



Confidential
11-2-18

Department of Economic and Community Development

Bob Rolfe
Commissioner

Bill Haslam
Governor

Project Gardendale Summary of Incentives November 2, 2018

Projections based on the company creating 5,000 net new full-time employee positions with a \$76.32 average hourly wage and making a capital investment of \$600 million in Tennessee all within a seven (7) year period.

This summary is not a commitment by ECD to provide incentives to Project Gardendale. Projections are subject to change. All incentives are subject to due diligence. Project Gardendale must submit a completed Application for Incentives to ECD. The information contained in the Application for Incentives will permit ECD to perform due diligence on Project Gardendale. The ECD Grant Committee then will make a final determination concerning an incentive award.

Incentive	Value	Comments
<i>Cash and Cash Equivalents</i>		
Capital Grant	\$ 65.00 mm	<p>Proceeds from this grant, based on 5,000 net new full-time employee positions created within a seven (7) year period, may be used for land acquisition, site preparation, building construction, infrastructure improvements and development, including, but not limited to, sewer, water, and utility infrastructure, or any other eligible activities.</p> <p>The company agrees to waive the credits for which they would otherwise be eligible under the Super Jobs Tax Credit and Industrial Machinery Credit.</p>
Total Cash and Cash Equivalents:	\$ 65.00 mm	

Acknowledged and Accepted:

Name	Title	Date
Please return to: scottie.mccormick@tn.gov , Business Development Specialist, Department of Economic & Community Development		

Note: This is not a binding offer and does not create any legal obligations on behalf of the State. The terms of this summary will expire 90 days from the date of this document. The Capital Grant is subject to the appropriation of funds by the Tennessee General Assembly. ECD cannot guarantee that the necessary funds will be appropriated. If the funds are appropriated and the Capital Grant is consummated, the capital funds will be paid out on a cost reimbursement basis and are subject to state procurement rules. The Capital Grant will be subject to an accountability agreement, which could result in the repayment of all or a portion of the capital funds if the company does not meet the job commitment. This summary is based on the company creating 5,000 net new full-time employee positions with a \$76.32 average hourly wage and a capital investment of \$600 million all within a seven (7) year period. Please contact Chassen Haynes at Chassen.Haynes@tn.gov with any questions related to this summary.



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Project Gardendale Estimate of Tax Incentives November 2, 2018

Projections based on the company making a capital investment of \$623 mm in Tennessee over a maximum of a seven (7) year period and creating 5,000 net new full-time employee positions paying an average wage of \$76.32 per hour.

Projections are subject to change. The following is an estimate of the tax incentives based on current assumptions. The tax incentives are statutory. In order to maximize the tax incentives, an organizational chart and legal entity structure will be needed along with the timeline of the capital investment and job creation. Additional information will be required including the breakdown of capital investment, job positions, and wages per position. For Back office operation and computer service operations: each position must meet the state's average occupational wage for the year in which the position is created and filled, as an example for 2017 it was \$42,350 and for 2018 it is \$43,545. The following incentives will require the filing of multiple business plans based on phases. The state will work with the company to maximize the incentives as the additional information is provided.

Back Office

Incentive	Value	Comments
<i>Tax Incentive Estimates</i>		
Standard Job Tax Credit	\$ 21.72 mm	50% offset of F&E taxes; \$4,500 credit for 4,828 net new full-time AOW positions created and filled; 15-year carry-forward allowed; assuming the company will create the net new positions and capital investment over a seven (7) year investment period; this will require the filing of multiple business plans;

Total Tax Incentive Estimate **\$ 21.72 mm**

Note: This is not a binding offer and does not create any legal obligations on behalf of the State. This summary is based on the company creating 5,000 net new full-time positions paying an average wage of \$76.32 per hour with a capital investment of \$623 mm. These incentives require that the project be completed over a seven (7) year period. Please contact Debbie Clabo at Debbie.Clabo@tn.gov with any questions related to this summary.