

INDUSTRIAL DEVELOPMENT BOARD
January 20, 2009, 5:30 p.m.

The Germantown Industrial Development Board met on January 20, 2009, in the Administrative Conference Room. Chairman Henry Evans called the meeting to order at 5:30 p.m. and asked for a roll call. A quorum was established.

PRESENT: Chairman Henry Evans, Mike Harless, Don Lee, Annette Liles, Dr. Frank Markus and Keith Saunders

ABSENT: Dick Vosburg

STAFF PRESENT: City Administrator Patrick Lawton, Assistant City Administrator Andy Pouncey, Economic Development Coordinator Katie Graffam and Laurel Williams, Attorney, Burch, Porter & Johnson. Also present were Alderman David Billingsley, Alderman Ernest Chism, Alderman Carole Hinely and Alderman Mike Palazzolo.

GUEST PRESENT: Jason Yarbrow, West Fraser, Inc.

MINUTES

A motion was made and seconded to approve the June 18th minutes. Motion passed.

Chairman Evans stated that the board had been provided a packet of several items which had been sent out for information purposes and all items would probably not be discussed, as a potential change to the Industrial Development Board Charter would be considered at this meeting.

APPROVAL OF THE WEST FRASER PILOT AMENDMENT REGARDING ITS REAL PROPERTY LEASE AGREEMENT TERMS

Mr. Evans introduced Jason Yarbrow with Butler Snow, representing West Fraser, who would provide their presentation regarding its real property lease agreement terms.

Mr. Yarbrow introduced Adrian Blocker, VP of West Fraser, Inc. and head of its U.S. operations, and stated he would be joining him for this presentation.

Mr. Yarbrow stated at the end of last year West Fraser was approached by Atlantic Pacific Financial, which is also leasing space in the 1900 Exeter (commonly referred to as the EZON Building). Atlantic Pacific needs additional space and although West Fraser was occupying and using all of the space, they are in a position to absorb some of the use of that space into its existing space, so West Fraser, therefore, is looking at a potential sublease. Mr. Yarbrow stated that he had talked to Barry Ingram last year and had spoken with Andy Pouncey and Katie Graffam about a possible sublease, and then on January 9 submitted a request to sublet that space to the board for consideration. He thanked the administration, Chairman Evans and everyone for accommodating their request in such a timely matter.

Mr. Yarbrow stated their request essentially is to permit them to sublet the space which is currently subject to the PILOT to Atlantic Pacific Financial. He stated it is only about 4,000 square feet of the space and brings down their percentage and they understand that with that there will be corresponding adjustments to the PILOT, such that the space sublet to Atlantic Pacific would not be subject to any PILOT benefits.

Chairman Evans stated that tonight the board was being asked to give them the authority to enter into the sublease. He stated basically the board would be granting them the authority to enter into the sublease and if in fact they do not enter into the sublease, the board will not be signing an amendment to the existing lease

agreement with West Fraser. Mr. Evans passed out a draft resolution to be reviewed so if there a change to the language was required it could be covered before going into discussion.

Mr. Evans stated the key elements in the resolution:

- The third WHEREAS, reduces the amount covered by the existing PILOT from 64.17 percent of the building to 53.7 percent, so that is the net adjustment in the PILOT itself.
- Next page, Paragraph 1, changed the language in Paragraph 1, the first sentence including A, B, & C will stay as it is. The sentence beginning “the proposed amendment, 4th line from the bottom of the first paragraph, that sentence would read as follows: “The proposed amendment will contain provisions allowing the West Fraser sublease area to revert to 64.17 percent of the building following the certification by an officer of West Fraser, that the Atlantic sublease has expired and that West Fraser has resumed occupancy and utilization of 64.17 percent of the building.
- Basically, they have to come back to the board and support the fact that they are reoccupying that space in order for it to be included in the PILOT once again.

Chairman Evans asked for questions. He stated the board wanted to support from an economic standpoint what West Fraser is doing and would do as a member of the community, but the board has to be a steward of the tax base and can't allow space that is not utilized to be part of a PILOT, so in essence West Fraser is recertifying and re-justifying the fact that they will occupy that space once again once the sublease is terminated.

