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Nashville's boom, and renewable energy, power new data center near Beretta

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[Jordan Milman](#) built his career on Wall Street, including a role at Deutsche Bank alongside a subprime mortgage trader made famous in [Michael Lewis'](#) book "The Big Short," about how the housing bubble triggered the Great Recession.

Now, Milman is investing in Gallatin — with the first of what he hopes will be several data centers across the road from the Italian gunmaker Beretta and its manufacturing plant.



PROVIDED BY JORDAN MILMAN

Jordan Milman is founder and CEO of Archer Datacenters.

Milman's startup, Archer Datacenters, is set to buy nearly 30 acres of land on Tuesday where the company aims to open a roughly 70,000-square-foot data center in 2020. It's a "colocation" center, which means Milman will rent space for servers and other hardware to businesses looking to securely store their data.

Milman's arrival is another outgrowth of Greater Nashville's robust growth and the kind of high-tech economy it is starting to become: The entrepreneur said he was drawn by the region's "burgeoning financial services and technology sectors, as well as its enormous footprint in health care." The project also signals a shift in the types of jobs and companies Gallatin wants to attract, broadening its image beyond

the more traditional manufacturing and distribution deals officials have pursued in the past.

"It's a bet on Nashville and a bet on the expansion of those data-intensive industries," Milman said in an interview. "There's a fantastic, educated workforce; low unemployment; and great livability."

Others are making those bets, too. [Google](#) (Nasdaq: GOOG) is under construction on a \$600 million data center in Clarksville, two counties west of Sumner County, which will be powered by renewable energy. The company Flexential operates a combined 166,000 square feet of data center space at its three area locations, and the company counts Brentwood-based [Tractor Supply Co.](#) (Nasdaq: TSCO) among its customers. All of Flexential's operations are in Williamson County, which is two counties south of Sumner County.

"With unemployment as low as it's been, we've struggled to fill all the positions right now in our manufacturing sector," said [James Fenton](#), executive director of the Gallatin Economic Development Agency. The Nashville metro area, which includes Gallatin, has notched the lowest unemployment rate of the nation's large metros in 11 of the past 17 months.

"We're turning that ship a little bit," Fenton said, adding that Gallatin's newly adopted strategic plan has him focusing more on recruiting deals like the Archer project. "When this opportunity came up, it was very exciting for us. We're going to continue to pursue similar opportunities."

Milman said low unemployment is a boost to his plans. Data centers typically involve few jobs — about five to 10, in the case of Archer's initial facility. That said, Fenton is working with the Greater Nashville Technology Council and [Volunteer State Community College](#) to make sure the city can supply a workforce for this and other tech-focused operations.

"For me, unemployment is a signpost of a healthy local economy," Milman said.

Milman declined to disclose the total investment he intends to make, other than describing it as significant. The company's first facility will house up to 5 megawatts of IT capacity. "We could replicate that building two or three times on the site,"

Milman said. The land purchase also includes the right of first refusal on adjacent land.

Gallatin is the first project for Milman's company, which he started last summer. Markets such as Denver and Columbus, Ohio, are also on Milman's radar.

"Not to disparage anyone in the Northeast or major markets, but in coming to the South, coming to Nashville, I immediately got the sense that everybody wanted to make it happen," Milman said. "It really felt more like having partners than being on opposite sides of this 'trade,' quote-unquote. People in Nashville — and I'm sure James [Fenton], too — probably have been dealing with way bigger fish than me, but you don't feel that in the way that you are treated."

Milman included the Tennessee Valley Authority in that group. He initially approached the federally owned utility with questions about power availability. TVA, which often assists in the region's business recruiting efforts, played the role of dealmaker by introducing Milman to Fenton — while also providing access to renewable energy to fuel the facility.

The land Archer Datacenters is buying from Gallatin is next to a new substation seeing minimal existing use, Fenton said. Gallatin also has excess capacity in its water and sewer systems, he said.

Fenton said the parties are looking at a payment-in-lieu-of-taxes incentives deal, which would waive part or all of Archer's property taxes for up to nine years (excluding funding for schools).



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