



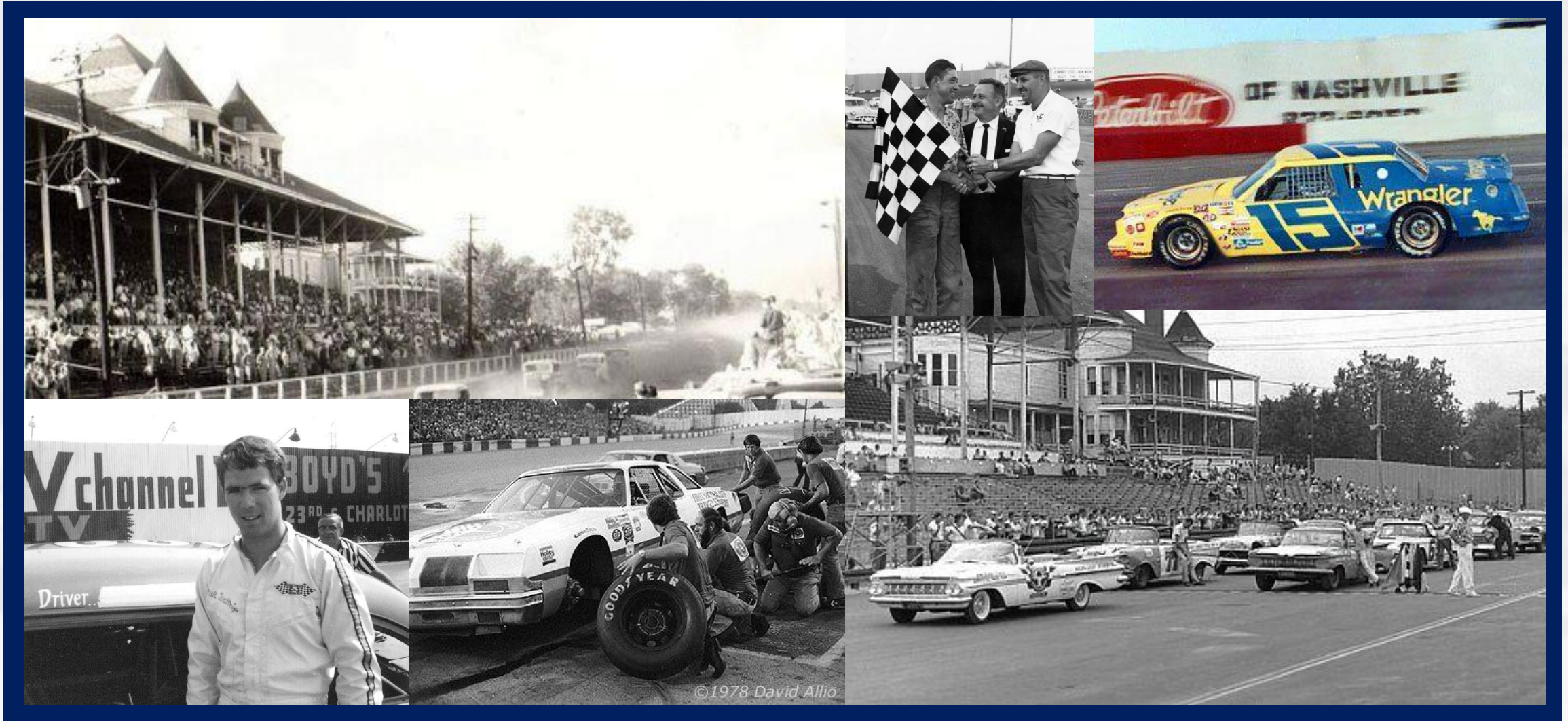
NASHVILLE

— FAIRGROUNDS —

SPEEDWAY

NFS HISTORY

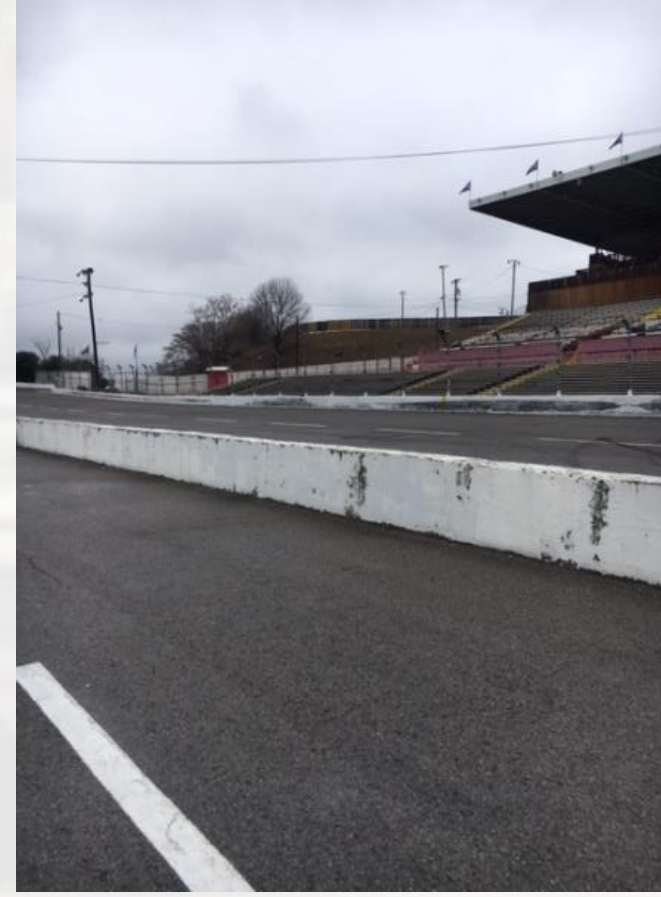
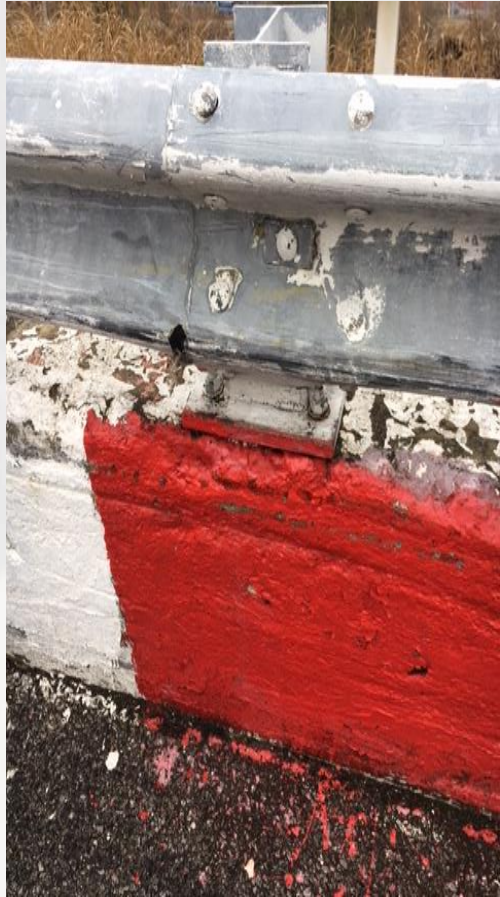
Nashville Fairgrounds Speedway is the second longest continuously operating racetrack since 1904.



NASCAR raced at the Fairgrounds from 1958-1984 with Tennessee legends.

CURRENT FACILITY

Since NASCAR's departure over 35 years ago, very few improvements have been made.



UNREALIZED POTENTIAL

- **Smaller operations, limited revenue**
- **2011 Metro Referendum: 71% support to maintain Speedway, Fairgrounds uses**
- **Metro owns and has a legal obligation to maintain the facility and ensure racing continues.**
- **Revenues from the Speedway have not been sufficient to cover the maintenance and operating cost, resulting in a financial drain on taxpayers.**
- **Facility in steep decline while the city makes major investments in Fairgrounds campus**
- **Other Metro priorities leave no revenue for basic maintenance or capital needs**
- **Until now, no plan for one of the key components of the overall Fairgrounds campus**

SPEEDWAY MOTORSPORTS LLC

- Speedway Motorsports is a leader in the industry for building and maintaining facilities that give back to communities.
- Speedway Motorsports owns and/or operates 12 NASCAR tracks across the country.
- Speedway Motorsports was founded in 1959 and has continuously operated and grown for 63 years



