

**The Industrial Development Board of the City of Millington, Tennessee**  
**7965 Veterans Parkway, Suite 101**  
**Millington, Tennessee 38053**  
**Minutes of Regular Board Meeting**  
**September 13, 2024**

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**The following Board Members participated:**

Cary E. Vaughn  
John Perales  
James Blackwell  
Jim Warberg  
Rod Loggins

**Also participating:**

Jon Crisp  
Deanna Grigsby  
Don Lowry  
Larry Dagen  
Ron Wells  
Tricia Adrian  
Mike Gill  
Paul Frazier  
Bo Griffin  
Charlie Reed

1. **Determine Quorum** – Chairman Cary Vaughn opened the meeting at 8:00 a.m. on September 13, 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 were two public comments:
  - a. Bo Griffin stated that there would be a groundbreaking ceremony on October 9<sup>th</sup> at 11:00 a.m. for the long-awaited VA Clinic. The ceremony should last for around an hour. The Millington Chamber of Commerce will have more information later.
  - b. Mike Gill stated everything was well with the Millington Airport. Michael Naifeh was recently hired as the new Fire Chief. A fueling agent was also hired, and he focuses on customer service. Mr. Gill had wonderful things to say about both new hires.
3. **Consideration of Minutes from the August 9, 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 August 9, 2024 regular Board meeting. Rod Loggins made a second to the motion. Cary Vaughn, John Perales, James Blackwell, and Rod Loggins voted aye. Jim Warberg was not present for the vote. Motion carried.
4. **Consideration of the Financial Statements for August 2024** – Chairman Cary Vaughn introduced the topic. As Secretary and Treasurer Jack Langford was not able to attend the meeting, Deanna Grigsby gave a summary of the

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

5. **Executive Director Update** – Chairman Vaughn introduced the topic and gave the floor to Executive Director Jon Crisp.
  - a. **Beechwood: Sale is Complete!** – Mr. Crisp stated to the Board that the sale of Beechwood is now complete! IDB Staff and Board celebrated the completed sale with the transfer of one million dollars to the City of Millington at its Board of Mayor and Alderman meeting on September 9, 2024. This is the largest known transfer of funds from the IDB to the City of Millington in history. Mr. Crisp thanked everyone involved in the process.
  - b. **Sandusky: Update** – Mr. Crisp reminded the Board that the previous understanding between the IDB and the City was that following the sale of Beechwood and the transfer of one million dollars to the City of Millington, the IDB would receive the Sandusky building and parcels. The understanding being that the IDB would sell Sandusky as it was able, and retain the proceeds. However, the City has decided to hold on to Sandusky. It has been suggested that the City might make Sandusky into the new public works building. Mr. Crisp warned the Board that in the future, it ought to be careful agreeing to receive City-owned property into its ownership on the same day of sale to another party, due to a lack of public oversight on the process of the sale. It is in the interest of all involved parties to be sure that every land sale operates in the public eye. Mr. Frazier, of PFMT Holdings, who had submitted a Letter of Intent to the IDB on the Sandusky property, asked if this means he should pursue the potential purchase of Sandusky with the City. Mr. Crisp stated that yes, he should, as the City will continue to own it and the IDB cannot sell land it does not own.
  - c. **Consideration of LOIs from PFMT Holdings, LLC** – There are four Letters of Intent which the IDB has received from ProSite, LLC, that have been discussed at the last three Board meetings. Action ought to be taken by the Board on each of these four at today’s meeting.
    - i) **“North of Courthouse” LOI** – This LOI was originally submitted as an offer for 15 acres of land located directly north of the Millington Police Station. It is currently under lease with Mr. Tolbert to be farmed, however the trees dumped on the land and the wood chips that were left following the June 2023 windstorm render the land unusable for farming. Mr. Tolbert is currently not being charged rent for the land due to this occurrence. It is important to note that the right of way for the future second half of the Astoria Avenue road project cuts through this piece of land horizontally. This leaves five acres above the future road that are also adjacent to the airport, and nine acres below the future road. Discussions with the airport have revealed that the airport wishes to claim the northern portion of the land above the road. The airport has no interest in the portion of the land south of the future Astoria Avenue. Therefore, the potential buyer has modified his LOI to an offer of \$54,000 for the nine acres south of the future road. John Perales asked what the standard sale price of the land is for this area. It’s a hard question to answer, because the only sale that has happened/is happening around this land is for the Butler Buildings, which is an entirely different scenario. Mr. Lowry asked if this land was marketed. Mr. Crisp responded that it has been on the website. Mr. Perales asked what the buyer’s plan was for the site. Mr. Frazier answered that he has several different clients that are all looking for different kinds of sites. One of his clients is a fencing company that is looking for ten acres to move out of Memphis and into Millington. That is not necessarily the plan for this piece of land, but it is an example of such. Mr. Frazier stated that his intent with this land is to get it shovel-ready and market it to potential businesses. His targeted business would be office space of about 5,000 square feet on this piece of land. Mr. Crisp stated that this course of action could potentially bring in aviation-related businesses that do not need to be on the airport but who would wish to be close. Mr. Vaughn asked what the recommendation was from the Executive Director of the IDB. Mr. Crisp stated that selling this land to Mr. Frazier will get this land back on the tax rolls and generate tax income, as well as bring in businesses by relying on Mr. Frazier’s expertise and capabilities. Mr. Warberg clarified that the decision before the Board was to either improve the land and then sell it to a business, or to

