

NOTICE OF SPECIAL PUBLIC MEETING

Public notice is hereby given that a special public meeting of the Board of Directors of THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF DECATUR ("IDB") will be held on Wednesday, August 30, 2017 at 2:00 o'clock P.M. in City Council Chambers on the 1st Floor at the Decatur City Hall, 402 Lee Street, NE, Decatur, Alabama. Said meeting may be adjourned from time to time to a time and place announced at that meeting or any adjournment thereof. The nature and purpose of the meeting is to (a) receive and act upon an application by Daikin America, Inc. for tax abatements under the provisions of the Code of Alabama 1975, Section 40-9B-1 et seq. (the Tax Incentive Reform Act of 1992) and (b) to conduct such other business that may come before the Board.

AGENDA OF INDUSTRIAL DEVELOPMENT BOARD MEETING
August 30, 2017 at 2:00 p.m.
City Council Chambers, 7th Floor, Decatur City Hall

1. Roll call of Members
2. Approval of Minutes of Meeting held on August 2, 2017
3. Consider request for tax abatements by Daikin America, Inc.
4. Any other business
5. Adjourn

**SUMMARY OF DAIKIN AMERICA, INC.
2017 APPLICATION FOR TAX ABATEMENTS**

Daikin America, Inc. ("Daikin") is considering a major addition to its manufacturing facility on State Docks Road in the police jurisdiction of the City of Decatur. This project involves Daikin installing a process for the blending of refrigerant components to produce refrigerant blends. These refrigerant blends will have a lower global warming impact relative to some currently available refrigerants. The question being considered by Daikin is whether or not to make the investment. The estimated capital investment for this new project is \$5,050,000.00. It is estimated there will be 9 new employees who after 3 years will have an estimated annual payroll of \$664,020.00 (an average of \$73,780.00 per employee), not including benefits. Daikin currently has 334 employees with an annual payroll, without benefits, of \$24,216,807.00 (an average of \$72,500.00 per employee), not including benefits. If approved, it is anticipated that construction for this project would begin in September, 2017 and be completed by March, 2018.

Daikin is asking The Industrial Development Board of the City of Decatur to consider tax abatements for this Project which would amount to an abatement of approximately \$13,900.00 a year for the ten year abatement period in State of Alabama and Morgan County non-educational personal and real property taxes. The project would create new State of Alabama, Morgan County, City of Hartselle and City of Decatur real and personal property school taxes in the approximate amount of \$16,200.00 a year for the same ten year period. The estimated amount of Morgan County sales and use taxes created during the period of this capital investment only are \$41,700.00, which will benefit the Decatur, Hartselle and Morgan County school systems. The abated City of Decatur sales and use taxes requested during the period of this capital investment only are in an estimated amount of \$31,950.00. The abated State of Alabama sales and use taxes requested during the period of this capital investment only are in an estimated amount of \$63,900.00.