



Joint Meeting of the MNAA and MPC Finance, Diversity & Workforce Development ("Finance") Committees

September 13, 2023

BNA

Call to Order

September 13, 2023

Public Comment

Tennessee Code Annotated, Title 8, Chapter 44, Part 1

MNAA Policy ID: 33-007, Public Comment Policy, effective July 13, 2023

No Public Comment Requests Received by Monday, September 11, 2023 @ 9 pm

Approval of Minutes

Joint Meeting of the MNAA & MPC Finance, Diversity & Workforce Development (“Finance”) Committees
August 9, 2023

Chair's Report

Stuart McWhorter

Finance Committee Chair

Items for Approval

September 13, 2023

- BNA Westside Development LOI/Lease Terms
 - Future Special Purpose Entity (SPE) for Scott Sohr

Item for Approval

Carrie R. Logan, C.M.
VP, Associate General Counsel

BNA Westside Development - Future SPE for Scott Sohr

Property Description: Development of 5.15 acres of the 5.97-acre parcel of land and the extension of Taxilane B

Key Lease Terms:

- **Effective Date:** Rent commences upon execution of the lease agreement
- **Term:** 18-month construction term, 30-year initial term, one 5-year renewal option (total potential 36.5 years)
- **Base Rent:** \$2.40/sf; 3% annual escalation; FMRV adjustments in year 10 and 20 of initial term
 - Max 110% increase over prior year; No rent decrease
 - Monthly fuel flowage; current rate \$0.08/gallon
 - Easement fee of \$0.50/sf beginning on the effective date of the lease for the Taxilane B extension and this tract's share of Taxilane A & B; the easement fee includes a 3% annual escalation.
- **Improvements:** Minimum \$14M for construction of hangar facilities (approximately 66,000 sq ft), ramp/apron space and fuel farm. Tenant will complete Taxilane B extension and first hangar within 18 months of the effective date and the second hangar within 30 months.
- **Lease Type:** Triple Net Lease; Property Condition and Pavement Condition Assessments every 5 years
- Tenant has right to lease to affiliate or successor organization with notice to MNAA
 - MNAA receives 20% of gross transaction value if 10+ years remaining, 15% if less than 10 years remaining but more than 5 years, and 10% if less than 5 years remaining

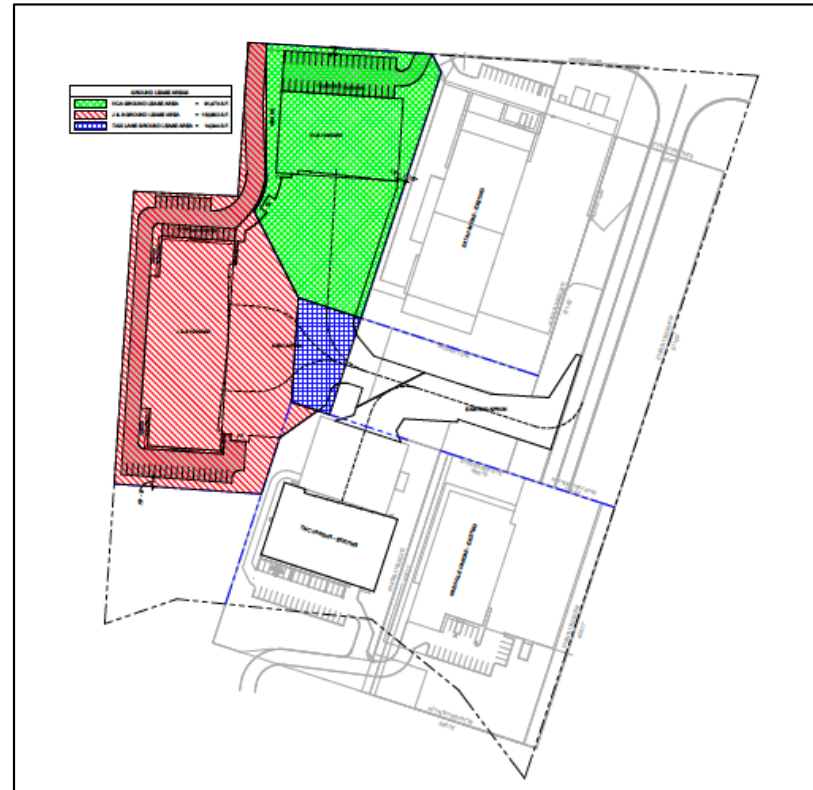
BNA Westside Development - Future SPE for Scott Sohr

Impact:

- Immediate revenue source of \$579,590 in year one
- New asset that will vest in 31.5 – 36.5 years

Staff Recommendation:

- Staff requests the Finance Committee recommend to the Board of Commissioners that it:
 - Approve the terms negotiated between MNA and future Special Purpose Entity for Scott Sohr via Letter of Intent; and
 - Authorize the Chair and President and CEO to execute a lease agreement with future special purpose entity for Scott Sohr, consistent with these terms.



Information Items

September 13, 2023

- BNA Concessions Program Update
 - Construction Status
 - BNA Passport

Information Item

Colleen Von Hoene, Principal
The Paslay Group

Fraport Terminal Concessions Program (85)

- 7 concession locations have opened in September
- 8 food & beverage locations remain under construction, scheduled to open September 25, 2023
- 2 begin construction December 2023, scheduled to open April 9, 2024

Paradies Satellite Concourse Concessions Program (7)

- 7 locations under construction
- 5 scheduled to open October 21, 2023

Concessions Activity 2023 Locations



New Fraport Concessions

- September 9, 2023
- Musicians Hall of Fame & Museum
- Goo Goo Shop
- Galleria Duty Free/Duty Paid





New Fraport Concessions

- September 9, 2023
- Tennessee Whiskey Company
- Sunglass Hut
- Donelson Emporium



MNAA is planning a new program to provide access passes for non-ticketed customers

- Similar to programs already in place at Pittsburgh, Detroit, Tampa, and Seattle, BNA's program will offer one-day access passes to the airport
- Customers apply for passes via a link on the BNA website and receive pass via email
- The pass can be used by those wishing to shop or dine at BNA, as well as by meeter/greeters and well wishers
- Expected to go live in November 2023

PRINT FROM EMAIL

BNA
PASSport


JOHN
FIRST NAME

DOE
LAST NAME

01/02/2000 M
DATE OF BIRTH GENDER

12/23/2023
VALID DATE

NASHVILLE INTERNATIONAL AIRPORT®
NOT VALID FOR TRAVEL



Notice goes here about not bringing any TSA prohibited items. Bringing any of these prohibited items may lead to confiscation or denial of access.

BNA PASSport

Access Pass For Non-Ticketed Customers



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Meeting Adjourned