SPEEDWAY MOTORSPORTS



OVERVIEW OF PARTNERSHIP

- **30-year lease term by Bristol Motor Speedway**
- **BMS oversees renovation & assumes daily operations**
- **BMS will coordinate other uses of the facility with the Fair Board:**
 - **Local racing**
 - **Regional fair**
 - **Flea market**
- **BMS commits to hosting a NASCAR Cup race every other year on average**
- **BMS will cooperate with other Fairground stakeholders for event scheduling**
- **Renovations will be funded through a combination of a grant from the state of Tennessee, a grant from NCVC, BMS investments, and revenue bonds issued by the Sports Authority**
- **The revenue bonds will be repaid by a combination of guaranteed rent payments and revenue generated by the use of the facility**

BUSINESS MODEL

Provide a multi-faceted venue with a wide array of event and revenue potential:

- Community Events
- Business Partnerships
- Product Launches
- Special Convention Events
- Racing Events
- Music Concerts & Festivals
- Monster Truck Events
- Supercross Events
- Exotic Car Events & Car Shows
- Driving Schools



PROVEN APPROACH



CORPORATE EMPLOYEE EVENT



CORPORATE PRODUCT EXHIBIT



CAR SHOW



AUTOMOTIVE MANUFACTURER EVENT



TV SHOW FILMING



MUSIC EVENT

An aerial architectural rendering of a large stadium complex. The stadium is filled with a dense crowd of spectators. The infield area is filled with colorful race trailers and various structures. A large video board is visible on the left side of the stadium. A sound wall runs along the top edge of the seating bowl. A tunnel connection leads from the stadium to an adjacent building. The stadium is surrounded by greenery and a road with a crowd of people.

SOUND WALL

VIDEOBOARD

ENHANCED INFIELD

25K - 30K STADIUM CAPACITY

FLEXIBLE 25K SF BUILDING

TUNNEL CONNECTION TO EXPO

RENOVATION FUNDING

<u>Description</u>	<u>Up Front</u>	<u>Guaranteed Revenue & Sponsorship</u>
State Grant	\$17,000,000	
NCVC	\$17,000,000	\$19,500,000
Bristol	\$4,000,000 + overruns	\$58,749,577
Revenue Bonds	\$ TBD	
Total:	\$ TBD	\$78,249,577

GUARANTEED REVENUE STREAMS W/ SPONSORSHIP

- BMS pays annual rent of \$1,000,000 per year with a 1% escalator
- BMS pays additional guaranteed payment to Fair Board
- NCVC pays \$650,000 per year for use of facility for 20 days
- BMS pays first \$600,000 of sponsorship revenues with a 1% escalator

TOTAL GUARANTEED REVENUES:

2024-2053 Total BMS	Total BMS Fair Board	Total NCVC	
Rent Payment: \$34,784,892	Guaranteed Payment: \$3,093,750	Payment: \$19,500,000	\$57,378,642

With Sponsorship revenues, the total of guaranteed revenues is **\$78,249,577**

CSL REVIEW

- **In late 2021, Metro engaged CSL Consulting to review the financial projections in the percentage rent and tax collection categories associated with the project**
- **CSL provided a very conservative perspective on the financial projections**
- **Following that report, the parties renegotiated several key terms**
 - **Increased BMS guaranteed rent payment**
 - **NASCAR race every two years (instead of every three)**
 - **Reduced use of entire property from four weeks to three**
- **The financial model illustrated for these categories reflects the conservative CSL projections**

EVENTS USED FOR REVENUE PROJECTIONS

- **10 Race Weekends (same as current)**
 - **NASCAR Cup/All-Star every two years (paired with Xfinity Series)**
 - **NASCAR Xfinity paired with NASCAR Truck series on non-cup years**
 - **4 Regional Races (including AA400, NASCAR Truck/ARCA, SRX, etc.)**
 - **5 Local Races**
- **20 Test/Practice Days (reduction from current 25)**
- **2 Music Events**
- **1 Monster Truck/Thrill Show**
- **Holiday Event Days**
- **1 Car Show**
- **75 Private Event Days**

