

**Industrial Development Board of the City of Oak Ridge
City of Oak Ridge Municipal Building – Training Room**

MONDAY – OCTOBER 7, 2013– 4:00 pm

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|-------|--|-------------------------|
| I. | Call to Order | David Wilson |
| II. | Roll Call | Sandy Sexton |
| III. | Approval of Agenda | David Wilson |
| IV. | Approval of Minutes | David Wilson |
| | a. September 3, 2013 | |
| V. | Treasurer’s Report | Harold Trapp |
| VI. | Prospect Activity Report | Parker Hardy |
| VII. | Attorney’s Report | Ken Krushenski |
| | a. Alexander Inn | |
| VIII. | Committee Reports | |
| | a. Finance Committee | Harold Trapp |
| | 1. Budget 2013-2014 | |
| | b. Land Use Committee – Horizon Center | |
| | 1. Ridge Realty Marketing Report | Ron Asher, Ridge Realty |
| | c. Special Projects Committee | Dave Mason |
| | 1. PILOT Reauthorization | |
| | d. Spec Building Committee | David Wilson |
| | e. Policies and Procedures Committee | Melissa Freiderich |
| IX. | Old Business | |
| | a. IDB and Chamber MOU | David Wilson |
| X. | New Business | |
| | a. TIF Policy Changes | David Wilson |
| | b. Avisco Storage Building, Bethel Valley Park | Scott Ritter |
| | c. Bethel Valley Building plans, Lot 30-BZ-1 | Larry Chambers |
| | d. Set Date for TIF public meeting and IDB special meeting | David Wilson |
| XI. | Adjourn | |

Next Regular Scheduled Meeting is Monday, November 4, 2013

Minutes

**MINUTES OF THE
INDUSTRIAL DEVELOPMENT BOARD
OF THE CITY OF OAK RIDGE**

September 3, 2013

A regular meeting of the Industrial Development Board of the City Oak Ridge, Tennessee, convened at 4:00 p.m. on September 3, 2013 in the Training Room of the Municipal Building. David Wilson, Chairman, called the meeting to order.

ROLL CALL

The following members were present: Richard Chinn, Chris Johnson, David Mason, Hal Osucha, Buzz Patrick, Harold Trapp and David Wilson. Louise Dunlap and Melissa Freiderich were absent.

Also present were Parker Hardy, President, Chamber of Commerce; Steve Jones, Ray Evans and Steve Jones, City of Oak Ridge and Sandy Sexton, Executive Administrative Assistant. Kenneth R. Krushenski, City Attorney.

APPROVAL OF AGENDA

Mr. Wilson amended the agenda by adding Horizon Covenants Review under Committee Reports; and Special Called Meeting under New Business. Mr. Mason made a motion to approve the amended agenda. Mr. Johnson seconded the motion. The motion carried unanimously.

APPROVAL OF MINUTES

July 1, 2013 - Mr. Johnson made a motion to approve July 1, 2013 minutes. Mr. Trapp seconded the motion. The motion carried unanimously.

August 5, 2013 - Mr. Patrick made a motion to approve August 5, 2013 minutes. Mr. Mason seconded the motion. The motion carried unanimously.

August 21, 2013 Special Meeting - Mr. Patrick made a motion to approve August 21, 2013 minutes. Mr. Trapp seconded the motion. The motion carried unanimously.

TREASURER'S REPORT

Mr. Trapp reported the current balance in the checking account as of September 3, 2013 is \$228,260.74. Mr. Chinn made a motion to approve the treasurer's report and Mr. Osucha seconded the motion. The motion carried unanimously. Mr. Trapp stated that he has spoken to the auditors and the audit should be ready next week.

PROSPECT ACTIVITY REPORT

Prospect Update – Mr. Jones stated it has been relatively quiet and not a lot of activity. There were three prospects and two of them decided to go out of state, the other one he is still working with.

Existing Expansions - Mr. Hardy reported that two small manufactures that are considering expansions. A third that has put an option on an existing building, but hasn't closed yet and they are not prepared to announce that until they close. Mr. Hardy stated the Retail Commercial will be at the Kentucky/Tennessee Exchange two days next week that is populated by retailers and developers who are interested in projects in Tennessee and Kentucky. Mr. Hardy stated that they plan to work with

approximately seven of those groups. The Kroger center has a number of signed letters of intent but they are not prepared to announce who those companies are. Things are looking really good for the commercial stand point.

ATTORNEY'S REPORT

Alexander Inn Update - Mr. Krushenski stated that there was no update on the Alexander Senior Living, LLC. They have not closed on the PILOT.

