

January 26, 2021

M E M O R A N D U M

To: City of White House Industrial Development Board
Gerald Herman, City Administrator
Valerie Webb, City Attorney

From: Derek Watson, City Recorder

Re: Meeting of the Industrial Development Board

Notice is hereby given that the Industrial Development Board of the City of White House, Tennessee, will meet on Tuesday, February 2, 2021, to consider payment in Lieu of Ad Valorem Taxes for Advanex Americas, Inc.

The meeting will take place at 5:00 pm at the Billy S. Hobbs Municipal Center located at 105 College Street.

If you have any questions or are unable to attend please contact me at 615-672-4350, ext. 2111.

CITY OF WHITE HOUSE
Industrial Development Board Agenda
February 2, 2021
5:00 p.m.

1. Call to Order
2. Roll Call
3. Adoption of the Agenda
4. Approval of Minutes of the November 10, 2020 Industrial Development Board Meeting
5. New Business
 - A. To approve or reject payment in Lieu of Ad Valorem Taxes for Advanex Americas, Inc.
6. Other Business
7. Adjournment

CITY OF WHITE HOUSE
Industrial Development Board Minutes
November 10, 2020
5:00 p.m.

1. Call to Order

Meeting was called to order at 5:00 pm by President Tim Murphy.

2. Roll Call

Ken Duley - Present; Kris Freeman - Absent; John Mechler - Present; Tim Murphy - Present; Mark Reid - Present; Michael Wall – Present; John Wilkinson - Present; **Quorum - Present**

3. Adoption of the Agenda

Motion was made by Mr. Mechler, second by Mr. Wilkinson. A voice vote was called for with all members voting aye. **Agenda was adopted.**

4. Approval of Minutes of the October 21, 2019 Industrial Development Board Meeting

Motion was made by Mr. Reid, second by Mr. Mechler. A voice vote was called for with all members voting aye. **October 21, 2019 minutes were approved.**

5. New Business

A. Consider payment in Lieu of Ad Valorem Taxes for Kroger Company.

Ms. Jill Giles from Kroger Company and Mr. Jeff Oldham from Bass, Berry, and Sims PLC was in attendance via Zoom. Mr. Oldham provided the Board with an update of the Kroger store expansion timeline and completion of the stipulations established during the October 21, 2019 Industrial Board meeting.

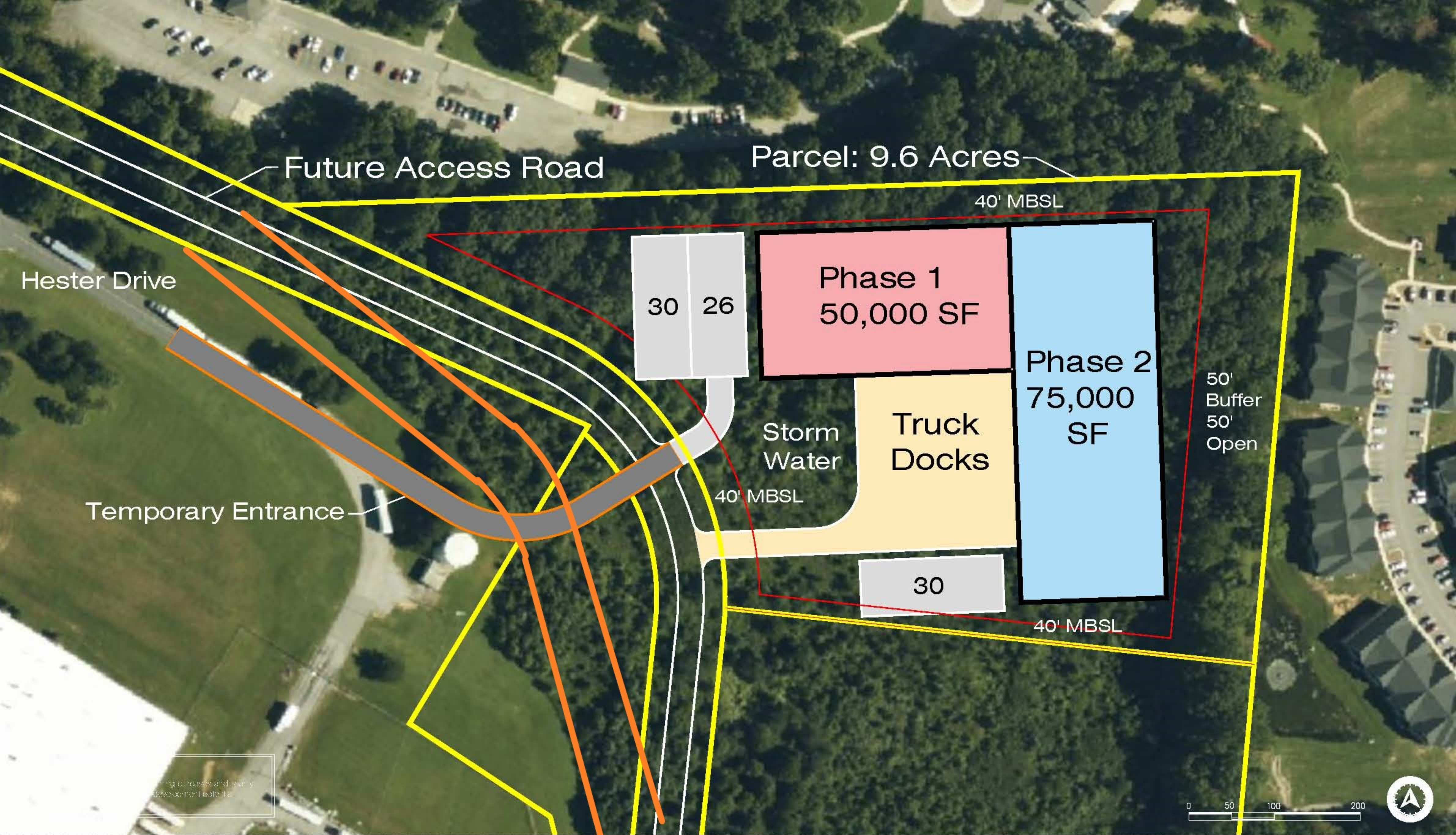
Motion was made by Mr. Reid, second by Mr. Duley to approve the proposed payment in Lieu of Ad Valorem Taxes for the Kroger store expansion on Hwy 76. **Motion was approved.**

