



City of Columbia Industrial Development Board (IDB)
City of Columbia Industrial Development Board (IDB) Agenda
June 27, 2023 - 4:00 PM

City of Columbia
Industrial Development Board (IDB)
700 North Garden Street
Conf. Room A - Basement
Columbia, TN 38401
Phone: 931-560-1510

Anyone requesting accommodations due to disabilities should contact Wanda McClain, at (931) 560-1570 prior to the meeting.

- I. Call to Order.**
- II. Official Notice.**
- III. Approval of Minutes.**

MARCH 21, 2023 - ADMINISTRATION.

ATTACHMENTS: IDB Minutes 032123

- IV. Old Business .**

- V. New Business.**

APPROVE FY23/24 IDB BUDGET - ADMINISTRATION.

ATTACHMENTS: IDB 2024 Budget

- VI. Maury Alliance Update .**

- VII. City Update.**

**REPORT FROM RETAIL STRATEGIES REGARDING THE ICSC
RETAIL CONVENTION CONFERENCE - ADMINISTRATION.**

- VIII. Other Business.**

- IX. Next Meeting.**

JULY 25, 2023 - ADMINISTRATION.

- X. Public Comments.**

- XI. Tentative 2023 Meeting Schedule.**

JULY 25, 2023
AUGUST 22, 2023
SEPTEMBER 26, 2023
OCTOBER, 24, 2023
NOVEMBER 2023 - TBD
DECEMBER 2023 - TBD - ADMINISTRATION.

XII. Adjourn.

City of Columbia Industrial Development Board

March 21, 2023

Call to Order:

The meeting of the Industrial Development Board was called to order by Chairman Morgan.

Attendance:

Members present were: Bob Morgan, Tim Dodd, Bill Marbet, Julie Heffington, Darlene Baxter and Bo Holloway. Others in attendance were: City Manager Tony Massey, Assistant City Manager Thad Jablonski, Executive Secretary Liz Bermudez, Marketing & Tourism Director Kellye Murphy, MIS Network Administrator Jason Shockley, Maury County Chamber & Economic Alliance President Wil Evans, and Vice President Travis Groth. Council Member Debbie Wiles, City Attorney Tim Tisher, Weston Porter with HHM and Mill Graves with Retail Strategies attended the meeting virtually. Manuel Young arrived to the meeting at 4:05 p.m. Vice Mayor McBroom arrived to the meeting at 4:08 p.m.

Minutes:

Minutes of the January 24, 2023 meeting were reviewed. Tim Dodd moved the minutes be approved. The motion was seconded by Bo Holloway. The motion was unanimously approved by those in attendance (Manuel Young was not present for the vote).

Old Business:

There was no old business.

New Business:

Acknowledge and Accept FY2022 Financial Report

Weston Porter with HHM went over the financial report. Darlene Baxter moved to accept the report as presented. The motion was seconded by Julie Heffington. The motion was unanimously approved by those in attendance.

Maury Alliance:

Travis Groth gave a presentation on the status of the Fiberon project. Mr. Groth advised one of the action items before the board is transferring the easement to TDOT. Mr. Marbet advised Project Leeward is asking if they can take the material they excavate and make a building pad on IDB property. Mr. Groth said the IDB would have to give them permission and make sure it is quality fill and it wouldn't provide a challenge. Bob Morgan moved to have the request investigated to make sure it benefits the IDB. The motion was seconded by Bo Holloway. After a brief discussion, the motion was unanimously approved by

those in attendance. Darlene Baxter asked about inquiring if Project Leeward is wanting to buy the IDB's additional property.

IDB approval for TDOT Road Right-of-Way regarding Fiberon project

Bill Marbet moved to approve executing the documents to turn the property over to TDOT. The motion was seconded by Tim Dodd. The motion as unanimously approved by those in attendance.

City Update:

Report from Retail Strategies regarding a needs survey for downtown Columbia hotel

Mill Graves with Retail Strategies spoke about a feasibility assessment, recommendations, the market for a downtown hotel, activity and interest in the Columbia market, the mall redevelopment, restaurant growth and lease rates.

Other Business:

Andrew Porter with the State Labor Department introduced himself to the board and advised he helps makes connections and advocates for Veterans and others.

Next Meeting:

The next meeting is scheduled for April 25, 2023 at 4:00 p.m.

Adjournment:

There being no additional business to discuss Bill Marbet moved the meeting be adjourned. The motion was seconded by Julie Heffington. Motion was approved. The meeting ended at 5:19 p.m.

