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 14th, 2025

The Board of Directors of the Industrial Development Board of the Metropolitan Government of Nashville and Davidson County (the "Board") met on May 14th, 2025 at 10:10 a.m. Metro Council Committee Room 2, (2nd floor), 1 Public Square, Nashville, TN 37201 – Metro Courthouse/City Hall.

Board members present were: Anthony Davis, Nigel Hodge, Joshua Haston, Tequila Johnson, Charley Rodriguez, and Mark Wright.

Also present were: Jamari Brown, Mayor's Office; Bob Mendes, Mayor's Office; Joshua Thomas, Metro Legal; Samuel Keen, Metro Legal; Bradley Crafton, Metro Finance; Barbara Thomas, Metro Finance; Councilmember Jennifer Webb; District 10, Jimmy Wheeler; TN Entertainment Commission, Bob Raines TN Entertainment Commission, Karl Sprules; Alliance Bernstein, Ashley Harbin; Adams and Reese, Kate Jarosh; Merus LLC

<u>Public Comment Period:</u>

Chair Hodge opened the floor for comments from the public for general comment and comment on the Rivergate Mall Redevelopment TIF Project.

No members of the public wished to speak. Chair Hodge closed the public comment period.

<u>Minutes Consideration:</u>

Board member Wright made a motion to approve the February 12th meeting minutes and was seconded by Board member Davis.

The Board voted with Board members Davis, Haston, Johnson, Rodriguez, and Wright voting Yay, Chairman Hodge abstained from the vote. The Board approved.

<u>Annual Metro Incentive Grant Payouts – Consideration of Approval:</u>

Ashley Harton gave a presentation on behalf of Philips.

Chairman Hodge thanked Philips for sharing demographics information the Board has requested in the past.

Board member Haston asked if Philips was planning to expand after selling their building. Ms. Harton said she will reach out to the client to find out.

Board member Haston asked if remote work was factored into job counts. Mr. Brown confirmed they are taking in office work into account when making job's contracts.

Board member Davis asked for the average wage. Ms. Harton said she will reach out to the client to find out. Chairman Hodge confirmed the information was not needed for the grant and that the Board would follow up.

Chairman Hodge asked for confirmation of third-party audit report. Mr. Thomas confirmed it was in order.

Board member Haston made a motion to approve the annual grant pay out to Philips and was seconded by Board member Davis.

The Board voted with Board members Davis, Haston, Johnson, Rodriguez, and Wright voting Yay, Chairman Hodge abstained from the vote. The Board approved.

Karl Sprules gave a presentation on behalf of Alliance Bernstein.

Chairman Hodge asked about senior leadership of Alliance Bernstein moving to Nashville as well as the work force. Mr. Sprules spoke about internal programs to move workers to Nashville.

Board member Rodriguez asked what struggles Alliance Bernstein faces in recruiting in the tech field. Mr. Sprules spoke on the specific technical skills needed for their domain. Mr. Sprules spoke about recruiting from colleges such as TSU and former military personnel from Fort Cambell.

Board member Rodriguez asked Mr. Sprules to elaborate on Alliance Bernstein's "talent pipelines." Mr. Sprules spoke about their associate program which recruits from Nashville schools. Mr. Sprules spoke about their Athlete Transition Program for former athletes. Mr. Sprules spoke about brining people retiring from the military into security roles.

Board member Johnson asked how Alliance Bernstein measures community impact beyond numbers, such as, mentoring, internships, education partnership. Mr. Sprules spoke about their high school robotics program partnered with Hume-Fogg.

Board member Johnson asked if there was plan for year over year tracking of wage growth, retention, or internal opportunities. Mr. Sprules confirmed they track all that data.

Board member Wright asked if local colleges are having a hard time finding specific talent at local colleges. Mr. Sprules confirmed. Mr. Sprules spoke about a previous retraining scholarship program.

Board Member Haston asked if given the opportunity to would they make the decision to move to Nashville again. Mr. Sprules confirmed.

Board Member Haston asked how Nashville can increase is value proposition to attract companies. Mr. Sprules spoke about how finance and tech need a skilled workforce. Mr. Sprules suggested access to STEM at an earlier age in Nashville schools.

Chairman Hodge asked for confirmation of third-party audit report. Mr. Thomas confirmed it was in order.

Board member Wright made a motion to approve the annual grant pay out to Alliance Bernstein and was seconded by Board member Haston.

The Board voted with Board members Davis, Haston, Johnson, Rodriguez, and Wright voting Yay, Chairman Hodge abstained from the vote. The Board approved.

Emerging Industry Business Development Grant Program – Consideration of Approval:

Bob Raines and Jimmy Wheeler gave a presentation on behalf of Rock Nashville Properties, LLC.

