

CHEATHAM COUNTY, TENNESSEE

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Industrial Development Board PILOT INCENTIVE GUIDELINES

2016



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WELCOME TO CHEATHAM COUNTY, TENNESSEE!

Cheatham County, Tennessee, one of Middle Tennessee's best kept secrets, is just minutes from downtown Nashville offering breathtaking landscapes and a rich heritage. Conveniently located on both Interstate 24 and Interstate 40, Cheatham County is a short drive from Clarksville and Nashville. Cheatham County's picturesque cities offer rural living within a short driving distance to all the metropolitan Nashville area has to offer. With three interstate exits on Interstate 24, two interstate exits on Interstate 40, navigable waterways and ports, and railway access, the county offers a prime location for business.

TAX INCENTIVES, READY WORKFORCE

Cheatham County is an ideal place to relocate your business or start from scratch. The county offers tax incentives for industrial equipment and systems, a cap on franchise/inventory tax for distribution and warehousing facilities, a Jobs Tax Credit Program, and an abundant workforce in a "Right-to-Work" state.

UNPARALLELED CONVENIENCE

Besides its convenience to Interstate 24 and Interstate 40, Cheatham County offers navigable waterways and ports, short-line rail, and a local airport. Travel to and from Cheatham County is not only convenient but has the capacity to facilitate all your logistical needs. In addition, Cheatham County is only 35 minutes from the Nashville International Airport.

GROWING WORKFORCE

Cheatham County's regional labor force nearing 250,000 plus welcomes business growth that allows them to both live and work in the same community. The desire for high-quality education has led to partnerships between Cheatham County's public school system and several of Middle Tennessee's higher education institutions creating a skilled workforce available for local businesses.

BUSINESS CLIMATE

Working with the local government and school system, area businesses have created a collaborative business climate dedicated to enhancing Cheatham County's economic outlook. The Cheatham County Chamber of Commerce has led the way with initiatives dedicated to corporate recruitment, workforce and education development, retail attraction, tourism and senior living.



Cheatham County Industrial Development Board
108 N. Main Street, Ashland City, TN 37015
Contact: darylphillips@cheathamconnect.com (615) 792-2379



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PILOT Program

Cheatham County values high wage jobs and those jobs that will provide training to its employees. Intangibles, such as training for career advancement, are hard to quantify into an objective tiered incentive plan, but the IDB considers all factors and may grant higher benefits for which a company might seemingly qualify based on intangible value. The PILOT (Payment in Lieu of Tax) program typically applies to the increase in tax consequence associated with the appraised value for both real and personal property. Unabated, real property is assessed at 40% of appraised value and personal property is assessed at 30% of appraised value. The abatement schedule will apply to county taxes.

The abatements will take effect with the execution of an agreement with the Cheatham County Industrial Development Board to transfer title and lease back the real and personal property. The company seeking the PILOT incentives is responsible for securing qualified legal representation and for paying the legal costs of the granting Industrial Board.

The Cheatham County Industrial Development Board take an adjustment-based approach whereby a tiered incentive program is established and annual reviews place the company in the appropriate tier of benefits. The incentive is tied to three criteria - job creation, wages, and investment - and will be reviewed by the IDB each year to ensure that the company's performance is in line with the PILOT benefit it is receiving. If the company underperforms, the PILOT can be adjusted to the appropriate level. Conversely, if the company exceeds projected levels of employment, investment and wages, additional benefits may be granted.

To begin the process of applying for a PILOT agreement and the ensuing tax abatements, the company should submit a projected business plan detailing:

1. A general overview of the project, and description of proposed local operations.
2. Capital investment (purchase or lease of building, equipment purchases, etc.).
3. Number of jobs projected to be created within the next five years including a timeline.
4. Starting wage levels for employees and average salary/wage expected in the first twelve months.

Please submit the requested information to:

Daryl D. Phillips, Director
Economic & Community Development
Cheatham County JECDB
108 N. Main Street
Ashland City, TN 37015-1708
darylphillips@cheathamconnect.com
(615) 792-2379

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The guidelines for incentive levels are as follows:

Level 1

Requirements: Company must invest at least \$250,000.

Real Estate Property:	Years of Operation	Amount Reduced
	Year 1	100 percent
	Year 2	66 percent
	Year 3	33 percent

Personal/Equipment:

Year 1	100 percent
Year 2	100 percent
Year 3	100 percent

Level 2

Requirements: Company must invest at least \$500,000.

Real Estate Property	Years of Operation	Amount Reduced
	Year 1	100 percent
	Year 2	80 percent
	Year 3	60 percent
	Year 4	40 percent
	Year 5	20 percent

Personal/Equipment

Year 1	100 percent
Year 2	100 percent
Year 3	100 percent
Year 4	100 percent
Year 5	100 percent



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Level 3

Requirements: Company must invest at least \$1 million.

Real Estate Property	Years of Operation	Amount Reduced
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	Year 1	100 percent
	Year 2	100 percent
	Year 3	100 percent
	Year 4	75 percent
	Year 5	75 percent
	Year 6	75 percent
	Year 7	50 percent
	Year 8	50 percent
	Year 9	50 percent
	Year 10	25 percent

Personal/Equipment

	Year 1	100 percent
	Year 2	100 percent
	Year 3	100 percent
	Year 4	100 percent
	Year 5	100 percent
	Year 6	50 percent
	Year 7	50 percent
	Year 8	50 percent
	Year 9	50 percent
	Year 10	50 percent