

TO: Members of the Blue Ribbon Commission

FM: Emily Evans

RE: Tourism analysis

(Note: Due to a personal issue, Emily Evans is unable to attend the January 13 meeting. She asked the following be communicated to the commission members.)

The project we have assigned the working title of "Making Nashville's Tourism Economy Work for Everyone," I believe breaks down into these major components for analysis:

1. Revenue Streams. We have a series of revenue streams dedicated to downtown and tourism. We discussed and highlighted those in the first BRC report. They include, but are not limited to, the CBID add-on, the 6% levy on hotel rate, the \$2 per bed per night tax, the rental car tax and the TDZ. Additionally, there are other tax stream disproportionately collected in tourism areas like alcohol taxes.
2. Contracts. We have a series of contracts that are directly and indirectly related to those revenue streams in a variety of ways. Again, we highlighted those in the first BRC report. They include Metro's relationship with the Downtown Partnership, the CVC, Leases with the Titans and Predators, intergovernmental agreements with the MCC.
3. Debt. Connected to the above is debt issuance. Attractions in the downtown area constructed and/or owned by Metro were financed and supported by PILOT from with water department, non-property tax revenues and, obviously, tourism taxes.

What I am planning to do is pull each of these three components apart and examine their flexibility for other uses and facial potential for change, modification. From there, I plan to identify "experts" or advocates for best practices in other cities that can allow us to compare our approach with theirs.

I am lucky to have 30 years time in municipal finance, so I plan to lean on those relationships to avoid costs to Metro. I may need to discuss a few things with our bond lawyers but I will clear that with Mayor's office, law Director and you before doing so. Once we have identified individuals who can offer a perspective from other cities in Tennessee and beyond, we can discuss next steps.

Please let me know if you have any questions or concerns in the meantime.