

MINUTES OF THE 118th MEETING OF THE CONVENTION CENTER AUTHORITY OF THE METROPOLITAN GOVERNMENT OF NASHVILLE DAVIDSON COUNTY

The 118th meeting of the Convention Center Authority of the Metropolitan Government of Nashville and Davidson County (CCA) was held on May 4, 2023, at 9:00 a.m. in the Administrative Conference Room of the Administrative Offices at Music City Center, Nashville, Tennessee.

AUTHORITY MEMBERS PRESENT: Norah Buikstra, Robert Davidson, Alfred Degrafinreid II, Tracy Hardin, Barrett Hobbs, Dee Patel, and Seema Prasad

AUTHORITY MEMBERS NOT PRESENT: Vonda McDaniel and Betsy Wills

OTHERS PRESENT: Charles Starks, Charles Robert Bone, Jasmine Quattlebaum, Heidi Runion, Donna Gray, Brian Ivey, Heather Jensen, Elisa Putman, and Kristin Wilson

Chair Norah Buikstra opened the meeting for business at 9:02 a.m.

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.

Chair Norah Buikstra read the Music City Center Mission Statement.

ACTION: Seema Prasad made a motion to approve the 117th Meeting Minutes of March 2, 2023. The motion was seconded by Robert Davidson and approved unanimously by the Authority.

The next regularly scheduled meeting is scheduled for Thursday, June 1, 2023, at 9:00 a.m.

Robert Davidson, Charles Starks, and Heidi Runion reviewed the Music City Center Fiscal Year 2024 Operating and Capital Budget which was approved by the Finance and Audit Committee on April 24, 2023 (Attachment #1). There was discussion on future bookings, hotel rates, current hotel inventory, projected hotel openings, annual forecast, FY2024 budgeted total revenue and expenses, along with historical comparisons, results from the compensation study including movement of the minimum wage from

\$15 to \$18 per hour and the corresponding compression impact of that increase. There was then discussion on the capital requests for FY2024.

ACTION: Robert Davidson made a motion accepting the recommendation of the Finance & Audit Committee and approving the 2024 Fiscal Year Operating and Capital Budget to fund the activities, operations, and capital needs of the Music City Center. The motion was seconded by Tracy Hardin and approved unanimously by the Authority.

Robert Davidson asked for an update on recently passed state legislation (SB0648/HB1279) relative to public funding for convention center facilities. Charles Starks noted that the State Comptroller had testified during the committee meetings, and three new ex officio board members would be added to the Authority as per the legislation. Authority Attorney Charles Robert Bone stated he met with Metro Legal representative Tom Cross and discussed three items concerning excess revenue including prepayment of current bonds, capital expenditures not to exceed \$25 million annually, and clean & safe efforts not impacted by the annual cap like police and fire services. The Board will honor monetary commitments previously approved for Metro projects including Second Avenue Recovery administered by Metropolitan Development and Housing Agency (MDHA), Walk of Fame Park administered by Nashville Downtown Partnership (NDP), and Broadway Improvements including retractable bollards and meridian barriers administered by Nashville Department of Transportation (NDOT).

Robert Davidson recognized Kristin Wilson, Chief of Operations and Performance/OEM, to provide any project updates. Kristin Wilson advised public safety has the most critical timeline and requested the Authority consider a Memorandum of Understanding between Metro and Music City Center for police overtime due to the increase in police wages.

Charles Starks provided an Operations Update.

Charles Starks provided an update on Fifth + Broadway Parking Garage following a discussion with Northwood Investors LLC President of Retail Ward Kampf (Attachment #1) and there was discussion. Charles Starks noted the property owners currently have no interest in buying the garage.

Authority Attorney Charles Robert Bone and Charles Starks provided information on the Fourth Amendment to the Development and Funding Agreement with Omni Nashville, LLC (Attachment #1), and there was discussion.

ACTION: Alfred Degrafinreid II made a motion authorizing Chair Norah Buikstra to execute the Fourth Amendment to the Development and Funding Agreement with Omni Nashville, LLC and TRT Holdings, Inc. on substantially the same terms as considered this day. The motion was seconded by Dee Patel and approved unanimously by the Authority.

Charles Starks and Jasmine Quattlebaum provided information on the RFP Pouring Rights Services (Attachments #1 and #2) and there was discussion.

ACTION: Robert Davidson made a motion [i] accepting the recommendation of the evaluation committee and [ii] authorizing Charles Starks to negotiate and execute an agreement with Coco-Cola Consolidated for pouring rights for the Music City Center on substantially the same terms as considered this day. The motion was seconded by Alfred Degrafinreid II and approved unanimously by the Authority.

Charles Starks and Jasmine Quattlebaum provided information on the RFP Promotional Items/Tradeshow Amenities (Attachments #1 and #3) and there was discussion.

ACTION: Robert Davidson made a motion [i] accepting the recommendation of the evaluation committee and [ii] authorizing Charles Starks to negotiate and execute an agreement with Blink Marketing for promotional items and tradeshow amenities for the Music City Center on substantially the same terms as considered this day. The motion was seconded by Tracy Hardin and approved unanimously by the Authority.

Charles Starks and Jasmine Quattlebaum provided information on the RFP Housekeeping Labor Services (Attachments #1 and #4) and there was discussion.

ACTION: Alfred Degrafinreid II made a motion [i] accepting the recommendation of the evaluation committee and [ii] authorizing Charles Starks to negotiate and execute an agreement with Industrial Staffing of Tennessee for housekeeping labor services for the Music City Center on substantially the same terms as considered this day. The motion was seconded by Dee Patel and approved unanimously by the Authority.

Charles Starks and Jasmine Quattlebaum provided a DBE FY2023 3rd Quarter DBE Update (Attachment #1), and there was discussion.

Jasmine Quattlebaum discussed upcoming DBE events for May 2023 on Purchasing & DBE Department (Attachment #1), and there was discussion.

Charles Starks provided an update on the monthly STR, LLC Hotel Stats, referred the board to their packets for additional monthly statistics including hotel data and tax collections (Attachment #1), and there was discussion.

Charles Starks shared Dunkin' Donuts will be closing effective May 15, 2023.

Charles Starks discussed the plan to commission a piece of artwork on the theme of the Music City Center's 10th Anniversary. An RFP is needed, and he asked the Board to select a Board Member to help with the selection. The unveiling is planned for late fall.

With no additional business, the Authority unanimously moved to adjourn at 10:36 a.m.

