

**THE INDUSTRIAL DEVELOPMENT  
BOARD OF  
THE CITY OF BRISTOL  
TENNESSEE REGULAR BOARD  
MEETING AGENDA**

**MONDAY JUNE 27, 2022 – 12 PM**

1. Call to order
2. Roll Call
3. Approval of minutes – April 25, 2022
4. Financial Report – April and May 2022
5. RESOLUTION 22-2 - RESOLUTION APPROVING PAYMENT-IN-LIEU OF TAX BENEFITS AS AN INDUCEMENT FOR EXPANDING A FACILITY IN THE CITY OF BRISTOL AND OTHER MATTERS INCIDENT HERETO (TRI-CITY EXTRUSION)
6. Authorization to sign accounting forms for Project Spirit
7. Local partner updates:
  - State of TN – Lynn Tully
  - NETWORKS – Clay Walker
  - BTES – April Eads
8. Directors' discussion
9. Adjourn

**MINUTES – April 25, 2022**

**MINTUTES OF THE INDUSTRIAL DEVELOPMENT BOARD  
OF THE CITY OF BRISTOL TENNESSEE  
APRIL 25, 2022  
REGULAR MEETING**

**Board Members Present:**

Dirk Crandell – Chair  
Logan McCabe – Vice Chair  
Jeff Jones – Secretary/Treasurer  
Rob Nicar – Vice Secretary/Treasurer  
David Wagner  
Nancy Cook

**Staff:**

Tom Anderson - Director  
Matt Garland - Economic Development  
Danielle Smith – City Attorney  
Hollie Verran - Finance

**Also present:**

Lynn Tully – TNECD  
Clay Walker – NETWORKS  
April Eads – BTES

**Call to order:** Chairman Dirk Crandell opened the April 25, 2022 Industrial Development Board Regular Meeting at 12:01 P.M. Roll call was made and Chairman Crandell declared a quorum present.

**Approval of the minutes:** March 28, 2022 – Chairman Crandell asked if there were any additions or deletions to the minutes. A motion to approve both sets of the minutes as made by Mr. Wagner and seconded by Ms. Cook. Motion passed unanimously.

**Financial Report:** Chairman Crandell asked for the financial report. Mr. Anderson referred to the packets that were sent out prior to the meeting. Mr. Anderson reported that the IDB Account on March 1, 2022 had a beginning balance of \$82,997.96 in the IDB Account. There was one deposit and two disbursements made. \$170.87 food for the IDB works session on 2/7/22 and \$35.00 for the 2022 Regional Legislative Breakfast, totaling \$170.87 in disbursements. The one deposit made was for \$9,999.00 for BTES’s portion of the cost for the Market Conditions Study. The March 31, 2022 ending balance was \$92, 826.09. Additionally, \$68.79 in interest was earned on the Money Market account, bringing the total amount to \$102,038.36. Mr. Anderson asked if there were any questions, there were none.

A motion to accept the financial report was made by Mr. McCabe and seconded by Mr. Jones. Motion passed unanimously.

**Ratification of contract signing and consideration of Brown, Edwards and Company, LLP engagement for FY 22 Audit:** Mr. Anderson asked for a motion to ratify to the rules of signing allowing him to sign the contract for services pertaining to the audit. Mr. Anderson indicated that the IDB needed to officially approve the ability for him to be the designated signee for the task. Mr. Anderson asked if there were any questions, there were none.

A motion to approve the ratification of contract signing was made by Mr. Wagner and seconded by Mr. Nicar. Motion passed unanimously.

**Consideration and approval of Façade and Existing Business Expansion Grants:**

Mr. Garland reviewed the process of selecting the grants that were up for consideration. Mr. Garland discussed each grant and the scope of work for each grant that was up for IDB consideration. There was some Director discussion regarding remaining funding and how that funding was going to be spent. Mr. Garland and Mr. Anderson said that will be reviewed and discussion regarding the extra funding will be discussed at a later IDB meeting. Ms. Cook indicated that she was recusing herself from the approval process due to a conflict of interest. Mr. Garland asked for a motion to approve the grant application grants as presented.

A motion to approve the Façade Grant applications was made by David Wagner and seconded by Mr. Jones. Motion passed 5-0, with Ms. Cook not voting. A motion to approve the Existing Business Expansion Grant was made by Mr. Nicar and seconded by David Wagner. Motion passed 5-0 with Ms. Cook not voting.

