

MINUTES OF THE 135th MEETING OF THE CONVENTION CENTER AUTHORITY OF THE METROPOLITAN GOVERNMENT OF NASHVILLE & DAVIDSON COUNTY

The 135th meeting of the Convention Center Authority of the Metropolitan Government of Nashville and Davidson County (CCA) was held on June 5, 2025 at 9:00 a.m. in the Administrative Conference Room of the Administrative Offices at the Music City Center, Nashville, Tennessee.

AUTHORITY MEMBERS PRESENT: Norah Buikstra, Robert Davidson, Alfred Degrafinreid II, Tracy Hardin, Tre Hargett, Barrett Hobbs, David Lillard, Vonda McDaniel, *Rachel Buckley (Designee for Jason Mumpower), and Seema Prasad

AUTHORITY MEMBERS NOT PRESENT: Dee Patel and Betsy Wills

OTHERS PRESENT: Charles Starks, Kelli Donahoe, Heidi Runion, Brian Ivey, Heather Jensen, Barbara Solari, Tom Hazinski, Peter Gonzalez, David Hanner, Adrienne Siemers, Sam Wible, Anna McCloskey, Robin Rieck, Don Twining, Marc Greeley, Lisa Benning, Lindsey Hartman, Julia Masters, Camille Quiampang, Christian Cervantes, and Greg Spon

Chair Norah Buikstra opened the meeting for business at 9:01 a.m. and stated that a quorum was present.

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 if and to the extent applicable 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 or 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.

The next regularly scheduled meeting will be Thursday, July 10, 2025 at 9:00 a.m. Chair Norah Buikstra announced.

Chair Norah Buikstra read the Mission Statement of the Music City Center. (Attachment #1)

There were no public comment requests received for this meeting. (Attachment #1)

ACTION: Alfred Degrafinreid made a motion to approve the 134th Meeting Minutes of May 1, 2025. The motion was seconded by Vonda McDaniel and approved unanimously by the Authority.

Chair Buikstra asked Charles Starks to introduce the HVS team to present about the feasibility study. Mr. Starks introduced Tom Hazinski and Peter Gonzalez with HVS Convention, Sports & Entertainment to share the Expansion Market Study they had conducted. (Attachment #1)

Mr. Hazinski noted he has never seen a more compelling case for an expansion, but said the question is “How?” due to space constraints.

*Denotes arrival of Rachel Buckley 9:07 a.m.

Mr. Hazinski and Mr. Gonzalez presented their study findings including the competitive set, input from event planners, expansion recommendations, and site availability concerns. There was discussion.

Seema Prasad asked if there was a dollar amount tied to the lost business. Mr. Hazinski said not yet, that would be something calculated later if the project progresses.

Robert Davidson asked if a connector with the arena would help with the need for exhibit space. Mr. Gonzalez noted that the floor space for exhibits is not that large, and it would only be useful for very large general sessions.

Barrett Hobbs asked if the Gaylord Opryland expansion had been included as a factor. Tom Hazinski said it had and that may be a factor in not recovering all the lost business. However, he noted that they believe that there’s enough business to fill both and it is also a different experience downtown that Opryland cannot offer.

Mr. Hobbs also asked about other cities with the same constraints of space and transportation. He asked about building further out which Mr. Hazinski noted moves the center away from the competitive hotels and amenities.

Norah Buikstra asked if we need to take a deep dive and plan for future hotel room availability and cost. Mr. Hazinski said that would be an essential component of future analysis.

Mr. Starks commented that the next step would be to begin looking at land and Chair Buikstra agreed.

Chair Buikstra then gave updates from a meeting she had with Diana Alarcon from NDOT on the lighting project delay. She said they would get a full update at a future meeting, but the lighting project has been started and is in progress. They have been trying to get matching lights. Regarding the bollards, there was an issue with needing to move sewer lines, but they have found a different style bollard. (Attachment #1) They plan to start in October and be completed by early 2026. Broadway and Rep John Lewis Way will be the first test group. Mr. Hobbs expressed concern that the location would allow vehicles too close to pedestrians and Chair Buikstra suggested he email the Mayor's office directly to let them know his concerns about the location.

Robert Davidson shared that he had conversations with both the arena and stadium to consider adding fees to their tickets and both were open to discussions about this to help with the police and fire department overtime funding for events.

Charles Starks gave a brief operations update showing the hotel occupancy and rates as well as tax collections. (Attachment #1)

With no additional business, the Authority unanimously moved to adjourn at 10:27 a.m.

Respectfully submitted,

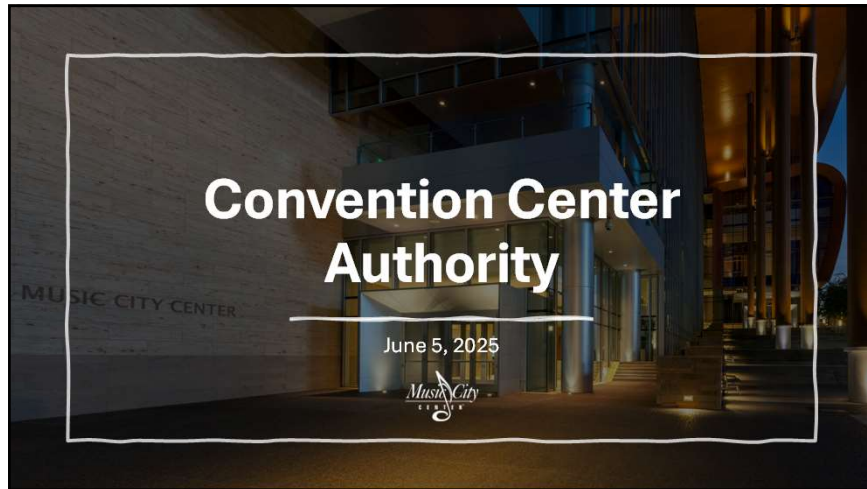


Charles L. Starks
President & CEO
Convention Center Authority

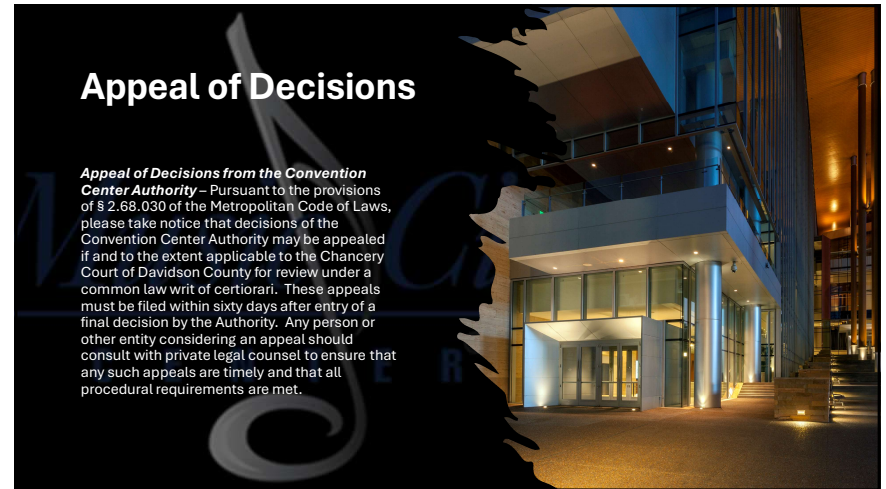
Approved:



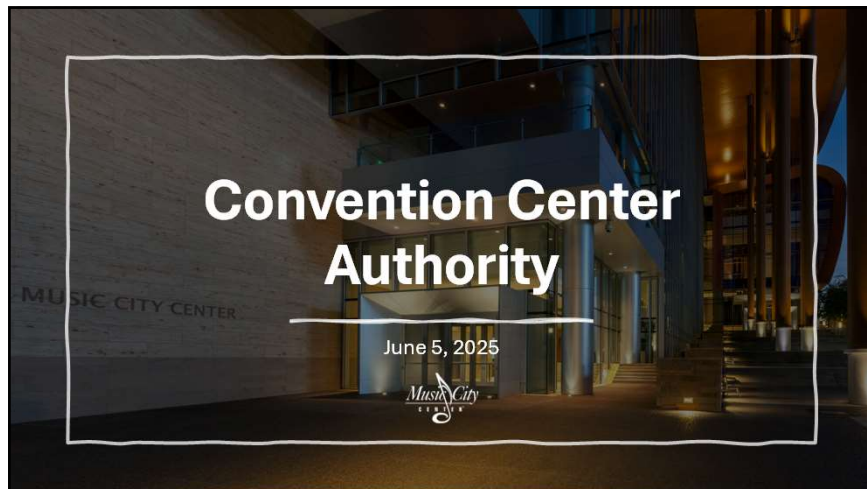
Norah Buikstra, Chair
CCA 135th Meeting Minutes
of June 5, 2025



