

MINUTES OF THE 92nd MEETING OF THE CONVENTION CENTER AUTHORITY OF THE METROPOLITAN GOVERNMENT OF NASHVILLE & DAVIDSON COUNTY

The 92nd meeting of the Convention Center Authority of the Metropolitan Government of Nashville and Davidson County (CCA) was held on April 9, 2020 at 9:00 a.m. at the Music City Center, Nashville, Tennessee – Virtual Meeting.

AUTHORITY MEMBERS PRESENT: Marty Dickens, Robert Davidson, Irwin Fisher, Vonda McDaniel, David McMurry, Randy Rayburn and Leigh Walton

AUTHORITY MEMBERS NOT PRESENT: Barrett Hobbs

OTHERS PRESENT: Charles Starks, Charles Robert Bone and Donna Gray

Chair Marty Dickens opened the meeting for business at 9:02 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.

ACTION: Irwin Fisher made a motion to approve the 91st Meeting Minutes of March 5, 2020. The motion was seconded by Leigh Walton and approved unanimously by the Authority.

The next regularly scheduled meeting is scheduled for May 7, 2020 at 9:00 am.

Charles Starks and Charles Robert Bone provided information on the MOU with Metropolitan Government (Attachments #1 and #2) and there was discussion.

ACTION: Robert Davidson made a motion [i] approving a Memorandum of Understanding with the Metropolitan Government authorizing one-time payments to the Metropolitan Government of an additional \$5 million for fiscal year 2020 and \$35 million for fiscal year 2021 and [ii] authorizing Marty Dickens to finalize and execute the Memorandum of Understanding on behalf of the Authority, his execution to constitute conclusive evidence of the approval of any and all such changes or revisions, in the name, and on behalf, of the Convention Center Authority, and to leave to the discretion of the Chair to bring any changes to the Convention Center Authority he deems appropriate. The motion was seconded by Leigh Walton and approved unanimously by the Authority.

Charles Starks presented an update on Tax Collections (Attachment #1) and there was discussion.

Charles Starks provided information on the cancellation of events due to COVID-19 and there was discussion.

Charles Starks provided information on the hotel closings and there was discussion.

Charles Starks provided an update on Tennessee Health Department's plans on selecting the Music City Center as an Alternate Care Site and there was discussion.

With no additional business, the Authority unanimously moved to adjourn at 9:58 a.m.

Respectfully submitted,



Charles L. Starks
President & CEO
Convention Center Authority

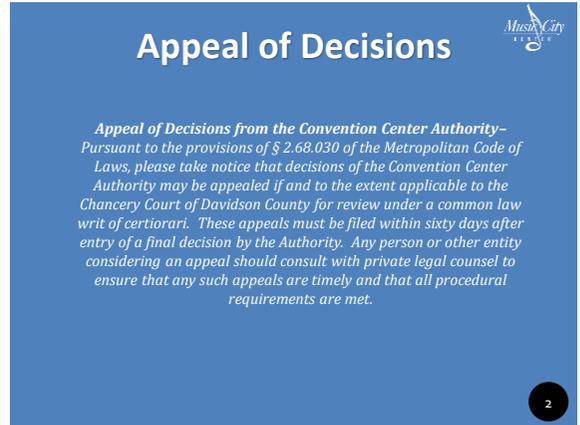
Approved:



Marty Dickens, Chair
CCA 92nd Meeting Minutes
of April 9, 2020



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MCC/Hotel Tax Collection

Collections Thru January 2020
(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 19- 20
July	\$2,589,786	\$1,163,092	\$1,542,238	\$374,970	\$146,689	\$1,643,485	\$7,460,260	13.91%
August	\$2,565,727	\$1,007,072	\$1,508,596	\$283,622	\$210,480	\$1,769,959	\$7,345,456	11.29%
September	\$2,764,923	\$1,253,699	\$1,471,867	\$318,931	\$169,672	\$1,838,470	\$7,817,561	15.79%
October	\$2,886,604	\$1,287,626	\$1,460,314	\$330,941	\$132,845	\$1,927,126	\$8,025,455	-0.86%
November	\$2,961,757	\$1,345,953	\$1,583,215	\$286,254	\$236,931	\$1,619,324	\$8,033,435	44.22%
December	\$1,795,863	\$754,436	\$1,176,395	\$243,736	\$122,152	\$1,072,234	\$5,164,815	-13.55%
January	\$1,808,874	\$834,553	\$1,206,733	\$256,777	\$154,728	\$1,652,359	\$6,014,025	16.63%
February								0%
March								0%
April								0%
May								0%
June								0%
YTD Total	\$17,473,534	\$7,646,431	\$9,949,360	\$2,095,230	\$1,173,497	\$11,522,956	\$49,861,009	11.55%

