

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

July 5, 2016

A regular meeting of the Industrial Development Board of the City of Oak Ridge, Tennessee, convened at 4:00 p.m. on July 5, 2016 in the Training Room of the Municipal Building. David Wilson; Chairman, declared there to be a quorum and called the meeting to order.

ROLL CALL

The following members were present: Buzz Patrick, Hal Osucha, Harold Trapp, Louise Dunlap, Phillip Yager, and David Wilson

The following members were absent: Dave Mason, Richard Chinn, and Chris Johnson

Also present were: Parker Hardy, Chamber of Commerce; Ray Evans, City of Oak Ridge; Mark Watson, City of Oak Ridge; Sarah Self, City of Oak Ridge; John Houtari, Oak Ridge Today; Doug Colclasure, Oak Ridge Citizen; and Samantha Royster, Executive Assistant to the IDB.

APPROVAL OF THE AGENDA

Mr. Wilson asked to amend the Agenda to add another item under New Business as follows:

- a. Sell Property at Horizon Center

Mr. Osucha made a motion to approve the agenda as amended. Ms. Dunlap seconded the motion. The motion carried unanimously.

APPROVAL OF THE MINUTES

Mr. Osucha moved to amend the minutes of the regular meeting held June 6, 2016 by changing the AFM fee under Land Use Committee Reports from 15% to 10%. Mr. Trapp made a motion to approve the minutes as amended. Mr. Yager seconded the motion. The motion carried unanimously.

TREASURER'S REPORT

Mr. Yager presented the financial report for June 2016 which will be placed on file.

Mr. Patrick made a motion to approve the financial report as given. Mr. Osucha seconded the motion. The motion carried unanimously

PROSPECT ACTIVITY REPORT

Mr. Hardy reported that three companies are interested in expansion. The Protomet expansion is still in process, and we are waiting for the GSA to get back to us on the fair market value of the property adjacent to the Protomet facility. The second company's expansion is already underway, but he is waiting on approval to share their name with the public. The company has leased the property next to their current facility and is creating approximately 62 new jobs. The third company is interested in doubling their manufacturing space, but there is currently no existing building of sufficient size available to purchase. The company is considering building a new facility possibly in Horizon Center. Mr. Hardy also reported being contacted by a business that has a sister company leasing a building in Oak Ridge. This company is interested in moving into the building occupied by its sister company, purchasing that facility, and acquiring two additional buildings on site.

Mr. Evans reported that the Main Street Project crossed one of its primary hurdles with RealtyLink closing on the mall property last week. He stated that he attended the demolition/construction kickoff meeting earlier today. Demolition is expected to start later this month around the Sears/Belk area. Mr. Evans also stated that there will be some revisions to the site plan later this month after the submission of the new hotel plans. The TIF closing is also expected to take place prior to month-end.

ATTORNEY REPORT

No Report

EXECUTIVE ADMIN. REPORT

Ms. Royster included a written report with the July 2016 board packet detailing the management support services she provided to and on behalf of the IDB for June 2016. The board had no follow-up questions regarding the report, and the report was accepted as presented.

COMMITTEE REPORTS

a. Finance Committee

Mr. Yager reported that the finance committee met on June 22nd to discuss the IDB cash flow over the next 1-2 operating cycles assuming no land sales at Horizon Center. A budget forecast was presented to board members for FY2017 and FY2018 indicating that the IDB would not have sufficient operating funds to continue into FY2019 if income/expenses remain at the current level. Mr. Yager stated this issue will continue to be monitored.

b. Land Use Committee

1. Mr. Osucha reported that the contribution to the IBCF is being made this week that will allow the IDB to receive formal approval to clear trees in Area 5. After a brief discussion, Mr. Osucha made a motion that the IDB enter into a services agreement with American Forest Management (AFM) for Timber Sale Preparation and Marketing Services of Area 5 timber at a cost of 10% of the gross sale revenue. In addition, if the IDB elects not to sell timber for any reason during the contract term, AFM will be paid \$1,200.00 for all work performed until time of sale cancellation. Mr. Trapp seconded the motion. The motion carried unanimously.
2. Mr. Osucha made a motion to revise the Horizon Center Development Map by reducing the acreage of Area 5 available for sale and development from 97.93 to 94.18 to allow for a 3.75 acre section of land necessary for use in an extension of Renovare Boulevard. Mr. Trapp seconded the motion. The motion carried unanimously.

c. Special Projects Committee – No Report

d. Spec Building Committee – No Report

e. Policies and Procedures Committee – No Report

OLD BUSINESS

None

NEW BUSINESS

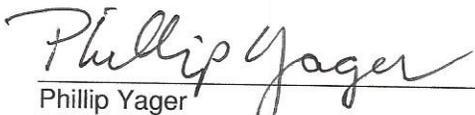
- a. In light of the current IDB budget constraints and projected cash balance if no land sales occur at Horizon Center in the near future, Mr. Wilson made a motion that the board begin a conversation on possibly seeking a local realtor with ties to a national realty firm to assist the IDB in marketing Horizon Center. Mr. Osucha moved to refer the motion to the Special Projects Committee. Mr. Yager seconded the motion. The motion carried unanimously.

ADJOURN

Mr. Trapp made a motion to adjourn the meeting. Ms. Dunlap second the motion. The motion carried unanimously.

The meeting adjourned at 4:45 P.M.

APPROVED BY THE INDUSTRIAL DEVELOPMENT BOARD
August 1, 2016



Phillip Yager
Secretary/Treasurer