

AGENDA

SPECIAL MONTHLY MEETING OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA, TENNESSEE

Monday, April 17, 2023 @ 3:00 PM

1. Call meeting to order.
2. Confirmation of Meeting Advertisement and Quorum Present.
3. Minutes and transcript approval for the March 6, 2023, meeting.
4. Recognition of any person wishing to address the Board.
5. **PUBLIC HEARING – TAX INCREMENT FINANCING POLICIES AND PROCEDURES.**

Resolution:

- (a) A resolution adopting the Tax Increment Financing Policies and Procedures, a copy of which is in substantially the form attached hereto and made a part hereof by reference.
6. **Presentation: Clear Chattanooga Water for Life (Moccasin Bend Environmental Campus (MBEC) Green Energy Program)**

Resolutions:

- (b) **e2i2 Sanitary Sewer Overflow (SSO) Abatement Program Progressive Design Build Contract with Brasfield & Gorrie, LLC** - A resolution authorizing the Chair or Vice-Chair to execute a Progressive Design Build contract for the e2i2 Sanitary Sewer Overflow (SSO) Abatement Program – South Lee Hwy. and West Chickamauga Equalization Stations, Contract No. W-20-001-201, with Brasfield & Gorrie, LLC, to execute Phase 1 of the project, in the amount of \$5,130,000.00.
- (c) **e2i2 Lease with the City of Chattanooga for the design build and construction of wet weather equalization stations** - A resolution authorizing the Chair or Vice-Chair to enter into a Lease with the City of Chattanooga, in substantially the form attached, for the design and construction of the City's proposed wet weather equalization stations, to be located at 6000 Cornelison Road, identified as Tax Map No. 169D-A-001.02; 220 Cornelison Road, identified as a portion of Tax Map No. 157M-A-009.03; and 7148 Lee Hwy.,

identified as Tax Map Nos. 139P-C-008.01 and 138M-C-002.01, for a term of six (6) years, for an annual amount of \$1.00, subject to final closing.

7. **Resolution:**

- (d) **HomeServe** - A resolution approving the Annual Report on Payment in Lieu of Tax (PILOT) Program dated January 9, 2023, for the years 2021 and 2022 from HomeServe c/o Site Selection Group.

8. **DISCUSSION ITEMS-OTHER BUSINESS**

- (a) Website
- (b) PILOT policies and procedures

9. Adjournment.

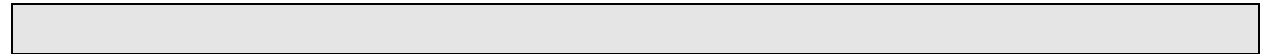


**INDUSTRIAL DEVELOPMENT BOARD
MONTHLY MEETING MINUTES
John P. Franklin Sr. City Council Building
Chattanooga, Tennessee
for
March 6, 2023
11:00 AM**

Present were Jimmy F. Rodgers, Jr. (Chair), Althea Jones (Vice-Chair), Patrick Sharpley (Secretary), Gordon Parker (Assistant Secretary), Ray Adkins, Kerry Hayes, and Jim Floyd.

Also Present were: Attorney for the Board, Phillip A. Noblett; Helen Burns Sharp (ATM); Janice Gooden (CALEB); Jermaine Freeman (Economic Development); David Schmidt (Office of the City Attorney); Hayden Oakley (Truist); Eleanor Liu (City Finance); Dan Flessner (Times-Press Press); Gail Hart (Real Property); and Mark Mamantov (Bass Berry & Sims).

Chairman Rodgers called the meeting to order, Attorney Noblett established that the meeting was duly advertised, and a quorum was present with seven board members.



MONTHLY MEETING OF JANUARY 18, 2023 – MINUTES APPROVAL

On motion of Mr. Adkins, seconded by Ms. Jones, the minutes summary and transcript of the January 18, 2023, monthly meeting were unanimously approved.

Chairman Rodgers wished congratulations to City Attorney Phillip A. Noblett for becoming the new City Attorney.



PUBLIC COMMENTS FROM CITIZENS

There was no one from the public wishing to address the Board.



VOLKSWAGEN FINANCE REPORT

Chairman Rodgers thanked Ms. Eleanor Liu for the new reports. Ms. Liu presented the Volkswagen Finance Report and summaries. Ms. Liu stated that she hopes the Volkswagen grant summary is easier to read, and there were no payments made. The percentages spent, encumbered, and contingency are at 89.24%. The IDB/ECD Program Summary shows the funds NR11 and NR98. The only funds that have transaction now is NR14 where we received annual economic lease payments. We have received three payments this year. On the first row, there is \$1,434,000, which is the amount of available cash to spend for that fund. All other funds show cash, but that is designated for specific purposes.

The next page is the TIF summary. There are no activities so far. We only have cash for the application fee of \$1,500, and the City portion of admin costs. Even though you see \$58,947.31, the cash here is designated for TIF purposes.

Chairman Rodgers asked for clarification from the last presentation, the two pages are helpful, NR14 on the ECD program side, the \$1.3 million is the cash sitting in the bank? Ms. Liu said yes. It is available for the IDB.

RESOLUTION

On motion of Mr. Hayes, seconded by Mr. Sharpley,

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA, TENNESSEE AUTHORIZING AMENDMENT TO ITS VARIABLE RATE DEMAND BONDS (YOUNG MEN'S CHRISTIAN ASSOCIATION OF METROPOLITAN CHATTANOOGA PROJECT) SERIES 2010 AND RELATED DOCUMENTS TO PROVIDE FOR THE SUBSTITUTION OF THE LONDON INTER-BANK OFFERED RATE (LIBOR) WITH THE SECURED OVERNIGHT FINANCING RATE (SOFR).

Mr. Mark Mamantov stated this is a bond issuance where we helped the YMCA a number of years ago. Mr. Hayden Oakley is here from Truist Bank who covers public finance. LIBOR as an index is legally going away. Every single bank loan we have has LIBOR, and we are having to amend it to get rid of it. It is a great annuity for lawyers, but it is annoying for all of the banks where we are having to amend. This amendment is purely to change LIBOR to SOFR, which is the new LIBOR.

LIBOR was an international rate in London, and SOFR is generally a U.S. derived rate of current market conditions. It is not a perfect substitute for LIBOR, but it is the best that they have come up with so far. This little amendment is basically to bring the YMCA bond issue in compliance with federal banking regulations, and it basically dictated to all banks they have a certain date that they have to improve the LIBOR from all their loan documents. You probably will see more than one of these, but this one is from Truist. Truist has a number of credits here, but some of the others are for the Health, Educational, and Housing Facility Board (HEB), for example, for some of the schools in the area. The motion carried.

Mr. Oakley stated the end date is June 30th. Mr. Noblett asked if they think there will be more loans to be coming to the IDB between now and June 30th? Mr. Oakley stated not for Truist. They do not have that many. They have done the Aquarium, but Mr. Mamantov cannot remember many others they have done as bond counsel. It may be possible for the next meeting, and may see some for the HEB.

ADOPTED 3/6/2023

RESOLUTION

On motion of Mr. Hayes, seconded by Mr. Parker,

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS PROVIDING FOR THE RELEASE OF A PORTION OF DEBT SERVICE RESERVE ACCOUNT MONIES OF THE BOARD HELD FOR THE CHATTANOOGA LEASE RENTAL REVENUE REFUNDING BONDS, SERIES 2018A (TAX-EXEMPT) AND CHATTANOOGA LEASE RENTAL REVENUE REFUNDING BONDS, SERIES 2018C (TAXABLE) AND AUTHORIZING CERTAIN ACTIONS RELATED THERETO.

Mr. Mamantov stated that he is here on this item helping the City. Back in 2007, the IDB financed The Chattanooga and related convention and conference facilities, and some parking. In 2018, those bonds were refinanced in four different series of bonds A, B, C, and D. Series B and D were tied to the hotel. They sold the hotel and paid off those two series of bonds. Only A and C remain outstanding, however, there was a glitch in the documents.

There is a reserve fund for these bonds roughly \$9 million or so, and that reserve fund was based on A, B, C, and D, not A and C, even though they knew the bonds were likely to be paid off for the hotel, they just did not get drafted clearly. That \$9 million has been sitting there in investment agreements since 2018. Nobody has lost any money because it is being invested at a higher yield than the other bond. It is essentially a wash. The provider of that Investment Agreement called up the City and their financial advisors and said that we have way more money in this fund than what is supposed to be there. There is just a glitch in the documents. We need to fix that because we did not intend for roughly \$6 million to be in there. They have been

amending the documents with 30 people on conference calls to basically downsize this debt service reserve fund to a number that has been approved by the bond holder.

The bond holder is affiliated with Raymond James in their banking capacity. Not in their underwriting. They have agreed with the investment provider to downsize this reserve fund to roughly \$3.8 million. There is \$3 of \$6 million, very roughly, will be used to pre-pay the debt, so these Lease Revenue bonds will reduce the principal amount. One series is paid off next year anyway, and the other is a little longer. The IDB issues the bonds and loans the money. At the time it was called Southside Development Corporation. It has been renamed. It was leased to the City. The real credit is the City. They also have to sign off. It goes to City Council on March 15th and it is also going to go the corporation this month as well. The good thing about downsizing the debt economically is probably sort of a wash, but that is what this is all about.

Mr. Adkins asked if the extra money is going towards paying down the bond debt? Mr. Mamantov stated it will happen the very day it is freed up. Raymond James has agreed to waive all notices and will go immediately to pay it down. There is an Investment Agreement as he has mentioned that is being terminated. There will be some extra money from that as well. That will be used to pay issuance costs, people like Mr. Mamantov and the Bond Trustee for dealing with this, and then the remainder would also be used to pay the debt. The motion carried.

ADOPTED 3/6/2023

OTHER BUSINESS

Chairman Rodgers took a Chairman’s prerogative and skipped the TIF policies and procedures and put that last, and will jump into Other Business.

By-Laws The Board has a copy of the By-Laws. Chairman Rodgers asked if the Board had any questions or comments regarding the By-Laws. There being no discussion, a motion was made by Ms. Jones, seconded by Mr. Sharpley, and the By-Laws were unanimously approved.

Website Chairman Rodgers stated that Mr. Hayes was instrumental in getting the website revised and wanted Mr. Hayes to hear from the Board directly that the Board appreciates Mr. Hayes and Mr. Floyd’s efforts. The Board saw a presentation at our last meeting of how good the improvements look. Mr. Hayes stated that it will come out at the end of this month.

HomeServe Mr. Noblett stated that at the last meeting, the Board requested the City Attorney to send a notification to HomeServe where we needed more information off of their Annual Report. HomeServe sent a response back in mid-January stated that the report they provided was that there would be 416 people in the PILOT program and an average wage for the employees in the PILOT program was \$46,978. They were going to update their report to the Board to include those numbers that were not included in the initial report. This is the issue from HomeServe.

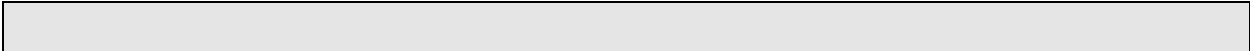
HomeServe have provided updated information for consideration by this body. The Board can consider whenever you wish, but they are providing that updated information. We can put this as a business item. We have the documentation included if the Board wants us to provide a resolution to adopt the report, we can do that at the next meeting. Chairman Rodgers stated that this item can come to the Board at the next meeting. Mr. Noblett clarified it now, and the Board has a better understanding, and will follow-up at the next meeting. Mr. Noblett stated there was a concern about how many people they were actually employing and what was the average wage. They provided that information.

Amazon

Mr. Noblett stated that Amazon is unwinding their PILOT. Amazon is going to be getting out of the Payment in Lieu of Taxes and will pay full taxes to the City and the County. That is a pretty important issue, and they are exercising their option to go to a Quitclaim Deed to reconvey the property that would not be under a Payment in Lieu of Tax Agreement and would be paying full taxes. They are wanting to draft that documentation. Mr. Noblett has not seen the final documents yet but wanted to make sure the Board was notified. The Board will need to sign a Quitclaim Deed, and at that time, they will be assessed at a regular taxable rate for the agreement on the property. That is a good thing. That is the purpose for a PILOT to provide an incentive on the front end to get businesses to locate here, and give them at a specific lower rate while they are first starting out, and then get the taxable property. Once you build a million square foot structure on the property, its assessed rate would be considerably higher.

PILOT policies and procedures

Chairman Rodgers stated that we made progress on the By-Laws, website, and making good progress on the TIF policies. Chairman Rodgers would like to put that off to the next meeting – one thing at a time. The Board agreed. Once the TIF matter is worked out, the Board will address the PILOT policies and procedures.



PUBLIC HEARING

TAX INCREMENT FINANCING POLICIES AND PROCEDURES

Chairman Rodgers thanked Mr. Mamantov for his revisions on the TIF policies and procedures. Chairman Rodgers thanked Ms. Helen Burns Sharp for her e-mail outlining her thoughts and ATM’s thoughts. Chairman Rodgers appreciates Ms. Sharp as the Board has someone with experience and for the public who is willing to share thoughts. Even though we may not always agree, at least we have Ms. Sharp’s thoughts. Ms. Sharp’s thoughts are valuable and appreciated.

PUBLIC COMMENTS

Ms. Helen Burns Sharp (Accountability for Taxpayer Money) and Ms. Janice Gooden (CALEB) were the only individuals from the public commenting.

Let the record reflect the hearing transcript is attached from LAW Reporting for the minutes of all discussion relating to the Public Hearing on Tax Increment Financing policies and procedures. Also attached as an exhibit to these minutes is a copy of ATM's e-mailed comments dated March 5, 2023.



After further discussion, the meeting adjourned at 12:05 PM.

PATRICK SHARPLEY, *Secretary*

APPROVED:

JIMMY F. RODGERS, JR., *Chair*



Maria Manalla <mmanalla@chattanooga.gov>

Fwd: ATM Comments on TIF at 03-06-2023 IDB

1 message

Helen Burns Sharp <untiedlaces@gmail.com>
To: Manalla Maria <mmanalla@chattanooga.gov>

Mon, Mar 6, 2023 at 10:52 AM

----- Forwarded message -----

From: Helen Burns Sharp <untiedlaces@gmail.com>

Date: Sun, Mar 5, 2023 at 1:42 PM

Subject: ATM Comments on TIF at 03-06-2023 IDB

To: Ray Adkins <adkins@epbf.com>, James Floyd <jim.floyd@inspexservices.com>, Kerry Hayes <kerry.hayes@gmail.com>, Althea Jones <arjones@tva.gov>, Gordon Parker <sgordonparker1@gmail.com>, Jimmy Rodgers <jroddgers@summersfirm.com>, Patrick Sharpley <psharpley@iw704jatc.com>

Helen Burns Sharp on behalf of Accountability for Taxpayer Money. ATM is a public interest advocacy group that focuses on tax incentives and government transparency.

The TIF Policies and Procedures document on your agenda reflects changes to the version passed by City Council on November 29, 2022. We believe these are better policies because of the Board's deliberation at the January 18th public hearing, the public testimony at that hearing, and the additional work by city staff and the city's external legal counsel.

Here are our comments on the current version:

1) School Taxes and Stormwater Fees--Good to see new wording clarifying the payment of school property taxes and stormwater fees. (Section 1. General Policy)

2) Community Benefits Concept--Good to see new wording in new Section 3.2 Board Considerations, saying that the IDB will evaluate a TIF project's community impact in and around the location of the project and that an applicant should consider any concerns of the community and, to the extent practicable, be responsible to such concerns.

3) Application Review Committee--(Section 3.4). Currently, it is a five-person committee. The current policies say the Mayor shall appoint 2, the Council shall appoint 2, and the Chamber has an automatic seat. The current language says that the committee must be at least 5 members but does not establish a cap. Here is a concept for your consideration: **Add a sentence saying "Two members may be appointed by the Industrial Development Board."** Here is our thinking: The first step in the public process for a TIF is when the IDB reviews the application. (This happens before the preparation of the Economic Impact Plan, the one meeting of the Application Review Committee (ARC), and the IDB public hearing.) **ATM recommends that the IDB decide at their initial meeting on each TIF application if they believe the proposed project would benefit from broader representation on the ARC**, such as a representative of the impacted neighborhood, a contractor, a labor representative, a public finance expert, etc. **We also recommend that the IDB select a Board member to serve on the committee as a liaison between the ARC and the IDB.** I have attended these committee meetings in the past and noticed that the committee is sometimes given more detailed information than what is presented to you. Their role is "one-and-done" where your role starts at the very beginning and sometimes lasts for 20 or 30 years.

4) Third-Party Review--Good to see this concept added to Section 4.11, Applicant Affidavit. The policy makes clear that this review is required and that the applicant pays the cost. However, **ATM believes additional wording is needed to make clear that the independent consulting firm must specialize in public finance as well as real estate development.** In other words, we need a "but/for" analysis that looks at whether a taxpayer incentive is needed and, if so, for how much and for how long.

- This is different from the "economic impact analyses" that have been done by consultants on previous TIF and PILOT projects.

5) City-Initiated Projects--The introduction includes a paragraph that says a City-Initiated TIF does not have to comply with these policies and procedures. "The City shall follow such procedures as the City deems appropriate under the circumstances." ATM believes that public trust may suffer when the public does not understand why the City as the applicant does not have to prepare an application or obtain a third-party review. Here is our suggested solution: **Insert new language in the second paragraph of the introduction saying that the City shall explain its rationale if they choose to be the applicant. If they exempt themselves from preparing an application, the City shall explain when information required in a TIF application will be available to the public (site plan, cost breakdown into component parts like infrastructure, remediation, parking lots, etc.). If they exempt themselves from third-party review for projects where there are a small number of private companies that will realize significant financial benefits, the City shall explain if the private entities will be required to participate financially in the project.**

Thank you for considering these comments.

Respectfully--

~Helen

Helen Burns Sharp |tel. m. 423-994-2382 |
129 Walnut St., Unit 444
Chattanooga, TN 37403

--
Helen Burns Sharp |tel. m. 423-994-2382 |
129 Walnut St., Unit 444
Chattanooga, TN 37403

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

INDUSTRIAL DEVELOPMENT BOARD
OF THE CITY OF CHATTANOOGA, TENNESSEE
MONDAY, MARCH 6, 2023 @ 11:00 A.M.

BOARD MEMBERS PRESENT:

JIMMY F. RODGERS, JR., Chair
RAY ADKINS
JAMES FLOYD
KERRY HAYES
ALTHEA JONES, Vice Chair
GORDON PARKER, Assistant Secretary
PATRICK SHARPLEY, Secretary

ALSO PRESENT:

JERMAINE FREEMAN, City Economic Development Officer
JANICE GOODEN, Economic Mobility Task Force, CALEB
G. MARK MAMANTOV, Attorney, Bass, Berry & Sims
MARIA MANALLA, City Attorney's Office, Legal Asst.
PHILLIP A. NOBLETT, Deputy City Attorney
HELEN BURNS SHARP, Founder, ATM

* * *

1
11:20:18 2 CHAIRMAN RODGERS: Included on the agenda yet
11:20:19 3 again is the PILOT policies and procedures. Given that
11:20:22 4 you guys and gals, we made progress there on the bylaws,
11:20:28 5 we made progress on the website, and we are making good
11:20:32 6 progress on the TIF policies, I still would like to put
11:20:36 7 that off to the next meeting. One thing at a time, in
11:20:36 8 other words.

11:20:40 9 Are you guys okay with that, for the next
11:20:43 10 meeting? And then, hopefully, once we get this TIF stuff
11:20:47 11 worked out, we'll address the PILOT policies and
11:20:47 12 procedures.

11:20:47 13 (Board members nod in the affirmative.)

11:20:54 14 CHAIRMAN RODGERS: All right. Speaking of
11:20:54 15 the TIF policies and procedures, Mr. Mamantov, thank you
11:20:58 16 for your revisions that you made there. We appreciate
11:21:02 17 the blueline, greenline version that you sent to us.

11:21:08 18 Is there anyone from the public here that
11:21:09 19 wishes to make a comment?

11:21:12 20 MS. SHARP: (Indicating.)

11:21:14 21 CHAIRMAN RODGERS: Let me say this before Ms.
11:21:16 22 Sharp speaks: I did want to publically thank you for
11:21:19 23 your email yesterday that you sent to the IDB members
11:21:24 24 outlining your thoughts, ATM's thoughts. I appreciate
11:21:26 25 very much that we have someone with your experience and

11:21:29 1 all from the public that's willing to share your
11:21:32 2 thoughts. Even if sometimes we may not agree, at least
11:21:32 3 we have your thoughts. And so it's valuable and
11:21:38 4 appreciated. Thank you, Ms. Sharp.

11:21:39 5 MS. SHARP: Thank you. Helen Burns Sharp,
11:21:44 6 Accountability for Taxpayer Money. ATM is a public
11:21:44 7 interest -- is the mic on?