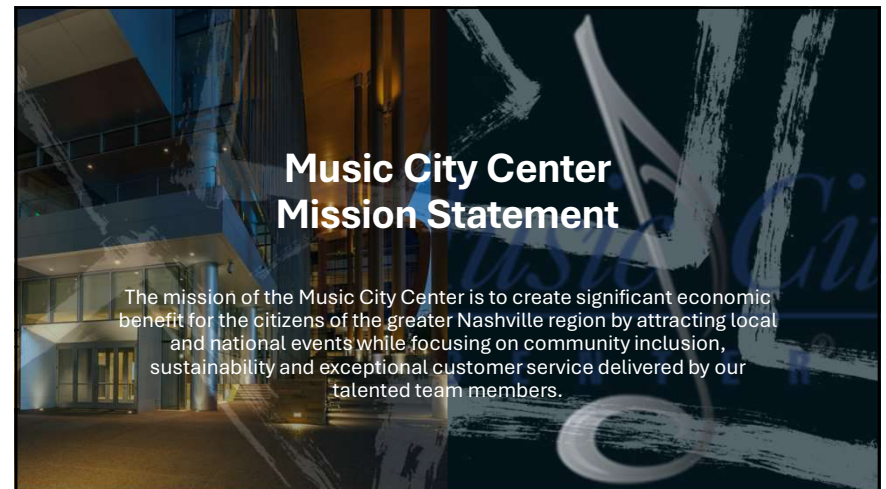
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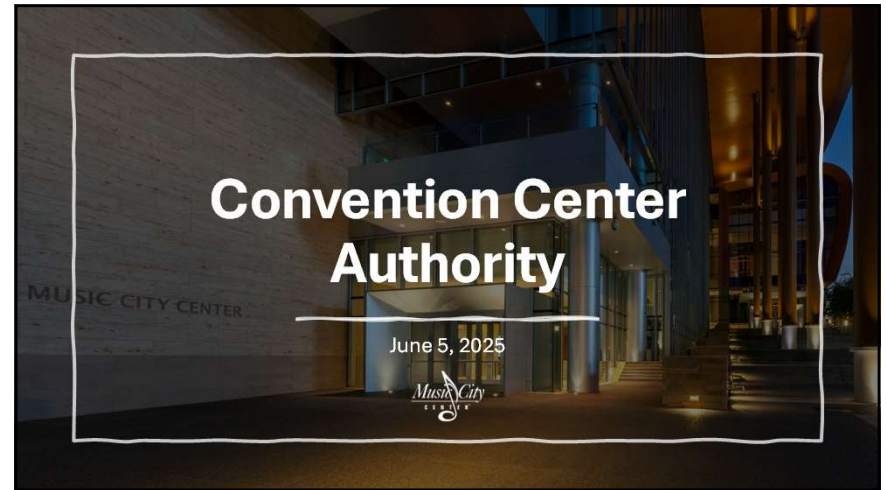
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Expansion Market Study

Music City Center — Nashville, TN

*HVS Convention, Sports, & Entertainment
June 5, 2025*

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Introduction & Scope Review

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Introduction

Client & Relationship

The Convention Center Authority of the Metropolitan Government of Nashville and Davidson County hired HVS Convention, Sports & Entertainment.

Purpose of Assignment

Evaluate the strategic need and feasibility of expanding the Music City Center.

Phase 1 Scope


Assess MCC's current market position, provide expansion recommendations, and preliminary projections of expansion demand.

Next Steps

Site selection, concept planning and architectural design, development cost estimates, financial performance, and economic impact analysis


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Scope Review

Phase 1 answers the questions *"Should the MCC expand? If so, how?"*




Site Visit & Fieldwork

- Stakeholder interviews
- Facility tour
- Interviews with management & operations staff




Market & Industry Benchmarking

- Assessed Nashville market conditions and national convention industry trends
- Benchmarked MCC against 15 peer venues



Historical Performance

- Analyzed historical event and lost business data
- Identified function space usage and constraints




User Perspective & Input

- Interviewed MCC's Customer Advisory Board
- Surveyed current and prospective event planners

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Benchmarking

Name	Location
Orange County Convention Center	Orlando
Georgia World Congress Center	Atlanta
Ernest N. Morial Convention Center	New Orleans
Anaheim Convention Center	Anaheim
George R. Brown Convention Center	Houston
Colorado Convention Center	Denver
San Diego Convention Center	San Diego
Seattle Convention Center	Seattle
Indiana Convention Center	Indianapolis
Phoenix Convention Center	Phoenix
Henry B. Gonzalez Convention Center	San Antonio
Boston Convention & Exhibition Center	Boston
Greater Columbus Convention Center	Columbus
Broward County Convention Center	Fort Lauderdale
Austin Convention Center	Austin
Music City Center	Nashville

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Competitive & Comparable Venue Set



Fifteen top-tier convention centers in competitive and comparable national markets

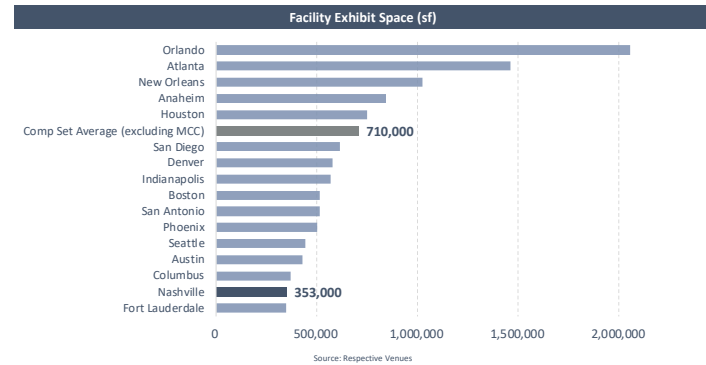


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Exhibit Space Comparisons



Music City Center is second to last, less than half the set average

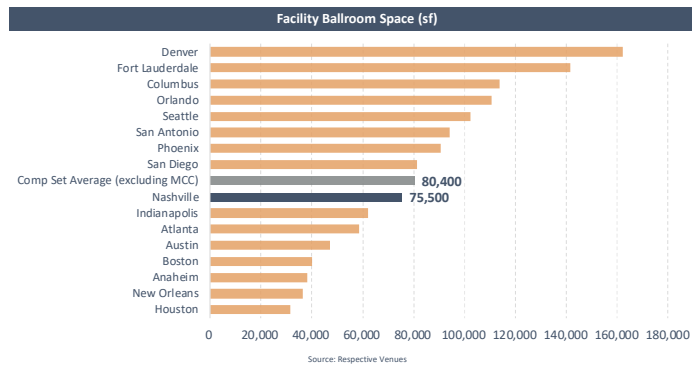


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Ballroom Space Comparisons



Music City Center is middle of the pack, slightly below the set average

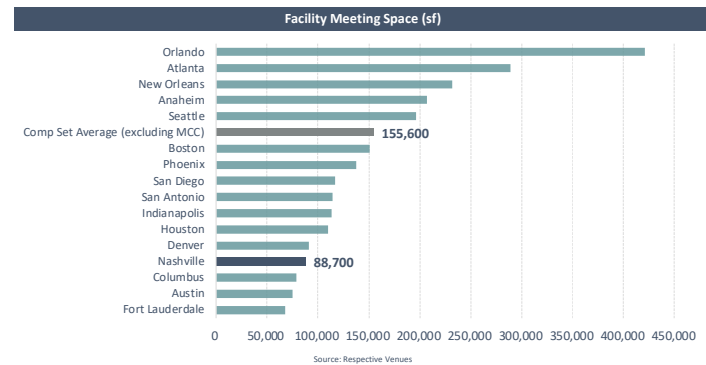


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Meeting Space Comparisons



Music City Center is near the bottom, well below the set average

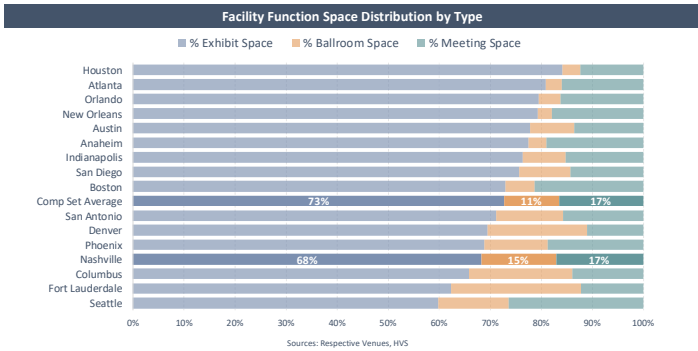


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Function Space Distribution Comparisons



Music City Center has a balanced distribution of function spaces, similar to its peers

