

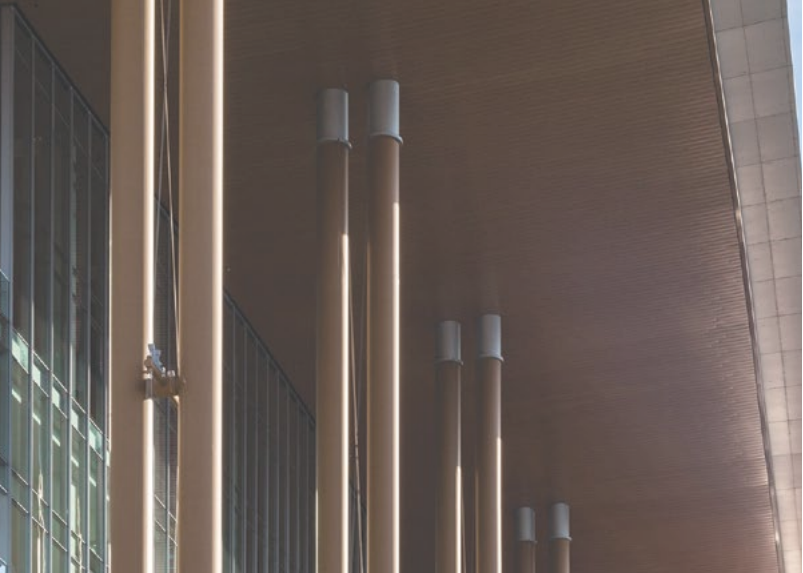


*Music City*  
CENTER

FISCAL YEAR 2016  
**ANNUAL REPORT**

JULY 1, 2015 - JUNE 30, 2016





## MCC MISSION

The mission of the Music City Center is to create significant economic benefit for the citizens of the greater Nashville region by attracting local and national events while focusing on community inclusion, sustainability and exceptional customer service delivered by our talented team members.



# TABLE OF CONTENTS

2	Mission Statement
3	A Letter From the CCA Chairman & President
4	Economic Impact
6	A Year in Review
8	Downtown Development
10	Karl F. Dean Grand Ballroom Dedication
12	Sustainability
14	Diversity Business Enterprise
16	Community Partners
18	REAL Food
20	Financials
22	CCA Members & Leadership Team

A LETTER  
FROM THE

# CCA CHAIRMAN & PRESIDENT

To say that the Music City Center and Nashville's booming hospitality industry is a success story would be a vast understatement. And while one could point to timing, luck, or a number of other factors that contributed to this success story, the real story is that it took years of planning and strong leadership.

When the first discussions of a new, downtown convention center began, no one could have predicted three years in we would have surpassed \$1 billion in economic impact and seen 67 consecutive months of year-over-year growth in hotel rooms sold and hotel taxes collected. And yet here we are.

One thing is certain. Our success would not have been possible without the support of our customers, partners and the Nashville community. And while there are certainly individuals along the way who have been driving forces, it is the collaborative spirit of the Nashville community that has made it work so well.

As our city grows and changes, we will inevitably face many challenges but with your support, there is no doubt that our best years are yet to come.



Marty Dickens  
**Chairman, Convention Center Authority**



Charles Starks  
**President & CEO, Music City Center**

# ECONOMIC IMPACT



As longtime customer National Association of Music Merchants (NAMM) moved into the building in June, the Convention Center Authority announced that with the economic impact generated by NAMM, the Music City Center had officially generated over \$1 billion in direct economic impact for the city in its first three years open. Since opening in May 2013, the Music City Center has hosted 965 events with 1,934,634 attendees, generating over \$1 billion in direct economic impact.

On hand to celebrate the milestone was Music City Center President Charles Starks, Convention Center Authority Chairman Marty Dickens, Mayor Megan Barry, Nashville Convention and Visitors Corp CEO Butch Spyridon and NAMM

President Joe Lamond. Lamond began the program, reminding the audience that the construction of the Music City Center was not a forgone conclusion a decade ago and that his association was forced to leave town due to the city's inability to host a group of their size. Mayor Barry echoed this message, mentioning the NHL All-Star Game and the 2014 Women's Final Four as examples of events that would not have occurred in Nashville without the Music City Center.

After the announcement, Chairman Dickens and Charles Starks presented Mayor Barry and Joe Lamond with a crayon mosaic plaque to commemorate the day the Music City Center contributed its first billion dollars to the city of Nashville.





