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Nashville MLS Soccer Community Benefits Agreement

This Nashville MLS Soccer Community Benefits Agreement (“**Soccer CBA**”) is made and executed on this 3rd day of September, 2018, by and between Stand Up Nashville, Inc. as defined herein (“**SUN**”) and Nashville Soccer Holdings, LLC, as defined herein (“**NSH**”) (SUN and NSH each a “**Party**”, and collectively the “**Parties**”), for the benefit of the residents of Metropolitan Nashville and Davidson County, as related to the construction by The Sports Authority of The Metropolitan Government of Nashville and Davidson County (the “**Authority**”) of a new multi-purpose Major League Soccer (“**MLS**”) soccer stadium (the “**Stadium**”) on a portion of the Project Site (as hereinafter defined).

RECITALS

WHEREAS, SUN, through its coalition members, has identified a number of significant needs of residents in the vicinity of the Project Site and more broadly residents of Nashville; and

WHEREAS, the Authority will build the Stadium on a portion of the 128-acre Nashville Fairgrounds site located at 300 Rains Avenue (the “**Project Site**”); and

WHEREAS, SUN and NSH desire to address some of the significant needs of local residents through this Soccer CBA.

NOW THEREFORE, in consideration of the above premises and mutual covenants and agreements herein set forth, NSH and SUN do hereby agree to execute this Soccer CBA as follows:

I Definitions

“Affordable” means costing 30% or less of household income.

“Annual Report” has the meaning set forth in Section III below.

“Authority” has the meaning set forth above.

“Community Advisory Committee” has the meaning set forth in Section III below.

“Developer” means the limited liability company formed for purposes of developing the approximately 10 acre mixed-use development adjacent to the Stadium on the Project Site which entity will be affiliated with NSH.

“Development” means the mixed-use development of the approximately 10 acres adjacent to the Stadium on the Project Site.

“MLS” has the meaning set forth above.

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“NSH” refers to collectively, Nashville Soccer Holdings, LLC, a Tennessee limited liability company, Walsh Management LLC, a wholly-owned subsidiary of Nashville Soccer Holdings, LLC that will operate the Stadium, and Nashville Team Holdings LLC, a wholly-owned subsidiary of Nashville Soccer Holdings, LLC that will operate the MLS expansion team.

“Party” or “Parties” refers to each signatory to this Soccer CBA.

“Project Site” has the meaning set forth above.

“Promise Zones” means the geographic boundaries of the six federally recognized Promise Zones within Metro Nashville.

“PZ Residents” means unemployed and/or underemployed individuals domiciled within the geographic boundaries of the Promise Zones.

“Soccer CBA” has the meaning set forth above.

“Stadium” has the meaning set forth above.

“Stadium Lease and Development Ground Lease” has the meaning set forth in Substitute Resolution No. RS2017-910 as amended, approved by the Metropolitan Council on November 7, 2017, and signed by then-Mayor Megan Barry on November 8, 2017.

“SUN” refers to Stand Up Nashville, Inc., a Tennessee nonprofit corporation.

II Responsibilities of NSH

If the Stadium is built, and for a period of not less than thirty (30) years (so long as the Stadium is occupied by an MLS professional soccer team affiliated with NSH and competing in MLS soccer events)(the “Term”), NSH will implement the following provisions:

1) Community Amenities and Services:

- a) NSH will cause Developer to reserve no less than 4,000 sq. ft. within or in close proximity to the Development for a childcare location. NSH and SUN will identify an acceptable party to provide such services, in conjunction with Childcare Tennessee, and a business plan will be developed for the childcare location with assistance from Childcare Tennessee. Such business plan will address tuition (including an income-based sliding scale), operating practices, curriculum, and other relevant matters. If required, SUN will work with NSH to help procure funding for the childcare location. NSH will provide initial seed funding in an amount which combined with the procured funding will be sufficient to allow the childcare location to operate as per the business plan.
- b) NSH will cause Developer to reserve 4,000 sq. ft. of retail space to the establishment of a micro-unit incubator for the use of artisans and small business merchants who are verified PZ Residents that do not compete directly with existing Fairgrounds Nashville flea market vendors. Vendors will be selected from qualified applicants and rental rates will be set by

