



louisville arena authority

Board of Directors Meeting

April 19, 2017

10:00 a.m. EST

KFC Yum! Center

MINUTES

Directors in Attendance: Mr. Larry Bond, Mr. Jack Dulworth, Ms. Leslie Geoghegan, Mr. Rick Guillaume, Ms. Alice Houston, Ms. Deborah King, Mr. Darrin McCauley, Mr. Joe Reeves, Mr. Jeff Spalding, Metro Council President David Yates (ex-officio), Vice Chairman William Summers V,

Directors Absent: Mr. Michael Houlihan, Mr. Stuart Ray, Mr. Steve Rowland, Ms. Lindy Street, Chairman Scott Cox

Consultants and Staff: Mr. Dennis Petruzzo, KFC Yum! Center General Manager, C. Edward Glasscock, General Counsel

Welcome: Vice Chairman Summers

Vice Chairman Summers declared a quorum and convened the meeting.

DISCUSSION ITEM: Feasibility Study Provider – Vice Chairman Summers

Vice Chairman Summers introduced Alex Rorke with Hilliard Lyons who updated the board on the feasibility study provider. Mr. Rorke informed the board that as part of the bond refinancing, an independent third party must complete a feasibility study. Hilliard Lyons received various responses to the RFP and narrowed down two finalists, CS&L and Barrett Sports Group. Hilliard Lyons recommended CS&L to the Finance Committee as CS&L is familiar with Louisville having previously served as the provider for the economic impact study for the arena. Mr. Rorke noted the feasibility study should take approximately 90 days.

Vice Chairman Summers informed the board that the Finance Committee recommended to the full board to approve CS&L. Following discussion, Mr. Rick Guillaume moved to approve CS&L as the feasibility study provider. The motion was seconded by Ms. Alice Houston and the motion passed unanimously.

DISCUSSION ITEM: Learfield Extension – Vice Chairman Summers

Mr. Justin Jokovich, Senior Director of Finance, updated the board on the proposed Learfield extension. The proposal would extend the current sponsorship agreement through 2026-27. The current agreement is set to expire at the end of the 2019-20 fiscal year. The guaranteed rights fee to the Louisville Arena Authority would increase immediately by \$750,000 in the first year to \$3.75 million. The total guaranteed rights fee for the 10-year term would be \$47,350,000.

Learfield will provide a total of \$1,625,000 in Capital Subsidy payments to the LAA over the 10-year term, provided that at least \$375,000 of these funds are used directly towards investing in sponsorship components of the KFC Yum! Center. The remaining \$1,250,000 can be used at the LAA's discretion. Learfield will also provide up to \$500,000 in trade benefits with no commission owed.

Mr. Dennis Petrullo, General Manager, informed the board that AEG strongly recommends the proposed Learfield Extension. Vice Chairman Summers noted that the Finance Committee also recommended to extend the Learfield agreement.

Ms. Alice Houston moved to approve the Learfield extension. The motion was seconded by Mr. Larry Bond and the motion passed unanimously.

DISCUSSION ITEM: New Business/Old Business – Vice Chairman Summers

No other business to come before the Authority, the meeting was adjourned at approximately 10:20 a.m.

Respectfully submitted,
Lauren Helms