MINUTES OF THE 1st MEETING OF THE CONVENTION CENTER AUTHORITY OF THE METROPOLITAN GOVERNMENT OF NASHVILLE & DAVIDSON COUNTY

The 1st meeting of the Convention Center Authority of the Metropolitan Government of Nashville and Davidson County (CCA) was held on October 14, 2009 at 9:00 a.m., in Room 203 at the Nashville Convention Center (NCC), Nashville, Tennessee.

AUTHORITY MEMBERS PRESENT: *Mark Arnold, Marty Dickens, Darrell Drumwright, Ken Levitan, Vonda McDaniel, Willie McDonald, Luke Simons, Mona Lisa Warren, Leo Waters

AUTHORITY MEMBERS NOT PRESENT:

OTHERS PRESENT: Mayor Karl Dean, Councilman Erik Cole, Larry Atema, Rich Riebeling, Charles Starks, Barbara Solari, Greg Hinote, Mark Sturtevant, Heidi Weigel, Leigh Anne Hagar, Butch Spyridon, Ralph Schulz, Tom Cross, Bill Phillips, and News Channel 5

The meeting was opened for business by Rich Riebeling, Metro Director of Finance, who introduced Mayor Karl Dean. Mayor Dean thanked everyone for their commitment to the city and undertaking this very important project.

Rich Riebeling then noted the Appeal of Decisions.

ACTION: Appeal of Decisions from the Convention Center Authority of the Metropolitan Government of Nashville and Davidson County – Pursuant to the provisions of § 2.68.030 of the Metropolitan Code of Laws, please take notice that decisions of the Convention Center Authority may be appealed to the Chancery Court of Davidson County for review under a common law writ of certiorari. These appeals must be filed within sixty days after entry of a final decision by the Authority. Any person of other entity considering an appeal should consult with private legal counsel to ensure that any such appeals are timely and that all procedural requirements are met.

Mr. Riebeling stated that the first order of business based on state law would be the election of officers and asked for nominations for Chairman.

ACTION: Leo Waters made a motion to nominate Marty Dickens as Chairman. The motion was seconded by Willie McDonald. With no other nominations or discussion, by acclamation the nomination was approved by the authority.

Chairman Marty Dickens then asked for nominations for Vice-Chair. Darrell Drumwright was nominated, but declined.

ACTION: Leo Waters made a motion to nominate Vonda McDaniel as Vice-Chair. The motion was seconded by Luke Simons. With no other nominations or discussion, by acclamation the nomination was approved by the authority.

There was discussion regarding the position(s) of Secretary and Treasurer being separate or combined. Chairman Dickens then asked for nominations for Secretary/Treasurer.

ACTION: Luke Simons made a motion to nominate Mona Lisa Warren as Secretary/Treasurer. The motion was seconded by Leo Waters. With no other nominations or discussion, by acclamation the nomination was approved by the authority.

* Denotes arrival of Mark Arnold

At this time Charles Starks, Executive Director of the Nashville Convention Center was introduced. (Attachment #1) Mr. Starks shared information about the current convention center and the differences between the old and proposed center. He also reported on the interest of clients in a new center and work that has already been done.

Next, Larry Atema, Project Manager, was introduced. (Attachment #1) Mr. Atema shared information about the cost, project development, and plans for Korean Veterans Boulevard.

Rich Riebeling then shared information about the hotel development team, location, scope, sources of funding, and financing notes. (Attachment #1)

The Authority discussed topics for future meetings and a proposed meeting schedule through the end of the calendar year.

With no additional business Leo Waters made a motion to adjourn, with no objection the CCA adjourned at 10:50 a.m.

