



# ANNUAL REPORT

JULY 1, 2016 - JUNE 30, 2017



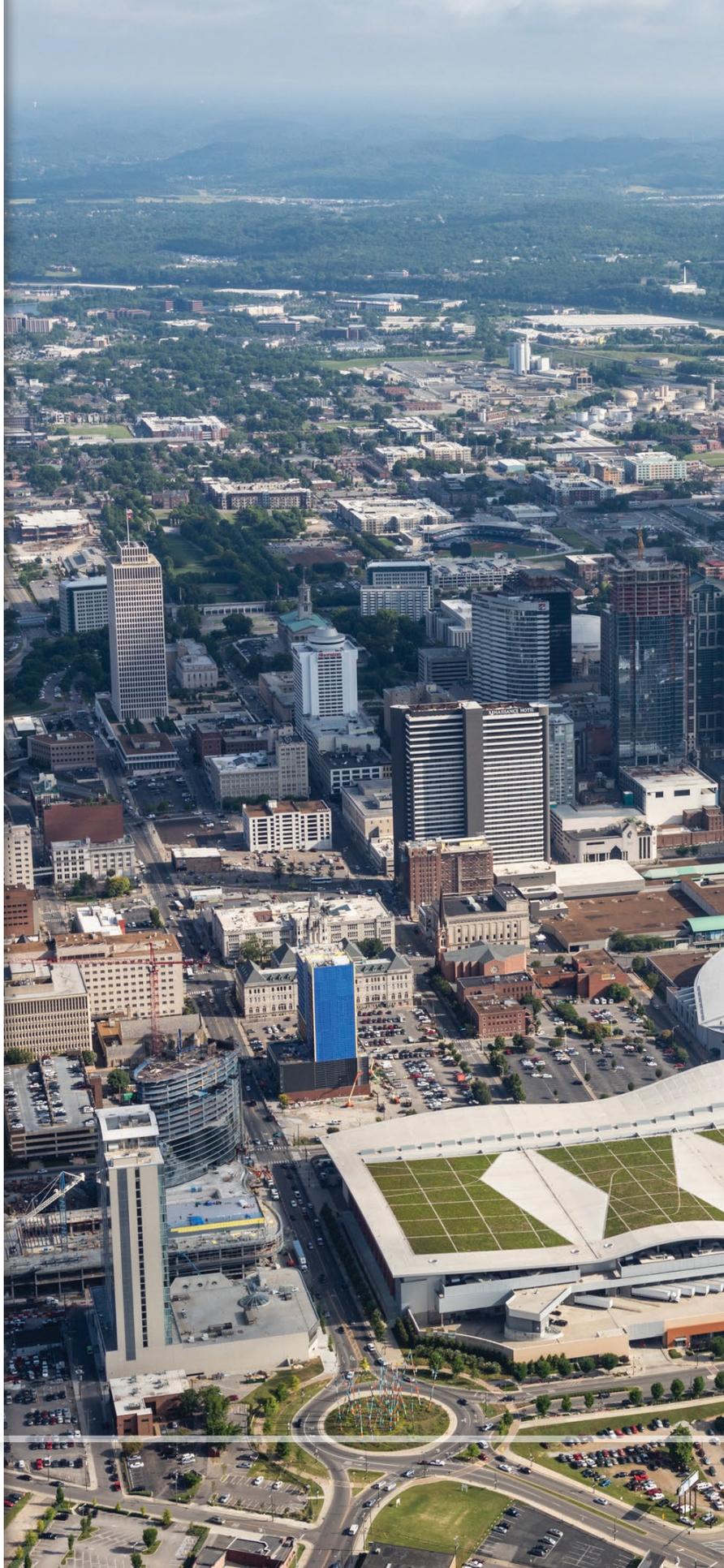


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# Music City Center **MISSION**

The mission of the Music City Center is to create significant economic benefit for the citizens of the greater Nashville region by attracting local and national events while focusing on community inclusion, sustainability and exceptional customer service delivered by our talented team members.





As we look around the Music City Center today and see so many new hotels, restaurants, and businesses as well as many underway, it's hard to believe how much has changed since we broke ground. SoBro is almost unrecognizable today, and while the Music City Center played a part in that, it's hard work and strong leadership that have made it reality.

Music City Center's unprecedented success is only possible because of the people who live and invest in our city. Our team members and staff in the hospitality industry, our stakeholders and partners who believed in us, and our customers who can't get enough of our city are all at the core of our successes. Every person plays their part, and the result has been unimaginable.

