

**ORDINANCE NO. BL2018-1334**

**An ordinance amending Title 5 of the Metropolitan Code to impose the full privilege tax allowed under state law upon the sale of tickets to events at the new Major League Soccer stadium to eliminate General Fund subsidy for debt service and to better support future maintenance.**

WHEREAS, on November 7, 2017, the Metropolitan County Council ("Metro Council") adopted Substitute Resolution No. RS2017-910, conditionally approving the issuance of public facility revenue improvement bonds by the Sports Authority of the Metropolitan Government of Nashville and Davidson County ("Authority") for the construction of a new Major League Soccer stadium (the "Stadium") at the Fairgrounds Nashville located at 300 Rains Avenue; and,

WHEREAS, prior to the issuance of debt by the Authority, Substitute Resolution No. RS2017-910 further provides that the Metro Council must approve a ticket tax pursuant to Section 7-3-202 or 7-3-204, Tennessee Code Annotated, in the amount of one dollar seventy-five cents (\$1.75) per ticket sold or given away during years one through five of the Lease Agreement entered into between the Authority and Walsh Management LLC (the "Stadium Lease"), two dollars twenty-five cents (\$2.25) per ticket sold or given away during years six and seven, and two dollars fifty cents (\$2.50) after year seven of the Stadium Lease, with a portion of the tax after year five of the Stadium's operation to be deposited into a reserve account maintained by the Metropolitan Department of Finance to be used for long-term capital expenditures at the Stadium. These amounts were altered by adoption of Substitute Ordinance No. BL2018-1289; and

WHEREAS, Section 7-3-204 of the Tennessee Code Annotated authorizes the Metropolitan Council to enact a privilege tax upon the privilege of attending any event at a municipal stadium in an amount not to exceed ten percent (10%) of the consideration charged for spectators attending the event; and

WHEREAS, it is to the benefit of the citizens and residents of Nashville and Davidson County that spectators attending events and otherwise making use of a municipal stadium should shoulder greater obligations toward the costs of construction and maintenance of such stadiums.

WHEREAS, it is to the benefit of the citizens and residents of Nashville and Davidson County that spectators attending events and otherwise making use of a municipal stadium should shoulder the maximum obligation allowed by the state of Tennessee toward the costs of construction and maintenance of such stadiums.

NOW, THEREFORE, BE IT ENACTED BY THE COUNCIL OF THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY:

Section 1. That Section 5.14.020 of the Metropolitan Code of Laws is hereby amended by deleting subsection B (as adopted per Substitute Ordinance BL2018-1289) in its entirety and substituting in lieu thereof the following:

B. Municipal soccer stadium.

1. In lieu of the provisions of subsection A. of this section, there is levied a privilege tax upon the privilege of attending any event at the municipal soccer stadium. The amount shall be ten percent (10%) of the consideration charged for spectators attending the event.

2. Fifty percent (50%) of the ticket tax for the municipal soccer stadium will be dedicated to the payment of debt service on the bonds for the construction of the municipal soccer stadium. The remaining fifty percent (50%) shall be deposited into a reserve account maintained by the metropolitan finance department to be used for long-term capital expenditures at the municipal soccer stadium.

Section 2. This ordinance shall supersede the provisions of Section 2, subsection II, of Substitute Ordinance No. BL2018-1289 amending Section 5.14.020 of the Metropolitan Code of Laws.

Section 3. This ordinance shall take effect from and after its final passage, the welfare of the Metropolitan Government of Nashville and Davidson County requiring it.

INTRODUCED BY:

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Angie Henderson  
Member of Council