

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

Minutes of Regular Meeting of the Finance Committee

June 13, 2013

The Finance Committee of the Industrial Development Board of the City of Hendersonville, Tennessee met on June 13, 2013. Members of the Committee present included Bruce Carter and Ed Spurlock. Others present included: Board members, Tom Atchley and Larry Irwin, Alderman Fred Qualls, ex officio, Keith Dennen, attorney, Eddie Roberson, Fell Merwin and Dave Popen of FOALS and Jimmy Johnson of Forward Sumner.

Mr. Carter, as chairman of the Finance Committee, called the meeting to order at 6:10 p.m. Mr. Carter presented the Minutes of the Finance Committee meeting held on March 14, 2013, for approval. Upon motion by Mr. Carter, seconded by Mr. Spurlock, the minutes of the Finance Committee held on March 14, 2013, were unanimously approved.

Mr. Carter then presented the Financial Report to the Committee. Mr. Carter noted that the report was for the period of February 1, 2013 to May 31, 2013. He further noted that during that period, the Board had received \$12,411.37 representing payments of rent with respect to the cell phone tower site. Mr. Carter noted that this represented a slight increase in the tower rent. Mr. Carter also noted that the expenses for the period include a final payment to PayChex of \$7.95 and a payment to Forward Sumner of \$5,000.00. Finally, Mr. Carter noted the payment of attorney's fees to Dickinson Wright PLLC as an extraordinary item due to the TIF litigation initiated by the County against Fifth Third Bank. Mr. Carter requested that Mr. Dennen provide an estimate of the amount of attorney's fees that the Board would incur by virtue of that litigation. Mr. Dennen stated that he anticipated that the Board would incur approximately \$1,000.00 each month over the course of the next 24 months. Mr. Dennen further noted that is at the hourly rate of \$140.00 which is significantly lower than the hourly rate charged by the County's attorneys in that litigation. Upon motion by Mr. Spurlock, seconded by Mr. Carter, the Financial Report was unanimously approved.

Mr. Carter noted that several requests had been received for funding by the Board. He called upon Mr. Johnston to make a presentation on behalf of Forward Sumner. Mr. Johnston reported that Forward Sumner has initiated a four (4) year capital campaign as the initial five (5) year campaign has been completed. He noted that Forward Sumner continues to work with the economic development officials at the State and local level to attract new businesses and assist existing businesses. He noted that Forward Sumner worked with Windham Professionals which recently announced an expansion and an addition of 95 positions. In addition, Forward Sumner worked with Xtend Healthcare which recently announced that it was expanding its operations in Hendersonville. Mr. Johnston noted that sales tax revenue in the City of

Hendersonville had increased by 11% and that sales tax revenue for the County had increased by 9%. That increase was significant in that 50% of the County's sales tax revenue is generated from the City of Hendersonville. Mr. Johnston then requested that the Committee approve a contribution of \$18,000, which he noted, represented an increase of \$3,000 over the prior year.

Upon motion by Spurlock, seconded by Carter, the Committee unanimously voted to forward the request from Forward Sumner to the full Board.

Mr. Charles Alexander joined the meeting.

Next, Mr. Carter asked Fell Merwin and Dave Popen to make a presentation in support of the request by the Friends of the Arts and Literature in Sumner (FOALS). Mr. Merwin reported that the Hendersonville Library Project was now complete; therefore, FOALS desired to consider the community support for the Arts. In that regard, FOALS desires to engage a third party to perform a planning and strategy study to define the community's "Vision for the Arts." Mr. Popen noted that the group did not wish to bring any preconceived ideas to the process and that the study would focus on the community's vision of what is appropriate. Mr. Merwin explained that the initial stage of the study would consist of a visioning process. Upon completion of that stage, the next step would be to focus on a programmatic concept and design. The third phase would be to determine the feasibility of community support. To perform this study, Mr. Merwin noted that FOALS intends to retain Tomlinson-Graham Group of Bowling Green, Kentucky. This group has provided a Letter of Agreement detailing the work to be performed and proposes to charge \$60,000 for that work. Mr. Popen stated that Foals estimates that any project would be in the \$5.0 to \$10.0 million range. He further noted that Tomlinson-Graham has experience in performing projects such as this one. Finally, Mr. Popen noted that he and Mr. Merwin had met with J.D. Elliott of the Memorial Foundation, and Mr. Elliott had indicated that the Foundation would be receptive to contributing \$30,000 towards this feasibility study. Mr. Merwin then requested that the Board fund the remaining \$30,000.00.

Mr. Mike Fussell joined the meeting.

Upon motion by Mr. Carter, seconded by Mr. Spurlock, the Committee unanimously voted to forward the request of FOALS for \$30,000 to the full board for consideration.

Mr. Carter then recognized Mr. Charles Alexander, Director of the Tennessee Small Business Development Center at Volunteer State Community College to make a presentation.

Mr. Alexander noted that he and Dave Jose staff the Center. The Center provides one-on-one advice to small business owners and free seminars. In 2012, over

700 persons attended workshops at the Center. Sixteen individuals who participated in the Center opened new businesses. Mr. Alexander reported these businesses created at least 84 new jobs and \$2.0 million in economic impact. Mr. Alexander reported that two of these businesses were Café Rakka and Green Village Recycling. Finally, Mr. Alexander reported that Green Village Recycling would be receive the 2013 Rising Star Award from the Center; Café Rakka received the 2012 Rising Star Award. Mr. Alexander concluded his presentation by requesting a grant of \$5,000 for the Center.

Mr. Spurlock made a motion, seconded by Mr. Carter, and the Committee unanimously voted to forward the request of the Tennessee Small Business Development Center for \$5,000 to the full board for consideration.

There being no further business, the Committee adjourned at 6:30 p.m.

Bruce A. Carter, Secretary-Treasurer