

**MINUTES OF THE REGULAR MEETING OF
COLLIERVILLE INDUSTRIAL DEVELOPMENT BOARD**

Wednesday, August 27, 2014

The Collierville Industrial Development Board held a regular public meeting at 12:00pm on Wednesday, August 27, 2014, in the Administrative 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**: Josh Suddath took the roll. The following members of the Industrial Development Board were present: Mark Moody, Ron Lawrence, Taylor Stamps, Thomas Bergeron, Terry Cochran, Stuart Brazile, John Green. Mr. Thomas Faller was absent.

Staff present were Assistant Town Administrator Josh Suddath, IDB Attorney Josh Lawhead, Economic Development Director John Duncan, and Angela Reeder.

Others present were Glen Herald, COO of SGI International, Janet Geyer of SGI, and Barry White of Farris Bobango Branan PLC.

3. **APPROVAL OF MINUTES FOR APRIL 15, 2014**

Mr. Cochran made a motion, seconded by Mr. Bergeron, to approve the minutes as written of the April 15, 2014, Industrial Development Board meeting.

All were in favor, none were opposed. Motion is approved.

4. **BUSINESS ITEMS**

- A. Resolution 2014-8, a resolution to approve 2013 Compliance Report of Carrier Corporation.**

Mr. Lawhead explained that this report was considered in the April 15, 2014 meeting, but was held because Shelby County wanted to talk about it with us. Afterwards, it became known the Shelby County benefit of the PILOT had expired, thus there was no need for them to review it. As such, the report is before the Board again at this time to be approved as it would have been at the last meeting.

Motion by Mr. Bergeron to approve Resolution 2014-8. The motion was seconded by Mr. Green and approved unanimously by the Board.

- B. Consideration of Personal Property PILOT transaction for Shelby Group International, Inc., and of Real Property PILOT transaction for SGI Office, LLC.**

Mr. Lawhead explained that in 2012 this Board approved a PILOT for Shelby Group International for Personal Property and Real Property for SGI LLC. Since that initial approval, Shelby Group acquired substantially more personal property than originally planned. They

have also decided to occupy and use more of the office space than originally contemplated. In the original authorizing resolution, they had requested \$2,050,000 in personal property and intended to use 84.4% of the office building. Currently, they have acquired \$6,283,000 of personal property and intend to use 100% of the office building. As these exceed what was originally authorized by the PILOT, it requires another authorizing resolution. That Resolution will be in front of the Board at the 12:15 meeting for approval, as it must be done in two meetings. He noted that the BMA would also have to approve.

Mr. Lawhead also noted that Shelby Group was present and could speak to the item if there were any questions.

Mr. Duncan noted that he would present the item at the September 8th meeting, should the Board decide to authorize the resolution.

Mr. Lawrence asked to clarify what had changed and why a Diversity Plan was attached?

Mr. Lawhead stated that it was just the personal property and building occupancy that changed. With regard to the Diversity Plan, he noted that there were Shelby County benefits being granted to the project, pursuant to the Inter-local Agreement (ILA) that the IDB has with the County. When that ILA was negotiated, the IDB representatives agreed to have a diversity plan component as part of any PILOT application they approved that would also be receiving Shelby County benefits.

He explained that this is one of the reasons, if not the reason, we are deep into 2014 and still working to approve this PILOT. This was the first PILOT since the ILA that had Shelby County benefits being awarded and there was much confusion. Shelby County ultimately informed Mr. Lawhead that the Collierville IDB needed to approve the Diversity Plan, instead of it going before Shelby County and needing to meet their requirements for Diversity Plans.

Mr. Lawrence asked if the Shelby County Diversity Plan is separate.

Mr. Lawhead said that based on the determination by Shelby County, the Collierville IDB, and the Collierville IDB alone, would approve Diversity Plans for applicants that come before the IDB seeking Collierville and County benefits. He further explained that if the applicant were not seeking benefits from the County, they would not need to provide a Diversity Plan to the Collierville IDB. The requirement for a Diversity Plan only applies when the ILA is activated.

Mr. Lawrence asked if the plan provided was drawn by Shelby County, to which Mr. Lawhead responded that it was drawn by Shelby Group, the applicant.

Mr. Cochran asked if all future PILOT applicants, regardless of size would have to provide a similar report.

Mr. Lawhead stated that yes, if an applicant were seeking benefits from both the Collierville IDB and Shelby County, the current interpretation of the ILA would require it.

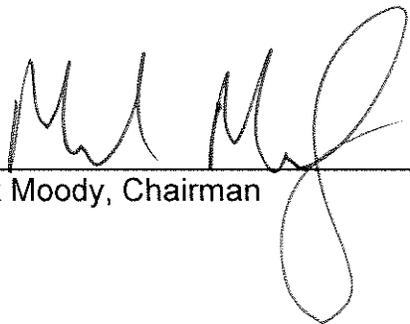
Mr. Cochran asked one more time to clarify that the Board would have to review a Diversity Plan if the applicant were not seeking County benefits, to which Mr. Lawhead confirmed that it would not be required but could be requested.

5. OTHER BUSINESS

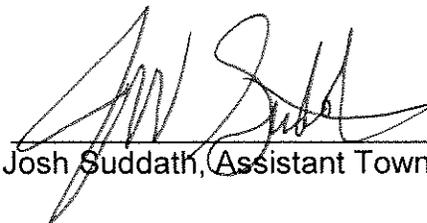
There was no other business for discussion.

6. ADJOURNMENT

With no further business, Chairman Moody adjourned the meeting at @ 12:13pm.



Mark Moody, Chairman



Josh Suddath, Assistant Town Administrator