Board member Haston asked how Rock Nashville will integrate with the local community and provide local jobs. Mr. Raines confirmed Rock Nashville will hire locally. Mr. Raines stated they were partnered with a local business. Mr. Raines stated they want to have programs in schools. Mr. Wheeler stated that Rock Nashville has been in contact with MNPS and is working to set up a live event track for students.

Board member Haston asked if filming was possible at the new facility. Mr. Raines stated that the facility will not be used for film or television.

Board member Davis asked about the space allotted to Soundcheck LLC. Mr. Raines stated they would operate 13 branded spaces on Rock Nashville's branded campus.

Board member Davis asked about potential for housing. Mr. Raines stated that Rock Nashville had additional acreage they may use for housing. Mr. Raines stated that their employee's will use Nashville housing.

Board member Johnson asked what commitment Rock Nashville has made to use local and marginalized vendors. Mr. Raines stated there was no commitment, but they intend to hire local.

Board member Johnson asked what community benefit comes from the project, and if there has been an attempt to engage with the homeowners in the area. Mr. Raines stated there has been no outreach. Mr. Brown stated that Councilmember Toombs has done outreach.

Chairman Hodge asked for confirmation of third-party audit report. Mr. Brown confirmed it was in order.

Board member Rodriguez made a motion to approve the grant contract between the IDB and Rock Nashville Properties, LLC, the grant contract between the IDB and the State, and the Accountability Agreement between the IDB, The State, and Rock Nashville Properties, LLC and was seconded by Board member Davis.

The Board voted with Board members Davis, Haston, Johnson, Rodriguez, and Wright voting Yay, Chairman Hodge abstained from the vote. The Board approved.

<u>Items for Consideration of Approval:</u>

Rivergate Mall Redevelopment TIF Project – Economic Impact Plan and Development Agreement:

Councilmember Webb gave an endorsement for the project.

Kate Jarosh from Merus LLC gave a presentation on the Rivergate Mall Redevelopment TIF Project – Economic Impact Plan and Development Agreement

Chairman Hodge stated he had an indirect conflict because his spouse is employed by Smith Gee Studio.

Board member Wright asked what type of residential units will be included. Ms. Jarosh stated units will be mixed between 1-2 bed rentals and 2-4 bed for sale townhomes.

Board member Wright asked who will develop the land. Ms. Jarosh stated Marus will develop some land and sell off pads to other developers.

Board member Wright asked who Marus will sell to. Ms. Jarosh stated that the project is pending the outcome of the TIF.

Board member Haston asked if the project was requesting a TIF from Nashville, Goodlettsville and an Infrastructure District for funding. Ms. Jarosh confirmed.

Board member Haston asked about funding if the Goodlettsville TIF or Industrial District are not approved. Ms. Jarosh stated the Nashville TIF is the major portion of the funding. Ms. Jarosh stated they could find alternative sources of funding.

Board member Haston asked what the Nashville/Goodlettsville funding portions were. Ms. Jarosh stated the Goodlettsville TIF is not finalized.

Board member Haston asked about the timing of the project. Ms. Jarosh stated development would go west to east to give tenants time to leave. Ms. Jones stated a timeline of the work is 14-16 months.

Board member Haston asked if selling would have to go west to east. Ms. Jarosh stated that although Merus cannot close the selling process can begin now.

Board member Haston asked what wages might be generated by the retail spaces. Ms. Jarosh stated jobs would be in soft retail, food and beverage, but would ultimately be up to the vendors.

Board member Haston asked about the Sports and Entertainment section of the parcel. Ms. Jarosh stated that area is for family-oriented entertainment to bring people to the retail space.

Board member Haston asked about the flexibility of the zoning and TIF structure to economic changes. Ms. Jarosh stated they have bulk standards that allow for flexibility.

Board member Haston asked how opportunity zones effect development. Ms. Jarosh stated that it is not for the full site and therefore not effecting the project.

Board member Davis asked about access to green space. Ms. Jarosh stated there will be green space with retail.

Board member Rodriguez asked about the possibility of a school pick up zone in this and future projects. Ms. Jarosh stated that there is room for that in the project.

Board member Rodriguez asked what stance Merus would have if a contractor or sub-contractor was injured or experienced wage theft on the site. Ms. Jarosh stated that Merus has an impeccable record with OSHA and their worksites. Ms. Jarosh stated that developers who purchase land will have their own standards.

Board member Johnson asked what community engagement has taken place and how will it be continued. Councilmember Webb stated that all community feedback received so far has been positive.

Board member Johnson asked if anything is in place to ensure that small/minority owned business can access that space. Councilmember Webb stated that the decision would be up to Merus but that both she and Marus are small business oriented. Ms. Jarosh added that Merus is also local business oriented.

Board member Davis asked if medical or childcare facilities would be included. Ms. Jarosh stated that Medical Office Building is one possible use of land. Ms. Jarosh stated that childcare facilities may be included.