6. Other Business

7. Adjournment

Meeting was adjourned at 5:22 pm

John D. Wilkinson, Secretary



PROJECT ADVANTAGE CONCEPTUAL PLAN
HESTER DRIVE INDUSTRIAL SITE
 WHITE HOUSE, ROBERTSON COUNTY, TENNESSEE

Created In October, 2020 By:
THE VALLEY WORKS



Industrial Development Board

January 26, 2021

Advanex Americas, Inc.

The State of Tennessee Economic Development Department, Tennessee Department of Transportation, Tennessee Valley Authority, Robertson County Economic Development, and staff from the City of White House has had ongoing discussions with Advanex Americas, Inc. over the past few months. The company is considering relocating their manufacturing business from California to the State of Tennessee. The company manufactures small springs. They have looked at several sites and have zeroed in on an industrial site off of Hester Road behind the Lowes millworks facility. A concept site plan is attached for your viewing. Advanex proposes to invest in capital approximately \$17,000,000 and to create 102 new full-time jobs.

All the entities listed have offered an incentive to encourage Advanex Americas Inc. to relocate in White House.

Staff Recommendation

Staff would recommend approval for Level 3 tax abatement.

RESOLUTION 10-14

A RESOLUTION OF THE CITY OF WHITE HOUSE, TENNESSEE, REGARDING ECONOMIC INCENTIVE GUIDELINES AND AUTHORIZING THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF WHITE HOUSE, TN TO NEGOTIATE AND ACCEPT PAYMENTS IN LIEU OF AD VALOREM TAXES.

WHEREAS, the Board of Mayor and Aldermen desire to confirm their approval of guidelines for economic incentives in order to create an environment that is valued by existing companies that are expanding and to attract new prospective employers to the City; and

WHEREAS, the Board of Mayor and Aldermen would like to be able to offer an incentive program to make our city a more viable candidate in competing with similar cities for economic growth; and

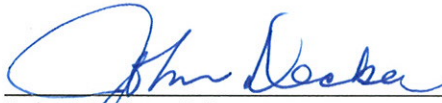
WHEREAS, the Board of Mayor and Aldermen desire to authorize and approve the delegation to The Industrial Development Board of the City of White House, Tennessee (the "IDB"), of authority to negotiate and accept from the IDB's lessees payments in lieu of ad valorem tax agreements in accordance with T.C.A. Section 7-53-305(b).