sell it as is to a developer who can improve the land themselves. Mr. Crisp agreed. Mr. Vaughn asked what the thoughts were from the Executive Director of the Airport. Mr. Gill said that the airport was interested in having the northern half of this parcel where it touches the right of way for the future Astoria Avenue, but it has no use for the southern half due to the future road cutting through it. All land owned by the airport is subject to FAA standards, and it is very costly for the airport to own land that it does not really need. Land across a road is therefore too expensive and useless to the airport. Mr. Loggins asked what reasons would the Board have to not move forward with this sale? Mr. Crisp stated that there are no reasons to not move forward with the sale. The sale will result in economic development and begin to generate taxes for the City. The negotiable topic here is really the price. Mr. Frazier interjected that getting this land ready to build on is going to take a lot of work, and it will be expensive. Hence the offered price. Mr. Perales asked Mr. Gill if he was good with the sale. Mr. Gill stated that he is good with economic development, but the rest of it is up to the IDB. John Perales made a motion to accept the modified LOI for the land immediately north of the police station and move towards a Purchase and Sale Agreement. Rod Loggins made a second to the motion. More discussion ensued following the motion and second. Mr. Crisp reiterated that the only thing this land is producing right now is cost. If Mr. Frazier buys this land and gets it shovel-ready, then it gets that much closer to being a productive piece of land as far as taxes and economic development. Mr. Loggins asked if Mr. Frazier was intending to lease the property to future tenants or sell it to them. Mr. Frazier stated that he hadn't got that far yet. He stated that his issue with this is to be able to develop and market the site, he must own it first. But by owning it and marketing it, he will bring people and business and growth to Millington. Larry Dagen asked if the IDB was marketing their land. Based off the conversation, the fence company came to Mr. Frazier and not the IDB. Why was that? Mr. Crisp clarified that the fence company did approach the IDB but they want a building, and the only available building owned by the IDB is the 1,500 square foot shed at 8010 Memphis. This is where Mr. Frazier's expertise and abilities come into play. He can purchase the raw land, develop it, and build what these companies are after. There was no more discussion. As stated above, a motion was offered by John Perales and seconded by Rod Loggins. Cary Vaughn, John Perales, James Blackwell, Jim Warberg and Rod Loggins voted aye. Motion carried.

- ii) **“Inside the Fence” LOI** – This LOI is for approximately 26 acres that are located inside of the Millington Airport Authority's fence. This land has been under a long-term lease with the airport, which expires at the end of this year. To keep the airport strong and whole, it must remain in the airport's control. The current plan, based off many previous discussions with the IDB and the Airport, is to sell this acreage to the Airport in a once-and-for-all sale. John Perales made a motion to decline the LOI for the property inside the airport's fence. James Blackwell made a second to the motion. Cary Vaughn, John Perales, James Blackwell, Jim Warberg and Rod Loggins voted aye. Motion carried.
- iii) **“Sandusky” LOI** – This LOI is for the building and 14 acres of land commonly referred to as the Sandusky building. This is still owned by the City of Millington and therefore cannot be sold by the IDB. James Blackwell made a motion to decline the LOI for the Sandusky building and land. John Perales made a second to the motion. Mr. Perales asked why the fence company could not go into Sandusky? Mr. Crisp replied that it could, but the fact remains that the IDB cannot sell it to them because the City owns Sandusky still, not to mention that the building is in severe disrepair and it would take a lot of work to get it ready to be inhabited by a business. Cary Vaughn, John Perales, James Blackwell, Jim Warberg and Rod Loggins voted aye. Motion carried.
- iv) **“South of Weather Tower” LOI** – This LOI is for 10 acres of land immediately south of the weather tower. It is surrounded on three sides by roads – Astoria Avenue to the west, Casablanca St to the north, and Indianapolis Ave to the east. Staff has not received any other interest on this land to date. The LOI offers \$85,000 as the purchase price. Mr. Frazier stated it would most likely be developed for a small warehouse site or more office space. Mr. Loggins asked how potential buyers know that a site owned by the IDB is for sale. Mr. Crisp responded that they are listed on the IDB's website. In addition, anytime the IDB office gets a visitor looking for sites, staff talk through available property that may fit their needs, if not all available property. Mr. Vaughn stated that another marketing avenue is through the many meetings/conferences (such as the Governor's Conference) that the Executive Director attends. Some sites are also listed on TVA's website. Mr. Frazier stated