Chairman Evans thanked Mr. Yarbrough and Mr. Blocker for working with the board on the language.

There being no questions, Chairman Evans asked for a motion to approve the resolution.

A motion was made and seconded to approve the Resolution. Motion passed.

POSSIBLE BOND ISSUE FOR SMART GROWTH DEVELOPMENTS

Chairman Evans stated that last spring there was a meeting between the Board of Mayor and Aldermen and the Industrial Development Board regarding a possible bond issue for Smart Growth developments and steps of the Industrial Development Board in this process. This is further discussion of that item. He stated Patrick Lawton, City Administrator, would make the initial presentation.

Patrick Lawton stated he had talked with David Lillard who had worked with the Industrial Development Board since its inception and Mr. Lillard stated he would be available to discuss some of the specifics with the Industrial Development Board if they have any questions. Mr. Lawton stated Mr. Lillard would be joining this meeting by conference call.

Andy Pouncey, introduced Laurel Williams, attorney with Burch, Porter & Johnson, and stated she had brought with her a resolution to be considered at this meeting. Copies of the resolution were passed out to the board.

At this point Mr. Lawton set up a conference call with David Lillard and the Industrial Development Board for a discussion about the proposed resolution before the board at this meeting.

Chairman Evans congratulated Mr. Lillard on his new position as Treasurer for the State of Tennessee.

Patrick Lawton made a brief presentation of the charter establishing the Industrial Development Board. He stated the Charter was approved by the Board of Mayor and Aldermen in June 2001 and the by-laws adopted by the IDB that same month. The Charter as approved by the BMA granted the Germantown Industrial

Development Board the authority to negotiate a payment in lieu of ad valorem taxes or a PILOT subject to approval by the Board of Mayor and Aldermen. Although the state statute allows for the issuance of debt by the IDB, the Germantown Charter specifically says that the IDB in Germantown will not issue debt or take on debt of any nature. That is one part of what is being looked at. In addition to that, where this comes into play, the Board of Mayor and Aldermen in 2005 adopted the Smart Growth Plan and Code, but at the same time the Board later that spring adopted a Public/Private Partnership Policy which identified the three main partners in any type of Smart Growth development; that being the citizens, the City and the developer. One of the things required in that Public/Private Partnership Policy was that there would be the creation or development of a fiscal impact analysis on any project developing in Smart Growth, so we could look at presenting to our residents and the elected officials what would be the economic impact of any project developing within the smart Growth Code in terms of what would generated with property taxes or other sources of revenue. Under that same Public/Private Partnership Policy, depending upon the nature of the Smart Growth development and its economic impact, the City could provide the developer with the net present value of the property taxes to be generated for public improvements on the site. According to our matrix the maximum would be the net present value of the property taxes generated over a 15-year period of time. In addition to that, in 2007 the General Assembly passed a special assessment statute which would allow for cities to collect a developer self-imposed special assessment and then apply that special assessment to certain public improvements as a development tool.

As Chairman Evans frames the issue, the subject before the IDB is consideration of an amendment to its Charter to serve as a new economic development tool. This financing tool is for certain public improvements in our Smart Growth area handled through one of two mechanisms: A) issuing debt for public infrastructure improvements through a revenue bond to be paid back by the increased value from the property taxes generated from that specific property, and B) the IDB could issue bonds for public infrastructure improvements, the debt to which would be retired by a developer self-imposed special assessment. Again, as Chairman Evans mentioned last summer, we had a work session with the IDB to talk specifically about the special assessment legislation. We then had, at the request of the IDB, a joint work session with the BMA and the IDB to further explore this possibility and amendment to its charter. Any amendment to the Charter pending action by this body this evening, I believe would still have to go to the BMA for their approval because it is an amendment to the Charter. That is what we are looking for direction tonight. The IDB and Chairman Evans were very clear that before the IDB would entertain a possible change to its Charter that they wanted to receive direction from the BMA to go forward because they have to be partners in this; A) because of the amendment to the Charter itself, and B) because if we look at the use of the special assessment legislation the City would be involved in actually collecting that special assessment on behalf of the IDB.

