

Community Advisory Committee Community Benefits Agreement Annual Report 2023

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 (Soccer CBA) as part of the deal to bring a Major League Soccer (MLS) expansion team to the city.

The Community Advisory Committee (CAC) was created to ensure the Soccer CBA is transparent, inclusive, and accessible to the community. The body is the formal enforcement mechanism made up of residents from neighborhoods close to Geodis Park and representatives from SUN and NSH.

Current CAC members include Michael Matlock (Edgehill), Marcia Masulla (Chestnut Hill), Odessa Kelly (SUN), Michael Callahan-Kapoor (SUN), Lindsey Paola (NSH), and Andre Johnson (NSH). Michael Callahan-Kapoor is the presiding Chair.

The CAC meets monthly to do the hard work of implementing the CBA in a timely and transparent fashion. Quarterly public meetings are also held so the community can hold NSH and SUN accountable to their obligations. This annual report is another important accountability mechanism.

While the Soccer CBA spells out the specific terms and obligations of both parties, tensions can arise regarding how they should be implemented, especially when it comes to balancing commercial interests with making sure historically marginalized groups that have been excluded from Nashville's growth have the opportunity to benefit from the project.

In 2023, the CAC focused on getting community input on the micro-unit incubator space, improving High Road Contractor reporting, and becoming more organized and efficient in executing its responsibilities. Public meetings centered on the housing and micro-business units, including a charrette held in October where participants discussed the potential design and uses of the incubator space. Community members worked together on floor plan renderings that architects will use to inform the final design.

One challenge that still needs to be resolved is how retail can work in the space without directly competing with flea market vendors, which is a restriction in the CBA. Another will be the marketing of the affordable housing units in compliance with Fair Housing regulations and with outreach to ensure the demographic groups least likely to apply know about the opportunity.

A lot of progress happened in 2023 too! NSH was able to almost double the incubator space from 4,000 square feet to 7,500 square feet with a design innovation. Six nonprofits raised \$900,000 by staffing concession stands during games. Nashville Soccer Club directly hired 180 employees, including 80 residents from high poverty areas called Promise Zones. Thirty of these hires came directly through the Promise Zone Hiring Program run by Nathaniel Carter of SUN. As of this writing, approximately 395 construction workers and 33 construction supervisors

were active on the project and were all contractually obligated to receive either OSHA 10 training (for workers) or OSHA 30 training (for supervisors).

Excitement is growing as 120 affordable housing units and 40 workforce units come online with the opening of Block C in a few months!

Below you will find the backstory of how this historic agreement came to be and a provision-by-provision status report. 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 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) to 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 entirely 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

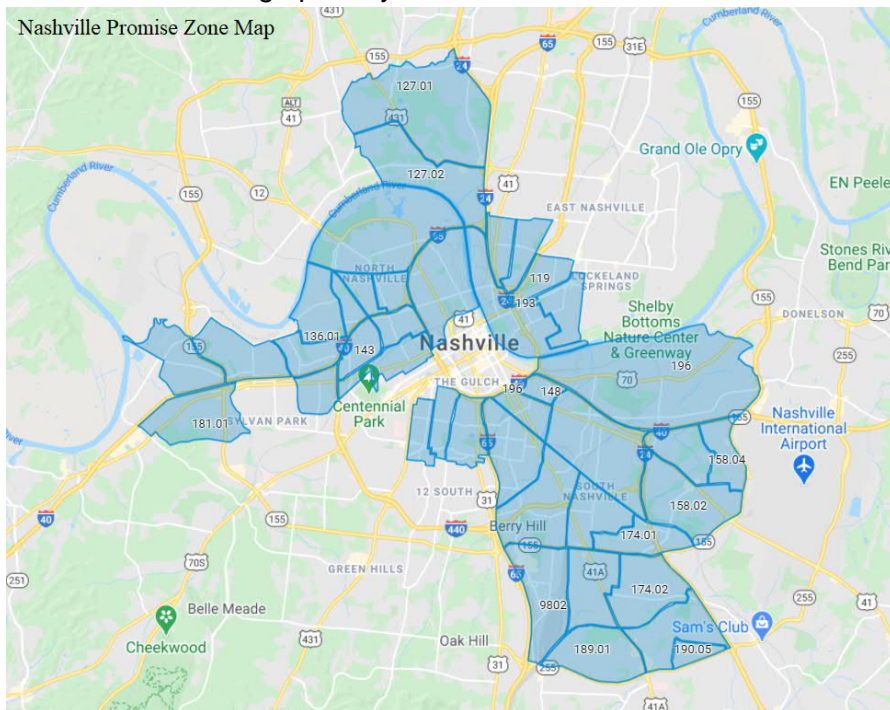
subsidies as a way to ensure Metro subsidies of private projects also benefited the broader community.

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 to be prioritized for artisans and small business merchants 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

Anticipated to 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 or 445 Park Commons. The developer will be delivering approximately 7,500 sq ft of space for the incubator, the shell space for which is anticipated to be delivered in the 4th quarter of 2024. A public meeting was held during 2023 to solicit input regarding the micro incubator and another public informational session will be held in 2024.

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 in 2022 located in Geodis Park. In 2023, the gallery included 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

In place of the USSF Soccer for Success program, NSC has implemented the GEODIS Grassroots Soccer program to communities with NSC mini-pitches. NSC currently has five functional mini-pitches and play sites in the Nashville area at McGruder Family Resource Center, TN Immigrant & Refugee Rights Coalition (TIRRC), Napier Elementary School, and two new pitches were installed in 2023 at Fall Hamilton Elementary School and Edgehill Memorial Park. NSC implemented the GEODIS Grassroots Soccer program at each mini-pitch site in 2023 serving 162 youth.

