

**PILOT**

**PAYMENT-IN-LIEU-OF-TAX APPLICATION**

**EDGE**

**ECONOMIC DEVELOPMENT  
GROWTH ENGINE  
FOR MEMPHIS & SHELBY COUNTY**

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**100 Peabody Place, Suite 1100  
Memphis, TN 38103  
(901) 341-2100**

Please submit your application online at [www.growth-engine.org](http://www.growth-engine.org)

APPLICATION FOR PILOT ECONOMIC DEVELOPMENT GROWTH ENGINE INDUSTRIAL  
DEVELOPMENT BOARD OF CITY OF MEMPHIS AND SHELBY COUNTY, TENNESSEE

**Applicant**

Company Name: Nucor Steel Memphis Inc.  
Company Contact: Mike Seawright  
Mailing Address: 3601 Paul R. Lowry Road  
City: Memphis State: TN Zip: 38109  
Telephone: (901) 786-5900 Fax: (901) 786-5901  
Federal Employer Identification Number: 55-0797902  
Applicant's Legal Structure: Corporation

If any outside consultants will be representing the applicant (accounting firm, law firm or site consultant) in applying for this PILOT, please provide the following:

Company Name Moore & Van Allen PLLC  
Contact Name: Christian Buhner  
Mailing Address: 100 N. Tryon St., Suite 4700  
City: Charlotte State: NC Zip: 28202  
Telephone: (704) 331-1196 Fax: 28202

**Project Location**

- A. Address: 2315 Pier St., Memphis, TN 38106  
B. Tax Parcel Numbers: 050102 00039C  
C. City of Memphis:  Yes  No  
D. New Market Tax Credit Eligible Site:  Yes  No

**Project Description**

Briefly describe the applicant's principal business activities to be conducted at the Project Site:

Nucor Corporation and its affiliates are manufacturers of steel products, with operating facilities primarily in the U.S. and Canada. Products produced include: carbon and alloy steel—in bars, beams, sheet and plate; hollow structural section tubing; steel piling; steel joists and joist girders; steel deck; fabricated concrete reinforcing steel; cold finished steel; steel fasteners; metal building systems; steel grating; and wire and wire mesh. Nucor Steel Memphis Inc. is a 100% owned subsidiary of Nucor Corporation and is a special bar quality mill. As a special bar quality mill, Nucor Steel Memphis Inc. produces steel to a customer's specifications. Nucor Steel Memphis Inc. is looking to expand operations by offering additional value-added services to its steel. These services are currently being outsourced to businesses located outside of Tennessee. Such services include: boring, cut-to-length, polishing, grinding, turning and straightening.

**Project - Real Property Investment**

- Building a new \_\_\_\_\_ sq. ft. facility  
 Purchasing an existing facility, and  Making renovations or additions  
 Leasing \_\_\_\_\_ sq. ft. of an existing facility and  Making renovations or additions

Category	Capital Investment
Purchase Price of Land	\$300,000*
Purchase Price of Building	\$1,350,000*
New Construction/Site Improvements	\$
Renovation of Existing Structure	\$350,000
Soft Costs	\$
<b>TOTAL</b>	<b>\$2,000,000</b>

\*NOTE: Value of Land and Building is an Estimation. No appraisal has been done.

**Project - Personal Property Investment**

Group	New	Relocated <sup>2</sup>
1 – Furniture, Fixtures, General Equipment & All Other Property Not Listed in Another Group	\$100,000	\$
2 – Computers, Copiers, Fax Machines, Peripherals & Tools	\$30,000	\$
3 -- Molds, Dies & Jigs	\$150,000	\$
4 – Aircraft, Towers & Boats <sup>1</sup>	\$	\$
5 – Manufacturing Machinery	\$5,800,000	\$
6 – Billboards, Tanks & Pipelines	\$	\$
7 – Scrap Property <sup>1</sup>	\$	\$
8 – Raw Material & Supplies <sup>1</sup>	\$20,000	\$
9 – Vehicles <sup>1</sup>	\$	\$
<b>TOTAL</b>	<b>\$6,100,000</b>	<b>\$</b>

<sup>1</sup>Vehicles, towers, scrap and inventory are not eligible for a PILOT agreement, but the value of these items may be included in the determination of the PILOT benefit. <sup>2</sup>Depreciated value.

