

INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF OAK RIDGE
MINUTES

DATE: April 2, 2012

TIME: 4:00 pm

PLACE: Municipal Building Training Room

PRESENT: Board Members: William Biloski, Richard Chinn, Louise Dunlap, Chris Johnson, David Mason,
Hal Osucha, Harold Trapp, David Wilson
Executive Director: Kim Denton

ABSENT: Buzz Patrick

ALSO PRESENT: Elisabeth Brown, Oak Ridge Economic Partnership; Kathy Barber, Oak Ridge Economic Partnership; Ron Cole, Babcock Services, Inc.; Kathryn Baldwin, COR; Sam Tate, NAI Knoxville; Ron Asher, Ridge Realty Commercial; Guy Webb, Blaine Construction Company; Ray Evans, COR; Parker Hardy, ORCC; Joe Ledford, BWSC; Nikki Bradley, ORUD; Bobby Leach, B&D Equipment Co.; Doug Colclasure, citizen; Michael George, Blaine Construction Company

Mr. Biloski called the meeting to order at 4:00 p.m.

Approval of Agenda

Mr. Biloski made a motion to approve the agenda with an amendment to move Item A – Babcock Services under New Business to follow Treasurer’s Report as a courtesy to the prospects present. Ms. Dunlap seconded the motion. Motion carried with all in favor.

Approval of Minutes

Mr. Wilson made a motion to approve the minutes of the regular meeting held March 5, 2012, with one minor correction for a typographical error. Mr. Mason seconded the motion. Motion carried with all in favor.

Treasurer's Report

Mr. Trapp reported on the February Financial Report, which had been previously reported and approved at the March Meeting. Mr. Trapp reported a checking account balance of \$48,936.10. Mr. Trapp reported he will be moving some funds to pay outstanding invoices relating to the two major projects at Horizon Center. Mr. Trapp further reported other CD investments remain the same with ORNL FCU and also Citizens First. No approval was required as the board had previously approved the February Financial Report at the March meeting.

New Business

- a) **Babcock Services Fast Track Grant** – Ms. Barber, Oak Ridge Economic Partnership, introduced Mr. Ron Cole of Babcock Services. Mr. Cole gave a brief overview of the company’s history and their interest in locating a facility in Oak Ridge. He informed the board his company is building at Heritage Center. Discussion regarding Babcock’s request for a Fast Track Infrastructure Grant was

held. It was determined that the Grant will be administered by ETTD. It was also determined that Babcock will put up any bonds required for the project. Mr. Wilson requested a walk-through for the certification of the costs and that was reviewed. The company will certify the IDB has no liability and the Grant Agreement will reflect such. Mr. Mason made a motion to accept Babcock Service Inc.'s request to enter into a Grant Agreement with the Industrial Development Board for a Fast Track Infrastructure Grant. Ms. Dunlap seconded the motion. Motion carried with all in favor.

Executive Director's Report

- a) **Prospect Update** – Ms. Denton reported that there has not been a lot of new prospect activity. She briefly reviewed several prospects that are currently being worked. Such companies include Atriax, a call center, a medical device startup company and a guitar manufacturer.
- b) **NAI Marketing Report** – Mr. Tate presented NAI's Monthly Marketing Report to the Board. He reviewed with the board the sheet reflecting all prospect activity on Horizon Center. There are currently no active prospects for Horizon Center. Mr. Tate did report the marketing package for Horizon is being re-vamped. He is also following up on all calls/contacts made. Mr. Biloski asked Mr. Tate to develop a pricing plan for the land at Horizon based on sold comps.
- c) **Ridge Realty Marketing Report** – Mr. Asher presented his report regarding the Bethel Valley Industrial Park. He stated there is a prospect looking at the larger parcel. He was unable to prepare attachments to the report for distribution to the board but will forward to Ms. Denton when complete.
- d) **FastTrack Grant Update** – Ms. Denton informed the board that Pay Requests 4 & 5 are still outstanding and should be received via direct deposit at any time.
- e) **FastTrack Proposed Legislation** – Ms. Denton briefly reviewed the Fast Track Proposed Legislation. She also reviewed the letters of support sent to both Sen. McNally and Rep. Ragan.
- f) **Sewer Line Extension Update** – Mr. Ledford of BWSC gave the update this month in Mr. Strunk's place. He reports the project is approximately 2-3 weeks from completion and the only major component that remains is some asphalt work to be done. Once the East entrance to the park is re-opened, the West entrance will close to finish the entrance work.
- g) **Land Clearing Update** – Mr. Ledford informed the board the final payout for the land clearing has been submitted and BWSC is in the process of reviewing. Grass is being established on the site and the project is on track.
- h) **IDB Business Cards** – Ms. Denton presented 3 different quotes for business cards requested by some IDB members. Mr. Wilson made a motion to accept the lowest bid. Mr. Trapp seconded the motion. Further discussion ensued regarding confirming with the two lowest bidders regarding the best value insofar as the quality of paper, print quality, etc. Motion carried with all in favor.
- i) **Roane County Industrial Summit 4/12/12** – Ms. Denton informed the board of the upcoming Roane County Industrial Summit and invited the IDB board members to attend. Ms. Denton presented the draft power point presentation being prepared for this Summit.