11:21:47 8 CHAIRMAN RODGERS: I think it is. It's not
11:21:49 9 really -- can you bend it towards you?

11:21:52 10 MS. SHARP: (Indicating.)

11:22:01 11 MS. JONES: It's bended.

11:22:01 12 CHAIRMAN RODGERS: Ms. Sharp, let me say
11:22:02 13 also, and Mr. Noblett made a good suggestion, and that is
11:22:07 14 we are going to make your email to the board an exhibit
11:22:10 15 to the minutes, so we'll have those in the record. Okay?

11:22:16 16 MS. SHARP: That will be great.

11:22:18 17 CHAIRMAN RODGERS: Go ahead. Sorry.

11:22:20 18 MS. SHARP: Helen Burns Sharp, Accountability
11:22:21 19 for Taxpayer Money. We are a public advocacy group
11:22:24 20 focused on tax incentives and government transparency.
11:22:28 21 Thank you for your comments about my comments.

11:22:30 22 I certainly appreciate the board's
11:22:32 23 willingness to listen, and I hope you notice that I
11:22:35 24 listened to some of the things you said last time. Some
11:22:39 25 of the recommendations from last month are no longer

11:22:41 1 here, so, anyway. But I do have a couple of things that
11:22:45 2 I would like for you to perhaps discuss a little further.

11:22:47 3 First of all, I would like to say that there
11:22:49 4 is some -- I think the revised version that reflects the
11:22:55 5 green, red and yellow, redline copy, or whatever, that
11:23:00 6 these are better policies because of the board's
11:23:03 7 deliberation at the January 18th public hearing and the
11:23:06 8 public testimony at that hearing and the additional work
11:23:09 9 by City staff and the City's external legal counsel.

11:23:09 10 Our comments on this current version, number
11:23:16 11 one, good to see new wording clarifying the payment of
11:23:19 12 school property taxes and stormwater fees.

11:23:22 13 Number two, good to see new wording saying
11:23:26 14 that the IDB will evaluate the TIF projects community
11:23:31 15 impact in and around the location of the project and that
11:23:35 16 an applicant should consider any concerns of the
11:23:38 17 community and, to the extent practical, will be
11:23:42 18 responsible for such concerns.

11:23:44 19 That's probably, given some of the legal
11:23:46 20 issues around this, about all we can do relative to
11:23:50 21 community benefits and this particular document. But I
11:23:54 22 appreciate that additional wording. That does help and
11:23:59 23 it helps plant the seed.

11:24:01 24 In terms of the three areas where ATM
11:24:04 25 continues to have a recommendation for some changes, the

11:24:05 1 Application Review Committee currently is a five-person
11:24:09 2 committee, and the current policy says the Mayor shall
11:24:14 3 appoint two, the City Council shall appoint two, and the
11:24:17 4 Chamber has an automatic seat.

11:24:19 5 The current language says that the committee
11:24:22 6 must be at least five members but does not establish a
11:24:27 7 cap on the maximum. Here is a concept we would like for
11:24:30 8 you to consider. Absent of saying two members may be
11:24:36 9 appointed by the Industrial Development Board, here's our
11:24:42 10 thinking: The first step of the public process for a TIF
11:24:46 11 is when the IDB reviews the application. This happens
11:24:49 12 before the preparation of the Economic Impact Plan, the
11:24:56 13 one meeting of the Application Review Committee, and the
11:24:56 14 IDB public hearing.

11:24:58 15 ATM recommends that the IDB decide at your
11:25:01 16 initial meeting on each TIF application if they believe
11:25:04 17 the proposed project would benefit from broader
11:25:08 18 representation on the Application Review Committee, such
11:25:11 19 as a representative of the impacted neighborhood, a
11:25:15 20 contractor, a labor representative, a public finance
11:25:18 21 expert, etcetera.

11:25:19 22 We also recommend that the IDB select a board
11:25:26 23 member to serve on the committee as a liaison between the
11:25:27 24 ARC and the IDB. I have attended these committee
11:25:32 25 meetings in the past and notice that the committee is

11:25:34 1 sometimes given more detailed information than what is
11:25:37 2 presented to you. Their role is one-and-done. Where
11:25:40 3 your role starts at the very beginning and sometimes
11:25:42 4 lasts for 20 or 30 years. So that's the Application
11:25:49 5 Review Committee.

11:25:49 6 The next, third-party review, good to see
11:25:54 7 this concept was added, the 4.11. The policy makes clear
11:25:59 8 that this review is required and that the applicant pay
11:26:02 9 the cost. That's good. However, ATM believes that
11:26:07 10 additional wording is needed to make clear that the
11:26:09 11 independent consulting firm must specialize in public
11:26:14 12 finance as well as real estate development.

11:26:16 13 In other words, we need a but-for analysis
11:26:18 14 that looks at whether a taxpayer incentive is needed, and
11:26:23 15 if so, for how much and for how long. This is different
11:26:26 16 from the economic impact analyses that have been done by
11:26:30 17 consultants on previous TIF and PILOT projects. I'm just
11:26:34 18 suggesting we strengthen that language a little bit
11:26:37 19 relative to third-party review.

11:26:38 20 On City-initiated projects, there is still a
11:26:45 21 -- the paragraph remains that a City-initiated TIF does
11:26:48 22 not have to comply with these policies and procedures.
11:26:53 23 Quote, the City should follow such policies and
11:26:55 24 procedures as the City deems appropriate under the
11:26:58 25 circumstances.

11:27:00 1 ATM believes that public trust may suffer
11:27:03 2 when the public does not understand why the City is the
11:27:06 3 applicant, and why the City as an applicant does not have
11:27:10 4 to do things like prepare an application or obtain a
11:27:13 5 third-party review.

11:27:14 6 Here is our suggested solution -- it can be
11:27:18 7 worded a lot better, probably -- insert new language in
11:27:21 8 the second paragraph of the introduction saying that the
11:27:25 9 City shall explain its rationale if they choose to be the
11:27:29 10 applicant. If they exempt themselves from preparing an
11:27:32 11 application, the City shall explain when the information
11:27:36 12 required in a TIF application will be available to the
11:27:39 13 public, such as a site plan, a cost breakdown into
11:27:43 14 component parts like infrastructure, remediation, parking
11:27:43 15 lots, et cetera.

11:27:48 16 If they exempt themselves from third-party
11:27:51 17 review for projects where there are a small number of
11:27:54 18 private companies that will realize significant financial
11:27:57 19 benefits, the City shall explain if the private entities
11:28:01 20 will be required to participate financially in these
11:28:05 21 projects.

11:28:06 22 I'll be happy to try to answer any questions
11:28:08 23 on these.

11:28:11 24 CHAIRMAN RODGERS: Any questions for Ms.
11:28:15 25 Sharp?

11:28:17 1

(No response.)

11:28:18 2

11:28:20 3

11:28:27 4

11:28:30 5

11:28:39 6

11:28:47 7

11:28:50 8

11:28:53 9

11:28:58 10

11:29:02 11

11:29:03 12

11:29:05 13

11:29:08 14

11:29:12 15

11:29:15 16

11:29:18 17

11:29:22 18

11:29:26 19

11:29:30 20

11:29:32 21

11:29:35 22

11:29:39 23

11:29:41 24

11:29:46 25

CHAIRMAN RODGERS: Ms. Sharp, hold on one second, if you would. I was curious about item 3. Your contemplation and you're suggesting here is that if the authority to appointment two members is inserted for the IDB, that appointment would not occur until after that initial IDB meeting? Is that what you're saying?

MS. SHARP: I think so, because it seems to me like who you want on the committee might be somewhat driven by the nature of the TIF project. I mean, you may say, "Well, this really calls for an expert in public financing," or "This is in the Dupont area where a lot of people in the neighborhood have used these ball fields for sometime and maybe we need a neighborhood rep or whatever." So kind of leave it open to decide at that meeting based -- after you get a knowledge of it, that the kind of person that you would want to appointment. And so it wouldn't necessarily be the same one.

I know this sounds way too convoluted and complicated. I don't think so. And normally, in a normal year, you maybe have one TIF or two TIFs, or whatever, so this isn't going to be a huge burden, I don't think. And maybe, with Jermaine's help and all, this can be thought through a little bit better. But my thought would be, you know, wait until they learn more

11:29:47 1 about the nature of project and then decide what kind of
11:29:51 2 expertise you think would be valuable on this committee,
11:29:54 3 make that appointment for that particular TIF.

11:29:56 4 CHAIRMAN RODGERS: So your proposal is for it
11:29:58 5 to be discretionary of the board whether we exercise that
11:30:01 6 two-member appointment?

11:30:03 7 MS. SHARP: Yes. I put the word "may." You
11:30:06 8 don't have to do it at all.

11:30:07 9 CHAIRMAN RODGERS: Now, who would make -- as
11:30:09 10 you envision it in your proposal, who would make the
11:30:11 11 appointment? Would it be the assistant secretary? Would
11:30:13 12 it be the vice chair? Would it be the chair? Would it
11:30:17 13 be the body?

11:30:19 14 MS. SHARP: I would think somebody would
11:30:21 15 make a motion and say so-and-so might be good because of
11:30:26 16 these reasons, and somebody else might say so-and-so
11:30:27 17 might be, and then you vote on it. But, like I say, this
11:30:30 18 isn't all that well developed. But I don't think it's
11:30:33 19 too complicated.

11:30:35 20 But I would think you would vote on who your
11:30:37 21 appointment is in terms of the layperson in the
11:30:40 22 community. And also you may not want -- I would suggest
11:30:44 23 that you have a liaison for this one meeting, and it
11:30:47 24 might not be the same persons, but you might appoint, you
11:30:50 25 know, Mr. Hayes one time and somebody else another time,

11:30:54 1 or whatever.

11:30:56 2 CHAIRMAN RODGERS: Okay. One other question
11:30:57 3 that I have on number 4, item 4 there, as far as --
11:31:03 4 specifying maybe with more detail as far as that it's not
11:31:09 5 just an independent consulting firm that is involved, but
11:31:12 6 somebody that specializes in public financing as well as
11:31:14 7 real estate and development. I'm curious. I mean, how
11:31:18 8 could we -- how do we pin that down as far as who
11:31:22 9 qualifies and who doesn't?

11:31:23 10 MS. SHARP: I think we rely on Mr. Mamantov,
11:31:26 11 in that he is sort of the expert here, because he
11:31:28 12 recommended a similar policy in Knoxville, and I think
11:31:32 13 he's got a pretty good handle on these. Knoxville uses
11:31:32 14 Muni --

11:31:37 15 MR. MAMANTOV: MuniCap.

11:31:38 16 MS. SHARP: -- MuniCap in Baltimore. Now,
11:31:40 17 they are not the only one, but I believe I heard you say
11:31:43 18 that there are not a ton of these. There a lot of people
11:31:45 19 that were doing analysis for a chamber of commerce. Our
11:31:50 20 chamber uses Younger out of Jackson, Tennessee, or
11:31:52 21 whatever. And those are fine. But it's not a but-for
11:31:56 22 analysis.

11:31:57 23 But it is -- I mean, maybe, you know, by
11:32:00 24 wording it this way, that -- I don't mean that we would
11:32:02 25 write in it would MuniCap or whatever, but there are

11:32:05 1 just, you know, like I say, a handful of national firms
11:32:12 2 that do this kind of work.

11:32:14 3 CHAIRMAN RODGERS: Mr. Mamantov, you can keep
11:32:15 4 your seat, by all means. If we were to consider this
11:32:18 5 proposal that she's making, would there be a need in your
11:32:21 6 mind to further define what we mean by public expert and
11:32:27 7 public financing, real estate development, or we can
11:32:27 8 leave those words alone?

11:32:29 9 MR. MAMANTOV: I think her suggestion is a
11:32:32 10 good one. It's a clarification. That's certainly what
11:32:35 11 we intended, was to have someone -- MuniCap people like
11:32:40 12 to have both municipal advisor license typically from
11:32:45 13 what's called MSRBs. They can provide advice to
11:32:47 14 governmental issuers like you, plus they can run -- they
11:32:51 15 have real estate experience to do pro forma.

11:32:54 16 Ms. Sharp was just saying there's not many
11:32:56 17 people that do that. But it is very, very different from
11:32:58 18 an economic impact analysis. It's just a different role.

11:33:03 19 And so I don't think a clarification would --
11:33:07 20 I think it's a good idea. I'm not sure you'd want to
11:33:11 21 always require them to have a municipal advisor license,
11:33:12 22 but they need to have that skill set.

11:33:16 23 CHAIRMAN RODGERS: Any other questions for
11:33:17 24 Ms. Sharp?

11:33:18 25 (No response.)

11:33:19 1 CHAIRMAN RODGERS: Mr. Noblett.

11:33:19 2 MR. NOBLETT: The only questions I guess
11:33:21 3 about having an IDB member to attend an ARC meeting on
11:33:28 4 there is they are eventually going to have to actually
11:33:30 5 vote on that issue later in a public meeting. And is
11:33:32 6 there some issue in that regard as to whether that would
11:33:35 7 be an open meeting's problem?

11:33:37 8 That's, in my mind, an issue for me on here.
11:33:40 9 I deal with that quite constantly. And you bring it up
11:33:43 10 to us quite constantly on here, Helen. So I'm just
11:33:46 11 trying to make sure we don't have a situation where a
11:33:49 12 member is going to be, basically, getting a first
11:33:52 13 decision with the ARC and then swaying the board coming
11:33:55 14 back in, because they would be making recommendations to
11:33:58 15 the body during the public hearing there. And so that's
11:34:01 16 my only concern about that.

11:34:03 17 MS. SHARP: Yeah. Thank you for raising it.
11:34:05 18 I always like Sunshine Law discussions.

11:34:05 19 MR. NOBLETT: Yes.

11:34:08 20 MS. SHARP: I think here, one of the things
11:34:08 21 you do right the first time is you put in the policies
11:34:11 22 and procedures that they follow, the Sunshine Law, so
11:34:14 23 they give public notice of their meeting, they allow the
11:34:18 24 public to attend the meeting, they do minutes of the
11:34:20 25 meetings, or whatever, and I think that the analysis

11:34:22 1 thing might be -- like on the Regional Planning
11:34:25 2 Commission, the Mayor has an appointment on the Regional
11:34:30 3 Planning Commission -- I mean, I think, technically, the
11:34:33 4 Mayor and the -- the City Mayor and the County Mayor are
11:34:35 5 members but then they can appoint someone to represent
11:34:39 6 them, or whatever. So I don't see a conflict there.

11:34:41 7 Like I say, I just kind of see a good liaison
11:34:43 8 role. I think that, when I mentioned that sometimes they
11:34:47 9 get a little bit more detail, I believe the one area
11:34:51 10 where I thought is they sometimes discuss the development
11:34:55 11 agreement at that meeting; right, Jermaine?

11:34:56 12 MR. FREEMAN: Uh-huh (affirmative).

11:35:01 13 MS. SHARP: And that's a complicated
11:35:02 14 financial thing, where, you know, when you all get it,
11:35:05 15 you've got all sorts of other stuff to deal with, or
11:35:06 16 whatever, and so it just -- I don't know, it just seemed
11:35:07 17 like -- I don't see any kind of a Sunshine Law thing, but
11:35:10 18 maybe there is.

11:35:12 19 MR. NOBLETT: I wasn't really sure that the
11:35:13 20 ARC meeting is a public meeting. It clearly says that
11:35:16 21 it's advising the committee to have a proposed date to
11:35:20 22 hold a public hearing before the board. But it does not
11:35:24 23 specifically say that on there, unless it's in a
11:35:26 24 different section than 3.4.

11:35:29 25 MS. SHARP: Jermaine has done a great job

11:35:30 1 with the Sunshine Law.

11:35:30 2 MR. FREEMAN: Yes, it is a public meeting
11:35:32 3 subject to Tennessee Open Meetings Act.

11:35:34 4 MR. NOBLETT: Okay. So which hat would the
11:35:36 5 board member be wearing if they're sitting on the ARC
11:35:40 6 versus the IDB?

11:35:40 7 MR. FREEMAN: That would be the question, is
11:35:43 8 whether or not there's a conflict in that regard. But
11:35:44 9 the Application Review Committee meeting is open to the
11:35:46 10 public, and we have advertised it as such.

11:35:49 11 MR. NOBLETT: Okay. Good. All right.

11:35:51 12 CHAIRMAN RODGERS: Thank you. Any other
11:35:52 13 questions for Ms. Sharp?

11:35:53 14 (No response.)

11:35:54 15 CHAIRMAN RODGERS: Seeing none, thank you,
11:35:55 16 Ms. Sharp. Any other comments from the public?

11:35:59 17 MS. GOODEN: (Indicating.)

11:36:00 18 CHAIRMAN RODGERS: Hi. Good to see you
11:36:02 19 again. Remind us of your name, please, ma'am.

11:36:05 20 MS. GOODEN: Hopefully, you can hear me. My
11:36:10 21 name is Janice Gooden, and I'm representing CALEB. So,
11:36:14 22 at our last meeting, I brought up the topic of community
11:36:18 23 benefits agreements. So we've had further discussion,
11:36:22 24 and realizing that it could be a little complicated as
11:36:30 25 far as legalities and maybe that's not something that the

11:36:33 1 City could incorporate, we did look at the redline
11:36:40 2 version of the policy, and it does mention community
11:36:44 3 impact. We are hoping that we can just continue to
11:36:49 4 advocate, maybe outside of policy, and have input, you
11:36:56 5 know, into some of the projects that are coming. So
11:37:00 6 that's basically it.

11:37:02 7 CHAIRMAN RODGERS: Okay.

11:37:04 8 MS. GOODEN: Nothing to really offer as far
11:37:07 9 as revisions.

11:37:09 10 CHAIRMAN RODGERS: Thank you, Ms. Gooden, for
11:37:10 11 coming again. Any questions for Ms. Gooden?

11:37:12 12 (No response.)

11:37:13 13 CHAIRMAN RODGERS: Seeing none, anyone else
11:37:18 14 here from the public want to speak on this topic?

11:37:19 15 (No response.)

11:37:19 16 CHAIRMAN RODGERS: Okay. Seeing none, Mr.
11:37:22 17 Freeman, I would like for you, if nothing else, to
11:37:25 18 comment on your thoughts on Ms. Sharp's proposals here.

11:37:32 19 One and two, she's basically complimenting on
11:37:36 20 the job Mr. Mamantov did there. So, I think, to the
11:37:38 21 extent I'm asking you a question here, and I am, your
11:37:42 22 thoughts on items 3, 4, and 5, please.

11:37:44 23 MR. FREEMAN: Sure. Actually, what I would
11:37:46 24 probably do is to make -- I think that the City, in
11:37:49 25 talking to Mr. Mamantov, we would probably make a very

11:37:53 1 small sort of adjustment or edit to number 1, in that the
11:37:57 2 way the policy -- or the way the redline reads, not
11:38:02 3 withstanding anything herein to the contrary, no portion
11:38:04 4 of city or county property taxes, if any, that is
11:38:09 5 dedicated to, earmarked, or designated for public school
11:38:11 6 operations shall be allocated to the IDB in connection
11:38:14 7 with any tax increment incentive, and in connection with
11:38:18 8 any tax increment incentive, no stormwater fees shall be
11:38:20 9 deducted from any such from property taxes so dedicated,
11:38:23 10 earmarked, or designated.

11:38:24 11 I think what we want to do is just make sure
11:38:28 12 that, with regards to the school portion, there is some
11:38:31 13 sort of language that basically says that that refers
11:38:33 14 back to the county. So, ultimately, I think the school
11:38:37 15 portion needs to sort of reference the county's role on
11:38:41 16 that. The IDB does not have the authority to sort of tie
11:38:45 17 the county's hands as to whether or not they want to
11:38:47 18 abate school taxes. So that is ultimately their
11:38:52 19 decision. And I think that just needs to be referenced
11:38:54 20 here in this paragraph.

11:38:56 21 I think, ultimately, we, the administration,
11:38:58 22 agrees with the IDB's stance on wanting to see that
11:39:01 23 school taxes are protected in every single incentive
11:39:07 24 program that we do. But we also understand that we don't
11:39:08 25 control it. So we just need to make some sort of small

11:39:12 1 reference in here and the policy, that, ultimately, the
11:39:14 2 provision of school taxes needs to be a county decision.
11:39:18 3 That would be my first thing.

11:39:20 4 Moving into --

11:39:21 5 CHAIRMAN RODGERS: And, Jermaine, let me say
11:39:23 6 one thing to you and Mr. Mamantov.

11:39:25 7 MR. FREEMAN: Sure.

11:39:27 8 CHAIRMAN RODGERS: I think -- I may be wrong
11:39:29 9 there -- but the second line in blue writing, I think
11:39:31 10 there's a double negative there: "No portion shall not
11:39:35 11 be."

