

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



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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: Exel Inc. d/b/a DHL Supply Chain (USA)
Company Contact: Karmin McWilliams
Mailing Address: 360 Westar Boulevard
City: Westerville State: Ohio Zip: 43082
Telephone: 614-865-8912 Fax: N/A
Federal Employer Identification Number: 04-2801160
Applicant's Legal Structure: C-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: N/A

Company Name
Contact Name:
Mailing Address:
City: State: Zip:
Telephone: Fax:

Project Location

- A. Address: 0 Tchulahoma Rd. & 0 Holmes Rd. (Land Sites)
B. Tax Parcel Numbers: 094100 00299 & 094100 00303
C. City of Memphis: [X] Yes [ ] No
D. New Market Tax Credit Eligible Site: [X] Yes [ ] No

Project Description

Briefly describe the applicant's principal business activities to be conducted at the Project Site: Please see attached project description.

Blank lines for project description.

Project - Real Property Investment

- [X] Building a new 1,545,000 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	\$ 5,748,716
Purchase Price of Building	\$
New Construction/Site Improvements	\$ 66,094,732
Renovation of Existing Structure	\$
Soft Costs	\$
<b>TOTAL</b>	<b>\$ 71,843,448</b>

### **Project - Personal Property Investment**

Group	New	Relocated <sup>2</sup>
1 – Furniture, Fixtures, General Equipment & All Other Property Not Listed in Another Group	\$ 11,184,138.37	\$0
2 – Computers, Copiers, Fax Machines, Peripherals & Tools	\$ 2,691,183.70	\$0
3 -- Molds, Dies & Jigs	\$0	\$0
4 – Aircraft, Towers & Boats <sup>1</sup>	\$0	\$0
5 – Manufacturing Machinery	\$0	\$0
6 – Billboards, Tanks & Pipelines	\$0	\$0
7 – Scrap Property <sup>1</sup>	\$0	\$0
8 – Raw Material & Supplies <sup>1</sup>	\$0	\$0
9 – Vehicles <sup>1</sup>	\$0	\$0
<b>TOTAL</b>	<b>\$ 13,875,322.06</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.

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 Jobs 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: 7/29/2020