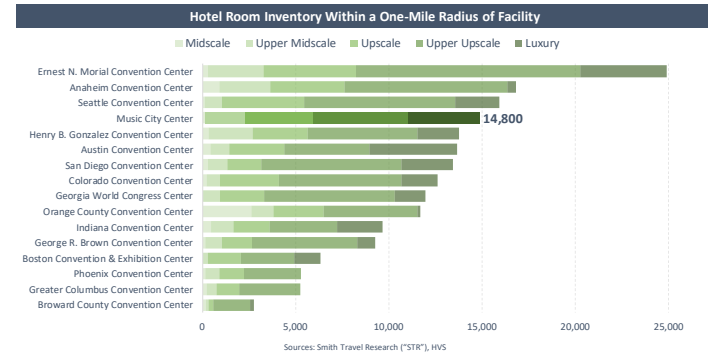


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Hotel Inventory Comparisons



Nashville has a strong hotel market, though it lacks properties with more than 1,000 rooms

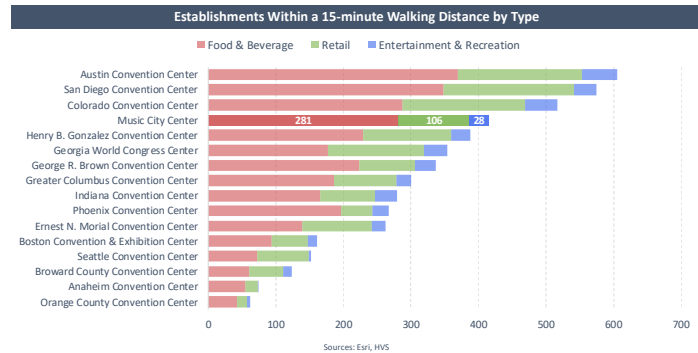


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Tourism Amenity Comparisons

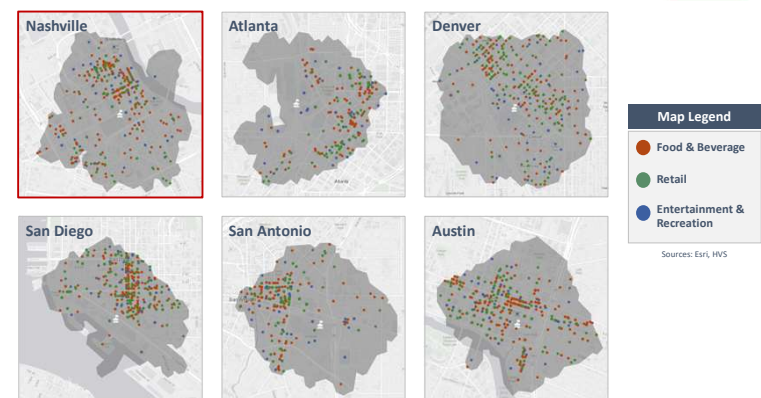


Nashville's strong tourism infrastructure supplies the MCC with ample nearby amenities

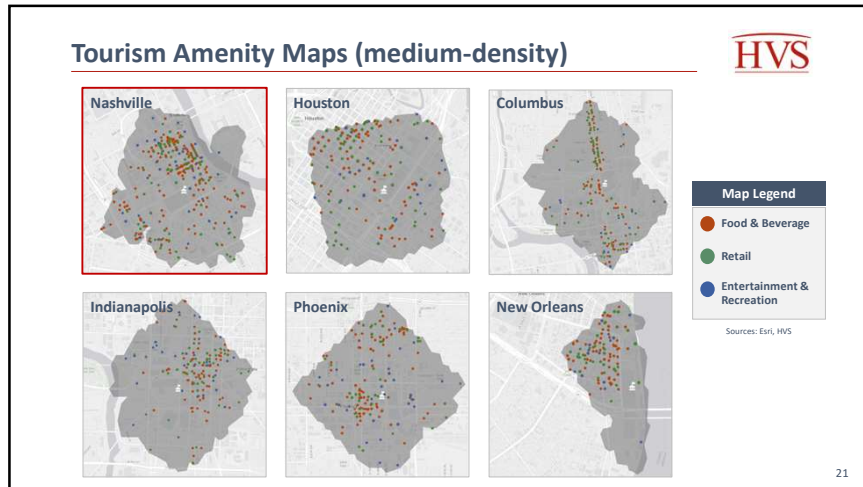


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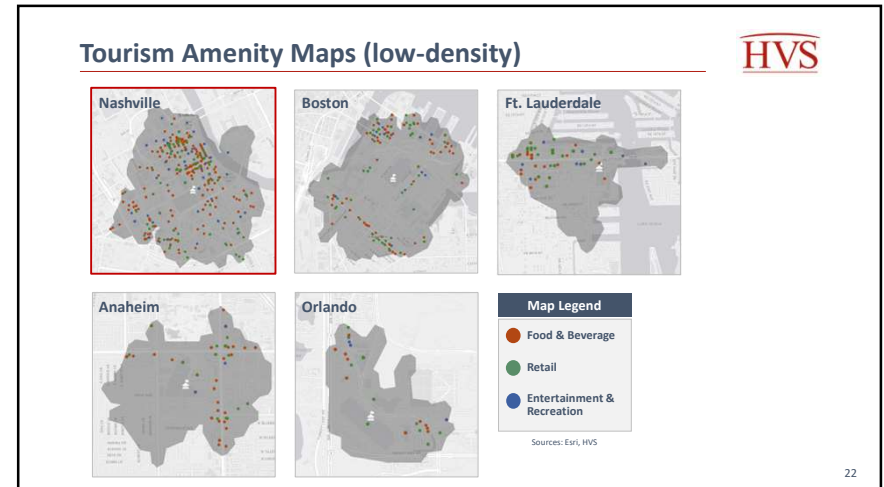
Tourism Amenity Maps (high-density)



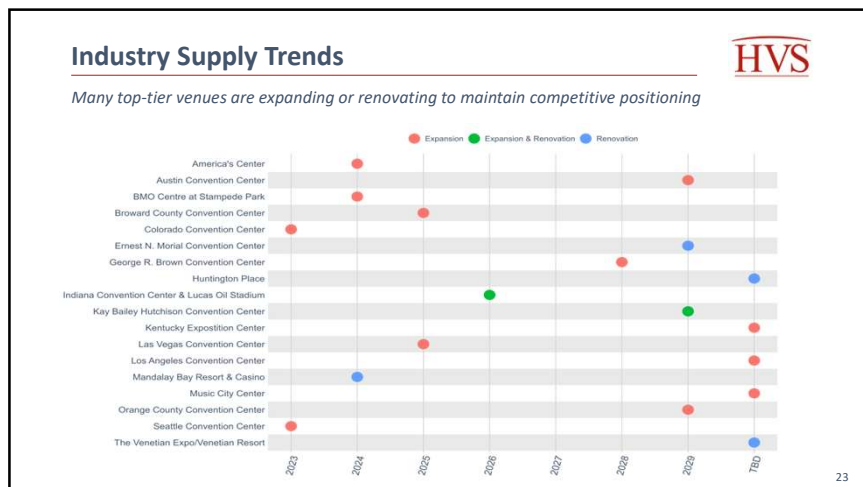
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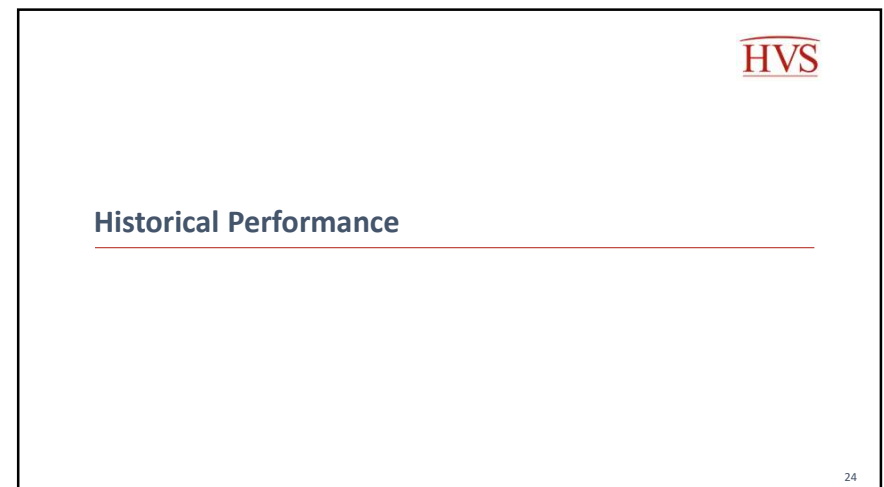
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MCC Sales & Marketing Strategy