**Distribute Market Analysis Report:** Mr. Garland distributed the final draft of the report to the Directors. Mr. Garland asked the Directors to provide any questions or feedback to him or Mr. Anderson regarding the report. Mr. Garland informed the Directors that a Zoom conference would be held once the final report was completed so that Mr. Gross could discuss in findings in depth. The Directors had a brief discussion on initial impressions of the report and its findings. Mr. Anderson indicated that changes to the City of Bristol's incentive policies will be needed based on the finding in the market analysis. Mr. Crandall asked if there were any other questions, there were none.

**Local Partner Updates:** Lynn Tully provided an overview of projects that were moving forward in Bristol. She also discussed several conferences she had attended. Clay Walker provided an update regarding various NETWORKS/Sullivan County Partnership activities. Mr. Walker also shared with Directors that there were several new jobs announcements that would be coming out soon. April Eads THS/TCE Signing Day with the Directors. She indicated that the local economic development team was working on a TVA application for workforce development assistance.

**Director's Discussion:** Mr. Crandell asked if there was any discussion for the Directors present. Directors discussed the housing shortage and indicated that the IDB was willing to discuss how they could assist in developing housing or assist in developing housing in Bristol, TN. The Directors discussed [www.dogwoodhub.com](http://www.dogwoodhub.com) and Mr. Garland indicated that it was live and ready for use. Mr. Anderson and Mr. Garland both discussed a proposed hiring expo and how Dogwood could play a role in that event. The job fair for trailing spouses at Ft. Campbell and the hiring event for departing soldiers were also discussed. Mr. Crandell asked if there was any other discussion, there was none.

**Adjournment:** There being no further discussion or business, Chairman Crandell adjourned the meeting at 1:05 P.M.

Dirk Crandell, Chairman

Attest:

Jeff Jones, Secretary/Treasurer

Attachments:

1. Agenda

**FINANCIALS – April, May 2022**

**Industrial Development Board of the City of Bristol, Tennessee**  
**April 30, 2022**

**Check Register**

<b>Beginning Balance 04/01/22</b>		<b>\$ 92,826.09</b>
<b>Deposits</b>		
4/18/2022 Deposit - FY 2022 City Appropriation to IDB		<u>106,000.00</u>
	<b>Total Deposits</b>	<u><u>106,000.00</u></u>
<b>Disbursements</b>		
Check 1335 - Matthew Garland - Reimburse for lunch supplies purchased on 2/7/22		10.05
Check 1337 - Tri-Cities Southwest Virginia - IDB Board Meeting Schedule published 1/3/2022		294.20
Check 1338 - Bristol Bagel & Bakery, LLC - Food for IDB Meeting on 3/28/2022		187.50
Check 1339 - Randall Gross Development Economics - 3/9/2022 progress billing on Multi-family and retail market analysis		20,999.00
		<u>21,490.75</u>
	<b>Total Disbursements</b>	<u><u>21,490.75</u></u>
<b>Ending Balance 04/30/22</b>		<b>\$ <u><u>177,335.34</u></u></b>

**Industrial Development Board of the City of Bristol, Tennessee**  
**Money Market**

Investment Amount		\$ 101,969.57
Interest Earned		<u>69.62</u>
<b>Balance 04/30/22</b>		<b>\$ <u><u>102,039.19</u></u></b>





**Bristol Industrial Development Board of the City of Bristol, Tennessee  
For the Period Ending April 30, 2022**

Check Register

**92347220 - Industrial Development**

Check 1316 - Bristol Bagel and Bakery - IDB Lunch 8/9/21	150.25
Check 1317 - Allison Outdoor Advertising - Ad from 8/1 to 8/28/21	500.00
Check 1339 - Randall Gross Development Economics - 3/9/2022 progress billing on Multi-family and retail market analysis	20,999.00

**Total Disbursements - 92347220** 21,649.25

**92347230 - Chapter 420 Project**

Online Transfer - Distribution of Border Region State Sales Tax to the City of Bristol, TN 09/29/21	1,138,456.44
Check 1319 - Distribution of Border Region State Sales Tax to Friendship Properties, LLC (Friendship Properties, LLC portion of \$1,107,742.52 and Centre Pointe, LLC portion of \$1,004,409.82)	2,112,152.34

**Total Disbursements - 92347230** 3,250,608.78

**Total Disbursements** 10,973,900.31

**Ending Balance 04/30/22** \$ 177,335.34

**Industrial Development Board of the City of Bristol, Tennessee  
Money Market**

Investment Amount	\$ 101,969.57
Interest Earned to Date	69.62
<b>Balance 04/30/22</b>	<u><u>\$ 102,039.19</u></u>

