

The Industrial Development Board of the City of Millington, Tennessee
7965 Veterans Parkway, Suite 101
Millington, Tennessee 38053
Minutes of Regular Board Meeting
August 9, 2024

The following Board Members participated:

Cary E. Vaughn
John Perales
Jack Langford
Jim Warberg
Rod Loggins

Also participating:

Jon Crisp
Deanna Grigsby
Don Lowry
Frankie Dakin
Larry Dagen
Ron Wells
Tricia Adrian
Mike Gill
Paul Frazier
Bo Griffin
Dexter Muller
Greg Moody
Kim Grant
Mark Matthews
Mikayla Seitzinger

1. **Determine Quorum** – Chairman Cary Vaughn opened the meeting at 8:00 a.m. on August 9, 2024. The Board had a moment of silence. Then, the Board and all guests recited the Pledge of Allegiance. After determining a quorum, the MIDB meeting was called to order.
2. **Public Comment Period** – There was one public comment.
 - a. Chairman Vaughn recognized Greg Moody on his announced retirement from the Board and expressed gratitude on behalf of the Board for Mr. Moody's commitment to Millington and to the Industrial Development Board. The Chairman presented Mr. Moody with a plaque and gift card to Harry's Italian Restaurant as a token of appreciation for his eleven years of service. Mr. Moody thanked the Board and the City for the opportunity to better the community of Millington. Secretary and Treasurer John Perales thanked Mr. Moody personally for his help and guidance over the past two years. Alderman Don Lowry thanked Mr. Moody on behalf of the Mayor and City of Millington. Executive Director Jon Crisp thanked Mr. Moody for his long tenure and dedication.
3. **Consideration of Minutes from the July 12, 2024 Regular Board Meeting** – Chairman Vaughn introduced the topic and asked if there were any proposed changes to the minutes. There were none. John Perales made a motion to approve the minutes of the July 12, 2024 regular Board meeting. Rod Loggins made a second to the motion. Cary Vaughn, John Perales, Jack Langford, Jim Warberg and Rod Loggins voted aye. Motion carried.
4. **Consideration of the Financial Statements for July 2024** – Chairman Cary Vaughn introduced the topic and gave the floor to Secretary and Treasurer John Perales. Mr. Perales gave a summary of the financial statements for July 2024.

Jim Warberg made a motion to approve the financial statements for July 2024. Jack Langford made a second to the motion. Cary Vaughn, John Perales, Jack Langford, Jim Warberg and Rod Loggins voted aye. Motion carried.