Chairman Evans stated there was another point raised by the IDB as well as in their joint meeting, and that is experience other cities have had, specifically Sevierville, and research was done other cities in other states.

Katie Graffam stated there wasn't anything that looked available. She stated Florida is a state that does it a lot, but they weren't able to provide any information.

Mr. Lawton stated that in Tennessee the statute is so new that not many cities are utilizing it. Mr. Lillard said that is correct and that Sevierville was the first major project.

Chairman Evans asked Mr. Lillard if there was any history from Sevierville. Mr. Lillard stated it had been on hold because of the problems in the credit market.

Chairman Evans asked if they had not yet issued their bonds.

Mr. Lillard stated not to his knowledge.

Patrick Lawton added the IDB had asked for direction from the BMA. He stated there had been a work session with the BMA to run over a variety of issues, from the state of the Germantown economy to the connection of Germantown Road South, and administration received direction on various things. In talking about the Smart Growth projects in general, Mr. Lawton had asked the BMA if they would provide direction to the administration to follow up with the IDB on having it consider an amendment to its Charter, which the Board did on a Friday afternoon at the conclusion of its retreat.

There was a request that some information from the cities in Florida that have entered into the public/private partnerships, realizing it's not Tennessee, but since Sevierville really hasn't issued any bonds, we have no ground work there to learn from, so I would like to see if we could go in to some of these cities either in Florida or some other state and find out exactly how it's been done, what's been done, how successful it has been, etc.

Chairman Evans stated the key to that in terms of the discussion at this meeting, is whether or not they are actually using IDB's or some other vehicle to issue bonds other than GO bonds for these projects.

Chairman Evans stated if you will recall from our meeting last spring, essentially if in fact we chose to amend our charter and place ourselves under this piece of legislation, the BMA initially would set the parameters as to what was going to be included in this public/private partnership, so that once the request actually came to the IDB all we're doing is issuing the bonds in the amount set forth by the BMA. We do not make those unilateral decisions, is that correct?

Mr. Lillard, said, yes, you would make the decision to issue debt. He stated Chairman Evans is right; you would have a PILOT issue you would be following, that hopefully would gain the approval of the BMA.

Chairman Evans – don't they actually set in advance the parameters of the assessment so that whatever bond we are issuing we know there is a revenue stream?

Mr. Lillard stated, correct, the BMA would have to act on the assessments and approve them.

Mr. Lawton stated prior to that we would know via the fiscal impact analysis what is the possible revenue streams, first of all coming forward, and we would also know through our development contract what would be the cost for the public improvements that the City would be involved with. Those two things would be known and then, David, we would write this into the development contract.

Mr. Lillard stated that is correct, there would be a very lengthy developer's agreement negotiated between the City and the IDB and the developer about terms of the project.

Mike Harless asked if there would be an overall policy saying that for other developers to qualify they would have to meet these minimum requirements either on dollars spent or capital invested, etc., and that would be administered by the Mayor and Board?

Patrick Lawton stated that is not currently in the Public/Private Partnership Policy, but one thing that is is that it has to be a project that develops in the Smart Growth zone and, secondly, there are LEED standards and requirements that have to be addressed in order to qualify for a certain level of financial assistance. Also that there is a detailed citizen participation plan that is developed by the developer to come forward. And probably just as important as anything else, if not more so in terms of understanding the project, is the requirement to prepare the fiscal impact analysis. We will be able to see what are the net revenues associated with this project. And then from the overall scope of the project, what are the requirements if we negotiate those for any type of public infrastructure?

Mr. Harless - I guess what I am getting to, is there a threshold that the developer has to meet?

Mr. Lawton – not in terms of value on the project. The value of the project would be determined based upon the matrix and how high they would score in any type of financial incentive. Some would think the larger the project, the higher they are going to score in terms of property taxes.

Mr. Harless – Is there a threshold on the matrix that would qualify?

Mr. Lawton – Yes, but not a dollar value.

Mr. Harless – But the matrix would qualify the developer basically on the size of the development?

Mr. Lawton – It would, the footprint, the LEED requirements, and then the type of funding that could be made available.