MCC prioritizes high-value, hotel demand-generating events

*"Events that bring many out-of-town visitors will yield the **greatest economic impact** for our city. As such, we reserve our meeting and exhibit space, two or more years into the future, for **national meetings, conventions, tradeshows**, and events that require at least **1,500 peak night hotel rooms**, commonly referred to as citywides. We will begin to sell to non-citywide events for dates that are less than two years out, but still yielding our space to events that commit to hotel room blocks. At one year out, we will begin to offer dates to events that bring little or no hotel rooms, such as public consumer shows and local meetings/meals."*

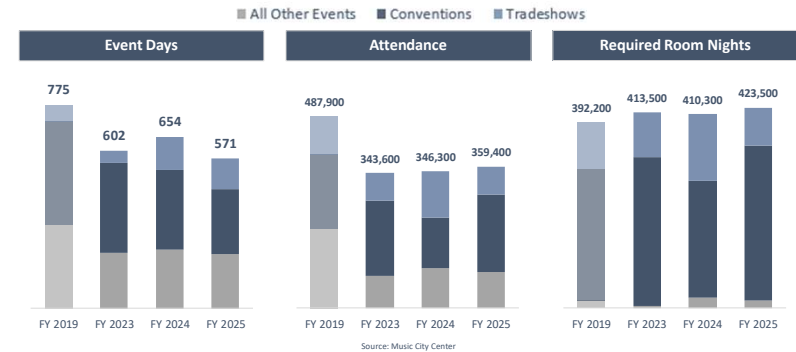
Source: Music City Center FY 24 – FY 25 Sales & Marketing Plan

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Historical Performance (FY 19, FY 23 — FY 25)



Events and attendance have declined while room nights have increased. **Fewer, more impactful events.**

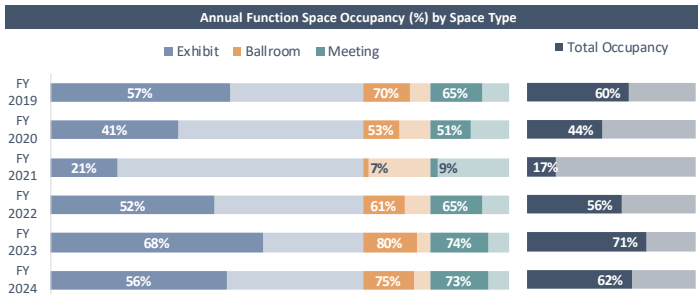


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Function Space Occupancy



Occupancy rates have been strong, averaging 63% total occupancy over the last three years

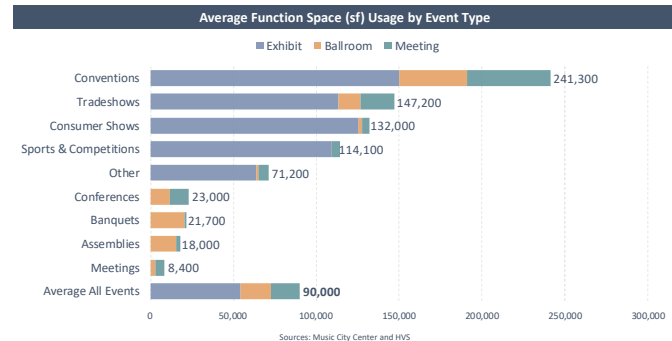


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Function Space Usage



Space usage is driven by conventions and tradeshows with their heavy exhibit space utilization

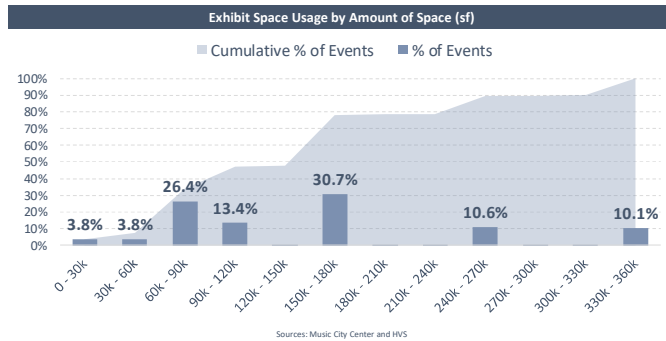


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Distribution of Usage — Exhibit Space



80% of events utilize 180,000 sf or less, with the remaining 20% of events using over 240,000 sf

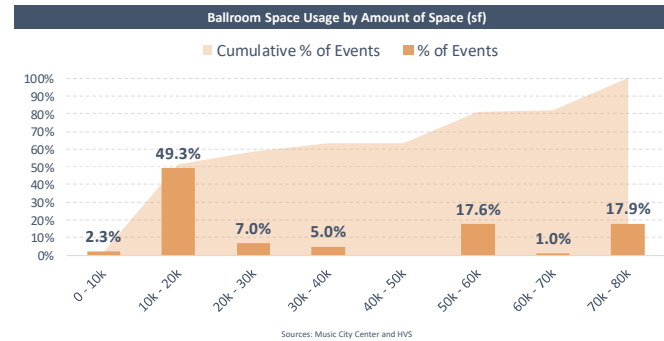


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Distribution of Usage — Ballroom Space



Over 50% of ballroom usage occurs in smaller divisions, but 30% of events use 50,000+ sf

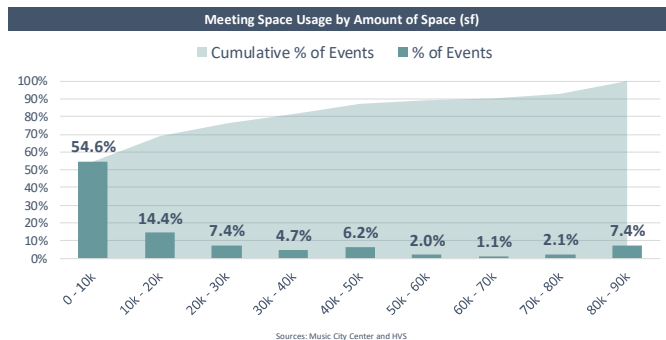


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Distribution of Usage — Meeting Space



Almost 70% of events use less than 20,000 sf of meeting space, but 12% utilize 50,000+ sf

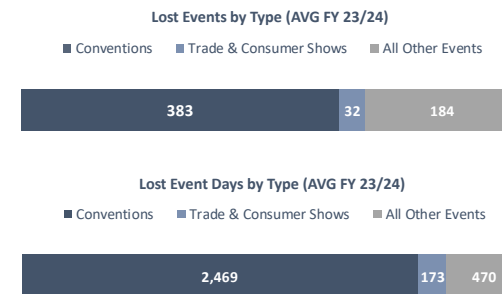


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Lost Business



Lost business is primarily driven by conventions, averaging over 350 events and 2,400 days annually

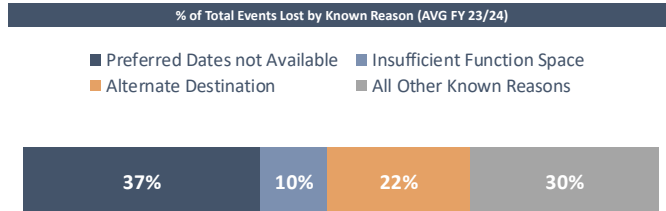


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Lost Business Reasons



Of known reasons, over **45%** of events are lost due to space limitations and availability constraints



Sources: Music City Center and HVS

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User Input & Preferences



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Customer Advisory Board Discussion



MCC is held in high regard, but function space limitations threaten its ability to retain and grow events

	POSITIVE	NEGATIVE
INTERNAL	STRENGTHS <ul style="list-style-type: none"> Venue condition and aesthetic appeal Operational execution and staff performance Location and destination appeal 	WEAKNESSES <ul style="list-style-type: none"> Breakout room size, capacity, and location complaints Limited general session flexibility Constrained function space mix
EXTERNAL	OPPORTUNITIES <ul style="list-style-type: none"> Expanding meeting and breakout space Increased pre-function access and flexible space design Improved vertical circulation and space distribution 	THREATS <ul style="list-style-type: none"> Major events outgrowing the current capacity Loss of competitive positioning among peer venues Hotel price and room block challenges

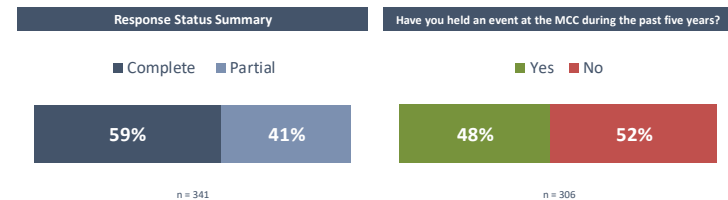
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Event Planner Survey Summary



Survey issued to roughly 2,200 national event planners, producing a **16%** response rate