Because of these people, we've been able to invest in our future and make some exciting changes to the facility. Last January we broke ground on an expansion which includes a new food and beverage outlet that will be available to our customers and Nashvillians who live or work downtown.

As our city grows and changes, we will inevitably face many challenges. It's our responsibility to face them head on, and we have no doubt that our community is up to the challenge.

Marty Dickens  
Chairman, Convention Center Authority

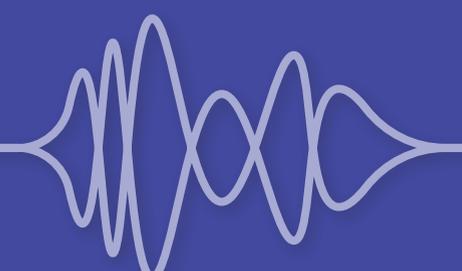
Charles Starks  
President & CEO, Music City Center



# A RECORD of our year

The mission of every convention center is to bring people to the city to stay in our hotels, eat in our restaurants, ride in our cabs and help our local businesses grow and thrive. And the Music City Center has done just that.

After just four years of operation, the Music City Center has generated almost \$1.5 billion in direct economic impact for the city of Nashville, which equals about \$950,000 every single day. The facility brings around 300 events with an average 550,000 attendees annually, making Nashville a very popular destination in the meetings industry.





287  
EVENTS

557,870  
ATTENDEES

317,893  
TOTAL ROOM NIGHTS

\$371,643,358  
ECONOMIC IMPACT

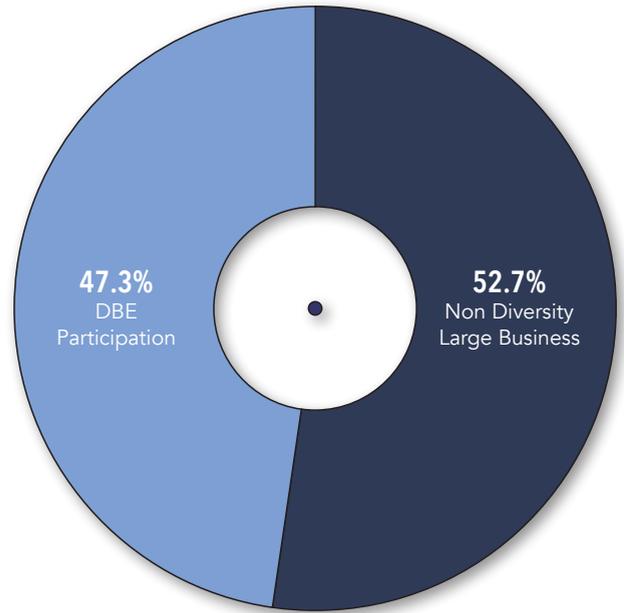
# DIVERSITY

## Business Enterprise

The Music City Center’s Diversity Business Enterprise program began during construction and has grown into an integral part of our business model and mission. The program reaches all communities and neighborhoods in Middle Tennessee to ensure that Nashville’s diversity is reflected in the way we conduct business.

At the surface, the program connects vendors with purchasers, small companies with large organizations and new business owners with leaders in the community, but it has become much more than that. It influences every partnership, every decision and every day. It has become the pulse behind our success and a motivator for our team members.

By taking a more active role in the DBE certification process, our team has helped small, minority and women-owned businesses around Nashville connect with organizations to match needs with solutions. And first-hand we have had great success with our DBE vendors, spending over 47 percent of our operating expenses with minority, women-owned and small businesses in fiscal year 2017.



DBE PARTICIPATION SUMMARY	Percent of Total	Number of companies
Minority Owned Businesses	3.44%	7
Women Owned Businesses	16.04%	15
Small Business Enterprise	27.79%	7
<b>TOTAL</b>	<b>47.27%</b>	<b>29</b>



→ (P)

Davidson Ballroom  
Meeting Rooms

Karl F. Dean  
Grand Ballroom  
Halls A-D





# IAVM Venue Excellence AWARD

This summer the Music City Center was named one of five 2017 Venue Excellence Award Winners at the International Association of Venue Managers (IAVM) 2017 Awards Luncheon. The Venue Excellence Awards, hosted each year by IAVM, honor exceptional venues and professionals in several categories who demonstrate leadership and innovation within the industry. Award recipients must demonstrate excellence in the management and operation of public assembly venues and are judged on the following categories: operational excellence, safety and security, team building/professional development, and service to the community.