Respectfully submitted,

Charles L. Starks
Executive Director
Nashville Convention Center

Approved:

Marty Dickens, Chairman
CCA 1st Meeting Minutes
Of October 14, 2009

Convention Center Authority

Wednesday, October 14, 2009

Music City CENTER

Appeal of Decisions

Appeal of Decisions from the Convention Center Authority – *Pursuant to the provisions of § 2.68.030 of the Metropolitan Code of Laws, please take notice that decisions of the Convention Center Authority may be appealed to the Chancery Court of Davidson County for review under a common law writ of certiorari. These appeals must be filed within sixty days after entry of a final decision by the Authority. Any person of other entity considering an appeal should consult with private legal counsel to ensure that any such appeals are timely and that all procedural requirements are met.*

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Election of Officers

- **Chair**
- **Vice-Chair**
- **Secretary/Treasurer**

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Lost Business

299 Pieces of Business have been lost through August 2009 due to the size of the current Convention Center.

This has resulted in the loss of over 1.3 million total room nights and $565,000,000 in Economic Impact.

Music City CENTER

Comprehensive Plan Developed/Established

- **Meeting Planner Focus Groups – Washington, D. C. and Nashville**
- **100+ Community Meetings**
- **17 Programming/Scope Meetings**

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New Center vs. Current Center

New Center	*Current Center*
• 1.2 Million gsf	• 475,000 gsf
• Minimum 350,000 sf of Exhibit Space	• 118,675 sf of Exhibit Space
• 57,500 sf Ballroom	• One (1) Ballroom – 11,000 sf
• 18,000 sf Junior Ballroom	• 25 Meeting Rooms
• 55-60 Meeting Rooms (90,000-100,000 sf)	• Ranked 122nd Nationally in Exhibit Hall sf
• 1,800 Space Parking Garage	• Competes for 20-25% of Market
• Ranked 40th Nationally in Exhibit Hall sf	
• Will Compete for 70-75% of Market	
• LEED Silver Certified	
• 175,000 sf Green Roof	

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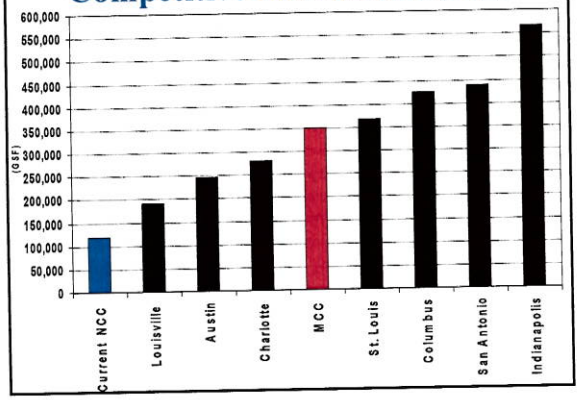
Competitive Set Exhibit Halls



Business Booked

- First Convention – February 2013
- Examples of Additional Conventions Already Booked
  - American Trucking Association
  - Hearth, Patio & Barbecue Association
  - Southern Baptist Convention
  - Academy of General Dentistry
- Resulting in over 220,000 Room Nights Booked

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Operating Proforma

- Operating Budgets Developed
- Staffing Plan Established
- Marketing of Center Underway, Including Ads in Industry Publications

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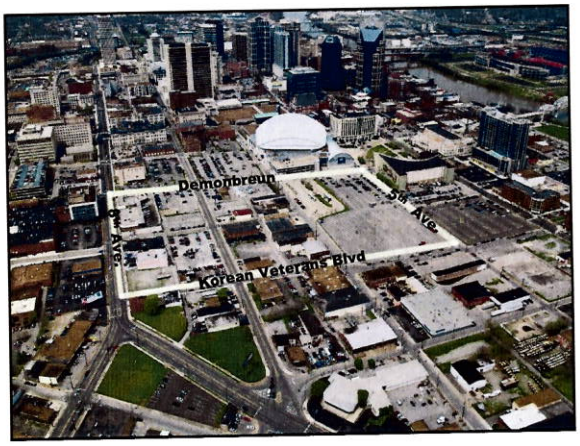

Cost to Construct Music City Center

$585,000,000

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Project Development Status

- Project Team in Place – Project Managers, Architects, Engineers & Contractors
- 15.9 Acres of Land Being Purchased (45 Parcels, 17 Owners)
- Design – 50-60% - 1,800 Pages of Drawings to date
- Preliminary Construction Estimate Ongoing