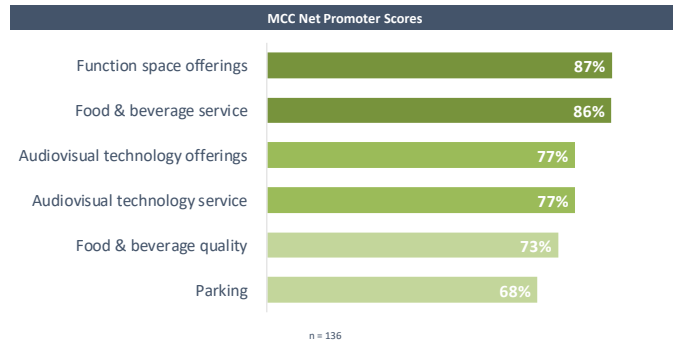
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Overall User Experience



Respondents indicated a positive overall user experience, though there is room for improvement

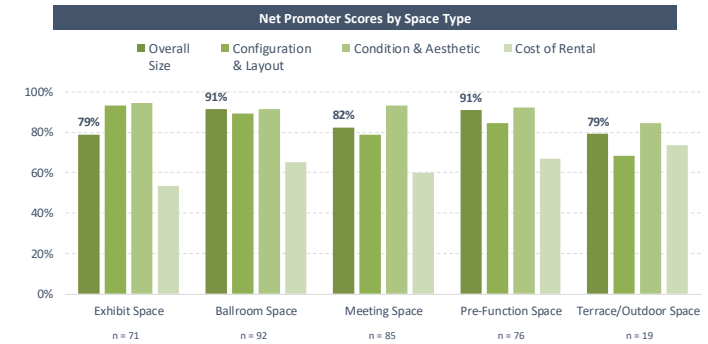


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Function Space Ratings



Respondents indicated a positive overall user experience, though there is room for improvement

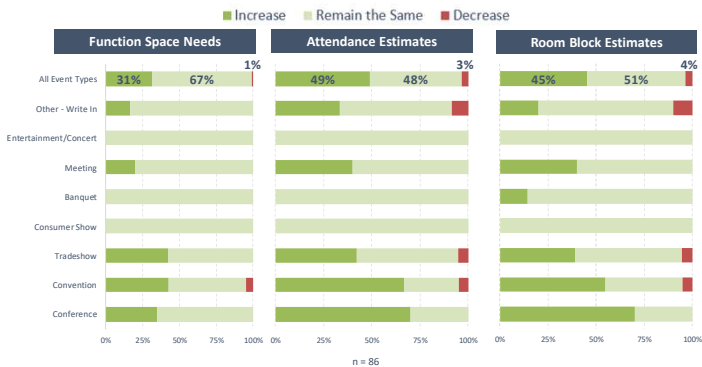


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Event Planner Future Expectations



Survey respondents expect function space needs, attendance, and room block estimates to increase

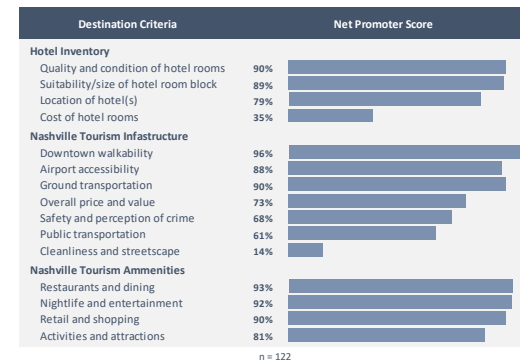


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Nashville Destination Ratings



Respondents view Nashville positively, though hotel prices and street cleanliness are drawbacks



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Expansion Program Recommendations

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Expansion Program Summary

300,000 sf expansion program intended to meet rising demand and improve competitiveness

Event Space	Floor Area (sf)	Capacities			
		Theatre/ Reception	Banquet	Classroom	Exhibit Booths 10' x 10'
Flex Hall (4 divisions)	200,000	20,000	10,000	13,790	1,400
Grand Ballroom (7 divisions)	50,000	5,000	2,500	3,450	350
Meeting Room Block 1 (7 divisions)	18,000	1,800	900	1,240	
Meeting Room Block 2 (9 rooms)	18,000	1,800	900	1,240	
Meeting Room Block 3 (10 rooms)	12,000	1,200	600	830	
Board Rooms (2)	2,000				
TOTAL EXPANSION SPACE	300,000				

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Current & Expansion Programs

Total function space would rise to 817,000 square feet, representing a 58% increase

Function Space Comparisons (thousands sf)

■ Exhibit ■ Ballroom ■ Meeting

Program	Exhibit	Ballroom	Meeting	Total
Current MCC Program	353	75	89	517
Expansion Program	200	50	50	300
New MCC Program	553	125	139	817

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Flex Hall Configurations

Configuration	Section 1	Section 2	Section 3	Section 4
1	200,000			
2	100,000	50,000	50,000	
3	100,000	100,000		
4	50,000	50,000	50,000	50,000

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Grand Ballroom Configurations

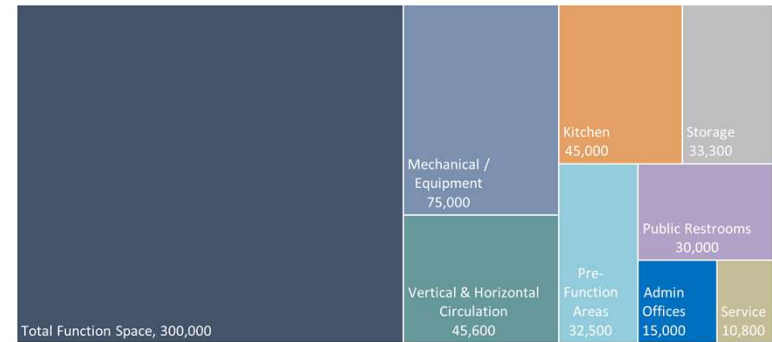


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Total Gross Floor Area



We estimate total gross floor area to be roughly 587,000 square feet



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Improved Competitive Positioning



Nashville's competitive positioning would improve, placing it on par with top-tier peers

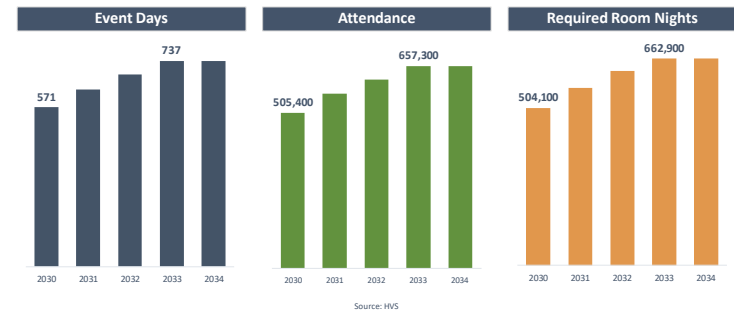
Name	Location	Function Space (sf)
Orange County Convention Center	Orlando	2,587,000
Georgia World Congress Center	Atlanta	1,808,000
Ernest N. Morial Convention Center	New Orleans	1,295,000
Anaheim Convention Center	Anaheim	1,087,000
George R. Brown Convention Center	Houston	890,000
Colorado Convention Center	Denver	830,000
Proposed MCC Expansion	Nashville	817,000
San Diego Convention Center	San Diego	814,000
Seattle Convention Center	Seattle	743,000
Indiana Convention Center	Indianapolis	742,000
Phoenix Convention Center	Phoenix	730,000
Henry B. Gonzalez Convention Center	San Antonio	723,000
Boston Convention & Exhibition Center	Boston	707,000
Greater Columbus Convention Center	Columbus	562,000
Broward County Convention Center	Fort Lauderdale	558,000
Austin Convention Center	Austin	550,000
Music City Center	Nashville	517,000
<i>Comp Set Average (excluding MCC)</i>		946,000

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Expansion Demand Projections



Led by an increase in conventions and tradeshows, event demand would lift attendance and room nights



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Expansion Site Considerations



Limited available land, existing infrastructure, and connectivity concerns constrain site selection



Site Priority List

1. Single, contiguous, adjacent site
2. Multiple adjacent sites
3. Nearby site with connection
4. Disconnected downtown site

Note: Some of the expansion could be programmed into the existing building footprint.