**\$1 BILLION**

in Economic Impact

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**1,934,634**

ATTENDANCE

---

**965** EVENTS

---

**1,110,203**

total room nights

# A YEAR IN REVIEW

When we set out to build the Music City Center, our hope was that the new facility would bring an unprecedented number of visitors to the city – visitors that would stay in our hotels, eat in our restaurants, ride in our cabs and help boost the local economy. Now we can with certainty say that the Music City Center has done just that. In our first three years open we have welcomed so many customers that could not have come to downtown Nashville without the Music City Center. We continue to set aggressive sales goals and our customer base continues to grow. The demand for Nashville right now is truly beyond what any of us could have ever imagined.

This fiscal year we hosted 293 events with 685,884 attendees, generating 359,390 room nights for a total of \$421.1 million in economic impact. Since opening the building just over three years ago, the Music City Center has brought over 1.9 million people to the city and generated over \$1.1 billion in direct economic impact. Tax collections have been outperforming projections since December 2010, breaking national records in the hospitality industry. Currently the Music City Center generates an average of \$930,000 in economic impact every single day and we do not see signs of that slowing down anytime soon.

JUICE PLUS+ FALL LEADERSHIP CONFERENCE



BEACHBODY COACH SUMMIT



## JULY 2015



NATIONAL ARCHERY IN THE SCHOOLS PROGRAM WORLD TOURNAMENT



FOOD AND NUTRITION CONFERENCE AND EXPO



NATIONAL LEAGUE OF CITIES



TRACTOR SUPPLY ANNUAL MEETING



INTERNATIONAL CAR WASH SHOW



JUNE 2016



NHL ALL-STAR WEEKEND



DECA INTERNATIONAL CAREER DEVELOPMENT CONFERENCE



NATIONAL SCIENCE TEACHERS ASSOCIATION CONFERENCE



# DOWNTOWN DEVELOPMENT



It is no secret that Nashville has seen unparalleled growth over the last few years. In fact, as of June 2016, Nashville achieved an unprecedented 67-month streak of year-over-year growth for number of hotel rooms sold and hotel taxes collected.

Since the Music City Center opened three years ago, downtown Nashville has seen an exceptional amount of public and private investment, especially in the hospitality industry. When the Music City Center opened in May 2013, there were about 3,000 hotel rooms within walking distance. Now, just three years later, an additional 1,396 hotel rooms have opened in the area and there are currently 2,485 rooms under construction with another 1,400 ready to break ground.

But this unforeseen growth extends beyond hotels, with a variety of developments opening up in downtown. With tower cranes popping up what seem to be daily, keeping up with the new construction projects is quite the task. This map highlights just a few of the new developments that have opened in the last three years and an idea of what's to come.



## COMPLETED

- 1 Bridgestone Arena Renovation
- 2 Country Music Hall of Fame & Museum Expansion
- 3 Fairfield Inn & Suites
- 4 Gulch Crossing
- 5 Hilton Garden Inn
- 6 Omni Nashville
- 7 Thompson Hotel
- 8 West Riverfront Park Development/Ascend Amphitheater
- 9 Westin Nashville

## UNDER CONSTRUCTION

- 10 1201 Demonbreun
- 11 21c Museum Hotel
- 12 Bridgestone Americas Headquarters
- 13 Cambria Suites
- 14 Dream Nashville
- 15 HCA Holdings
- 16 JW Marriott Nashville
- 17 LifeWay Headquarters
- 18 Moxy Hotel
- 19 The Bobby
- 20 Tri-Brand Marriott
- 21 Nashville-Noel
- 22 James Robertson Hotel



# KARL F. DEAN GRAND BALLROOM





# DEDICATION

The Convention Center Authority, joined by Mayor Megan Barry and a number of other local officials, dedicated the Karl F. Dean Grand Ballroom at the Music City Center in January to honor the sixth mayor of the Metropolitan Government of Nashville and longtime supporter of the Music City Center. Mayor Karl F. Dean took office as the sixth mayor of Nashville on September 21, 2007 and the day prior to his inauguration announced that one of his top priorities was seeing the construction of a new downtown convention center come to fruition. Mayor Dean worked tirelessly to build support for the project and in January 2010, the Metropolitan Council of Nashville voted to approve construction of the Music City Center. Mayor Dean's vision and foresight to invest in the convention and meetings industry has helped Nashville become what it is today and we are incredibly grateful for his leadership and vision.



# SUSTAINABILITY

FY 2016



## ELECTRIC VEHICLE CAR CHARGERS

The Music City Center announced the installation of nine electric vehicle (EV) car charging stations in its three-level parking garage this summer. The new Blink Level 2 EV chargers are able to rapidly recharge electric cars and accept payment with a major credit card via the Blink InCard, Blink mobile application or Blink customer support. Blink's free membership offers drivers discounted charging fees on select public electric vehicle chargers on the Blink network. Drivers can become a Blink member and pinpoint Blink charging locations through the Blink mobile application or [www.blinknetwork.com](http://www.blinknetwork.com).



