

**TENNESSEE STATE FUNDING BOARD
DECEMBER 17, 2018
AGENDA**

1. Call meeting to order
2. Approval of State Funding Board minutes from the November 20 and 26, meeting
3. Report from the Department of Economic and Community Development (ECD) for approval of funding for the following projects:
 - **Ernst & Young U.S. LLP – Nashville (Davidson County)**
FastTrack Job Training Assistance \$6,000,000
 - **Excel Boat Company, LLC – Union City (Obion County)**
FastTrack Economic Development Grant \$1,000,000
 - **Indigo Ag, Inc. – Memphis (Shelby County)**
FastTrack Economic Development Grant \$2,750,000
FastTrack Job Training Assistance \$1,750,000
 - **Caymas Boats LLC – Ashland City (Cheatham County)**
FastTrack Economic Development Grant \$1,467,000
FastTrack Job Training Assistance 283,000
 - **TBA**
FastTrack Economic Development Grant \$1,000,000
4. Adjourn

TENNESSEE STATE FUNDING BOARD
November 20, 2018

The Tennessee State Funding Board (the “Board”) met on Tuesday, November 20, 2018, at 8:30 a.m., in the Cordell Hull Building, 1st Floor, Senate Hearing Room I, Nashville, Tennessee. The following members were present:

The Honorable Tre Hargett, Secretary of the State of Tennessee
The Honorable Justin Wilson, Comptroller of the Treasury
The Honorable David Lillard, State Treasurer
Commissioner Larry Martin, Department of Finance and Administration

The following member was absent:

The Honorable Bill Haslam, Governor

Seeing a physical quorum present, Mr. Wilson recognized Commissioner Martin who presented a report on the October 2018 revenues.

Commissioner Martin reported that revenues for the month of October were greater than the budgeted estimate and driven by Franchise and Excise (“F&E”) tax collections. Commissioner Martin further reported that the revenue from F&E was almost 15% above what was budgeted. Commissioner Martin pointed out the need for continued conservative spending as there had been volatility in the market that could have a negative impact on consumer confidence, which would show up in sales tax performance. Commissioner Martin further stated that sales tax collections comprise 61% of tax revenues collected in the state. Commissioner Martin reported that revenues for the 1st quarter of fiscal year 2018-2019 were greater than the budgeted estimate and bodes well for finishing positive in fiscal year 2018-2019. No action was necessary.

Mr. Wilson then presented the minutes from September 13, 2018, meeting, and barring any further comment, asked approval of the minutes. Mr. Hargett made a motion to approve the minutes. Mr. Martin seconded the motion, and it was approved.

Mr. Wilson then stated that, pursuant to Tennessee Code Annotated Section 9-4-5202(e), the Board is charged with the responsibility of developing estimates of state revenue growth. In doing so, the Board evaluates and interprets economic data and revenue forecasts supplied by various economists as well as persons acquainted with the Tennessee revenue system. The Board heard testimony and reports regarding the economy from economists and persons acquainted with the Tennessee revenue system. The presenters were: Dr. William Fox of the University of Tennessee Boyd Center for Business and Economic Research; Ms. Laurel Graefe of the Federal Reserve Bank of Atlanta; Dr. Jon Smith, Dr. Joseph Newhard, and Dr. Fred Makara of East Tennessee State University; Commissioner David Gerregano and Dr. Michael House, Staff Economist, of the Tennessee Department of Revenue; and Mr. Robert Currey, Assistant Director, and Mr. Bojan Savic, Chief Economist of the Fiscal Review Committee (the “FRC”).

The presenters forecasted economic growth and state revenue tax growth in line with long-term averages for both items while citing the downside risk of the overly-long economic expansion in both the U.S. and Tennessee. Multiple presenters also cautioned that the recent Supreme Court decision regarding collection of sales and use tax from on-line retailers (*South Dakota v. Wayfair*) will not have a significant impact on future tax collections.

Mr. Wilson then called for presentations regarding the Tennessee Education Lottery Corporation (the "TELC") from Mr. Curry and Mr. Savic; and Mr. Andy Davis, Chief Financial Officer, from the TELC. Legislation in 2003 created the TELC. Pursuant to Tennessee Code Annotated Section 4-51-111(c), the Board is required to establish a projected revenue range for the "Net Lottery Proceeds" [defined in Section 4-51-102(14)] for the remainder of the current fiscal year and for the four succeeding fiscal years.

The lottery presenters reported on historical results and growth reported in previous years for the various instant and numbers games and Powerball and Mega Millions jackpot games of the Tennessee Lottery program. The lottery presenters summarized recent changes for TELC and reported on year-to-date revenue and expenses for fiscal year 2018-2019. No action was necessary.

Tennessee Code Annotated Section 4-51-111(c)(2)(A)(ii) requires the Board, with the assistance of the Tennessee Student Assistance Corporation (the "TSAC"), to project long-term funding needs of the lottery scholarship and grant programs. These projections are necessary to determine if adjustments to lottery scholarship and grant programs are needed to prevent the funding for these programs from exceeding Net Lottery Proceeds. For this purpose, the Board heard testimony from Mr. Tim Phelps, Associate Executive Director for Grants and Scholarship Programs of Tennessee Student Assistance Corporation, who reported the projected expenditures in lottery scholarship and grant programs through fiscal year 2022-2023. The lottery-funded scholarship programs as authorized through the 2018 session of the General Assembly include the HOPE Scholarship, General Assembly Merit Scholarship, ASPIRE Award, HOPE Access Grant, Wilder-Naifeh Technical Skills Grant, Non-traditional Student Grant, Dual Enrollment Grant, Helping Heroes Grant, Foster Child Tuition Grant, STEP UP Scholarship, TCAT Reconnect, the Math & Science Teacher Loan Forgiveness Program, the Tennessee Middle College Scholarship, and Tennessee Reconnect. No action was necessary.

Mr. Wilson then presented a request from the Department of Education for \$23,000 from Net Lottery Proceeds for Lottery Scholarship Day for fiscal year 2019-2020, pursuant to Tennessee Code Annotated Section 4-51-111(c)(2)(B). Mr. Wilson explained that the requested funds will support improvements and enhancements for educational programs and purposes and such net proceeds shall be used to supplement, not supplant, non-lottery educational resources for educational programs and purposes. The Board recognized the request from the Department of Education. Mr. Wilson made a motion to approve the request. Mr. Hargett seconded the motion, and it was unanimously approved.

After requesting other business and hearing none, Mr. Wilson recessed the meeting and stated that the Board would reconvene on November 26, 2018, at 1:00 p.m. in the Cordell Hull Building, 1st Floor, Senate Hearing Room I.

RECONVENED
November 26, 2018
1:00 p.m.

The Board reconvened on November 26, 2018 at 1:00 p.m., in the Cordell Hull Building, 1st Floor, Senate Hearing Room I, Nashville, Tennessee. The following members were present.

The Honorable Tre Hargett, Secretary of the State of Tennessee
The Honorable Justin P. Wilson, Comptroller of the Treasury
The Honorable David Lillard, State Treasurer
Commissioner Larry Martin, Department of Finance and Administration

The following member was absent:

The Honorable Bill Haslam, Governor

Seeing a quorum present, Mr. Wilson called the meeting to order and recognized Mr. Paul VanderMeer, Assistant Commissioner of Administration, Department of Economic and Community Development (“ECD”), to present FastTrack projects for consideration and the “FastTrack Report to the State Funding Board” (the “Report”). Mr. VanderMeer reported that, as of the date of the last Board meeting on September 13, 2018, the FastTrack balance was \$336,487,180.92. Since that time, \$5,082,711.72 in funds were deobligated and returned to the FastTrack program. Mr. VanderMeer then reported that \$44,410,000.00 in new grants or loans greater than \$750,000 and \$3,880,100.00 in new grants or loans less than \$750,000 were approved. Mr. VanderMeer also reported that \$762,796.39 in funds were spent on FastTrack administrative expenses, which resulted in an adjusted FastTrack balance available for funding grants and loans of \$292,516,996.25 as of the date of the Report. Mr. VanderMeer reported that commitments had been made in the amount of \$269,299,647.74, resulting in an uncommitted FastTrack balance of \$23,217,348.51, which represented 92.1% of the FastTrack balance. Mr. VanderMeer reported that the projects to be considered at this meeting totaled \$1,747,000.00, and if these projects were approved, the uncommitted balance would be \$21,470,348.51 and the total commitments would be \$271,046,647.74, which represented 92.7% of the FastTrack balance.