Respectfully submitted,

Julie Heffington, Secretary

Bob Morgan, Chairman



**INDUSTRIAL DEVELOPMENT BOARD OF THE
CITY OF COLUMBIA, TENNESSEE**

FISCAL YEAR 2023-2024 ANNUAL BUDGET

(July 1, 2023 – June 30, 2024)



INDUSTRIAL DEVELOPMENT BOARD

Robert (Bob) H. Morgan, Chairman

Tim Dodd, Vice Chairman

Bill Marbet, Treasurer

Julie Heffington, Secretary

Darlene Baxter

Manuel Young Jr.

Bo Holloway

INDUSTRIAL DEVELOPMENT BOARD

FINANCIAL SUMMARY

Revenues

Category	Actual 2021-2022	Budget 2022-2023	Estimated 2022-2023	Budget 2023-2024
Intergovernmental	\$ 2,299,777	\$ 2,555,223	\$ 1,214,565	\$ -
Other Revenue	54,680	500,650	3,788,061	10,000
Prior Years Revenue	-	71,010	-	290,000
Total	\$ 2,354,458	\$ 3,126,883	\$ 5,002,626	\$ 300,000

Expenditures

Category	Actual 2021-2022	Budget 2022-2023	Estimated 2022-2023	Budget 2023-2024
Services & Supplies	\$ 882,603	\$ 3,126,883	\$ 2,695,630	\$ 300,000
Capital Outlay	826,710	-	-	-
Total	\$ 1,709,313	\$ 3,126,883	\$ 2,695,630	\$ 300,000

DESCRIPTION

The Industrial Development Board of the City of Columbia, Tennessee (the “Board” or “IDB”) is a public, non-profit corporation and a public instrumentality of the City of Columbia, Tennessee, organized pursuant to Tennessee Code Annotated (TCA) 7-53-101. Established in 2014, the IDB serves all citizens of the City of Columbia, Tennessee. The Board was formed to promote industry and to develop trade by attracting manufacturing, industrial, and commercial enterprises to the City of Columbia. The Board is also registered as a public non-profit corporation with the State of Tennessee.

The IDB is governed by a seven member board appointed by the Columbia City Council. The Board has the authority to finance, acquire, own, lease, or dispose of properties in order to promote and encourage economic development. The IDB also offers incentives for commercial and industrial development. Pursuant to TCA 7-53-305, the IDB is allowed to own property within the city limits. The IDB also has the authority to negotiate and accept payments in lieu of ad valorem taxes (PILOT) from the Board’s lessees, provided that such payments are deemed to be in furtherance of the Board’s public purposes. Every PILOT must be for business operations, which are defined as a project under TCA 7-53-101 (13). The IDB is allowed by state law to be exempt from taxation and to lease property as a method of security so that PILOT payments may be accepted by the city and county.

IDB-related economic development expenditures include land acquisition and development, grant projects involving private sector beneficiaries and retail recruitment, among other projects that serve to promote economic development within the City limits. The City of Columbia provides staffing support for the Board. The City Manager serves as the Board’s Registered Agent as well as Staff liaison. The City’s Assistant City Manager and CFO provides the IDB with financial and other staff assistance.

INDUSTRIAL DEVELOPMENT BOARD

As of June 2023, the following agreements and projects are completed or underway.

COMPLETED PROJECTS

Project Summer (Baxter Enterprises)

The Board adopted a PILOT for Project Summer commencing on August 9, 2016 and terminating on December 31, 2023. Conduit debt financed by the Project Bravo PILOT, the original long term debt issue for the project totals \$3,620,000. Jobs created by Project Summer total 137 and capital investment totals \$3,620,000.

Project Summer included the repurposing of the then vacant YMCA facility into a sales and software development center for Sleep Solution and Services (S3). It also facilitated the redevelopment of a portion of the facility into Muletown Rec.

Project Columbia LP (Columbia Housing and Redevelopment Corporation)

The Board adopted a PILOT for Project Honey commencing on May 23, 2017 and terminating on December 31, 2037. The IDB approved PILOT agreements in relation to a conversion of Columbia Housing and Redevelopment Corporation (CHRC) public housing to private housing. At the conclusion of the project, the housing will have been placed on the tax rolls. The project allowed CHRC to secure HUD funds to renovate 295 units within the city's five affordable housing neighborhoods.

Columbia, TN Rail Site Project

The City began work to secure the Columbia, Tennessee Rail Site (CTRS) project in 2015. A site selector hired by the Tennessee Department of Economic and Community Development (TNECD) evaluated prospective sites across Maury County, the results presented to the Maury Alliance Property Development Committee. The Columbia site was the most attractive for industrial park land development. Maury Alliance and the City staff immediately began the process of elevating the prospect of land acquisition. Requisite studies were completed using TVA InvestPrep grant funds. Land was purchased by the Columbia IDB using proceeds donated by the City of Columbia. CTRS has earned dual certifications from CSX rail and TNECD.

