

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

June 13, 2017

The Board of Directors of the Industrial Development Board of the Metropolitan Government of Nashville and Davidson County (the "Board") met on Tuesday, June 13, 2017 at 10:00 a.m. in Council Committee Room 2 at the Metropolitan Courthouse, Nashville, Tennessee 37201.

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

Also present were Matt Wiltshire, Metro ECD; Rhonda Pedley, Metro Finance; Margaret Darby, Metro Legal; Suzanne Johnson, NOAH; Anne Barnett, Central Labor Council; Eliot Geary, Central Labor Council; Jason Lewallen, Bass, Berry & Sims; Adriane Harris, Mayor's Office.

Meeting Minutes:

Madam Chair opened the meeting asking if there were any corrections or discussion from last month's minutes, there being none, Mr. Weaver made a motion to approve the Meeting Minutes and it was seconded by Mr. Hodge. The Board voted and approved.

New Business:

Approval of Right to Incur Costs Agreement for Associate Pathologists, LLC

The first item of business was the Approval of a Right to Incur Costs Agreement for Associate Pathologists, LLC. Mr. Wiltshire reviewed the Right to Incur Costs Agreement as a component of a State FastTrack Grant. Under the contract a company cannot receive reimbursement for expenses incurred prior to the signing of a contract with the State unless there is a Right to Incur Costs Agreement. There will be no obligation/liability to the Board if final grant agreements are not signed.

Mr. Wiltshire briefly described Associate Pathologists as a company headquartered in Williamson County with lab operations in Davidson County. The company is consolidating certain of its corporate and lab offices in the Donelson area near the airport. Associate Pathologists plans to invest \$18,000,000 and add approximately 200 jobs. The company's headquarters will remain in Williamson County. A number of jobs will also be added to the headquarters location.

Madam Chair asked if there were any additional questions or discussion, there being none, Mr. Gregory made a motion to approve the Right to Incur Costs Agreement for Associate Pathologists, LLC, it was seconded by Mr. Fulton. The Board voted and approved.

Existing Business:

Documents Related to the Payment in Lieu of Tax Agreement for RHP Hotels, LLC.

Ms. Darby reviewed documents related to the PILOT agreement approved by Council for the Opryland Hotel waterpark addition. The Board was asked to approve these documents related to the Payment in Lieu of Tax Agreement for RHP Hotel, LLC.

Mr. Weaver asked if there were any changes to the final documents. Mr. Lewallen with Bass, Berry & Sims and Ms. Darby confirmed that changes were very minor. Madam Chair asked about the position of the hotel solely having admission to the waterpark for guest staying at the hotel. Mr. Wiltshire explained the concept on how the new water park will work to bring tourist and generate revenue for the city. Mr.

Wiltshire noted any person is able to stay at the hotel and gain admission to the waterpark. The Board and Mr. Wiltshire discussed further jobs to be generated by the addition of the waterpark to the Opryland Hotel.

Madam Chair asked if there were any additional questions or discussion, there being none, Mr. Gregory made a motion to approve the documents related to the Payment in Lieu of Tax Agreement for RHP Hotels, LLC, it was seconded by Mr. Hodge. The Board voted and approved. Ms. Hauser and Mr. Fulton abstained.

The Preserve at Highland Ridge

Mr. Wiltshire had no matters that needed to be addressed. The item will be removed from the agenda and addressed at a later date.

Review of Small Business Incentive Program

Mr. Wiltshire gave a summary on the Small Business Incentive Program and businesses thus far that have been approved and funded. Mr. Wiltshire recapped two types of incentives: the cash grant and the blighted property improvement grant. Mr. Wiltshire briefly described eight companies approved for cash grants. Those companies have created approximately 150-160 jobs to date with total expected job creation of 228 jobs and total committed grant compensation of slightly over \$114,000. Mr. Wiltshire said there were 4-5 additional companies ECD is working with to receive grant money. Mr. Wiltshire reviewed companies who received blighted property improvement grants and the parameters of the grant. This year's grant budget was \$300,000. Board members and Mr. Wiltshire discussed additional details. Board members asked if copies of the report were available. Mr. Wiltshire will send a copy of the report to Board members via email. Madam Chair suggested a report be sent to Metro Council for review. The Board will work with ECD on the format of the report to be sent to Metro Council.

New Business:

Discussion of Potential IDB Support for Workforce Housing

Madam Chair introduced Adriane Harris with the Mayor's Office and then opened discussion on potential Board collaboration and support for workforce housing. Madam Chair asked if there were ways the IDB could use the mechanisms the Board has to support affordable housing. Ms. Harris explained there are avenues the Board can take to help and gave several examples of projects and continuing projects throughout the city.

Board members and Ms. Harris discussed taxes, financials and management details of current projects and potential projects. Madam Chair reiterated the Board's willingness to participate and offered any assistance within the Board's jurisdiction to the Mayor's Office in supporting workforce housing.

Mr. Scruggs suggested a round table discussion with various entities who may be involved in workforce housing type processes. Madam Chair agreed a meeting is needed and asked that members of the Board and Ms. Harris work together on details. Mr. Wiltshire will add a discussion to the agenda for the July Board meeting.

Discussion of Potential IDB Support for Minority-owned Businesses

Mr. Hodge reviewed the reason for the discussion for support of minority-owned businesses. Mr. Hodge explained numerous businesses are benefiting from the growth of Nashville and the Board wants to assure that opportunities for minority-owned businesses are being offered for the same benefit. The Board discussed ideas on what would help in marketing to the minority-owned businesses incentives programs.

Madam Chair asked what the challenges of minority-owned businesses are in gaining access to incentive programs. Mr. Wiltshire offered to invite members of the Business Assistance Office (BOA) to speak at a Board Meeting to give a status on disadvantage businesses and challenges faced. Other Board members suggested minorities businesses be invited to Board Meetings for discussions as well. Board members tabled the discussion and will gather additional information to discuss at a later date to be determined.

Approval of Financial Matters:

Ms. Pedley reported there were no financial matters before the Board for approval.

Scheduled Next Board Meeting

The next Board meeting was scheduled for July 11th, 2017.

Adjourn

The meeting was adjourned at 11:02 a.m.

APPROVED, this 11th day of July, 2017

Ginger Hausser, Chair

Aubrey Gregory, Secretary