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- the Community Advisory Committee. First year rental rates will be set at a 50% or greater reduction of market rate rents and a rental rate mechanism (such as set incremental increases, percentage of revenue, etc.) will be developed by the Community Advisory Committee for rental rates beyond year 1.
- c) NSH will work with the Metro Arts Commission and other local non-profit arts organizations to provide opportunities for local artists to participate in beautification projects as appropriate.
 - d) NSH will use best efforts to cause the U.S. Soccer Foundation to establish its “Soccer for Success” program in Metro, a free after-school program focused on helping kids establish healthy habits and developing life skills through the implementation of “coach-mentors” and increasing family engagement. This program would be managed by the U.S. Soccer Foundation with the support of NSH.
 - e) NSH will donate new or used soccer equipment and accessories to elementary schools, middle schools and high schools located within Metro that have an active soccer program.
 - f) NSH, along with its coaches and/or players will host an annual coaching clinic located within Metro that is designed to be attended by coaches from Metro elementary and high schools and other youth soccer organizations located within the Metro area.
 - g) NSH will distribute, on average, approximately 50 complimentary seats for each MLS regular season match at the Stadium, the majority of which shall be non-profit organizations serving youth and PZ Residents. NSH will consult with Promise Zone subzone captains and SUN in advance of each season to create a mutually agreed upon list of potential recipients and designees.
 - h) NSH shall provide annually up to ten (10) need-based scholarships for youth domiciled in Promise Zone communities to participate in a youth club soccer program.
 - i) The coaches, players and/or officials of the NSH MLS team shall visit, not less than eight (8) times per year, local elementary schools throughout Metro to promote good sportsmanship and character development, with at least two (2) visits to elementary schools located in Promise Zone communities.
 - j) NSH will institute a program for students of Metro-area schools to participate in game-related activities in the Stadium (such as pre-game, halftime, or post-game), including presentations and recognition. NSH will have an active registration process where community groups of various ages and disciplines can register to participate or perform in these game related activities.
 - k) NSH and the MLS team will contribute 500 volunteer hours per year to Nashville charitable organizations.
 - l) NSH will work with the selected concessionaire to give Nashville non-profit organizations the ability to create revenue via food service fundraising opportunities.

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- m) Subject to engaging a concessionaire for the Stadium, NSH will cause that concessionaire to make space available, for 5-10 matches per year, to a minimum of two qualified local food and/or beverage operators (such as concession booth opportunities).
- n) Subject to finalization of Stadium design plans and suitable, outside direct access, NSH will make available meeting room space for use by non-profit and other such community organizations during non-event use periods.

2) Affordable/Workforce Housing:

- a) NSH voluntarily agrees that a minimum of 12% of the residential units within the Development shall be set aside for households earning 60% of the AMI/MHI (whichever metric is applicable to the financing tool) or less. The units comprising this 12% shall be referred to as “Affordable Housing Units.” NSH acknowledges the existing shortage of 3-bedroom units, and NSH will ensure at least 20% of the Affordable Housing Units will be 3-bedroom units. In the event both AMI and MHI are acceptable for financing, NSH shall use MHI, provided however, this 12% commitment is not contingent on subsidized funding programs.
- b) NSH further voluntarily agrees that (i) an additional 4% of the residential units within the Development shall be set aside for households earning between 61% and 80%, and (ii) an additional 4% of the residential units within the Development shall be set aside for households earning between 81% and 120% of AMI/MHI (whichever metric is applicable to the financing tool). The units comprising this 8% commitment shall be referred to as the “Workforce Housing Units.” NSH will endeavor to ensure at least 20% of the Workforce Housing Units will be 3-bedroom units. In the event both AMI and MHI are acceptable for financing, NSH shall use MHI. While this 8% commitment is not contingent on subsidized funding programs, the number of Workforce Housing Units that are 3-bedrooms will be driven by such funding programs.
- c) Rents for all Affordable Housing Units and Workforce Housing Units will be set such that the rent charged is Affordable. Affordable Housing Units and Workforce Housing Units will be built to the same standards and on the same general schedule as market-rate units.
- d) When required, NSH and SUN will work collaboratively to request affordable housing support from governmental entities and/or other non-profit sources.
- e) NSH will collaborate with the Metro Development and Housing Agency, the Metro Mayor’s Office of Housing and local non-profit housing providers to identify opportunities for grants, incentives, tax credits and other means toward the goal of producing additional affordability within the Development.
- f) NSH will cause the Developer to engage a not for profit housing agency to provide the following services, to the extent such services are required, related to the Affordable & Workforce Housing Units:

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- i. Provide on-site supportive services; and
- ii. Refer residents to the PZ Hiring Program.