**PROJECT EMPLOYMENT**

Positions	# of Full-time Jobs <sup>1</sup>	Average Annual Base Pay <sup>2</sup>		Annual Benefits <sup>3</sup>		Annual Total Compensation	
		Each	Total	Each	Total	Each	Total
Lead Operator	3	\$ 35,035.15	\$ 105,105.45	\$ 7,791.30	\$ 23,373.89	\$ 42,826.45	\$ 128,479.34
Core business	14	\$ 32,868.92	\$ 460,164.92	\$ 7,791.30	\$ 109,078.14	\$ 40,660.22	\$ 569,243.06
Non-core	5	\$ 32,868.92	\$ 164,344.61	\$ 7,791.30	\$ 38,956.48	\$ 40,660.22	\$ 203,301.09
Maintenance/Sanitation	2	\$ 27,561.66	\$ 55,123.33	\$ 7,791.30	\$ 15,582.59	\$ 35,352.96	\$ 70,705.92
Admin Ass't	1	\$ 37,165.48	\$ 37,165.48	\$ 7,791.30	\$ 7,791.30	\$ 44,956.78	\$ 44,956.78
Cust Service	1	\$ 34,698.27	\$ 34,698.27	\$ 7,791.30	\$ 7,791.30	\$ 42,489.57	\$ 42,489.57
Ship/ Receive	1	\$ 34,698.27	\$ 34,698.27	\$ 7,791.30	\$ 7,791.30	\$ 42,489.57	\$ 42,489.57
Inventory	1	\$ 34,698.27	\$ 34,698.27	\$ 7,791.30	\$ 7,791.30	\$ 42,489.57	\$ 42,489.57
RF Tasking	1	\$ 34,698.27	\$ 34,698.27	\$ 7,791.30	\$ 7,791.30	\$ 42,489.57	\$ 42,489.57
General Manager 1	1	\$118,103.22	\$ 118,103.22	\$10,162.56	\$ 10,162.56	\$128,265.78	\$ 128,265.78
HR Manager	1	\$ 83,360.79	\$ 83,360.79	\$10,162.56	\$ 10,162.56	\$ 93,523.35	\$ 93,523.35
Operations Supervisor	1	\$ 54,788.19	\$ 54,788.19	\$10,162.56	\$ 10,162.56	\$ 64,950.75	\$ 64,950.75
Operations Systems Sup.	1	\$ 65,000.00	\$ 65,000.00	\$10,162.56	\$ 10,162.56	\$ 75,162.56	\$ 75,162.56
Lead Operator	6	\$ 36,865.88	\$ 221,195.30	\$ 8,922.40	\$ 53,534.41	\$ 45,788.29	\$ 274,729.71
Forklift Oper	146	\$ 34,580.97	\$ 5,048,821.83	\$ 8,922.40	\$ 1,302,670.76	\$ 43,503.37	\$ 6,351,492.59
Matl Handler	13	\$ 28,982.94	\$ 376,778.20	\$ 8,922.40	\$ 115,991.23	\$ 37,905.34	\$ 492,769.44
Shuttle/Yard	2	\$ 40,752.30	\$ 81,504.59	\$ 8,922.40	\$ 17,844.80	\$ 49,674.70	\$ 99,349.40
Maintenance/Sanitation	6	\$ 28,982.94	\$ 173,897.63	\$ 8,922.40	\$ 53,534.41	\$ 37,905.34	\$ 227,432.05
Mechanic	1	\$ 34,580.97	\$ 34,580.97	\$ 8,922.40	\$ 8,922.40	\$ 43,503.37	\$ 43,503.37
Admin Ass't	1	\$ 43,254.82	\$ 43,254.82	\$ 8,922.40	\$ 8,922.40	\$ 52,177.22	\$ 52,177.22
Cust Service	4	\$ 37,874.40	\$ 151,497.59	\$ 8,922.40	\$ 35,689.61	\$ 46,796.80	\$ 187,187.20
Ship/ Receive	4	\$ 37,874.40	\$ 151,497.59	\$ 8,922.40	\$ 35,689.61	\$ 46,796.80	\$ 187,187.20
Quality	6	\$ 37,874.40	\$ 227,246.38	\$ 8,922.40	\$ 53,534.41	\$ 46,796.80	\$ 280,780.80
HR Support	1	\$ 37,874.40	\$ 37,874.40	\$ 8,922.40	\$ 8,922.40	\$ 46,796.80	\$ 46,796.80
RF Tasking	5	\$ 40,376.92	\$ 201,884.60	\$ 8,922.40	\$ 44,612.01	\$ 49,299.32	\$ 246,496.61
Inventory	3	\$ 37,874.40	\$ 113,623.19	\$ 8,922.40	\$ 26,767.21	\$ 46,796.80	\$ 140,390.40
Returns	8	\$ 37,874.40	\$ 302,995.18	\$ 8,922.40	\$ 71,379.22	\$ 46,796.80	\$ 374,374.40
General Manager 1	1	\$119,007.63	\$ 119,007.63	\$10,894.26	\$ 10,894.26	\$129,901.89	\$ 129,901.89
Operations Manager 1	1	\$ 86,566.38	\$ 86,566.38	\$10,894.26	\$ 10,894.26	\$ 97,460.64	\$ 97,460.64
Operations Manager 2	1	\$ 68,288.58	\$ 68,288.58	\$10,894.26	\$ 10,894.26	\$ 79,182.84	\$ 79,182.84
HR Manager	1	\$ 80,145.78	\$ 80,145.78	\$10,894.26	\$ 10,894.26	\$ 91,040.04	\$ 91,040.04
Operations Systems Mgr	1	\$ 85,468.60	\$ 85,468.60	\$10,894.26	\$ 10,894.26	\$ 96,362.86	\$ 96,362.86
Inventory Manager	1	\$ 83,378.63	\$ 83,378.63	\$10,894.26	\$ 10,894.26	\$ 94,272.89	\$ 94,272.89
Operations Supervisor	9	\$ 57,769.00	\$ 519,921.00	\$10,894.26	\$ 98,048.38	\$ 68,663.26	\$ 617,969.38
Other Supervisor 1 - VAS	1	\$ 57,769.00	\$ 57,769.00	\$10,894.26	\$ 10,894.26	\$ 68,663.26	\$ 68,663.26
<b>Total</b>	<b>255</b>		<b>9,549,147</b>		<b>2,278,921</b>		<b>11,828,068</b>
<b>Average</b>			<b>\$ 37,447.64</b>		<b>\$ 8,936.94</b>		<b>\$ 46,384.58</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 \$13 per hour to be included, please show payments as annual average wages. Include paid overtime, paid holidays and vacation pay. Do not include discretionary bonus or stock options. <sup>3</sup>Include health insurance, dental insurance, 401K plans, paid sick leave, bonus compensation, etc.

