

**Loudon County Economic Development Agency/
Joint Economic and Community Development
Board of Directors Meeting Minutes
Williamson House
February 14th, 2019**

The following members were present: Mayor Buddy Bradshaw, Charlie Bettis, Mayor Jeff Harris, Mayor Tony Aikens, Eddie Simpson, John Evans (Proxy for Ron Jordan), Harold Duff, Bruce Giles, and Bob Elliott

Also present were: Ex-Officio Members Amber Scott, Ty Ross, and Clayton Pangle, Loudon City Councilmen Johnny James and Tim Brewster, County Commissioners David Meers and Gary Whitfield, News Herald reporter Jeremy Nash, citizen Pat Hunter, and LCEDA staff members Jack Qualls and Blair Patterson

Chairman Buddy Bradshaw called the meeting to order at 2:22 p.m.

Approval of the minutes from the December 12th, 2018 Board of Directors Meeting

The minutes were emailed to the Members prior to the meeting for their review. **John Evans made a motion to approve the December 12th, 2018 minutes, seconded by Harold Duff. All approved.**

Financial Report

Charlie Bettis presented the Profit and Loss Statement and Balance Sheet reviewing current assets, fixed assets, and liabilities. **Bruce Giles made a motion to approve the financial report, seconded by Eddie Simpson. Motion passed.**

Activity Report – Projects/Prospects and Workforce Development

Jack Qualls gave the following report:

- Last month's unemployment rate was at 2.9% which equates to 670 people looking for a job.
- Governor Bill Lee has put a focus on workforce development giving a hopeful opportunity for programs that we can take advantage of.
- Transportation Projects are all on schedule and there are currently 3 active projects in the County.

Blair Patterson gave the following update:

- The EDA will be hosting a Job Fair on Friday, March 8th open to all business and industry in the County.
- The EDA has now taken over Loudon County's Three-Star Program; the state has put the program's focus on workforce for the next two years.

The Board then discussed the new Bill being introduced in the state legislature known as the FAIR Act. The discussion of the possible negative impact this could have in our county and state if it is to be passed took place.

Centre 75 Agriculture Lease

The two points of discussion in regards to the Ag Lease are the lease continuation and the \$4000 credit request from Mr. James. Bruce Giles stated that the contract does not state that crops can be planted on the property, and the board needs to clean up the contract if they would like to allow Mr. James to continue planting soybeans. He also brought up that if the board is to let the planting of crops take place on the property, this lease should be bid out with that change. The current lease is active until 2020. The contract of

the lease states that the property can be used exclusively for hay; however Johnny James states that he was told he could plant his crops on the property. Mayor Bradshaw stated that he agrees with Mr. James in regards to this issue, and that practice makes policy due to what Mr. James was told in the past. Charlie Bettis suggested the Board could go about this in a way of cleaning up the current contract, extending into the next year in order to make Johnny whole for his claimed losses. The discussion on the legal issues with this contract came up again. Mr. James stated that he is well aware of the fact that if he has planted his crops, and the property is sold, then he will have his losses and walk away. The Board discussed that the signed contract would overrule in court in regards to the contractual factors that have been broken, no matter what Johnny James was told in the past. **Charlie Bettis made a motion to have an attorney look at the current contract with the determination of giving a credit and cleaning up the language within the contract, seconded by Bruce Giles.** Further discussion took place in regards to which attorney to use and if this is necessary. Bruce Giles suggested that Baker Donelson attorneys at law are experienced in contractual legal issues. **Bruce Giles made a motion to amend to have Baker Donelson look at the lease agreement reviewing the contract versus the practice and determining which is legally binding, seconded by Jeff Harris. Amendment passed.** The motion on the floor is to have Baker Donelson look at the lease agreement reviewing the contract versus the practice to determine which is legally binding. **Seven Members voted yes, Mayor Bradshaw voted no. Motion passed.** The LCEDA staff will contact the law firm and then schedule a board meeting to determine how to proceed. **Jeff Harris made a motion to table the final decision in regards to the Ag lease continuation and credit to Johnny James until the Board hears back from the attorney, seconded by John Evans. Motion carried.**

Letters received from the City of Loudon and Loudon County

The LCEDA received letters from both the City of Loudon and Loudon County Commission in regards to the performance and interlocal agreement of the EDA.

