

ECONOMIC DEVELOPMENT COMMISSION

Thursday, February 2, 2017

Blue Conference Room

1930 South Germantown Road

The regular meeting of the Economic Development Commission (EDC) was held Thursday, February 2, 2017, in the Blue Conference Room. Chairman Klein called the meeting to order at 5:30 p.m.

PRESENT: Jerry Klein, Brian Pecon, Jim Lefler, Janet Geyer, Steven Levy, Michelle Johns, Keith Saunders, Bo Adams, Sidney Kuehn, and Alderman John Barzizza

GUESTS: Ordis Copeland, Regional TN ECD

ABSENT: Rick Towne, Trey Sowell, and Janie Day

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

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

2. **Minutes: Approval of Minutes for January 5, 2017:**

Chairman Klein stated the first order of business is the approval of the minutes for January 5, 2017. If there were no additions, corrections or deletions to the minutes, he would entertain a motion for approval.

Mr. Saunders moved to approve the Economic Development Commission minutes of January 5, 2017, seconded by Ms. Johns. **The motion was passed.**

3. **Reports/Monthly/Quarterly:**

Ordis Copeland, Regional Tennessee ECD made a presentation. Tennessee Department of Economic and Community Development's mission is to develop strategies which help make Tennessee the number 1 location in the Southeast for high quality jobs with business development, rural development and education alignment. There are nine local offices across the State to help facilitate growing industries. Our office in Memphis covers Lauderdale, Tipton, Shelby, and Fayette Counties. Gwyn Fisher is the Director for our department and covers most of Memphis.

The Fast Track Grant Program is for new industry recruitment. We have an Economic Development Grant for more rural areas. The grant money is a little more flexible. The money can be used to relocate some employees among other things.

The existing industry expansion funds for Fast Track; Tennessee Trade; and Film, Entertainment & Music Commission are three of pots of money. The incentive is available not only for the companies we will recruit to Tennessee, but they are available for companies in Tennessee that qualify for those funds. We spend most of our time meeting with local businesses to make sure that they understand what those incentives are. There are three grants in the Fast Track Program, and there are tax credits, sale credits, and other credits, that businesses can apply for if they know about it or qualify for the grant. Our job is the education piece to meet with local businesses and share that information. Also, our department is supportive of entrepreneurship, and this is one of those long-term strategies. It is important because we know a lot of new growth comes from new small businesses that are growing quickly. We are the only state in the nation where a high school senior can go to a two year community college or a TCAT and have the first two years' tuition and fees paid, so in fact they can go free. They do have to do a lot of things to stay eligible, like get the paperwork filled out early and on time. These are a few of the accolades we have gotten: the first ever back-to-back State of the Year winner for Economic Development 2013-2014, in Business Facilities for two years in a row. Our department came up with a mission statement: We are passionate about developing a dynamic, diverse economy for a thriving community for generations of Tennesseans. That's what we are all about...for that next new job. Tennessee was ranked number

1 for FDI for jobs created in 2015, by Global Locations Trends Report August 2016. The Brookings Institute found Tennessee ranked number 1 in the United States for advanced industry job growth 2013-2015. It increased by an average of 4.6% annually. The national average was 2.46%. Southern Business and Development Magazine named Tennessee the 2016 State of the Year for Economic Development based on its project totals and variety of industry sectors that invested in the state and created jobs. Nashville, Tennessee was also major co-market for the year. We were ranked number 2 best in Infrastructure. We had a great year when you put it all together along with the announcement St. Jude made of over \$2 million they will invest and adding a thousand employees. Those kinds of jobs are high quality jobs. I have been doing this for six years, and this was my best year for the local businesses that actually did training grants because they are growing our own local businesses. Last year's numbers for growth statewide for Tennessee were 24,000 jobs that we invested in through our grants. This year, we went over 20,000 jobs. We have already turned in 1,000 jobs this month. If you remember seeing the Governor's address on Tuesday night, he said two things right at the beginning of it. One, was we had Tennessee working harder than we ever had in the history of the State. Our incentives that we used this year were lower pre-job, and the payroll those jobs reflected is higher than any we have ever done.

Bo Adams stated he was in a recent meeting with Mayor Strickland, and of course, uneducated and unskilled workforce is an issue. Does this get targeted by a business or an industry?