EDGE 022017

## Project Description

DHL Supply Chain (“DHL”) is the world’s largest contract logistics specialist, creating a competitive advantage through customized logistics solutions based on globally standardized warehousing, transportation and integrated service components. DHL is proposing two build-to-suit projects for their developing Memphis Campus Sites.

### Project #1 Overview – YETI Coolers, LLC

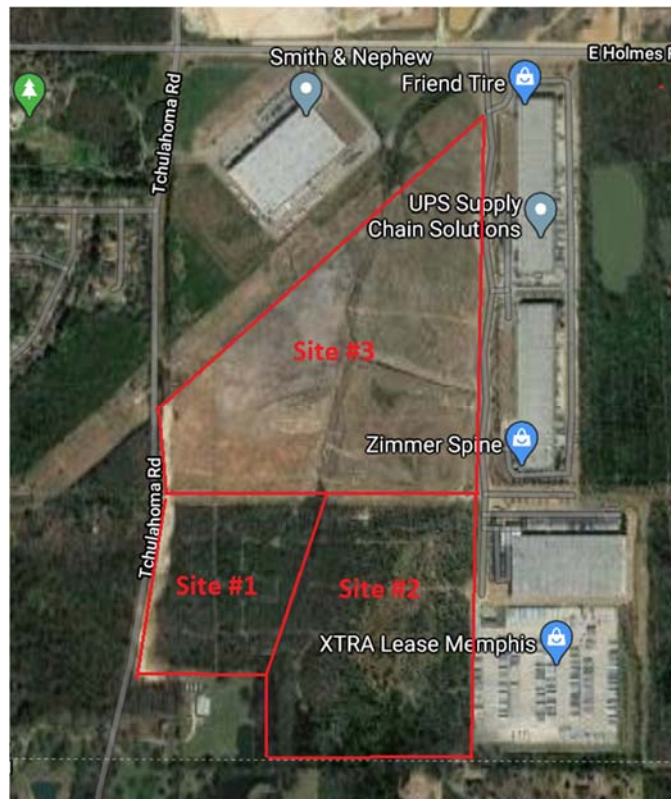
DHL is partnering with YETI Coolers, LLC (“Yeti”) to provide a solution to support all elements of warehouse operations. The distribution center will require 975,000 square feet of capacity to be dedicated to Yeti. The distribution center will (1) receive inbound materials and parts; (2) load and ship outbound parcel deliveries; and (3) perform outbound scheduling and transportation execution. Products include Yeti coolers and equipment, drinkware, and apparel.

DHL is considering 74 acres located off Tchulahoma and Holmes Road for this project (Site 3 in below aerial). This parcel is located adjacently to land DHL previously acquired (Sites 1 & 2 in below aerial).

### Project #2 Overview – Life Sciences Partner

DHL is partnering with a leading Life Science company to provide a solution to redefine their distribution network in the US supporting the Crop Protection, Seeds, and Environmental Science businesses. The Company does not currently operate in Shelby County, and the result of this solution will ensure product availability closer to the customer with increased efficiency and service levels as well as help lessen capacity constraints at production sites. The centers of gravity are Tennessee, North Carolina, Illinois, and North Dakota. We anticipate it to result in a 5 DC network solution.

The distribution center will require 570,000 square feet of capacity to be dedicated to this customer. The distribution center will support an end-to-end supply chain and store a diverse product portfolio of seeds, seed treatments, traits, herbicides, fungicides, insecticides and harvest aids. Inbound product comes from the Company’s plants, which are mostly within 200 miles of Memphis, and outbound product is to local co-ops and dealers in the mid-South area. This facility would be a build-to-suit on land DHL already owns off Tchulahoma and Holmes Road (Site 2 in below aerial).