All numbers subject to change by CCA Auditors

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MCC/Hotel Tax Collection

MCC Portion of January 2020 Tourism Tax Collections

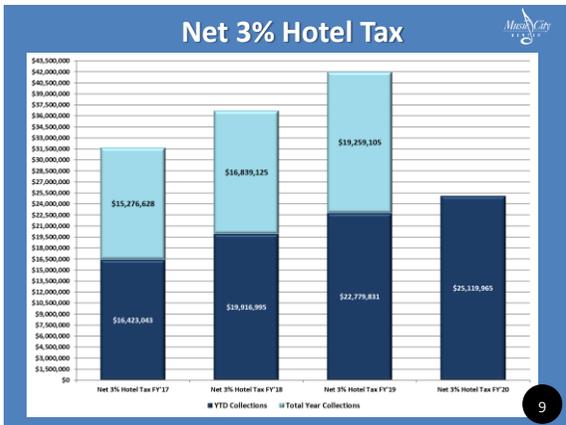
	FY 2019	FY 2020	Variance
2/5 of 5% Occupancy Tax	\$1,658,032	\$1,908,874	15.13%
Net 1% Occupancy Tax	\$718,536	\$834,553	16.15%
\$2 Room Tax	\$1,094,660	\$1,206,733	10.24%
Contracted Vehicle	\$211,109	\$256,777	21.63%
Rental Vehicle	\$113,067	\$154,728	36.85%
Campus Sales Tax	\$1,361,162	\$1,652,359	21.39%
TDZ Sales Tax Increment	\$0	\$0	0.00%
Total Tax Collections	\$5,156,566	\$6,014,025	16.63%

MCC Portion of Year-to-Date Tourism Tax Collections

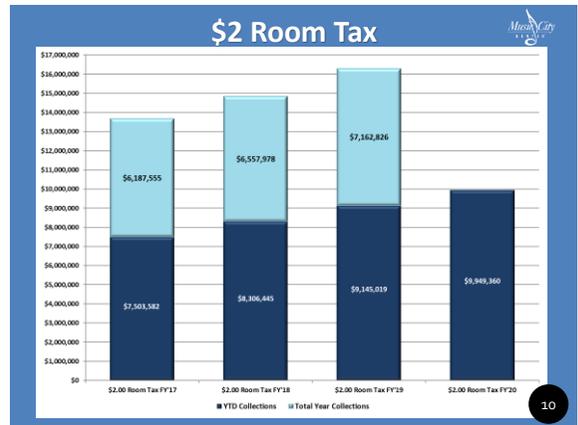
	FY 2019	FY 2020	Variance
2/5 of 5% Occupancy Tax	\$15,771,874	\$17,473,534	10.79%
Net 1% Occupancy Tax	\$7,007,957	\$7,646,431	9.11%
\$2 Room Tax	\$9,145,019	\$9,949,360	8.80%
Contracted Vehicle	\$1,719,854	\$2,095,230	21.83%
Rental Vehicle	\$1,119,426	\$1,173,497	4.83%
Campus Sales Tax	\$9,933,092	\$11,522,956	16.01%
TDZ Sales Tax Increment	\$44,760,433	\$56,461,491	26.14%
Total YTD Tax Collections	\$89,457,655	\$106,322,499	18.85%