Respectfully submitted,

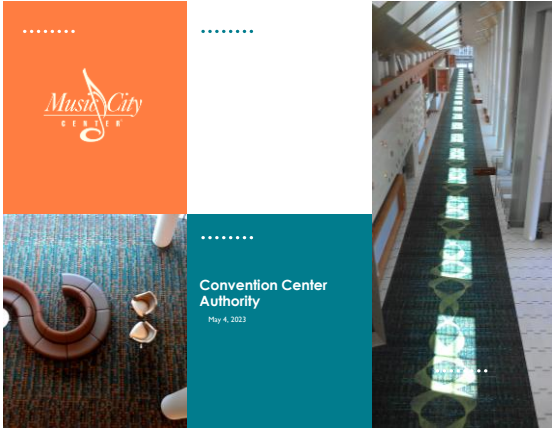


Charles L. Starks
President & CEO
Convention Center Authority

Approved:



Norah Buikstra, Chair
CCA 118th Meeting Minutes
of May 4, 2023



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Appeal of Decisions

Appeal of Decisions from the Convention Center Authority
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.

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MCC 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.

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Happy Birthday!



Dee Patel
May 29th

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Finance & Audit Committee Report

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FY2024 Operating & Capital Budget

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EXECUTIVE SUMMARY

Section Contents

- MCC & Industry Outlook
- Nashville Hotel Stats
- Operational Performance Summary
- Total Revenue & Expense Estimates



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MCC Outlook

Future Bookings

Events Booked through 2033

- 183 events
- 1,244,106 attendees
- 1.95 million total room nights
- \$2.9 billion in economic impact

Proposed Events through 2043

Report as of 3.6.23

FY2023 Operations

Year-End Estimates

- 157 events
- 356,863 attendees
- 437,420 room nights
- \$548,179,729 direct economic impact

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Industry Outlook

TRADE SHOW INDUSTRY LEADERS SHARE TRENDS & PREDICTIONS FOR 2023:

Jane Dal, President and COO, Freeman™, is a recent survey of industry executives showed that 82% of marketing decision makers plan to maintain or increase event spending over the next 12 months. This shows that companies understand the positive effects of bringing people together and how it translates to overall success."

Nancy Orpau, Vice President of Research, CEB™, "CEB anticipates a continued rebound of the B2B exhibitors industry, though it is not expected to surpass 2019 results. It will still trail 2019 by 10%. Nonetheless, the industry is heading in the right direction. This outlook factors in a macroeconomic scenario where a recession may happen. That probability is 50/50."

Dan Holland, Executive Vice President, Convention Centers ASM Global, "Spending days in a city without seeing anything but a hotel room and the four walls of a convention center is also bad. Gen's X, Y and Z are not buying this. They want to see and play in the city they are visiting."

Most U.S. Corp. Travelers Returning to Normalcy

Nearly 70 percent of business travelers said their employers have either returned to the pre-pandemic normal or increased business travel, according to the American Hotel & Lodging Association's Hotel Booking Index survey.

Source: American Hotel & Lodging Association



PCMA Panel: What's Next for the Business Events Industry?

"the reality is there's not that much that's different" post-COVID. "Leisure business has come back, and is materially better than it was pre-COVID," he said, and business travel "pretty much is back to the way it was." In the meetings and events sector, "demand is off the charts."

Source: Chris Nassetta, CEO of Hilton Worldwide | PCMA Convening Leaders Conference

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Industry Outlook

Report: U.S. Mtg. Volume Exceeds 2019, Signaling End of Recovery Efforts

U.S. meeting volume in December 2022 exceeded monthly pre-pandemic levels for the second month in a row, up 3.1 percent from December 2019 benchmarks, according to meetings data provider Knowledge's monthly report.

That said, attendee numbers may begin to plateau going into 2023, according to the Northstar Meetings Group and Covert Meetings Industry Pulse Survey, which found less than one-third of more than 400 planners surveyed expect more attendees at their events in the next 12 months as rising prices and talk of recession cause uncertainty in the market.

Source: Business Travel News



It's business as usual as in person conferences catch up to pre-Covid levels

"Covid is in the rear-view mirror, especially for those in the convention world....conference have given up on the Covid-protocols like social distancing, spaced seating and other health rules that were in place in 2021. Basically, there's little difference from before the pandemic. As far as these business groups were concerned its business as usual"

Source: Business Travel News

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Nashville Hotel Market

Current Hotel Inventory

- Davidson County – 273 hotels with 38,958 rooms
- Downtown – 61 hotels with 12,889 rooms

Hotel Rooms under construction

- Davidson County – 15 hotels with 2,544 rooms
- Downtown – 6 hotels with 1,219 rooms

Hotel Rooms in Final Planning

- Davidson County – 25 hotels with 4,011
- Downtown – 5 hotels with 1,873 rooms

Source: NHC and STR

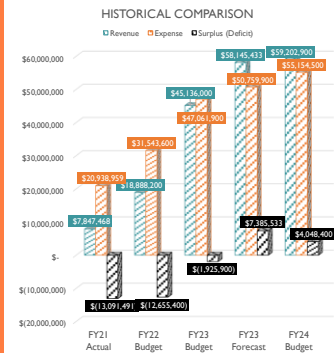


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Operational surplus/(deficit)

We are currently forecasting an extremely successful end to FY23 with operating activities generating a net profit of \$7.4M.

FY24 revenues are expected to lag slightly behind FY23 forecasts mainly due to the mix of groups on the books currently and the unprecedented revenue posted by several large events in FY23 that will not be recurring in FY24. Expense increases in insurance, supplies, temp labor, and ongoing investment in our team member pay are partially offset by the reduction of one-time expenses of for hosting ASAE in FY23.



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FY24 Total Revenue & Expense Estimates

Anticipated surplus \$110,185,000

Operating Revenues	\$59,202,900
Hotel Taxes	\$93,660,700
Rental Car	\$4,048,400
Airport Departure	\$2,642,600
Campus Tax	\$23,914,900
TDZ	\$57,097,800
TOTAL REVENUE	\$240,567,300

Operating Expenses	\$55,154,500
MCC Bond Payment	\$40,831,600
Metro PILOT Payment	\$14,697,900
Omni Payments	\$12,000,000
Bond Administrative Cost	\$218,700
Capital Projects	\$7,479,600
TOTAL EXPENSES	\$130,382,300

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REVENUE



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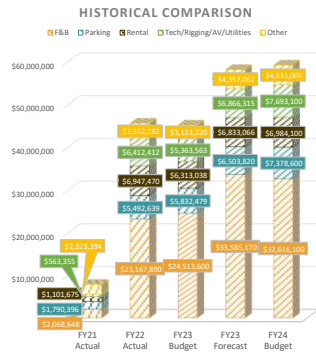
- I. Summary of Revenue
- II. F&B
- III. Parking
- IV. Rental
- V. Technology / Rigging / AV / Utilities
- VI. Other
- VII. Tourism Taxes