Mr. Harless – The developers who qualify would have to be approved by the Mayor and Board and that will come to the IDB.

Mr. Lawton – they would be approved first of all coming through if they were developing within a Smart Growth zone and then the administration and development staff would look at how they would score in the policy itself, in the matrix, and then that would be presented .

Chairman Evans stated nothing would come to the IDB for the issuance of bonds until the BMA had approved the project and the scope of the project.

Mr. Lawton stated that would be a very detailed development contract that would go to the BMA, everything from here is the value of the project and what is projected in terms of revenues, i.e. here is what is being requested in terms of public infrastructure improvements. Those revenues and costs would be identified and nailed down to protect the City.

How about monitoring the progress made coming from the issuance of the bonds, making sure that it's within the guidelines? Who is going to do that? Is that going to be part of the IDB responsibility?

Mr. Lawton responded the Finance staff would report back to the IDB.

Chairman Evans stated another question that was raised last spring, and I honestly don't remember the answer. In the event that this is done, that we have actually issued bonds, is the developer assuming the responsibility for the repayment of the bonds and then passing it along, is the assessment that is made on each of the properties, and /or if one business goes out of business and goes belly-up what happens to that share of the assessment as applied to the bond payments?

Mr. Lillard stated you would have to over-collateralize it in order to provide for the reserve money. You'd provide an actual reserve bond that the developer puts up or some kind of stand-by credit, sort of like a stand-by letter of credit for a cost like that, or you would have to over-collateralize it by having 125 percent assessment against the debt service requirement. You would have some mechanism of providing for an effectual reserve fund there. In most cases like that, the developer would not be personally liable directly for the bond. They would be liable for the reserve fund if they put up a letter of credit or something.

Chairman Evans stated his concern is that the IDB does not want to be in a position of issuing bonds that can ultimately end up in default. He stated that the question is, is that reserve fund or the over-collateralization something the IDB sets or does, that gets set by the BMA at the time a request would come to the IDB.

Mr. Lillard stated the Board would be nullified - what I tell each board I represent is to not issue or basically make a debt with no credit enhancement or no over-collateralization that is sufficient because generally those bond issues should be like your traditional revenue bond issuance to a shopping center or whatever it is. It ought to be backed by a direct pay letter of credit. First of all, it would be the policy of this board not to issue debt that is not adequately credit enhanced in some form or another satisfactory to the board. Some boards issue debt that doesn't really have much credit enhancement to it. In today's market you can't even sell debt that has a credit enhancement. It's kind of academic at this particular moment, but hopefully that will change as the market becomes more liquid.

Mr. Harless -As I understand it, a bond would be issued against a piece of personal property that is held by the developer, a parking garage, etc., is that correct?

Mr. Lillard stated the debt service on the bonds would be paid by the stream of money from the special assessments on various parcels that benefit from the – if you do have a parking garage that would benefit the retail and commercial – the tenants would be the ones paying the assessment.

Mr. Harless - Who approves the property that is going to have the assessment against it?

Mr. Lillard – it would be proposed by the developer under the statute and at the time the developer owns it all – and accepted by the Board of Mayor and Aldermen -like Chairman Evans said earlier that special assessment amount of everything of a parcel per square foot, whatever the unit of measure is, would be ultimately approved by the Board of Mayor and Aldermen of Germantown.

Chairman Evans – back to over-collateralization, you mentioned that the board should adopt a policy and at that time I think you were referring to the IDB, is that correct?

Mr. Lillard – That is right.

Chairman Evans – but if the BMA has to approve the assessment prior to the time it comes to the IDB for the issuance of debt, does that not dictate that the BMA ought to have that policy as well.

Mr. Lillard – they are not the ones who are issuing the debt, so they normally wouldn't do that. Your policy does not have to be singularly defined, I think it just has to say that the board has a policy of not issuing debt that's not adequately collateralized in the judgment of the board, and gives some examples of how that might be done. Obviously, a direct-pay letter of credit securing the entire debt stream is one way to do it. Another way is 100 percentage of over-collateralization. Normally, the City would not want to get involved in dictating the parameters with debt as such and the policy of it just on the issue of trying to limit liability as a city issuing revenue bonds that are special obligation of the IDB only and the city's liability on them.

