

**Community Advisory Committee  
Community Benefits Agreement Annual Report  
Inception - 2022**

**1. Executive Summary**

In 2018, Stand Up Nashville, Inc. (SUN) and Nashville Soccer Holdings, LLC (NSH) made history by signing Tennessee's first ever Community Benefits Agreement (CBA) as part of the deal to bring a Major League Soccer (MLS) expansion team to the city.

The pandemic and legal challenges caused uncertainty and delays in the early days of the project. In May 2022 the soccer stadium was able to open and construction on Block C of the mixed-use development began.

The Community Advisory Committee (CAC)—the body responsible for monitoring the implementation of the CBA and writing this annual report that is made up of representatives from SUN, NSH, and the community—started meeting in the beginning of 2020.

The CAC has experienced its share of growing pains transitioning from tough negotiations over the agreement to its cooperative implementation. All parties involved are building trust as they work through conflicts over reporting requirements and timelines. But progress is also being made.

With funding from NSH, SUN hired Nathaniel Carter to run a Promise Zone Hiring Program to give qualified applicants from high poverty areas first chance at stadium jobs. Ninety-three Promise Zone residents were hired in 2022!

Construction is underway on Block C, and as a result, Nashville will soon have 160 more affordable and workforce housing units and around 7,500 square feet of incubator space for artisans and small business merchants who are verified Promise Zone residents, creating pathways for historically marginalized communities and individuals to finally benefit from Nashville's growth.

Below you will find the backstory of how this historic agreement came to be and a provision-by-provision status report covering NSH's progress in providing community amenities and services, affordable/workforce housing, jobs and workforce development required by the Community Benefits Agreement, as well as information about the agreement's timelines and enforcement, and SUN's support obligations. The full executed version of the CBA can be accessed at: <https://standupnashville.org/wp-content/uploads/2020/11/18-09-03-FINAL-NSH-SUN-CBA-with-REVISED-Exhibit-A-SIGNED-00456717xAA7B8-1.pdf>.

Thank you for reading and being engaged in the process. This CBA belongs to the people of Nashville!

**2. Background**

Stand Up Nashville, Inc. (SUN) and Nashville Soccer Holdings, LLC (NSH) made history in 2018 by signing Tennessee's first ever Community Benefits Agreement (CBA) as part of the

deal to bring a Major League Soccer (MLS) expansion team to the city. Here is the backstory of how this historic agreement came to be.

During 2016, MLS announced they were expanding the league by 4 new teams. In December 2016, John Ingram announced he would be the lead investor for a group to bring an MLS expansion club to Nashville. MLS defined criteria for the expansion teams including a stadium, viable market and qualified ownership. On December 20, 2017, MLS awarded an expansion club to Nashville. The team joined MLS on January 1 2020 for its initial season.

The city identified The Fairgrounds Nashville as the sole site for the project and then began working on a framework to finance, rezone the property, and create applicable agreements. The package included \$225 million in revenue bonds to build the stadium, \$50 million in General Obligation bonds for related infrastructure, and a 99-year lease for ten acres of public land at the site for a mixed-use development built with private funds.

The team is responsible for repaying 100% of the revenue bonds and covering the stadium costs in excess of the revenue bonds. The 10-acre lease includes a rent provision for the entire term. Annual rent starts at \$200,000 and increases over the 99-year term. In addition, property taxes generated from the development (none currently) will be available for the city's general fund with 50% of the property tax amount will be designated for Fairgrounds Nashville capital improvements.

Initial public reaction to the plan was not positive. Metro's employees had not received a Cost of Living Adjustment and the city's public schools and Nashville General Hospital continued to be chronically underfunded. At the same time, a

broad coalition led by SUN had been educating city officials and residents on Community Benefits Agreements (CBAs) and successfully advocated for passage of the Do Better Law to bring transparency to public subsidies as a way to ensure Metro subsidies of private projects also benefited the broader community.