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Operational Revenue

FY24 Budget : \$59,202,900

- 82 events currently in contract
- Every event was evaluated for current attendance projections & possibility of event cancellation
- TBB (to be booked) accounts for 39% of revenue total
- Contracted Rental and F&B minimums have been negotiated on a case-by-case basis in order to attract and retain business
- Prior to the COVID shut down in Q4 of FY20, we were projecting year end revenue in excess of \$3M



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F&B

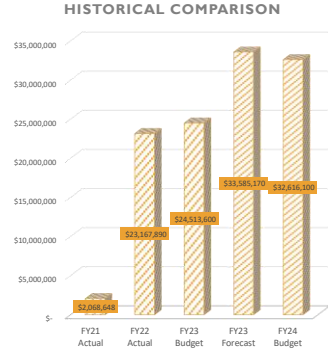
- F&B revenue is projected to come in slightly under FY23 forecast due to some heavy F&B shows occurring in FY23 that are not coming back in FY24. These include Mary Kay and 3D Experience
- Retail outlets comprise 11.4% of total revenue
- TBB is 39% of FY24 budget

Operating Income as % of Revenue

- FY23 budget - 25%
- FY23 forecast - 30%
- FY24 budget - 39%

Contract Variables

- Management Fee - 2% of total revenue
- Incentive Fee - 7.3% of net F&B operating income
- Raise-to Payments - 4.5% of total revenue



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Parking

Total garage parking spaces: 1,800
YTD average rate per space: \$10.05
YTD daily average spaces occupied: 1,985

Contract Parking

Current parking contracts include: Country Music Hall of Fame / Army Corps of Engineers / Home Fogg / Metro Police / Federal Public Defender / Hotels / The Museum Embassy Suites / TAC Staffing / Individuals

Coupon Agreements

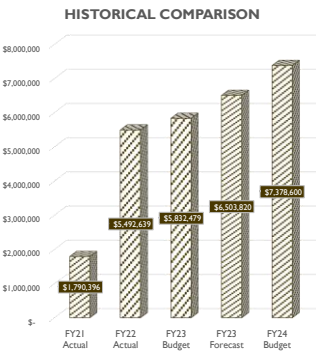
MCC Contractors / Predators / Country Music Hall of Fame / Bridgestone Employees

Special Event Related Parking

YTD average tickets sold per special event: 1,049
YTD average revenue per special event: \$16,801

Daily Parking Rates

\$3 hrs: \$10	12-18 hrs: \$25
\$9 hrs: \$15	Overnight: \$35
*12 hrs: \$20	Low Ticket: \$15



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Rental

- Overall budget is approximately 35% above pre-COVID FY19 actual
- In FY24 much of the remaining space available to sell is limited or includes poor arrival/departure patterns or holidays making it difficult to add TBB revenue
- Beginning in FY22, the MCC no longer accepted COVID force majeure claims as a viable excuse for cancellations and has pursued all contracted damages in the event of a cancellation



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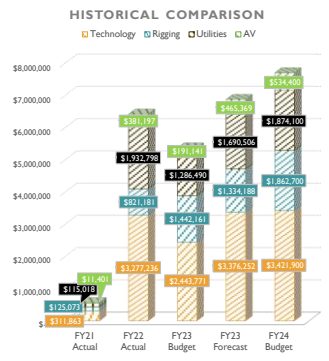
Technology / Rigging Utilities / AV

Technology revenue primarily consists of communications equipment rental internet services that are provided to our clients and exhibitors, and digital advertising. Although we do provide free Wi-Fi throughout the building, many clients prefer to attach branding to the logo banner and/or by dedicating guaranteed internet service for their attendees.

Rigging services throughout the building are exclusively provided through CP Rigging a DBE small business. Our commission is 20% of gross revenue for equipment rental and 15% for labor.

Utilities are provided directly by our MCC Engineering department. Services available include electrical, water, gas, and air.

Audio Visual services are offered to our clients through LMG, Inc. LMG is a preferred service provider, but clients may choose to provide their own AV. Our commission is between 25-35% of gross revenue.



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Other

Significant sources in this category for FY24 include:

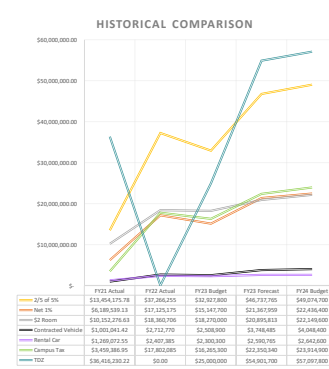
- Security Labor - \$1.8M
- 5th + Broadway - \$1.38M
- EMT Labor - \$280K
- Trash Haul - \$127K



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Tourism Taxes

- Tax collections estimated using data from the last 12 months and anticipated performance based on industry data and projections from STR regarding the state of hotel demand.
- FY22 was the first year that the MCC has received \$0 in TDZ funding. This occurs only when there is negative sales tax growth or when county sales tax growth outpaces the sales tax growth within the TDZ.



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EXPENSE

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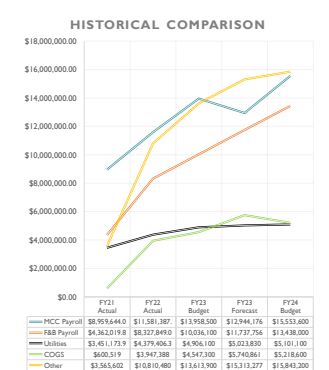
- I. Operational Expense Summary
- II. Personnel
- III. Utilities
- IV. F&B CCGS
- V. Other

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Operational Expense

FY24 Budget: \$55,194,500

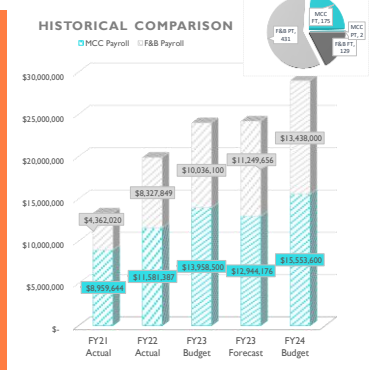
- Many expenses for the FY23 forecast and FY24 budget are driven by climbing revenues and returning events.
- MCC and F&B conducted a comprehensive market study this year to make sure our employees are being paid fair and equitable wages. Details of market increases are in subsequent slides.
- The MCC hosted the American Society of Association Executives (ASAE) in FY23. This event showcased our building and the city to the individuals who decide where their associations meet. Having this event required that we find several meal functions and amenities for the attendees.



