

EXHIBIT A

**INTERGOVERNMENTAL PROJECT AGREEMENT
(MLS STADIUM PROJECT)**

This Agreement is made and entered into as of the ___ day of _____, 201__, by and between The Metropolitan Government of Nashville and Davidson County (the “Metropolitan Government”) and The Sports Authority of The Metropolitan Government of Nashville and Davidson County (the “Authority”).

WITNESSETH:

WHEREAS, Major League Soccer (“MLS”) has awarded a MLS franchise to Nashville Soccer Holdings, LLC (the “Team”), pursuant to which the Team may commence play in Nashville in the Spring of 2021, provided that a suitable stadium be constructed for the Team’s use; and

WHEREAS, the Metropolitan County Council of the Metropolitan Government (the “Metropolitan Council”) has determined that the construction of a MLS stadium (the “Stadium”) and related facilities on a portion of the 128-acre Nashville Fairgrounds site located at 300 Rains Avenue (the “Site”) will encourage and foster economic development and prosperity for the Metropolitan Government; and

WHEREAS, pursuant to Chapter 67, Title 7 of the Tennessee Code Annotated (the “Act”), the Metropolitan Council has created the Authority for the purpose of exercising all powers granted to a sports authority by the Act, including, without limitation, the financing, constructing and operating of the Stadium; and

WHEREAS, the Metropolitan Government ~~and~~, by and through the Fairgrounds Board of Commissioners, and the Authority have entered into that certain Lease Agreement, dated as of _____, 201__ (the “Site Ground Lease”) providing for the lease of the Site to the Authority, and certain other matters collateral thereto; and

WHEREAS, the location of the Stadium on the Site will necessitate certain improvements to the Nashville Fairgrounds facilities and public infrastructure necessary for the Stadium (the “Fairgrounds Improvements”); and

WHEREAS, pursuant to Resolution No. RS 201_-____, the Metropolitan Council has approved the issuance of up to \$50,000,000 of general obligation bonds and/or notes (the “Metro Bonds”) to finance the Fairgrounds Improvements; and

WHEREAS, the Authority and the Team have entered into that certain Stadium Development Agreement, dated as of _____, 201__ (the “Development Agreement”) providing for the construction and development of the Stadium and the rights and responsibilities of the Authority and the Team related thereto; and

WHEREAS, the Authority and the [Name of Team] have entered into that certain Team Lease Agreement, dated as of _____, 201__ (the “Team Lease”) providing for the lease of the Stadium, once completed, to the Team and the use, occupancy, operation, maintenance and repair of the Stadium and certain other matters collateral thereto; and

WHEREAS, _____ (the “Team Guarantor”) has delivered to the Authority that certain Guaranty, dated as of _____, 201__ (the “Guaranty”), pursuant to which the Team Guarantor has guaranteed the Team’s payment of rent to the Authority pursuant to the terms of the Team Lease; and

WHEREAS, the Metropolitan Council now desires to facilitate the Authority's financing of the acquisition and construction of the Stadium; and

WHEREAS, pursuant to the Act, the Metropolitan Council is authorized to aid or otherwise provide assistance to the Authority, for such term or terms and upon such conditions as may be determined by resolution of the Metropolitan Council, by granting, contributing or pledging revenues of the Metropolitan Government to or for the benefit of the Authority; and

WHEREAS, the Authority has, by resolution of its Board of Directors adopted on _____, 201__ (the “Authority Resolution”), authorized the issuance of up to \$225,000,000 of its Public Facility Revenue Bonds (the “Bonds”) for the purposes of paying (i) costs to acquire, construct, improve, renovate and equip the Stadium and related facilities on the Site (ii) capitalized interest and debt service reserves (if applicable), (iii) architectural, engineering, legal and consulting costs incident thereto, and (iv) costs incident to the issuance and sale of the Bonds.

