## METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

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March 19, 2018

Ms. Sheri Weiner President Pro-Tem and Presiding Officer Members of Council Metropolitan Council Office 204 Metro Courthouse Nashville, TN 37201

Dear President Weiner and Members of Council:

Recent news reports have raised questions about certain expenditures at the Fairgrounds regarding the planned MLS soccer stadium. Specifically, the reports insinuate that funds were improperly diverted from the Sports Authority to pay for stadium pre-development work performed by Commonwealth Development Group. Let me first assure you that no funds have been improperly paid to Commonwealth, which has a contract procured through the Metro Purchasing Division, for construction project management services Metro-wide. Commonwealth has recently performed capital assessments of Bridgestone Arena and Nissan Stadium on behalf of the Sports Authority, and has been working with the Fair Board regarding the capital improvements at the Fairgrounds. The Sports Authority authorized this work for Bridgestone Arena and Nissan Stadium through a resolution adopted by the Board.

When we began discussions with the MLS team back in 2016, we asked Commonwealth to perform some early design work to determine if a MLS stadium was feasible at the Fairgrounds site. In addition, they have been coordinating with the MLS team to assure the pre-design work for the stadium is progressing in order to satisfy the MLS timelines.

To date, approximately \$135,000 has been spent on pre-design work, which includes building footprints, grade assessment, and infrastructure design. Surplus Arena Revenue Funds have been used to pay for this work. I was not aware that the scope of the resolution approved by the Sports Authority did not cover this preliminary work at the Fairgrounds. Clearly, I should have checked to make sure the Sports Authority had expressly authorized this work. I apologize for the failure to do so.

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To rectify this situation, the Administration plans to take the following actions:

- 1. The Finance Department will provide the Sports Authority and the Council with an itemized list of stadium expenditures by Metro to date. This report should be completed not later than the end of this week.
- 2. We will request the Sports Authority to adopt a resolution ratifying all previous expenditures and authorizing any additional work needed.
- 3. Neither Metro nor the Sports Authority will expend any additional funds for the stadium project without prior approval.

I look forward to our work together as we move toward finalizing the remaining legislative actions in order to make Major League Soccer in Nashville a reality.

Sincerely,

Richard M. Riebeling Chief Operating Officer

Copy: Mike Jameson

Monica Fawknotson

Sports Authority Members

Jon Cooper

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