11:39:35 12 MR. FREEMAN: I think you're right. I think
11:39:37 13 that first "not" needs to go away.

11:39:39 14 CHAIRMAN RODGERS: Yeah. Okay. While you're
11:39:40 15 at it, change that. Okay. Go ahead. Sorry.

11:39:41 16 MR. FREEMAN: Yeah. Thank you for catching
11:39:42 17 that.

11:39:43 18 MR. MAMANTOV: Sorry.

11:39:45 19 MR. FREEMAN: For number 3, I thought that
11:39:50 20 the board had sort of discussed the provision of the
11:39:54 21 IDB's representation on the Application Review Committee
11:39:59 22 at our last meeting back in January. However, I think
11:40:02 23 that if -- to sort of go back and sort of think about the
11:40:06 24 process, I want to make sure that the IDB is aware that
11:40:11 25 it usually takes somewhere in the range of three to six

11:40:14 1 months to get a TIF approved.

11:40:15 2 Part of the reason for that process is
11:40:20 3 because, as you make your way through the process, the
11:40:21 4 application has to come before the IDB multiple times.
11:40:24 5 And the Industrial Development Board meets once a month.
11:40:29 6 And so, as you think about what your timing for that is
11:40:32 7 going to be, I think what we would want to see from the
11:40:34 8 administration is, if this is something that the IDB
11:40:38 9 decided that it wants to incorporate, how can we do that
11:40:44 10 in a way that it doesn't continue to make the timeline
11:40:44 11 for approval or the timeline for review longer, because I
11:40:47 12 think we want to make sure that we are reducing
11:40:51 13 bureaucracy, not adding to it.

11:40:52 14 We want to make sure that there is
11:40:53 15 transparency here. And so if this is something that the
11:40:56 16 Industrial Development Board wants to consider, that's up
11:40:57 17 to the board. And that's up to the -- it's totally up to
11:41:02 18 you all. However, we just want to make sure it doesn't
11:41:04 19 require an extra meeting to decide who is going to serve
11:41:08 20 on the Application Review Committee and then you've
11:41:11 21 stretched out a four-month process to a five-month
11:41:15 22 process because we've got to figure out who to appoint to
11:41:19 23 the ad hoc committee.

11:41:19 24 Now, to the community's point, the
11:41:24 25 Application Review Committee is oftentimes -- is always

11:41:24 1 different people. And so I think that's where the
11:41:26 2 question that you were asking, is how do you decide who
11:41:30 3 is going to be on the committee? And it is always
11:41:32 4 different people based on the type of project.

11:41:37 5 But the Mayor and the City Council in the
11:41:39 6 past have always designated different people who they
11:41:42 7 thought -- felt like could add value to the discussion
11:41:47 8 around the application. The only person who has been
11:41:49 9 constant on those Application Review Committees since
11:41:53 10 this policy went into place is Charles Wood from the
11:41:53 11 Chamber of Commerce, of course in his role as the vice
11:41:57 12 president of economic development and now the interim CEO
11:41:57 13 of the Chamber.

11:42:02 14 So I think, from the administration's
11:42:03 15 perspective, we would just ask that whatever the board
11:42:05 16 decides on this provision, that you do so and think about
11:42:09 17 just the overall process and timeline. It's not a quick
11:42:14 18 process to get a TIF approved. And we are not saying
11:42:16 19 that it should be, but we certainly want to make sure
11:42:17 20 that we are being sensitive to the fact that we don't
11:42:23 21 necessarily want to make it a protracted process either,
11:42:25 22 and that we just want to sort of get through it and try
11:42:29 23 to get from point A to point B, if that makes sense.

11:42:33 24 CHAIRMAN RODGERS: Would your concern, as far
11:42:34 25 as the timelessness, be addressed if we upfront in these

11:42:38 1 policies designated somebody on the IDB to make the
11:42:41 2 appointments? Vice chair? Secretary? Somebody? One
11:42:45 3 person that could, if you guys need to move quicker than
11:42:50 4 waiting on the meeting, could make the appointment for
11:42:52 5 the IDB?

11:42:54 6 MR. FREEMAN: I think that would be great
11:42:55 7 because I think that that would give us the ability to
11:42:58 8 have someone who could make that decision in real time
11:43:02 9 with -- you know, I think the only thing that you'd want
11:43:03 10 to make sure of is once you designate whoever is going to
11:43:07 11 be making that decision, that there is not conversation
11:43:11 12 happening amongst you all in between meetings because
11:43:13 13 that's a violation of the Open Meetings Act. So that
11:43:17 14 person needs to be entrusted to make those decisions.

11:43:21 15 To the extent that that person can make those
11:43:23 16 decisions between meetings is good for, I think, the
11:43:26 17 administration. And I will go out on a limb and speak
11:43:32 18 for City Council, because it then allows us to just be
11:43:34 19 more responsive and more fluid in real time, as opposed
11:43:37 20 to saying, "Okay, there is this step that it's got to go
11:43:42 21 before the IDB and then we've got to go to City Council,
11:43:47 22 and then we've got to come back to the IDB and then go
11:43:49 23 back to the City Council." And that just adds time to
11:43:50 24 the process. And it's already a long process.

11:43:51 25 CHAIRMAN RODGERS: My only other question

11:43:55 1 along that line is if we did have one person from the IDB
11:43:58 2 that made the appointment is they would not necessarily
11:43:59 3 have the benefit of that initial IDB meeting Ms. Sharp
11:44:04 4 was describing, to inform them whether to exercise the
11:44:06 5 discretion, because after all, the way it's proposed, it
11:44:11 6 would be discretionary and sometimes the person may make
11:44:13 7 the appointment and sometimes they may not.

11:44:14 8 MR. FREEMAN: That's right. And therein lies
11:44:15 9 my fear, which is that there is -- is that we, the
11:44:21 10 administration, want the IDB to feel as much ownership of
11:44:25 11 this process as possible. We just want to be sure that
11:44:28 12 we are not taking what is already a long review process
11:44:33 13 and making it longer. And that is our fundamental
11:44:35 14 concern.

11:44:36 15 CHAIRMAN RODGERS: Okay. Any other questions
11:44:37 16 for Mr. Freeman on this point?

11:44:40 17 (No response.)

11:44:41 18 CHAIRMAN RODGERS: Okay. Go ahead. Sorry.

11:44:42 19 MR. FREEMAN: No. That's all right. We
11:44:44 20 totally agree, as Mr. Mamantov said, with Ms. Sharp's
11:44:48 21 recommendation for point number 4, on the third-party
11:44:50 22 review. I think that's great.

11:44:52 23 And then I think that, for the fifth and
11:44:55 24 final item, I think -- this is the first time that I am
11:44:57 25 seeing this document, so I think for this fifth and final

11:45:01 1 item, I think we probably need to just discuss this more
11:45:03 2 with Mr. Mark Mamantov, just to make sure that there are
11:45:07 3 no issues or pitfalls for the City, and then we can
11:45:10 4 report back to you.

11:45:11 5 CHAIRMAN RODGERS: Okay. All right. Thank
11:45:13 6 you, Mr. Freeman. Any questions for Mr. Freeman?

11:45:17 7 (No response.)

11:45:17 8 CHAIRMAN RODGERS: Okay. Is there anybody
11:45:20 9 else, Mr. Freeman, from the City that you know of that
11:45:23 10 would want to talk to this?

11:45:27 11 MR. FREEMAN: No, I don't think so, unless --
11:45:28 12 Mark, you want to add anything?

11:45:29 13 MR. MAMANTOV: I'm glad to answer questions.

11:45:33 14 CHAIRMAN RODERS: Let me throw that out for
11:45:35 15 Mr. Mamantov. Did anybody on board here have any
11:45:38 16 questions that you guys want to ask him?

11:45:40 17 (No response.)

11:45:41 18 CHAIRMAN RODGERS: Well, correct me if I'm
11:45:42 19 wrong here, then, it seems to be that, Mr. Freeman, from
11:45:46 20 the City's perspective and Ms. Sharp's -- hearing
11:45:51 21 Ms. Sharp's perspective, there seems to be agreement on
11:45:55 22 her points, essentially, but for number 3.

11:45:57 23 And so if you guys -- and I say that Mr.
11:46:01 24 Mamantov and you are going to have this discussion after
11:46:03 25 today's meeting as far as how to address -- was it number

11:46:06 1 5?

11:46:07 2 MR. FREEMAN: Yes. There were two.

11:46:09 3 CHAIRMAN RODGERS: The question in mind is it
11:46:11 4 seems we need to come up with a consensus from the board
11:46:14 5 about how to address point number 3.

11:46:17 6 MR. FREEMAN: Correct. Yeah. That would be,
11:46:19 7 based on the community's response and based on what
11:46:24 8 you've heard from me today and then based on Attorney
11:46:28 9 Noblett's concerns, I think that's probably a discussion
11:46:29 10 for you all to have.

11:46:31 11 CHAIRMAN RODGERS: And then so you could take
11:46:34 12 that, you and Mr. Mamantov, our discussion and whatever
11:46:35 13 we decided today on point number 3, the way I'm hearing
11:46:40 14 you say, you could go back, make some final revision
11:46:44 15 proposals and then at our next IDB meeting, we either
11:46:49 16 have thumbs up or thumbs down on the whole project on the
11:46:49 17 whole thing; right?

11:46:53 18 MR. FREEMAN: Yes. Which would be my hope so
11:46:54 19 that we could move into PIOLT review.

11:46:54 20 CHAIRMAN RODGERS: Right. Right. Mr. Hayes?

11:46:57 21 MR. HAYES: Jermaine, the question I have, in
11:46:57 22 point number 5, what's the topic?

11:46:59 23 MR. FREEMAN: Well, the topic of point number
11:47:02 24 5 is relative to the City's ability to exempt itself from
11:47:05 25 the TIF procedures.

11:47:07 1 MR. HAYES: Of course. Right.

11:47:08 2 MR. FREEMAN: And I basically think that we
11:47:11 3 probably just need to sort of talk internally more about
11:47:15 4 this new language that Ms. Sharp is recommending. As I
11:47:18 5 have always said, the City, given the fact it has control
11:47:22 6 over a \$380 million budget, should have the ability to
11:47:26 7 decide whether or not it wants to use TIFs as a means of
11:47:31 8 executing improvements in public infrastructure or
11:47:33 9 promoting economic development.

11:47:36 10 And so I've always, you know, advocated for
11:47:39 11 flexibility on behalf of the City so that the City could
11:47:42 12 have the ability to do that. But having said that, I
11:47:45 13 think that Mr. Mamantov and I just need to look at this
11:47:47 14 recommendation more closely because we just got this this
11:47:51 15 morning.

11:47:52 16 CHAIRMAN RODGERS: And to Mr. Hayes's point,
11:47:55 17 I do know from the good coverage that Times Free Press
11:47:59 18 has had, Mr. Flessner, and as far as what I have read in
11:48:03 19 the paper, that was a big issue some of the -- some of
11:48:07 20 the public or folks have had as far as how the Lookout
11:48:13 21 Stadium was handled and whether there was enough
11:48:15 22 disclosure upfront, or whatever. And so I know there are
11:48:18 23 some concerns there from others other than Ms. Sharp, of
11:48:22 24 course. Thank you, Mr. Flessner for your good coverage
11:48:25 25 there, but... Mr. Hayes?

11:48:28 1 MR. HAYES: Let me follow up. Is the Lookout
11:48:28 2 Stadium the only time the City's -- how many TIFs does
11:48:28 3 the City have; do you know, roughly?

11:48:36 4 MR. FREEMAN: So, in the ML King TIF, the
11:48:37 5 City was not the applicant. In the East Chattanooga TIF,
11:48:41 6 the City was the applicant and the City did exempt itself
11:48:48 7 from procedures. Around the Nippon Paint project in East
11:48:48 8 Chattanooga, the City exempted itself from the
11:48:50 9 application process, obviously, from the South Broad
11:48:54 10 project. The City was not the applicant for the North
11:48:59 11 Access Road or Commerce Center project. And the City was
11:49:01 12 not -- going way back in time, the City was not the
11:49:04 13 applicant for Black...

11:49:04 14 MR. NOBLETT: Black Creek.

11:49:10 15 MR. FREEMAN: That's right.

11:49:10 16 MR. HAYES: Thank you.

11:49:12 17 CHAIRMAN RODGERS: Any other questions for
11:49:14 18 Mr. Freeman?

11:49:15 19 (No response.)

11:49:15 20 CHAIRMAN RODGERS: All right. Help to guide
11:49:16 21 Mr. Freeman and Mr. Mamantov, after today's meeting prior
11:49:20 22 to our next meeting, what is you all's thoughts or
11:49:23 23 preferences as far as item number 3 as proposed by Ms.
11:49:28 24 Sharp? Are you wanting -- or do you think we need to
11:49:30 25 have two members appointed, either shall or discretionary

11:49:36 1 appointed by the IDB? Mr. Hayes?

11:49:37 2 MR. HAYES: I guess I would just ask another
11:49:40 3 question. If I understand Jermaine's point, I feel like
11:49:44 4 we either have to commit to it or not. I feel if the
11:49:44 5 discretionary ability is in there, if I understand
11:49:53 6 Jermaine, that will create an additional meeting that we
11:49:56 7 have to then meet to decide if we want to put a member on
11:49:58 8 the ARC. Do I understand properly?

11:49:59 9 MR. FREEMAN: Yes, sir.

11:50:01 10 MR. HAYES: So I think an idea may be to have
11:50:03 11 one of us -- and maybe, chair, you can decide how you
11:50:06 12 want to rotate this -- maybe serve in some sort of ex
11:50:08 13 officio capacity just as a sort of quasi permanent
11:50:12 14 member? I don't know if that makes sense.

11:50:14 15 But I just don't know that we can make the
11:50:17 16 time to have a meeting to have one discussion point about
11:50:23 17 if it makes sense to have someone. And, to Jermaine's
11:50:25 18 point, we have now lengthened this process for all
11:50:28 19 parties involved by another month plus. You know, we are
11:50:31 20 going to run the risk of losing some projects
11:50:35 21 potentially.

11:50:35 22 So I don't know, I'm just trying to think if
11:50:39 23 there's some more efficient way we might be able to have
11:50:41 24 our representation on this committee in sort of a
11:50:46 25 semi-permanent way just so that we are at the table

11:50:49 1 regardless. And if there is not a role for us to play,
11:50:55 2 then we don't have to say anything, but if there is,
11:50:55 3 we're already there.

11:50:56 4 CHAIRMAN RODGERS: What if we did it -- I
11:50:57 5 mean, for instance, to address your concerns, if we took
11:51:03 6 it from discretionary and made it shall and mandatory,
11:51:06 7 that we appoint on an annual basis, "Here's two people
11:51:06 8 that's going to be our representatives"? And then they
11:51:10 9 are known and they serve for a year.

11:51:12 10 MR. HAYES: I don't know that two people is
11:51:14 11 necessary, but I defer to (inaudible).

11:51:18 12 CHAIRMAN RODGERS: Well, you certainly would
11:51:19 13 like to keep the ARC Committee itself odd numbers, I
11:51:21 14 assume, wouldn't you?

11:51:22 15 MR. FREEMAN: Yes. Yeah, we would like for
11:51:24 16 it to be odd numbers. We obviously -- obviously, we also
11:51:28 17 want to make sure that we can schedule everyone as well.
11:51:35 18 And typically the people who get selected to be on the
11:51:39 19 ARC are already very busy people with very busy
11:51:40 20 schedules. But having said that, our office will do
11:51:45 21 everything it can to accommodate the desires of the
11:51:47 22 board.

11:51:47 23 MR. NOBLETT: You're also dealing with
11:51:50 24 nonpaid board members, remember that here, on this body,
11:51:53 25 so that's another issue as to timing, as to how everybody

11:51:53 1 can go.

11:51:58 2 CHAIRMAN RODGERS: And I appreciate you
11:51:58 3 mentioning that.

11:51:58 4 MR. NOBLETT: Yes, sir.

11:51:58 5 CHAIRMAN RODGERS: I think that's a concern
11:52:00 6 of all seven of us, is we do a lot as IDB members as it
11:52:03 7 is without throwing in an additional meeting and all this
11:52:06 8 other kind of stuff on us personally.

11:52:10 9 MR. HAYES: How large is an ARC meeting?

11:52:14 10 MR. FREEMAN: So, it's typically five people.
11:52:16 11 And, as Ms. Sharp did mention, it is, under the current
11:52:19 12 TIF policy, the Mayor can make two recommendations, the
11:52:23 13 City Council will choose two selections, and then there's
11:52:27 14 one person from the Chamber, which has also been Charles
11:52:28 15 Wood in his role as vice president of economic
11:52:31 16 development.

11:52:31 17 MR. HAYES: I mean, if you have two people
11:52:31 18 who can't make the meeting, you'd handle that the same
11:52:31 19 way?

11:52:40 20 MR. FREEMAN: That's right. We would follow
11:52:42 21 -- we would follow -- as long as we have a majority of
11:52:43 22 people there, we would move forward.

11:52:47 23 CHAIRMAN RODGERS: Anyone else want to share
11:52:48 24 your thoughts on this?

11:52:52 25 MS. JONES: A clarifying question I had was I

11:52:52 1 heard that two members be appointed by the IDB, and then
11:52:57 2 I also heard that an IDB member be on the committee. So
11:53:01 3 is that a total of three people?

11:53:01 4 CHAIRMAN RODGERS: No. I think she's
11:53:05 5 proposing one of the two be an IDB member.

11:53:07 6 MS. JONES: Okay.

11:53:08 7 CHAIRMAN RODGERS: I think, given what -- the
11:53:11 8 reason Mr. Noblett shared, we would be hesitant, at least
11:53:15 9 this part of the "we," to have an IDB member on that
11:53:20 10 committee. But, now, that's -- obviously, I'm just one
11:53:23 11 of seven here.

11:53:26 12 MR. HAYES: Sorry. I had one other question.
11:53:29 13 Does the County's IDB follow the same procedure with
11:53:29 14 regard to their application review process?

11:53:35 15 MR. FREEMAN: No. The county does not have
11:53:38 16 an adopted TIF policy.

11:53:40 17 MR. HAYES: Okay.

11:53:42 18 MS. JONES: I mean, the only other thought I
11:53:44 19 had is if we decided that one of the position serve in
11:53:48 20 this capacity as well, so as part of the respon --
11:53:51 21 because the positions change, so just as part of their
11:53:55 22 responsibility of one our offices that this is an added
11:53:59 23 responsibility to that office.

11:54:01 24 CHAIRMAN RODGERS: Could be.

11:54:03 25 MS. JONES: Just a thought.

11:54:07 1 CHAIRMAN RODGERS: Mr. Floyd, what are your
11:54:07 2 thoughts?

11:54:11 3 MR. FLOYED: What you were saying, like the
11:54:13 4 officers, that you would just add that as part of your
11:54:16 5 responsibility.

11:54:16 6 MS. JONES: As a responsibility, right.

11:54:18 7 MR. FLOYD: I think that's a pretty good
11:54:20 8 idea. But I would also add that maybe you have the
11:54:23 9 freedom or flexibility to appoint or recruit another
11:54:27 10 board member to do, you know? And I'm kind of with him,
11:54:36 11 I don't really see where two people is necessary unless
11:54:40 12 you're just worried about that. It seems like one would
11:54:46 13 be sufficient.

11:54:47 14 CHAIRMAN RODGERS: But, Mr. Freeman, you
11:54:49 15 would like two; right?

11:54:50 16 MR. FREEMAN: Yeah. I think that, just for
11:54:53 17 the sake of the committee, you just want to keep it at an
11:54:56 18 odd number, that's all.

11:55:01 19 CHAIRMAN RODGERS: Althea, I think my concern
11:55:04 20 still is, from the IDB standpoint, if we have a member
11:55:09 21 that's on this committee, in addition to the time, we do
11:55:16 22 have the Sunshine issues that Mr. Noblett's raised as
11:55:19 23 well for that person, and to me, it does seem awkward for
11:55:19 24 that person to be serving on the ARC, doing, having all
11:55:27 25 that involvement and then coming and sitting up here with

11:55:29 1 us and evaluating whether the ultimate product is worth
11:55:31 2 it. I don't like that, personally. Mr. Parker?

11:55:39 3 MR. PARKER: I would agree with you. I think
11:55:41 4 the board is here as the next gatekeeper, I guess, for
11:55:47 5 lack of better words. Why do we have to join the other
11:55:51 6 board? They are going to make their recommendation, it's
11:55:54 7 going to come forward or not; right? Why do we have to
11:55:58 8 be another part of that?

11:55:59 9 And, again, I see adding -- and to echo, how
11:56:04 10 do we select that person? Who is it going to be? Is it
11:56:10 11 based on what the project is? Who has the time available
11:56:12 12 right now? And I think we are risking lengthening this
11:56:19 13 process by adding to it.