Charlie Bettis asked if he could hear from both the City of Loudon and County as to what their intentions are moving forward. Mr. Bettis stated that the economic development agency has a positive impact and is a need in this community.

County Mayor Buddy Bradshaw stated he supports the EDA and it is a state law to have an economic development organization. Mayor Bradshaw believed the commissioners' main issue is communication between the EDA and County entity.

Commissioner David Meers voted against sending the EDA a letter and did not agree with the way the issue is being handled.

Commissioner Gary Whitfield stated that he would like more communication on both ends, being the reason he attended this Board Meeting to improve communication efforts himself.

Lenoir City Mayor Tony Aikens stated his support for the EDA and the efforts that are being made by the current staff.

Bruce Giles brought to the Board's attention the funds that the municipalities are saving in transportation projects' administrative costs due to them being managed by the EDA.

Loudon City Mayor Jeff Harris stated that he supports the EDA and if communication is the issue that can easily be fixed.

Loudon City Councilman Tim Brewster stated that he supports having an EDA and attended the meeting to ask the EDA Board for their help. Mr. Brewster requested that the EDA Board let the focus be towards developing Loudon for one year. He compared the development of Highway 321 in Lenoir City and Highway 72 in Loudon, concluding that Loudon has not experienced the same amount of growth. The EDA Board stated that is not an issue that the EDA can be held responsible for; also stating the growth on 321 took time, and there were a lot of factors that went into it such as traffic counts and rooftops. The Board suggested the issue that Loudon is experiencing at this time cannot be changed by the EDA, but will have to go to planning commissions in order to make their unit per acre less restrictive in regards to housing. This would then improve and increase the

City of Loudon's traffic counts, appealing to retail.

John Evans stated that the negative articles in the Newspaper and the negative comments going around the community in regards to the EDA are not necessary and need to be stopped.

Councilman Brewster said he had the understanding that as a City Councilman they could deal with issues involving the EDA within their Council. He did not realize he needed to come to the EDA Board, stating this is the reason he attended. He restated that he would like the EDA Board to let focus be put on growing retail and rooftops in the City of Loudon.

Mayor Aikens reiterated that the direction and programming of the EDA is determined by the EDA Board directly. He also stated that Jack Qualls will not turn down any business wanting to locate in Loudon on Highway 72, nor will he turn away a business wanting to locate in Lenoir City on Highway 321. Mayor Aikens believes the EDA works for all three entities equally and the work being done currently demonstrates that.

Chairman Bradshaw asked for Mr. Qualls' statement on proceeding with business moving forward.

Jack Qualls stated that he would like to see the EDA Board take advantage of programming with TVA to layout the purpose and responsibilities of an economic development agency as well as create a strategic plan for the community. He stated the letters are concerning and disappointing, stating he has an open door policy, and works for and reports to this board.

Eddie Simpson said that there is equal representation on this Board from all entities, and that if there are issues or concerns the representatives can also be there to speak for the EDA.

Bruce Giles asked for clarification on whether or not the EDA is evicted from their current office space.

Councilman Brewster said Loudon City Hall's new building will have space for the EDA to move their office into. He also stated that the house the EDA is currently using is valuable to the City of Loudon and they could sell it.

Mayor Aikens then offered that there is also office space available at Lenoir City Utility Board's new facility, and that can be an option for them as well.

John Evans stated that it feels as if the City of Loudon is kicking the EDA out of one space because they want them somewhere else, and this seems manipulative. Bruce Giles agrees with Mr. Evans statement.

The current EDA office space, known as the Williamson House, has not yet been put on the market by the City of Loudon. Further discussion took place in regards to the property.

John Evans made a motion that with the City of Loudon's desire to sell the building, the Board examine available locations and determine the best space to house the EDA; seconded by Bruce Giles.

Bruce Giles made a motion to amend that the three Mayors examine and determine this issue, seconded by Eddie Simpson. Amendment passed.

Motion carried unanimously.

With no further business **John Evans made a motion to adjourn seconded by Eddie Simpson, motion carried.**

Blair Patterson, Recording Secretary