Chairman Evans – how does the board set the assessment level if in fact they don't have a guideline for their over-collateralization of the bond issue?

Mr. Lillard – it's got to be a cooperative process. The application for the debt would have to be filed with the IDB at the same time that the developer is preparing or proposing his assessment to the BMA. That's the coordination between the two, but that can be handled. That's how it could be done is to have some interchange between the people in that regard.

Chairman Evans – so essentially we have to have the IDB pass some type of policy regarding how we are going to insure the collateral is there one way or the other, and then the board would need to follow that when they are working with the developer to set the assessment levels?

Mr. Lillard – That’s right.

Chairman Evans – I think we also asked the question, in the issuance of debt do we also build in administrative costs?

Mr. Lillard – Yes, you would want to do that because it’s part of the assessment process as well because what could happen is the City could end up collecting the taxes or assessments necessary to support the bond issue. They are going to process those at the same time they process the City real estate taxes.

Chairman Evans – who determines the length of the bonds?

Mr. Lillard – Again, it’s really up to the IDB in association with the developer and also to the underwriters that determine what kind of debt service coverage you have and what the desire of the board is in that regard.

Chairman Evans – Is there any limit to the length of the debt issue and the legislation?

Mr. Lillard – I don’t recall that there is in the legislation, I know that the Comptroller’s office doesn’t like debt issued more than 30 years, although some of it is less than that.

Mr. Lawton – Just a point of clarification for the IDB members, and we have a number of aldermen here, the statute currently allows the IDB to do this in terms of issuing debt. And, again, when the IDB was created in 2001, that language was specifically removed.

Mr. Lillard – Right. And the debt that the IDB can issue is not limited to the situations involving special assessments. I represent the Collierville IDB and they’ve issued bonds to finance St. George’s High School in Collierville, and that’s secured by land on a portion of their endowment for the school. That’s another example of how this sort of thing is used sometimes.

Mr. Lawton – I wanted to be clear with the IDB that the payback doesn’t necessarily have to come from a special assessment, that’s just a tool that is now available to us. It could be a revenue bond backed by the property taxes.

Mr. Lillard – That’s right, not necessarily the property taxes, but in that case it’s based on the earnings from their endowment fund and the principle secures it and all that or some other revenue stream. The IDB does not have the power to issue bonds that are paid by actual taxes, ad valorem property taxes. We would really want to do that anyway because you can’t use the City’s taxing authority in that manner.

Mr. Lawton – So a revenue bond, if the IDB were the issuer and it were not backed by special assessment, does the revenue stream come through the City and then to the IDB.

Mr. Lillard - a shopping center, for example where you’re financing your shopping center using IDB issued revenue bonds, what happens is that the lease payments made by the tenants of the shopping center pay back the bond. So that’s the revenue stream that is used in that classic case. And again, I don’t advocate and I don’t believe Germantown would ever do something like that, but some IDB boards do.

Mr. Lawton – But if we were looking at the acquisition, let’s say of public infrastructure, if the developer were to build those in the City, acquire those through the IDB, our public/private partnership policy says that we will give or provide the net present value of let’s say 15 years worth of property taxes for public infrastructure – if the IDB issued debt for that, where is the revenue stream, would it function like a TIF?

Mr. Lillard –The IDB debt, and what you’re looking at in financing infrastructure like roads and all that, that’s one investment the City has made – if you look at the X number of years and it comes to Y amount, then the City might invest that amount in roads and sewers and other things like that. This situation involving the assessment for any other IDB debt might be separate from that in the sense that it’s a separate – you’re going to help them finance that particular part of it. Like in this case, the Poag & McEwen project, the discussion has been about using the IDB revenue bonds that are paid by the special assessment– to finance the parking garage, that’s as I understand it a separate discussion from the discussion of what the City might do in terms of assisting with developing roads or sewers or something like that which is based on the net economic benefit of the project.

Mr. Lawton – Is that another arena where the IDB could issue bonds for those public improvements?