All numbers subject to change by CCA Auditors

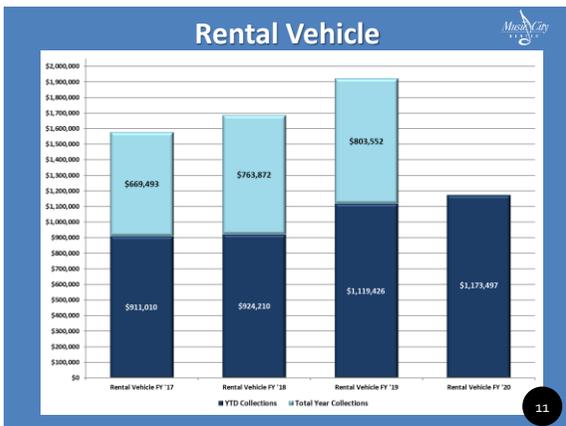
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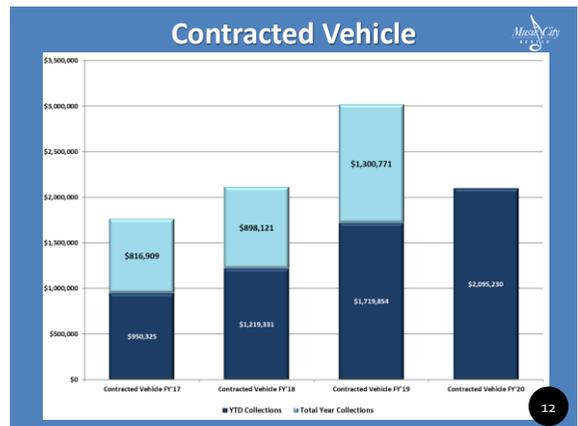
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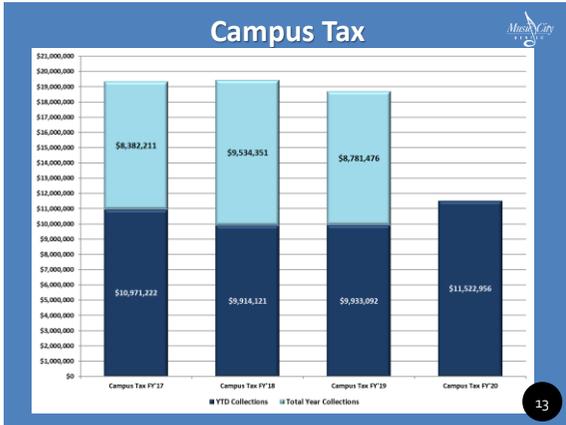
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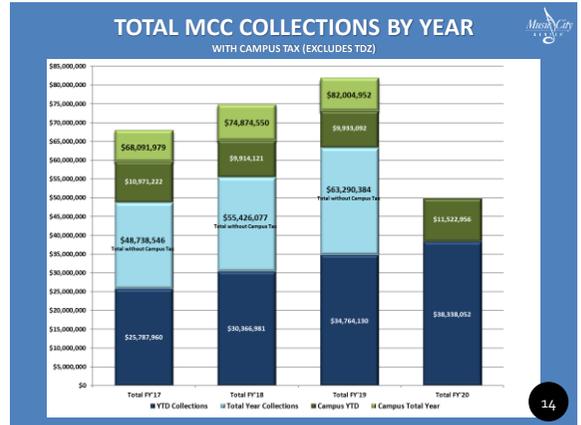
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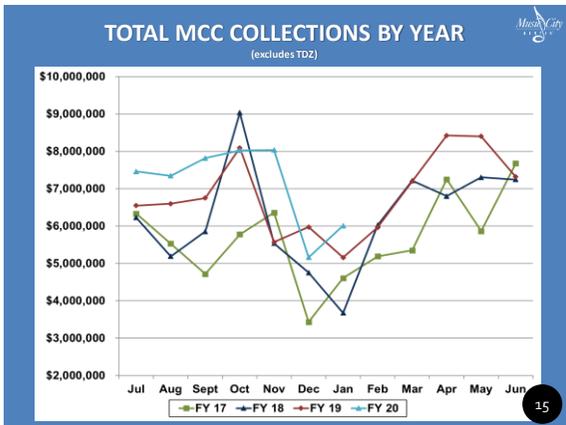
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FEBRUARY EVENTS

- > 21 Events
- > 38,392 Attendees
- > 39,659 Room Nights
- > \$49,615,349 Direct Economic Impact

FEBRUARY TOURS & SITE VISITS

- > 5 Sales Site Visits
- > 2 Group tours

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MARCH EVENTS

- > 11 Events
- > 12,073 Attendees
- > 13,564 Room Nights
- > \$18,836,845 Direct Economic Impact

MARCH TOURS & SITE VISITS

- > 2 Sales Site Visits
- > 0 Group tours

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MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (this "Agreement") is made and entered into as of the 8th day of May, 2020 (the "Effective Date") by and between **THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY** (the "Metropolitan Government") and **THE CONVENTION CENTER AUTHORITY OF THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY** (the "Convention Center Authority").

