

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

March 14, 2017

The Board of Directors of the Industrial Development Board of the Metropolitan Government of Nashville and Davidson County (the "Board") met on Tuesday, March 14, 2017 at 10:00 a.m. in Council Committee Room 2 at the Metropolitan Courthouse, Nashville, Tennessee 37201.

Board members present were: Nigel Hodge, Cristina Allen, Andrea Perry, Carnell Scruggs, and Ken Weaver

Also present were: Bob Tuke, Trauger & Tuke; Matt Wiltshire, Metro ECD; Cathy West, Metro Finance; Margaret Darby, Metro Legal; Sam Reed, The Ingram Group; Bennett Westbrook, Ryman; Jeff Oldham, Berry, Bass & Sims; Michael Cottone, Barry, Bass & Sims; Stephen Jasper, Berry Bass & Sims

**Meeting Minutes:**

Given that Ms. Hausser, the Chair, and Mr. Fulton, the Vice Chair, were not able to attend the meeting, Ms. Perry opened the meeting and asked for nominations for a temporary Chairperson. Mr. Scruggs nominated Mr. Nigel Hodge. Ms. Allen seconded. The Board voted and approved the nomination of Mr. Hodge as Chairperson for the meeting.

Chair asked if there were any corrections or discussion from last month's minutes. Mr. Weaver asked if there was a date on which the financial review for Autumn Hills would be available. Mr. Wiltshire responded that the financial review is ongoing and there is no expected completion date. Mr. Wiltshire noted that the residents are being cared for by a new interim operator. Ms. Perry made a motion to approve the meeting minutes and it was seconded by Mr. Weaver. The Board voted and approved.

**New Business:**

**FastTrack Economic Development Grant for Warner Music Inc.**

Mr. Wiltshire reviewed the terms of the proposed FastTrack Economic Development Grant for Warner Music Inc. ("Warner") and noted that the Board had previously approved a Right to Incur Costs Agreement for the proposed grant. Board members had some discussion about the demographics of Warner's workforce, which Mr. Wiltshire addressed. Mr. Wiltshire noted that the requested funds were for a state grant and not from Metro funds.

Mr. Scruggs made a motion to approve the FastTrack Economic Development Grant for Warner Music Inc.; it was seconded by Ms. Allen. The Board voted and approved.

**Payment in Lieu of Tax Agreement for RHP Hotels, LLC (Ryman)**

Mr. Wiltshire briefly described the Payment in Lieu of Tax ("PILoT") Agreement for RHP Hotels, LLC ("Ryman") with regards to a proposed waterpark to be constructed by Ryman to be called Soundwave. Ryman is proposing to invest \$90,000,000 to construct a 100,000 sq. ft. indoor and 100,000 sq. ft. outdoor water park. Mr. Wiltshire continued that the parcel of land to be acquired by the Board will include more than just the waterpark because of the difficulty in subdividing the parcel, but that the effect of the PILoT Agreement would be to abate only the real property taxes associated with Soundwave. Mr. Wiltshire further noted that the amount of the PILoT payment will factor in the 2017 reappraisal and that the PILoT payment will capture any future improvements to the property excluding the improvements associated with Soundwave.

Mr. Wiltshire introduced Mr. Bennett Westbrook with Ryman who gave additional details about the Soundwave project. Board members, Mr. Wiltshire and Mr. Westbrook discussed the location, economic impact, and job creation of the project. Mr. Westbrook provided some points from the economic impact study of the Soundwave project stating that the \$90,000,000 investment will generate 1,287 jobs during construction; have an \$185,000,000 economic impact and a one-time increase of \$8.4 million in state and local taxes. Once opened and established (which Ryman estimates to occur in about three years) Soundwave's operations are expected to produce an annual economic impact of \$57.1 million. The economic impact study further estimated that the project would create 699 full-time jobs and increase state and local tax revenues by approximately \$4.6 million annually.

Mr. Wiltshire described Metro's processes for working with Ryman to meet its goals for participation by Disadvantaged Businesses Enterprises in the construction of the project.. Mr. Jeff Oldham with Berry, Bass and Sims provided an overview of the bond issuance to be associated with the Ryman PILOT.

Chair asked if there were any additional questions or discussion and, there being none, Mr. Weaver made a motion to approve the Payment in Lieu of Tax Agreement for RHP Hotels, LLC. It was seconded by Ms. Allen. The Board voted and approved.

Mr. Tuke presented the Resolution for the PILOT agreement for RHP Hotels LLC for approval from the Board. Mr. Weaver made a motion to approve the Payment in Lieu of Tax Agreement for RHP Hotels, LLC. It was seconded by Ms. Allen. The Board voted and approved.

#### **Existing Business:**

The Chair made a request to put together a summary for the past year of what has been accomplished for Small Businesses. The Chair would like to send the summary to Metro Council Members from the Board and asked Board Members for suggestions and comments. Mr. Wiltshire will follow-up with the request.

Mr. Scruggs suggested the Board have a specific meeting dedicated to small and minority-owned businesses. The Chair suggested the request be put on the next Board meeting agenda for discussion. Mr. Wiltshire will follow-up with the request.

Mr. Tuke gave notice to the Board of recent liens placed by various entities against properties that are technically owned by the Board. Each of these liens has been made by contractors in payment disputes with the owners or developers or projects that have received PILOTs. No action was required from the Board.

#### **Approval of Financial Matters**

Ms. West reported there were no expenditures to discuss.

#### **Scheduled Next Board Meeting**

The next Board meeting was scheduled for April 11, 2017.

#### **Adjourn**

The meeting was adjourned at 10:40 a.m.

APPROVED, this 17<sup>th</sup> day of May, 2017

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Ginger Hausser, Chair

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Aubrey Gregory, Secretary