The Awards Luncheon was part of IAVM's annual conference, VenueConnect, which took place at the Music City Center in August. VenueConnect 2017 brought together over 2,000 professionals from a spectrum of public assembly venues including arenas, convention centers, amphitheaters, fairgrounds, performing arts centers, stadiums, universities, and more.



# FOOD and BEVERAGE

With over 550,000 guests annually, the team in the kitchen has mastered the art of thinking outside the box and finding something for everyone. Pulling inspiration from local, seasonal produce, Executive Chef Max Knoepfel is a master of working with our customers to create a menu that is unique to their event, style and budget.

Our events vary from plated dinners for thousands to breakfasts for ten, and the kitchen takes each and every opportunity to wow our customers and showcase what local produce Middle Tennessee has to offer. No matter what you are looking for, you can find your rhythm at the Music City Center.

Creativity in the kitchen doesn't end with the meal. Chef Max and his team are always looking for ways to reduce waste and be good stewards of the earth. By donating leftover food, using biodegradable serving ware, and composting food scraps, our team seeks to serve not only our guests but also the environment and people in our community.







# CONSTRUCTION and DEVELOPMENT

With downtown Nashville growing and changing so quickly, fiscal year 2017 was an exciting time for the Music City Center as we looked at our future and opportunities for growth. With the new hotels opening up near the 8th Avenue side of the facility, we began to look at what our customers might need or want near that entrance as well as any enhancements we could make that would improve the customer experience.

In early 2017, the Convention Center Authority voted unanimously to approve a \$19.9 million construction budget to build a new food and beverage outlet and expand the Exhibit Hall and Davidson Ballroom concourse space at the Music City Center. The expansion will add 5,000 square feet of additional concourse space and 4,350 square feet of retail and kitchen space on the Exhibit Hall level as well as 2,000 square feet of additional prefunction space outside the Davidson Ballroom.

The new food and beverage outlet, which will be operated by the Music City Center's culinary team, will be located on the third level of the Music City Center and accessible from inside the building as well as from Demonbreun and 8th Avenue. The concourse space adjacent to the new market will be expanded to

allow for a registration area on the Exhibit Hall level. The Davidson Ballroom concourse will also be extended to accommodate registration and receptions. Both projects should be completed early 2018.

We are thrilled to be able to continue to invest in and enhance the Music City Center. As we have listened to our meeting planners' feedback over the last few years, we've identified these as areas we can expand upon, and we feel this is the right time and the right place to make these improvements. We look forward to sharing this new space with customers, friends and partners in 2018.



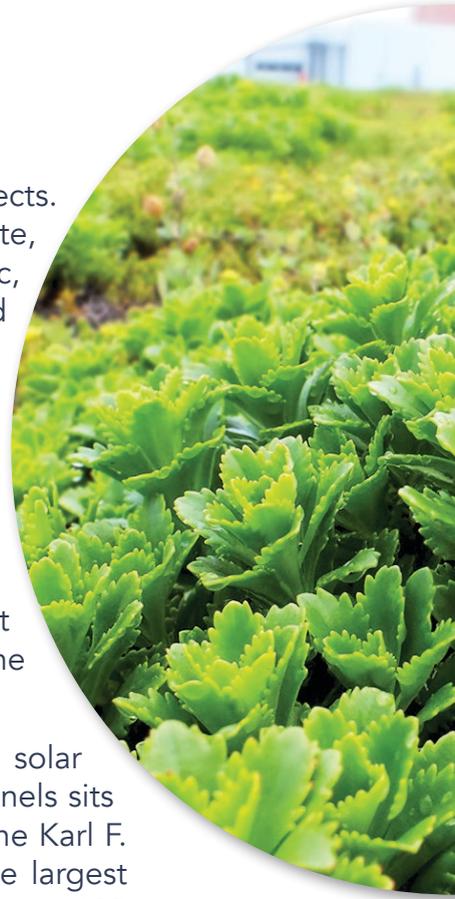
# Sustainability

The Music City Center showcases sustainability throughout the entire building, from the rolling hills of the green roof to the regional ingredients coming together in the kitchen. We are proud to be recognized as a LEED (Leadership in Energy and Environmental Design) building at the Gold level for design and construction, and we continue to pursue sustainability initiatives in new ways and engage with our Nashville community. This year we continued the mission of the MCC to focus on sustainability by building off of the thoughtful and efficient design choices from the construction of the building.