11:56:21 14 And, again, you say your office is already
11:56:24 15 having to schedule five people, and now you've got to try
11:56:27 16 to attempt to schedule seven people?

11:56:29 17 MR. FREEMAN: That's right.

11:56:30 18 MR. PARKER: So that may take three weeks
11:56:33 19 before you can get seven people in a meeting together.

11:56:35 20 MS. JONES: What is that time commitment? Is
11:56:37 21 it a whole day or...

11:56:38 22 MR. FREEMAN: No. It's usually -- the
11:56:40 23 meetings in the past have generally taken about two
11:56:43 24 hours, two to three hours. I mean, it's a pretty
11:56:46 25 in-depth discussion of the application. It's the

11:56:50 1 Application Review Committee, so it's really sort of
11:56:51 2 doing kind of a deep dive into the application.

11:56:54 3 And so I have scheduled -- most of the
11:56:57 4 meetings I try to do early in the morning because that's
11:57:01 5 when people may have the most flexibility, so bring your
11:57:04 6 coffee because we are going to start at, like, 8:00. And
11:57:06 7 then you're usually going to, like, somewhere between
11:57:08 8 10:00 and 11:00, or somewhere. But it's usually a two-
11:57:14 9 to three-hour meeting.

11:57:15 10 MS. JONES: Okay.

11:57:16 11 MR. SHARPLEY: How often do normally have
11:57:16 12 those?

11:57:21 13 MR. FREEMAN: The policy only calls for one
11:57:23 14 Application Review Committee meeting as part of each TIF
11:57:28 15 application, and so it's just one meeting per
11:57:31 16 application. So once an applicant submits an
11:57:37 17 application, then as part of that process, we then have
11:57:40 18 to, as we look at the overall time frame for how this
11:57:44 19 will sort of chart it out, we have got to build in a date
11:57:48 20 that works for the Application Review Committee members,
11:57:51 21 to pull them into a two- or three-hour meeting.

11:57:58 22 CHAIRMAN RODGERS: Mr. Adkins, what are your
11:58:00 23 thoughts here?

11:58:01 24 MR. ADKINS: Well, I think probably to get
11:58:06 25 two on there because, or either one, because we get a

11:58:08 1 predetermined thought about what you're going to try to
11:58:12 2 get other board members to vote on, and then we need to
11:58:18 3 hear it fresh the first time right here, not from
11:58:22 4 somebody else on the board having a predetermined thought
11:58:22 5 when they come up here.

11:58:26 6 CHAIRMAN RODGERS: What are your thoughts on
11:58:27 7 two non-IDB members appointed by the IDB?

11:58:32 8 MR. ADKINS: I could go with that.

11:58:34 9 CHAIRMAN RODGERS: Then what would be your
11:58:36 10 thought as far as how they're appointed to address the
11:58:40 11 timing concerns?

11:58:43 12 MS. JONES: I like the idea of having it as
11:58:48 13 an agenda item at the beginning of the year, whatever,
11:58:50 14 and then those people be for the year.

11:58:52 15 CHAIRMAN RODGERS: So as a practical matter,
11:58:55 16 Mr. Freeman, if we appointed somebody, we as the IDB, we
11:58:59 17 set it the beginning of July, the first meeting in July,
11:59:00 18 after we elect officers in June, I think it is, if we
11:59:03 19 appoint two people as a body, what are we asking them to
11:59:09 20 commit to as a practical matter? One or two ARC meetings
11:59:13 21 a year, typically?

11:59:15 22 MR. FREEMAN: Typically. I mean, in 2020,
11:59:16 23 there were no TIF applications. In 2021, there were no
11:59:20 24 TIFs. In 2022, there were two TIFs, two TIF
11:59:25 25 applications. And so, yeah, you're probably talking, you

11:59:29 1 know, two applications a year, at least. But, you know,
11:59:34 2 knock on wood, you never know what may come about.

11:59:39 3 But, yeah, you are, essentially, asking them
11:59:42 4 to be available to be a part of that process, knowing
11:59:49 5 that whenever an application comes up, it's going to
11:59:51 6 require at least two to three hours of their time at some
11:59:54 7 point, at some point during the year, depending on how
11:59:57 8 the calendar lines up.

12:00:00 9 CHAIRMAN RODGERS: Okay.

12:00:00 10 MR. FREEMAN: Yeah. Or if in a year where
12:00:03 11 there is not a lot happening, which as an economic
12:00:08 12 developer, I want to see a year where there's a lot, but
12:00:08 13 in a year where there's not a lot happening, they may not
12:00:13 14 ever have to do anything at all because there might not
12:00:13 15 be a TIF application

12:00:15 16 CHAIRMAN RODGERS: Go ahead, Mr. Parker.

12:00:15 17 MR. PARKER: I'm just coming back to who do
12:00:20 18 you find? We can't even fill the board. We can't even
12:00:22 19 get -- we're missing two board members here. I'm saying
12:00:24 20 where are we going to find them?

12:00:26 21 CHAIRMAN RODGERS: The difference there is
12:00:28 22 that the City Council appoints our two missing IDB
12:00:31 23 members.

12:00:31 24 MR. PARKER: Correct.

12:00:32 25 CHAIRMAN RODGERS: We would be appointing

12:00:35
12:00:35
12:00:37
12:00:39
12:00:39
12:00:40
12:00:42
12:00:47
12:00:50
12:00:52
12:00:54
12:00:58
12:01:01
12:01:03
12:01:04
12:01:04
12:01:08
12:01:12
12:01:15
12:01:15
12:01:15
12:01:22
12:01:24
12:01:27
12:01:27

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

these two.

MR. HAYES: From this body.

CHAIRMAN RODGERS: From this body, right.

MR. PARKER: From this body. Okay.

CHAIRMAN RODGERS: Yeah. So that would --

MR. PARKER: But what Mr. Adkins was saying is two nonmembers, from what pool of candidates are we --

MR. FREEMAN: I think you all are talking about two different things. To Mr. Hayes's point, which is different from Mr. Adkins, Mr. Adkins is saying, I think, two nonmembers of the IDB, and I think Mr. Hayes is thinking it's two members of the IDB.

MR. HAYES: (Moves head up and down.)

MR. FREEMAN: I just want to make sure everybody's clear on what it --

MS. JONES: I think we're to the nonmembers.

MR. FREEMAN: To the attorney's point, I think there is maybe some concerns about conflicts in regards to having two members of the IDB actually serving on the Application Review Committee.

CHAIRMAN RODGERS: Mr. Adkins?

MR. ADKINS: I think, too, if we appoint someone, who would be nominating these people?

CHAIRMAN RODGERS: It would be us.

MR. ADKINS: We would need to appoint more?

12:01:28 1 CHAIRMAN RODGERS: It would be us. We are
12:01:29 2 the only ones that can do it.

12:01:29 3 MR. ADKINS: Okay.

12:01:31 4 CHAIRMAN RODGERS: So it would be us. And
12:01:32 5 then we have heard some suggestions from Ms. Sharp as far
12:01:35 6 as who potential candidates are, community members,
12:01:39 7 labors, union folks, contractors, what have you. We
12:01:42 8 already know as a board the five that are going to be
12:01:46 9 there, at least who can appoint them and who their
12:01:51 10 representatives are. So we at least have that to guide
12:01:55 11 us. So what do you want to do? Mr. Hayes, what's your
12:01:57 12 suggestion?

12:01:57 13 MR. HAYES: I completely agree with Mr.
12:02:00 14 Parker. I'm worried that we may not have the depths of
12:02:05 15 people or the technical competency to find the right
12:02:09 16 person to serve in that capacity. I worry that that's
12:02:14 17 entrusting us with something where we may be a little bit
12:02:15 18 out of our depth in terms of putting the appropriate
12:02:19 19 person in that role. And if such a person existed, I
12:02:22 20 would rather have them up here as an IDB member.

12:02:27 21 So I don't know, I think I'm back to the idea
12:02:29 22 that if there is some ex officio way for one of us to
12:02:31 23 serve as sort of monitor in those meetings that would
12:02:37 24 satisfy the transparency need for a hearing, but I don't
12:02:41 25 know. I'm worried, too, we are going to have to search

12:02:45 1 pretty hard to try to find somebody that would have the
12:02:48 2 time, want to do it, have the interest, and have the
12:02:53 3 right technical understanding of what they're even being
12:02:56 4 asked to evaluate to add a lot of value is my opinion.

12:02:59 5 MR. CHAIRMAN: We appear to have a consensus
12:03:01 6 among Mr. Hayes and Mr. Parker. Mr. Sharpley, what's
12:03:05 7 your thought?

12:03:06 8 MR. SHARPLEY: I'm on board with somebody
12:03:09 9 outside from the board. I don't know what's on
12:03:11 10 everybody's plate, but I'm going Monday through Saturday,
12:03:11 11 you know, so I've got a lot going on myself. I feel like
12:03:18 12 it probably -- like Mr. Parker stated, we could do it on
12:03:21 13 the board, like he said, when it comes to us, it can be
12:03:24 14 handled. But as far as committing time, I know I
12:03:27 15 personally can't commit time to that.

12:03:30 16 CHAIRMAN RODGERS: What about the IDB
12:03:31 17 appointing two nonmembers?

12:03:33 18 MR. SHARPLEY: I could see that happening.

12:03:36 19 CHAIRMAN RODGERS: Would you be in favor of
12:03:37 20 that, or do you want to just back off and --

12:03:39 21 MR. SHARPLEY: I would be in favor of
12:03:42 22 appointing somebody else that might be able to handle
12:03:43 23 that.

12:03:44 24 CHAIRMAN RODGERS: All right. Let's keep
12:03:44 25 going. Ms. Jones, what's your thoughts? No appointments

12:03:44 1 from the IDB or as far as nonmembers or have two and we
12:03:54 2 appoint?

12:03:54 3 MS. JONES: I mean, I think we have carried
12:03:58 4 some influence in the community and could identify some
12:04:01 5 people that could be a value and bring it forward. This
12:04:07 6 board, I think we have ability to do that.

12:04:11 7 CHAIRMAN RODGERS: Okay. Mr. Adkins?

12:04:11 8 MR. ADKINS: I know I can't do it because I
12:04:13 9 serve on 19 boards and committees.

12:04:17 10 CHAIRMAN RODGERS: Non-IDB members, two
12:04:17 11 non-IDB members.

12:04:20 12 MR. ADKINS: I'm for that.

12:04:21 13 CHAIRMAN RODGERS: Okay. Mr. Floyd?

12:04:22 14 MR. FLOYD: I guess, when I look at this, I
12:04:25 15 guess I question the -- I read Ms. Sharp's email multiple
12:04:33 16 times here, she mentioned that, as she was talking about
12:04:37 17 two members, and one -- and correct me if I'm wrong, Ms.
12:04:41 18 Sharp -- you had mentioned one being a board member and
12:04:46 19 then the other being a potential, say, representative of
12:04:53 20 being a neighborhood or contractor or labor, things of
12:04:54 21 that nature.

12:04:56 22 But I think what we could do is leave it open
12:05:05 23 to where, if we felt a need to appoint some type of
12:05:13 24 liaison, we could. And I don't see where that would be a
12:05:16 25 problem. But I don't know really -- as I go back and

12:05:22 1 reread all this, I guess the question is need at all.

12:05:30 2 MR. CHAIRMAN: Okay. So we -- and I tend to
12:05:30 3 side -- I mean, I appreciate that. So I tend to side
12:05:32 4 with Mr. Sharpley, Mr. Adkins, and Ms. Jones in the sense
12:05:37 5 that I would like to see us appoint two people. But
12:05:41 6 that's just -- we have heard some other thoughts. Mr.
12:05:45 7 Floyd, you had your thought, and Mr. Hayes and Mr.
12:05:47 8 Parker.

12:05:48 9 I think what we are hearing, Mr. Freeman,
12:05:50 10 then is maybe, if we could make, as part of your and Mr.
12:05:56 11 Mamantov's revisions here, make a proposal, include
12:06:00 12 language that has the IDB making two non-IDB members
12:06:05 13 appointed to the ARC and we do it on an annual basis.

12:06:13 14 I think that -- to me, my thought is that
12:06:15 15 that recognizes and prioritizes the expertise, the
12:06:20 16 importance of the IDB as a sister with the City in this
12:06:27 17 development process. And if you went ahead and you
12:06:29 18 included that language in the proposal that you come back
12:06:33 19 with at our next meeting, then that would give us time to
12:06:36 20 then see it in writing and then we can debate, Okay, do
12:06:40 21 we do this or do we not, we strike it out or not, we vote
12:06:43 22 it up or down, and we are done with TIF policies and
12:06:46 23 procedures. Is that okay, Mr. Parker and Mr. Hayes and
12:06:47 24 Mr. Floyd?

12:06:47 25 MR. PARKER: Yes.

12:06:49 1 MR. HAYES: Yes.

12:06:50 2 MR. FLOYD: Yes.

12:06:51 3 CHAIRMAN RODGERS: And then we can see it in
12:06:53 4 writing and then we've got to have a vote.

12:06:55 5 MR. PARKER: I agree.

12:06:56 6 CHAIRMAN RODGERS: We don't always have to
12:07:00 7 agree, and disagreement is sometimes good. Can you and
12:07:00 8 Mr. Mamantov handle it that way?

12:07:03 9 MR. FREEMAN: We can do whatever you need us
12:07:06 10 to, Mr. Chair.

12:07:07 11 CHAIRMAN RODGERS: Okay. Good deal. Thank
12:07:08 12 you. Please do that then if you would.

12:07:08 13 MR. FREEMAN: Okay.

12:07:10 14 CHAIRMAN RODGERS: Any other items of
12:07:11 15 business for the IDB today?

12:07:15 16 MR. NOBLETT: You mentioned your bylaws. If
12:07:17 17 you add that as a duty of one of your members, we would
12:07:20 18 have to amend your bylaws.

12:07:20 19 CHAIRMAN RODGERS: We're talking about
12:07:21 20 nonmembers

12:07:21 21 MR. NOBLETT: As long as it's nonmembers,
12:07:24 22 you're fine.

12:07:25 23 CHAIRMAN RODGERS: Nonmembers, yeah,
12:07:26 24 nonmembers. All right any other items of business?

12:07:28 25 (No response.)

12:07:29

1

CHAIRMAN RODGERS: Seeing none, we stand

12:07:31

2

adjourned. Thank you.

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

\$	added [2] - 6:7, 29:22	annual [2] - 27:7, 39:13	5:15, 6:9, 7:1	breakdown [1] - 7:13
\$380 [1] - 24:6	adding [3] - 18:13, 31:9, 31:13	answer [2] - 7:22, 22:13	ATM's [1] - 2:24	bring [3] - 12:9, 32:5, 38:5
1	addition [1] - 30:21	anyway [1] - 4:1	attempt [1] - 31:16	Broad [1] - 25:9
1 [1] - 16:1	additional [5] - 4:8, 4:22, 6:10, 26:6, 28:7	appear [1] - 37:5	attend [2] - 12:3, 12:24	broader [1] - 5:17
10:00 [1] - 32:8	address [5] - 2:11, 22:25, 23:5, 27:5, 33:10	applicant [10] - 4:16, 6:8, 7:3, 7:10, 25:5, 25:6, 25:10, 25:13, 32:16	attended [1] - 5:24	brought [1] - 14:22
11:00 [1] - 32:8	addressed [1] - 19:25	application [16] - 5:11, 5:16, 7:4, 7:11, 7:12, 18:4, 19:8, 25:9, 29:14, 31:25, 32:2, 32:15, 32:16, 32:17, 34:5, 34:15	Attorney [1] - 23:8	build [1] - 32:19
18th [1] - 4:7	adds [1] - 20:23	Application [13] - 5:1, 5:13, 5:18, 6:4, 14:9, 17:21, 18:20, 18:25, 19:9, 32:1, 32:14, 32:20, 35:20	attorney's [1] - 35:17	burden [1] - 8:22
19 [1] - 38:9	adjudged [1] - 19:25	applications [3] - 33:23, 33:25, 34:1	authority [2] - 8:5, 16:16	bureaucracy [1] - 18:13
2	adjoins [2] - 32:22, 35:21	appoint [14] - 5:3, 9:24, 13:5, 18:22, 27:7, 30:9, 33:19, 35:22, 35:25, 36:9, 38:2, 38:23, 39:5	automatic [1] - 5:4	Burns [2] - 3:5, 3:18
20 [1] - 6:4	adjoined [1] - 41:2	appointed [8] - 5:9, 25:25, 26:1, 29:1, 33:7, 33:10, 33:16, 39:13	available [3] - 7:12, 31:11, 34:4	business [2] - 40:15, 40:24
2020 [1] - 33:22	adjustment [1] - 16:1	appointing [3] - 34:25, 37:17, 37:22	aware [1] - 17:24	busy [2] - 27:19
2021 [1] - 33:23	Adkins [2] - 32:22, 35:21	appointment [11] - 8:5, 8:6, 8:17, 9:3, 9:6, 9:11, 9:21, 13:2, 20:4, 21:2, 21:7	awkward [1] - 30:23	but-for [2] - 6:13, 10:21
2022 [1] - 33:24	ADKINS [7] - 32:24, 33:8, 35:22, 35:25, 36:3, 38:8, 38:12	appointments [2] - 20:2, 37:25	B	but.. [1] - 24:25
3	adkins [5] - 35:6, 35:10, 38:7, 39:4	appoints [1] - 34:22	ball [1] - 8:13	bylaws [3] - 2:4, 40:16, 40:18
3 [7] - 8:3, 15:22, 17:19, 22:22, 23:5, 23:13, 25:23	administration [4] - 16:21, 18:8, 20:17, 21:10	appreciate [6] - 2:16, 2:24, 3:22, 4:22, 28:2, 39:3	Baltimore [1] - 10:16	C
3.4 [1] - 13:24	administration's [1] - 19:14	appreciated [1] - 3:4	based [6] - 8:16, 19:4, 23:7, 23:8, 31:11	CALEB [1] - 14:21
30 [1] - 6:4	adopted [1] - 29:16	appropriate [2] - 6:24, 36:18	basis [2] - 27:7, 39:13	calendar [1] - 34:8
4	advertised [1] - 14:10	approval [1] - 18:11	beginning [3] - 6:3, 33:13, 33:17	candidates [2] - 35:7, 36:6
4 [4] - 10:3, 15:22, 21:21	advised [1] - 11:13	approved [2] - 18:1, 19:18	behalf [1] - 24:11	cap [1] - 5:7
4.11 [1] - 6:7	advising [1] - 13:21	ARC [12] - 5:24, 12:3, 12:13, 13:20, 14:5, 26:8, 27:13, 27:19, 28:9, 30:24, 33:20, 39:13	believes [2] - 6:9, 7:1	capacity [3] - 26:13, 29:20, 36:16
5	advisor [2] - 11:12, 11:21	area [2] - 8:12, 13:9	bend [1] - 3:9	carried [1] - 38:3
5 [4] - 15:22, 23:1, 23:22, 23:24	advocacy [1] - 3:19	areas [1] - 4:24	bened [1] - 3:11	catching [1] - 17:16
8	advocate [1] - 15:4	assistant [1] - 9:11	benefit [2] - 5:17, 21:3	Center [1] - 25:11
8:00 [1] - 32:6	advocated [1] - 24:10	ATM [5] - 3:6, 4:24,	benefits [3] - 4:21, 7:19, 14:23	CEO [1] - 19:12
A	agenda [2] - 2:2, 33:13		better [4] - 4:6, 7:7, 8:24, 31:5	certainly [4] - 3:22, 11:10, 19:19, 27:12
abate [1] - 16:18	agree [6] - 3:2, 21:20, 31:3, 36:13, 40:5, 40:7		between [4] - 5:23, 20:12, 20:16, 32:7	cetera [1] - 7:15
ability [6] - 20:7, 23:24, 24:6, 24:12, 26:5, 38:6	agreement [2] - 13:11, 22:21		big [1] - 24:19	Chair [1] - 40:10
able [2] - 26:23, 37:22	agreements [1] - 14:23		bit [4] - 6:18, 8:24, 13:9, 36:17	chair [4] - 9:12, 20:2, 26:11
absent [1] - 5:8	agrees [1] - 16:22		Black [1] - 25:14	CHAIRMAN [78] - 2:2, 2:14, 2:21, 3:8, 3:12, 3:17, 7:24, 8:2, 9:4, 9:9, 10:2, 11:3, 11:23, 12:1, 14:12, 14:15, 14:18, 15:7, 15:10, 15:13, 15:16, 17:5, 17:8, 17:14, 19:24, 20:25, 21:15, 21:18, 22:5, 22:8, 22:14, 22:18, 23:3, 23:11, 23:20, 24:16, 25:17, 25:20, 27:4, 27:12, 28:2, 28:5, 28:23, 29:4, 29:7, 29:24, 30:1, 30:14, 30:19, 32:22, 33:6, 33:9, 33:15, 34:9, 34:16, 34:21, 34:25, 35:3, 35:5, 35:21,
Access [1] - 25:11	ahead [5] - 3:17, 17:15, 21:18, 34:16, 39:17		Black.. [1] - 25:13	
accommodate [1] - 27:21	all's [1] - 25:22		blue [1] - 17:9	
Accountability [2] - 3:6, 3:18	allocated [1] - 16:6		blueline [1] - 2:17	
Act [2] - 14:3, 20:13	allow [1] - 12:23		Board [3] - 5:9, 18:5, 18:16	
ad [1] - 18:23	allows [1] - 20:18		board [27] - 2:13, 3:14, 5:22, 9:5, 12:13, 13:22, 14:5, 17:20, 18:17, 19:15, 22:15, 23:4, 27:22, 27:24, 30:10, 31:4, 31:6, 33:2, 33:4, 34:18, 34:19, 36:8, 37:8, 37:9, 37:13, 38:6, 38:18	
add [6] - 19:7, 22:12, 30:4, 30:8, 37:4, 40:17	alone [1] - 11:8		board's [2] - 3:22, 4:6	
	althea [1] - 30:19		boards [1] - 38:9	
	amend [1] - 40:18		body [7] - 9:13, 12:15, 27:24, 33:19, 35:2, 35:3, 35:4	
	analyses [1] - 6:16			
	analysis [5] - 6:13, 10:19, 10:22, 11:18, 12:25			