WHEREAS, the Bonds will be issued pursuant to the terms of that certain Indenture of Trust, dated as of _____, 201__ (the “Indenture”) by and between the Authority and _____, as trustee (the “Trustee”); and

WHEREAS, at the time the Stadium begins operations, there shall be apportioned and distributed to the Authority an amount equal to the state and local tax revenue derived under Title 67, Chapter 6 of the Tennessee Code Annotated from the sale of admissions to Team games and also the sale of food and drink sold on the premises of the Stadium in conjunction with those games, parking charges, and related services, as well as the sale by the Team within the Metropolitan Government of authorized franchise goods and products associated with the Team’s operations as a professional sports franchise (the “Sales Tax Revenues”); and

WHEREAS, to fulfill the purposes of the statutes and ordinances providing for the collection of the Sales Tax Revenues, and to facilitate the construction and operation of the Stadium and the issuance of the Bonds, the Metropolitan Government wishes to make the Sales Tax Revenues available to the Authority to pay debt service on the Bonds; and

WHEREAS, pursuant to Section [7-3-202] [7-3-204], Tennessee Code Annotated, and Ordinance No. BL201__-____, the Metropolitan Council has approved on third and final reading the levy of a ticket tax on admission to all events at the Stadium (the “Ticket Tax”)excluding tickets to events under the control of the Fair Board, a portion of the proceeds of which are dedicated to the payment of debt service on any bonds issued by the Authority to finance the construction or improvement of the Stadium (the “Debt Service Portion of the Ticket Tax Revenues”), and the balance of the proceeds of which shall be deposited to a reserve account maintained by the Metropolitan Government Department of Finance on behalf of the Authority to be used for long-term capital expenditures at the Stadium (the “Capital Improvements Portion of the Ticket Tax Revenues”); and

WHEREAS, to fulfill the purposes of the statutes and ordinances providing for the collection of the Ticket Tax, and to facilitate the construction and operation of the Stadium and the issuance of the Bonds, the Metropolitan Government wishes to make the Debt Service Portion of the Ticket Tax Revenues available to the Authority to pay debt service on the Bonds; and

WHEREAS, to enhance the marketability of the Bonds and thereby reduce the interest costs thereon, the Metropolitan Government wishes to make Non-Tax Revenues (as defined and described herein) available to the Authority for the payment of debt service on the Bonds in the event Sales Tax Revenues, the Debt Service Portion of the Ticket Tax Revenues, Team Lease Payments, and other funds are insufficient therefor; and

WHEREAS, it is deemed necessary and desirable by the Metropolitan Council and the Board of Directors of the Authority that the parties enter into an agreement addressing the funding of the Stadium, the payment of the costs thereof and costs related thereto, the acquisition of the Site, the funding of the Fairgrounds Improvements, the disposition and administration of the funds needed to pay principal and interest on the Bonds, and other agreements and rights of the parties related thereto;

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of all of which is hereby acknowledged, the parties agree as follows:

1. Engagement of the Authority to Develop Stadium. The Metropolitan Government hereby engages the Authority to undertake the acquisition, construction, development and operation of the Stadium on the terms and conditions set forth herein.

2. Duties of the Metropolitan Government. The Metropolitan Government covenants and agrees as follows:

(a) The Metropolitan Government will cause to be issued and sold the Metro Bonds in accordance with the applicable schedule set forth in the Development Agreement and shall cause the proceeds of the Metro Bonds to be used to fund the Fairgrounds Improvements in accordance with the applicable schedule set forth in the Development Agreement.

(b) The Metropolitan Government agrees to remit all Sales Tax Revenues to the Authority until the Bonds have been paid in full.

(c) The Metropolitan Government agrees to remit the Debt Service Portion of the Ticket Tax Revenues to the Authority until the Bonds have been paid in full.

(d) The Metropolitan Government will establish a MLS Stadium Capital Improvement Fund (the "Capital Fund"), to be kept separate and apart from all other funds of the Metropolitan Government. The Metropolitan Government will deposit the proceeds of the Capital Improvements Portion of the Ticket Tax Revenues to the Capital Fund and apply and administer such funds as herein provided.

(e) So long as the Bonds are outstanding, the Authority will deposit the Sales Tax Revenues and the Debt Service Portion of the Ticket Tax Revenues (collectively, the "Tax Revenues") received from the Metropolitan Government to the Revenue Fund established in the Indenture, and such Tax Revenues will be used to pay debt service on the Bonds and to maintain a debt service reserve fund for the Bonds, all in accordance with the Indenture. If funds in the available funds of the Indenture are insufficient to pay debt service when due on the Bonds, the Metropolitan Government hereby pledges and agrees to transfer to the Trustee Non-Tax Revenues at such times and in such amounts necessary to cure the deficiency, all in accordance with the procedures set forth in the Indenture.