**Industrial Development Board of the City of Bristol, Tennessee  
May 31, 2022**

Check Register

<b>Beginning Balance 05/01/22</b>	<b>\$ 177,335.34</b>
<b>Deposits</b>	<hr/>
	<hr/>
<b>Total Deposits</b>	<hr/> <b>-</b> <hr/>
<b>Disbursements</b>	
Check 1340 - Sync Space Entrepreneur Center - FY 22 Entrepreneurial Match Grant Program	35,000.00
Check 1341 - Chik-Fil-A - 4/12/2022 Lunch for IDB Meeting	198.42
	<hr/>
	35,198.42
<b>Total Disbursements</b>	<hr/> <b>35,198.42</b> <hr/>
<b>Ending Balance 05/31/22</b>	<b>\$ 142,136.92</b>

**Industrial Development Board of the City of Bristol, Tennessee  
Money Market**

Investment Amount	\$ 101,969.57
Interest Earned	70.48
<b>Balance 05/31/22</b>	<hr/> <b>\$ 102,040.05</b> <hr/>

**Bristol Industrial Development Board of the City of Bristol, Tennessee  
For the Period Ending May 31, 2022**

Check Register

<b>Beginning Balance 7/1/21</b>		\$ 87,746.85
<b>Deposits</b>		
City Portion of Market Condition Study	9,999.67	
Border Region Reimbursement from State 9/27/21	10,933,682.63	
Audit Fee Reimbursement 01/20/22	3,807.50	
BTES Portion of Market Condition Study	9,999.00	
City of Bristol Appropriation for FY 2022	106,000.00	
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<b>Total Deposits</b>		11,063,488.80
<b>Disbursements</b>		
<b>Prior Year Activity</b>		
Check 1314 - City of Bristol, TN - Reimburse for Chik-fil-A meals at 6/7/21 IDB Meeting	142.21	
Check 1323 - Bristol TN City Schools - AP Exam fee reimbursement for FY 2021	6,291.00	
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		6,433.21
<b>Cash Transfer between Accounts</b>		
10/01/21 Wire Transfer to Bond Trustee for Distribution of Border Region State Sales Tax	7,683,073.85	
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		7,683,073.85
<b>92347100 - Administration</b>		
Check 1315 - Stateline Bar & Grille - Meals for Called Work Session 7/12/21 & Regular Meeting 7/26/21	351.98	
Check 1318 - Chic-fil-A at The Pinnacle - Food at 9/27/21 IDB meeting	172.13	
Check 1320 - Tri-Cities/Southwest Virginia Regional Group - Public Notice Ad for 08/09/21 IDB meeting	153.60	
Check 1321 - Tri-Cities/Southwest Virginia Regional Group - Public Notice Ad for 07/12/21 IDB called worksession	126.60	
Check 1322 - Thomas Anderson - Reimbursement for TN SOS Annual Report	20.46	
Check 1324 - Mauldin & Jenkins - progress billing on FY 2021 audit	5,800.00	
Check 1325 - Bristol Bagel and Bakery - Food for IDB Meeting 11/22/21	133.00	
Check 1326 - Food City - Items for IDB Meeting 11/22/21	4.08	
Check 1327 - Stateline Bar & Grille - Food for IDB Meeting 10/25/21	208.99	
Check 1328 - Matthew Garland - IDB Supplies from Walmart on 12/17/21	52.14	
Check 1329 - Mad Greek - food for IDB Meeting on 12/20/21	214.83	
Check 1330 - American Express - Reimburse filing fees for IDB 2021 1099 - NEC forms paid with Bristol TN AMEX card 01/20/22	4.75	
Check 1331 - Mauldin & Jenkins - Final billing for FY21 audit	3,960.00	
Check 1332 - Chick-fil-A - 1/24/22 IDB Lunch	138.24	
Check 1333 - Tri-Cities/Southwest Virginia Regional Group - 12/13/21 Public Notice Ad for 12/20/21 IDB meeting	131.80	
Check 1334 - American Express - 2022 Regional Legislative Breakfast paid with Bristol TN AMEX card 01/14/22	35.00	
Check 1335 - Matthew Garland - Reimburse for lunch supplies purchased on 2/7/22	10.05	
Check 1336 - Mad Greek - food for IDB work session on 02/07/22	135.87	
Check 1337 - Tri-Cities Southwest Virginia - IDB Board Meeting Schedule published 1/3/2022	294.20	
Check 1338 - Bristol Bagel & Bakery, LLC - Food for IDB Meeting on 3/28/2022	187.50	
Check 1341 - Chik-Fil-A - 4/12/2022 Lunch for IDB Meeting	198.42	
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<b>Total Disbursements - 92347100</b>		12,333.64