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Personnel Expense

- Expenses were lower in FY21 due to lack of events but still significant as the board decided to fully fund the retention of our full-time team members throughout the COVID pandemic.
- The FY22 budget implemented the comp study adjustments that were approved with the FY21 budget but not implemented until 2/1/2022.
- The FY23 forecast includes the impact of many vacancies waiting to be filled.
- FY24 Budget includes:
 - 4% merit increase pool
 - \$25 bonus pool
 - \$8 in potential sales bonus
 - 3 additional positions - Housekeeping Supervisor (\$14,300), Graphic Design/Operational Media Coordinator (\$47,600) & Cleaning Staff (\$82,200)
 - Market adjustments (discussed further in next slide)
 - Benefits: CCA 27.56% / Metro 27.89%



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Market Adjustment

Positions Previously Below \$18

Position Title	# of Positions	FY2023 Starting Rate	Market Adjustment	FY24 Starting Rate	FY24 Budget
Ambassador 1 - PT	2	\$17.00	\$1.00	\$18.00	\$ 1,680.00
Ambassador 2 - FT	11	\$17.00	\$1.00	\$18.00	\$ 22,880.00
Building & Grounds	3	\$15.00	\$3.00	\$18.00	\$ 18,720.00
Housekeeping	9	\$15.00	\$3.00	\$18.00	\$ 56,160.00
Set Up Staff	11	\$16.00	\$2.00	\$18.00	\$ 45,760.00
F&B Cashier	8	\$15.00	\$3.00	\$18.00	\$ 49,920.00
Steward	22	\$15.00	\$3.00	\$18.00	\$ 137,280.00
Warehouse Worker	2	\$15.00	\$4.00	\$19.00	\$ 16,640.00
Cook I	20	\$17.75	\$4.25	\$22.00	\$ 176,800.00
Cook II	8	\$16.00	\$3.00	\$19.00	\$ 49,920.00
Cook III	1	\$15.50	\$3.00	\$18.50	\$ 6,240.00
					\$ 582,000.00

- The FY22 Budget included funding for a comprehensive market compensation study which was completed by Cushion Employer Services in January 2023
- The Metro FY23 budget included raising the Metro minimum wage to \$18/hour
- Although Cushion did not indicate that an \$18 minimum was necessary in this market, we would like to match the Metro minimum for our team members
- Overall, market adjustments made to MCC exempt staff averaged 3% and adjustments made to MCC non-exempt staff averaged 7%

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Utilities

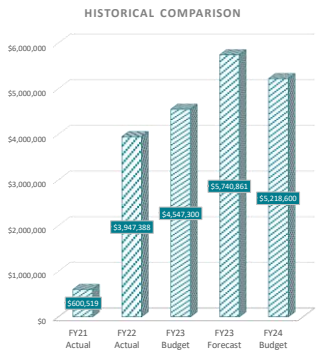
- Utilities for the MCC and warehouse located at the Latratta St property are estimated based on current rates and historical usage and expected events.
- DES (District Energy Systems), uses steam and chilled water to heat and cool the MCC. This year they indicated that rising fuel costs could impact service rates, so we increased the budget accordingly.
- We were able to achieve notable electrical savings in FY21 by limiting lighting usage whenever possible.
- Water rates increased in FY20 and usage rose as events picked up again.
- Gas is primarily used by the kitchen.



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F&B Cost of Goods Sold

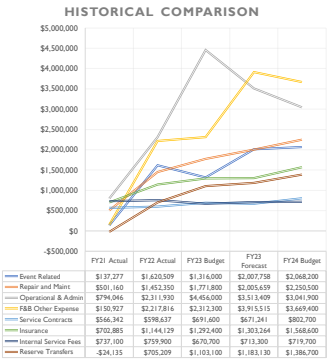
- Includes catering, concession, retail outlets and alcohol cost
- COGS as a % of Gross Revenue
 - FY24 budget - 14%
 - FY21 actual TD - 13.88%
 - FY22 actual - 17.04%



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Other

- Event Related is largely comprised of security and DPT temp labor for large events and other similar event-driven expenses
- Repair and Maintenance includes costs to fix, clean, or replace the building
- Operational & Administrative includes ongoing technology expenses, parking temp labor, legal, audit, administrative, and MCC banking services to an estimated \$2M in FY23 for ASAE Expenses.
- F&B Other Expense includes all non-COGS F&B expenses like paper products, temp labor, food service supply, & credit card fees
- Service Contracts are fixed costs associated with various systems and features in the building
- Insurance is estimated based on anticipated increases provided by our insurance agent. With Towers Watson, like FY21, FY24 is said to be an extremely high-risk year and we have been advised that significant increases should be expected.
- Internal Services Fees are based on information provided by Metro
- Revenue Transfers consist of the contributions to the F&B advertising and repair and maintenance revenues are outlined in the contract



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- Historical Comparison
- Summary of Current Year Capital Requests
- Department Request Break-Down

CAPITAL

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Capital Request Summary

\$7,479,600

Communications	Website Redesign	\$617,100
Technology	Audio System Upgrade Escalator Landing LEDs	\$4,147,500
Security	Radio Upgrade Beginning of Phase 2 of Security Upgrades	\$994,700
Parking	Parking Equipment Replacements	\$432,400
Facilities	Meeting Room Chairs Floor Sweeper and Scrubber Riding Sweeper	\$582,400
Engineering	One Man Lifts (2) Loading Dock Pad Replacement Davidson Ballroom LED Lighting Conversion	\$368,400
F&B	Combi Ovens (4)	\$237,100
Admin	Miscellaneous Equipment	\$100,000

MCC has recognized a need to redevelop the F&B outlets currently occupied by Al Tugio and Dublin Donuts, along with the pre-function space surrounding their location. Initial estimates were approximately \$12M. We have not included that project in this year's budget requests as we continue to develop the concept and redefine an estimated cost and scope.

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COMMUNICATIONS – \$617,100

WEBSITE REDESIGN

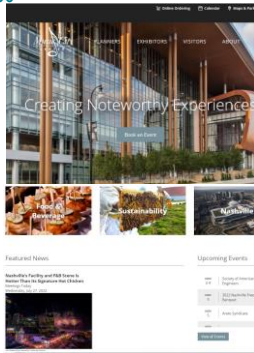
The Music City Center website provides a series of pages with useful content ranging from general information to event planning. It serves as a hub of information for planners, exhibitors, and visitors, as well as a resource for team members, business partners, news media, community members, and tourists.

