

INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF OAK RIDGE
MINUTES

DATE: March 5, 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, Buzz Patrick, Harold Trapp, David Wilson
Executive Director: Kim Denton

ABSENT: None

ALSO PRESENT: Elisabeth Brown, Oak Ridge Economic Partnership; Bryan Mills, ACHW; Ray Evans, OR citizen; Ron Asher, Ridge Realty; Susan Fallon, City of Oak Ridge; Sam Tate, NAI Knoxville; Lowell Strunk, BWSC; Parker Hardy, Oak Ridge Chamber of Commerce; Kathy Barber, Oak Ridge Economic Partnership; Liz Kohnen, Oak Ridge Economic Partnership; Doug Colclasure, OR citizen; Ellen Smith, Oak Ridge City Council; Kathryn Baldwin, City of Oak Ridge

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

Approval of Agenda

Mr. Wilson made a motion to approve the agenda as submitted. 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 February 6, 2012. Mr. ^RTrapp seconded the motion. Motion carried with all in favor.

Treasurer's Report

Mr. Trapp reported on both the January and February Financial Reports. Mr. Trapp reported he recently renewed some CDs that had come due. He did not withdraw any monies out with renewals, simply renewed. He also reported approximately \$253,176 was moved to checking to cover incurred expenses relating to the projects at Horizon. At present, there is \$205,188 in checking. A discussion was held regarding why the Horizon Center land cannot be included on the financial reports as a liability against the IDB's total assets. It was understood from the IDB accountant and the IDB auditor that the land is reflected as a restricted asset because the land has no value for operational purposes until it is sold. That is why the land is reflected as an invested capital asset. There was also discussion regarding the CAM budget and whether the IDB is on track for CAM expenses thus far this year. It was agreed that the CAM expenses are on track. Mr. Wilson made the motion to accept the Treasurer's Report as presented. Ms. Dunlap seconded the motion. Motion carried with all in favor.

Executive Director's Report

- 1. Prospect Update** – Ms. Denton reported that prospect activity has increased slightly since her last report. She informed the Board that a unique prospect, an electric guitar manufacturer, is currently being worked. She also reported several local expansions are in the works. She is optimistic that prospect activity will continue to increase slowly.
- 2. NAI Marketing Report** – Mr. Tate presented NAI's Marketing Report to the Board. He informed the board there are 2 new 4'x6' signs at Horizon Center. He indicated there has been some new interest in Horizon Center but the market is still much slower than normal. Mr. Tate then reviewed a list of contacts that had been made and discussion ensued regarding NAI's marketing strategy. Ms. Denton was pleased to inform the board that new aerial photographs are in the works for Horizon Center through community volunteers willing to fly the site and take them.
- 3. 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 a marketing report for distribution to the board but will forward to Ms. Denton when complete.
- 4. FastTrack Grant Update** – Ms. Denton informed the board that Pay Requests 4 & 5 are outstanding and should be received via direct deposit at any time. Ms. Denton further reported she received Pay Request 6 from BWSC and is processing that request.
- 5. FastTrack Proposed Legislation** – Ms. Denton presented proposed legislation regarding FastTrack funds. Ms. Denton informed the board that Gov. Haslam has proposed additional funds be allocated for more "soft costs" which would be administered by local IDBs. Mr. Mason made a motion to endorse Ms. Denton & Mr. Biloski to issue a letter of support on behalf of the IDB for this proposed legislation. Ms. Dunlap seconded the motion. Motion carried with all in favor.
- 6. Sewer Line Extension Update** – Mr. Strunk reported all major parts regarding the sewer line extension are in place. He also reported the pump station was tested by the City with positive results. He also informed the board the IDB is responsible for getting the survey for an easement that will be necessary. The prospect is excited about the progress of the sewer project and is looking forward to its completion. Mr. Strunk further informed the board the road should be reopened soon and also that the City Public Works staff has been a pleasure to work with.
- 7. Land Clearing Update** – Mr. Strunk informed the board the land clearing is approximately 97% complete. During the course of the clearing, a large pond appeared that had not been indicated on the topo map. It was suggested that the land clearing be completed first before addressing the pond issue.

Attorney's Report

- 1. Appalachian Underwriters Grant Agreement** – Mr. Krushenski reported that Appalachian Underwriters has signed off on the Agreement and it has been sent to Oak Ridge Electric. The electric switch has been ordered.
- 2. RSI Property Closing** – Mr. Krushenski presented the proposed 60 Day Contract Extension to the board. Ms. Dunlap made a motion to approve the 60 Day Sale Contract Extension of RSI to coincide

with the 60 Day Extension for the sewer contractor. Mr. Wilson seconded the motion. Motion carried with all in favor.

Committee Reports

1. **Finance Committee** – Recent correspondence from Bass Berry & Sims regarding TIF financing package indicates the project seems to be on track.

2. **Land Use Committee**

a. Horizon Center Electrical Infrastructure Update

Mr. Biloski reported Mr. Suggs has the easement language and estimates and anticipates signing the easement in 10 days or so.

b. Horizon Center Entrance Work

Mr. Osucha reported that the entrance work at Horizon Center is making significant progress. He said June is the estimated completion date.

c. Horizon Center Marketing Next Steps

Ms. Denton discussed with the board marketing opportunities for Horizon Center in anticipation of the sewer project and land clearing project being completed. She informed the board she is working on a one-sheet highlighting the Center's features which will available to be used in a variety of marketing applications. She further informed the board that Mr. Smith, Director of Technology for Innovation Valley, is actively marketing Horizon Center from a carbon fiber technology perspective.

3. **Special Projects Committee**

a. Process for awarding future grants

Mr. Mason informed the board a draft process is in the works and he hopes to present it to the board at the next meeting.

4. **Spec Building Committee**

No report.

Old Business

PILOT Client Reports

Ms. Fallon informed the board that 3 of 8 clients did not meet their projected metrics. A summary of the report was given to the Chair. Ms. Fallon also stated a report will go the City Manager who will then, in turn, submit to the Mayor, City Council and other elected bodies.

Update on TIF Project

Mr. Hardy presented an update on the Woodland Town Center project. He informed the board the hard cost estimates are being finalized which is the last big step before closing of the financing package. He feels that assuming all continues to move forward at the current pace, the project is on track.

New Business

Oak Ridge Mall

Mr. Biloski informed the board the mall has been confirmed for sale by Cushman & Wakefield who will be listing the property. The listing price for the property has not yet been publically revealed. Mr. Hardy and others are working on the possibility of a public briefing for the community. More information will be revealed as it materializes.

City Council IDB Goals

Mr. Biloski reviewed the City Council IDB Goals document. He stated City Council had not sought any IDB input in preparing the goals.

Committee Operational Charters

Mr. Biloski distributed the Committee Operational Charters for review.

Adjournment

Mr. Wilson made a motion to adjourn the meeting. Ms. Dunlap seconded the motion. Motion carried with all in favor and the meeting adjourned at 5:10 pm.



Harold Trapp
Secretary/Treasurer