Council Member Colby Sledge, who represented the district where the proposed stadium would be built, was also committed to seeing the project set a new standard for development. He encouraged the team owners to meet with SUN to discuss the possibility of a CBA and worked with leaders such as Erica Gilmore, Anthony Davis, Fabian Bedne, Bob Mendes, Sharon Hurt and Ed Kindall to craft the best possible deal for taxpayers and historically marginalized communities.

SUN and NSH began formal talks soon after to create a legally binding agreement. SUN engaged thousands of residents in the process of developing the CBA to ensure it delivered what the city and surrounding neighborhoods needed most.

After months of intense negotiations and public input on the deal, SUN and NSH reached a landmark agreement before the final legislation for the new stadium was passed. The CBA includes the following commitments:

- 20% of housing units set aside for affordable and workforce housing, with three-bedroom units for families
- Income-based sliding scale childcare center
- Micro unit incubator space for artisans and small business owners who reside in high poverty areas called Promise Zones
- Hiring program to give residents from Promise Zones first chance at stadium jobs
- \$15.50 wage floor
- High road contractor standards for construction of mixed-use development
- Mandatory safety training for all construction workers and supervisors
- Inclusion of minority contractors
- Community Advisory Committee to ensure the compliance of all parties
- Engaging MNPS students and other community residents in various soccer programs including a mini pitch, school visits, coaching clinics, equipment donation, complimentary match tickets and community volunteer service.

### **3 Current Status of CBA Provisions** ***Community Amenities and Services***

#### **II-1-a Reserve no less than 4,000 sq. ft. within or in close proximity to Development for a childcare location**

Will be included in future phase of mixed-use development referred to as Block A.

#### **II-1-b Reserve 4,000 sq. ft. of retail space dedicated to micro-unit incubator for artisans and small business merchants verified PZ Residents**

Currently included as part of mixed-use construction referred to as Block C. The developer will be delivering approximately 7,500 sq ft of space for the incubator. A public meeting was held during 2022 to solicit input regarding the micro incubator.

#### **II-1-c NSH will work with Metro Arts Commission on beautification projects as appropriate**

NSC, in partnership with the Arts & Business Council of Greater Nashville, created an inaugural exhibition in Soundwaves Gallery located in Geodis Park. This includes 48 works by Middle Tennessee artists. In addition, a community-themed mural design is located on a wall in the East Concourse of Geodis Park. Jamal Jenkins, known artistically as Woke3, a Nashvillian, was selected to create the mural. (Note: NSH determined that Metro Arts Commission is not the correct entity for this requirement and as a result, worked with Arts & Business Council and others to fulfill the requirement.)

**II-1-d NSH will use best efforts to cause USSF to establish "Soccer for Success" program in Metro**

Mini pitch was created at McGruder community center in 2019 in collaboration with United States Soccer Federation (USSF). NSH subsequently determined that USSF is not the best entity for this requirement. The club completed two other mini pitches at Napier and Tennessee Immigrant and Refugee Rights Coalition in 2021 and is providing programming to all locations internally.

**II-1-e NSH will donate new or used soccer equipment/accessories to local Metro schools**

In spite of Covid complications, new or used soccer equipment and accessories were provided throughout the 2020-2022 timeframe including Napier Elementary during 2021 summer. In addition, NSH partnered with PENCIL in 2020 to deliver school supplies to Metro Nashville Public Schools (MNPS) teachers headed back to school.

**II-1-f NSH will host an annual coaching clinic within Metro**

Nashville hosted a coaching clinic for over 40 MNPS coaches at Geodis Park in November 2022. Due to covid, clinics in prior years were not possible.

**II-1-g NSH will distribute on avg. 50 complimentary seats for each MLS regular season match at Stadium**

Nashville SC created Section 615 dedicated to community members in the Nashville area. During 2022, the club provided over 1,000 complimentary tickets to non-profits serving youth and Promise Zone residents. Over 2,000 complimentary tickets were donated to various non-profit organizations in 2020-2021.

