



OFFICE *of* MAYOR  
MEGAN BARRY

November 11, 2016

Dear Members of the Metro Council,

I am happy to report that Metro and the developers of Fifth + Broadway have closed on the land transaction for the Nashville Convention Center, an agreement that was negotiated by Mayor Karl Dean's administration and passed by the Metro Council in 2015.

Now, the Fifth + Broadway development by OliverMcMillan Spectrum | Emery (OM-SE) will be able to move forward with construction of the project, which will create new retail, living, and office space downtown, while also constructing a world-class National Museum of African-American Music (NMAAM) that our entire community can be proud of.

Additionally, with receipt of this payment, **the Barnes Trust Fund for Affordable Housing will now have \$5 million more in revenue** which can be used to build more affordable housing for working families in Nashville.

In the attached documents, I have included funding letters which have assured us of the financial capacity of the developers to bring this project to completion. That assurance of funding, in addition to the closing cost for the property and the approval by the Convention Center Authority, was all that were legally required of the developer to finalize the agreement. In the attached assurances, The Baupost Group, which is providing financing for the project, indicates that they have already invested \$6 million into the project in addition to the \$5 million for the land transaction. **Legal counsel has advised that any attempts to undo this agreement could be considered a breach of the agreement and could expose Metro taxpayers to considerable liability for damages.**

Over the last few weeks, there have been some concerns relayed about this project, most recently through the introduction of RS2016-460. I want to address some of those concerns with this packet of information outlining the facts of the situation.

The most prominent concern relayed by members of the Metro Council is about the placement of the NMAAM. To be clear, this was an agreement by the leadership of the museum with the developer. The museum has determined that this location and layout, with a main entrance on 5<sup>th</sup> Avenue across from the historic Ryman auditorium, is in their best interests for programming at

the museum. There is also determined effort to identify an additional NMAAM entrance on Broadway that would allow for visibility and prominence on this road.

I have attached illustrations of the original conceptual design proposed to the Council, which shows the facility being built along 5<sup>th</sup> Avenue with a single entrance on Broadway, along with the new renderings which show what the project may look like with two entrances.

As for the value of the museum, we have attached information from the developer which shows that the **value of construction exceeds the \$11 million estimate** that was given to the Council. **The museum space is now 56,000 square feet – 6,000 more than originally proposed and 11,000 more than was required in the agreement** passed in 2015 and sponsored by Councilmember Erica Gilmore. It is important to note that while we appreciate the developer providing this assessment, there is no legal requirement for them to spend \$11 million or more on the project. They are only required, by the agreement, to provide a shell for the museum that is 45,000 square feet or more. In this regard, they have gone above and beyond what was required of them in the agreement.

In terms of further public input on the designs, we will leave that to NMAAM and/or the developers to decide, as this is their project. As with any project, we encourage developers to work with the community to address as many concerns as reasonably possible. However, that doesn't mean that all parties can be happy, and ultimately this is not our decision to make as long as they meet the terms of our agreement.

Make no mistake about it. There is no alternative location or plan for the museum other than as part of the Fifth + Broadway development, which means closing on the property was critical to the viability of the museum. I am excited about the prospect of this museum, and I believe we should all work with the Board to make sure that it is a success going forward. NMAAM still needs to raise funds for the programming of the museum, and undermining them at this critical time will only hinder their ability to succeed in creating the best museum possible.

As it relates to the design of the project in relationship to the Ryman Auditorium, the owners of this historic facility have said they are supportive of the redevelopment of the Convention Center and have been meeting with developers to address any concerns with regards to the visibility of the Ryman from the Fifth + Broadway project.

I hope that these assurances and the information we have provided will address any of your concerns and ensure that you are excited about this great project that will boost Nashville's downtown neighborhood. **I am looking forward to attending the grand opening of the new National Museum of African American Music in 2019, and I hope you will be there to join me in celebration when it happens.**

With kindest regards,



Megan Barry

Mayor

*P.S. Thank you to everyone who was able to join us yesterday for the Veterans Day Parade to honor the sacrifices and commitment of the brave men and women who have served our nation.*