

LOUDON COUNTY COMMISSION

Monday, October 29, 2012

Courthouse Annex

6:00 pm

SPECIAL CALLED MEETING

1. **Opening of Meeting, Pledge of Allegiance, and Invocation**
2. **Roll Call**
3. **Adoption of Agenda - October 29, 2012**
4. **This is the time for any visitor or delegation to come forward and state the business for which he/she may wish to address concerning any item of interest on the planned agenda.**
5. **Reports of County Officials, Departments and Committees:**
 - A. **Loudon County Economic Development Agency Director - Pat Phillips**
Resolutions for Loudon County Commission
 1. A Resolution of the Loudon County Commission Authorizing the Sale of Certain Property in Sugarlimb Industrial Park and Location Inducements for Project Sparrow.
 2. A Resolution of the Loudon County Commission Authorizing the Submission of a Fast Track Infrastructure Development (FIDP) Application to the Tennessee Department of Economic and Community Development on Behalf of Project Sparrow.
 3. A Resolution of the Loudon County Commission Authorizing the Submission of a State Industrial Access Road (SIA) Application to the Tennessee Department of Transportation Pursuant to the Industrial Highway Act of 1959 to Extend Henry Drive in Sugarlimb Industrial Park on Behalf of Project Sparrow.
Resolutions for Loudon City Council
 1. A Resolution of the Loudon City Council Authorizing the Sale of Certain Property in Sugarlimb Industrial Park and Location Inducements for Project Sparrow.
6. **Adjournment**

Resolution No. _____

A Resolution of the Loudon County Commission authorizing the sale of certain property in Sugarlimb Industrial Park and location inducements for Project Sparrow

Whereas, following a multi-state site selection search beginning in 2008, Project Sparrow (hereinafter referred to as Company) has forwarded to the Loudon County Economic Development Agency a letter of intent, dated October 11, 2012, indicating the company's intent to construct a manufacturing facility in Sugarlimb Industrial Park at 197 Henry Drive, referenced by County Tax Map 33, a portion of Parcel 5.0, and

Whereas, Company is a European manufacturer of products for the residential and commercial construction sector and plans to construct a U.S. manufacturing facility in Loudon County/City of Loudon comprising approximately 320,000 sq. ft., employing approximately 178 and investing approximately \$70,000,000 in real and personal property over a 5-year period, and

Whereas, Company desires to expedite construction to ensure that production can commence in or around the end of 2013, and

Whereas, the Loudon County Economic Development Agency Board of Directors recommends that certain inducements and assistance be provided to Company involving site grading, extension of infrastructure, road construction and payment in lieu of taxes to secure the Company's presence in Loudon County/City of Loudon, and

Whereas, the Blair Bend/Sugarlimb Industrial Committee has considered and recommends the sale of said property, to Company at a price of \$15,000/acre.

Now, Therefore, Be it Resolved, that the Loudon County Commission hereby agrees to cooperatively provide the following inducements to the project:

1. To sell to Company a tract of land in Sugarlimb Industrial Park consisting of approximately 30 acres+/- at a price of \$15,000/acre with the actual acreage to be determined by a boundary survey.
2. To provide a pad-ready, graded site accommodating a 320,000 sq. ft. manufacturing facility and ancillary parking and access as reflected on the attached drawing being a part of this resolution.
3. To construct and extend infrastructure to the property boundary.
4. To construct an industrial access road from the end of the bridge on Henry Drive and extending south to the southern property line of said tract and to enter into a contract with the State of Tennessee Department of Transportation for State Industrial Road funds, estimated at \$1,100,000.

5. To authorize a 10-year payment in lieu of tax (PILOT) for real and personal property of \$168,574 annually.
6. To enter into contracts with the State of Tennessee Department of Economic and Community Development to secure \$750,000 in Fast Track infrastructure (\$590,000) and training assistance (\$160,000) per the Department's commitment dated October 10, 2012 and herein attached as an exhibit to this Resolution.
7. To assist in the acquisition of Economic Development Funds through the Tennessee Department of Economic and Community Development that shall be used to assist company with specialized foundation and footers for the manufacturing project per the letter of commitment from the Department dated October 10, 2012 and herein attached as an exhibit to this Resolution.