From the beginning of the construction of the MCC, steps were taken to reduce environmental impact. More than 75 percent of the waste generated on-site was recycled during construction. We are continuing this waste diversion effort

in our latest construction projects. We recycled crushed concrete, metal, drywall, wood, plastic, cardboard, and repurposed wood instead of sending these materials to the landfill. The Davidson Ballroom construction had 7.34 tons or 72 percent of materials diverted from the landfill, and the Market construction had 562.35 tons or 70 percent of materials diverted from the landfill.

Moving upward, a 211 kWh solar array made up of 845 solar panels sits on the guitar-shaped roof of the Karl F. Dean Grand Ballroom. It is the largest solar installation in Nashville, and 100 percent of the electric power produced is used onsite. This fiscal year the panels produced 290,027 kWh of energy, which is enough to power 27 homes in the U.S. for a whole year.



**48%**  
water  
reduction

**290,027 KWH**  
of energy  
produced

**60 LBS**  
of honey  
harvested





The MCC also uses collected rain water from our 360,000 gallon cistern to flush over 500 toilets/urinals and irrigate our outdoor landscaping. This innovative rain water reuse system has surpassed its original estimate of 40 percent reduction in the facility's overall water usage. This year we reduced our water usage by 48 percent, amounting to 3,244,788 gallons of water.

The green roof continues to insulate our Exhibit Halls to reduce our heating and cooling needs with four acres of low-maintenance sedum plants. It is also home to our bee hives, from which we harvested 60 pounds of honey this year.



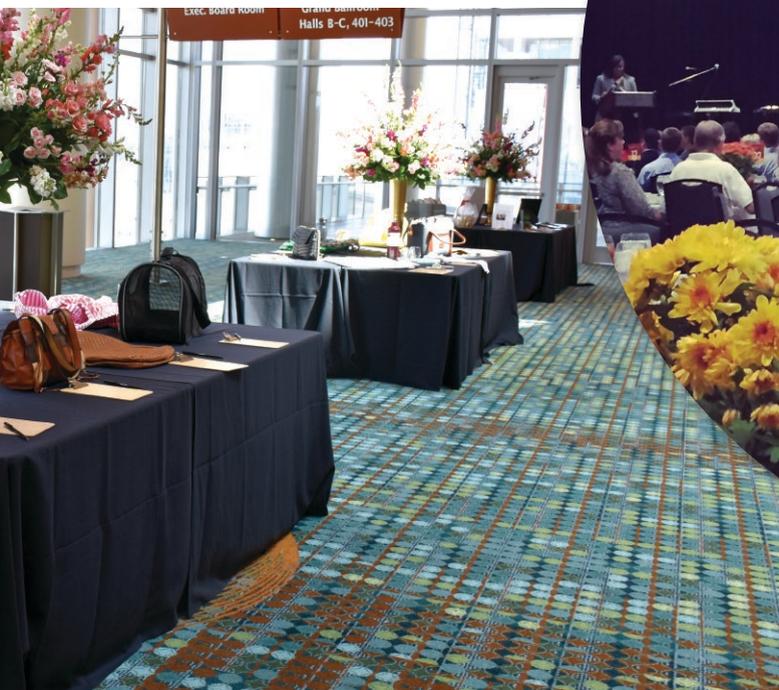
# COMMUNITY Partners

The Music City Center strives to be a great community partner to the many local nonprofits in Middle Tennessee. In fiscal year 2017, the Music City Center hosted 51 nonprofit events with over 32,000 attendees. Since opening four years ago, the facility has welcomed over 134,000 supporters for almost 250 local nonprofit events.

The Music City Center assists our neighbor, the Nashville Rescue Mission, in providing hope to the hungry, homeless, and hurting in our community by donating leftover food instead of letting it go to waste. During fiscal year 2017, the MCC kitchen donated over 138,063 pounds of leftover food.