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Project Development Status

- Demolition of Existing Structures and Utility Relocation Planning and Bidding Underway
- Construction Period – 30-36 Months
- Minority Participation, Health & Safety, and Insurance Programs Established

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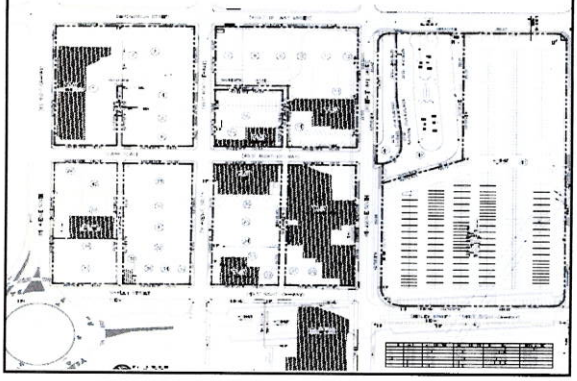
Parcel Map



Korean Veterans Boulevard – Features

- 4-Lane Boulevard
- Large Roundabout
- Turn Lanes
- Bike Path

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Korean Veterans Boulevard – Location/Funding

- 4th Avenue to 8th Avenue
- Tennessee Department of Transportation
- Metro Public Works

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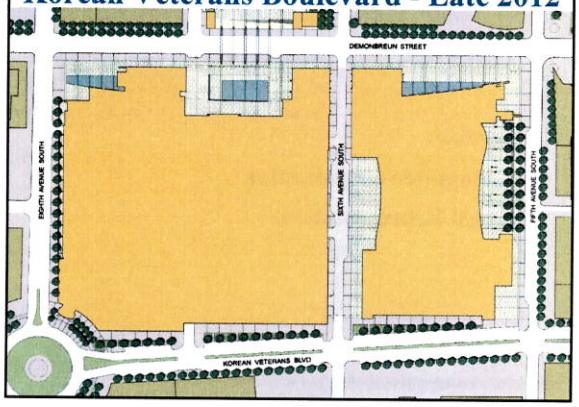
Korean Veterans Boulevard - Late 2012



Hotel Development Team

- Phelps - Portman: Hotel Developer
- Marriott International: Hotel Manager
- Marriott Marquis Brand:
  - Nashville to be 4th in the world
  - New York & Atlanta – Open
  - Washington, D.C. – Being Developed

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Hotel – Location

- Between 4th and 5th Avenues
- Adjacent to Country Music Hall of Fame
- Approximately 2 Acres

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Hotel – Scope (approximately)

- 700 - 1,000 Rooms
- 20,000 - 40,000 sf of Meeting Rooms
- 20,000 sf of Food & Beverage Outlets
- 10,000 sf of Retail Space
- Pool/Health Club Facilities
- Parking – 500 Cars

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Sources of Funding/Repayment of Debt

- 3 cents of current 6 cent Hotel/Motel Tax
- $2 Convention Center Fee (per room/per night county-wide)
- Car Rental Tax at 1%
- Airport Ground Transportation Departure Fee of $2
- Future Tourism Development Zone
- Re-direction of State Sales Tax Revenues Generated within Music City Center Campus
- Municipal Bonds

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Financing Notes

- Current Convention Center – No Debt
- No General Fund Money (i.e., property tax) has been or will be used for debt, capital, or operations
- Metro Council Vote Needed to Authorize Bonds
- Sale of Bonds Targeted for February 2010
- Multiple Financial Consultants Reviewing Plans

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Major Topics for Future Discussion

- Operating P&L
- Hotel Team
- Convention Center Construction Team
- Demand for Convention Center
- Revenue & Financing Issues
- Infrastructure

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Internal Workings of Authority

- By-laws
- Committee Organization
- Legal Representation

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Proposed Meeting Schedule

- **Dates**
  - **Thursday, October 29th**
  - **Thursday, November 12th**
  - **Thursday, November 19th**
  - **Thursday, December 3rd**
  - **Thursday, December 17th**
- **Time: 9:00am – 11:00am**
- **Location: Convention Center**

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Convention Center Authority

Wednesday, October 14, 2009

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