NOW THEREFOR, BE IT RESOLVED by the Board of Mayor and Aldermen of the City of White House, Tennessee as follows:

RESOLVED: the Board of Mayor and Aldermen desire to authorize and approve the delegation to The Industrial Development Board of the City of White House, Tennessee (the "IDB"), of authority to negotiate and accept from the IDB's lessees payments in lieu of ad valorem tax agreements in accordance with T.C.A. Section 7-53-305(b).

BE IT FURTHER RESOLVED: the Board of Mayor and Aldermen hereby approve the Economic Incentive Guidelines to be used by the IDB in its consideration of the negotiation and acceptance of payment in lieu of tax incentives attached hereto as **Exhibit A**, with the understanding that these are guidelines and not binding rules or requirements.

Adopted this 19th day of August, 2010.



John Decker, Mayor

ATTEST:



Amanda Priest, City Recorder

Exhibit A

Economic Incentive Guidelines City of White House, Tennessee

The Board has adopted the guidelines set forth herein based on a Company's investment, projected employment, and other factors as the Board may determine. These are guidelines and not binding rules or requirements. The Board can and should feel free to alter the Level assigned to any Project, or to increase or decrease the benefits within that level, in its sole and absolute discretion, based upon whatever subjective factors that it determines to be applicable, including, without limitation, whether the applicant is providing employment in an industry that the Board determines should be a priority or should not be a priority for the community, whether the project is in a growing or declining industry, whether the industry is environmentally sustainable or deleterious, whether the project is likely to enhance the image of the community, attract additional business, is a site in a location that the community desires be redeveloped, is a brown field, or is otherwise particularly well suited or poorly suited for the prospective project, etc. These guidelines are designed to attract new business to the City. In the case of an existing industry or business expansion, the number of jobs and capital expenditure requirement created is at the discretion of the Board of Directors.

Investment Report – The Company shall on or before June 30 of each year, beginning June 30 of the year following the commitment to the project, certify to the Board the amount of investment it has made in the real property and equipment comprising part of the project during the preceding 12 months (the "Annual Investment").

Guidelines. Subject to the foregoing, the guidelines for granting tax abatements and payment in lieu of tax agreements are as follows:

Level 1 - Companies investing at least \$500,000 and hiring at least 25 full time equivalent (FTE) employees:

Real Property:

	Percentage of the property tax that would otherwise have been payable:
Year 1*	0%
Year 2	50%
Year 3	50%
Year 4	80%
Year 5	100% (Abatement ends)

Personal Property:

	Percentage of the property tax that would otherwise have been payable:
Year 1*	0%
Year 2	50%
Year 3	100% (Abatement ends)

Level 2 - Companies investing at least \$2,000,000 and hiring at least 50 full time equivalent (FTE) employees:

Real Property:

	Percentage of the property tax that would otherwise have been payable:
Year 1*	0%
Year 2	0%
Year 3	50%
Year 4	60%
Year 5	70%
Year 6	80%
Year 7	80%
Year 8	100% (Abatement ends)

Personal Property:

	Percentage of the property tax that would otherwise have been payable:
Year 1*	0%
Year 2	0%
Year 3	70%
Year 4	100% (Abatement ends)

Level 3 - Companies investing at least \$5,000,000 and hiring at least 100 full time equivalent (FTE) employees:

Real Property:

	Percentage of the property tax that would otherwise have been payable:
Year 1*	0%
Year 2	0%
Year 3	40%
Year 4	50%
Year 5	60%
Year 6	70%
Year 7	80%
Year 8	90%
Year 9	100% (Abatement ends)

Personal Property:

	Percentage of the property tax that would otherwise have been payable:
Year 1*	0%
Year 2	0%
Year 3	0%
Year 4	0%
Year 5	100% (Abatement ends)

* The Company may elect to make an in lieu of tax payment equal to the CIP ad valorem tax prior to placement of the applicable component of the Project in service, and make Year 1 the first year in which the full ad valorem tax would have been applicable thereto.

The Board may request that the Company meet certain performance standards related to the amount of the capital investment and job creation in connection with the Project in order to continue the tax abatement (for example, the Company shall make at least 85% of the capital

investment and create at least 85% of the indicated jobs in order to receive the requisite abatement, or else there will be a proportionate reduction in the incentive). These performance criteria will be considered on a case by case basis.

In the event that a leasehold estate with respect to any part of the Project (or any interest therein) which is owned by the Board and leased to the Company is ever subject to ad valorem taxation, the amount of any such ad valorem taxes shall be a credit against any in-lieu-of-tax payments due from said Company.

All in-lieu-of-tax payments for any year shall be due and payable to the Board on or before the last day of February of the next succeeding year.