

TPAC LEASE AGREEMENT & DEVELOPMENT AGREEMENT

Ad-Hoc East Bank Committee
December 11, 2025

Office of Mayor Freddie O'Connell



How did we get here?

- ➔ **Imagine East Bank** passed by Metro Council on October 6, 2022
- ➔ **Master Development Agreement** passed by Metro Council on April 16, 2024
- ➔ **Non-Binding Memorandum of Understanding** passed by Metro Council on April 16, 2024
- ➔ **Deal Between Metro and TPAC** announced November 18, 2025
- ➔ **Legislation Approving Deal** filed November 21, 2025
- ➔ **Section 230 Community Meeting** held December 4, 2024



Metro gains a new world class arts venue,
pays only a portion of infrastructure costs,
has no building cost responsibilities, and
gets free access for civic events.



Agreement Highlights

Financial Responsibility	TPAC is responsible for all design and construction costs and various infrastructure costs.
Connectivity Enhancements	The project calls for roadway improvements, initiates pedestrian bridge renovation, and increases public access.
Public Use and Benefit	Metro & MNPS get free use for 30 days per year, and the venue serves as a year-round cultural asset through a long-term lease.
Strict Safeguards	Cost overruns are the responsibility of TPAC, and TPAC must meet a series of project deadlines.
Logistics & Operations	TPAC will use Metro-owned parking at market rates. TPAC will coordinate construction w/ EBDA to minimize impacts.