## LED GARAGE LIGHTS

The Music City Center retrofitted all the light fixtures in the 765,000 square-foot garage with KOB Electric T8 LED lamps this summer. These lights will reduce overall energy usage by 70 percent, saving an estimated \$48,500 annually for an 18-month ROI. The project was partially paid for through a grant from TVA's EnergyRight Program, which incentivizes companies to make smart energy choices while enhancing their bottom line. Sustainability and energy reduction have been top priorities since day one, and the new LED lighting will help further reduce our carbon footprint while saving tens of thousands annually.

MIXED RECYCLING : **90** tons

GREASE : **3813** lbs

PRINTER CARTRIDGES : **156** total

COMPOST : **15,120** lbs

LIGHT BULBS : **480** lbs

PALLETS : **2476** total

SOLAR **288,772** kWh  
energy produced for a cost savings of \$23,630.15

WATER **3,567,960** gallons  
collected and reused for a cost savings of \$12,569.22 (49% water savings for the year)





## 2016 GOVERNOR'S ENVIRONMENTAL STEWARDSHIP AWARD

Tennessee Governor Bill Haslam and Tennessee Department of Environment and Conservation Commissioner Bob Martineau awarded the winners of the 2016 Governor's Environmental

Stewardship Awards in June. The awards recognized exceptional voluntary actions that improve and protect the environment and natural resources with projects or initiatives not required by law or regulation. The Music City Center was named the 2016 award recipient in the Pursuit of Excellence category. This particular category recognizes previous

award recipients who have continued to make sustainability a top priority operationally. Thank you to Governor Haslam and TDEC for this great honor and all the work you do to make the state of Tennessee a safe and sustainable place to work and live.