5. **Consideration of Resolution to Reimburse City of Millington for Sewer and Water Installed on Veterans Pkwy –** Mr. Crisp reminded the Board that the City organized work on the sewer and water extension along Veterans Parkway, opening up the 103 acre and 170 acre parcels to have access to water and sewer. The IDB's cost for the project is \$783,859.00. This has been discussed several times by the Board, and it has not been contested, but a formal approval of the cost is needed. John Perales made a motion to approve the resolution to reimburse the City of Millington for sewer and water installed on Veterans Parkway. Rod Loggins made a second to the motion. Cary Vaughn, John Perales, Jack Langford, Jim Warberg and Rod Loggins voted aye. Motion carried.
6. **Executive Director Update –** Chairman Vaughn introduced the topic and gave the floor to Executive Director Jon Crisp.
 - a. **City Manager Dakin Request to Speak –** Mr. Crisp introduced the topic and gave the floor to City Manager Frankie Dakin. Mr. Dakin stated the City has focused its interests on three things, the first of which is code enforcement. All residential and especially commercial properties in city limits will be upheld to the letter of the law on code enforcement. Mr. Dakin commended the Board on its recent development along Veterans Parkway and recognized all of the new things coming to the northern portion of Highway 51. However, Mr. Dakin would like to see more improvement along the oldtown district in Millington around Navy Road and Easley Street. This is the second interest of Mr. Dakin, to focus on developing Oldtown and especially focusing its efforts on the Oldtimer's Restaurant building. The final interest is focusing on the Millington Municipal Schools' work study program. Hiring high school students who participate in the work study program helps to keep the youth of Millington committed to and focused on remaining in Millington after graduation. And so Mr. Dakin has requested that the IDB consider hiring a high school student participating in the work study program. There was discussion following these three stated interests. Mr. Lowry commended the effort on enforcing codes and keeping Millington a beautiful City in which we are proud to live and be a part of. Mr. Perales expressed his enthusiasm of bringing Oldtown back, especially the Oldtimer's Restaurant building. Chairman Vaughn suggested the City look into the State's historic buildings grant funding. Mr. Dakin agreed, with the clarification that the purchase and remediation of the Oldtimer's Restaurant building would be funded out of pocket with potential reimbursement later from grant funding.
 - b. **Astoria Square TIF: Changes and Consideration of Resolution Approving Amendment –** Mr. Crisp introduced the topic and gave the floor to Dexter Muller. Mr. Muller is now consulting for the developers of Astoria Square. He explained that Astoria Square is under way but needs a bit more time to get started on site work. As such, the developers have requested a six-month extension that will get everything in place to get started. A resolution was proposed to the board which will approve an amendment allowing a six-month extension. Mr. Muller also stated that working with Mr. Crisp and Ms. Adrian has been a pleasure, and that its not always easy to find people who are easy to work with when it comes to economic development. During this topic, Mr. Frazier introduced Kim Grant and Mark Matthew, Director of Grant Homes. John Perales made a motion to approve the Resolution for the Amendment to the Development Agreement of the Astoria Square TIF. Rod Loggins made a second to the motion. Cary Vaughn, John Perales, Jack Langford, Jim Warberg and Rod Loggins voted aye. Motion carried. Mr. Crisp expressed his excitement that Grant Homes was now involved with the Astoria TIF and thanked its three representatives for attending.
 - c. **Jetway: VOAP Application and Consideration to Approve \$3,000 Entry Fee –** Mr. Crisp introduced the topic and gave the floor to Attorney Tricia Adrian. Ms. Adrian explained the IDB is on to the next step of the grant process, which is applying for the VOAP program. Ms. Adrian requested a motion to approve the application and the \$3,000 fee that pairs with the application. It is a very good sign that the IDB is getting close to the end goal of cleaning up the Jetway site. Jim Warberg made a motion to approve the VOAP application and the \$3,000 fee. Jack Langford made a second to the motion. Cary Vaughn, John Perales, Jack Langford, Jim Warberg and Rod Loggins voted aye. Motion carried. Mr. Lowry questioned if the other half of the Jetway piece, the Fite parcel, is

involved at all. Mr. Crisp stated that the Fite family is not as cooperative with engaging in talks about their parcel. It has come to light that the tenants of that parcel, the operators of Inside Out, may be conducting business outside of their use and occupancy permits. It was recommended to IDB staff by the administrators of the Brownfield program of TNECD at a recent Roundtable meeting in Middleton, TN, that the City contact the local field office to check in to the allegations of illegal business hazardous to health. Mr. Wayne Cole, Public Works Director of the City of Millington, is leading that process. Updates to follow.

