

ECONOMIC DEVELOPMENT COMMISSION
Thursday, January 8, 2015
Blue Conference Room
1920 South Germantown Road

The regular meeting of the Economic Development Commission (EDC) was held Thursday, January 8, 2015, in the Administration Conference Room. Chairman Klein called the meeting to order at 5:30 p.m.

PRESENT: Jerry Klein, Janet Geyer, Sidney Kuehn, Rebecca DeRousse, Janie Day, Susan Burrow, Rick Towne, Harold Steinberg, Ron Sklar, and Alderman John Barzizza

GUESTS: Reid Dulberger, Chief Economic Development Officer for Shelby County, for EDGE, Gwyn Fisher, Regional Director of Economic & Community Development for the State of TN, Mark Billingsley, County Commissioner for District 4, Michelle Johns, Resident

ABSENT: Steven Levy, and James King

STAFF PRESENT: Marie Lisco, Economic Development Manager and Cameron Ross, Director of Economic Community Development

1. A quorum for tonight's Economic Development Commission meeting was established.

Mayor Palazzolo welcomed everyone to the Economic Development Commission. As the City is embarking on some major Economic and Development, there will be a roll for the Economic Development Commissioners. You have received an ethics statement that you need to review and sign. Then turn the form in to Marie Lisco. When you look at being a commissioner or a member of a board on a commission in Germantown, you are appointed. Just remember the 3 D's: discuss, decide, and deliberate. If you do that among each other outside of this meeting, that's in violation of the Sunshine Law.

2. Minutes: Approval of Minutes for December 4, 2014

Chairman Klein stated the first order of business is the approval of the minutes for December 4, 2014. If there were no additions, corrections or deletions to the minutes, he would entertain a motion for approval.

Mr. Towne moved to approve the Economic Development Commission minutes of December 4, 2014, seconded by Mr. Sklar. **The motion was passed.**

3. Introductions and Welcome to New Members

Chairman Klein noted that in the packets are the City ordinance concerning the EDC and the commission attendance policy. We are an advisory group for the Board of Mayor and Aldermen. Chairman Klein reported events that occurred in 2014: Huey's came to Germantown, construction began on Somerset, permits for Thornwood, the Kimbrough medical building, medical building on WRB, Whole Foods, Kroger at Farmington continues on track, and Saddle Creek west and south. There is going to be a new Behavioral Health Center in the Forest Hill Heights area. The new Baptist Rehab Hospital is open. Campbell Clinic is going to double in size. There are 2 wine and spirit shops and 2 new pizza stores that have opened.

Chairman Klein stated we will wait until the February meeting to vote a vice chairman to the commission.

Ms. Lisco also provided some background on 2014 EDC events: with the assistance of an EDGE grant which the Chamber shares with us; our EDP website received a Communication Award of Merit from (SEDC) Southern Economic Development Council. We made a recommendation to the BMA for the next Small Area Plan. We held the Germantown Business & Industry Summit last year (EDGE grant), and we will have the next one February 18, 2015. We produced the Business & Industry report and a Visitor's Guide. Retail taskforce/retail merchant group: Shop Germantown Facebook page.

3. Reports/Monthly:

a) Reid Dulberger, Chief Economic Development Officer for Shelby County for EDGE, made a presentation. We do projects and work on long and short term economic development initiatives. This morning, at the Economic Club breakfast, the Federal Reserve Bank of St. Louis gave the State of the Memphis area economy. The Metro area grew in 2014, by 4,100 net additional jobs. The good news for 2015 is that they are projecting the Metro area economy will go up to about 10,000 jobs.

Gwyn Fisher, Regional Director of Economic & Community Development for the State of TN, said Governor Haslam and Commissioner Randy Boyd are working to create high quality jobs for West Tennessee. My team and I actually serve Lauderdale, Tipton, Shelby, and Fayette Counties. Approximately 90% of the jobs were created in Shelby County. I have some good news, for the second year in a row; Tennessee has been named the number one State in the nation for Economic Development. In the past 4 years we have created 211,000 jobs across the State. This year alone, the State of Tennessee tops their jobs with 24,000. Here in our southwest region we have created over 7,000 jobs. In 2014, we created 30% more jobs than in any other year. Our team came up with 2,300 jobs. The jobs I am talking about are in manufacturing, distribution, corporate headquarters, call centers, and data centers. We are moving forward and working with communities to focus on: 1) Shovel ready sites, 2) Workforce 360.

Ron Sklar asked if she is referring to workforce, is there not education for these jobs? I took a tour of the Electrolux plant, are those the jobs that people are not education for? Or is it Campbell Clinic where they need more surgeons and can't find them? Would a 2 year education equip those people to do that job?