Mr. VanderMeer then presented the following FastTrack projects:

- **Gränges Americas Inc. – Huntingdon (Carroll County)**
FastTrack Economic Development Grant \$ 975,000

- **Keep Trucking, Inc. – Nashville (Davidson County)**
FastTrack Job Training Assistance Program \$ 772,000

The Board received in their packets signed letters, FastTrack checklists, and incentive acceptance forms signed by Mr. Bob Rolfe, Commissioner of ECD. Mr. Wilson inquired if the information provided in the ECD packets was true and correct and Mr. VanderMeer responded affirmatively. Mr. Wilson then inquired if the companies that signed the incentive acceptance forms fully understood the agreements and Mr. VanderMeer responded affirmatively. Mr. Lillard inquired if ECD will have formal contracts with the companies that are receiving grants that include clawback provisions. Mr. VanderMeer responded that Economic Development Grants include clawbacks and FastTrack Job Training Grants are paid based on the number of actual jobs created. Mr. Wilson made a motion to approve the FastTrack projects that were presented. Mr. Martin seconded the motion, and it was unanimously approved.

Mr. Wilson then recognized Mr. David Thurman, Director of the Division of Budget with the Department of Finance and Administration, who presented the staff recommendations of the recurring revenue estimates expressed in ranges of growth rates in State taxes.

	<u>FY 2018–2019</u>		<u>FY 2019-2020</u>	
	<u>Low</u>	<u>High</u>	<u>Low</u>	<u>High</u>
Total State Taxes	2.35%	3.25%	2.73%	3.13%
General Fund	2.20%	3.20%	2.71%	3.21%

Mr. Wilson made a motion to approve the revenue estimates as recommended by staff. Mr. Lillard seconded the motion, and it was unanimously approved.

Mr. Thurman then presented the staff recommendations of the estimates of the range for Net Lottery Proceeds to be deposited in the Lottery for Education Account and used for various statutory purposes. Mr. Thurman stated that there was potential for a reduction in Net Lottery Proceeds in fiscal year 2019-2020 as a result of non-recurring revenue caused by extraordinary lottery amounts in fiscal year 2018-2019.

	<u>FY 2018-2019</u>	<u>FY 2019-2020</u>	<u>FY 2020-2021</u>	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
Low	2.60%	-0.50%	1.50%	1.50%	1.50%
High	3.60%	1.50%	2.50%	2.50%	2.50%

Mr. Wilson made a motion to approve the lottery revenue estimates as recommended by staff. Mr. Lillard seconded the motion, and it was unanimously approved.

Pursuant to Tennessee Code Annotated 4-51-111(a)(3), the TELC may make a determination that returning a specific percentage of sales as net proceeds (35%) would not result in the maximum dollar amount of net proceeds being achieved. Mr. Wilson acknowledged receipt of a letter from TELC notifying the Board that TELC had determined that an amount that maximizes net lottery proceeds to the State of Tennessee Lottery for Education Account is less than 35% of lottery proceeds for fiscal year 2018-2019. The amount currently projected for the fiscal year ranges from \$411 million to \$422 million. The Board acknowledged the letter.

Mr. Wilson then recognized Mr. Charly Lyons and Mr. Steve Jones from the Tennessee Central Economic Authority (the “Authority”) (formerly Four Lake Authority) who presented a report on the Authority operations over the past year. Mr. Lyons explained that the Authority is an economic development organization that operates in the counties of Macon, Smith, Sumner, Trousdale and Wilson. Mr. Lyons reported that the “General Fund 2018/2019 Fiscal Year-End Budget” along with the “General Fund - Budget vs. Actual-July through October 2018” was provided to the Board members in their packet. Mr. Lyons then reported that the Board was also provided the “Capital Improvements Fund 2018/2019 Fiscal Year-End Budget” and the “Capital Improvement Fund - Budget vs. Actual - July through October 2018”, which deals with grants and infrastructure work performed. Mr. Lyons further reported that the Authority had issued \$142,000.00 in grants and assisted Smith County with a \$1,000,000.00 site development grant. No action was necessary.

Mr. Wilson then recognized Mr. Ed Harries, Executive Director, and Ms. Danielle Brown, Controller, from the Tennessee State Veterans’ Home Board (the “TSVHB”), who presented a report on TSVHB operations. Ms. Brown reported that for the period July 1, 2018 through September 30, 2018, net income exceeded the budgeted amount by approximately \$1,080,000.00 as a result of the patient mix and census for the Murfreesboro and Knox County facilities. Ms. Brown then reported that for the month of October 2018,

each facility was reporting the following average daily census and occupancy information: Murfreesboro – 134 (96.0% occupancy), Humboldt – 133 (95.1% occupancy), Knox County – 135 (96.5% occupancy) and Clarksville – 106 (98.6% occupancy). Ms. Brown explained that the Clarksville facility was close to breaking even and that the goal for this year was for the facility to be profitable. Ms. Brown reported that the occupancy rate at the facilities exceeded the state occupancy rate of 74.7%. Ms. Brown also reported that the total cash balance in the Local Government Investment Pool (LGIP) for all facilities was \$15,767,629 as of October 31, 2018. Mr. Harries discussed CMS star ratings, regulatory oversight, staffing and occupancy at all homes. Mr. Harries reported that a 108 bed facility in Cleveland was in the construction document phase. Mr. Harries also reported that property had been purchased for a future 126 bed planned facility in Arlington and that TSVHB was in search of land for a planned 108 bed facility in the Tri-Cities area. Mr. Wilson inquired if it was correct that TSVHB was on a path to correct the findings of TSVHB's Performance Audit issued on October 31, 2018. Mr. Harries responded affirmatively. Mr. Lillard inquired about the loss reported on the Clarksville facility for the 1st quarter of the year and for more explanation about the design of the Clarksville facility being a factor in the reported loss. Mr. Harries responded that the Clarksville facility was built to adhere to the 2008 guidelines, required by the U.S. Department of Veterans Affairs (the "VA"), and that the design was not conducive to operations. Mr. Harries further stated that the separate house design, with 12 beds each, necessitated having more staff per patient, reducing profitability. Mr. Lillard asked what impact that design will have on Cleveland and other future facilities. Mr. Harries responded that the VA had softened requirements, allowing the TSVHB an increased bed count per structure, which should make the setup economically feasible. Mr. Lillard then inquired if there was a waiver relief from the VA for the Clarksville facility to enhance their operating results. Mr. Harries responded in the negative but further responded that the TSVHB was taking steps that were projected to result in the facility becoming profitable. No action was necessary.

Mr. Wilson then recognized Mr. Tim McClure, Director of Cash Management of the State of Tennessee Treasury Department, who presented a report on the State Pooled Investment Fund ("SPIF") for the fiscal year ended June 30, 2018. Mr. McClure reported the SPIF had a monthly average of \$11.03 billion invested for the fiscal year ended June 30, 2018 of which \$5.14 billion was attributed to the General Fund. Mr. McClure stated that the average portfolio composition of the SPIF for fiscal year 2017-2018 was made up of U.S. Agencies (62.07%), U.S. Treasuries (9.53%), Collateralized CD's (17.23%), Commercial Paper (4.68%) and Overnight Sweep (6.48%). Mr. McClure reported on the average daily balances, performance, weighted average maturity, weighted average life and daily and weekly liquid assets, credit quality and diversification, and shadow pricing of the SPIF. Mr. McClure reported that stress tests conducted during fiscal year 2017-2018 revealed that, in each case, the results of the tests were successful. Mr. McClure stated that the SPIF Investment Policy was operating well and no changes were recommended to the policy for the current fiscal year. Mr. McClure stated that a 4 basis point administrative fee is charged to all participants to administer the program. No action was necessary.

Mr. McClure then presented a report on the Intermediate Term Investment Fund ("ITIF") for the fiscal year ended June 30, 2018. Mr. McClure explained that the ITIF was launched on July 22, 2013, when the first participant invested \$200 million and as of June 30, 2018, there were no additional investments and the participant had withdrawals that totaled of \$140 million since inception. Mr. McClure stated that the objective of the ITIF was to take advantage of the expected additional return from investing farther out on the yield curve and stated that the fund is not designed to provide liquidity. Mr. McClure reported that for the period July 22, 2013, through June 30, 2018, the ITIF had a market value increase of 2.37% and during fiscal year 2017-2018 decreased in value by 0.11%, net of expenses. Mr. McClure further reported that rising interest rates was the cause of the first loss for the ITIF since inception but that the ITIF still outperformed its peers. Mr. McClure stated that there were no investment policy changes anticipated during the current fiscal year. Mr. McClure stated that the investment plan moving forward was to shorten the fund to be able to take advantage of rising interest rates. No action was necessary.

Mr. Wilson then presented for consideration and approval an amendment to the financial advisor contract with PFM Financial Advisors LLC (PFM). Mr. Wilson explained that the amendment would extend the contract term for one additional year ending December 31, 2019, as permitted under the original agreement. Mr. Hargett made a motion to approve the amendment to the contract with PFM. Mr. Lillard seconded the motion, and it was unanimously approved.