**Bristol Industrial Development Board of the City of Bristol, Tennessee  
For the Period Ending May 31, 2022**

Check Register

**92347220 - Industrial Development**

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Check 1339 - Randall Gross Development Economics - 3/9/2022 progress billing on Multi-family and retail market analysis	20,999.00
Check 1340 - Sync Space Entrepreneur Center - FY 22 Entrepreneurial Match Grant Program	35,000.00

**Total Disbursements - 92347220**

56,649.25

**92347230 - Chapter 420 Project**

Online Transfer - Distribution of Border Region State Sales Tax to the City of Bristol, TN 09/29/21	1,138,456.44
Check 1319 - Distribution of Border Region State Sales Tax to Friendship Properties, LLC (Friendship Properties, LLC portion of \$1,107,742.52 and Centre Pointe, LLC portion of \$1,004,409.82)	2,112,152.34

**Total Disbursements - 92347230**

3,250,608.78

**Total Disbursements**

11,009,098.73

**Ending Balance 05/31/22**

\$ 142,136.92

**Industrial Development Board of the City of Bristol, Tennessee  
Money Market**

Investment Amount	\$ 101,969.57
Interest Earned to Date	70.48
<b>Balance 05/31/22</b>	<u><u>\$ 102,040.05</u></u>

RESOLUTION 22-2

## RESOLUTION 22-2

### RESOLUTION APPROVING PAYMENT-IN-LIEU OF TAX BENEFITS AS AN INDUCEMENT FOR EXPANDING A FACILITY IN THE CITY OF BRISTOL AND OTHER MATTERS INCIDENT THERETO (TRI-CITY EXTRUSION)

**WHEREAS**, The Industrial Development Board of the City of Bristol Tennessee (the IDB) is a public nonprofit corporation organized and existing under the laws of the State of Tennessee and is a public instrumentality of the City of Bristol, Tennessee (the City); and

**WHEREAS**, the IDB was created and organized for the public purpose of promoting industry and developing trade by inducing manufacturing, industrial, governmental, educational and commercial enterprises to locate in or remain in the State of Tennessee and to further the use of its agricultural products and natural resources; and

**WHEREAS**, the IDB is authorized under Section 7-53-101 *et seq.* of the Tennessee Code Annotated (the Act), to acquire, whether by purchase, exchange, gift, lease, or otherwise, and to own, lease, exchange, donate and convey any or all of its properties, including without limitation, all or any part of the rents, revenues and receipts of the IDB from its projects, whenever its board of directors finds such to be in furtherance of the purposes for which the IDB was organized; and

**WHEREAS**, pursuant to the Act and Tennessee Code Annotated § 67-5-101 *et seq.*, the IDB is further authorized under the Act to negotiate payment-in-lieu of ad valorem taxes (PILOT benefits) as an inducement for economic development; and

**WHEREAS**, Tri-City Extrusion, a manufacturer of precision aluminum extrusions currently headquartered in Bristol, Tennessee, is considering adding to its existing facility in Bristol, Tennessee through the acquisition of 16.96 acres located in Bristol Business Park, the construction and equipping of a new 120,500 square foot facility, and the creation of 51 new jobs, in addition to the retention of 110 existing jobs, requiring an anticipated investment of Thirty-Million, Eight Hundred Thousand, Nine Hundred Dollars (\$30,800,900), consisting of Nine Million, Eight Hundred Fifteen Thousand Dollars (\$9,815,000) investment in real property and Twenty Million, Nine Hundred Ninety Thousand, Nine Hundred Dollars (\$20,990,900) investment in equipment and other personal property over a five (5) year period (collectively referred to as the Project); and

**WHEREAS**, the Project will increase the tax base, create new employment opportunities, and preserve the employment of 110 employees; and

**WHEREAS**, the City's Economic Development Incentive Program ("EDIP") provides that PILOT benefits may be provided to manufacturers of products in amounts and for time periods based on the proposed project's performance in categories such as job creation or retention, capital expenditure, average wage, type of project, and whether the proposed project offers an unusual benefit to the community; and