<p>35:24, 36:1, 36:4, 37:5, 37:16, 37:19, 37:24, 38:7, 38:10, 38:13, 39:2, 40:3, 40:6, 40:11, 40:14, 40:19, 40:23, 41:1</p> <p>Chamber [4] - 5:4, 19:11, 19:13, 28:14</p> <p>chamber [2] - 10:19, 10:20</p> <p>change [2] - 17:15, 29:21</p> <p>changes [1] - 4:25</p> <p>Charles [2] - 19:10, 28:14</p> <p>chart [1] - 32:19</p> <p>Chattanooga [2] - 25:5, 25:8</p> <p>choose [2] - 7:9, 28:13</p> <p>circumstances [1] - 6:25</p> <p>City [34] - 4:9, 5:3, 6:20, 6:21, 6:23, 6:24, 7:2, 7:3, 7:9, 7:11, 7:19, 13:4, 15:1, 15:24, 19:5, 20:18, 20:21, 20:23, 22:3, 22:9, 24:5, 24:11, 25:3, 25:5, 25:6, 25:8, 25:10, 25:11, 25:12, 28:13, 34:22, 39:16</p> <p>city [1] - 16:4</p> <p>City's [4] - 4:9, 22:20, 23:24, 25:2</p> <p>City-initiated [2] - 6:20, 6:21</p> <p>clarification [2] - 11:10, 11:19</p> <p>clarifying [2] - 4:11, 28:25</p> <p>clear [3] - 6:7, 6:10, 35:15</p> <p>clearly [1] - 13:20</p> <p>closely [1] - 24:14</p> <p>coffee [1] - 32:6</p> <p>coming [5] - 12:13, 15:5, 15:11, 30:25, 34:17</p> <p>comment [2] - 2:19, 15:18</p> <p>comments [4] - 3:21, 4:10, 14:16</p> <p>Commerce [2] - 19:11, 25:11</p> <p>commerce [1] - 10:19</p> <p>Commission [2] - 13:2, 13:3</p> <p>commit [3] - 26:4,</p>	<p>33:20, 37:15</p> <p>commitment [1] - 31:20</p> <p>Committee [13] - 5:1, 5:13, 5:18, 6:5, 14:9, 17:21, 18:20, 18:25, 27:13, 32:1, 32:14, 32:20, 35:20</p> <p>committee [15] - 5:2, 5:5, 5:23, 5:24, 5:25, 8:9, 9:2, 13:21, 18:23, 19:3, 26:24, 29:2, 29:10, 30:17, 30:21</p> <p>committees [1] - 38:9</p> <p>Committees [1] - 19:9</p> <p>committing [1] - 37:14</p> <p>community [8] - 4:14, 4:17, 4:21, 9:22, 14:22, 15:2, 36:6, 38:4</p> <p>community's [2] - 18:24, 23:7</p> <p>companies [1] - 7:18</p> <p>competency [1] - 36:15</p> <p>completely [1] - 36:13</p> <p>complicated [4] - 8:20, 9:19, 13:13, 14:24</p> <p>complimenting [1] - 15:19</p> <p>comply [1] - 6:22</p> <p>component [1] - 7:14</p> <p>concept [2] - 5:7, 6:7</p> <p>concern [5] - 12:16, 19:24, 21:14, 28:5, 30:19</p> <p>concerns [7] - 4:16, 4:18, 23:9, 24:23, 27:5, 33:11, 35:18</p> <p>conflict [2] - 13:6, 14:8</p> <p>conflicts [1] - 35:18</p> <p>connection [2] - 16:6, 16:7</p> <p>consensus [2] - 23:4, 37:5</p> <p>consider [4] - 4:16, 5:8, 11:4, 18:16</p> <p>constant [1] - 19:9</p> <p>constantly [2] - 12:9, 12:10</p> <p>consultants [1] - 6:17</p> <p>consulting [2] - 6:11, 10:5</p> <p>contemplation [1] - 8:4</p> <p>continue [2] - 15:3, 18:10</p>	<p>continues [1] - 4:25</p> <p>contractor [2] - 5:20, 38:20</p> <p>contractors [1] - 36:7</p> <p>contrary [1] - 16:3</p> <p>control [2] - 16:25, 24:5</p> <p>conversation [1] - 20:11</p> <p>convoluted [1] - 8:19</p> <p>copy [1] - 4:5</p> <p>correct [4] - 22:18, 23:6, 34:24, 38:17</p> <p>cost [2] - 6:9, 7:13</p> <p>Council [7] - 5:3, 19:5, 20:18, 20:21, 20:23, 28:13, 34:22</p> <p>counsel [1] - 4:9</p> <p>county [4] - 16:4, 16:14, 17:2, 29:15</p> <p>County [1] - 13:4</p> <p>County's [1] - 29:13</p> <p>county's [2] - 16:15, 16:17</p> <p>couple [1] - 4:1</p> <p>course [3] - 19:11, 24:1, 24:24</p> <p>coverage [2] - 24:17, 24:24</p> <p>create [1] - 26:6</p> <p>Creek [1] - 25:14</p> <p>curious [2] - 8:3, 10:7</p> <p>current [4] - 4:10, 5:2, 5:5, 28:11</p>	<p>deliberation [1] - 4:7</p> <p>depth [2] - 31:25, 36:18</p> <p>depths [1] - 36:14</p> <p>describing [1] - 21:4</p> <p>designate [1] - 20:10</p> <p>designated [4] - 16:5, 16:10, 19:6, 20:1</p> <p>desires [1] - 27:21</p> <p>detail [2] - 10:4, 13:9</p> <p>detailed [1] - 6:1</p> <p>developed [1] - 9:18</p> <p>developer [1] - 34:12</p> <p>Development [3] - 5:9, 18:5, 18:16</p> <p>development [8] - 6:12, 10:7, 11:7, 13:10, 19:12, 24:9, 28:16, 39:17</p> <p>difference [1] - 34:21</p> <p>different [9] - 6:15, 11:17, 11:18, 13:24, 19:1, 19:4, 19:6, 35:9, 35:10</p> <p>disagreement [1] - 40:7</p> <p>disclosure [1] - 24:22</p> <p>discretion [1] - 21:5</p> <p>discretionary [5] - 9:5, 21:6, 25:25, 26:5, 27:6</p> <p>discuss [3] - 4:2, 13:10, 22:1</p> <p>discussed [1] - 17:20</p> <p>discussion [7] - 14:23, 19:7, 22:24, 23:9, 23:12, 26:16, 31:25</p> <p>discussions [1] - 12:18</p> <p>dive [1] - 32:2</p> <p>document [2] - 4:21, 21:25</p> <p>done [4] - 6:2, 6:16, 13:25, 39:22</p> <p>double [1] - 17:10</p> <p>down [4] - 10:8, 23:16, 35:13, 39:22</p> <p>driven [1] - 8:10</p> <p>Dupont [1] - 8:12</p> <p>during [2] - 12:15, 34:7</p> <p>duty [1] - 40:17</p>	<p>echo [1] - 31:9</p> <p>Economic [1] - 5:12</p> <p>economic [6] - 6:16, 11:18, 19:12, 24:9, 28:15, 34:11</p> <p>edit [1] - 16:1</p> <p>efficient [1] - 26:23</p> <p>either [5] - 19:21, 23:15, 25:25, 26:4, 32:25</p> <p>elect [1] - 33:18</p> <p>email [3] - 2:23, 3:14, 38:15</p> <p>entities [1] - 7:19</p> <p>entrusted [1] - 20:14</p> <p>entrusting [1] - 36:17</p> <p>envision [1] - 9:10</p> <p>essentially [2] - 22:22, 34:3</p> <p>establish [1] - 5:6</p> <p>estate [4] - 6:12, 10:7, 11:7, 11:15</p> <p>et [1] - 7:15</p> <p>etcetera [1] - 5:21</p> <p>evaluate [2] - 4:14, 37:4</p> <p>evaluating [1] - 31:1</p> <p>eventually [1] - 12:4</p> <p>ex [2] - 26:12, 36:22</p> <p>executing [1] - 24:8</p> <p>exempt [4] - 7:10, 7:16, 23:24, 25:6</p> <p>exempted [1] - 25:8</p> <p>exercise [2] - 9:5, 21:4</p> <p>exhibit [1] - 3:14</p> <p>existed [1] - 36:19</p> <p>experience [2] - 2:25, 11:15</p> <p>expert [4] - 5:21, 8:11, 10:11, 11:6</p> <p>expertise [2] - 9:2, 39:15</p> <p>explain [3] - 7:9, 7:11, 7:19</p> <p>extent [3] - 4:17, 15:21, 20:15</p> <p>external [1] - 4:9</p> <p>extra [1] - 18:19</p>
		D		
		<p>date [2] - 13:21, 32:19</p> <p>deal [3] - 12:9, 13:15, 40:11</p> <p>dealing [1] - 27:23</p> <p>debate [1] - 39:20</p> <p>decide [8] - 5:15, 8:15, 9:1, 18:19, 19:2, 24:7, 26:7, 26:11</p> <p>decided [3] - 18:9, 23:13, 29:19</p> <p>decides [1] - 19:16</p> <p>decision [5] - 12:13, 16:19, 17:2, 20:8, 20:11</p> <p>decisions [2] - 20:14, 20:16</p> <p>dedicated [2] - 16:5, 16:9</p> <p>deducted [1] - 16:9</p> <p>deems [1] - 6:24</p> <p>deep [1] - 32:2</p> <p>defer [1] - 27:11</p> <p>define [1] - 11:6</p>		
		E		
		<p>early [1] - 32:4</p> <p>earmarked [2] - 16:5, 16:10</p> <p>East [2] - 25:5, 25:7</p>		
			F	
			<p>fact [2] - 19:20, 24:5</p> <p>far [14] - 10:3, 10:4, 10:8, 14:25, 15:8, 19:24, 22:25, 24:18, 24:20, 25:23, 33:10, 36:5, 37:14, 38:1</p> <p>favor [2] - 37:19, 37:21</p> <p>fear [1] - 21:9</p>	

<p>fees [2] - 4:12, 16:8 felt [2] - 19:7, 38:23 fields [1] - 8:13 fifth [2] - 21:23, 21:25 figure [1] - 18:22 fill [1] - 34:18 final [3] - 21:24, 21:25, 23:14 finance [2] - 5:20, 6:12 financial [2] - 7:18, 13:14 financially [1] - 7:20 financing [3] - 8:12, 10:6, 11:7 fine [2] - 10:21, 40:22 firm [2] - 6:11, 10:5 firms [1] - 11:1 first [9] - 4:3, 5:10, 12:12, 12:21, 17:3, 17:13, 21:24, 33:3, 33:17 five [6] - 5:1, 5:6, 18:21, 28:10, 31:15, 36:8 five-month [1] - 18:21 five-person [1] - 5:1 Flessner [2] - 24:18, 24:24 flexibility [3] - 24:11, 30:9, 32:5 Floyd [4] - 30:1, 38:13, 39:7, 39:24 FLOYD [3] - 30:7, 38:14, 40:2 FLOYED [1] - 30:3 fluid [1] - 20:19 focused [1] - 3:20 folks [2] - 24:20, 36:7 follow [6] - 6:23, 12:22, 25:1, 28:20, 28:21, 29:13 forma [1] - 11:15 forward [3] - 28:22, 31:7, 38:5 four [1] - 18:21 four-month [1] - 18:21 frame [1] - 32:18 Free [1] - 24:17 freedom [1] - 30:9 Freeman [10] - 15:17, 21:16, 22:6, 22:9, 22:19, 25:18, 25:21, 30:14, 33:16 FREEMAN [35] - 13:12, 14:2, 14:7, 15:23, 17:7, 17:12, 17:16, 17:19, 20:6, 21:8, 21:19, 22:11, 23:2, 23:6, 23:18,</p>	<p>23:23, 24:2, 25:4, 25:15, 26:9, 27:15, 28:10, 28:20, 29:15, 30:16, 31:17, 31:22, 32:13, 33:22, 34:10, 35:8, 35:14, 35:17, 40:9, 40:13 freeman [1] - 39:9 fresh [1] - 33:3 fundamental [1] - 21:13</p> <p style="text-align: center;">G</p> <p>gals [1] - 2:4 gatekeeper [1] - 31:4 generally [1] - 31:23 given [5] - 2:3, 4:19, 6:1, 24:5, 29:7 glad [1] - 22:13 GOODEN [3] - 14:17, 14:20, 15:8 Gooden [3] - 14:21, 15:10, 15:11 government [1] - 3:20 governmental [1] - 11:14 great [4] - 3:16, 13:25, 20:6, 21:22 green [1] - 4:5 greenline [1] - 2:17 group [1] - 3:19 guess [6] - 12:2, 26:2, 31:4, 38:14, 38:15, 39:1 guide [2] - 25:20, 36:10 guys [5] - 2:4, 2:9, 20:3, 22:16, 22:23</p> <p style="text-align: center;">H</p> <p>handful [1] - 11:1 handle [4] - 10:13, 28:18, 37:22, 40:8 handled [2] - 24:21, 37:14 hands [1] - 16:17 happy [1] - 7:22 hard [1] - 37:1 hat [1] - 14:4 Hayes [7] - 9:25, 23:20, 24:25, 35:11, 37:6, 39:7, 39:23 HAYES [15] - 23:21, 24:1, 25:1, 25:16, 26:2, 26:10, 27:10, 28:9, 28:17, 29:12, 29:17, 35:2, 35:13, 36:13, 40:1</p>	<p>hayes [2] - 26:1, 36:11 Hayes's [2] - 24:16, 35:9 head [1] - 35:13 hear [2] - 14:20, 33:3 heard [6] - 10:17, 23:8, 29:1, 29:2, 36:5, 39:6 hearing [9] - 4:7, 4:8, 5:14, 12:15, 13:22, 22:20, 23:13, 36:24, 39:9 helen [2] - 3:5, 3:18 Helen [1] - 12:10 help [3] - 4:22, 8:23, 25:20 helps [1] - 4:23 herein [1] - 16:3 hesitant [1] - 29:8 hi [1] - 14:18 hoc [1] - 18:23 hold [2] - 8:2, 13:22 hope [2] - 3:23, 23:18 hopefully [2] - 2:10, 14:20 hoping [1] - 15:3 hour [2] - 32:9, 32:21 hours [3] - 31:24, 34:6 huge [1] - 8:22</p> <p style="text-align: center;">I</p> <p>IDB [48] - 2:23, 4:14, 5:11, 5:14, 5:15, 5:22, 5:24, 8:6, 8:7, 12:3, 14:6, 16:6, 16:16, 17:24, 18:4, 18:8, 20:1, 20:5, 20:21, 20:22, 21:1, 21:3, 21:10, 23:15, 26:1, 28:6, 29:1, 29:2, 29:5, 29:9, 29:13, 30:20, 33:7, 33:16, 34:22, 35:11, 35:12, 35:19, 36:20, 37:16, 38:1, 38:10, 38:11, 39:12, 39:16, 40:15 IDB's [2] - 16:22, 17:21 idea [5] - 11:20, 26:10, 30:8, 33:12, 36:21 identify [1] - 38:4 Impact [1] - 5:12 impact [4] - 4:15, 6:16, 11:18, 15:3 impacted [1] - 5:19 importance [1] - 39:16 improvements [1] - 24:8</p>	<p>in-depth [1] - 31:25 inaudible [1] - 27:11 incentive [4] - 6:14, 16:7, 16:8, 16:23 incentives [1] - 3:20 include [1] - 39:11 included [2] - 2:2, 39:18 incorporate [2] - 15:1, 18:9 increment [2] - 16:7, 16:8 independent [2] - 6:11, 10:5 indicating [3] - 2:20, 3:10, 14:17 Industrial [3] - 5:9, 18:5, 18:16 influence [1] - 38:4 inform [1] - 21:4 information [2] - 6:1, 7:11 infrastructure [2] - 7:14, 24:8 initial [3] - 5:16, 8:7, 21:3 initiated [2] - 6:20, 6:21 input [1] - 15:4 insert [1] - 7:7 inserted [1] - 8:5 instance [1] - 27:5 intended [1] - 11:11 interest [2] - 3:7, 37:2 interim [1] - 19:12 internally [1] - 24:3 introduction [1] - 7:8 involved [2] - 10:5, 26:19 involvement [1] - 30:25 issue [5] - 12:5, 12:6, 12:8, 24:19, 27:25 issuers [1] - 11:14 issues [3] - 4:20, 22:3, 30:22 item [6] - 8:3, 10:3, 21:24, 22:1, 25:23, 33:13 items [3] - 15:22, 40:14, 40:24 itself [4] - 23:24, 25:6, 25:8, 27:13</p> <p style="text-align: center;">J</p> <p>Jackson [1] - 10:20 Janice [1] - 14:21 January [2] - 4:7, 17:22</p>	<p>jermaine [1] - 23:21 Jermaine [4] - 13:11, 13:25, 17:5, 26:6 Jermaine's [3] - 8:23, 26:3, 26:17 job [2] - 13:25, 15:20 join [1] - 31:5 JONES [11] - 3:11, 28:25, 29:6, 29:18, 29:25, 30:6, 31:20, 32:10, 33:12, 35:16, 38:3 Jones [2] - 37:25, 39:4 July [2] - 33:17 June [1] - 33:18</p> <p style="text-align: center;">K</p> <p>keep [4] - 11:3, 27:13, 30:17, 37:24 kind [9] - 8:15, 8:17, 9:1, 11:2, 13:7, 13:17, 28:8, 30:10, 32:2 King [1] - 25:4 knock [1] - 34:2 knowing [1] - 34:4 knowledge [1] - 8:16 known [1] - 27:9 Knoxville [1] - 10:12 knoxville [1] - 10:13</p> <p style="text-align: center;">L</p> <p>labor [2] - 5:20, 38:20 labors [1] - 36:7 lack [1] - 31:5 language [7] - 5:5, 6:18, 7:7, 16:13, 24:4, 39:12, 39:18 large [1] - 28:9 last [4] - 3:24, 3:25, 14:22, 17:22 lasts [1] - 6:4 Law [4] - 12:18, 12:22, 13:17, 14:1 layperson [1] - 9:21 learn [1] - 8:25 least [7] - 3:2, 5:6, 29:8, 34:1, 34:6, 36:9, 36:10 leave [3] - 8:15, 11:8, 38:22 legal [2] - 4:9, 4:19 legalities [1] - 14:25 lengthened [1] - 26:18 lengthening [1] - 31:12 liaison [4] - 5:23, 9:23, 13:7, 38:24</p>
--	---	---	---	---