Mr. Wilson then presented for consideration and approval the Bolivar Energy Authority Declaration of Trust for Other Post-Employment Benefits. Mr. Wilson stated that he had reviewed the trust and it appeared to be in order. Mr. Wilson made a motion to approve the OPEB trust. Mr. Hargett seconded the motion, and it was unanimously approved.

Mr. Wilson then presented for approval a “Resolution Allocating from the Internal Service Fund to the Capital Projects Fund \$4,379,930.67 and Canceling Authorized Bonds.” Mr. Wilson explained that the Resolution was to cancel the bond authorization related to the Enterprise Resource Planning Software project, as was recommended in a memo, dated November 15, 2018, from the Commissioner of Finance and Administration. Mr. Wilson further stated the Resolution would be effective December 7th, 2018 when the commercial paper was scheduled for repayment. Mr. Wilson made a motion to approve the Resolution. Mr. Hargett seconded the motion, and it was unanimously approved.

Mr. Wilson then presented for approval a “Resolution Allocating from the Internal Service Fund to the Capital Projects Fund \$69.33 and Canceling Authorized Bonds.” Mr. Wilson explained the Resolution was required as commercial paper had to be repaid in \$1,000 increments. Mr. Wilson made a motion to approve the Resolution. Mr. Hargett seconded the motion, and it was unanimously approved.

Mr. Wilson then presented for approval a “Resolution Allocating from the Debt Service Fund to the Capital Projects Fund \$1,400,000 and Canceling Authorized Bonds.” Mr. Wilson explained that the Resolution was to cancel the bond authorization related to the West Tennessee Megasite project, as was recommended in a memo, dated November 15, 2018, from the Commissioner of Finance and Administration. Mr. Wilson made a motion to approve the Resolution. Mr. Hargett seconded the motion, and it was unanimously approved.

Hearing no other business, Mr. Wilson adjourned the meeting.

Approved this _____ day of _____ 2018.

Respectfully submitted

Sandra Thompson
Assistant Secretary

FastTrack Report to State Funding Board

12/13/2018

1. Previous FastTrack Balance, as of Last Report	292,516,996.25	
2. + New Appropriations:	0.00	
3. + Newly Deobligated Funds:	90,000.00	
4. + Funds Transferred to FastTrack:	0.00	
5. - Funds Transferred from FastTrack:	0.00	
6. - FastTrack Grants or Loans Approved Greater Than \$750,000:	(20,000,000.00)	
7. - FastTrack Grants or Loans Approved Less Than \$750,000:	(883,000.00)	
8. - FastTrack Administration	(46,709.82)	
9. Adjusted FastTrack Balance Available for Funding FastTrack Grants or Loans:		271,677,286.43

10. Total Amount of Commitments:	208,541,557.92	
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11. Uncommitted FastTrack:		63,135,728.51
12. Percentage Committed:		76.8%

13. Amount of Proposed Grants or Loans:	14,250,000.00	
14. Uncommitted FastTrack Balance if Proposed Grants or Loans Approved:		48,885,728.51
15. Percentage Committed:		82.0%

See next page for explanations of the above questions.

I have reviewed the above and believe it to be correct:

Robert D. Rolfe

Commissioner of Economic and Community Development

Date: 12/17/18



Department of Economic and Community Development

Bob Rolfe
Commissioner

Bill Haslam
Governor

December 17, 2018

Comptroller Justin Wilson
First Floor, State Capitol
Nashville, TN 37243

Dear Comptroller Wilson:

The Department of Economic & Community Development (the "Department") seeks approval by the State Funding Board (the "Board") pursuant to T.C.A. § 4-3-717(a) authorizing FastTrack infrastructure, training, and economic development grants where there is a commitment by an eligible business to create or retain private sector jobs or engage in private investment or where the Commissioner of Economic and Community Development determines that such investment will have a direct impact on employment and investment opportunities in the future. The following projects meet the statutory requirements and the Department presents these projects to the Board pursuant to the mandates of T.C.A. § 4-3-717(e), which requires approval of grants and loans under the FastTrack Infrastructure Development Program, the FastTrack Job Training Assistance Program, and the FastTrack Economic Development Program that exceed \$750,000 per eligible business within a three (3) year period.

1. Ernst & Young U.S. LLP - Nashville (Davidson County)

EY is expanding its presence in Nashville with the opening of the new EY Exceptional Delivery Growth Engine (EDGE) Center, which will include software development, design and testing, as well as professionals delivering technology enabled tax managed services for clients. A leading practice in Nashville for decades, the establishment of the EY EDGE Center delivers on EY's purpose of building a better working world for its clients and communities.

EY opened its first office in Nashville in 1958 to serve the most successful public and private companies in the Middle Tennessee business community. As a market leader, the firm continues to attract and retain top talent in Nashville and provide unparalleled exceptional client service. Ernst & Young LLP is a member firm of Ernst & Young Global Limited and serves clients in the U.S. The EY organization is a global leader in assurance, tax, transaction and advisory services. The U.S. firm, Ernst & Young LLP, currently employs approximately 300 professionals in Nashville.

Ernst & Young U.S. LLP has committed to create 600 net new jobs and make a capital investment of \$22,680,000 within five years. The company will have an average wage of \$52.00 per hour for the new positions.

FastTrack Job Training Assistance Program funds will be used to train the new employees. **(\$6,000,000)**

Total FastTrack funds for this project - \$6,000,000



Department of Economic and Community Development

Bob Rolfe
Commissioner

Bill Haslam
Governor

2. **Excel Boat Company, LLC – Union City (Obion County)**

Excel Boat Company, LLC, headquartered in Mountain View, AR manufactures a full line of high-end aluminum boats for outdoor recreational enthusiasts.

At the Union City Plant, Excel Boats will manufacture aluminum boats and boat accessories for the consumer hunting, fishing and pleasure market. Due to the tremendous success that they have experienced since entering this market they have decided to expand. In this facility they will be manufacturing a new, expanded line of fishing and pleasure boats as well as boat trailers, wiring harnesses, upholstery, boat bracing and other boat related products for our growing North American dealer network.

On May 16, 2018, the State Funding Board approved an Economic Development Grant valued at \$1,250,000 to offset the cost of land acquisition and building retrofit in Ridgely, Lake County. At the time, the company had planned on creating 193 jobs with an average wage of \$13.50 per hour and make a \$8,840,000 capital investment within five years. After further due diligence, the company decided to change their location to an existing building in Union City, Obion County and adjust their job numbers, which resulted in the average wage changing and the capital investment slightly changing. As a result, we present to you the revised Excel Boat Company, LLC project.

Excel Boat Company, LLC has committed to create 170 new jobs and make a \$5,705,000 capital investment within five years. The company will have an average wage of \$16.99 per hour for the new positions.

FastTrack Job Economic Development Grant Funds will be used for facility acquisition, building retrofit, and building improvements. **(\$1,000,000)**

Total FastTrack funds for this project - \$1,000,000

3. **Indigo Ag., Inc. - Memphis (Shelby County)**

Indigo's mission is to help farmers sustainably feed the planet. The company uses beneficial plant microbes and digital technologies to promote crop health and productivity, while focusing on improving grower profitability, environmental sustainability and consumer health. Indigo first established operations in Memphis in 2016. Since August 2018, Indigo has increased its headcount in Tennessee from 60 to 175.

One of the fastest growing startups in the country, Indigo was included on CNBC's 2018 Disruptor 50 List, a ranking of the world's most ambitious and innovative companies. The company is a winner of the Glassdoor Employees' Choice Awards, a list of the Best Places to Work in 2019 list.

Indigo Ag., Inc. has committed to create 700 new jobs and make a \$6,592,820 capital investment within five years. The company will have an average wage of \$51.93 per hour for the new positions.



Department of Economic and Community Development

Bob Rolfe
Commissioner

Bill Haslam
Governor

FastTrack Job Economic Development Grant Funds will help offset expenses such as building retrofit, relocation of personnel, relocation of equipment, and site improvements. **(\$2,750,000)**

FastTrack Job Training Assistance Program funds will be used to train the new employees. **(\$1,750,000)**

Total FastTrack funds for this project - \$4,500,000

4. Caymas Boats LLC - Ashland City (Cheatham County)

Caymas Boats is a new company founded by Nashville-based marine executive Earl Bentz, who has a successful record of building boat companies in Tennessee. Beginning in 2019, Caymas Boats will manufacture a new line of premium fiberglass saltwater and freshwater fishing boats in Ashland City.

Caymas Boats plans to renovate and upgrade two existing buildings on Highway 12 in Ashland City. The company anticipates that boat production will begin in February 2019. Caymas Boats' models will be versatile for fishing and other recreational activities. The new Caymas Boats plant will initially manufacture saltwater bay boats up to 27 feet in length, and fiberglass bass boats up to 21 feet long. The company will add additional models in the future.

Caymas Boats LLC has committed to create 283 new jobs and make a \$30,300,000 capital investment within five years. The company will have an average wage of \$20.05 per hour for the new positions.