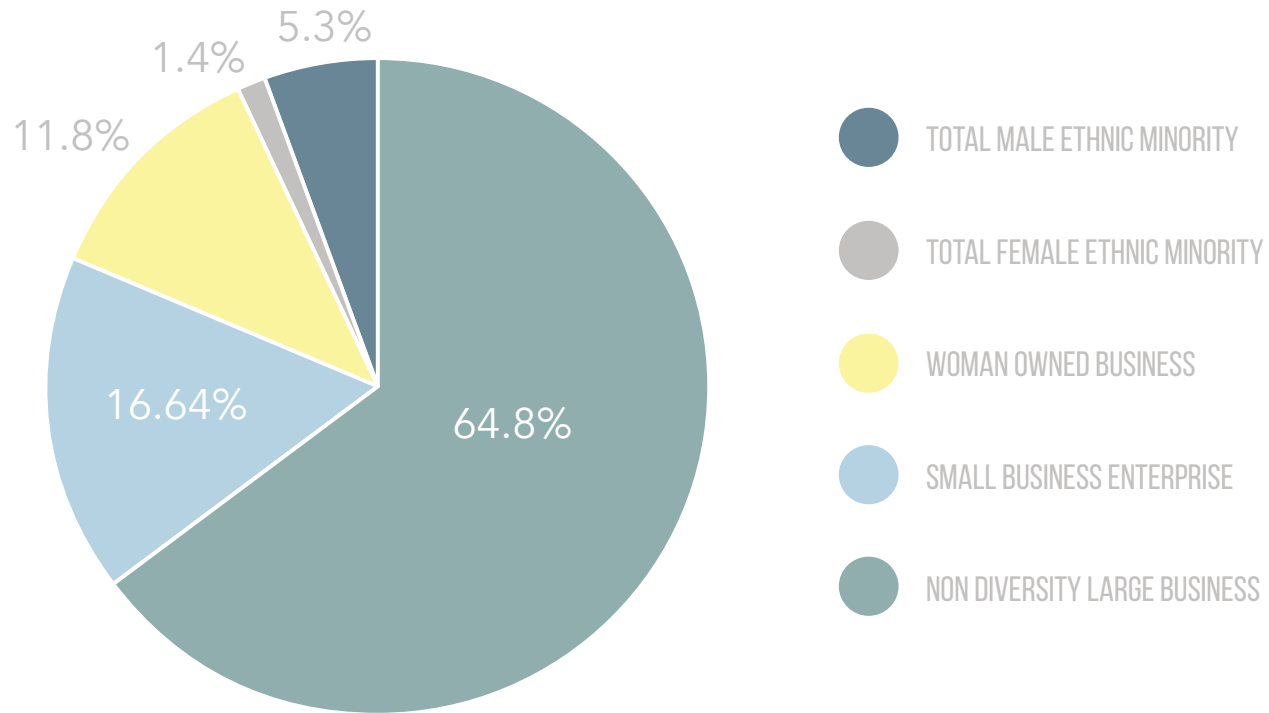
# DIVERSITY BUSINESS ENTERPRISE

The Music City Center's Diversity Business Enterprise Program is an outgrowth of former Nashville Mayor Karl Dean's 2007 commitment to ensuring Nashville's diversity is reflected through the way local government conducts business. With the oversight of the Convention Center Authority, the MCC team designed the DBE program to ensure that all qualified and registered minority, women-owned and small businesses are provided the opportunity to participate as subcontractors/suppliers/vendors at the Music City Center.

During fiscal year 2016 the Music City Center spent 35.22 percent with minority, women-owned and small businesses. Additionally, the Music City Center's contractors spent a combined \$1.6 million with DBE firms.







<b>DBE PARTICIPATION SUMMARY</b>	<b>% OF TOTAL</b>	<b># OF COMPANIES</b>
Minority Owned Businesses	6.75%	9
Women Owned Businesses	11.83%	13
Small Business Enterprise	16.64%	6
<b>Total</b>	<b>35.22%</b>	<b>28</b>

# COMMUNITY PARTNERS



The Music City Center strives to be a great community partner to the many local nonprofits in Middle Tennessee. In fiscal year 2016, the Music City Center hosted 70 nonprofit events with over 40,000 attendees. Since opening three years ago, the facility has welcomed over 100,000 supporters for almost 200 local nonprofit events.

The Music City Center also donates all leftover food to its neighbor, the Nashville Rescue Mission. During fiscal year 2016, the MCC kitchen donated over 46,000 lbs. of food to the Mission, totaling almost \$80,000 in in-kind donations. This community partnership helps the MCC reduce food waste and assists the Mission in serving the hungry and homeless in Middle Tennessee.