Attorney's Report

- a) **RSI Property Closing** – Mr. Krushenski will request a closing date from the RSI attorney pending the sewer work being completed.
- b) **Woodland Town Center TIF Closing** – Mr. Krushenski reported he had recently communicated with Mr. Mamantov regarding the closing documents for the Woodland project. Mr. Mamantov indicated the closing would be in the next couple of weeks. Mr. Krushenski will try and obtain a red-line set of closing documents for review prior to closing.

Committee Reports

1. **Finance Committee** – No report.

2. **Land Use Committee**

- a. Horizon Center Electrical Infrastructure Update

Mr. Biloski reported the easement is signed. He does not have a copy of the exhibits.

- b. Horizon Center Entrance Work

Mr. Osucha reported that the entrance work at Horizon Center is almost complete pending the State completing the road work. He did request from Mr. Holbrook an estimate for what it will cost to update the landscaping, get the lighting in and irrigation. Mr. Holbrook gave a rough estimate of \$20,300. It was suggested that as the project gets closer to the completion, the Land Use Committee meet Mr. Holbrook at Horizon Center to walk through and go over that project.

- c. Horizon Center Marketing Next Steps

Ms. Denton previously outlined these next steps during her Executive Director report. She informed the board a spec sheet is being developed for Horizon Center.

3. **Special Projects Committee**

- a. Process for awarding future grants

Mr. Mason informed the board the committee recently met for the second time. The committee agreed on the main concepts of this procedure and will continue to craft a process.

4. **Spec Building Committee**

No report.

Old Business

Update on Oak Ridge Mall Broker Marketing Strategy

Mr. Hardy addressed the board on the status of the mall broker marketing strategy. Cushman & Wakefield has been engaged to broker the mall for sale. Mr. Hardy walked through their marketing strategy and explained the complexities of the project. A marketing packet has gone out to 300 potential buyers. The property is being listed for approximately \$10.5million. Mr. Hardy feels it is important to note the intention is to market this property as a redevelopment property, which would keep it whole instead of carving it up into pieces. Mr. Hardy is optimistic this property will move quickly.

New Business

IDB-OREP Alliance Menu of Services

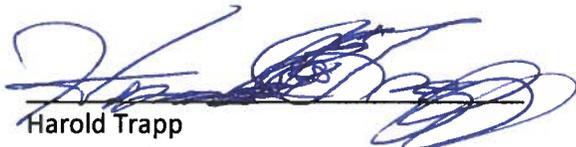
Mr. Biloski informed the board the contract with the OREP for IDB management services expires on June 30th. He presented a draft Alliance Menu of Services to the board for their review. Ms. Denton informed the board she, Mr. Biloski, as well as two OREP board members have worked to craft an agreement that is mutually beneficial. Ms. Denton walked through the draft Agreement with the board. Mr. Biloski asked any board members with questions/comments get back with either him or Ms. Denton. It is his intention for the board to take action on this Agreement at the May meeting.

Other New Business

Mr. Wilson asked the board to consider whether the IDB would like to incorporate a "community involvement policy" into the metrics for any type of assistance from the IDB. A brief discussion ensued.

Adjournment

Mr. Wilson made a motion to adjourn the meeting. Mr. Trapp seconded the motion. Motion carried with all in favor and the meeting adjourned at 5:11 pm.



Harold Trapp
Secretary/Treasurer