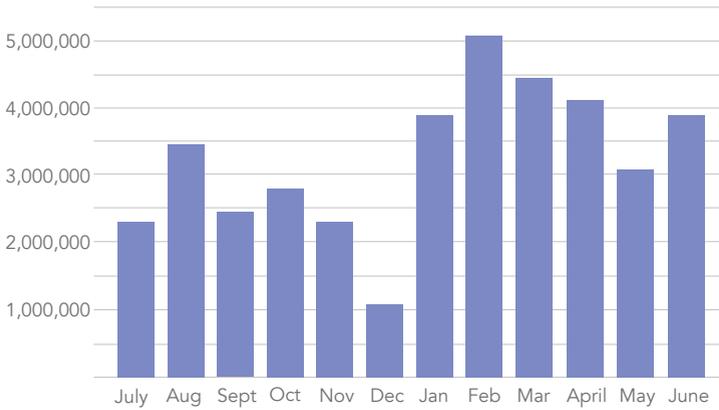
The Music City Center also works closely with our Metro Nashville Public School Partner, Hunters Lane High School. As the Nashville Convention Center officially closed its doors this year, our team gathered and delivered donations ranging from drinking glasses to tables and chairs for the school. These items, totaling over \$47,000 in in-kind donations, will be used by Hunters Lane in various capacities, including for their Academies of Nashville Culinary Arts program.



