

# Bond Case Briefs

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## DEVELOPMENT - TENNESSEE

### Save Our Fairgrounds v. Metropolitan Government of Nashville and Davidson County

**Court of Appeals of Tennessee - July 14, 2023 - Slip Copy - 2023 WL 4542524**

In 2017, Major League Soccer announced that it had awarded a soccer franchise to Nashville. To attract a franchise, the Metropolitan Government of Nashville and Davidson County (Metro) agreed to the construction of a soccer-specific stadium and an adjacent multi-use development at the Fairgrounds. It pledged to use half of the property taxes generated by the multi-use development to create a capital fund for the Fairgrounds.

Metro Council passed a resolution giving conditional approval to the Sports Authority of the Metropolitan Government of Nashville and Davidson County to issue bonds to construct and equip the stadium and related facilities.

Save Our Fairgrounds (Plaintiff) is a nonprofit corporation dedicated to promoting and preserving the Fairgrounds. Plaintiff sued Metro alleging that the soccer development violated various provisions of the Metro Charter.

Plaintiff moved for a temporary restraining order and/or injunction to keep “Metro from taking any actions to commence any phase of redevelopment of the Fairgrounds Nashville property until a referendum is approved by the voters.” They argued, for the first time, that § 11.602(d) required **both** a majority vote in Metro Council **and** a public referendum before any demolition or redevelopment could occur at the Fairgrounds.

After a hearing, the court denied the injunction request. The court ruled that § 11.602(d) unambiguously allowed demolition to occur after **either** a majority vote of Metro Council or a charter amendment.

The court concluded that the plaintiffs did not prove that the construction and operation of the soccer development were ultra vires, a breach of fiduciary duty, or a violation of the Metro Charter. Rather, Metro demonstrated that, when the new development was completed, (1) it would still be feasible to host a divisional fair on site and (2) the existing activities would be continued.