

**Metro Council FAQ
Major League Soccer Stadium Project**

Legislation

Q: What did Metro Council pass in 2017 for Nashville's Major League Soccer team?

A: Metro Council approved a commitment to the following once conditions are met.

- Up to \$225 million in revenue bonds for a Major League Soccer stadium at the Fairgrounds Nashville;
- A 99 year lease of 10 acres of Fairground lands for a mixed-use development and;
- \$25 million in general obligation bonds for Fairgrounds upgrades and \$25 million in general obligation bonds for soccer stadium infrastructure.
- Council conditionally approved the revenue bonds in 2017 with the understanding that \$50M in G.O. bonds would need to be issued in the future, and conceptually approved the private development

Q: What legislation is before the Council now for the team and the stadium?

A: There are four pieces of legislation.

- An ordinance approving the demolition of certain buildings at the Fairgrounds and imposing a privilege tax on the sale of tickets to events at the soccer stadium;
- An ordinance approving a ground lease of a 10-acre parcel of the Fairgrounds property with Nashville Soccer Holdings Development LLC;
- A Bond Resolution authorizing \$50 million in General Obligation Bonds, \$25 million of which will be used for improvements to the Fairgrounds and \$25 million for soccer stadium infrastructure; and
- A zoning ordinance for the 10-acres ground lease site to be filed later, following its review by the Metro Planning Commission on August 1.

Q: Has there been public input on the current legislation?

A: Fairgrounds staff, team ownership and others have engaged in an exhaustive public input process, including over two dozen appearances before Metro Council, the Fair Board and Sports Authority in the last year. In addition, the team and Fairgrounds staff have held:

- Two public hearings in 2017 with almost 1,000 people in attendance.
- A four-day charrette in May on the Fairgrounds Improvement Plan with input from hundreds of neighbors and Fairground stakeholders.
- Numerous other meetings with neighborhood groups and fairgrounds stakeholders.

Q: Do other Metro boards and commissions support the current legislation and the plan for the Fairgrounds?

A: The Fairgrounds Improvement Plan – which includes the stadium project and 10 acres - was passed unanimously by the Metro Board of Fair Commissioners in a meeting earlier this month. The Metro Sports Authority also voted unanimously to support this project and the plan for the Fairgrounds.

Parking

Q: How much parking is needed to accommodate the stadium’s 30,500 seats?

A: Based on preliminary work performed by traffic consultants, the forecasted range of parking demand is between 6,200 – 10,600 dedicated parking spaces (which is subject to revision based on the final plan), which would include a combination of on-site and off-site parking. The range is established assuming average attendance and by utilizing percentages for alternative transit usage and vehicle occupancy rates based upon historical data.

Q: How does the proposed parking at the MLS stadium compare to parking at other Metro athletic facilities?

A: The MLS stadium will have a similar or better ratio of dedicated parking spots to stadium seats as Metro’s other professional sports facilities.

- MLS Stadium: 30,500 seats to an estimated 4,500 dedicated parking spots (14%)
- Nissan Stadium: 67,600 seats to 7,500 dedicated parking spots (11%)
- Bridgestone Arena: 20,000 seats to 268 dedicated parking spots (1%)
- First Tennessee Park: 10,500 seats to 1,000 dedicated parking spots (9%)

Scheduling

Q: Will the MLS team commit in their lease agreement to schedule around traditional days Christmas Village and the Flea Market are held?

The team recognizes the importance of such events to the Fairgrounds and the community. The team will work in good faith to accommodate the Fairgrounds schedule for such events and resolution of any scheduling conflicts.

Q: Does Major League Soccer or ESPN dictate every date on the team's schedule?

A: While Major League Soccer sets the schedule, the team has some flexibility. The team also has three days built into the potential lease agreement where they can play at other venues.

Existing Uses

Q: When Major League Soccer comes to the Fairgrounds, what happens to the existing uses?

A: All existing uses remain at the Fairgrounds as per the Metro Charter – racing, flea market and a fair.

Q: Are the existing uses under threat by the Major League Soccer stadium and the mixed use development?

A: The professional facility management staff employed by Metro government to run the Fairgrounds state that all existing uses will remain in operation at the Fairgrounds in compliance with the Metro Charter.

Q: Is the proposed new Expo Center adequate to host the Flea Market at its current size?

A: The new Expo center will be comparable square footage to the current exposition space. It will have improved load in and load out for vendors, and it will be easier for customers to navigate. The modernized facility will give the Fairgrounds the opportunity to grow and broaden its event schedule.

10 Acres Mixed Use Development

Q: What is planned for the 10 acres of mixed use development?

A: Preliminary plans anticipate residential units to include affordable housing, retail and commercial space.

Q: How will the 10-acre mixed-use development benefit the Fairgrounds?

A: : It will greatly enhance the infrastructure and make it a bigger destination bringing more people to the site. Once developed, the 10 acres is expected to generate up to \$60 million in property taxes over the term of the soccer stadium lease. As per the legislation passed in 2017, 50% of those taxes will be dedicated for Fairgrounds improvements and maintenance.

