

INDUSTRIAL DEVELOPMENT BOARD

March 14, 2013

6:30 pm

Present: John Steinhauer, Bruce Carter, Ed Spurlock, John Sheley, Mike Fussell, Elbert Jones

Others Attending: JoAnna Blauw, Keith Dennen, Alex Buchanan, Eddie Roberson, Don Long, Fred Qualls, David Lipsey

Absent: Terry Smith, John Zobl

Roll was called, and there was a quorum.

Steinhauer called the meeting to order.

PUBLIC HEARING

On behalf of Goodwill Industries, Alex Buchanan asked the board for its consent on the issuance of bonds by the IDB of Rutherford County. This consent would allow Goodwill to consolidate and have one bond for three stores in the region. His intent is to make the IDB aware of what Goodwill is doing in regards to the new stores, and in particular, the new store being built on Indian Lake Blvd. The new store will employ about 40 people and hopes to open in October 2013. The Planning Commission has approved the building. Sheley moved to close the public hearing; Fussell seconded. The public hearing was closed. Dennen recommended that the board consider a resolution to approve the issuance of the bond. Fussell so moved; Jones seconded. Discussion followed. Dennen explained that the board was concurring with the issuance of the entire bond issue, and that Goodwill must come to this board because the project is in Hendersonville. Chairman Steinhauer then requested a vote on the motion to approve the Resolution of the Industrial Development Board of the City of Hendersonville, TN attached to these minutes. The motion was unanimously approved.

MINUTES

Steinhauer called for approval of the January 10, 2013 minutes. Carter so moved; Fussell seconded. The minutes were unanimously approved.

FINANCE REPORT

It was a standard report for the month of January. The second of three installments of the pledge to Forward Sumner was paid, and the cell tower rental went up \$19.00. Fussell moved to approve the finance report; Jones seconded. The finance report was accepted. Don Long presented his request to the board for funding not to exceed \$2,500.00 for his annual trip to the ICSC. Carter said that the finance committee recommended that the board accept his request. Sheley so moved; Fussell seconded. The request was approved. The request from the TSBDC was deferred to another meeting.

FORWARD SUMNER

Sheley reported that the Forward Sumner annual meeting was in April, and that Jimmy Johnston would come to a future board meeting to make a presentation for 2014. He also reported on several projects in the works.

OLD BUSINESS

Eddie Roberson gave a brief power point presentation on his initial findings regarding the cell tower site. He noted that the cell tower rent had gone up about \$60.00 per month since November 2012. T-Mobile will send a check in the back amount to the board. He also noted that in the contract, AT&T did not include a provision for continuing to rent the site. He thinks that could be negotiated if that's what the board wants. When it comes to negotiating with AT&T, he recommended that the board ask for a signing bonus of no less than \$30,000.00. Roberson asked for questions and/or comments. Sheley asked about options if AT&T didn't want to extend the lease. Roberson said that they won't not want to extend the lease, and that they would want a 30-year lease. Carter noted that a 30-year lease would not allow for a significant increase in the monthly rent. Sheley asked if there could be a bonus with renewals, and Roberson said probably not, and that is why they want a signing bonus up front.

Carter asked if the board should act now or continue to wait. Roberson said that if the board does something now, they could get a good signing bonus. Furthermore, if AT&T gets the idea that the board is hesitating, they could move on. He recommended that the board make a decision in the next couple of months. Carter asked that the power point presentation be sent to the absent board members so that they could see it prior to the next meeting. Fussell asked if Roberson would be the best person to negotiate on the board's behalf. Sheley went back to the idea that the board needs to firmly decide if they want to sell or lease and if that decision would help with the negotiations. Roberson believes that it would not.

Dennen reported on the county's TIF lawsuit. He said that the county has filed a lawsuit that the interest rate swap was illegal. 5/3 Bank countersued saying that the swaps are legal and that their attorney fees should come from the bond fund. If 5/3 Bank thinks that county is getting too aggressive, and attorney fees get too high, the payment of those fees would come from the bond fund and the bond payments could not be met. Sheley asked if the county had all this information. Don Long interjected that the county did indeed have all the information. Sheley moved to have Dennen draft a letter to the county regarding their attorney fees and the effect it would have on the bond fund. Fussell seconded, and the motion was approved.

NEW BUSINESS

None

With no further business the meeting was adjourned.

John Steinhauer, Chairman

Bruce Carter, Treasurer