PERCENTAGE RENT AND USER PAID REVENUES

<u>Fiscal Year</u>	<u>5% Gross Revenue Share</u>	<u>Food & Beverage</u>	<u>Facility Sponsorship</u>	<u>Ticket Tax</u>	<u>Sales Tax</u>	<u>Total \$</u>
2024	\$609,385	\$201,134	\$600,000	\$1,142,375	\$1,975,824	\$4,528,718
2025	\$609,385	\$201,134	\$606,000	\$1,020,375	\$1,522,172	\$3,959,066
2026	\$634,004	\$205,157	\$612,060	\$1,156,126	\$2,015,341	\$4,622,688
2027	\$634,004	\$209,260	\$618,181	\$1,034,126	\$1,552,615	\$4,048,186
2028	\$659,617	\$213,445	\$624,362	\$1,170,433	\$2,055,648	\$4,723,505
2029	\$659,617	\$217,714	\$630,606	\$1,048,433	\$1,583,667	\$4,140,037
2030	\$686,266	\$222,068	\$636,912	\$1,185,318	\$2,096,761	\$4,827,325
2031	\$686,266	\$226,510	\$643,281	\$1,063,318	\$1,615,341	\$4,234,716
2032	\$713,991	\$231,040	\$649,714	\$1,198,787	\$2,138,696	\$4,932,228
2033	\$713,991	\$235,661	\$656,211	\$1,076,787	\$1,647,648	\$4,330,298
2034	\$742,836	\$240,374	\$662,773	\$1,211,586	\$2,181,470	\$5,039,039
2035	\$742,836	\$245,182	\$669,401	\$1,089,586	\$1,680,601	\$4,427,606
2036	\$772,847	\$250,085	\$676,095	\$1,224,901	\$2,225,099	\$5,149,027
2037	\$772,847	\$255,087	\$682,856	\$1,102,901	\$1,714,213	\$4,527,904
2038	\$804,070	\$260,189	\$689,685	\$1,238,754	\$2,269,601	\$5,262,299
2039	\$804,070	\$265,392	\$696,581	\$1,299,118	\$1,748,497	\$4,813,658
2040	\$836,554	\$270,700	\$703,547	\$1,469,762	\$2,314,993	\$5,595,556
2041	\$836,554	\$276,114	\$710,583	\$1,317,262	\$1,783,467	\$4,923,980
2042	\$870,351	\$281,637	\$717,688	\$1,488,639	\$2,361,293	\$5,719,608
2043	\$870,351	\$287,269	\$724,865	\$1,336,139	\$1,819,136	\$5,037,760
2044	\$905,513	\$293,015	\$732,114	\$1,504,263	\$2,408,519	\$5,843,424
2045	\$905,513	\$298,875	\$739,435	\$1,351,763	\$1,855,519	\$5,151,105
2046	\$942,096	\$304,852	\$746,830	\$1,520,494	\$2,456,689	\$5,970,961
2047	\$942,096	\$310,949	\$754,298	\$1,367,994	\$1,892,629	\$5,267,966
2048	\$980,157	\$317,168	\$761,841	\$1,537,381	\$2,505,823	\$6,102,370
2049	\$980,157	\$323,512	\$769,459	\$1,384,881	\$1,930,482	\$5,388,491
2050	\$1,019,755	\$329,982	\$777,154	\$1,554,191	\$2,555,940	\$6,237,022
2051	\$1,019,755	\$336,582	\$784,925	\$1,401,691	\$1,969,091	\$5,512,044
2052	\$1,060,953	\$343,313	\$792,775	\$1,564,864	\$2,607,058	\$6,368,963
2053	\$1,060,953	\$350,180	\$800,702	\$1,412,364	\$2,008,473	\$5,632,672
Total:	\$24,476,790	\$8,003,580	\$20,870,935	\$38,747,612	\$60,492,306	\$152,318,223

TOTAL REVENUES TO SUPPORT RENOVATION

Construction Grants & Investment \$38,000,000

Guaranteed Revenues \$78,249,577

Percentage Rent & User Paid Revenues \$152,318,223

Total \$268,567,800

ADVANTAGES

- **Beautifully restores a historic Nashville landmark into the first-class facility Nashville deserves**
- **Completes the overall improvement of the Fairgrounds campus**
- **Improves community quality of life by significantly reducing noise from racing events**
- **Financially beneficial for the city by turning an underperforming asset into a revenue-generating facility with strong economic impact**
- **Shifts economic burden for maintenance and operation to a private business and away from Metro taxpayers**
- **Creates jobs and economic growth in construction and tourism industries**
- **Restores top level racing events to Nashville**
- **Strengthens the surrounding community through community partnerships**



NASHVILLE FAIRGROUNDS SPEEDWAY

FAIRGROUNDS SPEEDWAY

NASHVILLE FAIRGROUNDS SPEEDWAY

GATE 1