

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, 2019

The Board of Directors of the Industrial Development Board of the Metropolitan Government of Nashville and Davidson County (the "Board") met on Thursday, May 9, 2019 at 10:01 a.m. in the Council Chambers, at the Metropolitan Courthouse, Nashville, Tennessee 37201.

Board members present were: Ginger Hausser, Cristina Allen, Nigel Hodge, Aubrey Gregory, Quin Segall, and Lindsey Cox.

Also present were: Bob Tuke, Trauger & Tuke; Jamari Brown, Metro ECD; Rhonda Pedley, Metro Finance; Margaret Darby, Metro Legal; Chris Harmon, Metro Finance; Baylor Swindell, Baylor Company; Ralph Schulz, NACC; Henry Clay, Communities in Schools of TN; Derrick Williams, Communities in Schools of TN; Holly Sullivan, Amazon; Ashleigh Delatorre, Amazon; Adam Sichko, Business Journal; Courtney Ross, Nashville Chamber; Ralph Schutz, Nashville Chamber; Michael Callahan, Stand Up Nashville; John Murphy, Metro Legal; Kelly Brockman, MBPR; Sarah Missiner, MBPR, Anne Barnett, Stand Up Nashville; Mike Linstroth, SDC

**Meeting Minutes:**

Madam Chair asked if there were any corrections or discussion for the March 28, 2018 meeting minutes. There being none, Mr. Gregory made a motion to approve the meeting minutes and it was seconded by Ms. Cox. The Board voted and approved.

**Public Comment Period:**

Several individuals spoke during the public comment period, related to the Do Better Bill, Amazon and Community Schools.

**Items for Approval:**

**Economic Development Grant Agreement with Amazon.com Services, Inc.**

Mr. Brown gave an overview of the incentive package for the Economic Development Grant Agreement with Amazon.com Services, Inc. The incentive package includes a \$500.00 per job incentive with a 2.5 million dollar per year maximum over a 7 year period and a maximum of 5,000 jobs. The Council voted 30 to 3 in approval of the incentive package for Amazon.com Services, Inc., along with Amazon's Do Better reporting. Ms. Cox asked if the Council was satisfied with the reporting requirements from Amazon.com Services, Inc. Mr. Tuke stated that the Council was satisfied.

Madame Chair asked for information regarding the State's portion of the incentive package. Ms. Sullivan stated that the State portion will be 65 million dollars for the capital grant which will go into the site development & infrastructure cost related to the project and a tax credit of \$4,500 per job. Madame Chair asked if Amazon.com Services, Inc. had a hiring partner. Ms. Sullivan stated that they do not use a third party contractor for hiring purposes. Amazon does all their hiring internally.

Madam Chair asked if there were any other questions or discussion for the Economic Development Grant Agreement with Amazon.com Services, Inc. There being none, Mr. Hodge made a motion to approve the Economic Development Grant Agreement with Amazon.com Services, Inc. The motion was seconded by Ms. Segall. The Board voted and approved.

### **FastTrack Economic Development Grant Request to Incur Cost for SmileDirectClub LLC**

Mr. Brown gave a brief description regarding the FastTrack Economic Development Grant Request to Incur Cost for SmileDirectClub LLC. The matter before the Board is an ED Grant Request to Incur Cost from the State. The date of the request is January 18, 2019 for 2,010 new jobs and two hundred seventeen million dollar investment in Nashville. This includes three locations around the City of Nashville.

Mr. Linstroth gave a brief overview of FastTrack Economic Development Grant Request to Incur Cost for SmileDirectClub LLC. SmileDirectClub LLC relocated to the Nashville area in early 2015. Currently, the employee base is approximately 1,500 in Nashville. The demographics for the current employee base are approximately 70% female, 70% minority and over 95% live within Davidson County.

Madam Chair asked if there were any other questions or discussion for the FastTrack Economic Development Grant Request to Incur Cost for SmileDirectClub LLC. There being none, Mr. Hodge made a motion to approve the FastTrack Economic Development Grant Request to Incur Cost for SmileDirectClub LLC. The motion was seconded by Ms. Allen. The Board voted and approved. Ms. Segall abstained from voting.

### **FastTrack Economic Development Grant Request to Incur Cost for Western Express Inc.**

Mr. Brown gave a brief description regarding the FastTrack Economic Development Grant Request to Incur Cost for Western Express Inc. Western Express Inc. plans to invest 88 million dollars to expand their Nashville headquarters, located at 7135 Centennial Place, Nashville, TN. This expansion will create 225 headquarter jobs in the next five years. In addition to these jobs, Western Express plans to hire 350 drivers annually. Western Express Inc. is the largest women owned business in Tennessee. The Board is voting on a 1.5 million dollar Economic Grant passed through by the State of Tennessee.

Madam Chair asked if there were any other questions or discussion for the FastTrack Economic Development Grant Request to Incur Cost for Western Express Inc. There being none, Mr. Gregory made a motion to approve the FastTrack Economic Development Grant Request to Incur Cost for Western Express Inc. The motion was seconded by Mr. Hodge. The Board voted and approved.

### **Financial Matters:**

There were no expenditures.

Mr. Harmon gave a brief overview regarding the Metro Finance Department's request for the Board to remit net earnings that exceed the Board's expenses. The Board's actual expenses for the last five years equal \$4,855. At this time, the Board has a cash balance of \$642, 167.16 in its account. The Director of Finance is recommending that pursuant to T.C.A § 7-53-308, the Board designate \$50,000.00 as an amount to keep in reserve to cover future expenses and remit \$592,167.16 to the Metropolitan Government no later than July, 30, 2019.

Madam Chair asked if there were any other questions or discussion for the Metro Finance Department's request. Ms. Cox asked what other options that Board may have in regards to these financial matters. Ms. Darby referenced T.C.A § 7-53-308 and stated that it was her recommendation to approve the Metro Finance Department's request. After further discussion regarding Board members who were absent and unable to vote, Mr. Hodge made a motion to defer this request to the next. The motion was seconded by Mr. Gregory. The Board voted and approved the deferral.

### **Scheduled Next Board Meeting**

The next Board meeting was scheduled for June 13, 2019.

**Adjourn**

The meeting was adjourned at 12:30 p.m.

APPROVED, this 13th day of June 2019.

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Ginger Hausser, Chair

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Aubrey Gregory, Secretary