- d. **Forked River Commons TIF: Site Plan Change with Kay's and Sketchers Opening** – Mr. Crisp stated that all is progressing well with the Forked River Commons TIF. A change in the site plan reveals Kays Jewelers being moved from the front building parcel over to the side, due to the Eye World tenant wishing to double its space. Kay's is still coming, he reassured, just being moved over to the side.
- e. **Project Amelia: Status** – Mr. Crisp introduced the topic and gave the floor to Executive Director Mike Gill of the Millington Airport Authority. Mr. Gill explained that they have not heard anything lately from Project Amelia, but that silence is sometimes a very good thing. He also requested help from attendees at this meeting and has recently requested help from clubs, governments, and groups from the City, that we all advocate that the Millington Airport Authority is not the Naval Air Field. Being known as the Navy's airport is a source of pride, however it can limit funding opportunities from others if it is mistakenly construed as being controlled by the U.S. Navy. Correct PR going forward can help with the airport's image and future growth.
- f. **Airport and IDB Negotiations:**
 - i) **Discuss reduction as much as possible from three to two designations IDB/Airport/City** – Mr. Crisp stated that most of the land around the airport is owned by one of three parties, the IDB, the Airport, or the City. It is imperative that land intended to be used by the Airport be transferred to the Airport so they can control their future. Mr. Loggins asked if the IDB could lease the land to the airport. Mr. Crisp stated that yes, we could, but that this is the issue the IDB is currently facing. A long-term lease is possible but it passes on this problem to future IDB and Airport Board Directors twenty years down the road. It also inhibits utility easements and things of that nature.
 - ii) **Transfer all lands that we own which are located inside the fence** – Mr. Crisp stated that the IDB has intentions to transfer all land inside the airport's fence directly to the airport.
 - iii) **Protect Airport targeted lands outside of fence on northside** – Mr. Crisp stated that those parcels outside of the fence should be leased to private investors so that the airport might control it at future date, rather than sell all the outside land adjacent to the airport off and lose control of it permanently.
 - iv) **Exclude Veterans Parkway parcels** – Mr. Crisp stated that the Veterans Parkway parcels will always belong to the IDB.
 - v) **Airport "Beach Front" property policy** – Mr. Crisp stated that this is referring to the 170 acre parcel. It is of the highest value to the airport. During this discussion, Mr. Gill shared a conversation he had with TDOT executives: The example they gave was you have two companies, one is a Fruit Loop company and one is an aeronautical company. Fruit Loops brings lots of jobs and economic growth. The Aeronautical company brings lots of jobs. The problem here is deciding what is best for Millington. We have one chance to sell the 170 acre parcel to the right buyer (provided that Project Amelia does not come through) and if we sell to the Fruit Loop company, then the aeronautical company can never come to Millington because it was their only plausible location. Whereas selling to the aeronautical company may not generate as many jobs, but Fruit Loops can go in another part of Millington. It is a hypothetical example of what has already occurred in Millington. The IDB sold over four hundred acres to Silicon Ranch around 2015-2017. At the time, it was the biggest interest in Millington and the sale was straightforward. Looking back though, that sale has tied up over four hundred acres of airport

frontage, or rather, "Beach Front," property that the airport could have used for future growth. It makes the act of selling the 170 acre parcel to the right buyer all the more important, and this was Mr. Gill's point.

- vi) **Future discussion of Dakar property and the area around Fire Center** – Mr. Crisp referenced the property owned by the City and proposed that the IDB begin talks with the City to obtain this property around the Fire Fighter Training Center, but of course not the Training Center itself.
- g. **Millington Farms TIF: Status** – Mr. Crisp informed the Board that Mr. Marsh and his development team have broken ground and have moved a lot of dirt in preparation for the hotel and apartments. Mr. Lowry asked what the big mound of dirt in the back was, if it came from the land or if it had been brought in. Mr. Frazier supplied that it was from stripping on the land.
- h. **Butler Buildings: Survey Issues Uncovered** – Mr. Crisp stated that the surveyor uncovered some issues with the Butler buildings property while surveying it for the sale agreement with the buyer. The Navy intended to give us the property on which the buildings sit but the property description does not match that intention. Mr. Crisp stated that the IDB needed to get it cleared up with the U. S. Navy administrators at the Jacksonville office to move forward with the sale.
- i. **Beechwood: Update and Consideration of Amendment to Extend Closing Date** – Mr. Crisp stated to the Board that the closing date for the sale of Beechwood needs to be moved to the end of August. The IDB is selling the property to SE Industrial, and SE Industrial is leasing the property to a certain tenant. The lender has requested the lease be signed before the closing, however many of those officials are currently out of town. Therefore, a resolution has been presented to the IDB authorizing a second amendment to the purchase and sales agreement for Beechwood to extend the closing date. Rod Loggins made a motion to approve the resolution as stated. Jack Langford made a second to the motion. Cary Vaughn, John Perales, Jack Langford, Jim Warberg and Rod Loggins voted aye. Motion carried.
- j. **Sandusky: Transfer and Deal** – Mr. Crisp informed the Board that the City has stated at the closing of the Beechwood sale and immediately following the transfer of the \$1,000,000 from the IDB, it will deed over the Sandusky building and its related property. Mr. Crisp reminded the Board that Sandusky comes with complications, as it is a very large and decrepit building that will cost a lot of money to tear down.
- k. **Tabled LOIs from ProSite, LLC** – Mr. Crisp introduced the topic. Ms. Grigsby clarified that there are four LOIs the IDB has received from ProSite, LLC, that have been tabled at the last two Board meetings. To briefly label, one is for Sandusky, one is for the property south of the weather tower, one is for the property north of the courthouse, and one is for the property currently leased with the airport and located inside the airport's fence. Mr. Crisp suggested that the LOI for the property inside the airport's fence be turned down due to the airport's need to continue to control that property. The LOI for Sandusky is problematic due to its ownership by the City. The IDB really cannot sell the Sandusky property until it legally owns it. Mr. Frazier spoke, saying that he understands the need for the airport to continue to control the property inside its fence. However, he pointed out, some of these properties are listed for sale on the IDB's website. And while he understands that the City/Airport/IDB may need to retain ownership of certain areas, if it is listed on the IDB's website as for sale then he would like the opportunity to purchase said property. This is understandable and points out imperfections on the website that need to be addressed. Mr. Frazier also clarified that "ProSite" is the name continuously used in this subject, however the company attempting to buy is actually "PFMT Holdings," a limited liability company owned by Mr. Frazier and his business partner, Michaelle Terhune. Chairman Vaughn illuminated the fact that Mr. Frazier is fully invested in the Millington community. He attends every IDB meeting and has invested many dollars in Millington. His goal is to help Millington thrive and it is important that this is recognized. Mr. Lowry asked if the property south of the weather tower was available to sell. Ms. Grigsby stated yes and that it is owned by the IDB and has no other encumbrances such as that property located inside the airport's fence. Mr. Perales asked the timeframe of property owned by the City and coming to the IDB's ownership. Attorney Tricia Adrian stated that it just

