

Council Meeting Minutes

May 17, 2016

The Tazewell Town Council and IDA met in a work session at 5:15 p.m. in the Town Hall Conference Room.

Present:

Mayor A. D. Buchanan Jr
Vice-Mayor Terry Mullins
Councilmember Chris Brown
Councilmember Glenn Catron
Councilmember Jack Murray
Councilmember Jerry McReynolds
IDA Member Bob Buchanan
IDA Member Junior Boothe
IDA Member Nancy Brooks
IDA Member Joe Beasley
IDA Member Kim Santolla

Absent:

Councilmember David Fox
IDA Member Scott Cole
IDA Member Chad Murray

Staff present were: Town Attorney Brad Pyott; Town Manager, Todd Day; Executive Assistant, Robin Brewster; Town Clerk, Leeanne Billings.

CALL TO ORDER

Mayor Buchanan called the meeting to order.

TAX INCENTIVES

Manager Day handed out packets with information on the tax incentives. He stated that this had been almost a year project and has never been done in other localities in the commonwealth. The group then held discussion:

- There are two different kinds of grants offered: Entrepreneur Grant and National Business Grant.
- Both can live tax free for four years.

- They will pay taxes but it will be refunded to them.
- The base tax will always be there and have to be paid. Ex) you have a building (real estate) take the current value assessment, they have to pay that. However, if they improve and increase the value of assessment that increase will be forgiven and rebated back to them.
- The business will get to have four years of tax incentive. However, they must stay in business a total of nine years.
- If they don't stay in business five years after they receive the incentive they must pay it back.
- If they sell the business during the four year incentive period the new business will get the remainder of the incentive, it will not start over. Ex) if Glenn gets the tax incentive for two years then sells the business to Nancy she gets two years incentive but if she goes out of business after that who do we go after as voiding, go after Glenn and put a lien on him.
- What if the business rents the building? –That business still gets the incentive. If the real estate owner remodels and increases the size of the building and increases the assessment the real estate owner could receive the incentive too.
- Would the individual be responsible outside the corporation? –This is addressed in the agreement.
- New business must be new to Tazewell County. Ex) Applebee's in Bluefield cannot shut down and move to Tazewell and get the incentive.
- Discussed agreements and discussed terminology and changes that needed to be made to the language of the agreements.
- A business cannot duplicate incentives. Ex) they cannot get the Enterprise Zone and Tourism Zone if they are duplicate.
- IDA will vote to give this grant. It will be a majority rules vote.

MISCELLEANOUS-TRAIN STATION

Councilmember Mullins stated that 26 months ago there were 30 people that joined the Train Station Committee. They meet once a month. They have received a grant for over \$300,000.00. On June 4th they will be having a banquet benefit. Tickets are \$50.00 a piece and so far have sold 41 tickets.

ADJOURNMENT

Mayor Buchanan adjourned the meeting at 6:54 pm.