Mr. Lillard - The IDB could do that – under the statute the boards formed under Chapter 52 of the Code, they can issue bonds for facilities that are incident to development as well. That would include things like sewers and things like that. But again, if the special assessment in this case is adequate to build a parking garage, or is debt service necessary to build a parking garage –adequate to put in sewers or to build a road or something like that. There’s nothing special that keeps the board from issuing bonds to do that. That falls subject to the fact that the board wants to be sure the bonds are properly collateralized and that has an adequate debt service stream with adequate reserve funds to be sure -- Like if you get a stream of money that you earn as a taxpayer and citizen, then how much house can you buy when you go to buy a house – you find that based on the debt service payment that you can pay, reasonably pay.

Chairman Evans – If we amend our Charter does this give us a broader base, the authority to issue bonds than what we were led to believe would be our very narrow authority?

Mr. Lillard – It would – if you take the prohibition out of the Charter, then it would give you the authority to issue bonds like in the cases I have talked about involving a shopping center or something like that. The question why the board would do that is a whole separate question under any particular set of circumstances. The Charter amendment you have before you is one that would just remove the limitation on issuing indebtedness by this board.

Chairman Evans – I guess my question then is when the board had this discussion in your retreat, was there an understanding that if we amended it this way that it does include that broad based authority whether we choose to use it or not, that it would be there?

Mr. Lawton – No, we did not discuss that specifically, we talked about picking up from our conversation last summer or fall that this is an economic development tool available to us, in order to use it we would have to amend the charter, and asked was there direction to go forward?

Chairman Evans – I think all of us in that meeting last summer walked away thinking it was a very narrow authority that would be granted to us. I don’t think any of us thought that you were opening the door that we could issue other types of debt or for other purposes other than this very narrow one that we talked about last spring.

Mr. Harless -Could it not be positioned so that the mayor and board had to approve in advance any type of proposal by the IDB, so that for us to issue any monies or bonds it would have to be approved in advance by the BMA?

Chairman Evans – That’s what we thought last spring we were going to do. David, this resolution that is before us removes any and all of those barriers and maybe we’re asking whether or not we can put a barrier back in there that justifies – the board has to approve whatever we issue.

Mr. Lillard – If the board desires to put a limitation in there what I am looking at and we have to look pretty closely and talk to Mark Manatov and other people who would be involved in any potential bond issue is you don't normally find provisions in IDB board charters, charters of any debt issuing entity that has very narrowly crafted an exception allowing certain type of debt – if it's property you want to make sure that your debt that fall within that limitation. In fact, in Chairman Harless' point, I don't think the Tennessee Statute allows you to have the Board of Mayor and Aldermen approve a debt issuance by an IDB. There's an expressed provision in the statute that allows the IDB to have a limitation with respect to PILOT, how we get our thing of going before the BMA and PILOT and other economic incentives approved. There is no expressed grant with respect to debt issuance. And further, the faith and principle bond law you wouldn't really want to have that because you don't want the City of Germantown approving the bond issue and having an implication that somehow the full faith and credit of Germantown is being pledged. The official statement the disclosure circular – the bond issue is going to say that these bonds are a special obligation of the IDB secured only by the revenues from special assessments or whatever it is pay it and that the full faith and credit of Germantown is not pledging its taxing authority of the City of Germantown.

Mr. Lawton – To Mike Harless' point, if you did that on the front end before you entered into any type of consideration of debt issuance have that requirement from the BMA before you began any type of bond sale.

Mr. Lillard – You can put some language in the Charter, talk to Manatov and others about this, because they're going to be expressing opinions that these bonds aren't enforceable and property structured and all that, but you could try to put something in there that has some limits to debt to, that's funded by the special assessment statute and appropriate reserve funds, etc, to do it, but it probably, I guess it could be done.

Chairman Evans – I guess our question then is, with this discussion are we in a position tonight to move forward on a resolution asking for the amendment to the Charter or do we need to further clarify some of these questions before we do?

Mr. Lillard – It depends on the will of the board in that regard. If you want I can speak with the other lawyers involved and see what we can do about trying to narrow the situation down.