WITNESSETH:

WHEREAS, the Convention Center Authority issued Tourism Tax Revenue Bonds, including Series 2010B, to pay the costs associated with planning, designing, engineering, acquiring, constructing, equipping, furnishing, improving, repairing, refurbishing and opening the Music City Center;

WHEREAS, as a part of the bond financing for the Music City Center, the Convention Center Authority entered into an Indenture of Trust, dated as of April 1, 2010, by and between the Convention Center Authority and U.S. Bank National Association, as the Trustee, pursuant to which the Series 2010B Bonds were issued (the "Indenture;" capitalized terms used but not defined in this Agreement have the meanings given them in the Indenture);

WHEREAS, the Indenture, pursuant to Section 5.02(f), established a Surplus Revenue Fund, which was further described in Section 5.10;

WHEREAS, the purpose of the Surplus Revenue Fund was to (i) receive and hold all Tourism Tax Revenues and Project Operating Revenues which are not otherwise used to pay Operating Expenses or required to be deposited into any other Fund or Account in accordance with Section 5.05 of the Indenture, and (ii) make disbursements into other Funds and Accounts or to Persons, including, without limitation, the Metropolitan Government, as required by the Indenture;

WHEREAS, pursuant to Section 5.10(b) of the Indenture, all moneys on deposit in the Surplus Revenue Fund shall be used and applied in the following order: (i) for the payment of Operating Expenses as and when such expenses arise to the extent moneys are unavailable in the Revenue Fund for such purpose, (ii) to cure any deficiency in the Debt Service Fund, (iii) to cure any deficiency in the Debt Service Reserve Fund, (iv) to reimburse the Metropolitan Government for all Non-Tax Revenues used to pay Debt Service and (v) with the consent and at the direction of the Director of Finance, for any other lawful purpose;

WHEREAS, the Convention Center Authority receives certain Tourism Tax Revenues from the Metropolitan Government under the Intergovernmental Project Agreement (Convention Center Project) dated as of February 1, 2010, by and between the Metropolitan Government, the Convention Center Authority and The Metropolitan Development and Housing Agency of Nashville and Davidson County, including (i) revenues received by the Metropolitan Government and granted to the Issuer under the terms of the Intergovernmental Agreement derived from 3% of the 6% hotel/motel tax imposed pursuant to Tennessee Code Annotated

Section 7-4-102 and Metropolitan Code Section 5.12.020 to be charged, per night, to the occupant of any hotel, motel or other specified transient lodging within the Metropolitan Government, less that portion of such tax required to be deposited to the Metropolitan Government General Fund pursuant to Section 7-4-102(b)(3) and Section 7-4-110(f) of the Tennessee Code Annotated (the "Hotel/Motel Tax Revenues"); (ii) revenues received by the Metropolitan Government from \$2.00 of the \$2.50 hotel room occupancy tax to be charged, per night, to the occupant of any hotel, motel or other specified transient lodging within the Metropolitan Government pursuant to Tennessee Code Annotated Section 7-4-202 and Metropolitan Code Section 5.12.120 and granted to the Issuer by the Metropolitan Government under the terms of the Intergovernmental Agreement (the "Room Occupancy Tax Revenues"); and (iii) revenues received by the Metropolitan Government pursuant to TCA 67-6-103 from the diversion of sales tax revenues collected at the Convention Center Project and any convention center hotel that is approved by the Tennessee Department of Finance and Administration in accordance with TCA 67-6-103 (the "MCCA Campus Sales Tax Revenues");

WHEREAS, the Convention Center Authority has previously paid and transferred to the Metropolitan Government various sums as provided in prior memorandums of understanding; and

WHEREAS, the Metropolitan Government and the Convention Center Authority (collectively, the "parties") wish to enter into this Agreement to provide for two allocations and transfers of a portion of the Hotel Motel Tax Revenues, the Room Occupancy Tax Revenues and the MCCA Campus Sales Tax Revenues (collectively, the "Revenues") held in the Surplus Revenue Fund and/or from operating revenues, and after the making of such payments this Agreement will terminate.