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

Nashville SC donated a large assortment of training tops, kits, jerseys, shorts, and hoodies to MNPS in spring 2023 valued at over \$20,000 (approximately 442 items).

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

Nashville SC hosted a coaching clinic at Napier Elementary School in April 2023 through its Grassroots Soccer program for elementary school coaches. In April 2024, Nashville SC and the English Premier League will host a coaching education clinic at GEODIS Park for all MNPS elementary and middle school soccer coaches.

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

Nashville SC donated approximately 1,469 complimentary tickets to 49 nonprofits and schools through community programs in 2023 through *Section 615*, a special program dedicated to community members of the Nashville area. Each home match, this section of designated seats is given by the club to nonprofits, people, and groups who are doing good work in and around Nashville. Recipients receive match tickets, t-shirts, and videoboard recognition.

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

The Nashville SC Community Fund provided a \$5,000 grant to Preston Taylor Ministries providing 60 students grades K – 6 to participate in local soccer league in spring 2023.

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 MNPS P.L.A.Y.S. program which provides play days and player appearances to MNPS elementary schools focused on physical health, well-being, and personal development. The program was delivered at seven elementary schools in 2023: Ida B. Wells Elementary, Amqui Elementary, Paragon Mills Elementary, Neely's Bend Elementary, Smith Springs Elementary, Joelton Elementary, and Whitsitt Elementary Schools. 12 players visited schools and shared lessons of nutrition, sportsmanship, and teamwork to nearly 800 students. In addition, the Nashville SC Books Brothers Literacy program in partnership with My Brother's Keeper Alliance and United Way provided reading pep rallies at 7 MNPS elementary schools during the 2023 spring semester. Nashville SC players and supporters attended reading events as guest readers and mentors.

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

During the 2023 regular season, MNPS students participated in the Youth Career Exploration Program which provided high school youth the opportunity to visit GEODIS Park and learn about careers in sports. Participating students participated in the pre-game fan-zone serving as guest representatives of CAT Financial. MNPS students also participated in the GEODIS Community Flag ceremony, a central match-day activity carrying the NSC GEODIS Community Flag onto the pitch at GEODIS Park in front of 30,000 fans.

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

Nashville SC has conducted multiple community service projects in 2023 including: the Second Harvest Food Bank Day of Service, PENCIL DG Box Day of Service, and Teal's Turkey's Day of Service, and Metro Social Services Holiday Toy Drive. Club staff and personnel contributed over 500 volunteer hours in 2023.

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

The stadium concessionaire worked with 6 non-profit organizations to staff concession stands during matches in 2023. There were approximately 150 volunteers per match who generated over \$900,000 for their respective organizations.

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 2023 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.

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 12 non-profit organizations during 2023, as well as the CAC public meeting in April 2023.

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. Pre-leasing for these units is expected to start in May 2024, with the first residents expected to move into units in July 2024. Block A is anticipated to contain additional residential units, retail and childcare space. The specific number of residential units for Block A has not yet been determined as design work to date has been preliminary. Block B is anticipated to include additional residential units, including the remaining Affordable and Workforce 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 design work has further progressed.

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 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 Spring 2024, closer to the commencement of residential pre-leasing efforts. All residential units in the project are being constructed to the same standards and will be completed on the same delivery schedule.

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-development and utilized a PILOT (Payment In Lieu of Taxes) 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

The property manager for the project advises that services contemplated by II-2-f are not required for the Affordable & Workforce Housing Units by the State of Tennessee, and the CBA contemplates the services being provided "to the extent required." This item is under discussion among the Committee members.

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

The program changed to Power Youth Summer Employment Program by the Cooper administration. The Club has offered the opportunity for internships to the Power Youth Summer Employment Program, but has yet to receive any interest. The Club is also working with Nathaniel Carter to develop a hybrid internship/job program with students from Glenclyff High School.

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 2023 the club, in collaboration with SUN, participated in and/or hosted 30 job fairs, sent numerous public messages and used other means to reach out to Promise Zone residents about potential jobs. The job fairs were held at community centers, libraries, nonprofit organizations and other various locations around Nashville.

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 2023 Nashville SC hired approximately 180 direct hires for seasonal part time positions of which 41% (or 75) were Promise Zone residents. The club also directly hired 19 employees for full time stadium jobs, 5 of which (or 26%) 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. 50 potential candidates were provided through the Promise Zone Hiring Program.

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 2023. 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 Block C, the initial phase of the mixed-use residential project. 13 subcontractors responded, of which 7 "decline to propose" (including 2 that were 100%+ over market). Three subcontractors were selected for Block C, representing approximately half of the respondents. 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 2023 provided on 4/8/24. Going forward these certificates will be provided on a quarterly basis.

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.

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 2023 were provided on 4/8/24.

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 28% total value of awarded contracts with DBE contractors, subcontractors and suppliers, with 18% 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.)

During this report timeframe NSH has met its commitment of awarding a minimum of 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.

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 2023.

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

Not required during 2023.

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 2023.

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 Looking Ahead

Construction will continue on the first phase of mixed-use development (Block C or 445 Park Commons). The focus of this ongoing effort will be delivering the market rate, Affordable and Workforce housing units to new residents and moving forward with the design, programming and construction of the micro-business incubator space. In addition, the club will continue to recruit and hire stadium workers through a variety of different hiring tactics (e.g., job fairs, in-person speaking engagements about career opportunities, advertising, etc.). As of this writing, initial pre-development work is underway on Blocks A and B to determine the programming, feasibility and schedule for the next phase of the Mixed-Use Development.