FastTrack Job Economic Development Grant Funds can help offset expenses such as building retrofit, building expansion, and building improvements. **(\$1,467,000)**

FastTrack Job Training Assistance Program funds will be used to train the new employees. **(\$283,000)**

Total FastTrack funds for this project - \$1,750,000

5. Hiretec America Inc. - Fayetteville (Lincoln County)

Hiretec America Inc, established in 1988 with its headquarters in Auburn Hills, Mich., is an automotive Tier 1 supplier specializing in manufacturing tooling. This new location in Tennessee will add part production capacity in the United States.

Hiretec America Inc. has committed to create 110 new jobs and make a \$41,000,000 capital investment within five years. The company will have an average wage of \$20.84 per hour for the new positions.

FastTrack Job Economic Development Grant Funds can help offset expenses such as relocation of personnel, site improvements, and new construction. **(\$1,000,000)**



Department of Economic and Community Development

Bob Rolfe
Commissioner

Bill Haslam
Governor

Total FastTrack funds for this project - \$1,000,000

Sincerely,

A handwritten signature in blue ink that reads "Bob Rolfe".

Bob Rolfe

BR/js

State Funding Board FastTrack Checklist

FastTrack grants or loans exceeding seven hundred fifty thousand dollars (\$750,000) per eligible business within a three-year period require state funding board approval T.C.A. § 4-3-717(e).

Please identify the type of FastTrack funding requested and the grant or loan amount:

TYPE OF FUNDING	RECIPIENT ENTITY	GRANT AMOUNT	LOAN AMOUNT
INFRASTRUCTURE			
TRAINING*	Ernst & Young U.S. LLP	\$6,000,000	
ECONOMIC DEVELOPMENT			
TOTAL		\$6,000,000	

(Recipient entity must be a local government, their economic development organization, a political subdivision of the state, or an eligible business beneficiary [for training only].)

*ELIGIBLE BUSINESS BENEFICIARY (if different than Recipient Entity): Ernst & Young U.S. LLP

Complete the General Statutory Compliance section below and the section(s) that corresponds with the type of funding indicated above. General Statutory Compliance items apply to all types of funding represented above.

GENERAL STATUTORY COMPLIANCE

1. Will this new commitment cause the FastTrack appropriations to be over-committed T.C.A. § 4-3-716(g)?
If "yes," state funding board concurrence is required. Attach the commissioner's rationale used to determine the amount of actual commitments unlikely to be accepted based on historical program trends (maximum allowed is 130% of the appropriations available for new grants). Yes No

2. Will this new commitment place in jeopardy compliance with the legislative intent that actual expenditures and obligations to be recognized at the end of the fiscal year not exceed available reserves and appropriations of the programs T.C.A. § 4-3-716(g)? Yes No

3. Does this grant or loan comply with the legislative intent to distribute FastTrack funds in all areas of the state to the extent practicable T.C.A. § 4-3-716(f)? Yes No

4. Has the commissioner of economic and community development provided to the commissioner of finance and administration (with copies transmitted to the speaker of the house of representatives, the speaker of the senate, the chairs of the finance, ways and means committees, the state treasurer, the state comptroller, the office of legislative budget analysis, and the secretary of state) the most recent quarterly report regarding the status of the appropriations for the FastTrack fund T.C.A. § 4-3-716(h)? Yes No

Identify which of the following apply:

5. a. Does the business export more than half of their products or services outside of Tennessee T.C.A. § 4-3-717(h)(1)(A)?

- b. Do more than half of the business' products or services enter into the production of exported products T.C.A. § 4-3-717(h)(1)(B)?

- c. Does the use of business' products primarily result in import substitution on the replacement of imported products or services with those produced in the state T.C.A. § 4-3-717(h)(1)(C)?

- d. Has the commissioner of economic and community development determined the business has other types of economic activity that contributes significantly to community development education and has a beneficial impact on the economy of the state T.C.A. § 4-3-717(h)(1)(D)? If "yes," attach the commissioner's rationale.

Applicant must answer "Yes" to a or b.

6. a. Is there a commitment by a responsible official in an eligible business for the creation or retention of private sector jobs and investment T.C.A. § 4-3-717(a)? If "yes," attach documentation.

- b. Has the commissioner of economic and community development determined that this investment will have a direct impact on employment and investment opportunities in the future T.C.A. § 4-3-717(a)? If "yes," attach the commissioner's rationale.

TRAINING

- 7. Will the grant support the training of new employees for locating or expanding industries *T.C.A. § 4-3-717(c)(1)?* Yes No
- 8. Will the grant support the retraining of existing employees where retraining is required by the installation of new machinery or production processes *T.C.A. § 4-3-717(c)(2)?* Yes No

INFRASTRUCTURE

- 9. Is the land to be improved publicly owned and not subject to a purchase option by a private entity where the purchase option covering the land may be exercised within a period of five (5) years following the date of the infrastructure grant? *T.C.A. § 4-3-717(b)(2-3)?* Yes No
- 10. Is this grant or loan made to a local government, a local government economic development organization or other political subdivision of the state *T.C.A. § 4-3-717(d)(1)?* Yes No
- 11. In determining the level of assistance for infrastructure and site preparation, was consideration given to local ability-to-pay with areas of lesser ability being eligible for higher grant rates *T.C.A. § 4-3-717(f)?* Yes No

Applicant must answer "Yes" to a or b.

- 12. a. Will the grant or loan address infrastructure, such as, water, wastewater, transportation systems, line extensions, industrial site preparation or similar items where it is demonstrated that such improvements are necessary for the location or expansion of business or industry *T.C.A. § 4-3-717(h)(2)?*
- b. Has the commissioner of economic and community development determined the funds make significant technological improvements such as digital switches or fiber optic cabling that would have a beneficial impact on the economy of this state *T.C.A. § 4-3-717(h)(2)?* If "yes," attach the commissioner's rationale.

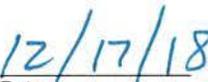
ECONOMIC DEVELOPMENT

- 13. Is this grant or loan made to a local government, a local government economic development organization or other political subdivision of the state *T.C.A. § 4-3-717(d)(1)?* Yes No
- 14. Is this grant or loan eligible for FastTrack infrastructure development or job training assistance funds *T.C.A. § 4-3-717(d)(1)?* Yes No
- 15. Will this grant or loan be used to facilitate economic development activities that include, but are not limited to, retrofitting, relocating equipment, purchasing equipment, building repairs and improvements, temporary office space or other temporary equipment related to relocation or expansion of a business *T.C.A. § 4-3-717(d)(1)?* Yes No
- 16. Will the funds be used in exceptional circumstances wherein the funds will make a proportionally significant economic impact on the affected community *T.C.A. § 4-3-717(d)(1)?* If "yes," attach an explanation of the exceptional circumstances and the proportionally significant economic impact. Yes No
- 17. The department of economic and community development is required to notify and provide the state funding board a detailed written explanation of the purpose for which this economic development grant or loan is being awarded or used *T.C.A. § 4-3-717(d)(2)*. Attach documentation. Yes No

I have reviewed this document and believe it to be correct.



Commissioner of Economic and Community Development



Date



Department of Economic and Community Development

Bob Rolfe
Commissioner

Bill Haslam
Governor

February 5, 2018

INCENTIVE ACCEPTANCE FORM

This form serves as notice that Ernst & Young U.S. LLP intends, in good faith, to create 600 private sector jobs in Davidson County and make a capital investment of \$22,680,000 in exchange for incentives that will be memorialized in a grant agreement between Ernst & Young U.S. LLP and the State of Tennessee.

ECD OFFER SUMMARY

FastTrack Job Training Grant:	\$ 6,000,000
Total ECD Commitment:	\$ 6,000,000

Please sign your name in the space below to signify Ernst & Young U.S. LLP's acceptance of ECD's offer set forth above and return it by May 5, 2018 to:

Tennessee Department of Economic and Community Development
Attn: Jordan Taylor Sloan
312 Rosa Parks Avenue, 27th Floor
Nashville, TN 37243
jordan.taylorsloan@tn.gov

Please note that this Incentive Acceptance Form does not give rise to any legal obligations on the part of the State of Tennessee, any department or instrumentality of the State of Tennessee (including ECD and the Department of Revenue) or the Company. The terms and conditions governing the award of the incentive package described herein will be set forth in a grant agreement, the form of which will be provided to the Company following the delivery of an executed copy of the Incentive Acceptance Form. The incentives described in this letter are based upon the representations made by the Company to ECD regarding the project. ECD reserves the right to revise the incentives described in this Incentive Acceptance Form if any aspect of the project changes after receipt of this form. Changes that could result in revision of incentives include, but are not limited to: number of jobs, amount of capital investment, composition of company vs. contract jobs, average wage, or location of the project.

