

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

July 17, 2019

The Board of Directors of the Industrial Development Board of the Metropolitan Government of Nashville and Davidson County (the "Board") met on Thursday, June 13, 2019 at 10:01 a.m. at the Sonny West Conference Room, Howard Office Building, 700 2nd Avenue South, Nashville, Tennessee 37219.

Board members present were: Ginger Hausser, Cristina Allen, Nigel Hodge, Quin Segall, Andrea Perry, Carnell Scruggs, and Ken Weaver.

Also present were: Jamari Brown, Metro ECD; Margaret Darby, Metro Legal; Chris Harmon, Metro Finance; Bob Mendes, Metro Council; Steve Reiter, Public

Meeting Minutes:

Madam Chair asked if there were any corrections or discussion for the May 9, 2018 meeting minutes. There being none, Mr. Weaver made a motion to approve the meeting minutes and it was seconded by Ms. Allen. The Board voted and approved.

Public Comment Period:

There were not any public comments.

Presentation to the Board:

TIF Study Committee Report by Councilman Bob Mendes

Councilman Mendes gave an overview of the TIF Study Committee Report. In September 2018, the Council created the TIF Study and Committee. The Committee was appointed in early November 2018. The members appointed to the Committee were Charles Robert Bone, Paulette Coleman, Brian Kelsey, Talia Lomax-O'dneal, Bert Mathews, Bob Mendes and Richard Warren. The Committee was tasked with studying how Metro uses TIF, formulating recommendations for TIF to be more transparent, equitable, effective, and understandable, review how TIF is awarded, consider alternative approaches for structuring TIF awards, and consider how TIF should be used in transit-oriented redevelopment districts.

During the TIF Study, the Committee met eleven times in six months. They conducted public hearings and heard presentations from developers, attorneys, lenders, WeGo Public Transit, affordable housing advocates and other. All meetings were open to the public and broadcasted on Metro's YouTube channel.

The TIF Study Committee Report was released on May 8, 2019. The report is broken down in three basic sections (introduction, observations, and recommendations). The introduction, basically, explains the TIF, gives advantages and disadvantages of TIF, explains how TIF is used in Nashville, and lists the challenges that exist with TIF in Nashville. The Committee found many challenges that exist with TIF in Nashville. Some of the challenges are determining public benefit, public education and accountability, how much of the increment should be used for loans, budget predictability, affordable housing and transit-oriented development. The following recommendations were generated and agreed upon by the entire Committee. They are organized into three areas of work: Transparency, Communication, and Education; Policy and Process; and Accountability and Roles. Overarching all these recommendations is the Committee's desire for transparency in how the city approaches TIF to ensure a good understanding by all interested parties.

Approval of Financial Matters:

Remittance of funds balance

Mr. Brown 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. Mr. Scruggs made a motion to not approve the remittance of funds balance. The motion did not receive a second and therefore failed. Mr. Hodge made a motion to defer to next meeting. The motion was seconded by Mr. Scruggs. Mr. Scruggs requested a verbal roll call vote. Mr. Hodge and Mr. Scruggs voted to defer the next meeting. Madam Chair, Ms. Allen, Ms. Segall, Ms. Perry and Mr. Weaver voted not to defer to next meeting. The motion did not receive a majority of votes in the affirmative and therefore failed. Mr. Weaver made a motion to approve the remittance of funds balance. The motion was seconded by Ms. Perry. Madam Chair, Ms. Allen, Ms. Segall, Ms. Perry and Mr. Weaver voted to approve the remittance of funds balance. The motion received a majority of votes in the affirmative and is therefore approved.

Financial Matters:

There were no expenditures.

Scheduled Next Board Meeting

The next Board meeting was scheduled for July 17, 2019.

Adjourn

The meeting was adjourned at 11:30 p.m.

APPROVED, this 17th day of July 2019.

Ginger Hausser, Chair

Aubrey Gregory, Secretary