Be, It, Further Resolved, that Loudon County and the City of Loudon hereby dedicate the annual payment in lieu of taxes received from the project to fund debt service for site grading and infrastructure costs. In addition, Loudon County shall serve as the fiscal and grant recipient for said project. Prior to incurring expenditures for engineering, site grading or utility extension, the County shall receive from Company acceptable surety sufficient to cover the outlay of funds utilized for such purposes previously mentioned. Said surety shall exist until such time as the appropriate Industrial Development Board shall enter into an agreement for an in-lieu of tax payment as described in item #5 or until such time as an occupancy certificate is obtained for the facility.

Be, It, Further Resolved, that the County Commission authorizes the Mayor to sign all applicable grant contracts and property closing documents.

Be It Finally Resolved, that this Resolution shall take effect immediately the public welfare requiring it.

Passed this the 29th Day of October, 2012

Estelle Herron, Mayor, Loudon County, Tennessee

Roy Bledsoe, Chair, Loudon County Commission

Darlene Russell, Loudon County Court Clerk

RESOLUTION NO. _____

A Resolution of the Loudon County Commission authorizing the submission of a FastTrack Infrastructure Development (FIDP) Application to the Tennessee Department of Economic and Community Development on behalf of Project Sparrow

WHEREAS, Loudon County recognizes and supports the need for business expansion within the county; and

WHEREAS, Project Sparrow will be constructing a new facility to be located in the Sugarlimb Industrial Park; and

WHEREAS, Project Sparrow has indicated that site preparation improvements are needed in order to prepare the site for the facility construction; and

WHEREAS, the State of Tennessee offers grants to local communities to finance site preparation improvements that support business expansion through its FastTrack Infrastructure Development Program (FIDP); and

WHEREAS, Loudon County must submit a formal application in order to be eligible for funding through the FIDP program, said application to request funding for site preparation improvements to support Project Sparrow facility construction.

NOW, THEREFORE, BE IT RESOLVED that Loudon County hereby authorizes the Mayor or her representative to prepare and submit an FIDP grant application for up to **\$750,000** to partially finance the cost of site preparation/infrastructure improvements to support Project Sparrow's facility construction at Sugarlimb Industrial Park.

BE IT FURTHER RESOLVED that Loudon County acknowledges that the local share requirements of the FIDP program will be satisfied by Loudon County.

This Resolution adopted this the 29th day of October, 2012.

Approved By:

Estelle Herron, Mayor

Roy Bledsoe, Chairman

Darlene Russell, County Court Clerk

RESOLUTION NO. _____

A Resolution of the Loudon County Commission authorizing the submission of a State Industrial Access Road (SIA) application to the Tennessee Department of Transportation pursuant to the Industrial Highway Act of 1959 to extend Henry Drive in Sugarlimb Industrial Park on behalf of Project Sparrow

WHEREAS, Loudon County, Tennessee is vitally interested in the economic welfare of its citizens and wishes to provide the necessary leadership to enhance this area's capabilities for growth and development; and

WHEREAS, the provision of jobs to area citizens by local industry is both necessary and vital to the economic well-being of the County of Loudon and the State of Tennessee; and

WHEREAS, the Industrial Highway Act of 1959 authorizes the Tennessee Department of Transportation to contract with cities and counties for the construction and maintenance of "Industrial Highways" to provide access to industrial areas and to facilitate the development and expansion of industry within the State of Tennessee; and

WHEREAS, on October 11, 2012, Project Sparrow submitted a letter of intent which outlines plans to complete construction of a manufacturing facility in Loudon County/City of Loudon by the end of 2013; and

WHEREAS, the construction of an industrial access road to serve said proposed plant is necessary and vital to the successful completion of this project and the future economic well-being of this area.

NOW, THEREFORE BE IT RESOLVED by the Loudon County Commission, that a contract be entered into with the Tennessee Department of Transportation for assistance in construction and completion of the herein proposed industrial access highway under the provisions of the Industrial Highway Act of 1959.

Adopted this the 29th day of October, 2012.

Estelle Herron, Mayor

Roy Bledsoe, Chairman

Darlene Russell, County Court Clerk