

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

May 17, 2017

The Board of Directors of the Industrial Development Board of the Metropolitan Government of Nashville and Davidson County (the "Board") met on Wednesday, May 17, 2017 at 10:00 a.m. in Council Committee Room 2 at the Metropolitan Courthouse, Nashville, Tennessee 37201.

Board members present were: Ginger Hausser, Cristina Allen, Richard Fulton, Aubrey Gregory, Chris Harmon, Nigel Hodge, Andrea Perry, and Carnell Scruggs.

Also present were: Bob Tuke, Trauger & Tuke; Jason Bobo, Metro Legal; Sujyot S Patel, Dinsmore & Shohl LLP; Frank Hogan; Russell Condas, Dominion; Anne Barnett, Central Labor Council; Will Cardenas, LIUNA; Ethan Link, LIUNA; Joe Sheeran, Stand up for Nashville; Jamie Hunter, Metro Finance.

Meeting Minutes:

Madam Chair opened the meeting asking if there were any corrections to or discussion of the minutes of the March 14, 2017 meeting, there being none, Ms. Allen made a motion to approve the meeting minutes and it was seconded by Ms. Perry. The Board voted and approved the minutes from March 14, 2017.

New Business:

Approval of Industrial Revenue Bond Application for Nashville Leased Housing Associates I, Limited Partnership.

Mr. Condas with Dominion briefly described Dominion as the second largest operator of affordable housing in the United States. Dominion owns and operates approximately 26,000 apartment units throughout the country in 26 states, and have been in business since 1972.

Mr. Condas presented the Board with the Preserve at Highland Ridge; a proposed new development of affordable housing to be located on Dickerson Pike North of interstate 65 in Nashville, TN. The development will consist of 263 units of family housing. Mr. Condas gave examples of the Median Income level required to obtain residence in a unit; a single individual could not exceed income of \$29,000 and a family of four could not exceed an income of \$41,000 approximately. Prices for units are estimated at \$705 for a one bedroom unit to just under \$950 for a three bedroom unit.

Madam Chair asked about schematics. Mr. Condas informed the Board the initial plans were submitted to zoning on April 27th but the plans have not been finalized. Mr. Condas and the Board discussed the particulars of the schematics, zoning and the design process. Dominion's goal is to close on the property by October 2017.

Mr. Scruggs asked about the overall value of the project. Mr. Condas and Mr. Hogan reviewed the financials. The project is up to \$31 million in tax-exempt bonding allocation. Madam Chair asked if Dominion was legally obligated to keep the property. Mr. Condas confirmed Dominion's legal obligation to own and maintain the property. Mr. Condas and Mr. Hogan answered questions from the Board about affordable housing and the tax credits processes.

Madam Chair asked about the payment-in-lieu of taxes agreement. Mr. Tuke stated the Board was giving preliminary approval for the bond financing only. Mr. Condas and Mr. Hogan reviewed the payment-in-lieu of

taxes process with the Board. Mr. Harmon asked if the project will be constructed by local companies. Mr. Condas confirmed the project will be constructed entirely by local contractors. Mr. Hodge asked if the Board would have any obligations should the zoning, financing or closing of the property for the project not be approved. Mr. Tuke confirmed the Board would have no obligations.

Madam Chair opened a public meeting. Madam Chair asked if there were any comments or questions from the public. Ms. Anne Barnett with the Central Labor Council of Nashville TN asked about demolition on the proposed location. Mr. Condas clarified that the location has no existing structures and is vacant land. Madam Chair asked if there were any other questions or comments, and there being none Madam Chair closed the public meeting.

Madam Chair asked if there were any additional questions or discussion, and there being none, Mr. Hodge made a motion to approve the Industrial Revenue Bond Application, it was seconded by Mr. Harmon. The Board voted and approved.

Approval of Right to Incur Costs Agreement for LKQ Corporation.

Mr. Bobo with Metro Legal reviewed the Right to Incur Cost Agreement for LKQ Corporation. Madam Chair asked if there was background on the Company. Several Board members acknowledged that LKQ Corporation was a scrap yard type business. Mr. Bobo continued with the Right to Incur Cost Agreement was associated with an expansion of the business. The company will add employees and expand their operations to Nashville.

Madam Chair asked for confirmation that the Board was only approving the Right to Incur Costs Agreement in regards to a state grant. Mr. Bobo confirmed.

Madam Chair asked if there were any additional questions or discussion, there being none, Mr. Hodge made a motion to approve the Right to Incur Costs Agreement for LKQ Corporation and it was seconded by Ms. Allen. The Board voted and approved.

Approval of Financial Matters

Ms. Hunter reported there was a March parking ticket for \$30.00. Mr. Gregory made a motion to pay the parking bill and it was seconded by Ms. Allen. The Board voted and approved the expenditure.

Mr. Tuke presented to the Board HCA documents of land use descriptions sent to Mr. Tuke from Council for signature by the Chair. Mr. Tuke previously reviewed the documents and confirmed they were in order. No motions or approvals by the Board were needed.

Mr. Hodge discussed Small Business progress and ways to get incentives to Small Business on a future agenda. Mr. Hodge will follow up with an email to Mr. Wiltshire.

Scheduled Next Board Meeting

The next Board meeting was scheduled for June 13, 2017.

Adjourn

The meeting was adjourned at 10:37 a.m.

APPROVED, this 13th day of June, 2017

Ginger Hausser, Chair

Aubrey Gregory, Secretary