Grant Funds used include the following: TVA InvestPrep Round 5 funds totaling \$25,000 were provided for engineering, design and environmental site analyses before and after land acquisition. TVA InvestPrep Round 6 funds included \$500,000 to reimburse the IDB for land acquisition. TNECD Site Prep Grant funds included \$1,000,000 to reimburse the IDB for land acquisition.

Project Honey (Viscosi d/b/a Documotion Research)

The Board adopted a PILOT for Project Honey commencing on January 8, 2021 and terminating on December 31, 2030. Jobs created by Project Honey total 80 and capital investment totals \$9,300,000. The project was awarded FastTrack grant funds from TNECD in the amount of \$350,000 for economic development incentive to upgrade building facility.

INDUSTRIAL DEVELOPMENT BOARD

COMPLETED PROJECTS (CONTINUED)

Project Honey (Continued)

Headquartered in Santa Ana, Calif., Documotion manufactures labels for various business sectors including food service, healthcare, retail, libraries, inventory management and others.

Project Penny (JC Ford Company)

The Board approved a PILOT framework but the PILOT was never executed. JC Ford is anticipated to generate 210 jobs and capital investment totaling \$30,000,000. Family-owned and operated, JC Ford was founded nearly 80 years ago. The company is a leading manufacturer in high-speed corn tortilla production equipment

The project was awarded FastTrack grant funds from TNECD in the amount of \$1,000,000 for a building retrofit, improvements, expansion, fixture improvements and new construction at 2003 and 2007 Oakland Pkwy, JC Ford's Columbia location.

Project Farm (Smile Direct)

The Board adopted a PILOT for Project Farm commencing on December 14, 2021 and terminating on December 31, 2031. Jobs created by Project Farm total 600 and capital investment totals \$34,100,000. The project was awarded FastTrack grant funds from TNECD in the amount of \$1,500,000 for building retrofit, building improvements and fixture improvements.

SmileDirectClub, an oral care company and creator of the first medtech platform for teeth straightening, will invest \$34,000,000 and create more than 600 new jobs as part of the expansion. The new facility will allow SmileDirectClub to extend its manufacturing capabilities for its clear aligners in support of its continued expansion and growth while also increasing organizational resilience and introducing innovations to its supply chain.

Project Bravo (Mersen)

Project Bravo commenced during FY 2019, the project a collaboration between the City and County IDBs to make improvements to the abandoned Gravtech site which rests adjacent to, though outside, the Columbia City limits. Mersen acquired the site, the County IDB approving PILOT incentives. City sewer services required for the project, the Columbia IDB and City Wastewater Department agreeing to use state and private funds from Mersen to make the necessary improvements. Project Bravo will create 101 jobs and includes capital investment totaling \$64,900,000. The project was awarded FastTrack grant funds from TNECD in the amount of \$505,000 for the sewer line extension required for the project.

Construction of the Mersen pump station was completed during FY 2023. City staff is working with TNECD to secure approval for remaining funds to be spent on equipment that would allow the new pump station to communicate with the City's Wastewater Treatment Plant.

INDUSTRIAL DEVELOPMENT BOARD

ONGOING PROJECTS

Mall Redevelopment Project

The Board adopted a PILOT for the Mall Redevelopment Project commencing on December 15, 2021 and terminating on December 31, 2033. Jobs created by the Mall Redevelopment Project total 60 and capital investment totals \$6,000,000. The PILOT agreement with Mall owner Hull Properties is intended to promote investment in the City's most valuable single piece of retail real estate on the James Campbell Parkway corridor.

Project Leeward (Fiberon)

The Board adopted a PILOT for Project Leeward commencing on April 5, 2022 and terminating on December 31, 2032. Jobs created by Project Leeward total 310 and capital investment totals \$312,000,000. The project was awarded FastTrack grant funds from TNECD in the amount of \$3,100,000 for new building construction and acquisition of real property. State Industrial Access (SIA) grant funds were committed by TDOT on March 28, 2022 for roadway improvements adjacent to Fiberon and Columbia Rail Site properties, representing \$7,523,600 in state funds for public infrastructure in the city limits.

Founded in North Carolina in 1997, Fiberon is a leading U.S. manufacturer of wood-alternative decking, railing and cladding, and prides itself on serving customers with high-quality, eco-friendly products.

INDUSTRIAL DEVELOPMENT BOARD

BUDGET HIGHLIGHTS

- \$50,000 for professional services and \$20,000 for miscellaneous expenses at the Columbia Rail Site.
- \$30,000 budgeted for retail recruitment.
- \$200,000 budgeted in reserves.

*Remaining project balances for the Mersen and Fiberon FastTrack Projects from the prior year will be proposed via budget amendment once FY 2022-2023 year-end balances are known.

