

A public meeting of the Industrial Development Board was held Wednesday, August 3, 2016, at 12:00 p.m. in the Administration Conference Room at Town Hall, 500 Poplar View Parkway.

Chairman Mark Moody was present and presiding.

The following Members were present: Mark Moody, Taylor Stamps, Thomas Bergeron, Terry Cochran, John Green, Stuart Brazile, Sherrie Scardino, Ron Lawrence, and Brandy Thompson.

Also present was Economic Development Director John Duncan and Administrative Specialist, Senior Adam Hamric.

Representing Helena Chemical was Stephen Anderson of Farris Bobango PLC.

**CALL TO ORDER:**

Chairman Moody called the meeting to order.

**APPROVAL OF MINUTES**

There were no corrections or additions to the minutes.

Mr. Bergeron made a motion to approve the June 29, 2016 minutes as presented. Mr. Stamps seconded the motion.

ROLL CALL:           Moody – yes, Stamps – yes, Bergeron – yes, Cochran – yes, Green – yes,  
                              Brazile – yes, Scardino – yes, Lawrence – yes, and Thompson - abstained.  
                              Motion approved.

**RESOLUTION 2016-14, A RESOLUTION EXTENDING THE CLOSING DATE FOR DELIVERY AND EXECUTION OF DOCUMENTS ASSOCIATED WITH HELENA CHEMICAL, AS APPLICANT AND BENEFICIARY, AND WSHCHEM, LLC, AS DEVELOPER, PILOT:**

The purpose of this agenda item is to ratify Resolution 2016-14 of the Collierville Industrial Development Board, a resolution extending, ratifying and continuing its approval of a seven year PILOT program for Helena Chemical Company with the general effect of limiting the real and personal property taxes for the length of the term at 25% of the current tax rate for Collierville taxes.

Mr. Green made a motion, seconded by Mr. Stamps, to ratify the approval of Resolution 2016-14, a resolution extending, ratifying and continuing the original approval (for one (1) year) of the Helena Chemical, as Applicant and Beneficiary, and WSCHEM, LLC, as Developer, seven year PILOT program.

All voted in favor with Ms. Scardino abstaining.

**OTHER BUSINESS**

Mr. Duncan asked the Board for suggestions on the 2016 industry appreciation luncheon.

Brief discussion ensued regarding event details.

Mr. Duncan discussed using IDB funds to regionally advertise in *Southern Business Development* magazine. He noted that the cost to run a full page ad in this magazine is \$5,000. Mr. Duncan stated that the magazine is offering a special promotion on the full page ad for \$500.

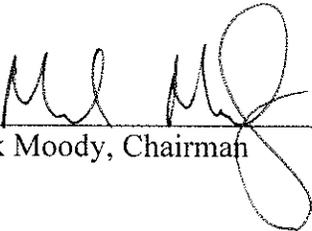
All voted in favor.

Mr. Duncan stated that he has updated the PILOT matrix, raising the target median wage from \$35,000 to \$45,000 at the suggestion of the Board of Mayor and Aldermen.

Mr. Duncan discussed updating the PILOT policy and procedures regarding late fees and payments.

**ADJOURNMENT**

With no further business, Chairman Moody adjourned the meeting at 12:22 p.m.

  
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Mark Moody, Chairman

  
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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**

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RESOLUTION

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**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.

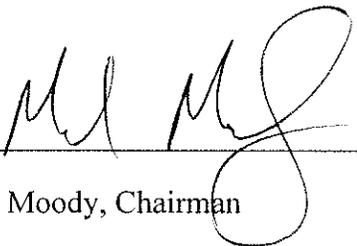
The foregoing personal property PILOT is limited to cover an aggregate floating balance of not more than \$712,320.00 in acquisition costs of tangible personal property during the term of the PILOT (including replacements); and the real property PILOT is limited to cover not more than the value of the 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 3<sup>rd</sup> day of August, 2016.

BY:   
Mark Moody, Chairman