

**MINUTES OF THE REGULAR MEETING OF
THE COLLIERVILLE INDUSTRIAL DEVELOPMENT BOARD**
Wednesday, June 29, 2016

The Collierville Industrial Development Board held a regular meeting at 12:00pm on Wednesday, June 29, 2016, in the Administration Conference Room at Town Hall, located at 500 Poplar View Parkway.

1. CALL TO ORDER:

Chairman Mark Moody called the meeting to order.

2. ROLL CALL:

Adam Hamric took the roll. The following members of the Industrial Development Board were present: Mark Moody, Taylor Stamps, Thomas Bergeron, Terry Cochran, John Green, Stuart Brazile, Sherrie Scardino, and Ron Lawrence. Brandy Thompson was absent.

Also present were IDB Attorney Josh Lawhead, Economic Development Director John Duncan, and Administrative Specialist Senior Adam Hamric.

Representing Strike King Lure Company was Chief Operating Officer Allan Ranson.

3. APPROVAL OF MNUTES: April 21, 2016

Mr. Cochran made a motion to approve the April 21, 2016 minutes as presented. Mr. Lawrence seconded the motion.

Mr. Hamric took the Roll. All were in favor. Motion was approved.

4. BUSINESS ITEMS:

A. Discussion and action on Resolution 2016-13, terminating Personal Property PILOT Lease of Strike King Lure Company (relating to Resolution 2016-8 and Resolution 2016-12).

Mr. Moody noted that at the April 21, 2016 IDB meeting Strike King Lure Company had been found in default of personal property requirements due to a misclassification of software types. He stated Strike King Lure Company understands that this puts them in default of their personal property lease and is satisfied with terminating that lease.

Mr. Ranson stated that due to the classification change the simplest thing for both his company and the Town of Collierville is to not go forward with personal property lease.

Mr. Cochran asked for further clarification in the differences between application software and operation software. He said that he has received conflicting definitions. Mr. Brazile stated that, in his opinion, operation software would be software used to run a piece of equipment, such as a press. He said that an example of application software would be Microsoft Office. Mr. Lawhead remarked that the opinion of the assessor's office matches Mr. Brazile's opinion.

Brief discussion ensued.

Mr. Bergeron made a motion to approve Resolution 2016-13, terminating Personal Property PILOT Lease of Strike King Lure Company (relating to Resolution 2016-8 and Resolution 2016-12). Mr. Green seconded.

Mr. Hamric took the Roll. All were in favor. Motioned was approved.

5. OTHER BUSINESS:

A. Helena Chemical SBU – Boyle building update – ribbon cutting

Mr. Duncan stated that this event will take place Thursday, July 21, 2016 from 10:00am to 11:00am in the reception lobby.

B. Orgill project update

Mr. Duncan stated that Orgill will break ground on their new office building on or before August 1, 2016.

C. EconDev marketing updates (retail collateral – Big Six & Site Selector blast – local office update / industrial action)

Mr. Duncan distributed copies of the new retail collateral to the Board. He stated that future industrial projects seem to motivate and inspire others. Mr. Duncan said that he has been marketing to the site selection community in markets such as New York, Chicago, and San Francisco to generate some interest in relocation to the Collierville community.

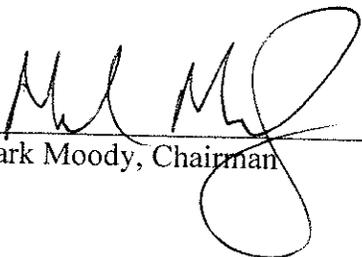
D. EDGE PILOT changes

Mr. Duncan stated that EDGE has adopted changes to their diversity policy. He then discussed the new programs that were recently approved by EDGE.