BUDGET

Revenues

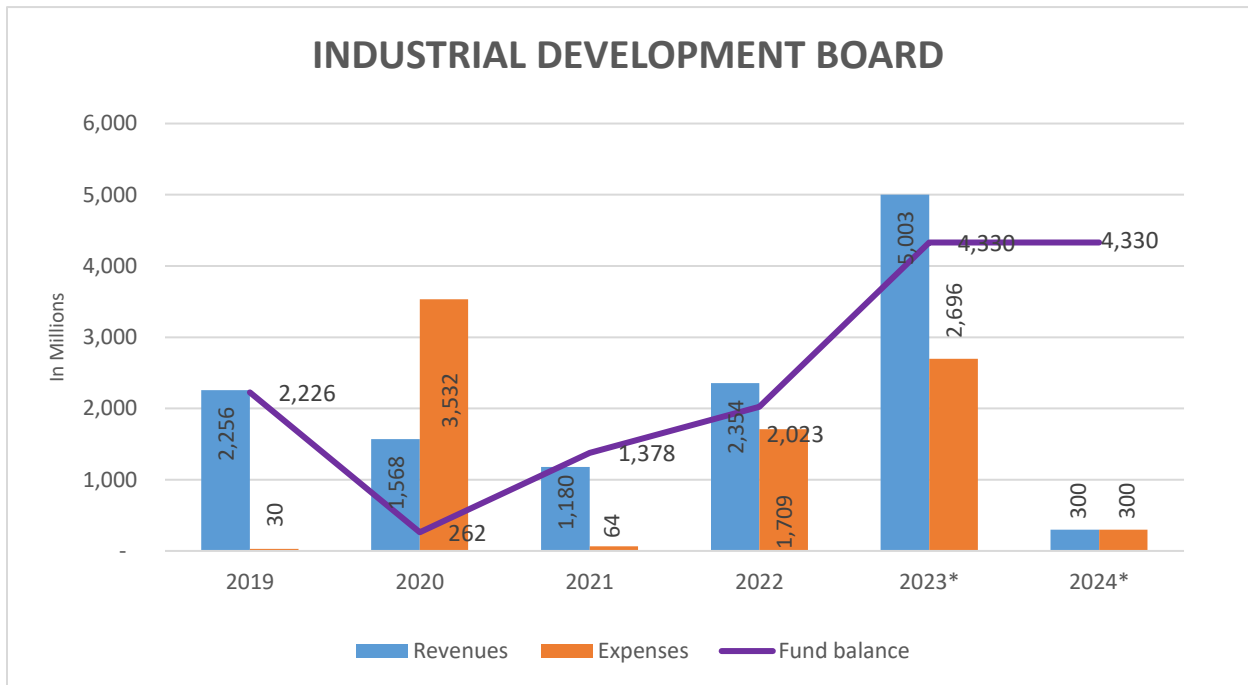
<u>Account Number</u>	<u>Account Name</u>	<u>Actual 2021-2022</u>	<u>Budget 2022-2023</u>	<u>Estimated 2022-2023</u>	<u>Budget 2023-2024</u>
33153	FastTrack Grant	2,299,777	2,555,223	1,214,565	-
36100	Misc. Interest Income	8,053	-	72,411	10,000
36310	Sale of Land	-	500,650	3,665,650	-
36721	Contribution Nonmatchable Grant	46,628	-	50,000	-
37110	Prior Years Revenue	-	71,010	-	290,000
Fund Total		\$ 2,354,458	\$ 3,126,883	\$ 5,002,626	\$ 300,000

Expenditures

<u>Obj. Code</u>	<u>Title</u>	<u>Actual 2021-2022</u>	<u>Budget 2022-2023</u>	<u>Estimated 2022-2023</u>	<u>Budget 2023-2024</u>
Services & Supplies					
234	Taxes, Legal Fees and Other	\$ -	\$ -	\$ -	\$ -
250	Professional Services	30,000	3,155	50,630	80,000
290	Other Services	52,826	30,000	30,000	20,000
798	Econ Dev Grants and Contributions	799,777	2,555,223	2,500,000	-
800	Reserves	-	538,505	115,000	200,000
Total Services & Supplies		\$ 882,603	\$ 3,126,883	\$ 2,695,630	\$ 300,000
Capital Outlay					
930	Cap. Imp. Other Than Buildings	\$ 826,710	\$ -	\$ -	\$ -
Total Capital Outlay		\$ 826,710	\$ -	\$ -	\$ -
Fund Total		\$ 1,709,314	\$ 3,126,883	\$ 2,695,630	\$ 300,000

INDUSTRIAL DEVELOPMENT BOARD

FUND BALANCE



*Estimated numbers used