COMMITTEE REPORTS

- a. Finance Committee – No report
- b. Land Use Committee – Horizon Center
 1. Ridge Realty Marketing Report - Mr. Asher stated he is working with one prospect in Bethel Valley and should have something to report to the board next month.
 2. Pond Remediation Update – Mr. Osucha stated that the water was flowing like it is supposed to and there were no other problems. Mr. Osucha stated that they needed to get an Ariel photo of the area from someone soon. He stated the area looks beautiful.
 3. Horizon Covenants Review – Mr. Osucha stated that back in 2010 when CROET transferred the property over to us and at the time the covenants that existed required changes. Those changes have now been made and modified. Mr. Osucha made a motion to approve the amended/revised covenants. The updated revision should reflect Revision 1, July 1, 2013. Mr. Mason made a motion to approve the revised covenants. Mr. Trapp seconded the motion. The motion carried unanimously.
 4. TVA Industrial Readiness Grant – Mr. Osucha reported that back in February or March TVA had a program in place that provided up to 50% reimbursement for certain projects that is completed at the end of August. The board immediately requested several project and they were approved by the TVA Readiness Grant. We received \$13,872.00 of expenditures to help in area 6 of Horizon Center Park.
- c. Special Projects Committee – Mr. Mason reported that the committee met in August and discussed the PILOT Procedures. Mr. Mason reported he contacted Roane County concerning the proposed changes to the Matrix. Several changed were proposed and the board will look at those again at their next meeting.
- d. Spec Building Committee – No report.
- e. Policies and Procedures Committee – Mr. Wilson stated he has designated Ms. Freiderich to chair this committee and asked if anyone else is interested in serving on this committee to please let him know.

OLD BUSINESS

- a. TVA Invest Prep Application – Mr. Wilson reported the application has been completed and submitted and should be hearing some results in 3 to 4 weeks.

NEW BUSINESS

- a. Independent Contractor Agreement – Mr. Wilson stated that everyone should have received via email the agreement and requested the board members respond to him with any comments or questions. Mr. Wilson stated that the selected contractor would also be required to pass a drug test and a background check. Mr. Wilson stated this person would have qualification of secretarial and financial experience. After a brief discussion, Mr. Wilson made a recommendation that the board spend up to \$15,000.00 to hire an independent contractor to a candidate to fill the agreement in question. Mr. Mason made a motion to accept the proposal to hire a contractor. Mr. Patrick seconded the motion. Mr. Trapp voted nay. Mr. Chinn abstained. The motion carried by majority vote.
- b. Purchase Office Equipment – Mr. Wilson stated the board will need filing cabinets, a desk, computer and other office supplies to furnish the office for the independent contractor. The board agreed to give the chair permission to spend up to \$5,000 for office equipment.
- c. Special Called Meeting – Mr. Evans proposed that the board schedule a special meeting on Thursday, September 26, 2013 at 3 p.m. A public hearing will be held at this meeting to consider the economic impact plan for the redevelopment of the Oak Ridge Mall.

ADJOURN

The meeting adjourned at 5:05 p.m.

APPROVED BY INDUSTRIAL DEVELOPMENT BOARD

October 7, 2013

Harold Trapp
Secretary/Treasurer

**Draft
Proposed Budget
For Fiscal Year
Ending June 30, 2014**

OAK RIDGE INDUSTRIAL DEVELOPMENT BOARD

DRAFT

PROPOSED BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2014

FUND SOURCES	BUDGET
101 OPERATING	
102 HORIZON CENTER-CAM FEES	\$8,000
103 PILOT APPLICATION/CLOSING FEES	45,000 (A)
104 LAND SALES-HORIZON CENTER	258,000
105 LAND SALES-BETHEL VALLY	160,000 (B)
106 TVA ASSIST AT HORIZON CENTER	14,000
107 TVA ASSIST-ELECTRICAL GRANT	300,000
108 INTEREST INCOME	4,000
109 TOTAL FUND SOURCES	789,000

ASSUMPTIONS
PER 6 REQUEST LETTERS
GH 32-PRO 3-NEW PILOT 10
LOT 3b(B) 10.32 AC @ \$25,000
SALE OF 2 PARCELS
PER FINAL REQUEST OF 8/29/13

EXPENSES	BUDGET
201 OPERATING	
202 MANAGEMENT SERVICES	\$15,000
203 ACCOUNTING SERVICES	3,000
204 AUDIT SERVICES	3,000
205 LEGAL	3,500
206 OFFICE EQUIPMENT & SUPPLIES	5,000
207 MARKETING EXPENSES	2,000
208 SUPPORT SERVICES	5,000
209 CERTIFIED SITE UPKEEP	20,000
210 HORIZON CENTER-CAM	
211 MOWING & LANDSCAPE	28,500
212 UTILITIES	2,500
213 CONTINGENCY & REPAIRS	7,000
214 ROANE COUNTY-IDB	4,000
215 LAND SALES-HORIZON CENTER	98,000
216 LAND SALES-BETHEL VALLEY	150,400
217 LAND SALES-BETHEL VALLEY	9,600
218 CAPITAL PROJECTS	
219 INFASTRUCTURE-POWER SUPPLY	750,000
220 INFASTRUCTURE-POWER DISTRBUTION	NONE
221 SPEC BUILDING	400,000
222 TOTAL FUNDS EXPENDED	\$1,506,500

FOR 12 FULL MONTHS
FOR 12 FULL MONTHS
ASSIST WITH FUTURE TIF
SET UP OFFICE AT ORCC
SURVEY WORK FOR #219
POND 9-BUSH HOG 6+ NEW 5
UTILIZED IN FY-2014 CAM REQ.
"
"
10.32 AC @ \$ 9,500 TO CROET
DOLLARS TO COR ON # 105
SALES COMMISSON ON # 105
PER SUGG'S-STATION 900-AREA 5

9/19/2013

- NOTES:**
- A NEW PILOT ON ROANE COUNTY LAND
 - B NEW SALE PLUS LOT SOLD IN JULY 2013

CASH FLOW-ANALYSIS	
AVAILABLE 6/30/2013	\$932,778
FUND SOURCES-BUDGET	789,000
FUNDS EXPENDED-BUDGET	1,506,500
SURPLUS	215,278