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Next Steps

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Next Steps & Future Phases



Phase 1: Market and Demand Analysis

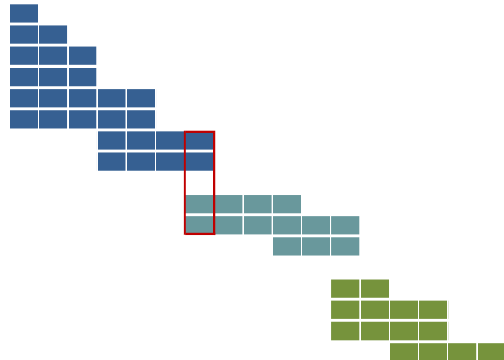
Project Orientation and Fieldwork
Market Assessment
Historical Data Analysis
Interviews and Surveys
Competitive Venue Analysis
Case Studies
Building Program Recommendations
Demand and Attendance Projections

Site Selection & Building Planning

Site Selection
Concept Planning
Preliminary Cost Estimates

Phase 2: Financial and Impact Analysis

Refine Demand Projections
Operating Financial Projections
Authority Financing Capacity
Economic and Fiscal Impact Analysis



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Questions

Thank you!

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Assumptions and Limiting Conditions



1. This report is to be used in whole and not in part.
2. No responsibility is assumed for matters of a legal nature.
3. We have not considered the presence of potentially hazardous materials on the proposed site, such as asbestos, urea formaldehyde foam insulation, PCBs, any form of toxic waste, polychlorinated biphenyls, pesticides, or lead-based paints.
4. All information, financial operating statements, estimates, and opinions obtained from parties not employed by HVS are assumed to be true and correct. We can assume no liability resulting from misinformation.
5. Unless noted, we assume that there are no encroachments, zoning violations, or building violations encumbering the subject property.
6. We are not required to give testimony or attendance in court by reason of this analysis without previous arrangements, and only when our standard per-diem fees and travel costs are paid prior to the appearance.
7. If the reader is making a fiduciary or individual investment decision and has any questions concerning the material presented in this report, it is recommended that the reader contact us.
8. We take no responsibility for any events or circumstances that take place after the date of our report.
9. The quality of a convention facility's on-site management has a direct effect on a facility's economic performance. The demand and financial forecasts presented in this analysis assume responsible ownership and competent management. Any departure from this assumption may have a significant impact on the projected operating results.
10. The impact analysis presented in this report is based upon assumptions, estimates, and evaluations of the market conditions in the local and national economy, which may be subject to sharp rises and declines. Over the projection period considered in our analysis, wages and other operating expenses may increase or decrease due to market volatility and economic forces outside the control of the facility's management.
11. We do not warrant that our estimates will be attained, but they have been developed based on information obtained during our market research and are intended to reflect reasonable expectations.
12. Many of the figures presented in this report were generated using sophisticated computer models that make calculations based on numbers carried out to three or more decimal places. In the interest of simplicity, most numbers have been rounded. Thus, these figures may be subject to small rounding errors.
13. It is agreed that our liability to the client is limited to the amount of the fee paid as liquidated damages. Our responsibility is limited to the client and use of this report by third parties shall be solely at the risk of the client and/or third parties. The use of this report is also subject to the terms and conditions set forth in our engagement letter with the client.
14. Although this analysis employs various mathematical calculations, the final estimates are subjective and may be influenced by our experience and other factors not specifically set forth in this report.
15. This report was prepared by HVS Convention, Sports & Entertainment Facilities Consulting. All opinions, recommendations, and conclusions expressed during the course of this assignment are rendered by the staff of this organization, as employees, rather than as individuals.
16. This report is set forth as a market study of the subject facility; this is not an appraisal report.

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Certifications



The undersigned hereby certify that, to the best of our knowledge and belief:

1. the statements of fact presented in this report are true and correct;
2. the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions;
3. we have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved;
4. HVS is not a municipal advisor and is not subject to the fiduciary duty set forth in section 15B(c)(1) of the Act (15 U.S.C. 78o-4(c)(1)) with respect to the municipal financial product or issuance of municipal securities;
5. we have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
6. our engagement in this assignment was not contingent upon developing or reporting predetermined results;
7. our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this analysis;

DRAFT

Thomas A. Hazinski
Managing Director

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Contact Information



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Convention Center Authority

June 5, 2025



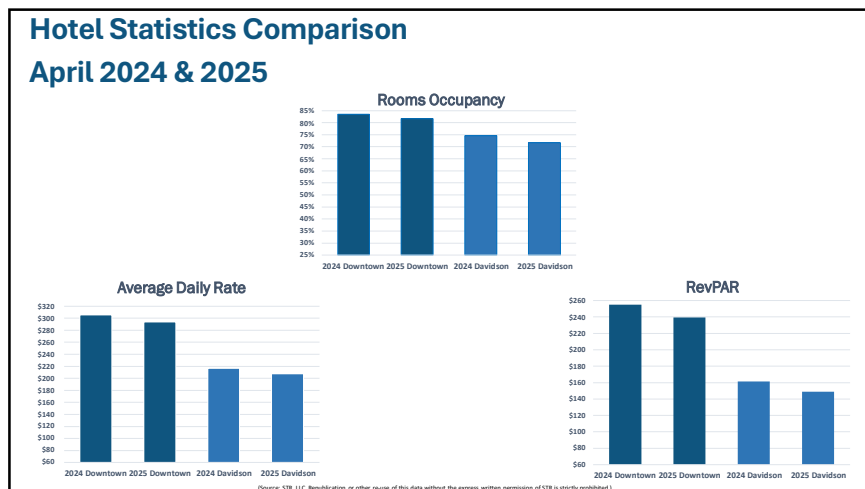
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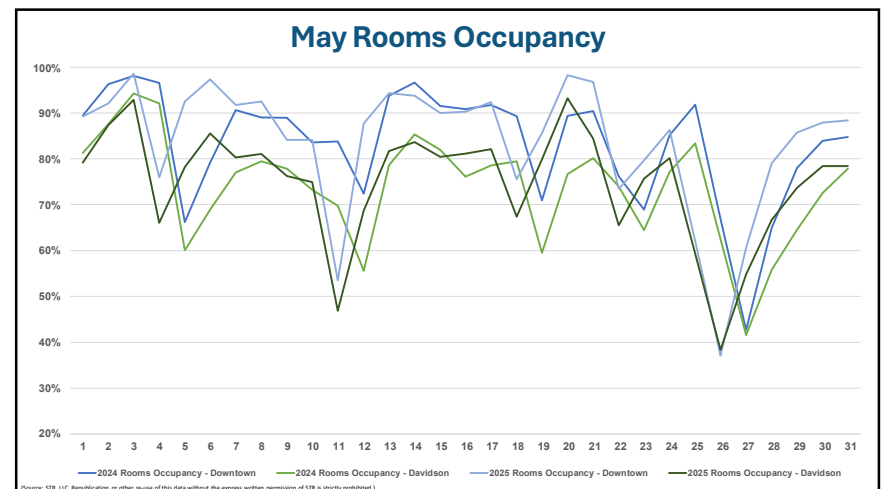
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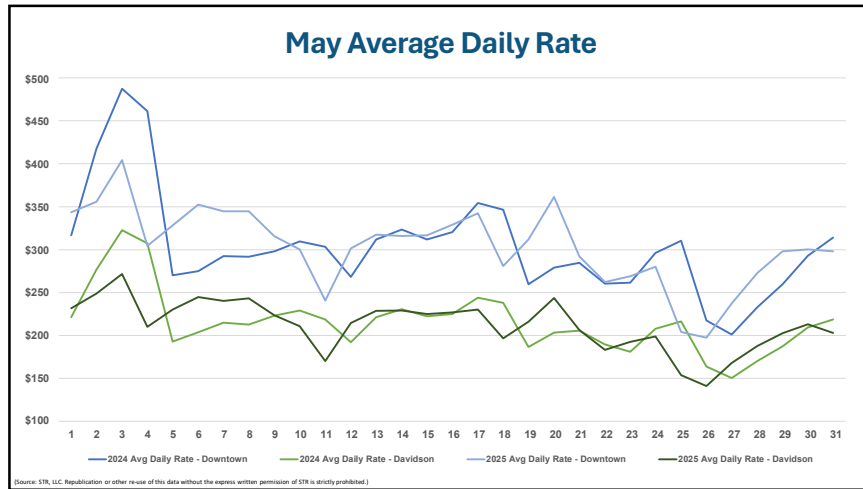
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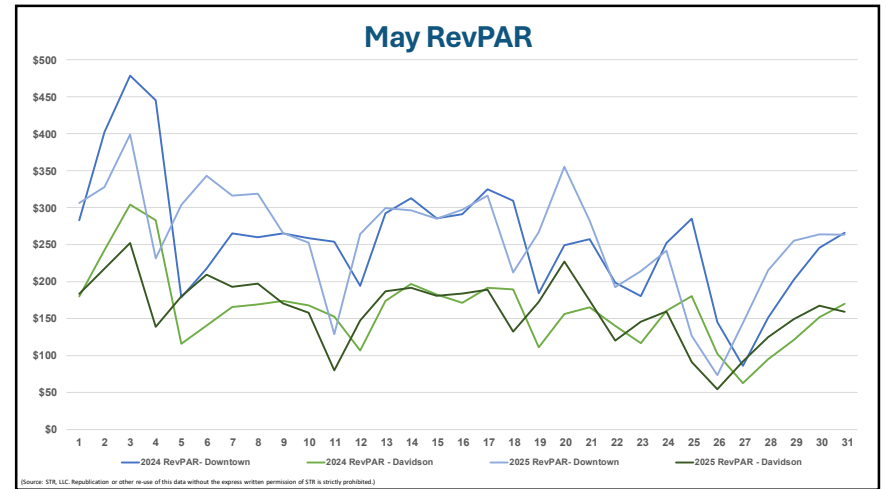
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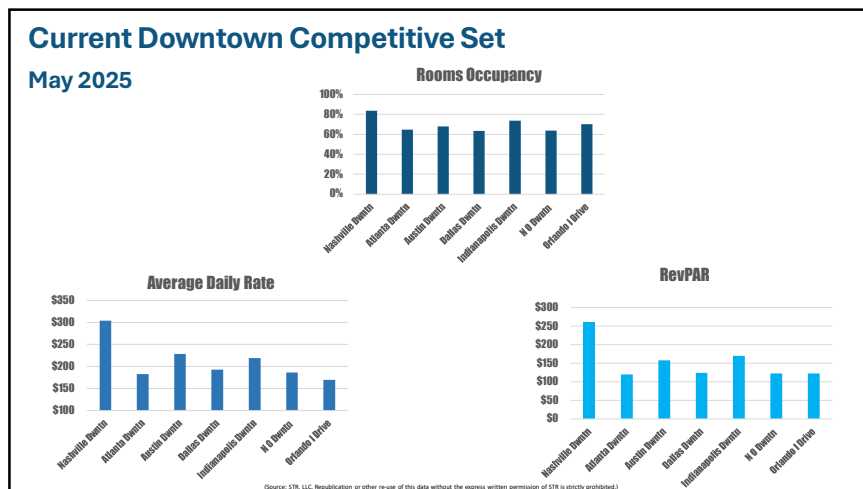
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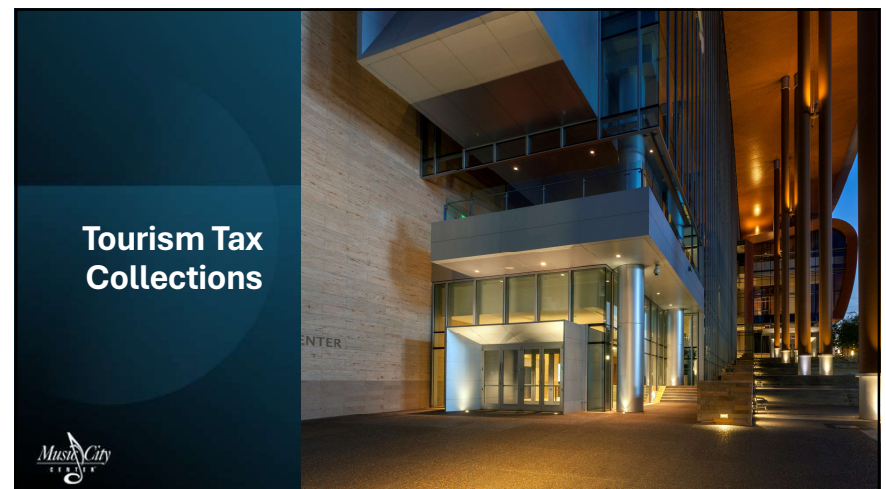
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MCC/Tourism Tax Collections