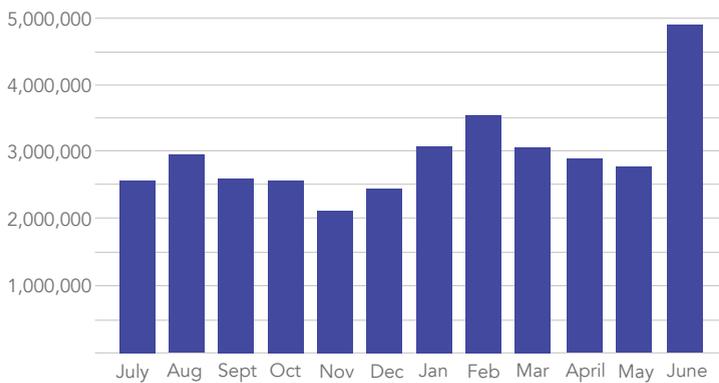


# Financials

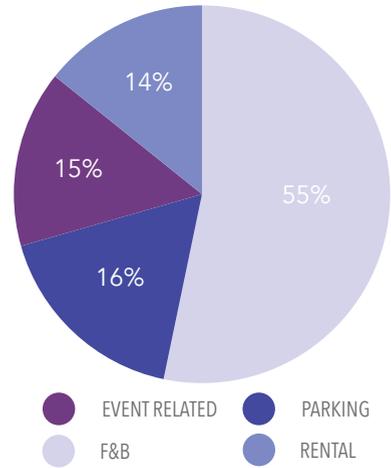
OPERATIONAL REVENUE FISCAL YEAR 2017



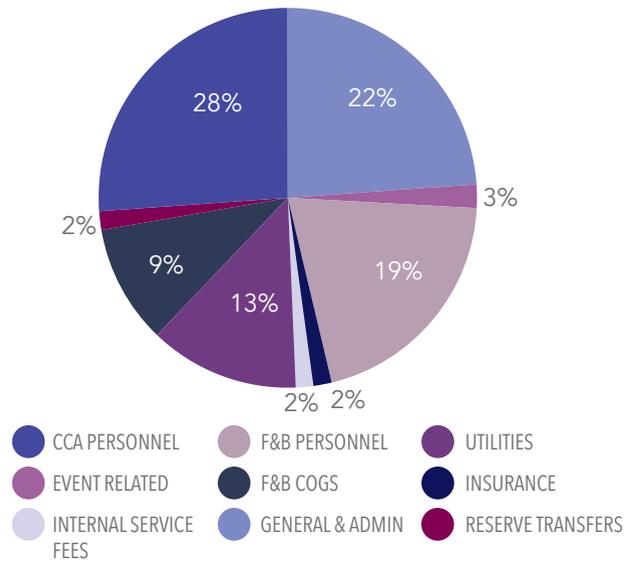
OPERATIONAL EXPENSE FISCAL YEAR 2017



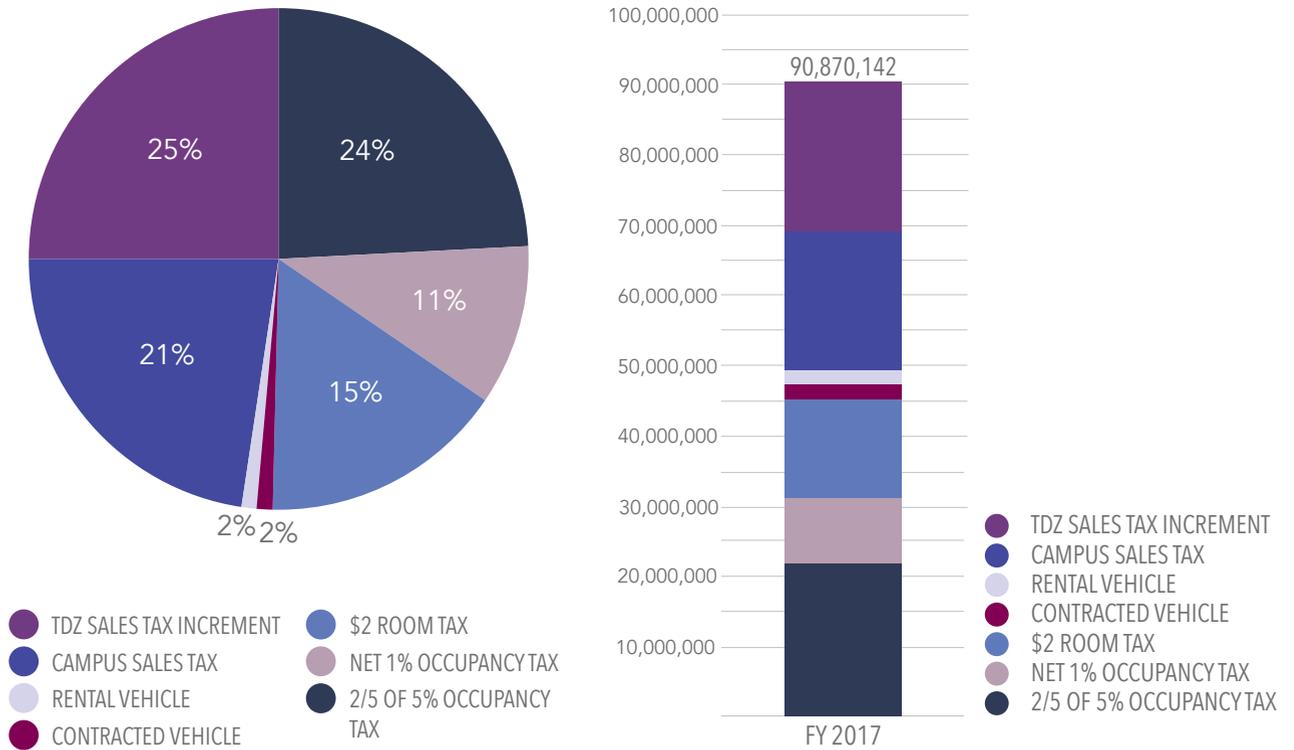
TOTAL FISCAL YEAR REVENUE BY CATEGORY



TOTAL FISCAL YEAR EXPENSE BY CATEGORY



## FY2017 MCC TOTAL TOURISM TAX COLLECTIONS



## FY2017 TAX COLLECTIONS BY MONTH \*



\*TDZ collections are not included in the tax collections by month graph.

◆ 2/5 OF 5% OCCUPANCY TAX ● CAMPUS SALES TAX ▲ \$2 ROOM TAX ■ NET 1% OCCUPANCY TAX ◆ RENTAL VEHICLE ● CONTRACTED VEHICLE



# CONVENTION CENTER AUTHORITY MEMBERS



Marty Dickens  
Chairman



Irwin Fisher



Randy Goodman



Vonda McDaniel  
Vice Chair



Willie McDonald  
Secretary/Treasurer



David McMurry



Randy Rayburn



Renata Soto



Leigh Walton

# MUSIC CITY CENTER LEADERSHIP TEAM



Eric Blouin  
Director of Technology



Jim Greer  
Director of Security



Erin Hampton  
Vice President of Human Resources



Brian Ivey  
Vice President of Sales & Marketing



Teri McAlister  
Director of Sales



Terry McConnell  
Director of Engineering



Elisa Putman  
Sr. Vice President & Chief  
Operations Officer



Jasmine Quattlebaum  
Director of Purchasing/DBE



Heidi Runion  
Director of Finance & Administration



Chris Schappert  
Director of Event Services



Dewayne Smith  
Director of Facilities



Charles Starks  
President & CEO



Richard Wagner  
Director of Parking



Mary Brette Wyll  
Director of Communications



Doug Zimmerman  
Food & Beverage General Manager