70

NONPROFIT EVENTS  
WITH **43,429** ATTENDEES





# REAL FOOD

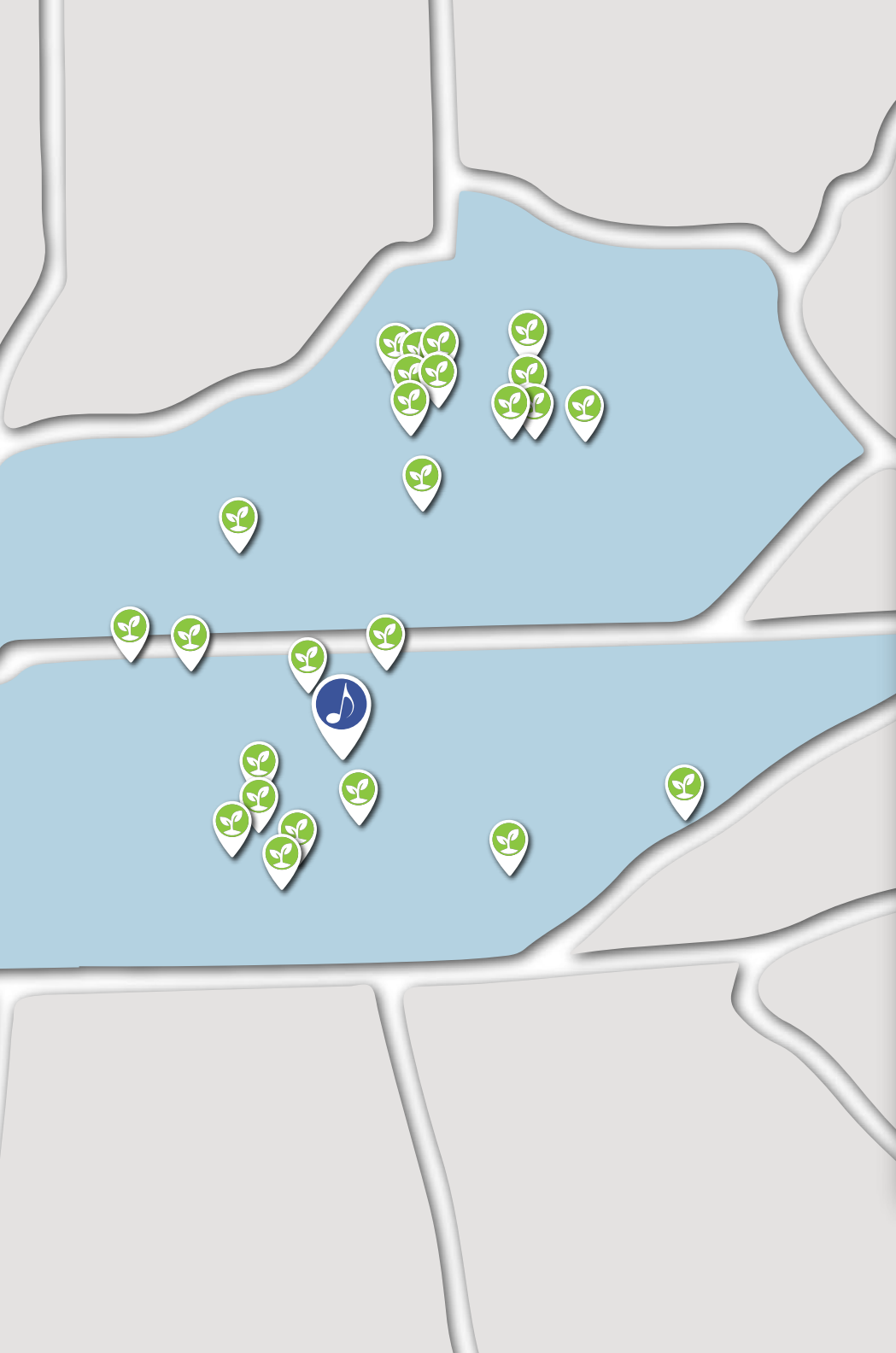


Chef Max Knoepfel and his team in the Music City Center kitchen strive every day to serve the best fresh and delicious food, from local and sustainable sources when available. Working with local vendors and farms from across the region, Chef Max finds inspiration in the seasonal produce available in Middle Tennessee and insists on responsible growing, farming and product provenance from good sources with a minimal carbon footprint.

In April 2014 the Music City Center became the first convention center in the nation to be awarded REAL certification by the U.S. Healthful Food Council. REAL stands for Responsible Epicurean and Agricultural Leadership and is a nationwide program that helps combat diet-related disease by recognizing foodservice operators committed to holistic nutrition and environmental stewardship. The council has certified hundreds of

restaurant brands nationwide, over 80 in Tennessee alone, that live up to its high standards for sustainable sourcing, environmentally sound practices and healthful menus. Key factors in the Music City Center's REAL certification include the use of local produce, sustainable sourcing and offering healthful menu options for customers.





**GEORGE GAGEL TRUCK FARM**  
Bibb lettuce, tomatoes, kale,  
collard greens

**GRATEFUL GREENS**  
Living lettuce, snow pea shoots,  
edible flowers

**KENNY'S COUNTRY CHEESE**  
Cheese

**GALLREIN FARMS**  
Sweet corn, zucchini, yellow squash

**WEISENBERGER MILLS INC**  
Flour, mixes

**COURTNEY FARM**  
Capriole cheese, goat cheese

**BOURBON BARREL FOODS, LLC**

**SHUCKMAN'S FISH CO & SMOKERY**  
Smoked fish

**GOURMET NUTRITION**  
Alfalfa sprouts

**ROYAL STATION FARM**  
Asparagus

**DUTCH CREEK FARM**  
Chelsea's eggs

**KENTUCKY HONEY FARM**  
Honey

**HABEGGER MENNONITE FARM**  
Watermelon, tomatoes, eggplant,  
zucchini, yellow squash, cabbage,  
cucumbers, onions, peppers, green  
beans, jams

**DOROTHY GETTELFINGER**  
Heirloom tomatoes

**LARRY NETT**  
Heirloom tomatoes

**SUNFRESH FARMS**  
Blackberries, blueberries, sweet corn,  
squash, tomatoes, Heirloom  
tomatoes, fall squash, pumpkins