**WHEREAS**, under the EDIP, the IDB is permitted to award the following PILOT Benefits as an inducement to encourage Tri-City Extrusion to proceed with the Project, consisting of the following:

- Upon completion of improvements, the 16.96 acres acquired by Tri-City Extrusion in March 2022 (the Real Property) as improved, will be subject to property tax abatement PILOT Benefits in the form of a ninety-five percent (95%) property tax abatement for a period of five years, with the option to renew for an additional five years at an abatement of fifty percent (50%), through a PILOT lease of interests in Real Property; and
- New personal property, consisting of machinery and equipment, added to the Project by Tri-City Extrusion prior to December 31, \_\_\_\_\_ (the "Personal Property") will be subject to property tax abatement PILOT Benefits in the form of a ninety-five percent (95%) property tax abatement for a period of five (5) years from the year of installation, with the option to renew for an additional five (5) year term at an abatement of fifty percent (50%); and
- The determination whether the Real Property lease and Personal Property lease shall be renewed for the five year renewal terms shall be made based on whether Tri-City Extrusion continues to meet all requirements at the end of the initial term of such leases.
- Each PILOT lease shall provide that if Tri-City Extrusion does not meet the employment and investment targets set out in either lease, Tri-City Extrusion shall be required to pay a proportionate amount of the taxes that would be due on the Personal Property and Real Property in the absence of the PILOT leases. The amount of the payment due from Tri-City Extrusion in this circumstance shall be determined with reference to Tri-City Extrusion's actual performance as compared to the employment and investment targets set out in the leases. Each PILOT lease shall also provide appropriate remedies for the IDB in the event of Tri-City Extrusion's failure to meet its obligations.

**WHEREAS**, in order to implement the PILOT arrangement, it will be necessary for the Personal Property and the Real Property to be transferred and conveyed to the IDB, and the IDB, in turn, will lease the same to Tri-City Extrusion for the relevant period or periods for which PILOT benefits are applicable; and

**WHEREAS**, Tri-City Extrusion is expected to employ approximately 51 employees at the new facility once the full investment contemplated by the Project has been made, as well as to retain 110 employees at its current facility; therefore, as a condition of granting these PILOT benefits, the PILOT leases shall contain annual employment targets and require Tri-City Extrusion to annually certify the current employment at its Bristol facilities to the Board of Directors of the IDB, beginning on the anniversary of the opening for operation of the Bristol

facility, and continuing for the relevant period or periods for which PILOT benefits are applicable; and

**WHEREAS**, in order to meet the requirements of the EDIP, the median wage for all new jobs must be 130% of the median individual wage for Bristol, Tennessee for each calendar year the PILOT is in effect; and

**WHEREAS**, the Board of Directors of the IDB has met pursuant to proper notice, and has considered at such public meeting the Project and the PILOT benefits; and

**WHEREAS**, the IDB desires to approve the Project and the PILOT benefits.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF BRISTOL, TENNESSEE:

1. The Board hereby finds that the Project constitutes a project within the meaning of the Act.
2. The Project is approved and confirmed.
3. The Board hereby finds that the Project and the PILOT benefits will promote industry and develop trade in furtherance of the Act and the purposes for which the IDB was organized, thereby benefiting the citizens of the City and the surrounding area through increased economic and employment opportunities.
4. The Board hereby finds that the Project will have an Unusual Benefit to the Community as contemplated by the Economic Development Incentive Program.
5. The PILOT benefits for Tri-City Extrusion are hereby approved and confirmed, and the IDB shall be obligated to provide the same when the conditions for Tri-City Extrusion's receipt of the benefits have been met.
6. The Chairman or Vice Chairman of the IDB is hereby authorized and directed to execute and acknowledge, in the name of and on behalf of the IDB, and, if requested, the Secretary or Assistant Secretary is authorized to attest the same under its corporate seal or otherwise, and either is authorized and directed to deliver to the appropriate person or entity, any and all instruments or documents that may be approved by counsel for the IDB as necessary or appropriate to effectuate the PILOT arrangement, with the execution thereof by such officers to constitute conclusive evidence of the approval of the same.
7. All other acts of the officers of the IDB which are in conformity with the purposes and intent of this resolution are hereby approved and confirmed.
8. The provisions of this resolution shall inure to the benefit of Tri-City Extrusion and any successor legal entity into which Tri-City Extrusion may be converted or organized.

Adopted this \_\_\_\_ day of June, 2022.



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Dirk Crandell, Chairman

**ATTEST:**

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