(f) The Metropolitan Government's pledge of Non-Tax Revenues hereunder is subject and subordinate to the prior pledge of such Non-Tax Revenues in favor of debt obligations

heretofore issued and/or incurred by the Authority or The Convention Center Authority of The Metropolitan Government of Nashville and Davidson County (the “Convention Center Authority”), and any bonds or other debt obligations hereafter issued by the Authority or the Convention Center Authority on parity therewith.

(g) As used herein, the term “Non-Tax Revenues” shall mean all income and revenues of the Metropolitan Government which according to generally accepted accounting principles promulgated by the Governmental Accounting Standards Board and normal and customary accounting practices of the Metropolitan Government are deposited to and become assets of the General Services District General Fund of the Metropolitan Government, derived from any source other than income and revenues derived from the exercise by the Metropolitan Government of its powers to levy and collect taxes of any kind. The term "Non-Tax Revenues" does not include: ad-valorem property taxes; sales taxes; State-shared taxes; revenues of any agency or instrumentality of the Metropolitan Government; revenues which according to generally accepted accounting principles promulgated by the Governmental Accounting Standards Board and the normal and customary accounting practices of the Metropolitan Government, are deposited to and become assets of any proprietary fund or enterprise fund of the Metropolitan Government; payments made by the Department of Water and Sewerage Services of the Metropolitan Government in lieu of ad valorem taxes pursuant to Resolution No. R96-177 adopted by the Metropolitan County Council on February 29, 1996; lease payments payable to the Metropolitan Government from the stadium currently known as Nissan Stadium; parking revenues from the parking lots surrounding Nissan Stadium; or ticket surcharge revenues collected by the Metropolitan Government or the Authority from patrons of the Authority’s downtown arena currently known as Bridgestone Arena.

(h) The Metropolitan Government further authorizes the Authority to pledge its rights under this Agreement and to the Sales Tax Revenues, the Debt Service Portion of the Ticket Tax Revenues and the Non-Tax Revenues as security for its obligations under the Indenture, including, without limitation, the repayment of the Bonds and additional or refunding bonds issued pursuant to the Indenture (the issuance of which shall require additional approval of the Metropolitan Council).

(i) For so long as any Bonds or any additional bonds or refunding bonds issued pursuant to the Indenture and approved by the Metropolitan Council are outstanding, the Metropolitan Government will transfer the Sales Tax Revenues, the Debt Service Portion of the Ticket Tax Revenues and the Non-Tax Revenues (to the extent required) to the Authority as described herein and will not repeal or amend the ordinances authorizing the collection of the Sales Tax Revenues or the Debt Service Portion of the Ticket Tax Revenues in such a manner as to reduce the amount of Sales Tax Revenues or Debt Service Portion of the Ticket Tax Revenues payable to the Authority pursuant to this Agreement.

(j) For so long as any Bonds or any additional bonds or refunding bonds issued pursuant to the Indenture and approved by the Metropolitan Government are outstanding, it will not issue or incur, or permit to be issued or incurred, any indebtedness payable from or secured by a pledge of or lien on any of the Non-Tax Revenues (“Additional Secured Indebtedness”), nor will it pledge any of the Non-Tax Revenues or create a lien on or security interest in any of the Non-Tax Revenues to secure the indebtedness or obligation of the Metropolitan Government, the Authority, or any other entity, unless all the following conditions are met, in which case such Additional Secured Indebtedness may be issued on subordinate basis with respect to any Bonds or any additional bonds or refunding bonds issued pursuant to the Indenture:

(A) all the payments into the respective funds and accounts provided for in the Indenture, as supplemented, shall have been made in full to the date of issuance of

said Additional Secured Indebtedness or the creation of the lien, security interest or pledge hereinabove described;

(B) the Authority shall be in substantial compliance with all of the covenants, agreements and terms of the Indenture, as supplemented; and

(C) following the issuance of such Additional Secured Indebtedness or the creation of such lien, pledge or security interest, the total amount of Non-Tax Revenues collected by the Metropolitan Government during the most recently concluded fiscal year of the Metropolitan Government equals or exceeds two times the maximum amount of debt service payable during any calendar year with respect to any Bonds, any additional bonds or refunding bonds issued pursuant to the Indenture, and any Additional Secured Indebtedness.