Chairman Evans – I'd prefer not to have a resolution voted down, so maybe we ought to get a sense of everybody before we try to get a motion on the resolution itself. How comfortable is everybody that we can go ahead and request the amendment to the Charter, or would you prefer we get some of these other answers before we go forward.

Ms. Liles-I prefer the answers

Mr. Harless (?) I prefer additional answers and I would like to see what other cities have done.

Chairman Evans – We have a unanimous opinion tonight that we probably should not move forward with this resolution. Are we clear on the questions that are pending so that when we do get back together we have the right information coming to us? We're looking for experiences from other cities on public/private partnerships and particularly any of those that have IDB or other debt issued to support the public/private partnerships. We would like to get some clarity on whether there would be any opportunity to limit the debt issuance abilities of the IDB in any way without placing the City's faith and credit on the bonds.

All -Yes.

Mr. Lillard – Right, you could do that. We can also look at the language, but we could put in the charter the amendment that would limit the special assessment situation.

Chairman Evans – Any other questions by anybody?

Alderman Chism – These numbers scare me, Mr. Evans, but if I have a say, what little I know about it, it's not a great deal, the fact that the City is safe– especially the way things are now.

Chairman Evans – Patrick, are you comfortable?

Mr. Lawton – I am, good direction.

Chairman Evans – Very good. David, we thank you very much. Thank you for joining us.

Chairman Evans – We are not going to act on the resolution. This will actually conclude our business session unless there is something anyone else needs to add.

Alderman Billingsley - I'd like to make one comment, Chairman. I made Mr. Lawton aware of a brief comment in communication today. I'm very happy to hear there is great thought coming from the IDB, which I anticipated, and you are doing your homework and moving forward like a steamroller. I think that's why you saw several aldermen here tonight. Unfortunately, relative to this meeting, I heard about this meeting through happenstance from a citizen. I did not get notice of the meeting as the other aldermen did not get notice of tonight's meeting. I think what you are doing is very important work that is going to have long range ramifications for the City. I hope in future meetings relative as the IDB moves forward, especially in relation to the issuance of bonds relative to Saddle Creek IV and the changing of the Charter – and I understand from Mr. Lawton that this was a very quickly called meeting on Friday – I just hope in the future that we will have enough time to inform the citizens of Germantown and certainly – since we had a lot of questions at our retreat, certainly I think the BMA, even though I don't think anything is going to be passed through this body without our approval, I think it was at least helpful for me to be here tonight and to listen to Mr. Lillard's comments and your comments, Henry, and Mr. Lawton's presentation.

Chairman Evans – Patrick, as a matter of practice, is the Board notified of Board and Commission meetings?

Mr. Lawton – Most commission and committee meetings are in the calendar and there is a big calendar in a weekly report that I send out every week that gives a recap of every meeting. Unfortunately, IDB doesn't meet all that often, it's very infrequent, and we have not in the past made a point to notify the BMA that the IDB is meeting. As we start in these discussions, Alderman Billingsley, that is a good point and between Andy, Katie and I we can certainly –

Katie Graffam – We did post the agenda on the website and it is up on the bulletin board, and certainly we will send you –

Alderman Billingsley – I'm not trying to dictate how you run your business, but I think also a press release for our media on matters of this importance would be appropriate. I don't personally think that putting something on a pegboard is adequate notice for the media. And also, as we know, at least I experienced all day today, our website is frequently down and so even for myself I appreciate all the work that Dotty and the staff does in preparing our agendas, but for meetings like this today I wanted to go on line and just print off the agenda but the website was down for most of the day. Again, we keep using this word “transparency” – if we're truly transparent, we don't have to be transparent because we're open and honest. I think ya'll are doing tremendous work, it's going to have major ramifications, hopefully positive, for the City, but let's just be sure that we all know about it.

Chairman Evans – That’s actually, I think a matter for the administration to handle with the board and not from the individual boards and commissions. Certainly, as far as this one is concerned, we’d like to have the Board notified.

Alderman Chism – And Dotty didn’t know about this meeting this afternoon at 4:00 or 4:30.

Mr. Lawton – But then again she may not know about it unless she checked the bulletin board.

Chairman Evans – Any other business to come before us tonight. Otherwise, we are adjourned.