

INDUSTRIAL DEVELOPMENT BOARD
Thursday, December 8, 2011
Blue Conference Room – 5:30 p.m.
Department of Economic and Community Development
1920 S. Germantown Road

The Germantown Industrial Development Board met on Thursday, December 8, 2011, in the Blue Conference Room of the Department of Economic & Community Development. Chairman Henry Evans called the meeting to order at 5:30 p.m. A quorum was established with the following members present.

PRESENT: Chairman Henry Evans, Vice-Chairman Mike Harless, Keith Saunders, Charlie McCraw, David Klevan and Dr. Frank Markus

ABSENT: Dick Vosburg

STAFF Economic and Development Services Director Andrew Pouncey, Marie Burgess, Planner and Josh Lawhead, PILOT Attorney, Burch Porter & Johnson PLLC

Henry Evans acknowledged Annette Liles' service to the City of Germantown after she passed away this fall. He said "she was a faithful member of the board and very active with the City on other boards and commissions. She was on the Germantown Chamber of Commerce and retired from the Germantown Methodist Hospital. We will always miss her."

MINUTES

A motion was made by Keith Saunders, seconded by Frank Markus, to approve the June 29, 2011 minutes. Motion passed.

WEST FRASER

Henry Evans stated we have a resolution authorizing amendments to the Personal and Real Property Lease Agreements for West Fraser. Jason Yarbrough attended as their attorney. There are several amendments to the West Fraser original lease. When West Fraser originally was granted a PILOT, they had more square footage than they are currently using. At a meeting, we agreed to reduce the amount of square footage. Somewhere along the way, we actually never got those documents properly executed. Part of this resolution is to authorize the job to do that clean up to represent the difference in the square footage. The other amendment will amend Personal and Real Property and the resolution reduces the amount of the PILOT for Germantown taxes by one year.

A motion was made by Keith Saunders, seconded by Charlie McCraw, to approve the West Fraser resolution authorizing amendments to the Personal and Real Property Lease Agreements. (Please see attached resolution). The motion passed.

THYSSENKRUPP

Henry Evans stated we have a resolution authorizing amendments to the Personal Property Lease Agreement for ThyssenKrupp. Charles Pierce, Lodie Biggs and Mark Baxter were here to represent ThyssenKrupp. A year ago in September, the IDB determined that ThyssenKrupp had not met the Personal Property amount that was set for the original application and the original lease agreement. At that point in time, one of our suggestions was for them to amend the original application to reflect a differ amount of personal property and in subsequent years we would not find then out of compliance. ThyssenKrupp has been excellent to work. They immediately responded to the original letter Katie Graffam sent to them. Josh Lawhead has been our bulldog on this issue and personal property changes have occurred in the ThyssenKrupp lease since the first year. However, we had not adopted all those personal property changes. There was personal property amounts that we need to go back and address tonight. ThyssenKrupp has asked us if the IDB would be willing to amend the original application to reflect the personal property amounts that currently exist. In the resolution, we are actually accepting personal property changes for years 2007, 2008, 2009 and 2010. Therefore, by this resolution we will incorporate the 2010 personal property amount as part of the original application, so as going forward we will not have the issue of non-compliance. In January or February, we will have them come before us for a 2011 addition for the personal property. Josh Lawhead stated the 2007 property lease, which is being terminated here, was executed as a stand-alone lease with PILOT benefit terms, which were one year longer - 2017. PILOTS are for ten years only.

Mike Harless is recusing himself from ThyssenKrupp.

A motion was made by Keith Saunders, seconded by Frank Markus, to approve the ThyssenKrupp resolution authorizing amendments to the Personal Property Lease Agreement. (Please see attached resolution). The motion passed.

ADJOURNMENT

There being no further business to come before the board, the meeting is adjourned.