With nearly 600,000 page views in 2021, the website is a critical asset for MCC.

A redesign of the MCC website is needed to provide staff, partners, guests, and the community with a more comprehensive and user-friendly online experience.

To stay competitive and relevant, industry experts recommend updating or redesigning a business website every two to five years. The MCC website is nearly 10 years old. Functionality is limited. The code is outdated, which prevents the framework from being adjusted and constrains the site to its current design. More importantly, the outdated system makes the site vulnerable to security threats.

A website redesign would allow more content creation, utilization, and accessibility. Having the ability to provide more easily accessible information online would improve the user experience, making the website a greater point of reference, driving more traffic to the site, and potentially freeing up staff resources for other customer interactions and deliverables.



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TECHNOLOGY – \$4,147,500

AUDIO SYSTEM UPGRADE

The existing audio infrastructure is 10+ years old and available parts are becoming difficult to procure. Most parts are no longer available from the manufacturer or through aftermarket channels. Equipment is now at end of life. Manufacturers no longer support software updates on the existing product line.

Unforeseen device failures with equipment servicing the meeting rooms could be problematic for LMG and our customers. Refreshing the audio system proactively will prevent future outages caused by failing equipment.

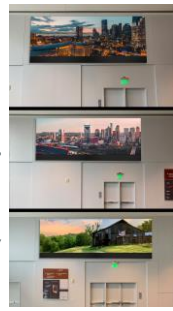
Included in this refresh is a major overhaul to the system labeling, making it easier for the technicians to manipulate objects within the system during events. Furthermore, the system will be programmed to work on mobile technologies (smart phone, iPad, tablet) so technicians can make changes remotely on the fly.



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ESCALATOR LANDING LEDS

The new Escalator LED's will give us additional signage at three high visibility/traffic areas on the southeast side of the building. New displays can be programmed to help with wayfinding, promoting MCC retail outlets, and provide an excellent revenue opportunity for groups not using the entire building.



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SECURITY – \$994,700

RADIO UPGRADES

The 130 Current Model 3300 and 3500 Radios have been discontinued by Motorola and are no longer supported. Motorola will no longer work on or repair any of the 130 radios we currently have. We are at the end-of-life cycle with these radios. Most of the radios in question are in the hands of Food & Beverage, Facilities, Housekeeping, and Engineering. Buying 150 new radios and parts to supply them will allow us to rotate new radios into place as current radios fail.



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PHASE 2 OF SECURITY UPGRADES



Last year we contracted with Convergent as the integrator responsible for identifying and recommending a comprehensive plan for upgrading security across the building.

Future plans have not been finalized, but will likely include gunshot detection, walkthrough weapons detection, additional camera and access control technologies, occupant and object tracking, artificial intelligence and other cutting-edge technologies.

PARKING – \$432,400

PARKING EQUIPMENT REPLACEMENT

Updated parking equipment will allow us to provide a higher level of customer service by providing new and improved payment technologies. Improved efficiencies will also save Parking Customer Service personnel time by allowing equipment to perform the work we typically have to do manually. Pictured below are various equipment options offered by our current parking provider, but we may consider others.



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Facilities – \$582,400

FLOOR SWEEPER & SCRUBBER

Our current scrubber is frequently under repair and finding parts is difficult. A new scrubber will provide a cleaner exhibit hall floor, deliver a more consistent product, and eliminate lots of manual labor as time is lost by going over areas twice.



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MEETING ROOM CHAIRS



We would like to add 2,000 more meeting room chairs so we can service our largest groups more efficiently. Over the last 10 years we have lost inventory due to breakage and wear, so our inventory is slowly getting depleted. This will get us back up to the 18k in good condition that we started with.

RIDING SWEEPER

Our current riding sweepers are 10+ years old and are frequently in need of repair. Even when functioning at their best, they do not pick up dirt and debris as well as we would like. Areas often need multiple passes.



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ENGINEERING – \$368,400



LOADING DOCK PAD REPLACEMENT

Our clients have requested that our dock pads be upgraded. This will have a positive impact, especially for the decorators involved in the load in and load out during tradeshow and conventions. Currently the dock pads are showing excessive wear and tear. New dock pads will save time during load in and load out.

ONE-MAN LIFTS (2)

The additional lifts will enable our engineering department to better maintain the facility. Current lifts are aging, parts are difficult to find and adding these lifts will let us place lifts strategically around the building to save labor and travel time.



DAVIDSON BALLROOM LED LIGHTING CONVERSION

The current lighting is expensive to repair, and it is becoming hard to find bulbs for frequent replacement. Converting to LEDs will be more sustainable, reduce labor spent on repairs and replacement and provide a better lighting experience for our attendees.



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F&B – \$237,100

Replace all four existing 10-year-old steamers in the main kitchen as well as the one in the 3rd floor kitchenette with four Combi Ovens total instead. Three of these units can fit in place of the existing four steamer units in the main kitchen and the fourth will replace the same steamer in the 3rd floor kitchen.



Operations Update

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Fifth + Broadway Parking Garage Update

Fourth Amendment to the Development and Funding Agreement with Omni Nashville, LLC

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RFP Pouring Rights Services

RFP Promotional Items/Tradeshow Amenities

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RFP Housekeeping Labor Services

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DBE Update

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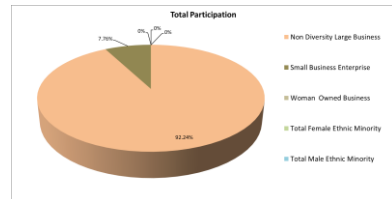
44

FY2023 3rd Quarter Reports

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LMG FY2023 3rd Quarter
 DBE Participation Summary



DBE PARTICIPATION SUMMARY: FY2023 Goal 20%	% OF TOTAL	# OF COMPANIES
MINORITY OWNED BUSINESS	0%	0
WOMAN OWNED BUSINESS	0%	0
SMALL BUSINESS ENTERPRISE	7.76%	1
TOTAL	7.76%	1

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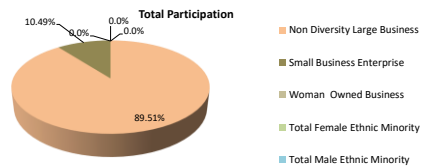
LMG FY2023 3rd Quarter
 DBE Participation Dollars Spent

DBE Classification	DBE Dollars Spent:
Total Minority Business Enterprise	\$0 (0%)
Total Woman Owned	\$0 (0%)
Total Small Business	\$53,208 (7.76%)
Total DBE Participation	\$53,208 (7.76%)
Total Non Diversity Business	\$632,233 (92.24%)

