



Expansion PILOT Term Sheet
Thomas & Betts Corp.
July 19, 2017

Thomas & Betts Corp. (“Applicant”) a member of the ABB Group is seeking a fifteen-year Expansion PILOT to enable the company to retain 523 jobs and create 75 net new jobs. The Applicant will invest \$20.7 million at 860 Ridge Lake Blvd.

The retained and net new jobs will be provided by Thomas and Betts and the ABB Group as their sponsor.

The total project investment includes the \$12.9 million purchase of furniture, fixtures, and computer equipment. Additionally, the Applicant will invest \$7.5 million to renovate the 168,578 square-foot Ridge Lake facility.

The weighted average base salary for the 598 employees is \$86,788 excluding benefits.

Parcel 080023 A00040C (860 Ridge Lake BLVD) is 7.3 acres and houses an office building that is approximately 168,578 square feet.

Founded in 1898, the Applicant is a global leader in the design and manufacturing of connectors and components for electrical and communication markets.

The Expansion PILOT will enable the Applicant to consolidate their research and development operations from locations across the United States to the the Ridge Lake facility. Additionally, the PILOT will allow the Applicant to consolidate portions of their transportation and logistics operations into Memphis and Shelby County.

The Applicant will upgrade and improve the 860 Ridge Lake location.

Staff projects \$44,886,156 in local total tax revenues to be received during the PILOT term and a \$3,142,573 benefit to the Applicant.

The 15-year Expansion PILOT for the Applicant is based on the following terms:

CITY OF MEMPHIS TERMS	% PAID	SHELBY COUNTY TERMS	% PAID
Personal Property	Year 1-15 25%	Personal Property	Year 1-15 25%
Real Property	Year 1-15 25%	Real Property	Year 1-15 25%



PILOT Evaluation Matrix

CATEGORY	DATA	POINTS	Year(s)
Net New Jobs Retained Jobs	75 523	119.6	
Weighted Wages	\$86,788	58.8	
Capital Investment	\$20,400,000	10.2	
Sub-total		188.6	18.8
Location: City of Memphis	Yes		1.0
Local Business Participation	Yes		1.0
Location: New Market Tax Credit	No		0.0
MWBE	NO		0.0
Headquarters	Yes		2.0
Sub-total			4.0
Total			15-Years*

* Per section III (I) of the Expansion PILOT Policies and Procedures no project shall receive a PILOT term beyond a total of fifteen (15) years.

Ramp-Up Period

The applicant shall meet all commitments within two-years of receiving PILOT benefits.



Project Budget Detail

REAL PROPERTY	
Purchase Price	NONE
Renovation of Existing Structure	\$7,500,000
Sub-Total	\$7,500,000
PERSONAL PROPERTY	
New	\$12,900,000
Transferred	\$350,000
Sub-Total	\$13,250,000
Total Investment in PILOT	\$20,750,000

INVESTMENT NOT INCLUDED IN PILOT	
Other Real Property	NONE
Other Personal Property	NONE
Fees & Soft Costs	NONE
Sub-Total	NONE
Total Capital Investment	\$20,750,000

Local Business Participation (LBP)

Spending with City of Memphis and Shelby County certified minority and women business enterprises (MWBES) shall be an amount equal to or greater than:

		Basis	\$ LBP
	25%	Construction/Site Work	\$1,875,000
+	15%	Real Property Savings	\$471,386
=			\$2,346,386

Per section X (C) (ii) of the Expansion PILOT Policies and Procedures unless waived in the resolution, the PILOT Recipient is required to list all Net New Jobs with the Workforce Investment Network (WIN) and the Greater Memphis Alliance for a Competitive Workforce (GMACW), and give due consideration to individuals referred by those organizations for open positions.

Conditions

Award of a PILOT in accordance with the recommendations of the Economic Development Growth Engine (EDGE) Industrial Development Board of the City of Memphis and County of Shelby, Tennessee Staff, as set forth herein, is subject to the following conditions.

1. The award is subject to the review and approval of the Board's counsel.
2. The award of a PILOT to the real property of Applicant is subject to the review and approval of the Applicant's environmental impact study.
3. The award is subject to receipt of letters of approval from the mayors of both the City of Memphis and the County of Shelby.
4. The EDGE Board of Directors (the "Board") reserves the right to assign the PILOT, or its rights with respect thereto, to the Memphis and Shelby County Industrial Development Board (the "IDB"), in accordance with the service agreement between the Board and the IDB, if the Board ultimately deems it beneficial.
5. The award is subject to the negotiation and execution of PILOT lease agreements requiring the payment of rent in the amount of \$100.00 per year.
6. In the absence of an explicit written waiver of this condition, no conveyance will be deemed to have been accepted by EDGE, the IDB or any other affiliate or agent of EDGE unless and until all of the documents for the subject transaction, including the PILOT lease agreement, have been negotiated and delivered.
7. Except as explicitly provided in this term sheet or in a resolution of the Board, the award is subject to the provisions of the Expansion PILOT Policies and Procedures.
8. The headquarters award is subject to Applicant maintaining its national headquarters in Memphis, Tennessee.
9. The location award is subject to Applicant maintaining its offices in Memphis, Tennessee.
10. The local business participation award is subject to Applicant meeting the minimum requirements of the local business participation program.