Q: What percentage of the residential units will be affordable housing?

A: At least 10% of the residential units will be affordable and/or workforce housing on the 10 acres.

Q: Why is the 10 acres part of the project and the team's deal with Metro?

A: Based on the requirements set forth by MLS for obtaining an expansion team, as well as value to Metro for current and future uses of the Fairgrounds in terms of increased affordable/workplace housing, property and sales tax generation on the 10 acre development , this is an important part of the 90/10 private/public partnership. In addition to being part of the financial structure of the deal, this portion of Nashville is in need of amenities and commercial choices both for residents and to create a fan experience for Major League Soccer audiences.

Q: What is the rent on the mixed use property?

A: Rent under the mixed use property ground lease would be a minimum annual rent (tied to the term of the stadium lease) in the amount of \$200,000 offset by the amount of any parking revenues remitted to the Fair Board with respect to non-soccer events at the stadium.

Q: Can the 10 acres of mixed use development be controlled by the State Fair during the fair's annual run?

A: Mixed use development parking could contribute to the Fair's parking needs if the Fair begins to grow.

State Fair

Q: What is the status of the State Fair being held at the Fairgrounds Nashville?

A: The Fairgrounds or Metro Nashville has a contract to host the state fair through fall of this year. The Tennessee State Fair Association has indicated a desire to remain at the Fairgrounds.

In addition, the state legislature changed the makeup of the State Fair and Exposition Commission in its last session. It is unclear how this newly constituted body will proceed.

Q: Is Metro required by either its charter or state law to hold the State Fair?

A: Metro is not required by state law, nor does it have the authority, to hold a Tennessee State Fair. State law vests the sole authority to hold a state fair with the Tennessee Fair and Exposition Commission. Despite the 2011 charter amendment, state law preempts the Metro charter.

The Fair Board is required by private act (which is incorporated into the Metro Charter) to hold a divisional fair which the Fair Board and the Fairgrounds staff would need to produce in the absence of a state fair.

Q: Can a State Fair be held at the Fairgrounds if Major League Soccer and the related development is also present?

A: The professional facility management staff employed by Metro government to run the Fairgrounds state that all existing uses will remain in operation at the Fairgrounds in compliance with the Metro Charter.

Q: If the State Fair is no longer held at the Fairgrounds, will there be a fair at the Fairgrounds?

A: Metro Fair Board members have repeatedly stated in public meetings their intention to hold a fair at the Fairgrounds even in the absence of the State Fair.

Q: Could the state or the Tennessee State Fair Association prevail in litigation against Metro if the Major League Soccer stadium is built, claiming development on the site prevents holding a state fair?

A: As long as the Fairgrounds meets its obligations for the contract that ends this fall then there would be no grounds for litigation.

Other Legal Issues

Q: Are there deed restrictions that would require the Fairgrounds to revert ownership back to donor families if the State Fair goes away?

A: There are no such deed restrictions. There is no reversionary language in the deed covenants that would require Metro to transfer ownership back to donor families if the State Fair fails to renew its contract with Metro.

Q: Who owns the Fairgrounds land? Who is the legal title holder of the property?

A: Metro Government is the legal title holder of the Fairgrounds property.

Q: Did the Fair Board approve the rezoning request, and was Executive Director Laura Womack empowered to sign the rezoning application?

A: The Fair Board passed the Fairgrounds Improvement Plan, which included the rezoning plan. Director Womack is the proper and legal signatory for the rezoning request in her role.

Racing

Q: What is the status of racing at the Fairgrounds?

A: Metro Government just approved a new 5-year extended contract through a competitive bid process with the long-term race promoter.

Expo/Flea Market/Christmas Village

Q: Will the Fairgrounds expo space be the same size as the current space after the MLS stadium and fairgrounds improvements are in place.

A: Yes, the Fairgrounds existing expo event structures include 120,919 square feet of air conditioned and 108,124 square feet of covered outdoor space. The proposed new structures will include approximately the same square footage and ratio of space between air conditioned and un-air conditioned.

Q: Why is the Expo space now at the bottom of the “Hill” on the Fairgrounds site as opposed to the top?

A: The Fair Board requested placing the Expo space at the bottom of the hill be explored due to a lack of grade and proximity to road frontage. They requested the ownership group consider relocation of the 10 acre development. It is significantly less expensive (\$3 to \$5 million) for Metro to build a new Expo space on the lower portion of the property as opposed to on the hill.

Community Benefits Agreement

Q: What is the status of the community benefits agreement?

A: From the beginning of the process to build a soccer stadium at the Fairgrounds Nashville, it has been ownership’s intention to do something that will truly benefit the most Nashvillians. This includes a deep commitment to affordable housing, cultural and community space at the site, and creating local and minority business opportunities. Ownership remains just as committed to this today as they were on day one, and are actively pursuing these goals.