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LMG FY2023 YTD
 DBE Participation Summary
as of 9/31/2023



DBE PARTICIPATION SUMMARY: FY2023 Goal 20%	% OF TOTAL	# OF COMPANIES
MINORITY OWNED BUSINESS	0%	0
WOMAN OWNED BUSINESS	0%	0
SMALL BUSINESS ENTERPRISE	10.49%	1
TOTAL	10.49%	1

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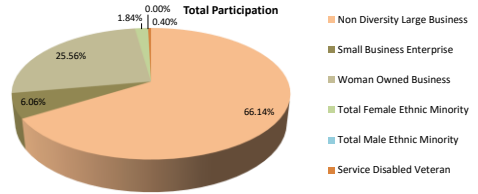
LMG FY2023 YTD
DBE Participation Dollars Spent
as of 3/31/2023

DBE Classification	DBE Dollars Spent:
Total Minority Business Enterprise	\$0 (0%)
Total Woman Owned	\$0 (0%)
Total Small Business	\$157,599 (10.49%)
Total DBE Participation	\$157,599 (10.49%)
Total Non-Diversity Business	\$1,344,916 (89.51%)

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Centerplate FY2023 3rd Quarter
DBE Participation Summary



DBE PARTICIPATION SUMMARY:	% OF TOTAL	# OF COMPANIES
FY2023 Goal 25%		
MINORITY OWNED BUSINESS	1.84%	2
WOMAN OWNED BUSINESS	25.56%	9
SMALL BUSINESS ENTERPRISE	6.06%	4
SERVICE DISABLED VETERAN	0.40%	1
TOTAL	33.86%	16

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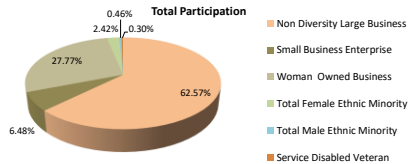
Centerplate FY2023 3rd Quarter
DBE Participation Dollars Spent

DBE Classification	DBE Dollars Spent:
Ethnic Minority Male	
African American Owned	\$0 (0%)
Ethnic Minority Female	
African American Owned	\$53,578 (1.84%)
Hispanic Female Owned	\$0 (0%)
Total Minority Business	\$53,578 (1.84%)
Total Woman Owned	\$745,499 (25.56%)
Total Small Business	\$176,801 (6.06%)
Total Service Disabled Veteran	\$11,734 (0.40%)
Total DBE Participation	\$987,613 (33.86%)
Total Non Diversity Business	\$1,928,931 (66.14%)

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Centerplate FY2023 YTD
DBE Participation Summary
as of 3/31/2023



DBE PARTICIPATION SUMMARY:	% OF TOTAL	# OF COMPANIES
FY2023 Goal 25%		
MINORITY OWNED BUSINESS	2.88%	2
WOMAN OWNED BUSINESS	27.77%	9
SMALL BUSINESS ENTERPRISE	6.48%	4
SERVICE DISABLED VETERAN	0.30%	1
TOTAL	37.43%	16

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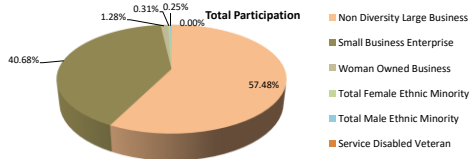
Centerplate FY2023 YTD
DBE Participation Dollars Spent
as of 3/31/2023

DBE Classification	DBE Dollars Spent:
Ethnic Minority Male	
African American Owned	\$30,543 (0.46%)
Ethnic Minority Female	
African American Owned	\$161,138 (2.42%)
Hispanic Female Owned	\$0 (0%)
Total Minority Business	\$191,680 (2.88%)
Total Woman Owned	\$1,847,888 (27.77%)
Total Small Business	\$431,337 (6.48%)
Total Service Disabled Veteran	\$19,745 (0.30%)
Total DBE Participation	\$2,490,651 (37.43%)
Total Non Diversity Business	\$4,162,736 (62.57%)

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Music City Center FY2023 3rd Quarter
DBE Participation Summary



DBE PARTICIPATION SUMMARY	% OF TOTAL	# OF COMPANIES
MINORITY OWNED BUSINESS	0.56%	7
WOMAN OWNED BUSINESS	1.28%	12
SMALL BUSINESS ENTERPRISE	40.68%	6
SERVICE DISABLED VETERAN	0%	1
TOTAL	42.52%	26

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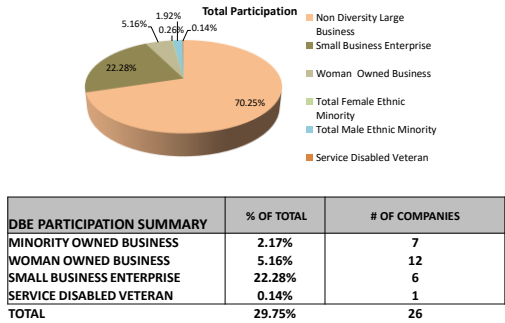
Music City Center FY2023 3rd Quarter
DBE Participation Dollars Spent

DBE Classification	DBE Dollars Spent:
Ethnic Minority Male	
African American Owned	\$7,383 (0.25%)
Ethnic Minority Female	
African American Owned	\$9,000 (0.31%)
Hispanic Female Owned	\$0 (0%)
Total Minority Business	\$16,383 (0.56%)
Total Woman Owned	\$37,542 (1.28%)
Total Small Business	\$ 1,194,292 (40.68%)
Total Service Disabled Veteran	\$0 (0%)
Total DBE Participation	\$1,248,216 (42.52%)
Total Non Diversity Business	\$1,687,594 (57.48%)

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Music City Center FY2023 YTD
DBE Participation Summary
as of 3/31/2023



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Music City Center FY2023 YTD
DBE Participation Dollars Spent
as of 3/31/2023

DBE Classification	DBE Dollars Spent:
Ethnic Minority Male	
African American Owned	\$225,296 (1.92%)
Ethnic Minority Female	
African American Owned	\$30,000 (0.26%)
Hispanic Female Owned	\$0 (0%)
Total Minority Business	\$255,296 (2.17%)
Total Woman Owned	\$606,792 (5.16%)
Total Small Business	\$2,620,184 (22.28%)
Total Service Disabled Veteran	\$16,979 (0.14%)
Total DBE Participation	\$3,499,250 (29.75%)
Total Non Diversity Business	\$8,261,550 (70.25%)

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OMNI 2023 Local Participation

