



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

MINUTES

ECONOMIC DEVELOPMENT COMMISSION

January 14, 2014

Members Present:

John Ditmars	President
H. Lee Hodgen	Vice-President
Ken Austin	Member
Jake Sappenfield	Member

Members Absent:

Tony Wellings	Secretary
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Others Present:

Rob H. Schafstall	Legal Counsel
Krista Linke	Director of Community Development
Jaime Shilts	Recording Secretary

Call to Order:

John Ditmars called the meeting to order at 8:00 a.m.

Election of Officers:

On a motion by Lee Hodgen and a second by John Ditmars, the members voted to elect Ken Austin as President.

On a motion by Lee Hodgen and a second by John Ditmars, the members voted to elect Jake Sappenfield as Vice-President.

On a motion by Lee Hodgen and a second by John Ditmars, the members voted to elect Tony Wellings as Secretary.

Appointment of Legal Counsel:

John Ditmars made a motion to retain Rob H. Schafstall as legal counsel. Lee Hodgen seconded the motion. The motion carried.

Approval of Minutes:

Lee Hodgen made a motion to approve the December 10th, 2013 minutes as presented. Jake Sappenfield seconded the motion. The motion carried.

Old Business:

Revised 2014 Meeting Calendar:

The only change is the November 11th meeting date has been changed to November 10th, due to Veteran's Day.

New Business:

EDC 2014-01: Rexam Consumer Plastics:

Ms. Linke stated the abatement was originally granted in 2010 and approved by Resolution 2010-05. The abatement was granted for 10 years on \$14.5 million for personal property. There were 108 jobs retained with salaries of \$7.85 million. There were 46 additional jobs pledged with salaries of \$2.76 million. In 2012 they requested and were granted an amendment which extended their completion date and increased the amount of equipment purchased from \$14.5 million to \$17.79 million. She stated they were also granted a waiver of noncompliance through Resolution 2013-23 as they failed to account for the abatement deduction when they filed their tax return. They are now requesting another amendment to their abatement.

Thomas Sislow, Bald Eagle Consulting, stated he does the tax returns for the company. He was hired after the two previous people who did the abatements left the company. He stated that he has found errors in the Rexam abatement. He found that the completion date was wrong, the salaries numbers reported included benefits and should not have, and the number of employees had increased greatly, from 108 to 193. The current value at \$14 million should be listed as \$36 million. He stated their assets were off as they used non-original values for the amendment amounts. He stated he changed things line by line and submitted everything to Ms. Linke. The abatement original values should show increased assets from \$17 million to \$22 million.

Mr. Sislow stated that the people that had filled out the forms before were not experienced with abatements. He apologized on behalf of Rexam for the errors.

Mr. Sappenfield questioned the job breakdown. Ms. Shawna Suttles, Rexam, stated they are 90% hourly and 10% salaried individuals. Mr. Sislow stated that the depreciation dates are also much older than listed and may offset some of the values. Everything presented includes their final numbers.

Mr. Austin noted that his company does provide supplies to Rexam.

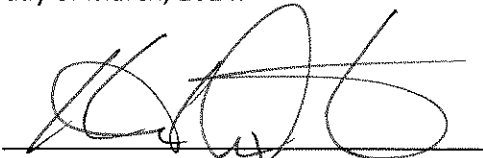
John Ditmars made a favorable recommendation to the City Council to amend Resolution Number 2013-06. Lee Hodgen seconded the motion. The motion carried.

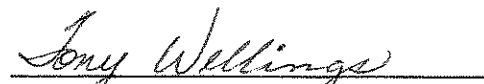
Other Business:

None.

Adjournment:

There being no further business, the meeting was adjourned. Respectfully submitted this 11th day of March, 2014.


Ken Austin, President


Tony Wellings, Secretary