

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL
DEVELOPMENT BOARD OF THE METROPOLITAN GOVERNMENT OF NASHVILLE AND
DAVIDSON COUNTY, TENNESSEE

August 02, 2016

The Board of Directors of the Industrial Development Board of the Metropolitan Government of Nashville and Davidson County (the "Board") met on Tuesday, August 02, 2016 at 10:00 a.m. in Council Committee Room 2 at the Metropolitan Courthouse, Nashville, Tennessee 37201.

Board members present were: Ginger Hausser, Aubrey Gregory, Carnell Scruggs, Nigel Hodge, and Richard Fulton.

Also present were Matt Wiltshire, Metro ECD; Audra Ladd, Metro ECD; Cathy West, Metro Finance; Margaret Darby, Metro Legal; Pete Ezell, Baker Donelson; Ellen Hite, Smile Care Club, LLC; Ed Branding

Meeting Minutes:

Madam Chair opened the meeting asking if there were any corrections or discussion from last month's minutes. Mr. Fulton made a motion to approve the Meeting Minutes and it was seconded by Mr. Scruggs. The Board voted and approved the minutes from July 12, 2016.

New Business:

Approval of FastTrack Economic Development Grant Agreements with The Harris Soup Company dba Harry's Fresh Foods

The first item of business was Approval of FastTrack Economic Development Grant Agreements with The Harris Soup Company dba Harry's Fresh Foods. Mr. Wiltshire requested the Approval of the FastTrack Economic Development Grant Agreement be move to the next Board Meeting. Approval of Agenda item was moved to next Board Meeting.

Approval of Incentive Grant Payment to UBS

Ms. West reviewed details of Incentive Grant Payment to UBS. UBS had agreed to complete a variety of procedures to follow. UBS submitted their independent account for the agreed upon procedure and the annual settlement statement. Ms. West recalled in the agreement that USB gets \$500 per incremental job above their baseline of 240 employees and that the term of the grant agreement is five years. UBS reported that it had 896 qualifying employees as of December 31, 2015 and that the grant therefore amounted to \$328,000. USB also submitted receipts from two of their construction contractor's invoices totaling over five million dollars. Since Metro requires that grant proceeds be "reimbursements" for qualifying expenses, these receipts enable UBS to request up to \$5 million of grants. Madam chair asked how much of the funding is for State and how much is for local. Mr. Wiltshire explained that all of the funding is local and UBS received separate funding from the State. Mr. Wiltshire and various board members discussed particulars of the agreement as it pertained to time employed and the number of employees covered in the incentive. The Board had additional discussion about UBS' demographics and, although UBS is not compelled to provide demographics at this phase, the Board requested to see

demographic and other information about the UBS employees including but not limited to average salary, race, gender and county of residence for future companies receiving grant incentives. At Mr. Wiltshire's discretion he will make an effort to request demographics for future grant incentives if feasible. The Board asked Mr. Wiltshire to invite UBS to come to a Board meeting and share some of their obstacles, successes in their recruitment strategies, and how those strategies affect demographics. Mr. Wiltshire will extend an invitation to UBS. Mr. Fulton made a motion to approve the Incentive Grant Payment to UBS and it was seconded by Mr. Gregory. Madam Chair asked if there was any other discussion, there being none, the Board voted and approved the Incentive Grant Payment to UBS.

Approval of Form and Execution of Documents Related to the Refinancing of Loan Secured by Interests in the Dell Computer Lab Campus

The location of the Dell campus is Murfreesboro Rd. Mr. Ezell with Baker Donelson briefly gave an update of the original loan secured by interests in the Dell Lab Campus. The loan was approximately \$50,000,000 for previous lender. The new lender Deutsche Bank is using the same format as the previous lender with minimal changes. Mr. Ezell presented the Resolution Approving the Execution of Documents relatively in final form for Board approval. Ms. Darby and Mr. Tuke previously reviewed the Resolution and confirmed the final future copy is tentatively approved upon review of any substantial /other changes. Mr. Gregory made a motion to approve the Form and Execution of Documents Related to the Refinancing of Loan Secured by Interests in the Dell Computer Lab Campus and it was seconded by Mr. Hodge. Madam Chair asked if there was any other discussion, there being none, the Board voted and approved the Form and Execution of Documents Related to the Refinancing of Loan Secured by Interests in the Dell Computer Lab Campus.