COMMITMENT TO LOCAL HIRING	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Total FTEs GOAL: 300	332	326	317									
# FTEs (40 hours) Residents of Nashville Metropolitan Statistical Area Goal: 250	247	246	251									
# FTEs (40 hours) Residents of Davidson County Goal: 200	85	80	86									

OMNI 2023 DBE Participation

SUPPLY AND SERVICE EXPENDITURE COMMITMENT	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	2023 Total
Nashville Metropolitan Statistical Area Businesses Goal: \$100,000/yr.	\$33,105	\$66,729	\$57,870										\$157,704
Small, minority and women owned business enterprises Goal: \$50,000/yr.	\$11,533	\$13,462	\$11,227										\$36,222

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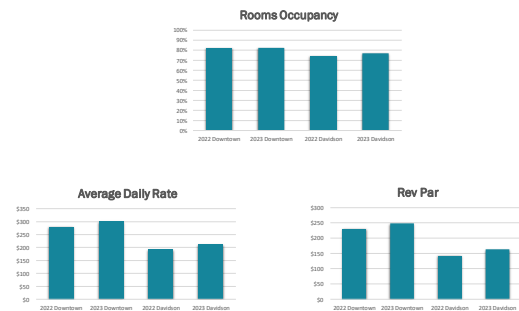
58

UPCOMING DBE EVENTS

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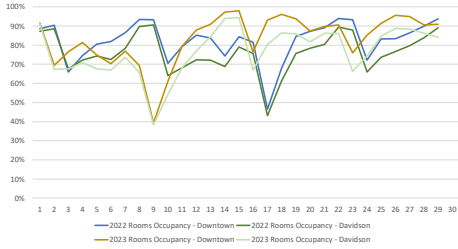
Hotel Statistics Comparison
March 2022 & 2023



60

60

April Rooms Occupancy

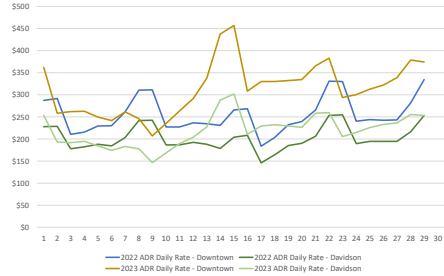


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April Average Daily Rate

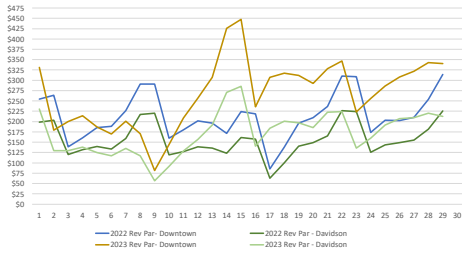


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April Rev Par

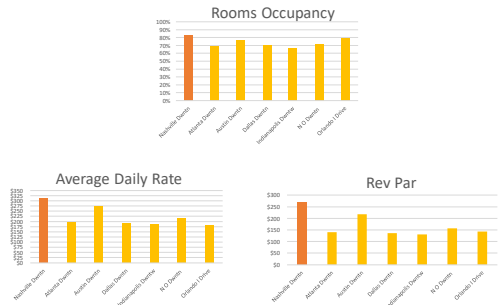


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Current Downtown Competitive
April 2023



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Tourism Tax Collections

MCC/Tourism Tax Collections
Collections thru February 2023
(excludes TD)

	2/5 of 5% Occupancy Tax	Net FR Occupancy Tax	\$2 Booth Tax	Contracted Vehicle/Event Tax	Rental Vehicle Tax	Cameras Tax	Total	Variance to FY 21/22
July	\$3,626,674	\$1,649,157	\$1,749,712	\$922,102	\$239,244	\$1,919,048	\$9,467,937	19.02%
August	\$3,348,872	\$1,639,806	\$1,677,891	\$893,222	\$286,297	\$1,736,644	\$8,768,091	37.80%
September	\$3,889,950	\$1,795,233	\$1,792,269	\$335,260	\$215,854	\$1,893,206	\$9,821,771	27.39%
October	\$4,288,241	\$1,995,627	\$1,831,960	\$336,752	\$265,902	\$2,083,663	\$10,793,036	28.70%
November	\$3,509,563	\$1,686,842	\$1,829,781	\$306,810	\$214,034	\$1,432,249	\$8,679,358	17.20%
December	\$2,995,174	\$1,284,864	\$1,440,628	\$216,076	\$192,625	\$1,183,864	\$7,313,220	7.37%
January	\$2,431,748	\$1,098,688	\$1,347,489	\$252,586	\$153,165	\$1,519,222	\$6,793,239	48.88%
February	\$3,457,346	\$1,588,288	\$1,607,309	\$251,598	\$156,618	\$1,964,219	\$9,025,378	31.80%
March							\$0	0%
April							\$0	0%
May							\$0	0%
June							\$0	0%
YTD Total	\$27,547,668	\$12,519,985	\$13,027,818	\$2,280,406	\$1,664,738	\$13,722,875	\$70,752,691	26.09%

All numbers subject to change by CCA Auditors

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MCC/Tourism Tax Collections

MCC Portion of February 2023 Tourism Tax Collections

	FY 2021	FY 2022	FY 2023	Variance
2/5 of 5% Occupancy Tax	\$856,737	\$2,563,445	\$3,457,346	34.87%
Net 1% Occupancy Tax	\$401,192	\$1,200,946	\$1,588,398	32.25%
\$2 Room Tax	\$717,804	\$1,346,204	\$1,607,309	19.40%
Contracted Vehicle	\$39,906	\$272,710	\$251,598	-7.74%
Rental Vehicle	\$73,428	\$43,530	\$155,618	9.12%
Campus Sales Tax	\$139,420	\$1,317,837	\$1,964,219	49.05%
TDZ Sales Tax Increment	\$0	\$0	\$0	N/A
Total Tax Collections	\$2,228,487	\$6,844,673	\$9,025,378	31.86%

