

November 11, 2009

Mr. Phil Ryan, Executive Director
Metropolitan Development and Housing Agency
701 South Sixth Street
Nashville, TN 37206

Re: MDHA DBE Procurement Agreement for the Convention Center

Dear Mr. Ryan:

As you may know, I serve as the President of the Metropolitan Black Caucus for 2009-2010 and offer this letter as a communication of my concern with the current status of the DBE participation with the proposed Convention Center project. The Black Caucus requested information of DBE participation to be presented at our last meeting. Speaking frankly, I was very disappointed with the numbers that were presented to us. At first glance, the percentage of DBE participation appears to go above and beyond the 20% that Metro has committed to award through its contracts. However, when looking at a breakdown of the 28.2% DBE participation for the Convention Center thus far, there is still a lack of significant inclusion of Women-owned and Minority-owned business enterprises. WBE participation at 1.4% and MBE participation at 5.7% is completely unacceptable, especially for a project of this size.

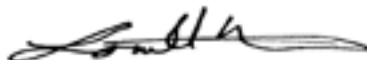
I understand the importance of the tourism industry to the economy Nashville, and also how a new Convention Center could potentially benefit that industry. However, I also stand firm on the belief that Metro Nashville should build a reputation of conducting business in an inclusive manner. We should fairly distribute work and contracts amongst Women-owned businesses, Minority-owned businesses, Small businesses, and Large businesses. The current numbers of our DBE participation for the Convention Center do not reflect the reputation and the commitment that Metro Nashville should have when conducting business in a fair, inclusive manner.

The Black Caucus and a number of our Council colleagues are very concerned about the financing package for the Convention Center that will be presented in the coming months. I am further concerned that if the financing package is negotiated and passed, there will not be a fair distribution of contracted work amongst Women-owned and Minority-owned businesses. I ~~can not~~ consider supporting the Convention Center project financing, without stronger evidence that MDHA and Metro Nashville will ensure a fair distribution of work for WBE and MBE.

I would like MDHA to add definite consequences to the monitoring process for DBE participation. If a company is not meeting its commitment to the DBE procurement then they should be penalized in some way. I would like for the Metro Council to receive notice of what recourse the city has for companies that do not meet their obligations. I would also like to see an increase in the amount of participation by Women-owned businesses and Minority-owned businesses by mid-January.

I wish that I did not have to write this letter, however it is essential that we address this issue before we can consider spending close to \$1,000,000,000 on what could be Metro Nashville's largest investment.

Sincerely,



Lonell Matthews, President
Metropolitan Black Caucus
Metro Councilmember-District 1