



Memphis City Council Summary Sheet

Resolution authorizes Mayor Wharton to apply for Fast Track Infrastructure Program grant funds for K.T.G. (USA) Inc.

- This item is a resolution authorizing the Mayor of the City of Memphis to execute any and all documents necessary to make application to the Tennessee Department of Environment and Conservation for \$2,000,000.00 Fast Track Development Program grant funds in behalf of K.T.G. (USA) Inc.
- The City of Memphis Division of Engineering has drafted this application and is recommending City Council approval.
- When the State approves this application, they will draft a contract for future approval.
- Any and all costs over the grant amount of \$2,000,000.00 (Two Million Dollars) will be the sole responsibility of K.T.G. (USA) Inc. K.T.G. will provide any and all grant matching funds required. No contracts, expenditure of funds, or budget amendments are required at this time.

RESOLUTION

WHEREAS, the Tennessee General Assembly appropriated funds to the Tennessee Department of Economic and Community Development (ECD) for the purpose of economic development programs; and

WHEREAS, ECD may use such funds for infrastructure improvements as provided under the Fast Track Infrastructure Development Program (FIDP); and

WHEREAS, K.T.G. (USA) Inc. is investing more than \$305,000,000.00 in redeveloping its North Memphis Facility and will require a major improvement in the electrical transmission and distribution power system; and

WHEREAS, installation of a new electrical sub-station is critical to support additional power requirements for a new building as well as new machinery to increase the Company's production capacity; and

WHEREAS, K.T.G. and MLGW have entered into an agreement for MLGW to purchase the necessary electrical equipment for the redevelopment; and

WHEREAS, ECD has committed \$2,000,000.00 in Fast Track Grant funds toward the purchase of equipment and apparatus components to be included in the installation of a new electrical sub-station estimated at a total cost of \$3,547,000.00 including equipment; and

WHEREAS, K.T.G. will pay all cost in excess of the \$2,000,000.00 Fast Track Grant including any local match funds required; and

WHEREAS, K.T.G. (USA) Inc. will continue to contribute to the financial and economic well-being of Memphis and Shelby County and the State of Tennessee by retaining 294 existing jobs and creating 100 new jobs ; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Memphis that application be made for a grant not to exceed \$2,000,000.00 (Two

Million Dollars) to the Tennessee Department of Economic and Community Development for assistance in the completion of the proposed infrastructure improvements under the Fast Track Infrastructure Development Program pursuant to "Program Guidelines" promulgated by the Commissioner of Economic and Community Development.

BE IT FURTHER RESOLVED, those local matching funds required for the grant amount will be the sole responsibility of K.T.G. (USA) Inc.

BE IT FURTHER RESOLVED, that the Mayor of the City of Memphis is hereby authorized to execute any and all documents necessary to make application for the above-mentioned grant on the behalf of the City of Memphis.