<p>license [2] - 11:12, 11:21</p> <p>lies [1] - 21:8</p> <p>limb [1] - 20:17</p> <p>line [2] - 17:9, 21:1</p> <p>lines [1] - 34:8</p> <p>listen [1] - 3:23</p> <p>listened [1] - 3:24</p> <p>location [1] - 4:15</p> <p>look [4] - 15:1, 24:13, 32:18, 38:14</p> <p>Lookout [2] - 24:20, 25:1</p> <p>looks [1] - 6:14</p> <p>losing [1] - 26:20</p>	<p>12:25, 20:12, 20:16, 31:23, 32:4, 33:20, 36:23</p> <p>Meetings [2] - 14:3, 20:13</p> <p>meets [1] - 18:5</p> <p>member [14] - 5:23, 9:6, 12:3, 12:12, 14:5, 26:7, 26:14, 29:2, 29:5, 29:9, 30:10, 30:20, 36:20, 38:18</p> <p>members [23] - 2:13, 2:23, 5:6, 5:8, 8:5, 13:5, 25:25, 27:24, 28:6, 29:1, 32:20, 33:2, 33:7, 34:19, 34:23, 35:12, 35:19, 36:6, 38:10, 38:11, 38:17, 39:12, 40:17</p> <p>mention [2] - 15:2, 28:11</p> <p>mentioned [4] - 13:8, 38:16, 38:18, 40:16</p> <p>mentioning [1] - 28:3</p> <p>mic [1] - 3:7</p> <p>might [10] - 8:9, 9:15, 9:16, 9:17, 9:24, 13:1, 26:23, 34:14, 37:22</p> <p>million [1] - 24:6</p> <p>mind [3] - 11:6, 12:8, 23:3</p> <p>minutes [2] - 3:15, 12:24</p> <p>missing [2] - 34:19, 34:22</p> <p>ML [1] - 25:4</p> <p>Monday [1] - 37:10</p> <p>Money [2] - 3:6, 3:19</p> <p>monitor [1] - 36:23</p> <p>month [5] - 3:25, 18:5, 18:21, 26:19</p> <p>months [1] - 18:1</p> <p>morning [2] - 24:15, 32:4</p> <p>most [2] - 32:3, 32:5</p> <p>motion [1] - 9:15</p> <p>move [3] - 20:3, 23:19, 28:22</p> <p>moves [1] - 35:13</p> <p>moving [1] - 17:4</p> <p>MR [88] - 10:15, 11:9, 12:2, 12:19, 13:12, 13:19, 14:2, 14:4, 14:7, 14:11, 15:23, 17:7, 17:12, 17:16, 17:18, 17:19, 20:6, 21:8, 21:19, 22:11, 22:13, 23:2, 23:6,</p>	<p>23:18, 23:21, 23:23, 24:1, 24:2, 25:1, 25:4, 25:14, 25:15, 25:16, 26:2, 26:9, 26:10, 27:10, 27:15, 27:23, 28:4, 28:9, 28:10, 28:17, 28:20, 29:12, 29:15, 29:17, 30:3, 30:7, 30:16, 31:3, 31:17, 31:22, 32:11, 32:13, 32:24, 33:8, 33:22, 34:10, 34:17, 34:24, 35:2, 35:4, 35:6, 35:8, 35:13, 35:14, 35:17, 35:22, 35:25, 36:3, 36:13, 37:5, 37:8, 37:18, 37:21, 38:8, 38:12, 38:14, 39:2, 39:25, 40:1, 40:2, 40:5, 40:9, 40:13, 40:16, 40:21</p> <p>MS [27] - 2:20, 3:5, 3:10, 3:11, 3:16, 3:18, 8:8, 9:7, 9:14, 10:10, 10:16, 12:17, 12:20, 13:13, 13:25, 14:17, 14:20, 15:8, 28:25, 29:18, 29:25, 30:6, 31:20, 32:10, 33:12, 35:16, 38:3</p> <p>MSRBs [1] - 11:13</p> <p>multiple [2] - 18:4, 38:15</p> <p>Muni [1] - 10:14</p> <p>MuniCap [4] - 10:15, 10:16, 10:25, 11:11</p> <p>municipal [2] - 11:12, 11:21</p> <p>must [2] - 5:6, 6:11</p>	<p>needs [5] - 16:15, 16:19, 17:2, 17:13, 20:14</p> <p>negative [1] - 17:10</p> <p>neighborhood [4] - 5:19, 8:13, 8:14, 38:20</p> <p>never [1] - 34:2</p> <p>new [4] - 4:11, 4:13, 7:7, 24:4</p> <p>next [7] - 2:7, 2:9, 6:6, 23:15, 25:22, 31:4, 39:19</p> <p>Nippon [1] - 25:7</p> <p>noblett [1] - 12:1</p> <p>Noblett [2] - 3:13, 29:8</p> <p>NOBLETT [10] - 12:2, 12:19, 13:19, 14:4, 14:11, 25:14, 27:23, 28:4, 40:16, 40:21</p> <p>Noblett's [2] - 23:9, 30:22</p> <p>nominating [1] - 35:23</p> <p>non [4] - 33:7, 38:10, 38:11, 39:12</p> <p>non-IDB [4] - 33:7, 38:10, 38:11, 39:12</p> <p>none [4] - 14:15, 15:13, 15:16, 41:1</p> <p>nonmembers [9] - 35:7, 35:11, 35:16, 37:17, 38:1, 40:20, 40:21, 40:23, 40:24</p> <p>nonpaid [1] - 27:24</p> <p>normal [1] - 8:21</p> <p>normally [2] - 8:20, 32:11</p> <p>North [1] - 25:10</p> <p>nothing [2] - 15:8, 15:17</p> <p>notice [3] - 3:23, 5:25, 12:23</p> <p>number [15] - 4:10, 4:13, 7:17, 10:3, 16:1, 17:19, 21:21, 22:22, 22:25, 23:5, 23:13, 23:22, 23:23, 25:23, 30:18</p> <p>numbers [2] - 27:13, 27:16</p>	<p>office [3] - 27:20, 29:23, 31:14</p> <p>officers [2] - 30:4, 33:18</p> <p>offices [1] - 29:22</p> <p>officio [2] - 26:13, 36:22</p> <p>often [1] - 32:11</p> <p>oftentimes [1] - 18:25</p> <p>once [4] - 2:10, 18:5, 20:10, 32:16</p> <p>one [35] - 2:7, 4:11, 5:13, 6:2, 8:2, 8:18, 8:21, 9:23, 9:25, 10:2, 10:17, 11:10, 12:20, 13:9, 15:19, 17:6, 20:2, 21:1, 26:11, 26:16, 28:14, 29:5, 29:10, 29:12, 29:19, 29:22, 30:12, 32:13, 32:15, 32:25, 33:20, 36:22, 38:17, 38:18, 40:17</p> <p>one-and-done [1] - 6:2</p> <p>ones [1] - 36:2</p> <p>Open [2] - 14:3, 20:13</p> <p>open [4] - 8:15, 12:7, 14:9, 38:22</p> <p>operations [1] - 16:6</p> <p>opinion [1] - 37:4</p> <p>opposed [1] - 20:19</p> <p>or.. [1] - 31:21</p> <p>outlining [1] - 2:24</p> <p>outside [2] - 15:4, 37:9</p> <p>overall [2] - 19:17, 32:18</p> <p>ownership [1] - 21:10</p>	
<p style="text-align: center;">M</p>	<p>ma'am [1] - 14:19</p> <p>majority [1] - 28:21</p> <p>mamantov [1] - 40:8</p> <p>MAMANTOV [4] - 10:15, 11:9, 17:18, 22:13</p> <p>Mamantov [13] - 2:15, 10:10, 11:3, 15:20, 15:25, 17:6, 21:20, 22:2, 22:15, 22:24, 23:12, 24:13, 25:21</p> <p>Mamantov's [1] - 39:11</p> <p>mandatory [1] - 27:6</p> <p>Mark [2] - 22:2, 22:12</p> <p>matter [2] - 33:15, 33:20</p> <p>maximum [1] - 5:7</p> <p>Mayor [7] - 5:2, 13:2, 13:4, 19:5, 28:12</p> <p>mean [13] - 8:10, 10:7, 10:23, 10:24, 11:6, 13:3, 27:5, 28:17, 29:18, 31:24, 33:22, 38:3, 39:3</p> <p>means [2] - 11:4, 24:7</p> <p>meet [1] - 26:7</p> <p>meeting [37] - 2:7, 2:10, 5:13, 5:16, 8:7, 8:16, 9:23, 12:3, 12:5, 12:23, 12:24, 13:11, 13:20, 14:2, 14:9, 14:22, 17:22, 18:19, 20:4, 21:3, 22:25, 23:15, 25:21, 25:22, 26:6, 26:16, 28:7, 28:9, 28:18, 31:19, 32:9, 32:14, 32:15, 32:21, 33:17, 39:19</p> <p>meeting's [1] - 12:7</p> <p>meetings [8] - 5:25,</p>	<p>mentioned [4] - 13:8, 38:16, 38:18, 40:16</p> <p>mentioning [1] - 28:3</p> <p>mic [1] - 3:7</p> <p>might [10] - 8:9, 9:15, 9:16, 9:17, 9:24, 13:1, 26:23, 34:14, 37:22</p> <p>million [1] - 24:6</p> <p>mind [3] - 11:6, 12:8, 23:3</p> <p>minutes [2] - 3:15, 12:24</p> <p>missing [2] - 34:19, 34:22</p> <p>ML [1] - 25:4</p> <p>Monday [1] - 37:10</p> <p>Money [2] - 3:6, 3:19</p> <p>monitor [1] - 36:23</p> <p>month [5] - 3:25, 18:5, 18:21, 26:19</p> <p>months [1] - 18:1</p> <p>morning [2] - 24:15, 32:4</p> <p>most [2] - 32:3, 32:5</p> <p>motion [1] - 9:15</p> <p>move [3] - 20:3, 23:19, 28:22</p> <p>moves [1] - 35:13</p> <p>moving [1] - 17:4</p> <p>MR [88] - 10:15, 11:9, 12:2, 12:19, 13:12, 13:19, 14:2, 14:4, 14:7, 14:11, 15:23, 17:7, 17:12, 17:16, 17:18, 17:19, 20:6, 21:8, 21:19, 22:11, 22:13, 23:2, 23:6,</p>	<p>MS [27] - 2:20, 3:5, 3:10, 3:11, 3:16, 3:18, 8:8, 9:7, 9:14, 10:10, 10:16, 12:17, 12:20, 13:13, 13:25, 14:17, 14:20, 15:8, 28:25, 29:18, 29:25, 30:6, 31:20, 32:10, 33:12, 35:16, 38:3</p> <p>MSRBs [1] - 11:13</p> <p>multiple [2] - 18:4, 38:15</p> <p>Muni [1] - 10:14</p> <p>MuniCap [4] - 10:15, 10:16, 10:25, 11:11</p> <p>municipal [2] - 11:12, 11:21</p> <p>must [2] - 5:6, 6:11</p>	<p>needs [5] - 16:15, 16:19, 17:2, 17:13, 20:14</p> <p>negative [1] - 17:10</p> <p>neighborhood [4] - 5:19, 8:13, 8:14, 38:20</p> <p>never [1] - 34:2</p> <p>new [4] - 4:11, 4:13, 7:7, 24:4</p> <p>next [7] - 2:7, 2:9, 6:6, 23:15, 25:22, 31:4, 39:19</p> <p>Nippon [1] - 25:7</p> <p>noblett [1] - 12:1</p> <p>Noblett [2] - 3:13, 29:8</p> <p>NOBLETT [10] - 12:2, 12:19, 13:19, 14:4, 14:11, 25:14, 27:23, 28:4, 40:16, 40:21</p> <p>Noblett's [2] - 23:9, 30:22</p> <p>nominating [1] - 35:23</p> <p>non [4] - 33:7, 38:10, 38:11, 39:12</p> <p>non-IDB [4] - 33:7, 38:10, 38:11, 39:12</p> <p>none [4] - 14:15, 15:13, 15:16, 41:1</p> <p>nonmembers [9] - 35:7, 35:11, 35:16, 37:17, 38:1, 40:20, 40:21, 40:23, 40:24</p> <p>nonpaid [1] - 27:24</p> <p>normal [1] - 8:21</p> <p>normally [2] - 8:20, 32:11</p> <p>North [1] - 25:10</p> <p>nothing [2] - 15:8, 15:17</p> <p>notice [3] - 3:23, 5:25, 12:23</p> <p>number [15] - 4:10, 4:13, 7:17, 10:3, 16:1, 17:19, 21:21, 22:22, 22:25, 23:5, 23:13, 23:22, 23:23, 25:23, 30:18</p> <p>numbers [2] - 27:13, 27:16</p>	<p>office [3] - 27:20, 29:23, 31:14</p> <p>officers [2] - 30:4, 33:18</p> <p>offices [1] - 29:22</p> <p>officio [2] - 26:13, 36:22</p> <p>often [1] - 32:11</p> <p>oftentimes [1] - 18:25</p> <p>once [4] - 2:10, 18:5, 20:10, 32:16</p> <p>one [35] - 2:7, 4:11, 5:13, 6:2, 8:2, 8:18, 8:21, 9:23, 9:25, 10:2, 10:17, 11:10, 12:20, 13:9, 15:19, 17:6, 20:2, 21:1, 26:11, 26:16, 28:14, 29:5, 29:10, 29:12, 29:19, 29:22, 30:12, 32:13, 32:15, 32:25, 33:20, 36:22, 38:17, 38:18, 40:17</p> <p>one-and-done [1] - 6:2</p> <p>ones [1] - 36:2</p> <p>Open [2] - 14:3, 20:13</p> <p>open [4] - 8:15, 12:7, 14:9, 38:22</p> <p>operations [1] - 16:6</p> <p>opinion [1] - 37:4</p> <p>opposed [1] - 20:19</p> <p>or.. [1] - 31:21</p> <p>outlining [1] - 2:24</p> <p>outside [2] - 15:4, 37:9</p> <p>overall [2] - 19:17, 32:18</p> <p>ownership [1] - 21:10</p>
		<p style="text-align: center;">N</p>	<p>name [2] - 14:19, 14:21</p> <p>national [1] - 11:1</p> <p>nature [3] - 8:10, 9:1, 38:21</p> <p>necessarily [3] - 8:18, 19:21, 21:2</p> <p>necessary [2] - 27:11, 30:11</p> <p>need [17] - 6:13, 8:14, 11:5, 11:22, 16:25, 20:3, 22:1, 23:4, 24:3, 24:13, 25:24, 33:2, 35:25, 36:24, 38:23, 39:1, 40:9</p> <p>needed [2] - 6:10, 6:14</p>	<p>obtain [1] - 7:4</p> <p>obviously [4] - 25:9, 27:16, 29:10</p> <p>occur [1] - 8:6</p> <p>odd [3] - 27:13, 27:16, 30:18</p> <p>offer [1] - 15:8</p>	<p style="text-align: center;">P</p>
		<p>name [2] - 14:19, 14:21</p> <p>national [1] - 11:1</p> <p>nature [3] - 8:10, 9:1, 38:21</p> <p>necessarily [3] - 8:18, 19:21, 21:2</p> <p>necessary [2] - 27:11, 30:11</p> <p>need [17] - 6:13, 8:14, 11:5, 11:22, 16:25, 20:3, 22:1, 23:4, 24:3, 24:13, 25:24, 33:2, 35:25, 36:24, 38:23, 39:1, 40:9</p> <p>needed [2] - 6:10, 6:14</p>	<p>obtain [1] - 7:4</p> <p>obviously [4] - 25:9, 27:16, 29:10</p> <p>occur [1] - 8:6</p> <p>odd [3] - 27:13, 27:16, 30:18</p> <p>offer [1] - 15:8</p>	<p>Paint [1] - 25:7</p> <p>paper [1] - 24:19</p> <p>paragraph [3] - 6:21, 7:8, 16:20</p> <p>parker [6] - 31:2, 34:16, 36:14, 37:12, 39:8, 39:23</p> <p>Parker [1] - 37:6</p> <p>PARKER [8] - 31:3, 31:18, 34:17, 34:24, 35:4, 35:6, 39:25, 40:5</p> <p>parking [1] - 7:14</p> <p>part [10] - 18:2, 29:9, 29:20, 29:21, 30:4, 31:8, 32:14, 32:17, 34:4, 39:10</p> <p>participate [1] - 7:20</p>	

<p>particular [2] - 4:21, 9:3</p> <p>parties [1] - 26:19</p> <p>parts [1] - 7:14</p> <p>party [5] - 6:6, 6:19, 7:5, 7:16, 21:21</p> <p>past [3] - 5:25, 19:6, 31:23</p> <p>pay [1] - 6:8</p> <p>payment [1] - 4:11</p> <p>people [26] - 8:13, 10:18, 11:11, 11:17, 19:1, 19:4, 19:6, 27:7, 27:10, 27:18, 27:19, 28:10, 28:17, 28:22, 29:3, 30:11, 31:15, 31:16, 31:19, 32:5, 33:14, 33:19, 35:23, 36:15, 38:5, 39:5</p> <p>per [1] - 32:15</p> <p>perhaps [1] - 4:2</p> <p>permanent [2] - 26:13, 26:25</p> <p>person [15] - 5:1, 8:17, 19:8, 20:3, 20:14, 20:15, 21:1, 21:6, 28:14, 30:23, 30:24, 31:10, 36:16, 36:19</p> <p>personally [3] - 28:8, 31:2, 37:15</p> <p>persons [1] - 9:24</p> <p>perspective [3] - 19:15, 22:20, 22:21</p> <p>PILOT [3] - 2:3, 2:11, 6:17</p> <p>pin [1] - 10:8</p> <p>PIOLT [1] - 23:19</p> <p>pitfalls [1] - 22:3</p> <p>place [1] - 19:10</p> <p>plan [1] - 7:13</p> <p>Plan [1] - 5:12</p> <p>Planning [2] - 13:1, 13:3</p> <p>plant [1] - 4:23</p> <p>plate [1] - 37:10</p> <p>play [1] - 27:1</p> <p>plus [2] - 11:14, 26:19</p> <p>point [17] - 18:24, 19:23, 21:16, 21:21, 23:5, 23:13, 23:22, 23:23, 24:16, 26:3, 26:16, 26:18, 34:7, 35:9, 35:17</p> <p>points [1] - 22:22</p> <p>policies [10] - 2:3, 2:6, 2:11, 2:15, 4:6, 6:22, 6:23, 12:21, 20:1, 39:22</p> <p>policy [11] - 5:2, 6:7,</p>	<p>10:12, 15:2, 15:4, 16:2, 17:1, 19:10, 28:12, 29:16, 32:13</p> <p>pool [1] - 35:7</p> <p>portion [4] - 16:3, 16:12, 16:15, 17:10</p> <p>position [1] - 29:19</p> <p>positions [1] - 29:21</p> <p>possible [1] - 21:11</p> <p>potential [2] - 36:6, 38:19</p> <p>potentially [1] - 26:21</p> <p>practical [3] - 4:17, 33:15, 33:20</p> <p>predetermined [2] - 33:1, 33:4</p> <p>preferences [1] - 25:23</p> <p>preparation [1] - 5:12</p> <p>prepare [1] - 7:4</p> <p>preparing [1] - 7:10</p> <p>presented [1] - 6:2</p> <p>president [2] - 19:12, 28:15</p> <p>Press [1] - 24:17</p> <p>pretty [4] - 10:13, 30:7, 31:24, 37:1</p> <p>previous [1] - 6:17</p> <p>prioritizes [1] - 39:15</p> <p>private [2] - 7:18, 7:19</p> <p>pro [1] - 11:15</p> <p>problem [2] - 12:7, 38:25</p> <p>procedure [1] - 29:13</p> <p>procedures [9] - 2:3, 2:12, 2:15, 6:22, 6:24, 12:22, 23:25, 25:7, 39:23</p> <p>process [20] - 5:10, 17:24, 18:2, 18:3, 18:21, 18:22, 19:17, 19:18, 19:21, 20:24, 21:11, 21:12, 25:9, 26:18, 29:14, 31:13, 32:17, 34:4, 39:17</p> <p>product [1] - 31:1</p> <p>program [1] - 16:24</p> <p>progress [3] - 2:4, 2:5, 2:6</p> <p>project [10] - 4:15, 5:17, 8:10, 9:1, 19:4, 23:16, 25:7, 25:10, 25:11, 31:11</p> <p>projects [7] - 4:14, 6:17, 6:20, 7:17, 7:21, 15:5, 26:20</p> <p>promoting [1] - 24:9</p> <p>properly [1] - 26:8</p> <p>property [3] - 4:12, 16:4, 16:9</p>	<p>proposal [5] - 9:4, 9:10, 11:5, 39:11, 39:18</p> <p>proposals [2] - 15:18, 23:15</p> <p>proposed [4] - 5:17, 13:21, 21:5, 25:23</p> <p>proposing [1] - 29:5</p> <p>protected [1] - 16:23</p> <p>protracted [1] - 19:21</p> <p>provide [1] - 11:13</p> <p>provision [3] - 17:2, 17:20, 19:16</p> <p>public [30] - 2:18, 3:1, 3:6, 3:19, 4:7, 4:8, 5:10, 5:14, 5:20, 6:11, 7:1, 7:2, 7:13, 8:11, 10:6, 11:6, 11:7, 12:5, 12:15, 12:23, 12:24, 13:20, 13:22, 14:2, 14:10, 14:16, 15:14, 16:5, 24:8, 24:20</p> <p>publically [1] - 2:22</p> <p>pull [1] - 32:21</p> <p>put [4] - 2:6, 9:7, 12:21, 26:7</p> <p>putting [1] - 36:18</p>	<p>reason [2] - 18:2, 29:8</p> <p>reasons [1] - 9:16</p> <p>recognizes [1] - 39:15</p> <p>recommend [1] - 5:22</p> <p>recommendation [4] - 4:25, 21:21, 24:14, 31:6</p> <p>recommendations [3] - 3:25, 12:14, 28:12</p> <p>recommended [1] - 10:12</p> <p>recommending [1] - 24:4</p> <p>recommends [1] - 5:15</p> <p>record [1] - 3:15</p> <p>recruit [1] - 30:9</p> <p>red [1] - 4:5</p> <p>redline [3] - 4:5, 15:1, 16:2</p> <p>reducing [1] - 18:12</p> <p>reference [2] - 16:15, 17:1</p> <p>referenced [1] - 16:19</p> <p>refers [1] - 16:13</p> <p>reflects [1] - 4:4</p> <p>regard [3] - 12:6, 14:8, 29:14</p> <p>regardless [1] - 27:1</p> <p>regards [2] - 16:12, 35:19</p> <p>Regional [2] - 13:1, 13:2</p> <p>relative [3] - 4:20, 6:19, 23:24</p> <p>rely [1] - 10:10</p> <p>remains [1] - 6:21</p> <p>remediation [1] - 7:14</p> <p>remember [1] - 27:24</p> <p>remind [1] - 14:19</p> <p>rep [1] - 8:14</p> <p>report [1] - 22:4</p> <p>represent [1] - 13:5</p> <p>representation [3] - 5:18, 17:21, 26:24</p> <p>representative [3] - 5:19, 5:20, 38:19</p> <p>representatives [2] - 27:8, 36:10</p> <p>representing [1] - 14:21</p> <p>require [3] - 11:21, 18:19, 34:6</p> <p>required [3] - 6:8, 7:12, 7:20</p> <p>reread [1] - 39:1</p> <p>respon [1] - 29:20</p> <p>response [11] - 8:1, 11:25, 14:14, 15:12, 15:15, 21:17, 22:7,</p>	<p>22:17, 23:7, 25:19, 40:25</p> <p>responsibility [4] - 29:22, 29:23, 30:5, 30:6</p> <p>responsible [1] - 4:18</p> <p>responsive [1] - 20:19</p> <p>Review [13] - 5:1, 5:13, 5:18, 6:5, 14:9, 17:21, 18:20, 18:25, 19:9, 32:1, 32:14, 32:20, 35:20</p> <p>review [10] - 6:6, 6:8, 6:19, 7:5, 7:17, 18:11, 21:12, 21:22, 23:19, 29:14</p> <p>reviews [1] - 5:11</p> <p>revised [1] - 4:4</p> <p>revision [1] - 23:14</p> <p>revisions [3] - 2:16, 15:9, 39:11</p> <p>risk [1] - 26:20</p> <p>risking [1] - 31:12</p> <p>Road [1] - 25:11</p> <p>RODERS [1] - 22:14</p> <p>RODGERS [75] - 2:2, 2:14, 2:21, 3:8, 3:12, 3:17, 7:24, 8:2, 9:4, 9:9, 10:2, 11:3, 11:23, 12:1, 14:12, 14:15, 14:18, 15:7, 15:10, 15:13, 15:16, 17:5, 17:8, 17:14, 19:24, 20:25, 21:15, 21:18, 22:5, 22:8, 22:18, 23:3, 23:11, 23:20, 24:16, 25:17, 25:20, 27:4, 27:12, 28:2, 28:5, 28:23, 29:4, 29:7, 29:24, 30:1, 30:14, 30:19, 32:22, 33:6, 33:9, 33:15, 34:9, 34:16, 34:21, 34:25, 35:3, 35:5, 35:21, 35:24, 36:1, 36:4, 37:16, 37:19, 37:24, 38:7, 38:10, 38:13, 40:3, 40:6, 40:11, 40:14, 40:19, 40:23, 41:1</p> <p>role [9] - 6:2, 6:3, 11:18, 13:8, 16:15, 19:11, 27:1, 28:15, 36:19</p> <p>rotate [1] - 26:12</p> <p>roughly [1] - 25:3</p> <p>run [2] - 11:14, 26:20</p>
Q				
<p>quais [1] - 26:13</p> <p>qualifies [1] - 10:9</p> <p>questions [11] - 7:22, 7:24, 11:23, 12:2, 14:13, 15:11, 21:15, 22:6, 22:13, 22:16, 25:17</p> <p>quick [1] - 19:17</p> <p>quicker [1] - 20:3</p> <p>quite [2] - 12:9, 12:10</p> <p>quote [1] - 6:23</p>				
R				
<p>raised [1] - 30:22</p> <p>raising [1] - 12:17</p> <p>range [1] - 17:25</p> <p>rather [1] - 36:20</p> <p>rationale [1] - 7:9</p> <p>read [2] - 24:18, 38:15</p> <p>reads [1] - 16:2</p> <p>real [6] - 6:12, 10:7, 11:7, 11:15, 20:8, 20:19</p> <p>realize [1] - 7:18</p> <p>realizing [1] - 14:24</p> <p>really [7] - 3:9, 8:11, 13:19, 15:8, 30:11, 32:1, 38:25</p>				