Board member Wright asked if Dillard’s is staying. Ms. Jarosh confirmed. Ms. Jarosh spoke on the land swap between Merus and Dillard’s.

Bob Mendes from the Mayor’s Office gave a presentation on the TIF.

Board member Johnson asked since the area has a lot of seniors and lack of senior housing if there is a plan for displaced residents and businesses. Mr. Mendes stated the mall needs redevelopment and that they do not anticipate run away gentrification. Mr. Mendes stated Bellevue has not seen housing problems following the redevelopment there.

Board member Johnson asked if there was clarity on when transit access will be integrated. Mr. Mendes stated that Metro will have more clarity for the We-Go portion as the development continues.

Board member Johnson asked how the infrastructure upgrades would be determined and prioritized. Mr. Mendes stated an outside consultant independently reviewed the plan and the infrastructure value would be between 35 – 40 million dollars, and that this TIF represents Metro's entire contribution.

Board member Johnson asked what lessons could be taken from Bellevue and applied here. Mr. Mendes stated that this TIF represented all the standards stated in his blog on TIF as a councilmember, and that Metro studied the Tax Increment Financing Study and Formulating Group Unanimous Report from 2019 and all legislation the council passed related to TIF. Mr. Mendes stated the developers Master Plan takes lessons from Bellevue for its physical set up, and that since Bellevue has not made its TIF Metro has been more conservative with the math. Mr. Mendes stated that though there is no recourse to the IDB or Metro for Bellevue's TIF, Metro's goal is for projects to pay their loans.

Board member Haston asked if developers were aware the deed restriction is longer than the 20-year TIF. Mr. Mendes confirmed.

Board member Haston asked why the senior housing deal was valued under a different model then Tennessee values tax credit deals. Mr. Mendes stated that Tennessee's way of apprising affordable housing properties is unique in appraising the full market value for purposes of property taxes. Mr. Mendes stated that this causes an unfairness where the homeowner must pay property taxes at an unaffordable market rate. Mr. Mendes stated that the economic impact report doesn't use that method. Mr. Mendes stated that Metro was more conservative than the developer and that should account for the nuance between the valuations

Board member Haston asked if homeowners appealing their taxes would affect the TIF. Mr. Mendes confirmed that Metro is confident in their tax figures.

Board member Haston asked what would happen to the additional 30% after the six-year mark. Mr. Mendes stated it would go into the general fund.

Board member Haston asked if that could be used as an economic incentive in future TIFS. Mr. Mendes stated that one size fits all solutions are difficult with TIFs. Mr. Mendes stated that an edge of the county TIF is contributing to services in the area, where a central district TIF revenue would be distributed across the county.

Board member Haston asked about the application process for tax credits. Ms. Jarosh stated they applied twice for each tax credit.

Board member Haston asked if the 35-40 million represented the parcel alone or surrounding parcels. Mr. Mendes stated that this is an onsite number, and if offsite work is required, the developer will need to pay for it. Ms. Jarosh stated the project cleans up a lot of infrastructure which may serve people upstream or downstream.

Board member Haston asked if they anticipated surrounding parcels to want to connect to the new infrastructure. Ms. Jarosh stated that would be handled by Metro Water. Mr. Mendes stated the rezoning process and the Planning Commission would have vetted infrastructure needs.

Board member Haston asked about the possibility of developers holding infostructure from surrounding parcels. Ms. Jarosh stated that this is public infrastructure being built. Mr. Mendes stated the infrastructure will work better after the project.

Board member Wright asked if Goodlettsville doesn't approve their TIF if the project will be funded. Mr. Mendes stated Metro believes the project is doable without the Goodlettsville TIF.

Chairman Hodge asked for confirmation from Metro Legal and Finance. Mr. Brown confirmed everything was in order.

Board member Wright made a motion to approve the Rivergate Mall Redevelopment TIF Project – Economic Impact Plan and Development Agreement and was seconded by Board member Johnson.

Board member Rodriguez made a motion to amend Section 4 and was seconded by Board member Davis.

The Board voted with Board members Davis, Haston, Johnson, Rodriguez, and Wright voting Yay, Chairman Hodge abstained from the vote. The Board approved.

Board member Davis made a motion to approve the Rivergate Mall Redevelopment TIF Project – Economic Impact Plan and Development Agreement as amended and was seconded by Board member Wright.

The Board voted with Board members Davis, Haston, Johnson, Rodriguez, and Wright voting Yay, Chairman Hodge abstained from the vote. The Board approved.

Chair's Report:

Chairman Hodge stated the IDB plans to work with Dominium later this year and discussed the Unified Housing Strategy.

Adjourn:

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

APPROVED, this 10th day of September 2025.

Signature on File_	Signature on File_
Nigel Hodge, Chair	Charley Rodriguez, Assistant Secretary-Treasurer