Signature: Daniel J. Murrett
(Authorized Representative of Company)

Date: 3/29/18

State Funding Board FastTrack Checklist

FastTrack grants or loans exceeding seven hundred fifty thousand dollars (\$750,000) per eligible business within a three-year period require state funding board approval T.C.A. § 4-3-717(e).

Please identify the type of FastTrack funding requested and the grant or loan amount:

TYPE OF FUNDING	RECIPIENT ENTITY	GRANT AMOUNT	LOAN AMOUNT
INFRASTRUCTURE			
TRAINING*			
ECONOMIC DEVELOPMENT	The Industrial Development Board of the City of Union City, Tennessee	\$1,000,000	
TOTAL		\$1,000,000	

(Recipient entity must be a local government, their economic development organization, a political subdivision of the state, or an eligible business beneficiary [for training only].)

*ELIGIBLE BUSINESS BENEFICIARY (if different than Recipient Entity): Excel Boat Company, LLC

Complete the General Statutory Compliance section below and the section(s) that corresponds with the type of funding indicated above. General Statutory Compliance items apply to all types of funding represented above.

GENERAL STATUTORY COMPLIANCE

1. Will this new commitment cause the FastTrack appropriations to be over-committed T.C.A. § 4-3-716(g)? Yes No
If "yes," state funding board concurrence is required. Attach the commissioner's rationale used to determine the amount of actual commitments unlikely to be accepted based on historical program trends (maximum allowed is 130% of the appropriations available for new grants).
2. Will this new commitment place in jeopardy compliance with the legislative intent that actual expenditures and obligations to be recognized at the end of the fiscal year not exceed available reserves and appropriations of the programs T.C.A. § 4-3-716(g)? Yes No
3. Does this grant or loan comply with the legislative intent to distribute FastTrack funds in all areas of the state to the extent practicable T.C.A. § 4-3-716(f)? Yes No
4. Has the commissioner of economic and community development provided to the commissioner of finance and administration (with copies transmitted to the speaker of the house of representatives, the speaker of the senate, the chairs of the finance, ways and means committees, the state treasurer, the state comptroller, the office of legislative budget analysis, and the secretary of state) the most recent quarterly report regarding the status of the appropriations for the FastTrack fund T.C.A. § 4-3-716(h)? Yes No

Identify which of the following apply:

5. a. Does the business export more than half of their products or services outside of Tennessee T.C.A. § 4-3-717(h)(1)(A)?
- b. Do more than half of the business' products or services enter into the production of exported products T.C.A. § 4-3-717(h)(1)(B)?
- c. Does the use of business' products primarily result in import substitution on the replacement of imported products or services with those produced in the state T.C.A. § 4-3-717(h)(1)(C)?
- d. Has the commissioner of economic and community development determined the business has other types of economic activity that contributes significantly to community development education and has a beneficial impact on the economy of the state T.C.A. § 4-3-717(h)(1)(D)? If "yes," attach the commissioner's rationale.

Applicant must answer "Yes" to a or b.

6. a. Is there a commitment by a responsible official in an eligible business for the creation or retention of private sector jobs and investment T.C.A. § 4-3-717(a)? If "yes," attach documentation.
- b. Has the commissioner of economic and community development determined that this investment will have a direct impact on employment and investment opportunities in the future T.C.A. § 4-3-717(a)? If "yes," attach the commissioner's rationale.

TRAINING

- Yes No
7. Will the grant support the training of new employees for locating or expanding industries *T.C.A. § 4-3-717(c)(1)*? Yes No
8. Will the grant support the retraining of existing employees where retraining is required by the installation of new machinery or production processes *T.C.A. § 4-3-717(c)(2)*? Yes No

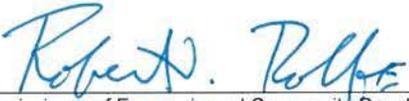
INFRASTRUCTURE

- Yes No
9. Is the land to be improved publicly owned and not subject to a purchase option by a private entity where the purchase option covering the land may be exercised within a period of five (5) years following the date of the infrastructure grant? *T.C.A. § 4-3-717(b)(2-3)*? Yes No
10. Is this grant or loan made to a local government, a local government economic development organization or other political subdivision of the state *T.C.A. § 4-3-717(d)(1)*? Yes No
11. In determining the level of assistance for infrastructure and site preparation, was consideration given to local ability-to-pay with areas of lesser ability being eligible for higher grant rates *T.C.A. § 4-3-717(f)*?
- Applicant must answer "Yes" to a or b.**
12. a. Will the grant or loan address infrastructure, such as, water, wastewater, transportation systems, line extensions, industrial site preparation or similar items where it is demonstrated that such improvements are necessary for the location or expansion of business or industry *T.C.A. § 4-3-717(h)(2)*?
- b. Has the commissioner of economic and community development determined the funds make significant technological improvements such as digital switches or fiber optic cabling that would have a beneficial impact on the economy of this state *T.C.A. § 4-3-717(h)(2)*? If "yes," attach the commissioner's rationale.

ECONOMIC DEVELOPMENT

- Yes No
13. Is this grant or loan made to a local government, a local government economic development organization or other political subdivision of the state *T.C.A. § 4-3-717(d)(1)*? Yes No
14. Is this grant or loan eligible for FastTrack infrastructure development or job training assistance funds *T.C.A. § 4-3-717(d)(1)*? Yes No
15. Will this grant or loan be used to facilitate economic development activities that include, but are not limited to, retrofitting, relocating equipment, purchasing equipment, building repairs and improvements, temporary office space or other temporary equipment related to relocation or expansion of a business *T.C.A. § 4-3-717(d)(1)*? Yes No
16. Will the funds be used in exceptional circumstances wherein the funds will make a proportionally significant economic impact on the affected community *T.C.A. § 4-3-717(d)(1)*? If "yes," attach an explanation of the exceptional circumstances and the proportionally significant economic impact. Yes No
17. The department of economic and community development is required to notify and provide the state funding board a detailed written explanation of the purpose for which this economic development grant or loan is being awarded or used *T.C.A. § 4-3-717(d)(2)*. Attach documentation. Yes No

I have reviewed this document and believe it to be correct.


Commissioner of Economic and Community Development


Date



Department of Economic and Community Development

Bob Rolfe
Commissioner

Bill Haslam
Governor

December 3, 2018

INCENTIVE ACCEPTANCE FORM

This form serves as notice that Excel Boat Company, LLC intends, in good faith, to create 170 private sector jobs in Union City, Obion County and make a capital investment of \$5,705,000 in exchange for incentives that will be memorialized in a grant agreement between Excel Boat Company, LLC and the State of Tennessee.

ECD OFFER SUMMARY

FastTrack Economic Development Grant:	\$ 1,000,000
Total ECD Commitment:	\$ 1,000,000

Please sign your name in the space below to signify Excel Boat Company, LLC's acceptance of ECD's offer set forth above and return it by March 2, 2019 to:

Tennessee Department of Economic and Community Development
Attn: Scottie McCormick
312 Rosa Parks Avenue, 27th Floor
Nashville, TN 37243
Scottie.McCormick@tn.gov

Please note that this Incentive Acceptance Form does not give rise to any legal obligations on the part of the State of Tennessee, any department or instrumentality of the State of Tennessee (including ECD and the Department of Revenue) or the Company. The terms and conditions governing the award of the incentive package described herein will be set forth in a grant agreement, the form of which will be provided to the Company following the delivery of an executed copy of the Incentive Acceptance Form. The incentives described in this letter are based upon the representations made by the Company to ECD regarding the project. ECD reserves the right to revise the incentives described in this Incentive Acceptance Form if any aspect of the project changes after receipt of this form. Changes that could result in revision of incentives include, but are not limited to: number of jobs, amount of capital investment, composition of company vs. contract jobs, average wage, or location of the project.

Signature: Glenn D. Foreman
(Authorized Representative of Company)

Date: Dec 4, 2018



Department of Economic and Community Development

Bob Rolfe
Commissioner

Bill Haslam
Governor

December 17, 2018

Comptroller Justin Wilson
First Floor, State Capitol
Nashville, TN 37243

Dear Comptroller Wilson:

Pursuant to Tennessee Code Annotated §4-3-717 (d)(1)-(2), I am writing to inform you that the Department of Economic and Community Development is awarding a FastTrack Economic Development Grant to The Industrial Development Board of the City of Union City, Tennessee for the benefit of Excel Boat Company, LLC in the amount of \$1,000,000 to offset the costs that will be incurred for facility acquisition, building retrofit, and building improvements. The project activities would not be eligible for the FastTrack Infrastructure Development Program.

On May 16, 2018, the State Funding Board approved an Economic Development Grant valued at \$1,250,000 to offset the cost of land acquisition and building retrofit in Ridgely, Lake County. At the time, the company had planned on creating 193 jobs with an average wage of \$13.50 per hour and make a \$8,840,000 capital investment within five years. After further due diligence, the company decided to change their location to an existing building in Union City, Obion County and adjust their job numbers, which resulted in the average wage changing and the capital investment slightly changing. As a result, we present to you the revised Excel Boat Company, LLC project.