S					
<p>sake [1] - 30:17 satisfy [1] - 36:24 Saturday [1] - 37:10 schedule [3] - 27:17, 31:15, 31:16 scheduled [1] - 32:3 schedules [1] - 27:20 school [7] - 4:12, 16:5, 16:12, 16:14, 16:18, 16:23, 17:2 search [1] - 36:25 seat [2] - 5:4, 11:4 second [3] - 7:8, 8:3, 17:9 secretary [2] - 9:11, 20:2 section [1] - 13:24 see [17] - 4:11, 4:13, 6:6, 13:6, 13:7, 13:17, 14:18, 16:22, 18:7, 30:11, 31:9, 34:12, 37:18, 38:24, 39:5, 39:20, 40:3 seed [1] - 4:23 seeing [5] - 14:15, 15:13, 15:16, 21:25, 41:1 seem [1] - 30:23 select [2] - 5:22, 31:10 selected [1] - 27:18 selections [1] - 28:13 semi [1] - 26:25 semi-permanent [1] - 26:25 sense [4] - 19:23, 26:14, 26:17, 39:4 sensitive [1] - 19:20 sent [2] - 2:17, 2:23 serve [8] - 5:23, 18:19, 26:12, 27:9, 29:19, 36:16, 36:23, 38:9 serving [2] - 30:24, 35:19 set [2] - 11:22, 33:17 seven [4] - 28:6, 29:11, 31:16, 31:19 shall [10] - 5:2, 5:3, 7:9, 7:11, 7:19, 16:6, 16:8, 17:10, 25:25, 27:6 share [2] - 3:1, 28:23 shared [1] - 29:8 SHARP [14] - 2:20, 3:5, 3:10, 3:16, 3:18, 8:8, 9:7, 9:14, 10:10, 10:16, 12:17, 12:20, 13:13, 13:25 sharp [2] - 24:23,</p>	<p>28:11 Sharp [16] - 2:22, 3:4, 3:5, 3:12, 3:18, 7:25, 8:2, 11:16, 11:24, 14:13, 14:16, 21:3, 24:4, 25:24, 36:5, 38:18 Sharp's [3] - 21:20, 22:21, 38:15 sharp's [2] - 15:18, 22:20 SHARPLEY [4] - 32:11, 37:8, 37:18, 37:21 Sharpley [2] - 37:6, 39:4 side [2] - 39:3 significant [1] - 7:18 similar [1] - 10:12 single [1] - 16:23 sister [1] - 39:16 site [1] - 7:13 sitting [2] - 14:5, 30:25 situation [1] - 12:11 six [1] - 17:25 skill [1] - 11:22 small [3] - 7:17, 16:1, 16:25 so-and-so [2] - 9:15, 9:16 solution [1] - 7:6 someone [6] - 2:25, 11:11, 13:5, 20:8, 26:17, 35:23 sometime [1] - 8:14 sometimes [8] - 3:2, 6:1, 6:3, 13:8, 13:10, 21:6, 21:7, 40:7 somewhat [1] - 8:9 somewhere [3] - 17:25, 32:7, 32:8 sorry [5] - 3:17, 17:15, 17:18, 21:18, 29:12 sort [17] - 10:11, 16:1, 16:13, 16:15, 16:16, 16:25, 17:20, 17:23, 19:22, 24:3, 26:12, 26:13, 26:24, 32:1, 32:19, 36:23 sorts [1] - 13:15 sounds [1] - 8:19 South [1] - 25:9 speaking [1] - 2:14 speaks [1] - 2:22 specialize [1] - 6:11 specializes [1] - 10:6 specifically [1] - 13:23 specifying [1] - 10:4 Stadium [2] - 24:21,</p>	<p>25:2 staff [1] - 4:9 stance [1] - 16:22 stand [1] - 41:1 standpoint [1] - 30:20 start [1] - 32:6 starts [1] - 6:3 step [2] - 5:10, 20:20 still [3] - 2:6, 6:20, 30:20 stormwater [2] - 4:12, 16:8 strengthen [1] - 6:18 stretched [1] - 18:21 strike [1] - 39:21 stuff [3] - 2:10, 13:15, 28:8 subject [1] - 14:3 submits [1] - 32:16 suffer [1] - 7:1 sufficient [1] - 30:13 suggest [1] - 9:22 suggested [1] - 7:6 suggesting [2] - 6:18, 8:4 suggestion [3] - 3:13, 11:9, 36:12 suggestions [1] - 36:5 Sunshine [5] - 12:18, 12:22, 13:17, 14:1, 30:22 swaying [1] - 12:13</p>	<p>third-party [5] - 6:6, 6:19, 7:5, 7:16, 21:21 thoughts [13] - 2:24, 3:2, 3:3, 15:18, 15:22, 25:22, 28:24, 30:2, 32:23, 33:6, 37:25, 39:6 three [8] - 4:24, 17:25, 29:3, 31:18, 31:24, 32:9, 32:21, 34:6 three-hour [2] - 32:9, 32:21 throw [1] - 22:14 throwing [1] - 28:7 thumbs [2] - 23:16 tie [1] - 16:16 TIF [24] - 2:6, 2:10, 2:15, 4:14, 5:10, 5:16, 6:17, 6:21, 7:12, 8:10, 8:21, 9:3, 18:1, 19:18, 23:25, 25:4, 25:5, 28:12, 29:16, 32:14, 33:23, 33:24, 34:15, 39:22 TIFs [5] - 8:21, 24:7, 25:2, 33:24 timelessness [1] - 19:25 timeline [3] - 18:10, 18:11, 19:17 timing [3] - 18:6, 27:25, 33:11 today [3] - 23:8, 23:13, 40:15 today's [2] - 22:25, 25:21 together [1] - 31:19 ton [1] - 10:18 took [1] - 27:5 topic [4] - 14:22, 15:14, 23:22, 23:23 total [1] - 29:3 totally [2] - 18:17, 21:20 towards [1] - 3:9 transparency [3] - 3:20, 18:15, 36:24 trust [1] - 7:1 try [6] - 7:22, 19:22, 31:15, 32:4, 33:1, 37:1 trying [2] - 12:11, 26:22 two [45] - 4:13, 5:3, 5:8, 8:5, 8:21, 9:6, 15:19, 23:2, 25:25, 27:7, 27:10, 28:12, 28:13, 28:17, 29:1, 29:5, 30:11, 30:15,</p>	<p>31:23, 31:24, 32:8, 32:21, 32:25, 33:7, 33:19, 33:20, 33:24, 34:1, 34:6, 34:19, 34:22, 35:1, 35:7, 35:9, 35:11, 35:12, 35:19, 37:17, 38:1, 38:10, 38:17, 39:5, 39:12 two-member [1] - 9:6 type [2] - 19:4, 38:23 typically [5] - 11:12, 27:18, 28:10, 33:21, 33:22</p>	
				U	
				<p>ultimate [1] - 31:1 ultimately [4] - 16:14, 16:18, 16:21, 17:1 under [2] - 6:24, 28:11 union [1] - 36:7 unless [3] - 13:23, 22:11, 30:11 up [15] - 12:9, 14:22, 18:16, 18:17, 23:4, 23:16, 25:1, 30:25, 33:5, 34:5, 34:8, 35:13, 36:20, 39:22 upfront [2] - 19:25, 24:22 uses [2] - 10:13, 10:20</p>	
		T		V	
		<p>table [1] - 26:25 tax [3] - 3:20, 16:7, 16:8 taxes [6] - 4:12, 16:4, 16:9, 16:18, 16:23, 17:2 Taxpayer [2] - 3:6, 3:19 taxpayer [1] - 6:14 technical [2] - 36:15, 37:3 technically [1] - 13:3 tend [2] - 39:2, 39:3 Tennessee [2] - 10:20, 14:3 terms [3] - 4:24, 9:21, 36:18 testimony [1] - 4:8 themselves [2] - 7:10, 7:16 therein [1] - 21:8 thinking [2] - 5:10, 35:12 third [5] - 6:6, 6:19, 7:5, 7:16, 21:21</p>		<p>table [1] - 26:25 tax [3] - 3:20, 16:7, 16:8 taxes [6] - 4:12, 16:4, 16:9, 16:18, 16:23, 17:2 Taxpayer [2] - 3:6, 3:19 taxpayer [1] - 6:14 technical [2] - 36:15, 37:3 technically [1] - 13:3 tend [2] - 39:2, 39:3 Tennessee [2] - 10:20, 14:3 terms [3] - 4:24, 9:21, 36:18 testimony [1] - 4:8 themselves [2] - 7:10, 7:16 therein [1] - 21:8 thinking [2] - 5:10, 35:12 third [5] - 6:6, 6:19, 7:5, 7:16, 21:21</p>	<p>valuable [2] - 3:3, 9:2 value [3] - 19:7, 37:4, 38:5 version [4] - 2:17, 4:4, 4:10, 15:2 versus [1] - 14:6 vice [4] - 9:12, 19:11, 20:2, 28:15 violation [1] - 20:13 vote [6] - 9:17, 9:20, 12:5, 33:2, 39:21, 40:4</p>
				W	
				<p>wait [1] - 8:25 waiting [1] - 20:4 wants [3] - 18:9, 18:16, 24:7 wearing [1] - 14:5 website [1] - 2:5 weeks [1] - 31:18 whole [3] - 23:16, 23:17, 31:21 willing [1] - 3:1</p>	

willingness [1] - 3:23
wishes [1] - 2:19
withstanding [1] -
16:3
wood [1] - 34:2
Wood [2] - 19:10,
28:15
word [1] - 9:7
worded [1] - 7:7
wording [5] - 4:11,
4:13, 4:22, 6:10,
10:24
words [4] - 2:8, 6:13,
11:8, 31:5
works [1] - 32:20
worried [3] - 30:12,
36:14, 36:25
worry [1] - 36:16
worth [1] - 31:1
write [1] - 10:25
writing [3] - 17:9,
39:20, 40:4

Y

year [10] - 8:21, 27:9,
33:13, 33:14, 33:21,
34:1, 34:7, 34:10,
34:12, 34:13
years [1] - 6:4
yellow [1] - 4:5
yesterday [1] - 2:23
Younger [1] - 10:20

RESOLUTION

A RESOLUTION ADOPTING THE TAX INCREMENT FINANCING POLICIES AND PROCEDURES, A COPY OF WHICH IS IN SUBSTANTIALLY THE FORM ATTACHED HERETO AND MADE A PART HEREOF BY REFERENCE.

BE IT RESOLVED, that the Industrial Development Board of the City of Chattanooga is hereby adopting the Tax Increment Financing Policies and Procedures, a copy of which is in substantially the form attached hereto and made a part hereof by reference.

ADOPTED: April 17, 2023

THE INDUSTRIAL DEVELOPMENT
BOARD OF THE CITY OF CHATTANOOGA

Attest:

JIMMY F. RODGERS, JR., Chair

PATRICK SHARPLEY, Secretary

POLICIES AND PROCEDURES RELATING TO
TAX INCREMENT INCENTIVES

APPROVED BY

THE CITY OF CHATTANOOGA, TENNESSEE

AND

THE INDUSTRIAL DEVELOPMENT BOARD OF
THE CITY OF CHATTANOOGA

Effective _____, 2023

POLICIES AND PROCEDURES RELATING TO TAX INCREMENT INCENTIVES

Introduction

The Industrial Development Board of the City of Chattanooga, Tennessee (the “Board” or “IDB”) and the City of Chattanooga, Tennessee (the “City”) have adopted these Policies and Procedures (these “Policies”) relating to the use of tax increment incentives pursuant to Section 7-53-312 of the Tennessee Code Annotated (a “Tax Increment Incentive”) and are adopted pursuant to Section 9-23-107 of the Tennessee Code Annotated. These Policies set forth the procedures of the Board and the City associated with Tax Increment Incentives and are intended to facilitate the consideration of requests for Tax Increment Incentives by the applicable legislative bodies of the City and Hamilton County, Tennessee (the “County”). These Policies also provide for the administration of the Tax Increment Incentives. The adoption of these Policies does not create or vest any rights in any person or entity, and both the City and the Board retain the right to approve any Tax Increment Incentive in the sole discretion of the City and the Board.

These policies and procedures only apply to any Tax Increment Incentives with respect to a specific project being initiated by a private developer and supported by incremental property tax revenues. If the City initiates a project supported by tax increment revenues on its own behalf or on behalf of or through the Chattanooga Housing Authority to finance public improvements in a redevelopment area, the City shall follow such procedures as the City deems appropriate under the circumstances.

Tax Increment Incentives generally take one of two forms – (i) reimbursements from Tax Increment Revenues to a private party of eligible costs incurred by that party relating to a Project as Tax Increment Revenues are received by the Board or (ii) non-recourse financing by the Board of eligible costs relating to a Project, which financing is payable from Tax Increment Revenues. The latter type of incentive is often called tax increment financing or a “TIF.” These Policies apply to both types of Tax Increment Incentives.

Capitalized terms used in these Policies and not otherwise defined shall have the meanings given to such terms in Section 10 of these Policies.

Section 1. General Policy

A Tax Increment Incentive is an economic development tool used by municipalities to allocate a portion of the new, additional taxes generated by a particular geographic area over a limited period of time to pay for eligible costs to the extent authorized by applicable law. For purposes of these Policies, the taxes that can be allocated are limited to property taxes. The tax increment is the difference in the property tax revenues generated by the property in the Plan Area after a Project has been completed compared with the tax revenues generated by such property before the applicable plan was adopted (less certain deductions as required or permitted by applicable law). This increment can be used, as described above, to reimburse eligible costs or to pay debt service on tax increment financing incurred to finance such eligible costs. Notwithstanding anything herein to the contrary, no portion of City or County property taxes, if any, that

is dedicated to, earmarked, or designated for public school operations shall be allocated to the IDB in connection with any Tax Increment Incentive, and in connection with any Tax Increment Incentive, no stormwater fees shall be deducted from any such property taxes so dedicated, earmarked or designated.

The benefits of Tax Increment Incentive transactions include the following:

- (i) A TIF can be effective as “off balance sheet” financing of components of public infrastructure such as utilities and road and traffic improvements. A TIF is generally not included as a liability on the City’s balance sheet (although it may be noted). The structure of these transactions allows the City to utilize new incremental revenue streams to accelerate funding of public improvements. A TIF therefore can enable the City to complete public infrastructure that it otherwise could not afford at the time.
- (ii) Tax Increment Incentives provide support for Projects that are not otherwise economically feasible. For instance, a Tax Increment Incentive transaction may assist in the redevelopment of blighted and under-utilized property in the City.
- (iii) Because of the accelerated development of public infrastructure improvements, the ad valorem property tax base from associated and adjacent properties often increases, which produces even greater benefits for the City and County.
- (iv) Tax Increment Incentives are paid from increases in tax revenues from a Plan Area and not from tax subsidies from other areas of the City. Therefore, that portion of the cost of Projects supported by Tax Increment Incentives generally are paid by the development itself.
- (v) Projects supported by a Tax Increment Incentive may attract significant new jobs, businesses, and investment to the community, or may retain jobs and businesses that otherwise would be missed or lost without the investment made possible through a Tax Increment Incentive.

Tax Increment Incentives will generally be used for economic development Projects that provide improvements in blighted and under-utilized areas in the City and in other properties approved by the City and, if applicable, the County. Members of the City Council of the City and the County Commission of the County (collectively, the “Governmental Authorities”), as the community’s elected representatives, are not only vested with the final authority to approve plans authorizing Tax Increment Incentives, but also are in the best position to determine the relative priorities of the proposed infrastructure improvements and the related community benefits from a public policy standpoint. The Board, with the support of the City’s staff, will administer and implement these Policies consistent with the policy directives of the City and, to the extent applicable, the County.

