

**INDUSTRIAL DEVELOPMENT BOARD OF THE
CITY OF HENDERSONVILLE, TENNESSEE**

April 9, 2009

6:30 p.m.

The Industrial Development Board of the City of Hendersonville, Tennessee held its regular meeting on Thursday, April 2009, at the Main Meeting Room, Hendersonville City Hall, Hendersonville, Tennessee. Members of the Board in attendance included: John Steinhauer, Tom Atchley, Bruce Carter, Margaret Latham, John Sheley, Terry Smith and John Zobl. Members of the Board absent: Elbert Jones, Jr. Interested Persons in attendance included: Keith C. Dennen, Esq.; Brenda Payne and Amanda Runnels (Hendersonville Chamber of Commerce); Charles Alexander (Tennessee Small Business Development Center); Don Long (Mayorial Assistant, City of Hendersonville); and Mark Bush (Halo Properties, LLC).

The meeting was called to order at 6:30 p.m. by John Steinhauer, chairperson.

Mr. Steinhauer noted the recent death of long-time board member, Mr. Ed Prow. Mr. Steinhauer stated that Mr. Prow was committed to the Board's mission and provided outstanding service during his tenure on the Board. Mr. Dennen stated that Mrs. Prow will be invited to a future meeting for a presentation honoring Mr. Prow.

Upon motion of Mr. Zobl, seconded by Mr. Smith, the Board unanimously approved the Minutes of the Meeting dated January 8, 2009.

Next, Mr. Carter presented the Financial Report. Upon motion by Mr. Zobl, seconded by Ms. Latham, the Board unanimously approved the Financial Report.

Mr. Carter then noted that Mr. Jimmy Johnson of Forward Sumner Economic Council was present but that the Finance Committee had not considered the request for funding by that entity. Mr. Johnson presented a brief summary of Forward Sumner's activities to the Board. Mr. Johnson noted that the Board's relationship with Forward Sumner ended in 2007. Mr. Johnson stated that Forward Sumner desired for the Board to return as a Charter Member of Forward Sumner which would require a donation by the Board of \$15,000.00. Mr. Carter stated that the request would be considered at the next meeting of the Finance Committee.

Next, Mr. Carter presented the recommendations for funding approved by the Finance Committee as follows:

- \$10,000.00 for the Hendersonville Chamber of Commerce's Business Accelerator Program for 2009 to be used for payment of rent, marketing materials, educational resources and other supplies.

- \$5,000.00 for the Tennessee Small Business Development Centers at Volunteer State Community College.

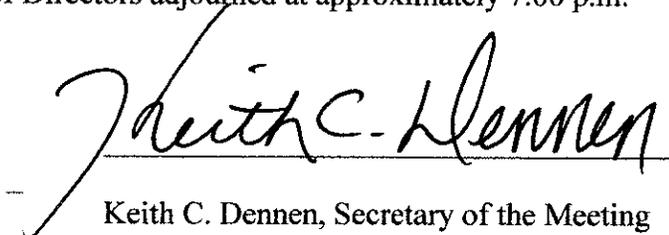
- \$3,250.00 for air fare, hotel, rental car and entertainment expenses incurred by Mayor Foster and Mr. Long at the International Council of Shopping Centers Global Retail Real Estate Convention to be held in Las Vegas, Nevada in May 17 -- 20, 2009.

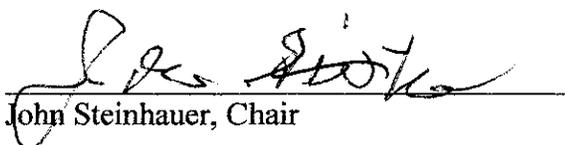
Upon motion by Mr. Zobl, seconded by Mr. Smith, the Board unanimously approved those expenditures.

Mr. Mark Bush then made a presentation regarding the status of the Halo Properties Bond Issue and the tax incentive payments. Mr. Bush noted that for calendar year 2008, the Indian Village Economic District generated \$521,906.89 in county taxes and \$144,122.00 in city taxes. Mr. Bush stated that these amounts, along with \$580,616.00 of the proceeds of the taxable bond issue, would be used to pay the bond interest payment and letter of credit fees for 2009 of \$1,188,000.00. For calendar year 2009, Mr. Bush projects the City and County taxes will equal \$1,185,085.00. This amount includes an increase in the value of the Lifestyle Center to \$54.0 million based upon the recent sale of the center. Mr. Bush stated that this amount, together with the projected excess amounts from 2009, will pay the bond interest payment and letter of credit fees for 2010 in full. Mr. Bush noted that the bond funds in the tax-exempt bond issue have been fully disbursed; therefore, no arbitrage issues exist. Finally, Mr. Bush stated that the extension of Saundersville Road to Wessington should be completed within one (1) week and the connection to Gallatin Road should be completed within six (6) weeks.

Mr. Dennen reported that the Sumner County Assessor of Property had issued a letter acknowledging the correction of its records to reflect the tax exempt status of the tower site.

There being no further business, the Board of Directors adjourned at approximately 7.00 p.m.


Keith C. Dennen, Secretary of the Meeting


John Steinhauer, Chair

Minutes of the Finance Committee of
the Industrial Development Board
of the City of Hendersonville
April 9, 2009
Page 3



Bruce A. Carter, Finance Committee Chair