**JOHNNY HOWELL FARMS**  
Tomatoes, Bradley tomatoes,  
Heirloom tomatoes, yellow squash

**DELVIN FARMS**  
Tomatoes, Heirloom tomatoes,  
squash, collard greens

**TENNESSEE VEGETABLE PACKERS**  
Cabbage, squash, cucumbers, beans,  
tomatoes

**TRIGG COUNTY PRODUCE**  
Cabbage, bell peppers

**GOURMET NUTRITION**  
Herbs, sprouts

**COUNTRY BARN**  
Heirloom tomatoes, cherry tomatoes

**SMILEY HOLLOW FARMS**  
Collard greens, cucumbers

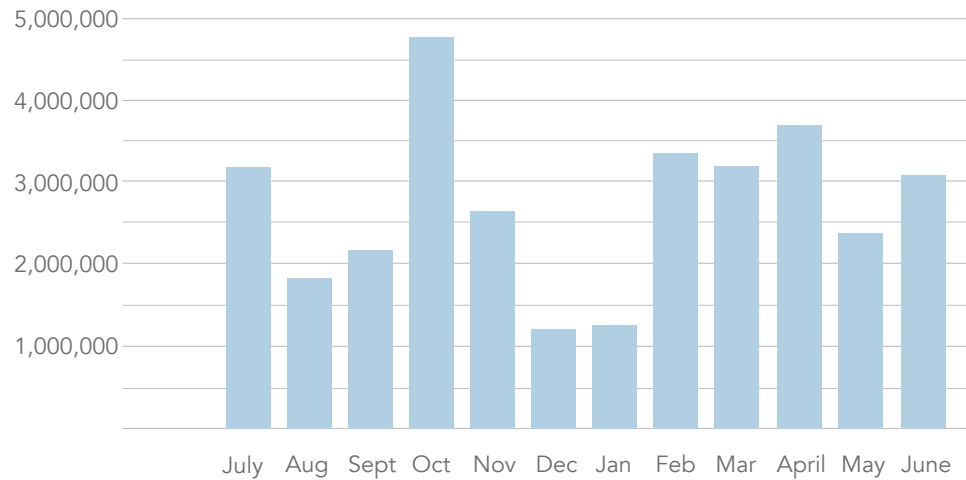
**TAMMY'S PRODUCE @ NASHVILLE  
FARMERS MARKET**  
Peas, butter beans