3) Jobs and Workforce Development:

a) NSH will collaborate with Metro Mayor's office "Opportunity Now" and "Employment Connections" initiatives to provide youth and young adults age 14-24 years domiciled in the Metro area, including Promise Zones, such as:

- i) Summer youth internships (up to 8) through the Opportunity Now program; and applicable jobs (up to 10) through the Employment Connections program subject to availability of open positions.

b) Hiring and Workforce Development Program.

- i) To ensure that jobs go to applicants most in need of opportunity, SUN and NSH will work collaboratively to establish a first-source referral program ("PZ Hiring Program") for the jobs contemplated by the wage floor provision (Section 3(e)) and other non-construction job openings at the Stadium and the Development. NSH agrees to consider and cause the Developer to consider referrals of fully qualified applicants from this program before other sources.

NSH agrees to provide funding for the payroll costs of a program coordinator to be hired by SUN (such person and his/her salary level to be mutually agreed upon by the Community Advisory Committee), who will work collaboratively with the following Promise Zone Subzone Captains (or their successors): (1) Martha O'Bryan Center, (2) Edgehill Neighborhood Partnership, (3) Woodbine Community Organization, (4) Conexión Américas, (5) Urban League of Middle Tennessee, and (6) St. Luke's Community House to recruit and refer PZ residents and to provide supportive services.

- c) In addition, NSH will implement, in good faith, procurement practices and procedures designed to give preference to qualified Davidson County MBE businesses to provide contracted services to the Stadium.
- d) NSH will work with the selected Stadium service providers to implement in good faith hiring practices to use the PZ Hiring Program as the initial source and to consider qualified PZ Residents for open positions in addition to holdings job fairs and other established recruiting practices.
- e) NSH's hiring practices will include efforts to hire qualified local residents at all levels of the organization. Residents hired by NSH will be provided with educational and professional development opportunities. NSH will direct hire employees in positions including but not limited to guest services (including box office, ticket sales, ushers and attendants), janitorial, custodial and maintenance, and field maintenance, and pay such employees at least \$15.50 per hour. NSH agrees to consider qualified PZ Resident referrals for these positions from the PZ Hiring program before other sources.

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- f) So as to facilitate the parties' drafting of the annual report, NSH will provide to the Community Advisory Committee 30 days prior to each calendar year end the following information: Number of employees directly hired by NSH, hourly wage range for the job type or position, and indication of how many direct hire employees were hired from the PZ Hiring program and such employees' zip codes.
- g) NSH will cause the construction manager ("CM") to give priority to contractors and subcontractors for construction of the Development that meet the following criteria (hereinafter "High Road Contractor"):
- 1) Performs work or provides labor through employees,
 - 2) Participates in a U.S. Department of Labor-certified apprenticeship program, and
 - 3) Provides ACA-compliant insurance or coverage to employees;

provided however, nothing in this section shall be deemed to restrict or inhibit the Developer or CM from using efforts to include Service-Disabled Veteran Business Enterprises ("SDV/BE"), Minority/Women Owned Business Enterprises ("MBE/WBE") and local Small Business Enterprises ("SBE"), or complying with the MBE provisions set forth herein.

"Priority" means the CM will assign greater weight to the criteria above when selecting contractors through CM's bidding and procurement process for the Development.

Notwithstanding the foregoing priority requirement, because of the particularly vulnerable nature of unskilled and low-skilled workers in the following areas, NSH shall cause the CM to select High Road Contractor(s), unless not cost competitive, with preference given to MBE(s), to perform the following work:

- Concrete reinforcing, and/or post-tensioning, structural and/or miscellaneous steel;
- Industrial and commercial painting;
- Drywall work; and
- Forming, placement, and/or finishing of concrete.

SUN will provide NSH with a list of contractors who meet all of the above criteria and who have also committed to hiring through the parties' PZ Hiring program. NSH will provide all contractors on this list with prior notice to allow such contractors the opportunity to participate in the selection process. NSH shall also use best efforts to provide prior notice to allow SDV/BE, MBE/WBE and SBE businesses the opportunity to participate in the selection process. SUN will endeavor to incubate SDVBE, MWE, WBE, and SBE High Road Contractors by providing consultation and referrals related to services such as bonding, licensure, and employee healthcare coverage, apprenticeship utilization, and direct labor sources.

Additionally, NSH shall cause the CM to provide or otherwise mandate a minimum of OSHA 10 training for all employees of the CM and all employees of contractors and subcontractors, and OSHA 30 for all supervisors/foremen of the CM and all supervisors/foremen of contractors and subcontractors.