Ms. Fisher replied that of what we hear is the Electrolux requests. In the medical field we certainly have a nursing shortage. However, we have a lot of high quality nursing schools, so in life sciences we are not seeing a really big gap. Where we are seeing it is in a company that desperately needs 100 production workers. We could only find them 2 people that were qualified. A 6 month certificate would be a start.

Sidney Kuehn shared an example from his experience where there was a shortage at the service station I didn't want to get involved in the recruiting aspect. So, I took a store and hired a trainer and then went to the Urban League and ask them to furnish the people from a school. It worked great and we had all the stores in the City call on that training facility.

Ms. Fisher answered that we have partnerships with organizations like that all over West Tennessee. We are reaching across state lines with the partnership; with Mid-south Community College. One of the entities we have is called the Workforce Investment Network (WIN). Its federal dollars flow through the state, that contract with the City.

b) Ms. Lisco provided some background of Germantown recent Economic Development progress:

- Vision
- Guiding Documents:
 - ❖ Vision 2020 Plan – October 2005
 - ❖ Smart Growth Plan – 2007
 - ❖ Economic Development Strategic Plan - 2012
 - ❖ Economic Development Work Plan – 2013
 - ❖ Greater Memphis Regional Strategic Plan (EDGE)
 - Greater Memphis Alliance for Competitive Workforce (GMACW) - 2014
- Economic Development Strategic Plan – 2012
 - We have 5 Themes for a Sustainable Economy:
 1. Creating and enabling environment
 2. Leveraging assets to attract investment
 3. Building value from within
 4. Establishing measures of performance
 5. Repositioning within the regional economy

- Economic Development Work Plan – 2013
 - Established 5 Economic Development Areas:
 1. CBD (Smart Growth)
 2. West Poplar Avenue
 3. Wolf River
 4. Forest Hill Heights
 5. East Poplar Avenue

The second annual Germantown Business & Industry Summit is on February 18, 2015 from 7:30-10:30 a.m. at the Great Hall. The keynote speaker will be the TNECD Commissioner.

b) Task Forces:

- i. Retail– (Transition to Merchant Group) – Shop Germantown:
- ii. Tourism – (Visitor’s Guide)
- iii. Innovation – (Incubator effort)

c) Planning Small Area Nodes/Districts:

- i. Central Business District – Whole Foods is playing catch up. They are currently on track for a June-July opening. Kroger is scheduled to open in May-July 2015. Germantown Collection sold for \$13 million. We had a business open up at Germantown Collection (Maui Brick Oven Pizza). This is the only other one on the “mainland”. McDonald’s will open after the first of the year. The Saddle Creek South development is still on track for May 2015. The 6,000 square feet building (where the Saddle Creek fountain is located) will open up in late spring. The medical building across the street from our office has 3 spaces within it, and 2 of them have been filled by a dentist and an Urgent Care. The Village of Germantown is expanding. Thornwood’s Phase 1 development agreement covers the sidewalk, curb and gutter, streetscape, and landscaping; phase 2 consists of Bob Richards Jeweler’s store; and phase 3 is the hotel. It’s going to be the first major development in the Smart Code area following our Smart Code. At this point, it is in the 5th Phase that’s been approved by the Planning Commission, and 3 out of 5 phases have been approved on the warrants by the BMA. Somerset site work was finished in December, and the lots should go out to the builder in January.
- ii. Western Gateway/Poplar – We are looking at a project scope for infrastructure review and traffic impact for that area.
- iii. Eastern Poplar/Forest Hill-Irene – (Office Technology District) The Sprouts building is coming along. We met with the Forest Hill Heights ownership group and we plan to put out a request for the proposals on the Small Area Plan on Monday. We will be interviewing consultants to come and do a community Charrette for that area and focus on redeveloping that area. Which is currently a green field, but already has a lot of the infrastructure in place, both in the terms of connective to TN State 385 as well as hook ups for MLGW. We are also in review for the Crestwyn Behavioral Health Center construction drawing review.
- iv. Wolf River – The West Clinic is moving into the UT Medical building and expanding 10,000 square feet and adding a parking deck. The Kimbrough Medical Office buildings both have metal framing done. Lot 3 on Wolf River Blvd., next to Sutherland Clinic; is putting in their leaded roof for the radiology group for their first tenant. The intersection of Wolf River Blvd. and Germantown Road carries surprising 80,000 cars a day is going to the BMA at the end of the month on January 26 for review of the Professional Service Agreement for the final design for the improvement at that intersection. The next step is to take it to construction. We have put it out for a construction bid for the Greenway trail, which will go from Kimbrough Road to Cameron Brown Park.

d) Germantown Area Chamber of Commerce: Janie Day gave a report from the Germantown Area Chamber of Commerce:

Annual Dinner Gala

This event will be on January 22, 2015 at the Great Hall. The event is a fund raiser for the Chamber. We honor the Small Business of the Year, the Large Business of the Year and the Non-Profit of the Year. The Chamber accepts the applications for the 3 categories. We then ask SCORE of Memphis to choose the winners in each category. The winners are notified by us and attend the event where they are presented a plaque by the corresponding sponsor.