Shelandra Y. Ford  
Shelby County Register of Deeds

**DHL SUPPLY CHAIN (DBA)**

Owner:  
Parcel Address: 0 TCHULAHOMA RD, MEMPHIS  
Parcel ID: 094100 00299  
2020 Appraisal: \$1,739,600  
Tax District: MEMPHIS  
Year Built:  
Lot Number: null  
Subdivision: HOLMES/TCHULAHOMA SOUTH PD AND  
  
Plat BK & PG: 206-045  
Dimensions: ACREAGE  
Total Acres: 61.1124  
Owner Address: 570 POLARISPKWY REAL ESTATE  
WESTERVILLE, OH  
43082-7900



**REGINA MORRISON NEWMAN, SHELBY COUNTY TRUSTEE**

P.O.Box 2751  
 Memphis, TN 38101-2751

**QUESTIONS?** Call (901) 222 - 0200

PARCEL #	TAXING AUTHORITY	NOTICE TYPE	DATE
094-1000-0-00299-0	Shelby County	INTERNET RECEIPT	3/18/2020 11:11:59AM

DHL SUPPLY CHAIN (DBA)  
 c/o REAL ESTATE  
 570 POLARIS PKWY  
 WESTERVILLE OH 43082-7900

Realty  
 Lot Size: 1026 X 0 Acreage: 61.112  
 Lot No: 0

Classification: INDUSTRIAL  
 Location: 0 TCHULAHOMA  
 Memphis 0

Subdivision: HOLMES/TCHULAHOMA SOUTH PD AND

**PROPERTY TAX NOTICE**

Tax Year	Assessed Value	Tax Rate	Town	Base Tax	Interest	Court	Atty	Misc	Balance Due
2019	695,840.00	4.05	N	0.00	0.00	0.00	0.00	0.00	\$0.00

**IF PAID BY 3/31/2020, TOTAL AMOUNT DUE IS: \$0.00**

**Attention: Corrected Billing**

All Notices received prior to **3/18/2020** concerning the tax year (s) listed above should be disregarded. Please pay using this notice.

094-1000-0-00299-0  
 DHL SUPPLY CHAIN (DBA)  
 c/o REAL ESTATE  
 570 POLARIS PKWY

**Enter address change here**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_

Zip: \_\_\_\_\_ Phone: \_\_\_\_\_

changes require signatures of all owners

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

**Due Date: March 31, 2020**

Year	Town	Balance Due
2019	N	\$0.00
<b>Total:</b>		<b>\$0.00</b>

ENTER AMOUNT PAID

**Make check or money order payable to**  
 REGINA MORRISON NEWMAN, TRUSTEE  
 P.O.Box 2751  
 Memphis, TN 38101-2751

DO NOT WRITE BELOW THIS LINE



# CITY OF MEMPHIS ePAYMENTS

## Property Tax History



Parcel Number: 094100 00299  
 Property Owner: DHL SUPPLY CHAIN (DBA)  
 Property Address: 0 TCHULAHOMA RD  
 Current Balance: \$0.00

Balances shown are calculated as of the end of yesterday's business. Late fee programs are run nightly. Your payment will be applied starting with the oldest year not in bankruptcy. Do not use Internet queries for real estate closing. For final balance, call 522-1111, since all payments may not be posted and refunds may be due.

Year	Type	Assessment	Millage Rate	Tax Bill Number	Tax Assessed	Interest / Penalty	Other Charges	Total Due
2019	REAL	\$695,840	\$3.1960	226715	\$22,238.95	\$0.00	\$0.00	\$0.00
2018	REAL	\$634,360	\$3.1960	226813	\$20,274.06	\$0.00	\$0.00	\$0.00
2017	REAL	\$634,360	\$3.2715	226975	\$20,752.97	\$0.00	\$0.00	\$0.00
2016	REAL	\$565,520	\$3.4000	226899	\$19,227.68	\$0.00	\$0.00	\$0.00
2015	REAL	\$565,520	\$3.4000	227380	\$19,227.68	\$0.00	\$0.00	\$0.00
2014	REAL	\$565,520	\$3.4000	226633	\$19,227.68	\$0.00	\$0.00	\$0.00
2013	REAL	\$565,520	\$3.4000	226653	\$19,227.67	\$0.00	\$0.00	\$0.00
2012	REAL	\$628,360	\$3.1100	225016	\$19,542.00	\$0.00	\$0.00	\$0.00
2011	REAL	\$628,360	\$3.1889	225351	\$20,037.78	\$0.00	\$0.00	\$0.00
2010	REAL	\$628,360	\$3.1957	467175	\$20,080.51	\$0.00	\$0.00	\$0.00
2009	REAL	\$628,360	\$3.1957	225920	\$20,080.51	\$301.21	\$0.00	\$0.00

Printed Date: 3/18/2020 at 11:10 AM CST