

Minutes: Meeting of the Metropolitan Government Board of Fair Commissioners  
Date: October 10, 2017 8:00 a.m.

On the above referenced date the October meeting for the Board of Fair Commissioners was held in Wilson Hall at the Fairgrounds. Those in attendance were Chairman Ned Horton, Vice-Chairman Erin McAnally, Commissioner Caleb Hemmer, Commissioner Bonna Johnson and Commissioner Jason Bergeron. Also present were Executive Director Laura Schloesser, Assistant Director Ken Sanders, Finance Officer Doug Peters, Metro Attorney Susan Jones, and Metro Attorney Jon Cooper. Jonathon Schneider with Commonwealth Development Group was also in attendance, as well as Mary Cavarra with the MLS2Nashville Committee.

The meeting was called to order at 8:01 and Chairman Horton read the Appeal Announcement. He then moved to the approval of the September meeting minutes. Vice-Chairman McAnally made a motion to approve and Commissioner Hemmer seconded the motion. All were in favor, there were no opposed and the minutes were passed.

Chairman Horton then moved to the approval of the August Joint Meeting minutes with the Sports Authority. Commissioner Johnson made a motion to approve, Vice-Chairman McAnally seconded the motion. All were in favor, there were no opposed and the minutes were passed. Chairman Horton then moved to the Public Comment time on the agenda.

There were several public comments. Chairman Horton then moved to the Financial Report with Finance Officer Doug Peters.

Mr. Peters gave a brief financial report. He then went over the preliminary State Fair numbers. Chairman Horton then moved to the Executive Director's Report.

Director Laura Schloesser reported that the staff had a full day off site retreat and that it went very well. She stated that they did a lot of team building and that HR came to talk to them, as well as Mayor Barry. She stated that she hoped that they could make this a regular event. Chairman Horton then moved to the Fairgrounds Improvement Project Update item on the agenda.

Jonathon Schneider reported that bridge repairs would be starting soon. Chairman Horton asked him to give them a quick recap of the improvement accomplishments and he went over what had already been done including assessments, demos, painting, bridge repairs, etc. There were a couple of questions and comments from the Board concerning the speedway and speedway restrooms. Mr. Schneider stated that it was his understanding that there was money that was supposed to be spent there at some point and that more information would come in due time. He stated that he would try to find out about that for the Fair Board. Chairman Horton then moved to the MLS Stadium Plan item on the agenda.

Commissioner Johnson asked Mr. Jon Cooper with Metro Legal if the Fair Board was able to issue bonds themselves instead of giving their authority to the Sports Authority. Mr. Cooper stated that it was legal's opinion that the Fair Board did NOT have the authority to incur debt on their own. He added that the Sports Authority had the right to issue debt under State Law when authorized by the local legislative body. Metro Attorney Susan Jones stated that there had been some discussion as to whether there was a reversionary interest or clause that would impact the Fair Board's ability to do a stadium and she stated that Metro Legal did NOT believe there was reversionary interest. She stated that they had studied both the Public Act and the Private Act and also the deeds. She reported that they reviewed the deeds from 1896, 1906, 1911, 1925, and 1947 and found no reversionary interest included in the deeds. She stated that there were no clauses in terms of reversionary interest in the Private Act of 1923. However, in the 1909 Public Act there was a clause that referenced a reversionary interest. In that particular act any property that was acquired by Davidson County and, subsequently, leased to the State of Tennessee for the purpose of a fair-if the State of Tennessee did not hold a fair on that property that was leased to them for that purpose, then the property would revert back to Davidson County (the donor). Therefore, any reversion interest that was held on this land would be by Davidson County, now Metro. She stated that she hoped this would clear things up a bit and address any concerns that the Board might have. She stated that the Board would certainly be bound by the Charter provisions. She added that she could tell them the names of what families were listed over the years from each deed but that the Raines family was not mentioned and proceeded to tell them the names listed on the deeds.

Commissioner Johnson asked about public housing and whether or not it would be an acceptable use for the Fairgrounds property. Mr. Cooper stated that the Charter Amendment that was adopted in 2011, while requiring to keep the existing uses, did not prohibit new uses for the property and that there was nothing to prohibit housing on this site, although it would be subject to rezoning. He added that the Board did have the authority to allow additional uses on the property.

Commissioner Hemmer asked Mr. Cooper to explain about the resolution and the 10 acre development. Mr. Cooper stated that the Board had been asked to adopt a memorializing resolution, which was non-binding, to show support and intent so that when the Council voted they would know whether or not the Fair Board was supportive of the concept. Everything would come back to the Fair Board at some point for approval.