**Items to be submitted with this application**

Tax Compliance – Provide documentation demonstrating payment of all municipal, county, state, and federal taxes due for all properties owned by the Applicant located within Shelby County.

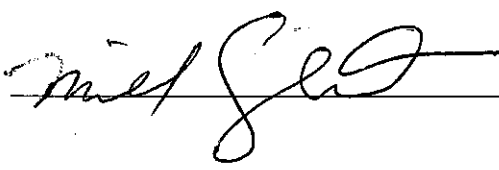
Application Fee (\$3,000.00)

**Other**

Applicant Financial Information – Staff will need to review audited financial statements for the most recent three fiscal years. [See attached Financial Summaries. Annual Reports for Nucor Corporation can be found at <http://www.nucor.com/investor/sec/index.php?type=k10>]

This Application is made in order to induce EDGE to grant financial incentives to Applicant. Applicant represents and warrants that the statements contained herein or attached hereto are true and correct to the best of their knowledge and include all information materially significant to EDGE in its consideration of this Application.

Applicant has read and agrees to comply with all requirements of the EDGE PILOT Program Policies and Procedures. Applicant specifically agrees to pay all reasonable costs, fees, and expenses incurred by EDGE in connection with this Application, whether or not the financial incentives are granted or the Project is consummated.

Applicant: 

Date: 4-3-17

**PROJECT EMPLOYMENT**

Position	# of Full-time Jobs <sup>1</sup>	Average Annual Base Pay <sup>2</sup>		Annual Overtime/ Incentive Pay <sup>3</sup>		Annual Benefits <sup>4</sup>		Annual Total Compensation	
		Each	Total	Each	Total	Each	Total	Each	Total
Saw Operator	2	\$57,000	\$114,000	\$9,223	\$18,447	\$16,989	\$33,978	\$83,212	\$166,424
Turning Operator	6	\$57,000	\$342,000	\$9,223	\$55,340	\$16,989	\$101,933	\$83,212	\$499,273
Machining Operator	2	\$57,000	\$114,000	\$9,223	\$18,447	\$16,989	\$33,978	\$83,212	\$166,424
Utility	2	\$45,000	\$90,000	\$7,282	\$14,563	\$16,989	\$33,978	\$69,270	\$138,541
Process Engineer	1	\$70,000	\$70,000	N/A	N/A	\$20,489	\$20,489	\$90,489	\$90,489
Admin. Specialist	1	\$35,000	\$35,000	\$5,663	\$5,663	\$19,022	\$19,022	\$59,685	\$59,685
Supervisor Lead	1	\$80,000	\$80,000	N/A	N/A	\$20,989	\$20,989	\$100,989	\$100,989
<b>Total</b>	<b>15</b>		<b>\$845,000</b>		<b>\$112,460</b>		<b>\$264,366</b>		<b>\$1,221,826</b>
<b>Average</b>			<b>\$56,333.34</b>		<b>\$7,497.34</b>		<b>\$17,624.40</b>		<b>\$81,455.07</b>

Definitions:  
<sup>1</sup>Permanent jobs or combination of permanent positions that provide employment of 1,600 hours or more within a year that is employed directly by the Applicant or employed by a contract employer on behalf of the Applicant.  
<sup>2</sup>Annual base wage must exceed \$12 per hour to be included, please show payments as annual average wages.  
<sup>3</sup>Include paid overtime, paid holidays and vacation pay. Do not include discretionary bonus or stock options.  
<sup>4</sup>Include health insurance, dental insurance, 401K plans, paid sick leave, bonus compensation, etc.