needed to be approved at the City's BMA meeting and then transferred over. No action was taken by the Board following this discussion.

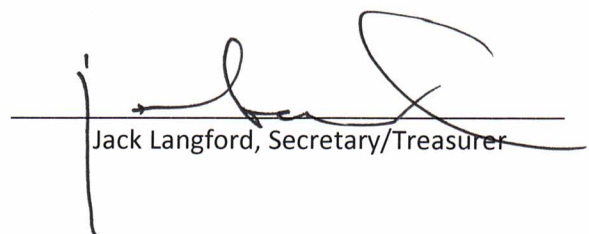
7. **Other Business**

- a. **Vice Chairman Moody Resignation and Recognition** – This item was discussed in public comments.
 - b. **Officer Election** – As Mr. Moody has officially resigned from the IDB, his position as Vice Chairman is now vacant. Chairman Vaughn asked for any recommendations for Vice Chairman. After an extended silence, Chairman Vaughn asked Ms. Adrian if he, as Chairman, could make a motion. Ms. Adrian affirmed. Chairman Vaughn commended Mr. Perales on his excellent job as Secretary and Treasurer, and then made a motion for Mr. Perales to be elected as Vice Chairman. Jim Warberg made a second to the motion. Cary Vaughn, John Perales, Jack Langford, Jim Warberg and Rod Loggins voted aye. Motion carried. Now that Mr. Perales has been elected into the office of Vice Chairman, the office of Secretary and Treasurer is vacant. Vice Chairman John Perales made a motion to elect Jack Langford as Secretary and Treasurer. Rod Loggins made a second to the motion. Cary Vaughn, John Perales, Jack Langford, Jim Warberg and Rod Loggins voted aye. Motion carried.
 - c. **Goat Days 2024 Sponsorship** – Chairman Vaughn introduced the topic. Ms. Grigsby stated that this is a \$500 sponsorship that is routinely provided for by the IDB for Goat Days, but that it was missed in the budget and thus needed to be approved by the Board. John Perales made a motion to approve the \$500 sponsorship for Goat Days 2024. Rod Loggins made a second to the motion. Cary Vaughn, John Perales, Jack Langford, Jim Warberg and Rod Loggins voted aye. Motion carried.
 - d. **September 13, 2024:** This is the date of the next regular meeting of the Board.
 - e. **Other Business** – There was no other business to properly come before the Board.
8. **Adjourn** – With no other business to discuss, the Board was all in favor of adjourning the meeting.

I have read and approved the above minutes of this regular Board meeting:



Cary E. Vaughn, Chairman



Jack Langford, Secretary/Treasurer