

RESOLUTION 14-66

RESOLUTION OF INTENT TO PARTICIPATE IN TAX ABATEMENT AGREEMENT FOR THE EXPANSION OF CURRENT SPRING HILL BUSINESS

WHEREAS, the City of Spring Hill, Board of Mayor and Aldermen are committed to Economic Development and the creation of jobs within the community; and

WHEREAS, Maury County Industrial Development Board has approved an offer from "Project Boulder" contingent on approval by Spring Hill Board of Mayor and Aldermen for a project that will create 347 new jobs; and

WHEREAS, the company will pay the current property tax being collected and in lieu of any increase as the result of building improvements and equipment, the company will make an additional payment of \$10,000.00 per year for 10 years with full tax payments resuming upon year 11; and

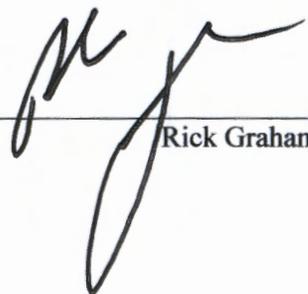
WHEREAS, "Project Boulder" will be responsible for legal fees associated with the development of the Tax Abatement Agreement; and

WHEREAS, this incentive proposal is contingent upon Project Boulder creating or retaining the research and development jobs at the Spring Hill Facility; and

WHEREAS, there will be a measure of actual employment by a predetermined date agreed upon by all parties and if the measure of actual employment is below 80% of projections, the remaining tax abatement will be adjusted proportionately to the difference.

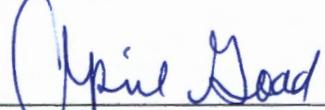
NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF SPRING HILL, TENNESSEE to hereby approve this resolution of intent to participate in a tax abatement agreement between The Company, The Maury County Industrial Development Board, and the City of Spring Hill.

Passed and adopted this 16th day of June, 2014.



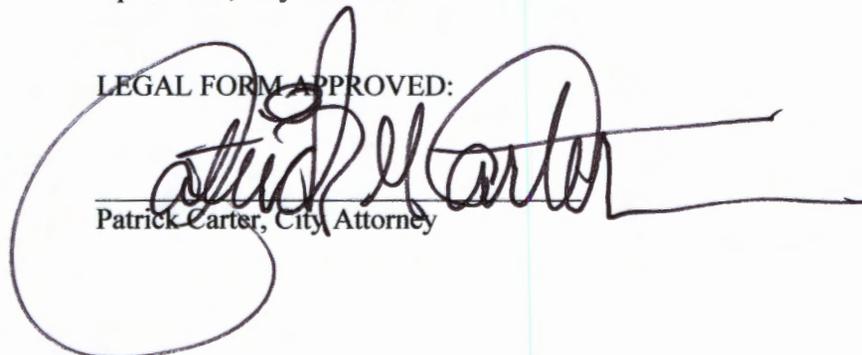
Rick Graham, Mayor

ATTEST:



April Goad, City Recorder

LEGAL FORM APPROVED:



Patrick Carter, City Attorney



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MAURY COUNTY
Chamber • Economic Alliance

106 West 6th Street – P.O. Box 1076 • Columbia, Tennessee 38402
Phone (931) 388-2155 • Fax (931) 380-0335 • mauryalliance.com

May 22, 2014

Mr. Peter Miller
President & CEO
Integrity Nutraceutical
3005 Parkfield Loop South
Spring Hill, TN 37174

Dear Peter,

We are excited about the possibility of Project Boulder considering Maury County. Based on the stated investment of \$14,500,000 and creation of 347 new jobs, the project qualifies for the incentive package outlined below. This offer has been by the Maury County Industrial Development Board but remains pending approval of the Spring Hill Board of Mayor and Aldermen. This incentive offering will also be subject to certain performance criteria.

Tax Incentives:

- The company will be expected to pay the current real property tax being collected on the property. This amount is approximately \$113,771.
- In lieu of any increase in real and personal property tax, as a result of building improvements and equipment, the company will make an additional payment of \$10,000 per year to the amount mentioned above. This payment will remain in place for 10 years and is anticipated to save Project Boulder \$854,698. Upon year 11, full tax payments will resume.

As mentioned above, the tax incentives offered at this time have been approved The Industrial Development Board of Maury County but remain pending approval of the Spring Hill Board of Mayor and Aldermen. It is also expected that Project Boulder will be responsible for legal fees associated with the development of the actual tax abatement agreement. This specific incentive proposal is also contingent upon [REDACTED] creating or retaining the research and development jobs, mentioned in the application, at the Spring Hill facility. This offer is valid for a period of six months.

The performance criteria mentioned above will be mutually agreed upon between The Company, The Maury County Industrial Development Board, and the Spring Hill Board of Mayor and Aldermen. A typical agreement will consist of a measure of actual employment (Test) on a predetermined date that is agreed upon by all parties. The number of actual employees will be compared to the projected employment numbers used to achieve the incentive offering. If the results of the test are within 80% or more of the projected number of employees, the test has passed and no penalties will be incurred. If the results are below 80%, the remaining tax abatement will be adjusted proportionally to the difference.



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We recognize the value and contribution Project Boulder could bring to our community and hope the proposed local incentives; totaling **\$854,698** illustrates a willingness from our end to bring this project to Maury County.

Please let me know if there's anything else I can be doing to help answer questions about our incentives.

Kind regards,

Wil Evans
President, Maury County Chamber and Economic Alliance

April Goad

From: Victor Lay
Sent: Tuesday, June 07, 2016 1:45 PM
To: April Goad
Subject: FW: Capstone Closing

Follow Up Flag: Follow up
Flag Status: Flagged

April,

Please print this email and attach it to the Resolution where the BOMA approved the PILOT Agreement for Capstone.

Victor H. Lay, City Administrator
Office (931) 486 -2252 x215
Fax (931) 486 - 0516
199 Town Center Parkway
P.O. Box 789
Spring Hill, TN 37174

From: Wil Evans [<mailto:wevans@mauryalliance.com>]
Sent: Tuesday, June 07, 2016 1:42 PM
To: Victor Lay <vlay@springhilltn.org>; Travis Groth <tgroth@mauryalliance.com>
Cc: Bobby Harris <Bobby.Harris@edwardjones.com>
Subject: Re: Capstone Closing

Victor,

While the PILOT structure for Capstone Nutrition was approved by both the Maury County IDB and Spring Hill BOMA, the actual agreement was never executed by the company. Because of this, Capstone Nutrition did not receive any of the tax savings that were originally approved.

Please let me know if you have any additional questions.

Thank you.

Wil Evans | President

Maury County Chamber & Economic Alliance

O: (931) 388-2155 | C: (931) 624-8470

www.mauryalliance.com

From: Victor Lay <vlay@springhilltn.org>
Date: Tuesday, June 7, 2016 at 1:21 PM

To: Travis Groth <tgroth@mauryalliance.com>, Will Evans <wevans@mauryalliance.com>

Subject: Capstone Closing

Wil / Travis,

Can you send us something in writing that formally states the PILOT agreement with Capstone has been terminated?

Victor H. Lay, City Administrator

Office (931) 486 -2252 x215

Fax (931) 486 – 0516

199 Town Center Parkway

P.O. Box 789

Spring Hill, TN 37174

MapleTronics iControl Panel

From: vlay@springhilltn.org

To: wevans@mauryalliance.com

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