

MINUTES OF A REGULAR MEETING OF
THE SPORTS AUTHORITY OF THE COUNTY OF
KNOX AND THE CITY OF KNOXVILLE, TENNESSEE
July 13, 2021 – 9:05 A.M.

The meeting of the Board of Directors of The Sports Authority of the County of Knox and the City of Knoxville, Tennessee (the "Authority") was held at 9:05 A.M. on Tuesday, July 13, 2021, in the Larry Fleming Operations Building located at 835 East Jackson Avenue.

Alvin Nance, Chair of the Sports authority Board of Directors, called the meeting to order. The following Directors were present at the meeting, constituting a quorum, Richard Bass, Joan Cronan, Jeff Hagood, Tim Hill, Alvin Nance, Nikitia Thompson, and Rosalyn Tillman. No Directors were absent. Also present at the meeting table were Stephanie Welch, Chief Economic and Community Development Officer and Deputy to the Mayor of the City of Knoxville, Chris Caldwell, Chief Financial Officer and Deputy to the Knox County Mayor, Doug Kirchhofer, Chief Executive Officer of Boyd Sports, LLC, Mark Mamantov, attorney at Bass, Berry & Sims, PLC, Rebekah Jane Justice, Deputy Chief, Economic and Community Development at City of Knoxville, and Kelly Headon, Joint Venture Partner with GEM Community Development Group. Members of the media and other visitors were also in attendance.

Approval of the June 22, 2021, Meeting Minutes

As the first order of business, Mr. Nance presented the minutes from the Tuesday, June 22, 2021, meeting for the Authority's review. Mr. Hagood moved that the Authority approve the minutes as presented. Ms. Cronan seconded the motion. The Authority approved the June 22, 2021, Meeting Minutes by a unanimous voice vote.

Selection of a Financial Advisor

As the second order of business, the Authority discussed the selection of a financial advisor. Mr. Bass reported that both PFM (Public Financial Management, Inc.) and Cumberland Securities Company, Inc. gave presentations to the committee. The committee recommends a co-advisory award with both companies handling portions of the financial requirements suited to their individual areas of expertise. Fee negotiations are ongoing.

Ms. Tillman asked if either or both companies have committed to diversity and inclusion. Ms. Thompson additionally asked whether, if either company did not have the diversity that the Authority is seeking, would they be willing to bring in students in those areas, hire interns or other young people of color and provide opportunities for them to learn and be exposed to the industry. She expressed that as the Authority negotiates contracts, diversity and inclusion should be strongly considered. Ms. Thompson echoed Ms. Tillman's concerns and encouraged the Authority to take opportunities to create change when they present themselves. Mr. Mamantov reported that he discussed this topic with both companies, and both said that they would be open to providing these types of opportunities although it would be unusual for them. He expressed support for the idea of bringing a student(s) onboard and providing an educational opportunity for them. Ms. Tillman pointed out that most colleges, universities, and professional programs provide opportunities for their students and participants to take advantage of internships for credit. Ms. Tillman expressed that she would not want it to be a casual opportunity but one that provides mentorship. She encouraged the Authority to think intentionally about diversity when making decisions like this one and expressed its importance. Mr. Mamantov explained that this issue could be built in as specific terms are discussed with various firms and brought to the Authority to ensure that the direction that the firm is willing to go is satisfactory. Mr. Bass explained that he is willing to go back to both firms to present the Authority's concerns and thoughts about how they can work towards achieving these goals.

Mr. Hagood asked if the co-advisory award would cost the Authority significantly more than a single award. Mr. Bass explained that each company had provided the committee with a separate fee schedule. Based on those, the fee negotiations were ongoing, and the committee is working to keep the fees in line based on the duties for which each firm would be responsible. Ms. Cronan supported the idea of splitting the responsibilities between the firms based on their strengths as well as the idea of being intentional with the process. Mr. Bass said that he believed that the two firms would work well together.

Mr. Bass explained that the Financial Advisor Selection Committee recommends that the Authority pursue a co-advisory award between PFM and Cumberland Securities, working with both to define duties, responsibilities, fees as well as diversity and inclusion opportunities. Ms. Tillman seconded the recommendation. The recommendation was accepted by a unanimous voice vote.

Selection of a Financial Institution

The next order of business was the Authority's selection of a financial institution. Mr. Bass explained that the committee recommends that the Authority develop a banking relationship with First Bank, which offers 18 basis points, the highest rate of return when compared to the other institutions that were contacted.

Ms. Thompson asked how many other banks were contacted or approached. Mr. Caldwell explained that 4 banks as well as the Local Government Investment Pool (LGIP) from which rates ranging from 1 basis point to 18 basis points were offered. The majority offered rates between 10 - 11 basis points. Mr. Mamantov explained that because the bank would have to collateralize the deposit, the basis points that are offered are very low. He also explained that the money would only remain in the bank for about 6 months, after which it would be transferred into an investment account along with the construction funds which would then be administered by a bond trustee. Mr. Bass explained that the committee's goal was to achieve the highest rate of return with the most security.

Mr. Hagood moved that the Authority accept the committee's recommendation and pursue a banking relationship with First Bank. Ms. Cronan seconded the motion. The motion was carried by a unanimous voice vote.