This year the Small Business of the Year is Alisha Dumas, State Farm. The sponsor is 1st Tennessee Bank.

The Non-Profit of the Year is Memphis Oral School for the Deaf. The sponsor is Fidelity Investments in Germantown.

The Charlie McCraw Large Business of the year is The Village at Germantown. The Sponsor is Metropolitan Bank.

We also recognize the Ambassador of the Year. This award is a surprise to the recipient, so I will not reveal the name at this time.

Entertainment by Donna Wolf/Catering by CAC Memphis Communications Corporation is the Video/Sound Company/ Hicks is the event Sponsor.

Paragon Bank is the Presenting Sponsor

Germantown Business and Industry Summit

This event is a partnership with the city. The event is Wednesday, February 18, 2015 at the Great Hall from 7:30 AM to 10:30 AM. Cost is \$40 in advance \$50 at the door.

Chamber New Member Report (December 2014)

Total renewals were 35 with \$43,600 in revenue.

New members were 7 with \$1,200 in revenue.

e) **Germantown IDB:** There are two PILOTS in Germantown: (ThyssenKrupp and West Fraser). There has not been IDB meeting since the last report.

4. Old Business:

Chairman Klein and Marie Lisco noted at the last meeting that the EDC wanted some more information about what is going on at the fairgrounds with the Tourism Development Zone (TDZ). Ms. Lisco gave a brief summary:

- \$233 million fairgrounds redevelopment plan that includes amateur sports facilities, a hotel, retail space, upgrades to the neighboring Children's Museum of Memphis and a new gym for Fairview Middle School at the site
- It calls for a public contribution of \$176 million, with bond payments for that money made from the sales tax increases within the TDZ
- Shelby County Commission's economic development and tourism committee supported the concept of the TDZ, but sent the resolution to the full commission without an endorsement
- In December, Commission delayed a resolution on the TDZ until January meeting
- Robert Lipscomb, city director of Housing and Community Development and the city's manager of fairgrounds development said the plan does not require County Commission approval, but he would like the support of both the full commission and Memphis City Council — a united Shelby County — before presenting it to the State Building Commission in February
- Mayor Luttrell expressed concern about the connection between financial support for the project and education.
- Commissioner Billingsley said that today's announcement that it's going to be back on Monday's agenda came as a shock to me, because we have committee meetings that go almost an entire day on Wednesday's, before the Monday meeting. It was not on the committee agenda. The only way

you can put something on the Monday meeting is with the Chairman of the County Commission...apparently just wanted it put back on the agenda. It's a sufficient impact, to Jerry Klein's comments, to Germantown and the entire district that I am over from Southwind all the way to south Cordova and especially Game Day as well as Penny Hardaway's initiatives. We don't have to pretend what the economic impact is on Game Day to Germantown. We track the numbers from an economic standpoint. They stay in Germantown hotels, use restaurants and shop. When this came out, I told Mr. Lipcomb that I want to be supportive, but we needed more data. We need them to sit down for Game Day and with Penny Hardaway. I have met with the Executive Director of Game Day and representatives and that has not really materialized. I told Mr. Lipcomb that he can push this all he wants and win the County Commission, but when it goes to Nashville, it's going to fail. Legislators are already calling Steve McManus, Mark White, and Mark Norris. It will come back on Monday, and if it does pass, I will be coming back to you to ask for your support to reach out to Mark White and other legislators.

Also, keep in mind that there are other Commissioners with other concerns. The Shelby County School is owed \$57 million dollars for education. There is a deal in the works for \$43 million dollars, and it has not materialized, but we are really close. The City Council wants to go back to negotiations and Commissioner Reaves said he would not support the (TDZ) until education is funded and Mayor Luttrell has said the same thing.

5. The next EDC meeting will be in the Administration Conference Room on Thursday, February 12, 2015 at 5:30.
6. **Adjournment:** There being no further business, the meeting was adjourned.

SECOND ANNUAL
GERMANTOWN BUSINESS &
INDUSTRY SUMMIT

Save the Date

FEBRUARY 18, 2015
TIME: 7:30 a.m. - 10:30 a.m.

Keynote Speaker: Randy Boyd, TN Economic & Community
Development Commissioner

The Great Hall and Conference Center

SPONSORED BY
CITY OF GERMANTOWN
GERMANTOWN AREA CHAMBER OF COMMERCE

FOR MORE INFORMATION: WWW.GERMANTOWN-TN.GOV/ECONOMKDEV