NOW, THEREFORE, in consideration of the premises, the mutual promises and benefits hereinafter set forth, and other good and valuable consideration, the receipt and legal sufficiency of which are acknowledged, the parties hereby agree as follows:

1. Allocation of Surplus Revenues. Pursuant to the Indenture, and in complete satisfaction of the Director of Finance's rights or ability to transfer or request funds pursuant to Section 5.10(b) of the Indenture, the Convention Center Authority agrees to transfer to the Metropolitan Government from the MCCA Campus Sales Tax Revenues and/or operating revenues: (i) for Fiscal Year 2020 by May 1, 2020, the sum of Five Million Dollars (\$5,000,000.00) and (ii) for Fiscal Year 2021 by July 1, 2020, the additional sum of Thirty-Five Million Dollars (\$35,000,000.00).

2. Term. This Agreement, and the duties and responsibilities of the parties hereunder, shall begin on the Effective Date and shall terminate upon the final payment from the Convention Center Authority to the Metropolitan Government as contemplated in paragraph 1.

3. Default. In the event any of the parties hereto shall fail to perform any of its obligations hereunder or shall become unable to perform by reason of bankruptcy, insolvency, receivership or other similar event, then the non-defaulting party, so long as said party is not itself in default hereunder, may seek specific performance, mandamus or other extraordinary relief to compel the defaulting party to perform hereunder. Notwithstanding anything to the

contrary herein, termination of this Agreement shall not be permitted if such termination would impair in any way the ability or capacity of any of the parties hereto to fully and timely fulfill its obligations under any contract or agreement with any third party.

4. Severability. If a court of competent jurisdiction determines that any term of this Agreement is invalid or unenforceable to any extent under applicable law, the remainder of this Agreement (and the application of this Agreement to other circumstances) shall not be affected thereby, and each remaining term shall be valid and enforceable to the fullest extent permitted by law.

5. Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee. Venue for any litigation arising out of this Agreement shall be in the courts of Davidson County Tennessee.

6. Entire Agreement. This Agreement contains the entire understanding between the parties with respect to the matters contained herein and supersedes any prior understanding and agreements between them respecting the within subject matter. There are no representations, agreements, arrangements or understandings, oral or written, between the parties hereto relating to the subject matter of this Agreement which are not fully expressed herein. Notwithstanding the foregoing, to the extent this Agreement or any of the terms hereof shall conflict with the terms of any of the other documents or agreements referenced herein, the terms of said documents or agreements shall control.

7. Headings. The paragraph headings are inserted only as a matter of convenience and for references and in no way define, limit or describe the scope or intent of this Agreement or in any way affect this Agreement.

8. Force Majeure. No party shall have any liability to any other party hereunder by reason of any delay or failure to perform any obligation or covenant if the delay or failure to perform is occasioned by force majeure, meaning any act of God, storm, fire, casualty, work stoppage, strike, lockout, labor dispute, civil disturbance, riot, war, national emergency, act of Government, act of public enemy, or other cause of similar or dissimilar nature beyond its control.

9. Maintenance of Records. The books, records, and documents of the parties, as they relate to any money received under this Agreement, shall be maintained in accordance with the Metropolitan Government's record retention policies, generally for a period of seven (7) years from the date of the payment. The records shall be maintained in accordance with generally accepted accounting principles.

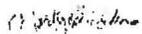
*[Remainder of this page is intentionally blank.
Signature page follows.]*

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers as of the date first written above.

THE METROPOLITAN GOVERNMENT OF
NASHVILLE AND DAVIDSON COUNTY:

CONVENTION CENTER AUTHORITY OF
THE METROPOLITAN GOVERNMENT OF
NASHVILLE AND DAVIDSON COUNTY:


Metropolitan Mayor


Chairman

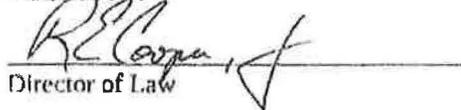
APPROVED AS TO AVAILABILITY
OF FUNDS

ATTEST:


Director of Finance


Secretary

APPROVED AS TO FORM AND
LEGALITY:


Director of Law

ATTEST:

Metropolitan Clerk