

METROPOLITAN BOARD OF PARKS AND RECREATION

MINUTES OF CALLED BOARD MEETING December 12, 2008

A called meeting of the Board of Parks and Recreation of the Metropolitan Government of Nashville and Davidson County, Tennessee was held on Friday, December 12, 2008 at 4:00 pm in the Director's Conference Room of Metro Parks, 511 Oman Street, Nashville, TN. Board members present were: Mr. Stan Fossick, Justice A. A. Birch, Jr., Mr. James Lawson, Ms. Ivanetta Davis Samuels, Ms. Tonya Jones and Ms. Karen Johnson. Mr. Lamont Carter was not in attendance.

Staff present were: Assistant Directors: Mr. James Gray/Finance and Administration, Mr. Curt Garrigan/Planning and Facilities, Ms. Jackie Jones, Superintendent of Community Affairs; **Ms. Theresa Costonis, Metro Government Legal Counsel** to Metro Parks, **Ms. Sue Cain, Director of the Metro Legal Department** and Mr. Hershell Warren, representing the Mayor's office.

MFP Baseball Club LLC representatives present were: Mr. Jim Murphy, legal representative and Mr. John Triggs, advance scout.

12-08-09

BOARD APPROVES EXTENSION OF PROPOSED GREER STADIUM LEASE

Upon motion of Mr. Lawson, seconded by Justice Birch, the board approved the extension and assignment of the Greer Stadium lease to the proposed new owners of the Nashville Sounds (MFP Baseball LLC) who have pledged to make 1 to 2 million dollars in improvements to the stadium in 2009 - \$500,000 of which will come from the current owner (Nashville Sounds Baseball Club LP).

The improvements include: repairs to the scoreboard, completely upgrading bathroom facilities, and the repair and replacement of stadium seats. The assignment of the lease will end all rights and interest of the current owner. Major and minor league baseball associations have yet to approve the new ownership, but MFP is hopeful that the approval will be completed by the end of January. Other main points of proposed lease are:

1. Ownership of Team Issue:

- Metropolitan Government has given notice to the current owner Nashville Sounds Baseball Club, L.P., ("NSBC") of its default under the current lease.
- The current lease expires on December 31, 2008.
- The extension extends the term only until February 28, 2009, if the sale does not occur and NSBC retains ownership.
- If the change of ownership does not occur by February 28, 2009, the current lease will terminate on that date and Metropolitan Government would have all its rights to pursue the NSBC for the defaults.

12-08-09 (con't.)

BOARD APPROVES EXTENSION OF PROPOSED GREER STADIUM LEASE

2. **New Owners with New Lease:**

- **Term:** Five years through December 31, 2013.
- **Rent:** Same as current lease based upon a percentage of Net Income. For purposes of determining Net Income:
 - Do **not** consider management fees, expenses of developing a new stadium, or amortization of goodwill, start-up costs, or intangibles.
 - Do consider capital expenses for refurbishment, maintenance and repairs amortized over the life of the lease.
 - May carry forward losses.
- **Shared Expenses:** Other than Metropolitan Government contribution to capital expenditures, MFP responsible for all expenses.
- **Metropolitan Government Obligation:**
 - \$250,000 for 2008.
 - As long as MFP averages \$500,000 per year in capital expenditures, Metropolitan Government will contribute \$250,000 per year for capital expenditures.
- **MFP Obligations:**
 - Spend \$1,750,000 in 2009 for the refurbishment of stadium. As in exhibit B of lease \$250,000 comes from 2008 Metropolitan Government fund and \$500,000 from NSBC.
 - Maintain stadium in compliance with all laws and with all requirements of baseball.
 - Pay all property taxes.
 - Use the name "Nashville" in the name of the team and play all games at stadium.
 - Provide insurance coverage and pay all utilities.
- **Termination for Convenience:** MFP may terminate to move to a new ballpark in Davidson County with a 10 year commitment to play AAA games there or, if the use is not economically feasible at Greer Stadium, to move to another location in Davidson County for the term of the lease.
- **Metropolitan Government Rights:** Metropolitan Government may use the stadium for other events so long as it does not interfere with MFP's use.

12-08-09 (con't.)

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2. New Owners with New Lease:

- **Release:** Mutual releases between Metropolitan Government and NSBC if the deal closes except that NSBC retains liability for any environmental problems from its use of the property, if any.

With there being no further business, the meeting was adjourned.

Mr. Roy E. Wilson, Director

Mr. Stan Fossick, Chairperson