There were other questions and some discussion about the 20 public use dates, the bonds and why they were split up, stadium rentals for non-soccer uses and agreements, parking revenues from team events, concerns about not having lease agreements yet and having to have MLS approval for certain events, etc.

Commissioner Bergeron asked Mr. Cooper that if they approved/memorialized any resolution today “as is”, this would not include the Fair Board as a party, so what would be the binding effect. Mr. Cooper stated that there would be no binding effect for memorializing at all. At this point, Chairman Horton suggested that they have a motion and a second so that they could discuss. Commissioner Hemmer then made a motion stating, “*I make a motion to approve for purposes of discussion for the MLS resolution.*” Commissioner Johnson seconded the motion. There was a question about the time line and a discussion about the 10 acres and “new uses.” Mary Cavarra with MLS2Nashville stated that at this point there were no specifics yet since they had not been awarded a team and that they could not be awarded a team without a stadium plan. There was a discussion about possible uses and ideas for the development and other stadium uses.

Chairman Horton then read part of the proposed resolution (see attached) concerning the 10 acres of development property. Mr. Cooper stated that there was a provision in the resolution that gave the Board Chair the authority to negotiate on behalf of the Board but that it would be subject to Board approval. He explained that there would be a ground lease with the Sports Authority and that the Fair Board would have to approve that as well. And, if the Fair Board would like to approve the team operating lease, that would come before the Fair Board also. He added that any private development of the Fairgrounds would have to be approved by the Board.

Commissioner Bergeron then asked Director Schloesser to communicate to Mayor Barry that the Fair Board would like to be a part of the team operating lease as well. Chairman Horton then stated that he would like to amend the motion that was on the table and stated that, “*I would propose an amendment to the paragraph of the resolution read to include language such as this: negotiating in good faith regarding the additional development of up to 10 acres of the Fairgrounds property and in guidance with the ongoing intended uses of the facility (entire Fairgrounds).*” Commissioner Bergeron seconded the motion to discuss and there was a brief discussion. After the discussion the Board decided to amend the motion and Commissioner Bergeron made an amendment to the recital clause stating, “*I make a motion stating I would propose an amendment to the paragraph of the resolution read to include language such as this: negotiating in good faith regarding the additional development of up to 10 acres of the Fairgrounds property, consistent with the mission and ongoing uses of the facility.*” Commissioner Hemmer seconded the motion. There was more discussion and the motion was amended again by Commissioner Bergeron to say, “*up to approximately 10 acres.*” Chairman Horton seconded the amendment. There was more discussion and Mr. Cooper clarified that, under State Law, the Metro Council could rezone the property without the Fair Board’s input but that the Board would have to approve the transfer and development.

Vice-Chairman McAnally asked Mr. Cooper if they did memorialize this today, then how would it come back to the Board. Mr. Cooper stated that Board would have to authorize the transfer or lease of the property to the private developer. There was some more discussion and a few more questions. Chairman Horton then asked for a vote on the motion on the table to change the language only from the Board. Commissioner Bergeron read the motion and language again for the Board. Chairman Horton, Vice-Chairman McAnally and Commissioner Bergeron voted, “*Aye*”, Commissioner Hemmer voted, “*Nay*”, and Commissioner Johnson abstained from voting. The motion was passed. Chairman Horton then moved back to the general discussion about the resolution.

Some of the Board expressed their concern over some of the financial questions and parking and traffic issues that still needed to be addressed in the future. Commissioner Johnson asked about taxes generated from the private development/property tax and Mr. Cooper explained that a significant portion would be appropriated to a reserve fund specifically for Fairgrounds capital improvements. The Mayor would recommend this to the Council and the Council would have to approve this. He stated that the property tax would be taken care of by a lease hold tax. There were a couple of other questions and then Chairman Horton asked for Mr. Cooper to describe the resolution and its role before the Board voted.

Mr. Cooper explained that the resolution was not legally required but that it provided the Council some understanding regarding where the Fair Board stood conceptually. It was a request to the Council, subject to all of the conditions in the resolution, to authorize the Sports Authority to issue debt and for the Council to take some action-much like a pre-approval which had been requested by MLS.

Chairman Horton then called for a vote on the resolution. All were in favor, there were no opposed, and the motion was passed. Chairman Horton then moved to the State Fair Update item on the agenda.

Scott Jones, Fair Manager for the Tennessee State Fair Association (TSFA) gave a quick update on the Fair. He stated that paid attendance was up a little and that all went well over all. He reported that there were no incidents with the rides and no major security issues.

Commissioner Hemmer made a motion to adjourn. Commissioner Johnson seconded the motion. All were in favor and the meeting was dismissed.

Respectfully submitted,

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Ned Horton, Chairman

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Laura Schloesser, Executive Director