NSH shall also cause Developer to insert into the CM's construction agreement a provision that

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requires the CM to comply with all local, state, and federal laws concerning or related to workers on the Development.

So as to facilitate the parties' drafting of the annual report, NSH will cause the Developer to provide to the Community Advisory Committee on a quarterly basis the number and percentage of contractors on the project that meet the above criteria and certification of compliance with the OSHA training provision and the CM contract provision.

h) NSH also agrees to comply with the terms and provisions of the MBE Commitments as set forth in Exhibit A attached hereto.

III Monitoring, Timelines, and Enforcement

The Parties intend for the rights and obligations created by this Soccer CBA to be both continuing in nature and cooperative, such that both NSH and SUN actively participate and work together with due diligence and good faith in furtherance of the terms and conditions of this Soccer CBA as outlined in Section III herein ("**Community Advisory Committee Process**").

SUN and NSH will create, or cause to be created, a six (6) person committee (the "**Community Advisory Committee**"). The Community Advisory Committee will be responsible for monitoring the Parties' compliance with this Soccer CBA and undertaking the specific acts expressed in accordance with the terms herein. During the term of this Soccer CBA, NSH and SUN will cause the Community Advisory Committee to create an annual report detailing (1) the yearly activities undertaken pursuant to the terms of this Soccer CBA; (2) NSH's and SUN's on-going compliance with the terms of this Soccer CBA; and (3) recommendations, as necessary, to ensure compliance with the intent of this Soccer CBA (the "**Annual Report**"). NSH will be responsible for the cost of preparing the Annual Report. The Annual Report will be available for distribution to the general public, and the findings of each Annual Report will be presented during an annual neighborhood presentation hosted by NSH at the Stadium.

The Community Advisory Committee will be comprised of the following six members: (i) two representatives from NSH; (ii) two representatives of SUN, (iii) one resident of Promise Zone 2 (which includes Wedgewood-Houston and Edgehill neighborhoods) and one resident of Promise Zone 4 (which includes the Berry Hill and Woodycrest neighborhoods) who shall be chosen and appointed by agreement of SUN and NSH. In the event SUN and NSH cannot reach an agreement on these two members, those members shall be chosen and appointed to the Committee by the Senior Pastor of Watson Grove Baptist Church (or in the event of a vacancy in the Senior Pastor position, the person who is serving in that role on an interim basis).

Unless the Parties agree otherwise, the Community Advisory Committee shall meet no less frequently than quarterly. The Community Advisory Committee Chair (nominated by a majority vote of the members) shall provide notice to the members of the Community Advisory Committee stating the place (or means if by telephone conference or other means), date and hour of each meeting of the Community Advisory Committee and provide an agenda prior to the meeting if practical to do so. Any representative may submit an item for inclusion on the agenda of a Community Advisory Committee meeting. Each of the representatives shall receive notice of and shall have the right to attend (with the methods of allowable attendance specified below) all meetings of the Community

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Advisory Committee. Attendance at a meeting of the Community Advisory Committee shall constitute a waiver of notification of any particular meeting. All Community Advisory Committee meetings shall be held in Davidson County, Tennessee unless otherwise agreed by the Parties and shall be scheduled at a regular time that generally allows the representatives to attend.

NSH will execute and perform each provision outlined in Section II within a reasonable period of time from the date of this signed Soccer CBA; provided, however, that neither SUN or NSH will have any obligation to perform under this Soccer CBA if the Stadium and Development are not constructed.

IV SUN Support Obligations

In light of NSH commitments set forth in this Soccer CBA, SUN will continually and strongly support the concept plan for the Stadium and the related Development. Therefore, SUN will execute the following support efforts on behalf of NSH:

- 1) At NSH's request, send a letter in support of Stadium and related Development, prior to the consideration of all approvals necessary for the Stadium and/or the Development.
- 2) If requested by NSH during the term of this Soccer CBA, SUN will work with NSH to secure other Development approvals from any other governmental entity specified by NSH.
- 3) SUN will work with NSH to prepare a collaborative media strategy regarding shared support for the Stadium and related Development and will, upon request, provide reasonable support of the Stadium and such development and will help NSH to gain the full support of the Metro community.
- 4) SUN agrees that it will consult and coordinate with NSH before making public comments regarding project approvals, and will use its best efforts to address any issues in question with NSH during the Community Advisory Committee meetings contemplated in Section III above. However, nothing in this provision or in the Community Advisory Committee Process shall limit either Party's ability to seek remedies for the other Party's breach of this Soccer CBA outside of the Community Advisory Committee Process.

