

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 07, 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, Carnell Scruggs, Andrea Perry, Cristina O. Allen, Chris Harmon, and Ken Weaver.

Also present were Counsel to the Board, Bob Tuke; Matt Wiltshire, Metro ECD; Cathy West, Metro Finance; Margaret Darby, Metro Legal; Jason Freeman, Central Labor Council/NOAH; Robert James, Bradley Arant; Audra Ladd, Metro ECD; Elliott Geary, Central Labor Council; Mark Scrivner, Snapshot Interactive

Meeting Minutes:

Madam Chair opened the meeting asking if there were any corrections or discussion from last month's minutes. There being none, Madam Chair made a motion to approve the Meeting Minutes; it was seconded by Mr. Harmon, the Board voted and approved the minutes from May 10, 2016.

Committee Reports:

Madam Chair asked if there were any Committee Reports and, there being none, Madam Chair moved to New Business.

New Business:

Approval of Small Business Incentive Grant for Snapshot Interactive

The first item of business was Approval of Small Business Incentive Grant for Snapshot Interactive. Audra Ladd reviewed two types of small business incentives that are administered; the first one which is the one up for approval was the fast growing business employment incentive. The other incentive noted was for blighted property. Ms. Ladd talked about legislation that seeks to incentivize fast growing small businesses. Companies with 100 or fewer employees (that qualify as a small business) who add 10 or more employees in a 12 month period and pay each employee 80% of average wage in the Nashville market are eligible to apply for the grant. The cash grant is for \$500 per person hired and \$750 if the person hired is a veteran. Ms. Ladd gave a brief overview of Snapshot Interactive. Snapshot is a full service media company, and they plan to hire up to 17 new people in a 12 month period. Ms. Ladd introduced Mark Scrivner with Snapshot who detailed further what Snapshot will provide.

Mr. Scrivner talked about Snapshot; the business started (6) six years ago and has grown in the last (4) four years to include 33 full-time employees. Snapshot has an office in St Louis. The home office currently located in Nashville is expanding and plans to move to East Nashville. Snapshot purchased a historic church that will be converted to a new digital office space. Snapshot provides video production,

animation and web site design and development. Some examples of key clients of Snapshot in the Nashville area are HealthStream, HCA and CHS. Snapshots plans to continue to grow and hire new people. The area the company is moving to is a blighted area and has a goal to bring better paying jobs to that area. Mark asked if there were any questions. Madam Chair asked about demographics of employees Snapshot plans to hire and stated that it is important to hire people that live in the area. Ms. Ladd stated she will make an effort to track demographics for reference purposes only, but noted that the Board, at this time, cannot approve or disapprove based on demographics.. Mr. Scrivner noted 70% of employees at Snapshot are from East Nashville and 10% are from other cities. The Board members asked and discussed general questions.

Mr. Weaver made a motion to approve Small Business Incentive Grant for Snapshot Interactive; it was seconded by Ms. Allen. The Board voted and approved the Small Business Incentive Grant for Snapshot Interactive.

The Discussion of Matters Considered by the Industrial Development Board

New Market Tax Credits

Madam Chair thanked Ms. Allen for arranging a visit to the Mariachi Plaza. Madam Chair requested a thank-you note be sent from the Board to Mariachi Plaza for their hospitality. Ms. Allen provided contact information to send a thank-you note.

Mr. Wiltshire briefly reviewed the New Market Tax Credits information from the last Board meeting. New Market Tax is Federal tax allocations used for Community Development Enterprises (CDE). Restrictions make the allocations for use go to qualified Census track areas (distressed areas). The allocation can also apply if most of the employees of the project live in a qualified Census track area. Mr. Wiltshire gives Mr. Scruggs credit for saving time on research of CDEs. Mr. Scruggs arranged a conversation with a company that has been involved with new market tax credits around the country. Applications for new market tax credits were to be made by December 31st for allocations for this year. Updated information was that applications made after October were for allocations for (2) two years. There is not a new opportunity to apply at this time. Mr. Wiltshire discussed the importance of having a good track record of putting together deals when applying for a New Market Tax Credit allocation. Mr. Wiltshire noted that Pinnacle Bank is the only company in the Nashville area to receive an allocation for new market tax credits. Mr. Wiltshire articulated, if the Board can gain experience with doing the types of contracts used in CDEs it would be in a better position to apply for funding.

Madam Chair asked if an outside entity would be required to do an application. Mr. Wiltshire was not able to answer about application requirements at the time but agreed an outside entity is probably required. Board members discussed other options than CDEs. In closing the Board will consider forming a CDE, applying for tax credits, and having another tool to encourage development on a much larger scale than blighted property grants. Board tasked more research on both new market tax credits and other options for community development for next Board Meeting.

Update on Small Business Incentive Grant Program

Ms. Ladd asked for feedback and suggestions on how to promote/market incentive grants for small businesses. Metro EDC requested for funds to move to the new fiscal year and has been given indication

that will happen. There have been more applications in blighted areas for grant money. Ms. Ladd is attempting to get a good balance of applications from all blighted areas (each district) of Nashville. Ms. Allen asked what the best way is for people to get information on how to apply for grant incentives. Ms. Ladd is going through multiple avenues and some examples are: advocating through Council, providing information to all of the small business development organizations and Ms. Ladd is organizing a series of talks with the Chamber of Commerce, and Women's Organizations. Ms. Ladd will continue to promote information to the public.

Other Business

Mr. Scruggs asked that an item be added to the agenda for the next Board Meeting on how business is conducted by the Board. Board members agreed item will be added to agenda for next Board Meeting. Ms. Allen will bring items on bylaws for next Meeting.

Mr. Tuke presented documents for \$56 million financing for the Community Health Service project approval at the conclusion of the meeting. Mr. Tuke stated a public meeting has to be called to ask if anyone from the public has any questions about the report on debt obligation. Madam Chair opened a public hearing for the report on debt obligation. Madam Chair asked if there was anyone who would like to ask a question or had any comments. Madam Chair asked if the meeting needed to be formally on the agenda. Mr. Tuke clarified; the request was previously presented and that the present request for public hearing was just for follow-up assurance. There being no other comments or question Madam Chair closed the public hearing.

Approval of Financial Matters

Mr. Wilshire asked for approval to file an annual report for registration a \$59.00 fee. Mr. Scruggs made a motion to approve annual report for registration; it was seconded by Ms. Allen. The Board voted and approved annual report for registration.

Madam Chair asked about any other expenses. Ms. West said there are none. There was discussion by the Board on guest parking and if it is reimbursable. Ms. West will investigate any available options.

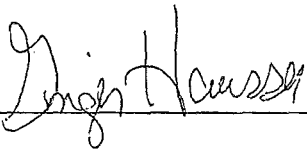
Scheduled Next Board Meeting

The next Board meeting was scheduled for July 12, 2016.

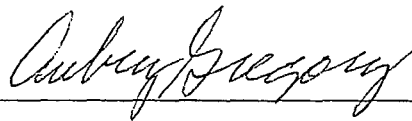
Adjourn

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

APPROVED, this 12th day of July, 2016



Ginger Hausser, Chairpersons



Aubrey Gregory, Secretary-Treasury