



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

MINUTES

ECONOMIC DEVELOPMENT COMMISSION

March 14, 2023

Members Present:

Josh DeArmitt	President
Shawn Taylor	Vice President
Lee Hodgen	Member
Lisa Jones	Member

Others Present:

Dana Monson	Community Development Specialist
Ellen Fredbeck Ramirez	Legal Counsel

Call to Order:

Josh DeArmitt called the meeting to order at 8:00 a.m.

Roll Call & Determination of a Quorum

Approval of Minutes

February 14, 2023 Meeting Minutes – Shawn Taylor made a motion for approval of the minutes. Mr. DeArmitt seconded. Passed unanimously, 4-0.

Old Business

New Business

C 2023-01 Aisin World Corp 21-10 – Dana Monson identified that almost all employers are down in employment and up in wages. The last in person presentations from companies was 2021 with CAT, GP North Overton and PCTNA. There are still 13 companies outstanding for this year.

Aisin has retained all employees and are down by nine. They are up in wages and above in personal property improvements. Mr. Taylor moved to find in compliance. Lee Hodgen seconded. Passed unanimously, 4-0.

C 2023-03 B2S Life Sciences 20-05 – They are up in employees by 11, right at wages and above in personal property. They sent a letter stating they continue to hire. Mr. Hodgen moved to find in compliance. Mr. Taylor seconded. Passed unanimously, 4-0.

C 2023-04 BP Rex Healthcare 1-04 – They were formerly Rexam. They are down by 25 employees and up in wages with increased starting wages. They are below in personal property and sent a deficit letter. They are experiencing a lot of turnover and continue to try to hire. They have also increased their benefits. Mr. Taylor moved to find in compliance. Lisa Jones seconded. Passed unanimously, 4-0.

C 2023-05 Cat Raman 10-15 – They are down in employment by 93 and significantly up in wages. In 2021 they reported changing some of their lines. They became more lean but have hired higher skilled employees. This is the last year of their abatement. They came in last year for a presentation. Mr. Hodgen moved for compliance. Mr. Taylor seconded. Passed unanimously, 4-0.

C 2023-06 Electro-Spec 12-07 – They are down in employment by 20 but up in wages by \$10 and up in improvements. This is a staggered abatement with some improvements in one year and some in the next. Part of their improvements are complete, so this is only a partial abatement. And this is their final. Ms. Jones moved for compliance. Mr. Taylor seconded. Passed unanimously, 4-0.

C 2023-08 Essex Furukawa 21-14 – They are up in employees by 14 but down in wages. Startup employees are having to be trained, so they start at a lower salary point. They are up in personal property. They met with the mayor to discuss improvements and future plans for the plant and will appear next month. Mr. Taylor moved for compliance. Mr. Hodgen seconded. Passed unanimously, 4-0.

The next two are for the shell building on Linville Way. 17-10 is for the shell. 21-11 is for buildout for G & H Wire. Patch is only responsible for real property.

C 2023-10 Patch Development 17-10 – Mr. Hodgen moved for compliance. Ms. Jones seconded. Passed unanimously, 4-0.

C 2023-11 Patch Development 21-11 – Mr. Taylor moved for compliance. Mr. Hodgen seconded. Passed unanimously, 4-0.

C 2023-12 Legacy 20-04 – This is for the GDI building on Forest Road, real property only which is up substantially. There are no employee numbers as this building was leased at the end of third quarter last year. It will be the location of the Target return center. Ms. Jones moved for compliance. Mr. Taylor seconded. Passed unanimously, 4-0.

C 2023-13 GMI 22-21 – This is their first-year abatement. They were buying new equipment to start a new line. They've experienced delivery delays so have not hired new employees yet and will see the rest of their investment, so this will become a staggered abatement. Mr. Hodgen moved for compliance. Mr. Taylor seconded. Passed unanimously, 4-0.

C 2023-15 Chartlife 14-09 – Chartlife is now GP North. Real is down and personal is up. Employee count is down and wages up. This company does well drilling and pipe fitting around the world. Covid and fossil fuel status are having an effect. They are bringing in gas vaporizers. They have low employee turnover. Mr. Hodgen moved for compliance. Mr. Taylor seconded. Passed unanimously, 4-0.