**II-1-h NSH provide annually up to 10 need-based scholarships for youth domiciled in Promise Zone for youth club soccer programs**

Nashville SC provided a grant to Preston Taylor Ministries providing 60 students in grades K-6 the opportunity to participate in a local spring soccer league.

**II-1-i Coaches, players, and/or officials of the team shall visit local Metro elementary schools not less than 8 times per year**

Nashville SC presented the EverFi Field Day at John Early Museum Magnet School. The event promoted good sportsmanship and character development. Nashville SC also launched MNPS P.L.A.Y.S. program which provides play days and player appearances at MNPS elementary schools focused on physical health, well-being and personal development. The program provided over 12 player appearances at 7 schools in 2022.

**II-1-j NSH program for students of Metro-area schools to participate in game-related activities in the Stadium**

During the 2022 season, over 250 MNPS students participated in various programs including the Geodis Community flag and Section 615 to participate in pre-game activities and recognition on the pitch at Geodis Park.

**II-1-k NSH and team will contribute 500 volunteer hours per year to Nashville charitable orgs**

NSH and the club conducted multiple community service projects in each of 2020, 2021 and 2022, and exceeded the minimum 500 volunteer hour threshold. In 2020, together with Major League Soccer Works and Cumberland River Compact, more than 200 volunteers planted 100 trees alongside the Cumberland River. In 2021, NSH and the club volunteered at Second Harvest for food sorting. During 2022, NSH and the club participated in the United Way Books Brothers Campaign.

**II-1-l NSH work with concessionaire to create revenue via food service fundraising opportunities**

The stadium concessionaire worked with 7 non-profit organizations to staff concession stands during matches in 2022. There were approximately 110-130 volunteers per match who generated over \$470,000 for their respective organizations. (Note: this requirement could not be fulfilled until Geodis Park was completed in 2022.)

**II-1-m NSH will cause that concessionaire to make space available, for 5-10 matches per year, to a minimum of 2 qualified local food/beverage operators**

The stadium concessionaire partnered with qualified local food and beverage operators to operate concession stands during the 2022 season. The group of local food and beverage operators included Chivanada, Prince's Hot Chicken, Rock n' Dough Pizza, Daddy's Dogs, Corner Pub and Tacos by Alebrije. (Note: this requirement could not be fulfilled until Geodis Park was completed in 2022.)

**II-1-n NSH will make available meeting room space for use by non-profit and other such community organizations**

Meeting space was provided to 5 non-profit organizations during 2022, as well as the CAC public meeting in December 2022. (Note: this requirement could not be fulfilled until Geodis Park was completed in 2022.)

***Affordable/Workforce Housing***

**II-2-a NSH agrees minimum 12% of residential units within the Development set aside for households earning 60% of the AMI/MHI or less; Units comprising this 12% shall be "Affordable Housing Units"; 20% of Affordable Housing Units shall be 3-bedroom units**

The first phase (Block C) of the mixed-use development adjacent to Geodis Park commenced construction in 2022. This phase is expected to be complete in late 2024. The first phase is named 445 Park Commons and features 335 residential units, retail, amenities and parking. The residential units include 120 affordable housing units. This consists of 33 studios, 68 one-bedroom units, 14 two-bedroom units and five 3- bedroom residences. There are also 40 studio units that are workforce housing units. The next phase (Block A) will contain additional residential units, retail and childcare space. The specific number of residential units for Block A has not yet been determined as design phases have not started. This phase is anticipated to begin construction in 2024. The construction start date for the final phase (Block B) has not yet been determined. This phase will include the remaining affordable and work force residential

units. The developer expects substantially all of the II-2-a and b CBA requirements will be met by Block C and Block A. The exact number of residential units in subsequent phases will not be determined until architect design work is completed.