3. Duties of the Authority. The Authority covenants and agrees as follows:

(a) The Authority will cause the Bonds to be issued and sold pursuant to the Indenture. The Authority will cause the proceeds of the Bonds to be deposited as required by the Indenture and used solely for the Permitted Uses.

(b) The Authority will cause the completion of the construction of the Stadium with the proceeds of the Bonds, and any funds paid by the Team pursuant to the Development Agreement.

(c) The Authority will deposit the Sales Tax Revenues and the Debt Service Portion of the Ticket Tax Revenues received from the Metropolitan Government to the Revenue Fund established in the Indenture for application as provided therein.

(d) The Authority agrees that it will adopt an annual budget for the Stadium indicating all operating expenses, revenues and capital improvements. The Authority agrees to (i) promptly provide the Director of Finance all budget information and proposals, as and when prepared by the Authority, and any other statements, reports and information relating to the Stadium as the Director of Finance may request from time to time; (ii) consult with the Director of Finance in connection with the adoption of its annual budget for the Stadium and (iii) present the budget so adopted to the Metropolitan Government at times and in the manner prescribed by the Director of Finance and in compliance with any requirements of the budget process of the Metropolitan Government. The Authority shall additionally submit to the Metropolitan Council the annual audit and report of its business affairs and transactions in compliance with the requirements of the Act.

(e) The Authority will comply with all the terms and conditions set forth in the Indenture, including, without limitation, the obligation to use funds held in the Surplus Revenue Fund created by the Indenture to reimburse the Metropolitan Government for any payments of the Non-Tax Revenues made by the Metropolitan Government for debt service on the Bonds up to said amount.

4. Term.

(a) The duties and responsibilities of the parties hereunder shall commence as of the date hereof and shall continue until the Bonds and any additional bonds and refunding bonds issued under the Indenture are paid in full.

(b) Notwithstanding anything to the contrary herein, termination of this Agreement shall not be permitted if such termination would impair in any way the ability or capacity of any of the

parties hereto to fully and timely fulfill its obligations under any contract or agreement with any third party, including the holder or owner of any notes, bonds or other indebtedness described herein.

5. Default. Subject to Section 4(b) above, in the event any of the parties hereto shall fail to perform any of its obligations hereunder or shall become unable to perform by reason of bankruptcy, insolvency, receivership or other similar event, then the non-defaulting party, so long as said party is not itself in default hereunder, may seek specific performance, mandamus or other extraordinary relief to compel the defaulting party to perform hereunder.

6. Establishment of Funds. The Authority and the Metropolitan Government agree to establish such funds and accounts required by the Indenture and such further funds and accounts as shall be determined necessary and advisable by the Director of Finance and the Chairman of the Authority to account for and manage the revenues and receipts described herein and provide for the payment of the costs of operating, maintaining and repairing the Stadium and paying the principal of and interest on the Bonds.

7. Severability. If a court of competent jurisdiction or an arbitrator determines that any term of this Agreement is invalid or unenforceable to any extent under applicable law, the remainder of this Agreement (and the application of this Agreement to other circumstances) shall not be affected thereby, and each remaining term shall be valid and enforceable to the fullest extent permitted by law.

8. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee.

9. Entire Agreement. This Agreement contains the entire understanding among the parties with respect to the matters contained herein, and supersedes any prior understanding and agreements between them respecting the within subject matter. There are no representations, agreements, arrangements or understandings, oral or written, between or among the parties hereto relating to the subject matter of this Agreement which are not fully expressed herein. Notwithstanding the foregoing, to the extent this Agreement or any of the terms hereof shall conflict with the terms of any of the other documents or agreements referenced herein, the terms of said documents or agreements shall control.

10. Headings. The paragraph headings are inserted only as a matter of convenience and for references and in no way define, limit or describe the scope or intent of this Agreement or in any way affect this Agreement.

11. Authorized Representatives. Any action required of or permitted to be taken pursuant to this Agreement by any of the parties hereto may be performed by an authorized representative of the respective party without further action by the governing body of such party.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers as of the day and year first above written.

THE METROPOLITAN GOVERNMENT OF
NASHVILLE AND DAVIDSON COUNTY

By: _____
Metropolitan Mayor

ATTEST:

By: _____
Metropolitan Clerk

APPROVED AS TO AVAILABILITY OF FUNDS BY:

Director of Finance

APPROVED AS TO FORM AND LEGALITY:

Director of Law