

Expansion PILOT Term Sheet

Mimeo.com, Inc.

May 16, 2018

Mimeo.com, Inc. ("Applicant") is seeking a fifteen-year Expansion PILOT to enable the company to invest \$13,469,000 at 3350 Miac Cove, retain 284 existing employees and create 171 net new jobs.

The project investment includes an estimated real property purchase price of \$4,469,000 (\$405,900 land and \$4,063,100 building value), \$2,000,000 for construction and site work, \$4,000,000 for new personal property and \$3,000,000 for personal property transferred from another facility into Shelby County.

The Applicant will maintain a total of 455 employees with an average salary of \$54,930 excluding benefits. The company has operated in Shelby County for more than ten years.

Parcel 073006 00055 (3350 Miac Cove) is 10.92 acres and contains a 141,235 square foot building. The applicant will occupy 100% of this property for the Project. Real property, new personal property and personal property transferred to this site from outside of Shelby County will be included in the PILOT.

Currently headquartered in New York, Mimeo operates four print production and distribution centers around the world, each located next to a shipping hub. These centers include an existing Memphis facility and others in Newark, Cambridgeshire (UK) and Berlin (DE). The company is the innovator of online content management, printing and distribution. Mimeo has more than 50,000 customers who rely on the company for timely delivery of printed-materials.

The company desires to consolidate its North American operations, expand its sales division and co-locate its headquarters in the same facility. This PILOT will help Mimeo relocate the Newark facility and 85 related jobs to Memphis, provide space for 77 new salespeople in Memphis and bring the company's senior leadership to the new U.S. corporate headquarters in Memphis.

Staff projects \$28,430,165 in local total tax revenues to be received during the PILOT term of this project and an estimated \$2,508,224 benefit to the Applicant.

The 15-year 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	YEARS
Jobs Retained and Created	455	91.0	
Wages	\$54,930	26.9	
Capital Investment	\$13,469,000	6.7	
Sub-total		123.6	12
Location: City of Memphis	Yes		1
Local Business Participation	Yes		1
New Markets Tax Credit Census Tract	Yes		2
MWBE	No		0
Headquarters	Yes		2
Sub-total			6
Total (Maximum Allowed 15-Years)			15-Years

Ramp-Up Period

The Applicant will have a two (2) year Ramp-Up Period within which to achieve its project commitments. This two (2) year period shall begin upon the date when any property, in whole or in part, is conveyed to EDGE, covered by a PILOT Lease, and begins to enjoy the benefits of the PILOT incentive.

Project Budget Detail

REAL PROPERTY	
Purchase Price	\$4,469,000
Hard Construction and Site Work	\$2,000,000
Sub-Total	\$6,469,000
PERSONAL PROPERTY	
New	\$4,000,000
Transferred*	\$3,000,000
Sub-Total	\$7,000,000
Total Investment in PILOT	\$13,469,000

INVESTMENT NOT INCLUDED IN PILOT	
Other Real Property	\$0
Other Personal Property	\$0
Fees & Soft Costs	\$0
Sub-Total	\$0
Total Capital Investment	\$13,469,000

**Personal property relocated from a facility outside of Shelby County is considered at its depreciated, current value.*

Local Business Participation

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

				*Minimum For Bonus Opportunity	
		Basis	\$ LBP	1 Added Year	2 Added Years
	25%	Construction/Site Work	\$500,000	\$700,000	\$900,000
+	15%	Real & Personal Property Savings	\$376,234	\$627,056	\$877,878
=	Total		\$876,234	\$1,327,056	\$1,777,878

**The minimum required spending is based on 35% of Construction/Site Work and 25% of total PILOT Savings for one additional year and 45% of Construction/Site Work and 35% of total PILOT Savings for two additional years.
The maximum allowable PILOT term is 15-years.*

Identified Labor Source

Per section X (C) (ii) of the Expansion PILOT Policies and Procedures, 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.

Terms & 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 of a PILOT to the real property used for Applicant's project is subject to Board Counsel's review and approval of the environmental impact study for said real property to be produced or procured by Applicant.
2. The award is subject to receipt of letters of approval from the mayors of both the City of Memphis and the County of Shelby.
3. 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.
4. Except as explicitly provided in this term sheet or in a resolution of the Board, the award of a PILOT is subject to the provisions of the Expansion PILOT Policies and Procedures.
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, which agreements shall be in a form substantially similar to EDGE's standard form as approved by the Board at its meeting of March 21, 2018, and consistent with the provisions of this Term Sheet.
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. The award of matrix points for headquarters is subject to Applicant's maintaining the project as a headquarters, as defined in the Expansion PILOT Policies and Procedures.
8. The Applicant shall receive Community Reinvestment Credit for the Project.