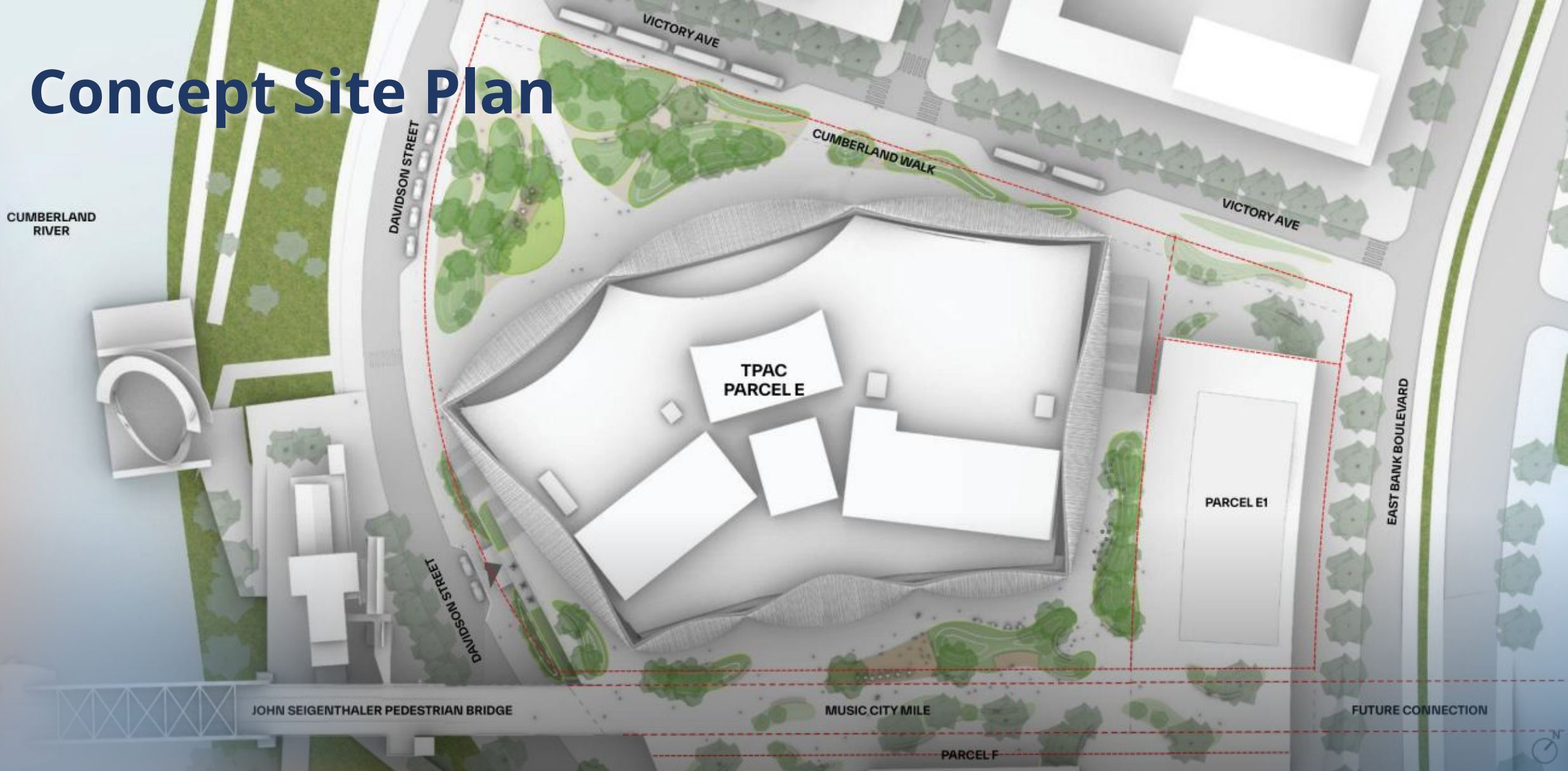


Initial Development Area

As contemplated by the Master Development Agreement



Concept Site Plan



TPAC LEASE AGREEMENT & DEVELOPMENT AGREEMENT
AD-HOC EAST BANK COMMITTEE – DECEMBER 11, 2025



Project Overview



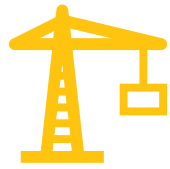
Ground Lease

- ➔ Initial term: 35 years plus two 30-year extensions
- ➔ Nominal Rent: \$100/year
- ➔ TPAC is responsible for operations, maintenance, and capital improvements
- ➔ TPAC is entitled to all revenues and responsible for all expenses
- ➔ Metro/MNPS may use the facility for 30 days annually free of charge
- ➔ TPAC will pay \$400K annual infrastructure contribution for 15 years
- ➔ TPAC will have parking access at stadium campus at market rate



Financial Responsibilities

TPAC



Facility Construction

TPAC is responsible for all design and construction costs for the new building.



Infrastructure Work

TPAC is developing public infrastructure around the facility (roads, sidewalks, bike lanes, and utilities). TPAC is also contributing \$6m to Metro for additional public infrastructure.



Operation & Management Costs

TPAC is responsible for all operating expenses, maintenance, and capital improvements.

Metro



Infrastructure Work

Metro will:

- renovate portions of the eastern end of the Seigenthaler Pedestrian Bridge,
- reconstruct along two roads (including sidewalks, bike lanes, and utilities),
- relocate the Piedmont gas line from the TPAC site, and
- ensure site access to utilities.



Funding Sources



- ➔ **State of Tennessee** building construction (\$500m)
- ➔ **TPAC** building construction (\$100m+) and public infrastructure (\$24.6m)
- ➔ **Metro** public infrastructure (\$35.7m)



Infrastructure Responsibilities

TPAC

Davidson Drive Victory to ped bridge	\$8.3m
Victory Avenue 1st to Waterside	\$7.5m
Infrastructure Contribution \$400k to Metro for 15 years	\$6m
Enhanced Infrastructure Ped bridge connection, etc.	\$2.8m

TOTAL **\$24.6m**

Metro

Davidson Drive Western portion	\$1.5m
Victory Avenue 2nd to 1st	\$2.5m
Pedestrian Bridge Adjacent to Parcel E (minus TPAC cont.)	\$19m
Pedestrian Bridge Portion across EBB	\$2.7m
Utilities Gas line (CSP)/NES duct bank (CSP)/sewer	\$10m

TOTAL **\$35.7m**