MCC Portion of Year-to-Date Tourism Tax Collections

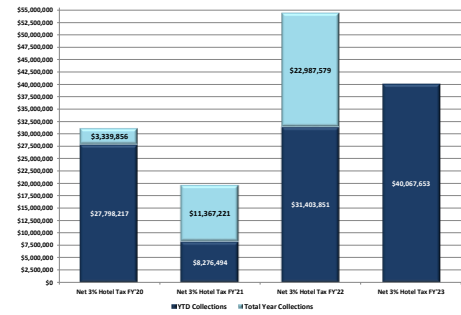
	FY 2021	FY 2022	FY 2023	Variance
2/5 of 5% Occupancy Tax	\$5,696,815	\$21,535,097	\$27,547,668	27.92%
Net 1% Occupancy Tax	\$2,579,680	\$9,868,754	\$12,519,985	26.86%
\$2 Room Tax	\$5,142,504	\$11,188,102	\$13,027,018	16.44%
Contracted Vehicle	\$474,929	\$1,618,486	\$2,280,406	40.90%
Rental Vehicle	\$666,133	\$1,517,245	\$1,654,738	9.00%
Campus Sales Tax	\$1,119,886	\$10,384,769	\$13,722,875	32.14%
TDZ Sales Tax Increment	\$36,416,230	\$0	\$54,901,700	N/A
Total YTD Tax Collections	\$52,096,178	\$56,112,453	\$125,654,391	123.93%

All numbers subject to change by CCA Auditors

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Net 3% Hotel Tax

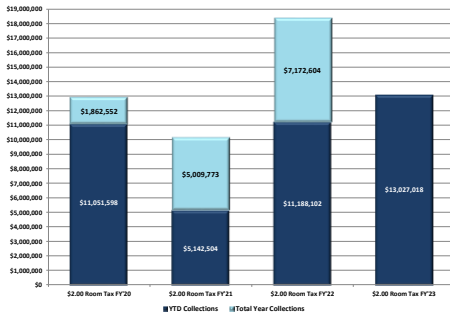


All numbers subject to change by CCA Auditors

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\$2 Room Tax

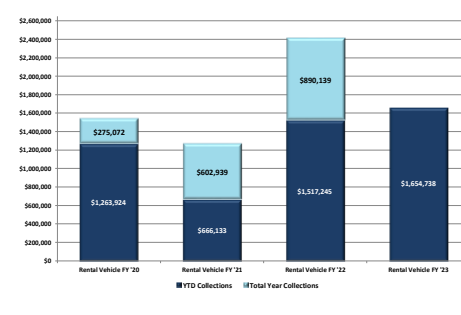


All numbers subject to change by CCA Auditors

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Rental Vehicle

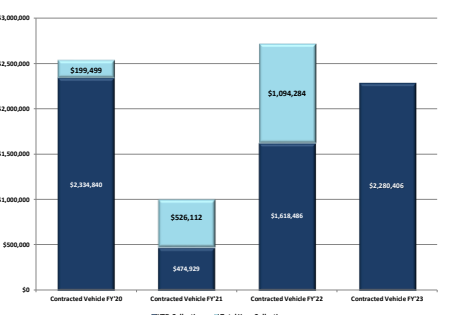


All numbers subject to change by CCA Auditors

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Contracted Vehicle

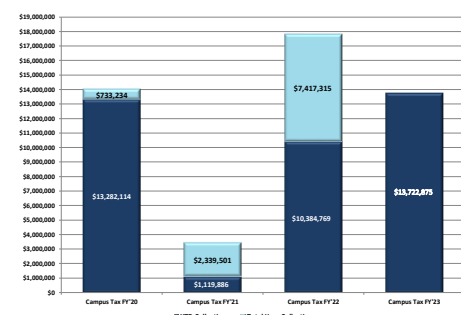


All numbers subject to change by CCA Auditors

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Campus Tax

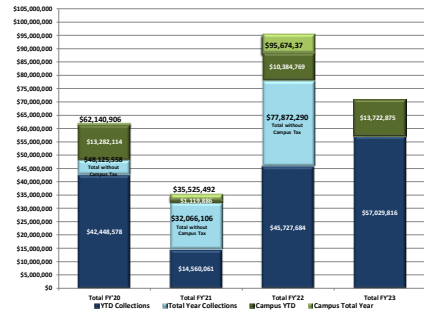


All numbers subject to change by CCA Auditors

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MCC/Tourism Tax Collections

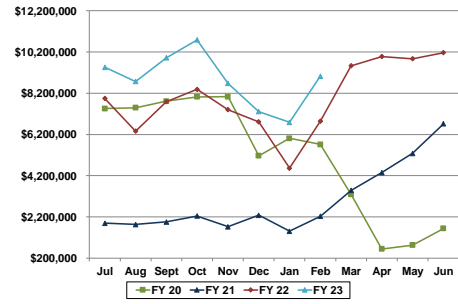


All numbers subject to change by CCA Auditors

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Total MCC Collections By Year
(excludes TDZ)



All numbers subject to change by CCA Auditors

74

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March Events

- 12 Events
- 28,445 Attendees
- 50,726 TRN
- \$73,737,071 Direct Economic Impact

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Convention Center Authority

May 4, 2023

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RFP Intent to Award Summary Sheet for the Music City Center

RFP: *Pouring Rights*

Selected Vendor:
Coca-Cola Consolidated

Compensation and Cost:

One Time Partnership Payment	\$50,000.00
Guaranteed Annual Marketing Fund	\$100,000.00
Per Case Rebate	1.50 per case
Full Service Vending Commissions (Back of House)	15%

Donations		<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Cases		300	300	300	300	300
Value	\$	4,650.00	\$ 4,650.00	\$ 4,650.00	\$ 4,650.00	\$ 4,650.00

Term:
Five (5) year term

DBE participation:
N/A

Other Vendors that Submitted Bids:
PepsiCo Foodservice



RFP Intent to Award Summary Sheet for the Music City Center

RFP: *Promotional Items/Tradeshaw Amenities for the Music City Center*

Selected Vendor:

Blink Marketing

Compensation and Cost:

All cost are as specified in the Contractor's catalog (www.blinkmarketing.com) and varies depending on item.

Term:

*Three (3) year term
With two (2) one year options to renew*

DBE participation:

Blink Marketing is 100% Woman-Owned Business

Other Vendors that Submitted Bids:

Southern Trophy House



RFP Intent to Award Summary Sheet for the Music City Center

RFP: *Professional Housekeeping Labor*

Selected Vendor:

Industrial Staffing of Tennessee

Compensation and Cost:

	Year1	Year2	Year3	Year4	Year 5
Housekeeping Personnel	\$ 18.25	\$ 18.80	\$ 19.40	\$ 20.00	\$ 20.60
Housekeeping Supervisors	\$ 20.60	\$ 21.15	\$ 21.75	\$ 22.35	\$ 22.95

The only cost adjustment will be if federal minimum wage is increased and/or if MCC chooses to use the retention and longevity plan previously mentioned in this proposal.

Term:

Three (3) year term

With one (1) two year option to renew

DBE participation:

Industrial Staffing is 100% Woman-Owned Business

Other Vendors that Submitted Bids:

N/A