Approval of Amended ByLaws

Ms. Darby reported that all changes suggested at last Board meeting have been made and no additional request for changes to the documents had been received. Mr. Scruggs made a motion to approve the Amended ByLaws and it was seconded by Mr. Gregory. Madam Chair asked if there was any other discussion, there being none, the Board voted and approved the Amended ByLaws.

Discussion on New Market Tax Credits:

Mr. Wiltshire briefly reviewed last meeting's discussion on New Market Tax Credits and informed the Board that he will forward a copy of the sample agreement of the New Market Tax Credits contract he received to the Board members via email. Mr. Wiltshire discussed options for the Board to invite New Market Tax brokers to present before the Board.

Mr. Wiltshire will be attending a seminar to research New Market Tax Credits. He will also continue to gather information about Census tracks and projects in the Nashville area that may qualify for new tax credits. Mr. Hodge asked that the Board consider allocating more time to the subject of New Tax Credits in the next Board meeting. Mr. Wiltshire responded he did not foresee any time restraints for more discussion at the next Board Meeting. Board Members suggested if items on the agenda are full discussions can move to following meetings. With no more questions or discussion the Board moved to the next item of agenda.

Approval of Financial Matters

Ms. West reported there was one parking ticket invoice for \$20.00 for the June meeting. Ms. West reminded everyone to include their name on parking tickets. Madam Chair made a motion to pay the parking bill and it was seconded by Mr. Gregory. The Board voted and approved the expenditure.

Approval of Small Business Incentive Grant Agreement with Smile Care Club, LLC

Ms. Ladd described Smile Care Club's business profile. Smile Care Club provides an internet-based alternative to braces. Procedures are for mild cases of teeth straightening. Smile Club is headquartered in Nashville and employs individuals who communicate clients over the internet. The internet employees review teeth, and explain processes. Smile Care Club also has a retail component walk-in for those uncomfortable with internet process. Smile Care's application is for May 2015 to May 2016. Smile Care hired 49 people in various job categories.

Ms. Hite gave additional information to describe Smile Care Club's business profile. Smile Care Club plans to remain in the Davidson County area and is planning a 20,000 square feet build-out in the Bank of America building. Smile Care Club also is planning a 15,000 square feet build-out for lab operations at 24th East and Haywood Streets. Smile Care Club plans to create a variety of high-level, corporate, and hourly positions.

Board members asked several questions about time in business, how it is marketed, and the demographics of the company. Ms. Hite answered Smile Care is marketed via social media, and digital Direct-to-Consumer; television campaigns will start at the beginning of the year. They have been in business for about two years. Smile Care Club plans to hire approximately 90 people for their call center to be located at Bank of America space. Smile Care's goal is to hire up to 500 employees. Numerous current and future employees were and will be recruited from the East Nashville and various dental colleges in the Nashville area. Mr. Fulton made a motion to approve the Small Business Incentive Grant Agreement with Smile Care Club, LLC and it was seconded by Mr. Gregory. Madam Chair asked if there was any other discussion, there being none, the Board voted and approved the Small Business Incentive Grant Agreement with Smile Care Club, LLC.

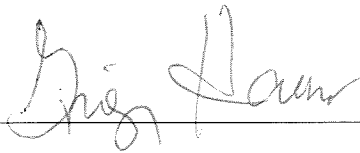
Scheduled Next Board Meeting

The next Board meeting was scheduled for September 20, 2016.

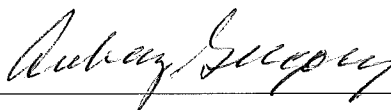
Adjourn

The meeting was adjourned at 11:00 a.m.

APPROVED, this 20 day of September, 2016



Ginger Hausser, Chairpersons



Aubrey Gregory, Secretary-Treasury