thru March 2025
(excludes TDZ)

	2/5 of 5% Occupancy Tax	Net 1% Occupancy Tax	\$2 Room Tax	Contracted Vehicle Tax	Rental Vehicle Tax	Campus Tax	Total	Variance to FY 24-25
July	\$3,550,745	\$1,588,630	\$1,721,646	\$355,794	\$258,113	\$1,762,862	\$9,237,790	-16.00%
August	\$3,726,401	\$1,683,301	\$1,803,233	\$354,172	\$244,400	\$1,676,548	\$9,488,055	4.98%
September	\$4,176,543	\$1,897,886	\$1,833,788	\$400,302	\$241,655	\$2,142,864	\$10,693,039	5.01%
October	\$4,701,031	\$2,149,786	\$1,957,023	\$162,458	\$276,180	\$2,535,404	\$11,781,882	4.40%
November	\$3,205,279	\$1,417,767	\$1,558,388	\$112,254	\$212,746	\$1,672,946	\$8,179,379	0.52%
December	\$2,543,303	\$1,065,371	\$1,353,477	\$293,598	\$187,217	\$1,122,665	\$6,565,629	-0.19%
January	\$2,654,027	\$1,199,809	\$1,349,615	\$94,246	\$152,027	\$1,881,519	\$7,331,243	2.71%
February	\$3,036,108	\$1,363,508	\$1,478,788	\$932,146	\$159,467	\$1,897,975	\$8,867,993	4.78%
March	\$4,128,906	\$1,837,917	\$1,860,192	\$349,672	\$215,873	\$2,180,732	\$10,573,292	5.20%
April								
May								
June								
YTD Total	\$31,722,344	\$14,203,574	\$14,916,150	\$3,054,642	\$1,947,678	\$16,873,516	\$82,718,303	1.04%

All numbers subject to change by CCA Auditors

MCC/Tourism Tax Collections

MCC Portion of March 2025 Tourism Tax Collections

	FY2023	FY2024	FY2025	Variance
2/5 of 5% Occupancy Tax	\$4,475,082	\$3,936,811	\$4,128,906	4.88%
Net 1% Occupancy Tax	\$2,050,228	\$1,777,129	\$1,837,917	3.42%
\$2 Room Tax	\$1,919,846	\$1,803,775	\$1,860,192	3.13%
Contracted Vehicle	\$321,298	\$348,324	\$349,672	0.39%
Rental Vehicle	\$205,496	\$215,796	\$215,873	0.04%
Campus Sales Tax	\$2,352,586	\$1,968,486	\$2,180,732	10.78%
TDZ Sales Tax Increment	\$0	\$0	\$0	0.00%
Total Tax Collections	\$11,324,536	\$10,050,320	\$10,573,292	5.20%

MCC Portion of Year-to-Date Tourism Tax Collections

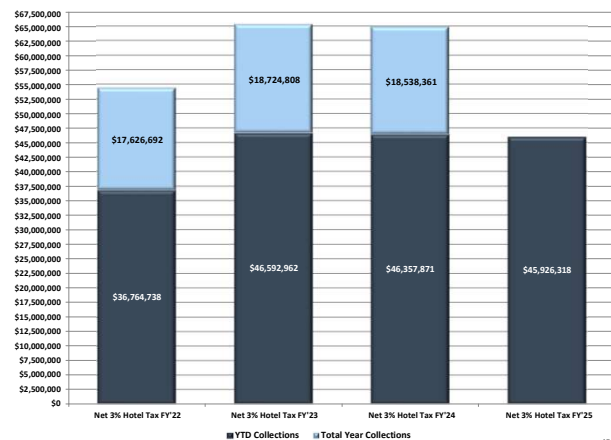
	FY2023	FY2024	FY2025	Variance
2/5 of 5% Occupancy Tax	\$32,022,750	\$31,994,840	\$31,722,344	-0.85%
Net 1% Occupancy Tax	\$14,138,323	\$14,363,031	\$14,203,974	-1.11%
\$2 Room Tax	\$14,946,864	\$14,791,272	\$14,916,150	0.84%
Contracted Vehicle	\$2,601,704	\$2,887,026	\$3,054,642	5.81%
Rental Vehicle	\$1,860,235	\$1,998,318	\$1,947,678	-2.53%
Campus Sales Tax	\$16,075,461	\$15,835,059	\$16,873,516	6.56%
TDZ Sales Tax Increment	\$54,901,700	\$95,865,807	\$102,668,603	7.10%
Total YTD Tax Collections	\$136,547,037	\$177,735,353	\$185,386,907	4.31%

All numbers subject to change by CCA Auditors

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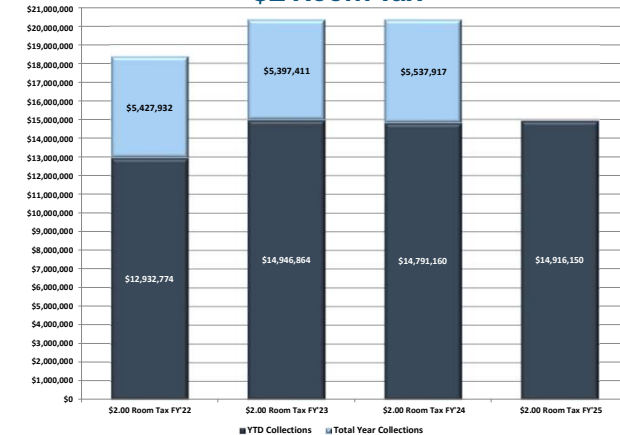
Net 3% Hotel Tax