that to be clear, his intention is to purchase the site and get it cleaned up and shovel-ready (at a stated estimated cost of a quarter of a million dollars), and then market the site to potential businesses that would complement Millington's trajectory of growth. James Blackwell made a motion to accept the LOI from PFMT Holdings, LLC on the land parcel immediately south of the weather tower. John Perales made a second to the motion. Cary Vaughn, John Perales, James Blackwell, Jim Warberg and Rod Loggins voted aye. Motion carried.

- d. **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 Millington has the full force of elected officials behind this, including Senator Hagerty. Millington is still in the running and is on the desk of the client. It is suspected that the wait on the decision is due to the nation's upcoming elections and seeing how that turns out before anything is announced. Mr. Gill requests crossed fingers and is hopeful for Amelia's decision.
  - e. **ParCou, LLC** – Mr. Crisp informed the Board that ParCou, LLC, one of the IDB's tenants, just relocated to a larger place on Democrat Road in Memphis. The need for space has always been an issue for this rapidly growing business, and they just needed a bigger place. Also, ParCou no longer holds a contract with Millington Municipal Schools, and so there is no pressing need to remain in Millington. Though they are still under lease and paying rent in a timely fashion, the first term of the lease expires at the end of November and they have moved all of their stuff out of the space in the Veterans building. As such, it is suspected that they will give notice to terminate the lease. This is just a heads up notice for the Board, as no action has happened yet between Lessor or Lessee.
  - f. **John Perales Project: Meeting Requested by City Manager Dakin** – Mr. Crisp stated that Mr. Perales has a project to propose, however it must be done at a specially called meeting as more than one of the IDB's Board of Directors will be present. Ms. Grigsby and Ms. Carla Vanshaick will convene to figure out a day and time for this meeting that works for everyone, and it will be published in accordance with the sunshine law. Mr. Perales spoke briefly about the intent behind the proposal: it will be a project focusing on the Oldtimers Restaurant to honor the name of Babe Howard and create a safe and great place for the youth of Millington. Mr. Perales stated that he will do all of the research on this project as he is the reason for its proposal. Mr. Lowry cautioned against trying to turn this site into a historical building, due to the extreme restrictions levied on a site once it is deemed "historical." No further discussion took place.
  - g. **Project Condor: Reactor Development Facility. Cancelled.** – Mr. Crisp stated that Project Condor is a company that makes nuclear reactors and control rods for the reactors. It offers 600 jobs with high wages. Mr. Crisp was going to apply for the Project, but further information revealed that the company would be using recycled nuclear material. This is highly hazardous and is not a desired project for the City of Millington regarding the safety of its people, and so Mr. Crisp rejected the project and did not apply.
  - h. **Project VTC: Specialty Transformers (See Cut Sheet)** – Mr. Crisp stated that Project VTC brings in a company that makes high-quality, expensive special transformers. It offers 700 jobs with \$75,000 as the minimum starting annual wage. Mr. Crisp has spoken with Panattoni and submitted the 103-acre site for consideration.
6. **Other Business**
- a. **September 26, 2024: Ed Haley's Retirement Celebration** – Mr. Haley's retirement celebration was announced in the meeting. A flyer was given to all Officers and Directors of the Board. Ms. Grigsby requested that anyone who wishes to attend the celebration, please rsvp to Ms. Carla Vanschaick at City Hall.
  - b. **October 11, 2024:** This is the date of the next regular meeting of the Board.
  - c. **Other Business** – There was no other business to properly come before the Board.

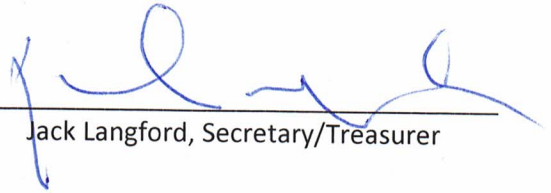
7. **Adjourn** – With no other business to discuss, the Board was all in favor of adjourning the meeting.

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



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Cary E. Vaughn, Chairman



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Jack Langford, Secretary/Treasurer