This project will yield a proportionately significant impact on this rural community due to the number of jobs. Excel Boat Company, LLC has committed to create 170 new jobs and to make an \$5,705,000 capital investment within five years. The company will have an average wage of \$16.99 per hour for the new positions.

Sincerely,


Bob Rolfe

State Funding Board FastTrack Checklist

FastTrack grants or loans exceeding seven hundred fifty thousand dollars (\$750,000) per eligible business within a three-year period require state funding board approval T.C.A. § 4-3-717(e).

Please identify the type of FastTrack funding requested and the grant or loan amount:

TYPE OF FUNDING	RECIPIENT ENTITY	GRANT AMOUNT	LOAN AMOUNT
INFRASTRUCTURE			
TRAINING*	Indigo Ag., Inc.	\$1,750,000	
ECONOMIC DEVELOPMENT	Economic Development Growth Engine of Memphis/Shelby County	\$2,750,000	
TOTAL		\$4,500,000	

(Recipient entity must be a local government, their economic development organization, a political subdivision of the state, or an eligible business beneficiary [for training only].)

*ELIGIBLE BUSINESS BENEFICIARY (if different than Recipient Entity): **Indigo Ag., Inc**

Complete the General Statutory Compliance section below and the section(s) that corresponds with the type of funding indicated above. General Statutory Compliance items apply to all types of funding represented above.

GENERAL STATUTORY COMPLIANCE

1. Will this new commitment cause the FastTrack appropriations to be over-committed T.C.A. § 4-3-716(g)?
If "yes," state funding board concurrence is required. Attach the commissioner's rationale used to determine the amount of actual commitments unlikely to be accepted based on historical program trends (maximum allowed is 130% of the appropriations available for new grants). Yes No
2. Will this new commitment place in jeopardy compliance with the legislative intent that actual expenditures and obligations to be recognized at the end of the fiscal year not exceed available reserves and appropriations of the programs T.C.A. § 4-3-716(g)? Yes No
3. Does this grant or loan comply with the legislative intent to distribute FastTrack funds in all areas of the state to the extent practicable T.C.A. § 4-3-716(f)? Yes No
4. Has the commissioner of economic and community development provided to the commissioner of finance and administration (with copies transmitted to the speaker of the house of representatives, the speaker of the senate, the chairs of the finance, ways and means committees, the state treasurer, the state comptroller, the office of legislative budget analysis, and the secretary of state) the most recent quarterly report regarding the status of the appropriations for the FastTrack fund T.C.A. § 4-3-716(h)? Yes No

Identify which of the following apply:

5. a. Does the business export more than half of their products or services outside of Tennessee T.C.A. § 4-3-717(h)(1)(A)?
- b. Do more than half of the business' products or services enter into the production of exported products T.C.A. § 4-3-717(h)(1)(B)?
- c. Does the use of business' products primarily result in import substitution on the replacement of imported products or services with those produced in the state T.C.A. § 4-3-717(h)(1)(C)?
- d. Has the commissioner of economic and community development determined the business has other types of economic activity that contributes significantly to community development education and has a beneficial impact on the economy of the state T.C.A. § 4-3-717(h)(1)(D)? If "yes," attach the commissioner's rationale.

Applicant must answer "Yes" to a or b.

6. a. Is there a commitment by a responsible official in an eligible business for the creation or retention of private sector jobs and investment T.C.A. § 4-3-717(a)? If "yes," attach documentation.
- b. Has the commissioner of economic and community development determined that this investment will have a direct impact on employment and investment opportunities in the future T.C.A. § 4-3-717(a)? If "yes," attach the commissioner's rationale.

TRAINING

- 7. Will the grant support the training of new employees for locating or expanding industries T.C.A. § 4-3-717(c)(1)? Yes No
- 8. Will the grant support the retraining of existing employees where retraining is required by the installation of new machinery or production processes T.C.A. § 4-3-717(c)(2)? Yes No

INFRASTRUCTURE

- 9. Is the land to be improved publicly owned and not subject to a purchase option by a private entity where the purchase option covering the land may be exercised within a period of five (5) years following the date of the infrastructure grant? T.C.A. § 4-3-717(b)(2-3)? Yes No
- 10. Is this grant or loan made to a local government, a local government economic development organization or other political subdivision of the state T.C.A. § 4-3-717(d)(1)? Yes No
- 11. In determining the level of assistance for infrastructure and site preparation, was consideration given to local ability-to-pay with areas of lesser ability being eligible for higher grant rates T.C.A. § 4-3-717(f)? Yes No

Applicant must answer "Yes" to a or b.

- 12. a. Will the grant or loan address infrastructure, such as, water, wastewater, transportation systems, line extensions, industrial site preparation or similar items where it is demonstrated that such improvements are necessary for the location or expansion of business or industry T.C.A. § 4-3-717(h)(2)?
- b. Has the commissioner of economic and community development determined the funds make significant technological improvements such as digital switches or fiber optic cabling that would have a beneficial impact on the economy of this state T.C.A. § 4-3-717(h)(2)? If "yes," attach the commissioner's rationale.

ECONOMIC DEVELOPMENT

- 13. Is this grant or loan made to a local government, a local government economic development organization or other political subdivision of the state T.C.A. § 4-3-717(d)(1)? Yes No
- 14. Is this grant or loan eligible for FastTrack infrastructure development or job training assistance funds T.C.A. § 4-3-717(d)(1)? Yes No
- 15. Will this grant or loan be used to facilitate economic development activities that include, but are not limited to, retrofitting, relocating equipment, purchasing equipment, building repairs and improvements, temporary office space or other temporary equipment related to relocation or expansion of a business T.C.A. § 4-3-717(d)(1)? Yes No
- 16. Will the funds be used in exceptional circumstances wherein the funds will make a proportionally significant economic impact on the affected community T.C.A. § 4-3-717(d)(1)? If "yes," attach an explanation of the exceptional circumstances and the proportionally significant economic impact. Yes No
- 17. The department of economic and community development is required to notify and provide the state funding board a detailed written explanation of the purpose for which this economic development grant or loan is being awarded or used T.C.A. § 4-3-717(d)(2). Attach documentation. Yes No

I have reviewed this document and believe it to be correct.



Commissioner of Economic and Community Development

12/17/18

Date



Department of Economic and Community Development

Bob Rolfe
Commissioner

Bill Haslam
Governor

November 15, 2018

INCENTIVE ACCEPTANCE FORM

This form serves as notice that Indigo Ag., Inc. intends, in good faith, to create 700 private sector jobs in Memphis, Shelby County and make a capital investment of \$6,592,820 in exchange for incentives that will be memorialized in a grant agreement between Indigo Ag., Inc. and the State of Tennessee.

ECD OFFER SUMMARY

FastTrack Job Training Grant:	\$ 1,750,000
FastTrack Economic Development Grant:	\$ 2,750,000
Total ECD Commitment:	\$ 4,500,000

Please sign your name in the space below to signify Indigo Ag., Inc.'s acceptance of ECD's offer set forth above and return it by February 2, 2019 to:

Tennessee Department of Economic and Community Development
Attn: Scottie McCormick
312 Rosa Parks Avenue, 27th Floor
Nashville, TN 37243
Scottie.McCormick@tn.gov

Please note that this Incentive Acceptance Form does not give rise to any legal obligations on the part of the State of Tennessee, any department or instrumentality of the State of Tennessee (including ECD and the Department of Revenue) or the Company. The terms and conditions governing the award of the incentive package described herein will be set forth in a grant agreement, the form of which will be provided to the Company following the delivery of an executed copy of the Incentive Acceptance Form. The incentives described in this letter are based upon the representations made by the Company to ECD regarding the project. ECD reserves the right to revise the incentives described in this Incentive Acceptance Form if any aspect of the project changes after receipt of this form. Changes that could result in revision of incentives include, but are not limited to: number of jobs, amount of capital investment, composition of company vs. contract jobs, average wage, or location of the project.

Signature: 
(Authorized Representative of Company)
Paul T. Dacier, General Counsel and Secretary

Date: December 3, 2018



Department of Economic and Community Development

Bob Rolfe
Commissioner

Bill Haslam
Governor

December 17, 2018

Comptroller Justin Wilson
First Floor, State Capitol
Nashville, TN 37243

Dear Comptroller Wilson:

Pursuant to Tennessee Code Annotated §4-3-717 (d)(1)-(2), I am writing to inform you that the Department of Economic and Community Development is awarding a FastTrack Economic Development Grant to Economic Development Growth Engine of Memphis/Shelby County for the benefit of Indigo Ag., Inc. in the amount of \$2,750,000 to offset the costs that will be incurred for building retrofit, relocation of personnel, relocation of equipment, and site improvements. The project activities would not be eligible for the FastTrack Infrastructure Development Program.

