos to everyone involved with that. I also want to say, Musicians Hall of Fame coming in and helping to add visibility and credibility to this venue has helped significantly as well. At this point now, entities like The Venue Group or Oakview Group, or whoever else, who kind of dismissed us in the past are now looking and saying "wait a second, maybe there's something here after all!" So, that's great! Even though The Venue Group has kind of come knocking, doesn't mean they're going to get the deal, right? What it does mean is there's interest there and then with that interest, maybe the Oakview Group may come to the table, or AG may come to the table, who knows. We'll know that when we put the RFP out there and we invite proposals. So, that's where we are. We want to be very clear and transparent about all of that. As things progress, you'll be kept in the loop of course. Anything that comes to the table will have to be approved by the commission itself and, there you have it. Any questions?

(Question was asked by Ms. Marushka and a brief discussion took place regarding the RFP process with procurement, we well as the history of the venue and how the MHOF is an important aspect to display it's historic times)

**Mr. McDaniel:** Thank you for saying that! In the conversations over the last 10 years with these groups, we have actually pointed to the MHOF and said we love what they've done down there. We want to bring that vision up here as well, because it is about the history. They've done such a great job of curating history that we want to bring this into the venue as well. That, and also with this, once again I am trying to be transparent. In this scenario, we're trying to look 2-3 steps ahead. What that means, with the group coming in and doing the renovations, they're going to need to get a return on their investment, right? Part of that is coming in and doing some sort of management scenario. Now, they are going to look at additional ways of generating revenue outside of just concerts and events. That's part of their proposal that they're going to bring to us. With that too, they're going to want to man it and manage staff, and we have been very, very clear with them that we have staff here that are amazing, they are really good and have proven themselves. We will have to make sure they are taken care of properly, whatever that means. That's been a concern in the conversation that we've had and that will continue to be one as well. The people who are here running the venue has done an amazing job and they deserve to be treated well, so that's going to be a top priority as well.

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**Ms. Menke:** I just want to be sure I understand. So, you're saying that groups like TVG or whoever else it might be that will come in and do a re-envisioning, an overhaul? Would also want an ongoing role?

**Mr. McDaniel:** Yes, they would need an ongoing role. Because a private company like that coming in and putting \$20-\$30 million dollars into a venue, they're going to want some way to get their money back, which is understandable. That can be a variety of different sources; that can be through rental, that can be through ticketing revenue maybe, facility fees, they could perhaps build some sort of structure and rent that out as a store or something like that on the premises itself, and that can be another way to generate revenue from them in a way that we can't do that ourselves.

**Ms. Menke:** So a much bigger deal than just renovating?

**Mr. McDaniel:** Yes ma'am. Any kind of scenario we get into, we want to make sure this is a top-notch venue. We want this to always be something that's going to be a jewel to Nashville. It's already a jewel (???)

(small talk)

**Mr. McDaniel:** But again, nothing has been presented yet. We haven't even opened the floor for proposals yet, so we're still kind of in the (???) stages.

**Ms. Menke:** One last thing. Have you done some kind of (???) thing about this? Is there some sort of document that you are talking to groups about what you want, or are they coming to you?

**Mr. McDaniel:** They're kind of coming to us. They're coming to us. We haven't gotten that far. I think that will happen when the RFP, when we put that together.

(small talk regarding the RFP, as well as past and present conversations regarding different groups approaching with interest in the project)

**Ms. Smith:** I thought of one other thing. Is there any update on the State Garage that use to the Municipal's and potentially going back to the Municipal? Are they still moving it up the hill?

**Mr. McDaniel:** Oh I don't know anything about that. Ok, anything else?

**Mr. Harris:** They talking about moving it up the hill?

(small talk on how the proposal for moving the State Parking Garage was postponed)

**Mr. McDaniel:** If there are no further comments or questions, then we will call this meeting adjourned.