

TENNESSEE STATE FUNDING BOARD
March 8, 2019

The Tennessee State Funding Board (the "Board") met on Friday, March 8, 2019, at 1:15 p.m., in the Cordell Hull Building, 1st Floor, House Hearing Room V, Nashville, Tennessee. The Honorable Justin Wilson, Comptroller, was present and presided over the meeting.

The following members were also present:

The Honorable Tre Hargett, Secretary of the State of Tennessee
Commissioner Stuart McWhorter, Department of Finance and Administration

The following members were absent:

The Honorable Bill Lee, Governor
The Honorable David Lillard, Treasurer

Seeing a physical quorum present, Mr. Wilson called the meeting to order and asked for approval of the minutes from the December 17, 2018 meeting. Mr. Hargett made a motion to approve the minutes. Mr. Wilson seconded the motion, and it was unanimously approved.

Mr. Wilson then recognized Mr. Bob Rolfe, Commissioner of Tennessee Department of Economic and Community Development ("ECD"), to present FastTrack projects for consideration and Mr. Paul VanderMeer, Assistant Commissioner of Administration, ECD, to present the "FastTrack Report to State Funding Board" (the "Report"). Mr. VanderMeer reported that, as of the date of the last Board meeting on December 17, 2018, the FastTrack balance was \$271,677,286.43. Since that time, \$1,909,122.93 in new funds had been appropriated; \$1,229,364.44 in funds were deobligated and returned to the FastTrack program; \$56,417,108.00 in new grants had been approved and \$409,807.25 in funds had been spent on FastTrack administrative expenses, which resulted in an adjusted FastTrack balance available for funding grants and loans of \$217,988,858.55 as of the date of the Report. Mr. VanderMeer reported that commitments had been made in the amount of \$154,000,987.67, resulting in an uncommitted FastTrack balance of \$63,987,870.88. Mr. VanderMeer reported that the projects to be considered at this meeting totaled \$20,748,086.00, and if these projects were approved, the uncommitted balance would be \$43,239,784.88 and the total commitments would be \$174,749,073.67, which represented 80.2% of the FastTrack balance.

Mr. Rolfe then presented the following FastTrack projects:

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| • JNJ Express, Inc. – Memphis (Shelby County)
FastTrack Economic Development Grant | \$ 1,220,000.00 |
| • FedEx Logistics, Inc. – Memphis (Shelby County)
FastTrack Economic Development Grant | \$10,000,000.00 |
| • Portobello America, Inc. – Baxter (Putnam County)
FastTrack Economic Development Grant | \$ 3,000,000.00 |

- **Van Hool TN Manufacturing, LLC – Morristown (Hamblen County)**

FastTrack Economic Development Grant	\$ 4,750,000.00
FastTrack Infrastructure Development Grant	\$ 250,000.00
FastTrack Job Training Assistance	\$ 1,500,000.00

- **Gränges Americas Inc. – Huntingdon (Carroll County)**

FastTrack Infrastructure Development Grant	\$ 28,086.00
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Mr. Rolfe further explained that the Board had previously approved an infrastructure grant of \$395,850.00 for the Gränges Americas Inc. project for necessary sewer improvements at the Huntingdon Industrial Park on May 16, 2018. Mr. Rolfe explained that the \$28,086.00 requested was to finish those improvements, which would benefit all users of the industrial park.

The Board received in their packets signed letters, FastTrack checklists, and incentive acceptance forms signed by Mr. Rolfe. Mr. Wilson inquired if the information provided in the ECD packets was true and correct and Mr. Rolfe responded affirmatively. Mr. Wilson also inquired if the companies that had signed the incentive acceptance forms fully understood the agreements and Mr. Rolfe responded affirmatively.

Mr. Hargett inquired as to the median hourly wages of the counties of the projects presented. Ms. Jamie Stitt, Assistant Commissioner of Business and Workforce Development, ECD, responded \$16.35 for Shelby County, \$14.17 for Putnam County, and \$14.09 for Hamblen County. Ms. Stitt further stated that 98% of projects approved in 2019, and over 80% approved in 2018, exceeded the median wage of the county that the project was approved in.

Mr. McWhorter inquired about how the amount of project funding is determined. Mr. Rolfe responded that projects were prioritized based on the number of net new jobs, the amount of private capital investment, the average hourly wage of the new jobs created, and the tier ranking of the county where the project was located. Mr. Rolfe further stated that ECD maintains a database that allows them to compare a new grant to historical grants for the same area. Mr. Wilson then inquired about the prioritization of public infrastructure grants. Mr. Rolfe responded that the infrastructure grants were for the infrastructure needs surrounding a project site and are granted through separate requests, on an as needed basis.

Mr. Hargett made a motion to approve the FastTrack projects that were presented. Mr. Wilson seconded the motion, and it was unanimously approved.

After requesting other business and hearing none, Mr. Wilson adjourned the meeting.

Approved on this 11th day of April 2019.

Respectfully submitted,



Sandra Thompson
Assistant Secretary