This project will yield a proportionately significant impact on the community due to the number of high wage jobs. Indigo Ag. Inc. has committed to create 700 new jobs and to make an \$6,592,820 capital investment within five years. The company will have an average wage of \$51.93 per hour for the new positions.

Sincerely,


Bob Rolfe

State Funding Board FastTrack Checklist

FastTrack grants or loans exceeding seven hundred fifty thousand dollars (\$750,000) per eligible business within a three-year period require state funding board approval T.C.A. § 4-3-717(e).

Please identify the type of FastTrack funding requested and the grant or loan amount:

TYPE OF FUNDING	RECIPIENT ENTITY	GRANT AMOUNT	LOAN AMOUNT
INFRASTRUCTURE			
TRAINING*	Caymas Boats LLC	\$283,000	
ECONOMIC DEVELOPMENT	Cheatham County Government	\$1,467,000	
TOTAL		\$1,750,000	

(Recipient entity must be a local government, their economic development organization, a political subdivision of the state, or an eligible business beneficiary [for training only].)

*ELIGIBLE BUSINESS BENEFICIARY (if different than Recipient Entity): Caymas Boats LLC

Complete the General Statutory Compliance section below and the section(s) that corresponds with the type of funding indicated above. General Statutory Compliance items apply to all types of funding represented above.

GENERAL STATUTORY COMPLIANCE

1. Will this new commitment cause the FastTrack appropriations to be over-committed T.C.A. § 4-3-716(g)? Yes No
If "yes," state funding board concurrence is required. Attach the commissioner's rationale used to determine the amount of actual commitments unlikely to be accepted based on historical program trends (maximum allowed is 130% of the appropriations available for new grants).
2. Will this new commitment place in jeopardy compliance with the legislative intent that actual expenditures and obligations to be recognized at the end of the fiscal year not exceed available reserves and appropriations of the programs T.C.A. § 4-3-716(g)? Yes No
3. Does this grant or loan comply with the legislative intent to distribute FastTrack funds in all areas of the state to the extent practicable T.C.A. § 4-3-716(f)? Yes No
4. Has the commissioner of economic and community development provided to the commissioner of finance and administration (with copies transmitted to the speaker of the house of representatives, the speaker of the senate, the chairs of the finance, ways and means committees, the state treasurer, the state comptroller, the office of legislative budget analysis, and the secretary of state) the most recent quarterly report regarding the status of the appropriations for the FastTrack fund T.C.A. § 4-3-716(h)? Yes No

Identify which of the following apply:

5. a. Does the business export more than half of their products or services outside of Tennessee T.C.A. § 4-3-717(h)(1)(A)?
- b. Do more than half of the business' products or services enter into the production of exported products T.C.A. § 4-3-717(h)(1)(B)?
- c. Does the use of business' products primarily result in import substitution on the replacement of imported products or services with those produced in the state T.C.A. § 4-3-717(h)(1)(C)?
- d. Has the commissioner of economic and community development determined the business has other types of economic activity that contributes significantly to community development education and has a beneficial impact on the economy of the state T.C.A. § 4-3-717(h)(1)(D)? If "yes," attach the commissioner's rationale.

Applicant must answer "Yes" to a or b.

6. a. Is there a commitment by a responsible official in an eligible business for the creation or retention of private sector jobs and investment T.C.A. § 4-3-717(a)? If "yes," attach documentation.
- b. Has the commissioner of economic and community development determined that this investment will have a direct impact on employment and investment opportunities in the future T.C.A. § 4-3-717(a)? If "yes," attach the commissioner's rationale.

TRAINING

- 7. Will the grant support the training of new employees for locating or expanding industries T.C.A. § 4-3-717(c)(1)? Yes No
- 8. Will the grant support the retraining of existing employees where retraining is required by the installation of new machinery or production processes T.C.A. § 4-3-717(c)(2)? Yes No

INFRASTRUCTURE

- 9. Is the land to be improved publicly owned and not subject to a purchase option by a private entity where the purchase option covering the land may be exercised within a period of five (5) years following the date of the infrastructure grant? T.C.A. § 4-3-717(b)(2-3)? Yes No
- 10. Is this grant or loan made to a local government, a local government economic development organization or other political subdivision of the state T.C.A. § 4-3-717(d)(1)? Yes No
- 11. In determining the level of assistance for infrastructure and site preparation, was consideration given to local ability-to-pay with areas of lesser ability being eligible for higher grant rates T.C.A. § 4-3-717(f)? Yes No

Applicant must answer "Yes" to a or b.

- 12. a. Will the grant or loan address infrastructure, such as, water, wastewater, transportation systems, line extensions, industrial site preparation or similar items where it is demonstrated that such improvements are necessary for the location or expansion of business or industry T.C.A. § 4-3-717(h)(2)?
- b. Has the commissioner of economic and community development determined the funds make significant technological improvements such as digital switches or fiber optic cabling that would have a beneficial impact on the economy of this state T.C.A. § 4-3-717(h)(2)? If "yes," attach the commissioner's rationale.

ECONOMIC DEVELOPMENT

- 13. Is this grant or loan made to a local government, a local government economic development organization or other political subdivision of the state T.C.A. § 4-3-717(d)(1)? Yes No
- 14. Is this grant or loan eligible for FastTrack infrastructure development or job training assistance funds T.C.A. § 4-3-717(d)(1)? Yes No
- 15. Will this grant or loan be used to facilitate economic development activities that include, but are not limited to, retrofitting, relocating equipment, purchasing equipment, building repairs and improvements, temporary office space or other temporary equipment related to relocation or expansion of a business T.C.A. § 4-3-717(d)(1)? Yes No
- 16. Will the funds be used in exceptional circumstances wherein the funds will make a proportionally significant economic impact on the affected community T.C.A. § 4-3-717(d)(1)? If "yes," attach an explanation of the exceptional circumstances and the proportionally significant economic impact. Yes No
- 17. The department of economic and community development is required to notify and provide the state funding board a detailed written explanation of the purpose for which this economic development grant or loan is being awarded or used T.C.A. § 4-3-717(d)(2). Attach documentation. Yes No

I have reviewed this document and believe it to be correct.

Robert P. Rolfe
Commissioner of Economic and Community Development

12/17/18
Date



Department of Economic and Community Development

Bob Rolfe
Commissioner

Bill Haslam
Governor

December 6, 2018

INCENTIVE ACCEPTANCE FORM

This form serves as notice that Caymas Boats LLC intends, in good faith, to create 283 private sector jobs in Ashland City, Cheatham County and make a capital investment of \$30,300,000 in exchange for incentives that will be memorialized in a grant agreement between Caymas Boats LLC and the State of Tennessee.

ECD OFFER SUMMARY

FastTrack Job Training Grant:	\$ 283,000
FastTrack Economic Development Grant:	\$ 1,467,000
Total ECD Commitment:	\$ 1,750,000

Please sign your name in the space below to signify Caymas Boats LLC's acceptance of ECD's offer set forth above and return it by March 5, 2019 to:

Tennessee Department of Economic and Community Development
Attn: Scottie McCormick
312 Rosa Parks Avenue, 27th Floor
Nashville, TN 37243
Scottie.McCormick@tn.gov

Please note that this Incentive Acceptance Form does not give rise to any legal obligations on the part of the State of Tennessee, any department or instrumentality of the State of Tennessee (including ECD and the Department of Revenue) or the Company. The terms and conditions governing the award of the incentive package described herein will be set forth in a grant agreement, the form of which will be provided to the Company following the delivery of an executed copy of the Incentive Acceptance Form. The incentives described in this letter are based upon the representations made by the Company to ECD regarding the project. ECD reserves the right to revise the incentives described in this Incentive Acceptance Form if any aspect of the project changes after receipt of this form. Changes that could result in revision of incentives include, but are not limited to: number of jobs, amount of capital investment, composition of company vs. contract jobs, average wage, or location of the project.

Signature:
(Authorized Representative of Company)
ADAM ADKISSON

Date: 12/10/2018



Department of Economic and Community Development

Bob Rolfe
Commissioner

Bill Haslam
Governor

December 17, 2018

Comptroller Justin Wilson
First Floor, State Capitol
Nashville, TN 37243

Dear Comptroller Wilson:

Pursuant to Tennessee Code Annotated §4-3-717 (d)(1)-(2), I am writing to inform you that the Department of Economic and Community Development is awarding a FastTrack Economic Development Grant to Cheatham County Government for the benefit of Caymas Boats LLC in the amount of \$1,467,000 to offset expenses such as building retrofit, building expansion, and building improvements. The project activities would not be eligible for the FastTrack Infrastructure Development Program.

This project will yield a proportionately significant impact on the community due to the number of jobs and significant capital investment. Caymas Boats LLC has committed to create 283 new jobs and make a \$30,300,000 capital investment within five years. The company will have an average wage of \$20.05 per hour for the new positions.