**II-2-b NSH agrees an additional 4% of residential units within Development set aside for households earning between 61% and 80%, and an additional 4% for units set aside for households earning between 81% and 120% of AMI/MHI; Units comprising this 8% shall be "Workforce Housing Units"; 20% of Workforce Housing Units shall be 3-bedroom units**

Refer to comments above per II-2-a. Workforce Housing Units in the initial phase include 40 studio units estimated at the 81-120% AMI/MHI level.

**II-2-c Rents for Affordable and Workforce Housing Units will be set such that rent is Affordable; Affordable and Workforce Housing Units will be built to same standards and general schedule as market-rate units**

Not applicable during 2020-2022 as construction did not commence until 2022. Rents expected to be set in early 2024 closer to construction completion.

**II-2-d When required, NSH and SUN will work to request affordable housing support from governmental entities and/or other non-profits**

Not required to date.

**II-2-e NSH will collaborate with MDHA, Mayor's Office of Housing and non-profit housing providers to identify opportunities for grants, incentives, tax credits, etc.**

NSH and developer explored such opportunities during pre-construction and utilized a specific relevant incentive program for first phase (Block C).

**II-2-f NSH will cause Developer to engage non-profit housing agency to provide services, to the extent required, for Affordable & Workforce Housing Units**

Not applicable for 2020-2022. Expected to be completed for first phase (Block C) in second half of 2023.

**II-2-g NSH to collaborate with Mayor's Opportunity Now & Employment Connections initiatives to provide up to 8 internships and up to 10 jobs**

Due to covid, program not applicable in 2020-2021. Program changed to Power Youth Summer Employment Program by current administration. Stadium opening in 2022 required all internal resources focused on this critical project. The club will collaborate with the new administration on this or similar initiatives for subsequent years.

**II-2-h Hiring and Workforce Development Program. SUN & NSH collaborate to establish PZ Hiring Program; NSH to consider and cause Developer to consider referrals qualified applicants from PZ Hiring Program before other sources; NSH to provide funding for payroll costs of PZ Hiring Program coordinator to be hired by SUN**

With funding from NSH, a jobs coordinator position was established and Nathaniel Carter was hired by SUN.

**II-2-i NSH will implement procurement practices & procedures designed to prefer qualified Davidson Co. MBE businesses to provide contracted services to the Stadium**

NSH implemented such procedures during 2021 and 2022 timed to coincide with stadium opening in May 2022. A number of Davidson County MBE firms were contacted for various services and either did not respond or did not meet qualifications for the specific service. However, several qualified firms are in place and NSH continues to explore qualified Davidson County MBE service providers.

**II-2-j NSH will work with Stadium service providers to implement hiring practices using the PZ Hiring Program as initial source and consider qualified PZ Residents for open positions**

During 2022 the club collaborated with SUN to hold 8 job fairs, sent numerous public messages and used other means to reach out to Promise Zone residents about potential jobs. In addition, other Stadium service providers held their own job fairs and outreach.

**II-2-k NSH hiring practices include efforts to hire qualified local residents at all levels of the organization; Hires will receive educational & professional development opportunities; NSH direct hiring in Stadium services**

During 2022 Nashville SC hired approximately 200 direct hires for seasonal part time positions of which 42% (or 84) were Promise Zone residents. The club also directly hired 24 employees for full time stadium jobs, 9 of which (or 37.5%) were Promise Zone residents. All direct hires are provided the same education and professional development offered to Nashville SC employees. Also refer to comments above in II-2-k. 52 potential candidates were provided through the Promise Zone Hiring Program, in addition to other Promise Zone candidates identified through other efforts by Nashville SC and SUN. (Note: the direct hiring requirement was not able to be fulfilled until stadium completed in 2022.)

**II-2-l NSH to provide to CAC: no. of employees directly hired by NSH, hourly wage range for positions, how many direct hires from PZ Hiring Program with zip codes**

NSH provided CAC reports with this information during 2022. Also refer to comments above II-2-k.