All numbers subject to change by CCA Auditors

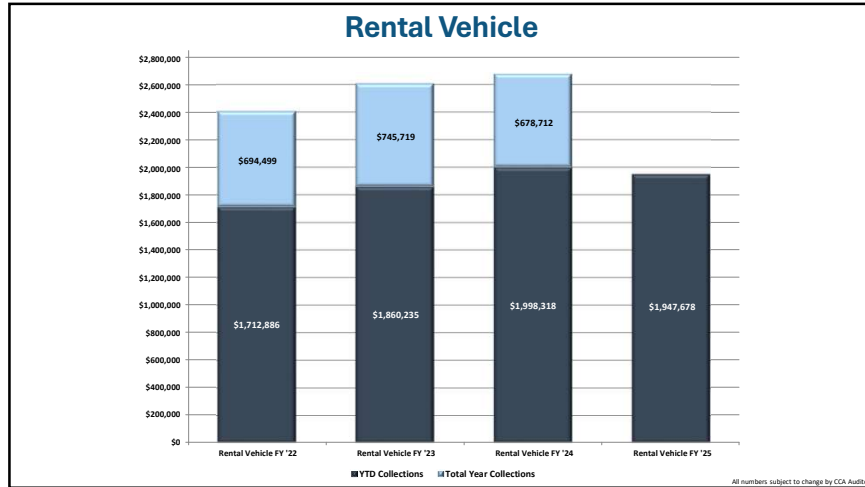
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\$2 Room Tax

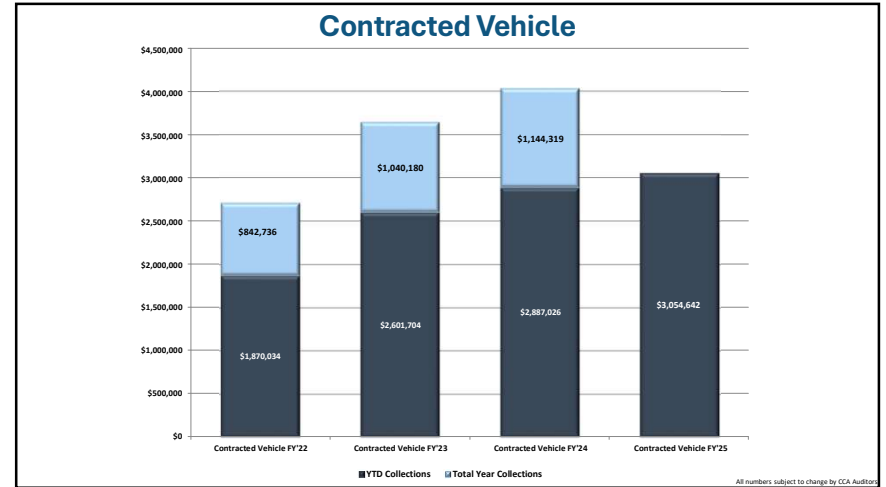


All numbers subject to change by CCA Auditors

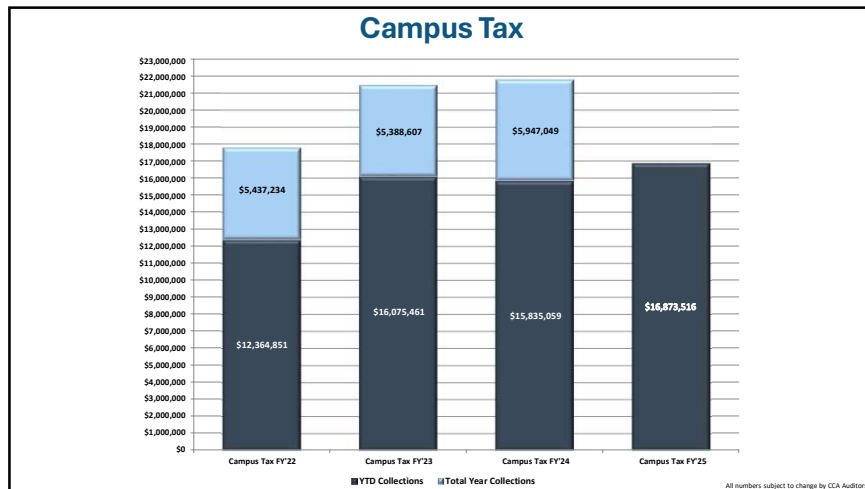
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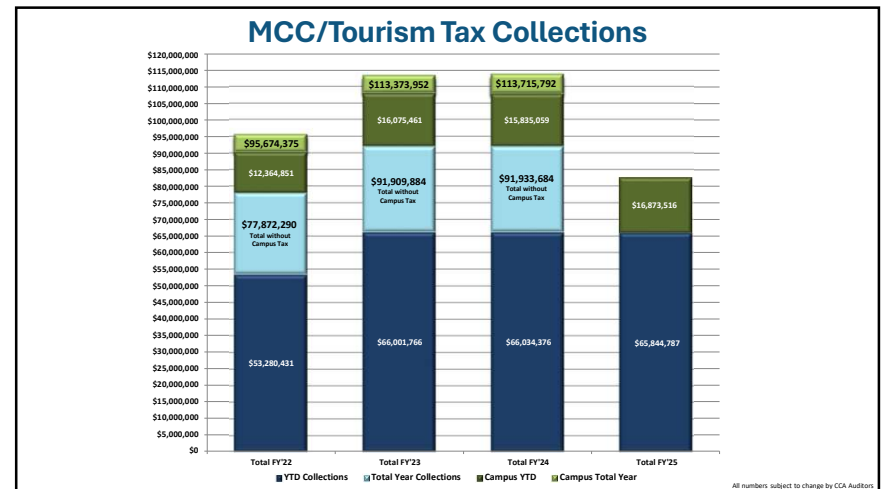
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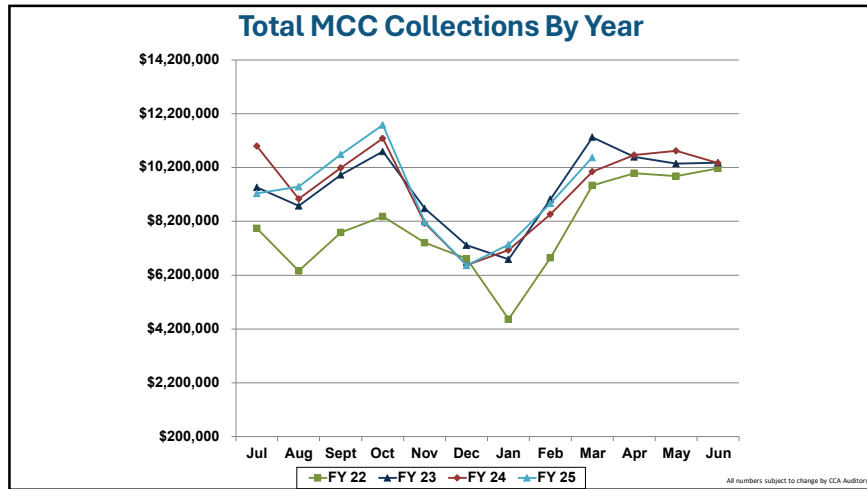
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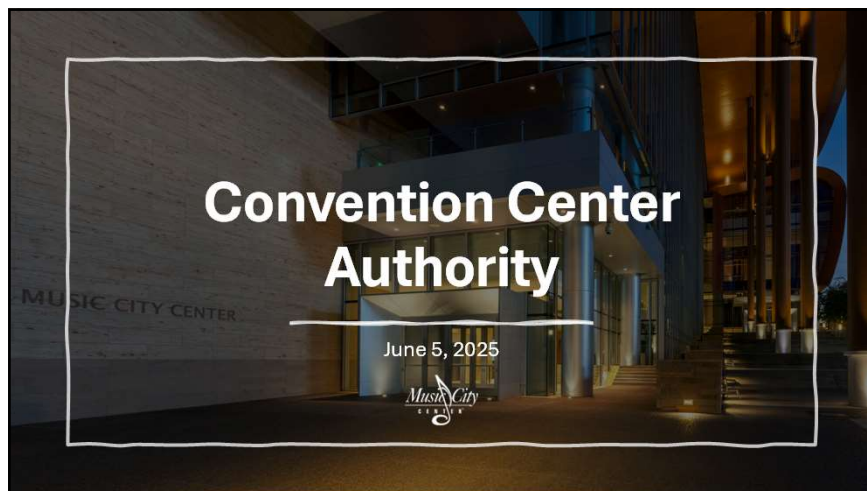
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