Sincerely,


Bob Rolfe

State Funding Board FastTrack Checklist

FastTrack grants or loans exceeding seven hundred fifty thousand dollars (\$750,000) per eligible business within a three-year period require state funding board approval T.C.A. § 4-3-717(e).

Please identify the type of FastTrack funding requested and the grant or loan amount:

TYPE OF FUNDING		RECIPIENT ENTITY	GRANT AMOUNT	LOAN AMOUNT
	INFRASTRUCTURE			
	TRAINING*			
	ECONOMIC DEVELOPMENT	Fayetteville – Lincoln County Industrial Development Board	\$1,000,000	
	TOTAL		\$1,000,000	

(Recipient entity must be a local government, their economic development organization, a political subdivision of the state, or an eligible business beneficiary [for training only].)

*ELIGIBLE BUSINESS BENEFICIARY (if different than Recipient Entity): Hirotec America Inc.

Complete the General Statutory Compliance section below and the section(s) that corresponds with the type of funding indicated above. General Statutory Compliance items apply to all types of funding represented above.

GENERAL STATUTORY COMPLIANCE

1. Will this new commitment cause the FastTrack appropriations to be over-committed T.C.A. § 4-3-716(g)? Yes No
If "yes," state funding board concurrence is required. Attach the commissioner's rationale used to determine the amount of actual commitments unlikely to be accepted based on historical program trends (maximum allowed is 130% of the appropriations available for new grants).
2. Will this new commitment place in jeopardy compliance with the legislative intent that actual expenditures and obligations to be recognized at the end of the fiscal year not exceed available reserves and appropriations of the programs T.C.A. § 4-3-716(g)? Yes No
3. Does this grant or loan comply with the legislative intent to distribute FastTrack funds in all areas of the state to the extent practicable T.C.A. § 4-3-716(f)? Yes No
4. Has the commissioner of economic and community development provided to the commissioner of finance and administration (with copies transmitted to the speaker of the house of representatives, the speaker of the senate, the chairs of the finance, ways and means committees, the state treasurer, the state comptroller, the office of legislative budget analysis, and the secretary of state) the most recent quarterly report regarding the status of the appropriations for the FastTrack fund T.C.A. § 4-3-716(h)? Yes No

Identify which of the following apply:

5. a. Does the business export more than half of their products or services outside of Tennessee T.C.A. § 4-3-717(h)(1)(A)?
- b. Do more than half of the business' products or services enter into the production of exported products T.C.A. § 4-3-717(h)(1)(B)?
- c. Does the use of business' products primarily result in import substitution on the replacement of imported products or services with those produced in the state T.C.A. § 4-3-717(h)(1)(C)?
- d. Has the commissioner of economic and community development determined the business has other types of economic activity that contributes significantly to community development education and has a beneficial impact on the economy of the state T.C.A. § 4-3-717(h)(1)(D)? If "yes," attach the commissioner's rationale.

Applicant must answer "Yes" to a or b.

6. a. Is there a commitment by a responsible official in an eligible business for the creation or retention of private sector jobs and investment T.C.A. § 4-3-717(a)? If "yes," attach documentation.
- b. Has the commissioner of economic and community development determined that this investment will have a direct impact on employment and investment opportunities in the future T.C.A. § 4-3-717(a)? If "yes," attach the commissioner's rationale.

TRAINING

- 7. Will the grant support the training of new employees for locating or expanding industries T.C.A. § 4-3-717(c)(1)?
- 8. Will the grant support the retraining of existing employees where retraining is required by the installation of new machinery or production processes T.C.A. § 4-3-717(c)(2)?

Yes No

Yes No

INFRASTRUCTURE

- 9. Is the land to be improved publicly owned and not subject to a purchase option by a private entity where the purchase option covering the land may be exercised within a period of five (5) years following the date of the infrastructure grant? T.C.A. § 4-3-717(b)(2-3)?
- 10. Is this grant or loan made to a local government, a local government economic development organization or other political subdivision of the state T.C.A. § 4-3-717(d)(1)?
- 11. In determining the level of assistance for infrastructure and site preparation, was consideration given to local ability-to-pay with areas of lesser ability being eligible for higher grant rates T.C.A. § 4-3-717(f)?

Yes No

Yes No

Yes No

Applicant must answer "Yes" to a or b.

- 12. a. Will the grant or loan address infrastructure, such as, water, wastewater, transportation systems, line extensions, industrial site preparation or similar items where it is demonstrated that such improvements are necessary for the location or expansion of business or industry T.C.A. § 4-3-717(h)(2)?
- b. Has the commissioner of economic and community development determined the funds make significant technological improvements such as digital switches or fiber optic cabling that would have a beneficial impact on the economy of this state T.C.A. § 4-3-717(h)(2)? If "yes," attach the commissioner's rationale.

ECONOMIC DEVELOPMENT

- 13. Is this grant or loan made to a local government, a local government economic development organization or other political subdivision of the state T.C.A. § 4-3-717(d)(1)?
- 14. Is this grant or loan eligible for FastTrack infrastructure development or job training assistance funds T.C.A. § 4-3-717(d)(1)?
- 15. Will this grant or loan be used to facilitate economic development activities that include, but are not limited to, retrofitting, relocating equipment, purchasing equipment, building repairs and improvements, temporary office space or other temporary equipment related to relocation or expansion of a business T.C.A. § 4-3-717(d)(1)?
- 16. Will the funds be used in exceptional circumstances wherein the funds will make a proportionally significant economic impact on the affected community T.C.A. § 4-3-717(d)(1)? If "yes," attach an explanation of the exceptional circumstances and the proportionally significant economic impact.
- 17. The department of economic and community development is required to notify and provide the state funding board a detailed written explanation of the purpose for which this economic development grant or loan is being awarded or used T.C.A. § 4-3-717(d)(2). Attach documentation.

Yes No

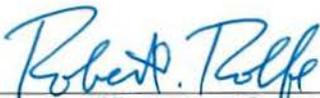
Yes No

Yes No

Yes No

Yes No

I have reviewed this document and believe it to be correct.



Commissioner of Economic and Community Development

12/17/18
Date



Department of Economic and Community Development

Bob Rolfe
Commissioner

Bill Haslam
Governor

December 10, 2018

INCENTIVE ACCEPTANCE FORM

This form serves as notice that Project Shamrock intends, in good faith, to create 110 private sector jobs in Fayetteville, Lincoln County and make a capital investment of \$41,000,000 in exchange for incentives that will be memorialized in a grant agreement between Project Shamrock and the State of Tennessee.

ECD OFFER SUMMARY

FastTrack Economic Development Grant:	\$ 1,000,000
Total ECD Commitment:	\$ 1,000,000

Please sign your name in the space below to signify Project Shamrock's acceptance of ECD's offer set forth above and return it by March 9, 2019 to:

Tennessee Department of Economic and Community Development
Attn: Scottie McCormick
312 Rosa Parks Avenue, 27th Floor
Nashville, TN 37243
Scottie.McCormick@tn.gov

Please note that this Incentive Acceptance Form does not give rise to any legal obligations on the part of the State of Tennessee, any department or instrumentality of the State of Tennessee (including ECD and the Department of Revenue) or the Company. The terms and conditions governing the award of the incentive package described herein will be set forth in a grant agreement, the form of which will be provided to the Company following the delivery of an executed copy of the Incentive Acceptance Form. The incentives described in this letter are based upon the representations made by the Company to ECD regarding the project. ECD reserves the right to revise the incentives described in this Incentive Acceptance Form if any aspect of the project changes after receipt of this form. Changes that could result in revision of incentives include, but are not limited to: number of jobs, amount of capital investment, composition of company vs. contract jobs, average wage, or location of the project.

Signature: [Handwritten Signature]
(Authorized Representative of Company)

Date: 12/12/18



Department of Economic and Community Development

Bob Rolfe
Commissioner

Bill Haslam
Governor

December 17, 2018

Comptroller Justin Wilson
First Floor, State Capitol
Nashville, TN 37243

Dear Comptroller Wilson:

Pursuant to Tennessee Code Annotated §4-3-717 (d)(1)-(2), I am writing to inform you that the Department of Economic and Community Development is awarding a FastTrack Economic Development Grant to Fayetteville – Lincoln County Industrial Development Board for the benefit of Hirotec America Inc. in the amount of \$1,000,000 to offset expenses such as relocation of personnel, site improvements, and new construction. The project activities would not be eligible for the FastTrack Infrastructure Development Program.

This project will yield a proportionately significant impact on the community due to the number of jobs and significant capital investment. Hirotec America Inc. has committed to create 110 new jobs and make a \$41,000,000 capital investment within five years. The company will have an average wage of \$20.84 per hour for the new positions.

Sincerely,


Bob Rolfe