 Farm locations

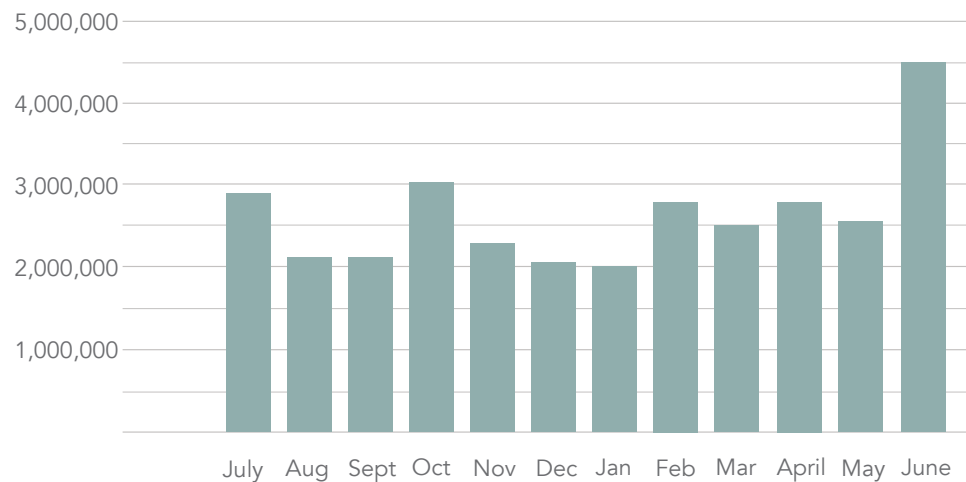
 Music City Center

# FINANCIALS

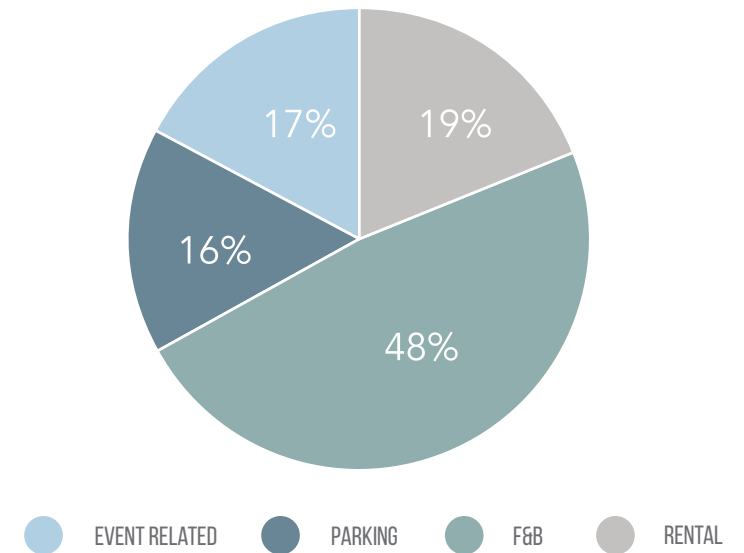
OPERATIONAL REVENUE FISCAL YEAR 2016



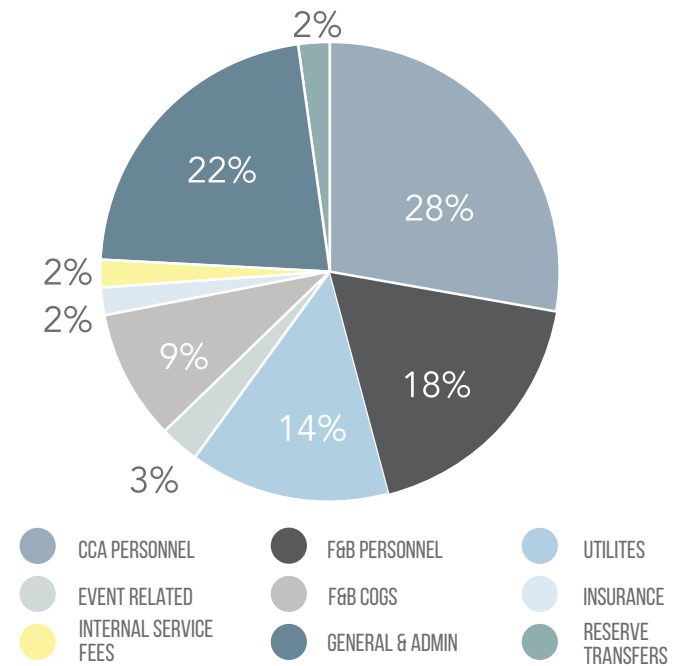
OPERATIONAL EXPENSE FISCAL YEAR 2016



TOTAL FISCAL YEAR REVENUE BY CATEGORY

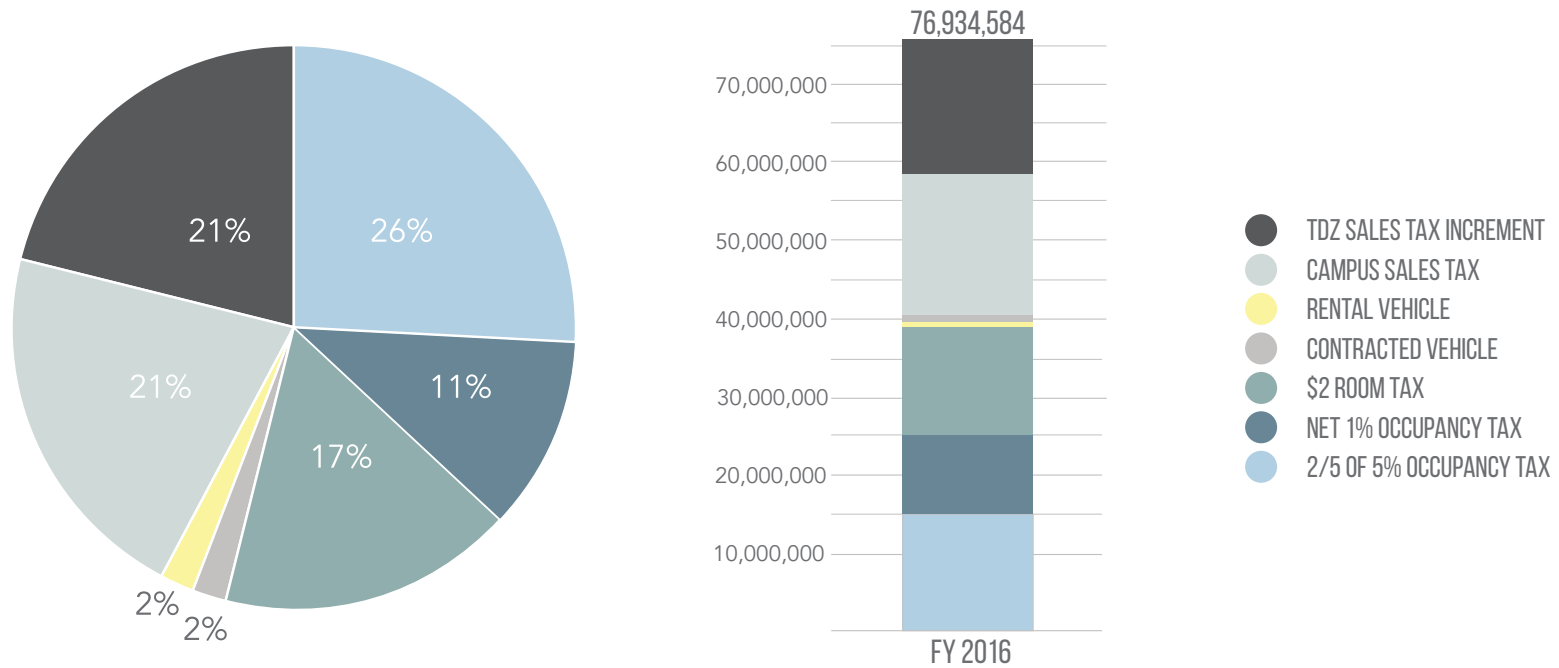


TOTAL FISCAL YEAR EXPENSE BY CATEGORY

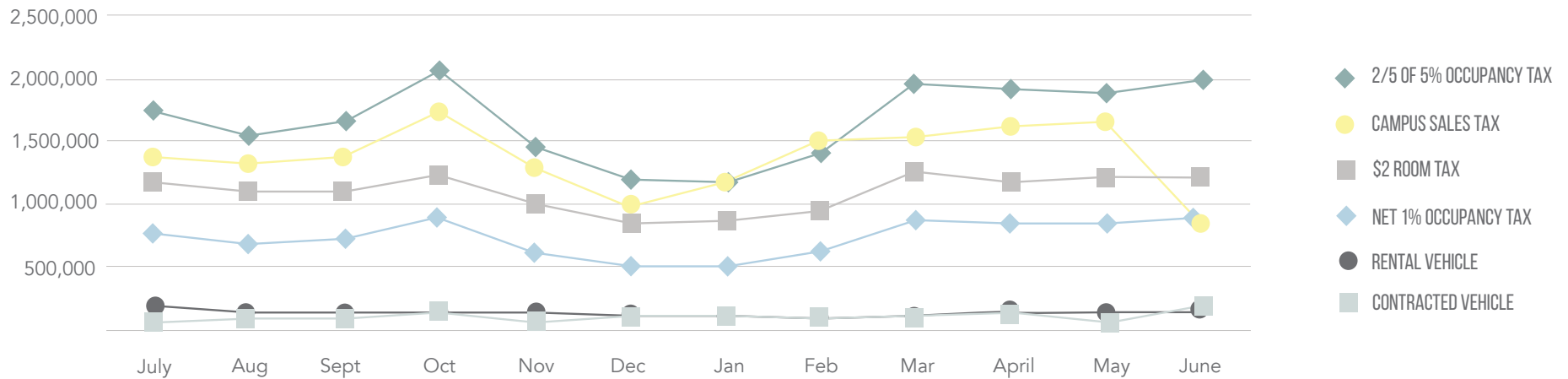




## FY2016 MCC TOTAL TOURISM TAX COLLECTIONS



## FY2016 TAX COLLECTIONS BY MONTH\*



\*TDZ collections are not included in the tax collections by month graph.

# CONVENTION CENTER AUTHORITY MEMBERS



Marty Dickens  
CHAIRMAN



Irwin Fisher



Randy Goodman



Vonda McDaniel  
VICE CHAIR



Willie McDonald



David McMurry



Luke Simons



Renata Soto



Mona Lisa Warren  
SECRETARY/TREASURER