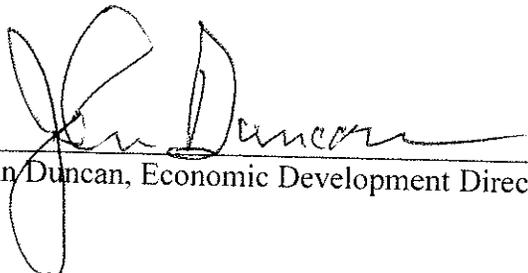
6. DISCUSSION:

Mr. Moody stated that historically the IDB has had an industry appreciation luncheon in the autumn. He asked the Board if this was something worth considering for this year. Mr. Duncan said that he would look into coordinating this event.

7. ADJOURNMENT:



Mark Moody, Chairman



John Duncan, Economic Development Director

Before the
Industrial Development Board
Of The Town of Collierville, Tennessee

Resolution No. 2016-14

IN RE: Application of Helena Chemical Company, as Applicant and Beneficiary, and WS Hchem, LLC, as Developer, for Payment in Lieu of Taxes (PILOT) Program for Real Property and Personal Property Taxes

RESOLUTION

WHEREAS, Helena Chemical Company (“Applicant”), and WS Hchem, LLC (“Developer”) have filed an application (the “Application”) with The Industrial Development Board of the Town of Collierville, Tennessee (hereinafter the “Board”) for a payment in lieu of taxes (“PILOT”) for real property, real property improvements and tangible personal property to be located on approximately 3.31 acres immediately west of Schilling Farms Boulevard and north of Winchester Boulevard and adjacent to the southern property line of 225 Schilling Farms Boulevard in Collierville, TN, and being more particularly described in the Application (the “Project”); and

WHEREAS, the Project will result in significant capital investment and creation of jobs in the Town of Collierville resulting in economic development which will benefit the citizens of the Town of Collierville, Tennessee; and

WHEREAS, the Board has previously considered the Application and the Project in an open meeting held on November 18, 2014 at the Town Hall, public notice of such meeting having been given; and

WHEREAS, the Board approved Resolution Number 2014-12 on November 18, 2014 allowing for a PILOT for both real and personal property;

WHEREAS, Resolution Number 2014-12 conditioned the grant of the PILOTs described therein as being conditioned upon the successful negotiation, execution and delivery of the deeds, leases and other instruments (“PILOT Documents”) within one (1) year from November 18, 2014;

WHEREAS, the construction of the Project has proceeded in a diligent manor but has not been completed until the present time;

WHEREAS, it has been the intention of the Applicant, the Developer and the Board that the PILOT Documents be executed and delivered upon completion of construction;

WHEREAS, the Board wishes to hereby extend, ratify, and confirm its undertakings in Resolution Number 2014-12;

WHEREAS, the extension, ratification and confirmation of its approval of a PILOT program as described in this Resolution is in furtherance of the Board's public purposes; now therefore,

BE IT RESOLVED BY THE INDUSTRIAL DEVELOPMENT BOARD OF THE TOWN OF COLLIERVILLE, TENNESSEE THAT:

1. The Board makes and adopts the matters in the "Whereas" clauses as findings of fact, and approves the execution of a Personal Property Lease Agreement and a Real Property Lease Agreement with lease terms of seven (7) years each (the "Lease Term"), on the terms described in this Resolution.
2. Subject to the terms of this Resolution, the Board approves the Project for a payment in lieu of taxes ("PILOT") for the personal property and real property ad valorem taxes of the Town of Collierville, Tennessee for a period of seven (7) years from the date of execution of the applicable instruments (the "Town PILOT Period") with an annual payment in lieu of taxes each year for the personal property lease and real property lease during the Town PILOT Period calculated as follows:
 - a. With respect to the tangible personal property that does not exceed an aggregate floating balance of \$712,320.00 in acquisition costs during the term of the PILOT (including replacements), for each year of the PILOT an amount equal to 25% of the then current Assessed Value of the personal property utilized for the Project, divided by 100, times the then current personal property ad valorem tax rate of the Town of Collierville; and
 - b. With respect to the real property composed of the land and the improvements to the land that do not exceed the value of \$4,660,312.00, for each year of the PILOT, an amount equal to 25% of the then current Assessed Value of the real property to be utilized for the Project, land and improvements, divided by 100, times the then current real property ad valorem tax rate of the Town of Collierville.

