

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

July 12, 2016

The Board of Directors of the Industrial Development Board of the Metropolitan Government of Nashville and Davidson County (the "Board") met on Tuesday, June 07, 2016 at 10:00 a.m. in Council Committee Room 2 at the Metropolitan Courthouse, Nashville, Tennessee 37201.

Board members present were: Ginger Hausser, Cristina O. Allen, Aubrey Gregory, Carnell Scruggs, Andrea Perry, Nigel Hodge, and Ken Weaver.

Also present were Counsel to the Board, Bob Tuke; Matt Wiltshire, Metro ECD; Kim McDoniel, Metro Finance, Cathy West, Metro Finance; Margaret Darby, Metro Legal; Jason Freeman, Central Labor Council/NOAH; Audra Ladd, Metro ECD; H. Beecher Hicks, National Museum of African-American Music ("NMAAM"); Lynn Knox, NMAAM

Meeting Minutes:

Madam Chair opened the meeting asking if there were any corrections or discussion from last month's minutes. Ms. Allen made a motion to approve the Meeting Minutes and it was seconded by Mr. Scruggs. Madam Chair asked if there was any discussion and Mr. Hodge asked if there has been any update on the demographics of employees for the small business incentive grant approved at the previous meeting for SnapShot Interactive. Mr. Wiltshire stated that he did not have that information and that he will follow-up with Ms. Ladd to if there is any additional information or updates on the demographics. The Board voted and approved the minutes from June 7, 2016.

Committee Reports:

Committee Reports there being none, Madam Chair moved to New Business.

New Business:

Approval of Second Amendment to the Grant Agreement with the National Museum of African American Music, Art and Culture (NMAAM)

The first item of business was Approval of the Second Amendment to the Grant Agreement with the National Museum of African American Music, Art and Culture. Mr. Wiltshire introduced Mr. Hicks, President and CEO of NMAAM. Mr. Wiltshire also gave a review of the Museum project. The old Convention Center on 5th and Broad is where the Museum now is expected to be located. Mr. Wiltshire stated that the city made a ten million dollar commitment to the Museum approximately eight years ago. Initially the Museum was to locate at the corner of Rosa Parks Blvd. and Jefferson St. Mr. Wiltshire noted there was an award granted to a group led by Pat Emery approximately a year and a half ago to redevelop the old Convention Center and that the awardee had subsequently teamed up with a group called Oliver McMillan who brought retail expertise and experience to the project. The agreement with Spectrum Emery is that they have a \$250,000 quarterly option to maintain their position and the option will run through the end of the current calendar year. Because of delays and the original change from

Rosa Parks and Jefferson Street location to the new location, the NMAAM has spent more of the funds pledged than anticipated. To date NMAAM has drawn down approximately \$2.5 million of the original \$10 million commitment from Metro. The requested drawdown of \$500,000 of funding will allow the museum to continue working and keep pace with the expected start of construction. After the start of construction the museum will request the release of the remaining funds. Mr. Wiltshire noted that approximately \$7.0 million of the original \$10.0 million Metro commitment would remain if this grant amendment were approved.

Following an extended conversation on the project, Mr. Scruggs made a motion for the previous question. Madam Chair noted previous question was moved and if there were any objections, there being none all discussion ended. Madam Chair made a motion to approve the Second Amendment to the Grant Agreement with the Museum of African American Music, Art and Culture; the Board voted and approved the Second Amendment to the Grant Agreement with the Museum of African American Music, Art and Culture. Ms. Perry abstained from vote as an interested party.

Approval of right to Incur Costs Agreement for the Harris Soup Company dba Harry's Fresh Foods

Mr. Wiltshire reviewed the Right to Incur Costs Agreement for the Harris Soup Company dba Harry's Fresh Foods noting it is a state grant. They are to take over the Oberto Sausage Company old space, they have re-hired the existing employees of Oberto Company, and plan to hire up to 300 total employees once open and operating. Mr. Scruggs made a motion to approve the Right to Incur Costs Agreement for the Harris Soup Company dba Harry's Fresh Foods, and it was seconded by Ms. Allen. Madam Chair asked if there were any discussion, and there being none the Board voted and approved the Right to Incur Costs Agreement for the Harris Soup Company dba Harry's Fresh Foods.

Update on New Market Tax Credits:

Mr. Wiltshire briefly reviewed last meeting's discussion on New Market Tax Credits and informed the Board that he understood that it is unlikely there will be an open application period for an allocation of new tax credits during the remainder of this year. Mr. Wiltshire reviewed certain potential options for the Board to pursue in order to better determine the market appetite for New Market Tax Credit financing in Nashville.

Ms. Allen will check with her sources from a recent project for more information on New Market Tax Credits. After additional discussion amongst Board members of the particulars of different types of New Market Tax Credits, Mr. Wiltshire has agreed to do additional research, provide a list of CDEs, gather information about Census tracts and projects in the Nashville area that may qualify for new tax credits. Mr. Wiltshire will make inquiries about other proposals from a different avenue on New Market Tax Credits. Mr. Wiltshire will send a copy of the reviewed example agreement to Board members via email. With no more questions or discussion the Board moved to the next item of agenda.

Presentation of Semi-Annual Filing for Bellevue Mall Project:

Ms. Darby distributed a copy of the Tax Increment Revenue Bonds (Bellevue Mall Project), Series 2015 disclosure for presentation purposes only. No approval by the Board was needed. Ms. Darby went over the list of questions and answers.

Discussion of Bylaws:

Based on suggestions from the Board, Ms. Darby made suggested changes to the ByLaws and recommended the Board review them, have discussion, and vote on them at the next meeting. Ms. Darby briefly went over the potential changes The Board agreed to vote on the proposed changes to the ByLaws at next meeting.

Discussion of Parking Costs for IDB Meetings:

Ms. West informed the Board that it is their option if they want to pay for parking of guests. Mr. Wiltshire noted that he is not aware of any other Boards which pay for parking. Ms. West noted that if the Board chooses to vote and approve reimbursable parking, the Board should put a process in place. Various Board members discussed the pros and cons of reimbursing parking for guest. Mr. Wiltshire suggested having the meeting at a location that has free parking and more room for example the Sonny West Building. Ms. Darby noted that a change in location of meetings would require a change in the ByLaws, but that the ByLaws could be amended to add additional flexibility. The Board agreed to review this suggestion during the next meeting of the Board.

Approval of Financial Matters

Ms. West reported there was one parking tickets invoice for \$66.00 for May and the bill for June’s meeting has not been received. Mr. Gregory made a motion to pay the parking bill and it was seconded by Ms. Allen. Madam Chair ask if there was any discussion and, there being none, the Board voted and approved the expenditure.

Mr. Scruggs asked for clarification on the income the board receives on applications and amendments. Mr. Wilshire responded, the Board receives \$1,000.00 for each bond application. Ms. West informed that in the past 12 months the Board has received approximately \$12,000 in fees.

Scheduled Next Board Meeting

The next Board meeting was scheduled for August 2, 2016.

Adjourn

The meeting was adjourned at 11:15 a.m.

APPROVED, this 2nd day of August, 2016



Ginger Hausser, Chairpersons



Aubrey Gregory, Secretary-Treasury