# MUSIC CITY CENTER LEADERSHIP TEAM



Eric Blouin  
DIRECTOR OF TECHNOLOGY

Erin Hampton  
VICE PRESIDENT OF HUMAN RESOURCES

Aaron Haviland  
DIRECTOR OF SECURITY

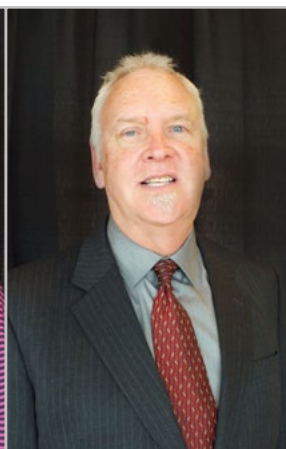
Brian Ivey  
VICE PRESIDENT OF SALES & MARKETING

Teri McAlister  
DIRECTOR OF SALES

Terry McConnell  
DIRECTOR OF ENGINEERING

Elisa Putman  
SR. VICE PRESIDENT & CHIEF OPERATIONS  
OFFICER

Jasmine Quattlebaum  
DIRECTOR OF PURCHASING/DBE



Heidi Runion  
DIRECTOR OF FINANCE & ADMINISTRATION

Chris Schappert  
DIRECTOR OF EVENT SERVICES

Dewayne Smith  
DIRECTOR OF FACILITIES

Charles Starks  
PRESIDENT & CEO

Richard Wagner  
DIRECTOR OF PARKING

Mary Brette Wylly  
MARKETING & PR MANAGER

Doug Zimmerman  
FOOD & BEVERAGE GENERAL MANAGER





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