Provided that, after the expiration of the Town PILOT Period, the Project (including all personal property, real property and Improvements) shall, at all times during the remaining term of the Lease or any renewal thereof, be assessed for Town of Collierville taxes at the then current Assessed Value as if it were owned by a tax paying entity and the Lessee shall pay each year to the Board a payment in lieu of

taxes which is equal to the taxes for the Town of Collierville, Tennessee which would be paid if the Project were owned by a tax paying entity.

The foregoing personal property PILOT is limited to cover an aggregate floating balance of not more than \$712,320.00 in acquisition costs of tangible personal property during the term of the PILOT (including replacements); and the real property PILOT is limited to cover not more than the value of the land and improvements to be located on the land which constitutes the site for this Project, not more than \$4,660,312.00. For any portion of the tangible personal property or improvements to the real property which exceeds the foregoing limitation, there shall be assessed and paid each year a PILOT payment equal to the amount of taxes for the Town of Collierville which would be paid if such property were owned by a taxpaying entity. The Board expressly does not authorize a PILOT for the leasehold estate created by any lease between the Board and any person or entity or any sublease with respect to the property, except as provided for herein.

3. No Shelby County PILOT benefit is being granted hereby or pursuant to any lease authorized herein. Throughout the Lease term, the Shelby County personal property taxes and Shelby County real property taxes will be computed at the then current tax assessment determined as though the applicable property was owned by a tax-paying entity multiplied by the then current millage rate for Shelby County.
4. The approval of the Application and the grant of the PILOT is expressly conditioned upon the creation and continuation by the Applicant during the terms of the PILOT of: (i) the investments stated in the Application; and (ii) the number of jobs and at the salary levels stated in the Application, and the documents evidencing or implementing the PILOT shall contain provisions evidencing such conditions as requirements for the continuation of the leases and the PILOT.
5. The grant of the PILOT is with the express understanding and agreement with the Applicant and the Developer that such approval of the PILOT is conditional and is not effective unless and until all appropriate instruments (for example, deeds, bills of sale and leases) containing provisions satisfactory to the Board Officers designated in paragraph 6 below and Board Counsel in their sole and absolute discretion are executed by the Board and all other parties (and where appropriate recorded in the public records) and delivered. It is further understood and agreed with the Applicant and Developer that the Board will not date any instrument prior the actual date of execution by all parties thereto.
6. The Board hereby approves the conveyance of an interest in the Project to the Board; the leasing of the Project by the Board to the Applicant and/or Developer; and if appropriate, the subleasing of the Project; and shall all such other transactions as may be necessary to accomplish the Project as represented in the Application or any amendments thereto, all pursuant to such terms and conditions as may be negotiated

- by and among the Chairman, Vice Chairman or Secretary (the "Board Officers") in consultation with the Board Counsel, all upon such terms and conditions as the Board Officers shall deem appropriate in their sole and absolute discretion.
7. The grant of the PILOT described in this Resolution is expressly conditioned upon the successful negotiation, execution and delivery of the deeds, leases and other instruments contemplated herein. Should such instruments not be executed and delivered by all appropriate parties within one (1) year from the date of this Resolution, then the grant of such PILOT shall be void.
 8. Any one (1) or more of the Board Officers are hereby authorized and directed, in consultation with the Board Counsel, to negotiate, execute and deliver on behalf of the Board such documents or instruments as may be necessary to accomplish the transactions contemplated by the Application and this Resolution.
 9. This Resolution and the action of the Board in approving the PILOT Application shall not be effective or binding unless and until this Resolution and the Board's action is approved, ratified and confirmed by official action of the Board of Mayor and Alderman of the Town of Collierville, Tennessee.

APPROVED AND ADPOTED, by the Board in public session this the 3rd day of August, 2016.

BY: _____

Mark Moody, Chairman