Ordis Copeland stated this is how it works, it takes a company that is interested in the program, and federal dollars pay for this training. The Feds send a chunk of funds to the State of Tennessee. Then, Tennessee divides it up and sends it out. When the money gets here, it goes to the Workforce Investment Network, which is our local workforce agency. That pot of money that they have to pay for the training has certain federal requirements associated with that money. The way it works is the company guarantees that they will interview everybody in the program. The Workforce Investment Network does the recruiting to put the class together, and they hire Southwest Tennessee Community College to do the training. The training is four hours classroom setting, twice a week, for four and half weeks. Some of that training includes just teaching them to show up every day on time and be productive, and they will receive three different certificates of that training. One of them is the Industry National Career Readiness Training. It's nationally recognized, and it's part of the requirement for the federal training. They have to be able to read on an eighth grade level, and work online.

Ms. Lisco asked what's the anticipated timeline for a new Commissioner to be announced?

Ordis Copeland stated, Randy Boyd has been our Commissioner for two years, and has done some outstanding things. He has added amazing customer service aspects to a government job. He inspired us to do some things that we couldn't do before. His replacement will be announced.

Mr. Copeland stated he got an email this week from the Governor saying he apologized that he hadn't already named who the replacement will be. He has asked Ted Townsend, on an interim basis, to step in and lead the department until the Governor announces the replacement.

Ms. Lisco pointed out that MAA was a recipient of one of the Economic Development Grants from the State.

a) Planning/Small Area Plan - Nodes/Districts:

- i. Central Business District (Smart Growth) – The 901 pop up this past weekend was at the Saddle Creek shopping center. They seemed to get a lot of space, out of that small space. People were lining up in the parking lot. Trader Joe's façade and landscaping was approved by the Design Review Commission. They also considered and approved façade improvements for the Hobby Lobby center and the storefront south of Bed Bath and Beyond to bring them up to at least the finishes of Bed Bath and Beyond for more modern times. Southern Social was featured in an article in the Commercial Appeal. It talked about how great the place is.
- ii. East Poplar Avenue (at Forest Hill-Irene) – We have a new office building (6,000 square foot) that is being built, which is the Grant Properties offices. It's right next to Fire Station four, and it's the last lot in the Forest Hill Irene commercial subdivision.
- iii. West Poplar Avenue District (Smart Growth) – TraVure is on schedule with the challenging weather and mud out there. The dump trucks are now below grade on Poplar Avenue. The

lane closure was due to the work on the Poplar culverts, and the west bound lanes are open now. The hotel is going through its final plan review. We hope to have that development contract to the BMA on February 27. The Mid America Apartments (MAA) work is on schedule.

- iv. Wolf River Blvd. – It's been a little quiet, but there's still plenty of medical activity going on. We are preparing for improvements to the Wolf River Blvd. and Germantown Road expansion. There is a meeting next week with property owners to talk about the appraisals and small parts of their properties that will be bought as part of that expansion project to help ease the traffic congestion.
 - v. Forest Hill Heights (Smart Growth) - In Forest Hill Heights, we have had a significant amount of interest for the opportunities being developed as part of the Smart Code application overlay. We are working with LRK to extend our pattern book for design guidelines. Our new EDC representative is from the Planning Commission. Mr. Keith Saunders is formerly from the Design Review Commission. As Chairman, he will be reviewing the work that LRK will be providing to us next week. We will also be going over it with the Planning Commission Chairman, Mike Harless, on the first draft and outline so that we can get both of their views before we send it back to them to get it prepared for the Design Review Commission and the Planning Commission meetings in March and April.
- b) **Germantown IDB:** Ms. Lisco reported that the IDB met on Tuesday, January 10, at 4:00 p.m. to consider a TIF policy (Tax Increment Finance). The IDB will meet again Tuesday, February 7, at 5:00 p.m. to address a number of administrative items including the termination of the PILOT lease agreements for West Fraser and ThyssenKrupp Elevator Manufacturing. We have to go through this process to terminate the leases and convey the property back to the owners. Also, the IDB will address a correction to a date stated in meeting minutes from August 2016. They will elect officers, and select the pre-application IDB review team that is part of the TIF policy that was approved.

4. **New/Old Business:**

Bo Adams noted the Oktoberfest is looking for people to have a signature event.

Oktoberfest:

The education Foundation is planning their first Oktoberfest. The Chamber is helping with the planning and will be very involved with Oktoberfest for 2017. This event is focused on raising money for the GMSD.

Sidney Kuehn reminded everyone of Arbor Day being on Friday, March 3, 2017.

- 5. The next EDC meeting will be on Thursday, March 2, 2017, at 5:30 p.m.
- 6. **Adjournment:** There being no further business, the meeting was adjourned.