C 2023-16 Non Ferrous Products 21-02

C 2023-17 Non Ferrous Products 21-05

The abatement was passed in 2021 with the new portion of the building not being complete until third quarter 2022. New equipment and lines began to be brought in last fall. Employee count is down by 20. Wages are up slightly. They have to hire in employees requiring training and increase their wages as able. They are a new company. Mr. Taylor moved to find both 16 and 17 in compliance. Ms. Jones seconded. Passed unanimously, 4-0.

C 2023-18 Innovative 3D 21-17 – They are up in employees and below in wages. They have to bring employees in at a lower wage and train before increasing salaries. They met their personal property improvements. They are currently doing some expansion work but did not ask for an abatement for this expansion. Ms. Jones moved for compliance. Mr. Taylor seconded. Passed unanimously, 4-0.

C 2023-22 Nitrex 11-02 – Nitrex is down in employee count by eight. They are above in wages and investment numbers. This is their final year. Mr. Taylor moved for compliance. Mr. Hodgen seconded. Passed unanimously, 4-0.

The first two NSK's are separate projects, and the second two are the same project. Employee counts are different as they are different abatements. Personal property is reported down by \$10 million due to equipment purchase in 2013 during the recession. The value of yen to the dollar changed dramatically.

C 2023-23 NSK Corp 13-20 – Mr. Hodgen moved to find in compliance. Mr. Taylor seconded. Passed unanimously, 4-0.

C 2023-24 NSK Corp 16-19 – On personal property, they are above in investment numbers. They are down by 40 in employees but higher in salaries by almost \$40/hour. Mr. Taylor moved for compliance. Ms. Jones seconded. Passed unanimously, 4-0.

C 2023-25 NSK Corp 22-07 – For real property

C 2023-26 NSK Corp 22-08 – For personal property

This project has just begun. Ms. Jones made a motion to find 25 and 26 in compliance. Mr. Taylor seconded. Passed unanimously, 4-0.

C 2023-27 NSK Precision 13-08 – This is the last year. They are below in employees and above in wages and investments. Mr. Taylor moved for compliance. Ms. Jones seconded. Passed unanimously, 4-0.

C 2023-28 NSK Precision 22-09

C 2023-29 NSK Precision 22-10

They appeared before the commission in 2022. Both plants are doing real and personal property improvements. They have just begun with the majority of the project taking place this year. Mr. Taylor moved to find 28 and 29 in compliance. Mr. Hodgen seconded. Passed unanimously, 4-0.

C 2023-35 Premium Composite 09-02 – This is now Ube. They are at their estimates for wages and employees and significantly above in investments. This is a partial abatement with one more year to go. Ms. Jones moved for compliance. Mr. Taylor seconded. Passed unanimously, 4-0.

C 2023-39 Airtomic 18-11 – Also known as Sargent Aerospace. They are above in all. Mr. Taylor moved for compliance. Mr. Hodgen seconded. Passed unanimously, 4-0.

C 2023-42 Sunbeam 17-15

C 2023-43 Sunbeam 19-07

These are for the same building, 42 for the building and 43 for the Energizer buildout. Energizer has not completed this year's compliance. Sunbeam is significantly up in their investments. Mr. Hodgen moved to find 42 and 43 in compliance. Ms. Jones seconded. Passed unanimously, 4-0.

C 2023-44 Sunbeam 20-10 – This is for the Amazon building on the north side of Jim Black Road. Amazon has completely redone the building and did not ask for an abatement on the build out, so this is for the shell building alone. Mr. Taylor moved to find in compliance. Ms. Jones seconded. Passed unanimously, 4-0.

C 2023-45 Superior Systems 17-11 – This is the last year for this abatement. They are down one employee and slightly above in wages. They are below real property investments. Mr. Hodgen moved to find in compliance. Mr. Taylor seconded. Passed unanimously, 4-0.

Other Business

EDC fees estimate has been received in the amount of \$73,000. Ms. Monson sought the commission's permission to proceed with application preparation for the grant process. Mr. Taylor asked who is eligible. It is available to all non-profits involved in economic development for Franklin. Ms. Jones asked if it has to be a specific project. Ms. Monson confirmed that it was required to be for an identified project and gave specific examples from years past. The commission directed Ms. Monson to proceed, and she will bring the application for review back next month.

The remaining 13 companies have their compliance due month end. If not, they must appear in person for a waiver of non-compliance. There will also be two new abatement requests next month.

Adjournment

There being no further business, a motion for adjournment was made and passed unanimously, 4-0.

Respectfully submitted this 11th day of April, 2023.

Joshua DeArmitt, President

Eric Leugers, Secretary