

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

March 3, 2014

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A regular meeting of the Industrial Development Board of the City of Oak Ridge, Tennessee, convened at 4:00 p.m. on March 3, 2014 in the Training Room of the Municipal Building. David Wilson, Chairman, call the meeting to order.

ROLL CALL

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

Also present were: Ken Krushenski; Oak Ridge City Attorney, Doug Colclasure; Citizen of Oak Ridge City, Tim Sirman; ORNLFCU, Matt Reedy; City of Oak Ridge, Rich Murray; Greenfield Senior Living, John Huotari; Oak Ridge Today, Mark Watson; City of Oak Ridge, Mark Mamantov; Bass, Berry, & Sims, Parker Hardy; President, Chamber of Commerce, Ray Evans and Steve Jones; City of Oak Ridge, Ron Asher; Ridge Realty, and Jennifer Johnson; Administrative Assistant to the IDB.

APPROVAL OF THE AGENDA

Mr. Krushenski asked that item A, under Attorney's Report be moved under Old Business.

Mr. Mason made a motion to approve the amended agenda. Mr. Patrick second the motion. The motion carried unanimously.

APPROVAL OF THE MINUTES

February 3, 2014 – Mr. Patrick made a motion to approve February 3, 2014 minutes. Mr. Mason second the motion. The motion carried unanimously.

TREASURER'S REPORT

Mr. Johnson reported the cash balance to date is \$225,458.56. Jennifer Johnson will be setting up the Finance Committee meeting on April 14, 2014. Online banking access has been obtained by TN Bank, still waiting for responses from Community Trust and ORNLFCU. All known revenues have been recorded and deposited. All known expenses have been paid and recorded.

Mr. Trapp made a motion to approve the Treasurer's Report. Mr. Patrick second the motion. The motion carried unanimously.

PROSPECT ACTIVITY REPORT

Mr. Hardy reported that retail activity was slow since his last report. There has been some restaurant activity. Kroger Marketplace is working to fill vacancies.

Mr. Evans reported the activity at Oak Ridge Mall is moving slow. For the past couple of weeks, numerous prospects have been meeting with Crosland and looking at the property. He also reported recent activity along Illinois Avenue, there has been movement with the remainder of the property in the Woodland TIF project.

Mr. Jones reported there has been a lot of prospect activity but couldn't give any more information due to client confidentiality.

ATTORNEY REPORT

No report.

COMMITTEE REPORTS

- a. Finance Committee – No report.
- b. Land Use Committee –
 1. Ridge Realty Market Reporting – Ron Asher reported he has a very active prospect currently looking at the Bethel Valley site and another site in Knoxville. He also has one prospect looking at a Horizon Center site.
 2. Status of Electrical Distribution at Horizon Center – Mr. Osucha brought up the issue of the Electrical distribution at Horizon Center Lot 6. He wants to look at the possibility of spending IDB funds to either have the electrical distribution on property or build a spec building.

Mr. Patrick made the motion to ask the Mr. Parker, Mr. Jones, and Mr. Evans to provide us with their prioritized recommendations as to how/when the IDB should be spending money to improve the industrial development in Oak Ridge. Mr. Mason second the motion. The motion passed unanimously.

The Board came to agreement that Mr. Suggs (City of Oak Ridge) should take another look at Horizon Center and offer his suggestions at next month's meeting.

- c. Special Projects Committee – No report.
- d. Spec Building Committee – No report.

- e. Policies and Procedures Committee – Melissa reported that she has been working with Jennifer Johnson to review the current IDB Policies and Procedures and work on producing new policies and procedures for the Board to review.

OLD BUSINESS

- a. PILOT Reports – Mr. Krushenski will have more to report to the Board in the next month's meeting.
- b. Resubmittal of InvestPrep application – Mr. Jones met with TVA and they will be accepting pre-application requests beginning March 11, 2014. The submittal of the application will be due by March 26, 2014. He will work on getting the IDB's previous pre-application resubmitted for consideration of the TVA grant funds. Both Mr. Jones and Mr. Evans recommended the IDB strengthen their application this go around to include more specifics to what is really needed for the grant.

NEW BUSINESS

- a. Horizon Center Ninja 5K Run for Wounded Warriors Project and ORHS Graduation Celebration – Mr. Reedy presented to the Board that he would like to use the Horizon Center location for this event. He requested use of Area 2 (which is owned by ORNLFCU) for permission to park vehicles. Mr. Johnson gave him permission to use the site for that purpose.
- b. Y-12 Facilities – Ken Krushenski introduced Mark Mamantov to speak on an issue relating to the outstanding bond financing for the Y12 facilities. Mr. Mamantov explained that the Department of Defense requires certain officers of the Board and the LLC created by the Board for this transaction to be excluded from receiving classified governmental information. Mr. Mamantov presented a proposed resolution to confirm such exclusion, which resolution was distributed to the Board.

Mr. Mason made the motion to adopt the resolution. Mr. Osucha second the motion. The motion carried unanimously.

- c. Industrial Revenue Bond Request for Healthcare Facility Revenue Bond Inducement – Mark Mamantov, as bond counsel to the Board, explained that the Board had received an application from Oak Ridge Senior Housing, LLC requesting the Board to issue revenue bonds to finance a multi-family housing facility for elderly persons with low and moderate incomes. Mr. Mamantov briefly explained to the Board the legal authority, both under state law and federal tax laws for undertaking this type of financing. Mr. Mamantov also explained that the first step in the process was for the Board to consider the adoption of a preliminary bond resolution indicating the Board's willingness to undertake the financing of the project. Such a preliminary resolution, with an inducement agreement, attached was distributed to the Board.

Mr. Johnson made the motion to approve the Resolution and Inducement letter as per the application; only if the application fee was received by close of business on Friday, March 7, 2014. Mr. Mason seconded the motion. The motion carried unanimously.

- d. Work Session for March 10, 2014 at 10:00 a.m. is scheduled to go.
- e. Approval of QuickBooks purchase – Mr. Mason made the motion to approve purchase of QuickBooks by the Chairman in amount not to exceed \$200.00. Mr. Patrick second the motion. The motion carried unanimously.

ADJOURN

Mr. Osucha made a motion to adjourn the meeting. Mr. Patrick second the motion. The motion carried unanimously.

The meeting adjourned at 5:13 p.m.

APPROVED BY THE INDUSTRIAL DEVELOPMENT BOARD

April 7, 2014



Chris Johnson
Secretary/Treasurer