V Expenses/Termination

The Parties agree that (i) NSH will perform or cause to have performed the items set forth in Section II above at its expense and agrees to hold SUN and its officers, members, employees, and agents harmless from any expenses incurred by NSH with respect to the above Section II provisions and (ii) SUN will perform or cause to have performed the items set forth in Section IV above at its expense and agrees to hold the NSH and its officers, members, employees, and agents harmless from any expenses incurred by SUN with respect to the above Section IV provisions.

This Soccer CBA will remain in full force and effect for the Term, except that it can be terminated immediately in writing under the following circumstances:

- 1) SUN and NSH may mutually agree in writing to modify or revoke any and/or all provisions of this Soccer CBA, or to terminate it;

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2) The license termination, bankruptcy, and/or insolvency of NSH or MLS;

or

3) By NSH upon the termination (or lack of execution and delivery by the appropriate counterparty(ies)) of the Stadium Lease or Development Ground Lease.

At the end of the Term, with mutual agreement from the Parties and/or their designated representatives, this Soccer CBA may be renewed under the same and/or any subsequent modified terms and conditions for an additional mutually agreed term.

VI Miscellaneous

- 1) This Soccer CBA will be binding on each of the Parties hereto and their respective personal representatives, executives, agents, attorneys, principals, agents, and assigns.
- 2) The Parties agree that full and adequate consideration has been given by each Party hereto and each Party acknowledges the sufficiency and adequacy of said consideration.
- 3) The Parties acknowledge that no promise, agreement, statement or representation, whether oral or written, not herein expressed has been made to or relied upon by any one of them and that this Soccer CBA contains the entire agreement between the Parties.
- 4) If any term, provision, or clause within this Soccer CBA will be determined by a court of competent jurisdiction to be invalid, void, or unenforceable, only that particular term, provision, or clause will be nullified. The remainder of the Soccer CBA will continue to be in full force and effect.
- 5) This Soccer CBA will be governed by and construed in accordance with the internal laws of the State of Tennessee without regard to its conflict of laws provisions.

(Signatures appear on the following page)

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AGREED AND ACCEPTED this 3rd day of September, 2018, by

Nashville Soccer Holdings, LLC:

Stand Up Nashville, Inc.:

BY: 

Mary K. Cayarra,
Vice President

BY: 

Anne Barnett,
Co-Chairwoman

(Signature Page to Stand Up Nashville, Inc./Nashville Soccer Holdings, LLC Soccer CBA)

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EXHIBIT A

See Attached

Tel 615-296-6200
Fax 615-296-7579

4400 HARDING ROAD - P O BOX 23049
NASHVILLE, TENNESSEE 37202-3049

September 4, 2018

Nashville Soccer Holdings Statement of Diversity and Inclusion

Nashville Soccer Holdings (NSH) understands and believes that to be a great organization we must have a workforce and supplier network that reflects the diversity of the community that we love. By embracing diversity we believe our organization will prosper from broader and better solutions that benefit our customers and employees. To ensure accountability with our diversity efforts, we have retained the law firm of Manson Johnson Conner PLLC as NSH's contract administrator and diversity coordinator to assist us in developing new and creative methods to achieve our diversity commitments.

NSH has committed to spend 25% of the total value of contracts awarded on the mixed use development with MWBE contractors, subcontractors and suppliers. NSH further commits to award 25% of the total value of supplier contracts of its ongoing operations to MBE suppliers. This objective will be achieved through direct contracting with Prime Contractor suppliers as well as through a program for Prime Contractor suppliers to contract with diverse Subcontractors suppliers for services that are directly related to NSH projects. Quarterly reports will be provided to Stand Up Nashville, Inc., The Metropolitan Government of Nashville and Davidson County ("Metro") Mayor's Office and Metro Council to ensure that all parties are aware of our progress toward our commitment.

NSH also understands that to grow diverse businesses it is important to provide access to capital, education, training and resources that are many times not readily available. In addition to our 25% spend commitment, NSH will start a Minority Business Development Fund that will provide necessary resources to grow and improve scale and capabilities of minority businesses. All suppliers that are awarded contracts by NSH will be required to make a donation to the fund. Private donations will also be solicited from individual and corporations that share NSH's commitment to diversity.

Respectfully,


John R. Ingram,
Chief Executive Officer and President