**II-2-m NSH/construction manager (CM) will give priority to contractors and subcontractors with hiring practices that meet the criteria in this section**

The developer's CM reviewed data provided by SUN regarding subcontractors with hiring practices that meet the criteria in this section. They sent solicitations to those local subcontractors applicable to the mixed-use residential project. 13 subcontractors responded, of which 7 were "decline to propose" (including 2 that were 100%+ over market). Three subcontractors were selected. The developer and CM noted that there are fewer subcontractors with a construction focus meeting the criteria on the specific type of mixed-use construction projects.

**II-2-n NSH shall cause the CM to mandate OSHA 10 training for all employees of the CM, contractors and subs, and OSHA 30 training for all supervisors/foreman of the CM, contractors and subs**

Certificates covering the 2022 third and fourth quarters provided on 11/21/22 and 1/11/23, respectively. (Note: this requirement was not relevant until construction commenced in 2022.)

**II-2-o NSH to cause Developer to include in CM contract requirement to comply with local, state and federal laws concerning workers on the development**

Done. (Note: requirement not relevant until construction commenced in 2022.)

**II-2-p NSH to cause Developer to provide on quarterly basis number and percentage of contractors that meet criteria in Sec. II-3-g; and certification of compliance with above OSHA training and contract requirement**

Refer to comments above in II-2-m-o. (Note: once construction contracts are awarded, the number and percentage of subcontractors will not change. Certificates covering the 2022 third and fourth quarters provided on 11/21/22 and 1/11/23, respectively. The parties are in the process of revising the certificates for 2023 and future years.)

**II-2-q NSH to spend minimum 25% total value of mixed-use development contracts awarded with DBE contractors, subcontractors, suppliers with minimum 15% to be with MBE contractors, subcontractors, suppliers; NSH commits to 25% of value of supplier contracts for ongoing operations with MBE suppliers**

The first phase (Block C) of mixed-use development is expected to have a 24% total value of awarded contracts with DBE contractors, subcontractors and suppliers, with 17% of the total value with MBE subcontractors. (Note: these requirements relate to the project as a whole, however, NSH will provide updates with each phase. These percentages are not expected to change for Block C.)

**III - CAC creation and composition; CAC meetings, meeting notices, procedures and agenda; NSH will execute/perform provision of Section II within reasonable period of time from execution of Soccer CBA**

CAC formed in 2020 with composition, meetings, etc. per CBA. NSH joined MLS in 2020. Refer to Section II items above.

**IV – 1 At NSH request, SUN will provide letter in support of Stadium & related Development**

Not required during 2020-2022.

**IV -2 Per NSH request, SUN will work with NSH to secure other Development approvals from specified governmental entities**

Not required during 2020-2022.



**IV – 3 SUN collaboration on media strategy re shared support of Stadium/Development; SUN to provide reasonable support to gain full support of Metro community**

Not required during 2020-2022.

**IV-4 SUN will consult/coordinate with NSH before making public comments re project approvals, and use best efforts to address issues with NSH during CAC meetings as contemplated in Section III**

**4 Other**

The Developer's CM awarded contracts to DBE subcontractors with an approximate value of 24% of the first phase total construction costs. This amount includes 17% of the value awarded to MBE subcontractors. NSH shared information with the CAC in January 2022, the percentages did not change and NSH did not provide quarterly updates. . NSH has noted that such information does not change on a quarterly basis. NSH will implement a process to share the information with other parties identified in Exhibit A.

During this report timeframe NSH has met its commitment of awarding 25% of the total value of supplier contracts to MBE suppliers.

NSH is currently exploring the Minority Business Development Fund to determine the most effective means of implementing this concept.

**5 Looking Ahead**

Construction will continue on the first phase of mixed-use development (Block C or 445 Park Commons). In addition, the club will continue to recruit and hire stadium workers.