

ECONOMIC DEVELOPMENT COMMITTEE

April 11, 2000

4:10 P.M.

The meeting of the Economic Development Committee was called to order by Councilman Hakeem, in the absence of Chairman Crockett, with Councilpersons Hurley, Taylor, and Eaves present. City Attorneys Randall Nelson and Michael McMahan and Shirley Crownover, Assistant Clerk to the Council, were also present.

Mayor Kinsey was present.

NORDIC AGREEMENT

Chairman Hakeem turned the meeting over to Mayor Kinsey, who acknowledged that neither Steve Hiatt nor anyone from the company was present. He went on to explain that this is a company that is looking to locate in Riverport off of Amnicola; that they are proposing a \$13 million dollar investment and will employ 100 people initially. He explained that this was a very well-respected facility throughout the country, and the Chamber had talked about how happy others are with them being in their community. He stated that they were asking that we assist them, along with Hamilton County, for a TIIP Grant for a \$20,500 match; that there will also be tax abatement for five years personal taxes and seven years real property taxes. He reiterated that this will add 100 new jobs.

Councilman Hakeem asked how this was in comparison to previous deals in so far as the number of years for tax abatement. Mayor Kinsey responded that we were scaling back somewhat; that it was typical to see ten years; that we were cutting back. He noted that the company had had more generous offers from others, but they wanted to be here. He stated that this was a very good position for the City of Chattanooga.

Councilman Taylor asked about the 100 jobs—if they would be new jobs to be filled from the community or if they would bring people in. Mayor Kinsey responded that this was a new operation; that it was the food industry, and it would be new jobs.

On motion of Councilman Hakeem, seconded by Councilwoman Hurley, this will be recommended to the full Council.

MAGLEV RESOLUTION OF SUPPORT

For a point of clarification, Mayor Kinsey noted that Councilman Crockett had talked about this Resolution of Support for the MAGLEV effort between Atlanta and Chattanooga; that there is a draft resolution, and this comes up next week. He stated that he thought it was important to note that when he saw the Resolution a point came out concerning any local funding on our behalf. Councilman Hakeem verified that the new draft will have no funding from us.

The meeting adjourned at 4:15 P.M.