Mr. Nance asked when the Authority could expect to receive the funding from the State. Mr. Caldwell explained that after some administrative items were completed, the money should be received by the Authority in August.

Review And Approval of the Baker Donelson Rate

The next order of business was the Authority's review and approval of the Baker Donelson rate. Mr. Hagood reported that Baker Donelson has offered a market rate of \$300 per hour.

Ms. Tillman remarked that Baker Donelson's diversity plan was impressive and asked if they would also be open to offering internships to people of color to assist with the process. She added that it is important that the Authority be transparent and open regarding diversity as possible. Ms. Thompson expressed that it is becoming evident that there is not much diversity or inclusion in many fields. There is also a 42% poverty rate among African Americans. She also commented that the Authority is in a unique position to offer students an opportunity to gain exposure to and experience in fields that they may not have known were available to them. Mr. Nance echoed Mrs. Cronan's comment about being intentional. Ms. Tillman explained that as an educator she has seen students come to campus unsure about what field they would like to pursue because they have never had exposure to or experience in any career path. Mr. Bass asked whether the Authority would have the opportunity to directly engage an intern. Ms. Tillman was asked to take the lead on acquiring an intern for the Authority.

Ms. Thompson moved that the Authority accept the rate agreement provided by Baker Donelson and in so doing accept Baker Donelson as the legal counsel for the Authority. Ms. Tillman seconded the motion. The motion was carried by a unanimous voice vote.

Block Party & Information Session Overview

Ms. Justice reported that the Economic and Community Development Office partnered with the Design Team to plan for the information session and block party which will be held on Saturday, July 17th adjacent to the site of the proposed stadium project. The event will serve as an opportunity for community engagement and offer citizens an opportunity to learn about the project through interactivity as well as offer input. Fun activities will also be provided by Boyd Sports, Knox Pro Soccer, and Knoxville Parks and Recreation department. Food and beverages will be provided by food trucks. Representatives from our project partners: the Knox Area Urban League, Knoxville

Community Development Corporation (KCDC), Beck Cultural Exchange Center, as well as City and County representatives will be present.

Mr. Headon gave a presentation explaining the setup of the July 17th block party, details about the proposed construction of the stadium and surrounding buildings. Block party attendees will be able to view an abbreviated presentation showing them how to navigate the area, boards showing other multi-use stadiums and their surrounding greenways, and mix-use developments. Color renderings of the stadium and surrounding buildings will be on display. Mr. Headon also explained that the issue of parking will also be explained by boards that show that within a 10-minute walk from the stadium there are 7,500 parking spaces. The timeline of the project will also be displayed. Schematics of the stadium in different configurations (baseball, soccer, and concert) will be on display as well.

Mr. Hagood asked what a 10-minute walk equates to in distance? Mr. Headon explained that a 10-minute walk is equivalent to half of a mile.

Mr. Hagood asked if this stadium would have a parking garage and how many spaces would be available in it. Mr. Headon explained urban stadiums utilize existing dispersed parking as this model promotes visitation at area businesses and reduces traffic congestion. Mr. Headon explained that the rule is to have 1 parking space for every 2.5 people in attendance which would equal 6,000 spaces. There are 7,500 spaces within a 10-minute/1/2 mile of the proposed stadium location. Ms. Welch explained that the city and the Design Team are aware of concerns about parking and are actively having intentional conversations about existing parking, wayfinding, identifying surface and garage parking that could be utilized. Mr. Headon added that stops for Knoxville Area Transit buses/trolleys, school and charter buses, and ridesharing have been built into the plan as well. Mr. Hill commented that in comparison to Bill Meyer Stadium, the proposed stadium has significantly more parking available.

Ms. Tillman asked how far the development would reach into the East Knoxville area. Mr. Headon explained that it would not go past the property that is currently owned by the investment group; however, the development's proposed design encourages development by others in the area. Ms. Justice described that the city would be creating more beautified streetscapes as well as greenway connectivity further into East Knoxville.

Mr. Hill asked if the stadium would have natural or artificial turf. Mr. Kirchhofer explained that Major League Baseball weighs in on the type of turf required, that a mixture of artificial and natural turf is an option, and that the type of turf is important when transitioning between uses for baseball, soccer, and other events.

Mr. Cronan inquired how many concerts would be possible in the stadium given that it will have baseball and soccer as well. Mr. Kirchhofer explained that it would depend on the teams' schedules and the concert tour routing schedule of the individual artist. A baseball season would be between 68-70 dates between early April and Labor Day. Soccer might have 18-20 dates during approximately the same period.

Ms. Thompson asked if the stadium would offer event space as well. Mr. Headon said yes, the stadium will have a large event space behind home plate, smaller event spaces as part of the administrative component, as well as the balconies at the ends of the upper level that could be rented out also.

Ms. Thompson asked if there would be restrooms available for people to utilize outside of stadium hours without the need to enter any of the retail spaces. Mr. Headon explained that those options are being researched and would bring value to the project.

Administrative Items

Mr. Nance encouraged the members of the Authority to attend the block party and information session on Saturday, July 17th, 11:00 AM – 1:00 PM.

Mr. Nance announced that the next meeting of the Sports Authority will be held on Tuesday, August 17th. Ms. Bumpas announced that the location of the next meeting will be communicated as soon as possible.

Mr. Nance then adjourned the meeting of the Authority at 10:13 A.M.