Section 2. Statutory Background

The IDB is a nonprofit public corporation that was established in 1966 pursuant to the Tennessee Industrial Development Corporation Act (the “IDB Act”), Tenn. Code Ann. §§7-53-101 et seq. The Board’s

statutory purpose includes financing, owning, and leasing certain real and personal properties, which will have the effect of maintaining and increasing employment and otherwise promoting new industry, commerce and trade in Tennessee and the City, in particular.

On May 14, 2004, the Tennessee General Assembly amended the IDB Act to vest industrial development corporations like the Board with the authority to initiate and administer Tax Increment Incentives in areas that are approved by the Governmental Authorities. The Board's responsibilities under the amendment include the following:

- (i) Preparation and submission of an Economic Impact Plan for an area that includes an eligible Project, which plan must comply with certain statutory criteria;
- (ii) Holding a public hearing relating to the Economic Impact Plan after proper, published notice; and
- (iii) Administering the incremental tax payments allocated to the Board under the Economic Impact Plan.

The purpose of these Policies is to specify the procedures for applying for a Tax Increment Incentive, specify the information that will be required of an Applicant, confirm that the Governmental Authorities retain the legal authority to approve any plan that would affect their respective property taxes, and prescribe the role the Board will play in the process. These Policies presume that each Economic Impact Plan will be submitted for approval by both Governmental Authorities, but the IDB, with the approval by the City Council, may approve an Economic Impact Plan that only applies to the City's taxes, in which case all references to the County in these Policies will not be applicable as to such Economic Impact Plan.

The amendment, which is codified as Tenn. Code Ann. §7-53-312, provides that City Council is entitled to approve any Economic Impact Plan affecting property taxes due to the City and the County Commission must approve any Economic Impact Plan affecting property taxes owed to the County. Neither has the authority to approve an Economic Impact Plan affecting the property taxes of the other. A Tax Increment Incentive may be approved that allocates to the Board incremental property tax revenues from both real and personal property taxes in the specified area. However, because of the complexity of administering the calculation of the increment relating to personal property taxes, a Tax Increment Incentive that includes personal property taxes will only be approved if the allocation of incremental personal property taxes is essential, in the judgment of the Board and the Governmental Authorities, to the development of the Plan Area.

In 2012, the Tennessee General Assembly enacted the Uniformity in Tax Increment Financing Act of 2012 (the "TIF Uniformity Act") to provide a more comprehensive statutory framework for utilizing Tax Increment Incentives. The TIF Uniformity Act was codified as Chapter 23 of Title 9 of the Tennessee Code Annotated. Pursuant to Section 9-23-107 of the TIF Uniformity Act, the City and the Board were specifically authorized to adopt policies and procedures relating to Tax Increment Incentives, and these Policies are adopted pursuant to such statutory authorization.

The Tennessee General Assembly has also enacted Section 7-53-316 of the IDB Act, which authorizes the use of certain incremental sales tax revenues to supplement Tax Increment Revenues in connection with the development of certain brownfield sites. These Policies shall apply to the consideration of an Economic Impact Plan to be adopted pursuant to Section 7-53-316 of the IDB Act, as well as Section 7-53-312 of the IDB Act, and any Applicant requesting consideration of an Economic Impact Plan under Section 7-53-316 of the IDB Act shall request such consideration in the Applicant's Application.

Section 3. Process

3.1. Application. The process for requesting a Tax Increment Incentive will commence with an Applicant filing a completed Application in the form attached to these Policies as Exhibit A and incorporated herein by reference together with all exhibits, supplements, schedules, and financial information required in the Application. The Applicant shall tender an application fee to the Board in an amount set forth in Section 6 of these Policies. No action will be taken with respect to the Application until the Board (or its Administrative Agent) determines that it has received all information which may be relevant or necessary in determining the qualifications of the Applicant and the Project. **Acceptance of the Application does not imply, evidence, or confirm the IDB's support for, or recommendation of, the Project identified in the Application or the Tax Increment Incentive request.**

3.2. Board Considerations. The Board has always viewed its core mission as the promotion of economic development and growth in the City, and in particular, commercial and industrial Projects that involve a significant capital investment and the generation of new jobs with wages in excess of the annual average wage in the City. An Application detailing a Project that fits within this core mission will encounter greater flexibility and receptivity by the Board, as well as the City and the County, as opposed to Projects that do not involve these factors. Additionally, the Board will evaluate the Project's community impact in connection with evaluating an Application for a Tax Increment Incentive. The Board recognizes that new commercial and industrial Projects have direct and indirect impacts on the existing businesses and people who work, live, dine, shop, and commute in and around the location of the Project, and an Applicant should consider any concerns of the community to be impacted by the Project and, to the extent practicable, be responsive to such concerns.

3.3 Submission to Governmental Authorities. Upon receipt of the Application, the Board shall work with City staff to review the Application. The review shall include, but not be limited to, the following considerations: the purpose of the request; experience of the Applicant; description of the Project to be located in the area that would be the subject of the Economic Impact Plan (the "Plan Area"); proposed sources of funds to pay the Project; evidence of the financial capability of the Applicant to undertake the Project; and community impact of the Project. Once the Board determines that it has received a properly completed Application and any other information that it considers relevant or necessary for City Council to evaluate the Application and the Project, the Board will submit its acceptance of the Application with a proposed Resolution of Intent to the City Council.

Upon receipt of the Application from the Board, the City Council may take one of three actions: (i) reject the Application and return it to the Board, (ii) return the Application to the Board to request more information from the Applicant as specified by City Council, or (iii) approve the Resolution of Intent to

consider an Economic Impact Plan relating to the Application. If adopted, the Resolution of Intent will instruct the Board to prepare and submit to City Council an Economic Impact Plan as requested by the Application.

If the Tax Increment Incentive request will affect County property taxes, the Board will also submit the Application and a proposed Resolution of Intent to the County Mayor and County Commission. County Commission may then take one of three actions described above in the same manner as City Council. If County Commission disapproves the Application or does not consider the Application in a timely manner, the City Council may reconsider the Application and adopt another Resolution of Intent instructing the Board to prepare and submit an Economic Impact Plan that only affects City taxes.

3.3. Economic Impact Plan. If the Board receives a Resolution of Intent from the City Council and, if applicable, County Commission, the Board may prepare, with input from the Applicant, a proposed Economic Impact Plan for the Board's consideration. The Board may also instruct the Applicant to prepare the proposed Economic Impact Plan for the Board's consideration. The proposed Economic Impact Plan shall contain the information required by Section 7-53-312(b) of the IDB Act and, to the extent not already required by the IDB Act, shall also include the following information:

- (i) a list of tax parcels composing the Plan Area, including owners and parcel numbers, from which the Tax Increment Revenues will be generated, and the Base Taxes for each such tax parcel;
- (ii) a map clearly identifying the boundaries of the Plan Area;
- (iii) a clear description of the Project or Projects that will be located in the Plan Area and that will be developed by the Applicant;
- (iv) confirmation of the current zoning of the parcels in the Plan Area subject to the Economic Impact Plan;
- (v) the proposed period of time for which taxes will be allocated from the Plan Area in accordance with the Economic Impact Plan as to each tax parcel, and if the allocation period as to each tax parcel shall not commence in the same tax year, the maximum period of time during which such allocation periods can commence;
- (vi) a description of any proposed borrowing related to the Tax Increment Incentive;
- (vii) the number of jobs which the Applicant estimates will be created by the Project identified in the Plan Area and a summary of the projected compensation that will be paid to those holding the jobs;
- (viii) the estimated development and construction costs of the Project; and
- (ix) the projected total cost of the Tax Increment Incentive, including interest paid during the

term of the Tax Increment Incentive.

If the Applicant is requested to prepare a proposed Economic Impact Plan, the Applicant shall submit the proposed Economic Impact Plan to the Board no later than ninety (90) days after such request is made of the Applicant. If the Applicant does not submit the proposed Economic Impact Plan within that period, the Board has the authority to take no further action with respect to the Application and the Project. If the Board chooses to take no further action, the Board will consider any further requests of the Applicant as a new request requiring a new Application, the re-commencement of the procedures described above, and the payment of another application fee. If the Board elects to cause the preparation of the Economic Impact Plan, the Board will cause such preparation to occur promptly after approval of the applicable Resolution of Intent. In either case, the Applicant shall fully cooperate in connection with preparation of the proposed Economic Impact Plan and shall provide such economic impact information, including a report relating thereto from an independent consultant if requested by the Board.

3.4. Application Review Committee. There shall be an Application Review Committee consisting of not less than seven (7) members. Two (2) members shall be appointed by the City Mayor; two (2) members shall be appointed by City Council; two (2) members shall be appointed by the Board, and one (1) member shall be a representative of the Chamber of Commerce. The Board shall appoint its two members before the end of each calendar year for the following year. The Application Review Committee will review each Application, each proposed Economic Impact Plan, the application process to date, and the Resolution(s) of Intent. The Committee will advise the Board whether the Application and the proposed Economic Impact Plan comply with the IDB Act and these Policies, and is, therefore, qualified to be considered for submission to City Council and/or County Commission for approval. The Committee, in consultation with the Board's chairman, will then establish a proposed date for the Board to hold a public hearing and determine whether to submit the Economic Impact Plan to the City Council and, if applicable, County Commission for approval. The meetings of the Application Review Committee shall be subject to the Tennessee Open Meetings Act.

3.5. Public Hearing by the IDB. After the Application Review Committee and the Board's designated staff and counsel determine the Economic Impact Plan to be complete, the Board will hold a public hearing relating to the proposed Economic Impact Plan at a regular or special meeting of the Board. Notice of the public hearing shall be published in a newspaper of general circulation in Hamilton County at least two weeks prior to the date of the public hearing, as required by Section 7-53-312(g) of the IDB Act. If approved by the Board, the Board will submit the Economic Impact Plan to Chattanooga City Council and, if applicable, County Commission for consideration and approval. The submission shall include a summary of any comments from the public hearing on the proposed Economic Impact Plan and other information deemed pertinent by the Board.

3.6. Approval of Economic Impact Plan. The City Council and, if applicable, County Commission shall then consider whether to approve the proposed Economic Impact Plan. Such approval, if provided, shall be undertaken by resolution of the applicable governing body in accordance with the IDB Act and TIF Uniformity Act. After such approval, City Council and, if applicable, County Commission shall provide a certified copy of the resolution providing such approval to the Board.

3.7. Closing of Tax Increment Incentive. If an Economic Impact Plan requested by an Applicant is approved by City Council and, if applicable, County Commission, the Applicant and the Board will commence negotiation of the appropriate documents implementing the Tax Increment Incentive authorized by the Economic Impact Plan. Such documentation shall include, without limitation, a Development Agreement with the Applicant that will incorporate the specific terms of the Tax Increment Incentive and will require the Applicant to undertake the Project identified in the Economic Impact Plan consistent with the Applicant's Application. If the Tax Increment Incentive includes tax increment financing, the documents required to implement such tax increment financing shall also be negotiated between the parties. Such documents, once negotiated, will be presented to the Board in substantially final form for consideration for approval.

The Board may instruct its counsel to prepare the documentation required to implement any Tax Increment Incentive or may instruct the Applicant to prepare such documents for the Board's review. In any event, all contractual commitments of the Board under such documents, including any tax increment financing, shall be non-recourse as to the Board other than with respect to allocated Tax Increment Revenues. All such documents shall be subject to the review and approval of the Board's counsel.

The Applicant will close the Tax Increment Incentive transaction within a reasonable period of time after the City Council and, if applicable, County Commission, approve the applicable Economic Impact Plan. If the closing of the Tax Increment Incentive does not occur within a 120-day period after such approval, the Board may consider the Application withdrawn and, unless such time period is extended by the Board, all approvals by the Board shall be deemed to have lapsed and be of no further force or effect.

Section 4. Board Policies for Tax Increment Incentives

The following policies shall apply with respect to Tax Increment Incentives within each Plan Area:

4.1. Maximum Allocation Period. Unless City Council and, if applicable, County Commission, approve otherwise in an Economic Impact Plan, the maximum allocation period for any Tax Increment Revenues as to any parcel in a Plan Area shall be 20 years, but the Board may provide for a shorter allocation period in any Economic Impact Plan if the Board determines that such shorter allocation period will result in a Tax Increment Incentive sufficient to make the Project financially feasible. A longer allocation period will only be permitted in extraordinary circumstances and only with the required statutory approvals under the TIF Uniformity Act.

4.2. Limit on Allocation of Gross Incremental Tax Revenues. Unless City Council approves otherwise in an Economic Impact Plan, the maximum amount of Gross Tax Increment Revenues of the City allocable to support a Tax Increment Incentive shall be 75% of the Gross Tax Increment Revenues of the City if the allocation period for the Tax Increment Incentive is 10 years or less and 60% of the Gross Tax Increment Revenues of the City if the allocation period for the Tax Increment Incentive is more than 10 years. The maximum amount of Gross Tax Increment Revenues of the County allocable to support a Tax Increment Incentive shall be as is approved by the County Commission if the Economic Impact Plan is submitted to the County for approval.

4.3. Plan Area. The Plan Area, from which the Tax Increment Revenues will be generated, will consist of no more than (i) the parcels on which the applicable Project will be located, and (ii) those parcels, determined by the Board, to be directly affected and substantially benefited by the Project, whose owners have received the notice referred to in Section 4.5. The Board may rely upon the opinions of City staff and such independent consultants as the Board deems advisable in determining whether a parcel would be directly affected and substantially benefited by the Project in the Plan Area.

4.4. Eligible Costs. Unless City Council and, if applicable, County Commission approve otherwise in an Economic Impact Plan, a Tax Increment Incentive may only be used to pay or reimburse the cost of Public Infrastructure in a Plan Area that relates to a Project or Projects in such Plan Area. The cost of Public Infrastructure may include the following costs:

- (i) The cost of the land on which the Public Infrastructure will be located;
- (ii) Costs relating to the design and construction of the Public Infrastructure, including clearing, grading and excavating, site work, and other hard construction expenses;
- (iii) costs of obtaining permits for the Project from Governmental Authorities;
- (iv) capitalized interest relating to financing of the Public Infrastructure;
- (v) premiums for payment and performance bonds issued in favor of Governmental Authorities or professional fees for architectural and engineering services and legal expenses capitalized as Project costs under generally accepted accounting principles;
- (vi) acquisition costs for equipment included in the Public Infrastructure; and
- (vii) fees and expenses of the Board and other fees and expenses related to the Tax Increment Incentive.

For purposes of these Policies, “Public Infrastructure” shall have the meaning given to that term in Section 9-23-102 of the TIF Uniformity Act.

If an Applicant desires the Board to pay any cost not described above, the Applicant should make such a request in its Application and shall demonstrate the extraordinary circumstances requiring the payment of such additional costs. If City Council and, if applicable, County Commission approve such additional costs as part of a Resolution of Intent, the Board may include such additional costs as being permitted in the applicable Economic Impact Plan.

4.5. Notice to Property Owners. The Board through its designated administrative staff will notify any owners of parcels included in the proposed Plan Area (other than the Applicant) that the Board will consider the Application for Tax Increment Incentive on a certain date and at a prescribed time and place. The Applicant will provide a list of all parcels contained in the Plan Area, the names of the record owners and the address of each owner. The Board’s notice will invite public comment and will be mailed to such

property owners at least 14 days prior to the public hearing of the Board relating to the Economic Impact Plan described in Section 3.5 above. In addition, the form of notice will advise property owners how they may comment on the Economic Impact Plan such as by email or by letter, as well as by attending the hearing. This notice is in addition to the notice required by Tenn. Code Ann. 7-53-312(g).

4.6. Maximum Percentage of Project Cost and Minimum Project Size. The amount of a Tax Increment Incentive for a specific Project (either through the reimbursement of costs or based upon the principal amount of any tax increment financing) shall not exceed fifteen percent (15%) of the Total Projected Project Cost of any Applicant. The Applicant must also reasonably anticipate a Total Projected Project Cost of at least \$5,000,000 with respect to a proposed Project in order to apply for a Tax Increment Incentive.

4.7. Eligible Projects. As is described above, each Economic Impact Plan must include an eligible Project. The list of eligible Projects is included in Section 7-53-101(15) of the IDB Act. Such list of eligible Projects includes many types of commercial, industrial, and warehousing facilities as may be determined by the Board. However, in the absence of unusual or extenuating circumstances acceptable to the Board and the City, Projects that are substantially residential or are multifamily housing facilities under Section 7-53-101(15)(x) of the IDB Act will not qualify as an eligible Project for purposes of an Economic Impact Plan. A request for an incentive for a residential project, including a multifamily housing facility, should be submitted to the appropriate governmental authority or entity to the extent incentives may be available for such projects.

4.8. Guaranties of Completion. The Board may require guaranties of completion of all or any portion of the Public Infrastructure from principals of the Applicant, payment and performance bonds from sureties acceptable to the Board, or letters of credit from financial institutions acceptable to the Board that assure the timely completion of the Public Infrastructure.

4.9. Transfer of Tax Increment Incentive. No rights to a Tax Increment Incentive may be sold, assigned, or leased, including by transfer of ownership interests in the Applicant, unless approved by the Board or otherwise specified in the Development Agreement, provided however that the Board will consent to the collateral assignment of Tax Increment Revenues to secure tax increment financing.

4.10. Additional Requirements; Amendments. These Policies are in addition to the normal rules and procedures of the Board. From time to time and without notice, these Policies may be amended or waived, in whole or part, by the Board and the City, and new policies may also be adopted by the Board and the City. The Board may consider any special circumstances or conditions in determining whether to submit an Application for consideration by the City Council and, if applicable, County Commission, and whether to prepare and submit an Economic Impact Plan for approval.

4.11. Applicant Affidavit and Third-Party Review. The Applicant must submit a signed affidavit certifying that the Project cannot proceed without the availability of a Tax Increment Incentive and must provide supporting documentation justifying the need for and the amount of the Tax Increment Incentive, in accordance with the Application form. The form of such affidavit is attached to these Policies as Exhibit B. In addition to requiring such affidavit, the Board, as a condition to the approval of any

Economic Impact Plan, shall retain an independent consulting firm with experience in public finance and real estate development, at the expense of the Applicant, to evaluate the Applicant's financial projections for the Applicant's Project to assist in evaluating whether the amount and allocation period of Tax Increment Incentive requested by the Applicant is required for Applicant to receive a commercially reasonable return on investment with respect to the Applicant's Project. By submitting an Application, the Applicant agrees to pay the cost of such independent consulting firm.

4.12. Tax Increment Payment Dates. The Tax Increment Revenues to be allocated to the Board for any Tax Increment Incentive shall be paid by the City and, if applicable, the County no later than sixty (60) days from the last day of each February, which is the last day that such tax revenues are not overdue. Delinquent taxes to be allocated to the Board shall be paid by the County and the City no later than sixty (60) days after each date such delinquent taxes are collected, together with interest thereon to the extent required by the Tax Increment Act.

4.13. State Approval Process. If any Tax Increment Incentive will be used to pay any cost that does not relate to Public Infrastructure or if any allocation period with respect to any parcel is to extend beyond 20 years, and only to the extent permitted by these Policies, the State Commissioner of Community and Economic Development and the State Comptroller of the Treasury shall be required to make a determination, as provided in the TIF Uniformity Act, that it is in the best interests of the State to permit such use of the Tax Increment Incentive or such extended allocation period.

4.14. Stormwater Fees. All applications for Tax Increment Incentives shall require verification that all stormwater fees for any properties owned by the Applicant shall have been paid in full. No Tax Increment Incentive payments shall be made by the Board or the City to an Applicant or its permitted assigns unless all stormwater fees have been paid in full and continue to be paid in full during the term of any Tax Incremental Incentive by the Applicant and its permitted assigns. Additionally, no stormwater fees within a Plan Area shall be waived at any time during the term of the Tax Increment Incentive pursuant to Tennessee law.

Section 5. Post-Closing Evaluation

The Board intends to produce substantial and measurable changes and improvements to and for the economic and commercial environment of the City through the use of Tax Increment Incentives. Accordingly, the Applicant will be obligated to develop the Project substantially in accordance with the Economic Impact Plan and the Applicant's Application, and the Development Agreement will document that obligation. Material departures from the development specified in the Development Agreement will require the consent of the Board and may result in reductions or even elimination of the Tax Increment Incentive, depending on the effect of the proposed changes.

In addition, the Board requires the Applicant to annually certify compliance with the Development and Financing Agreement in a writing signed by the Applicant's chief executive officer or other executive acceptable to the Board. The Board will annually (or at such other times as it deems appropriate) evaluate each Project receiving a TIF to ensure compliance with the Development and Financing Agreement.

Section 6. Fees

6.1. Application Fee. The Applicant will submit the Application with an Application Fee of \$1,500.00, provided that for any Application submitted on or after January 1, 2023, the Application Fee shall be increased to \$8,000.00.

6.2. Annual Administrative Fee. For all Economic Impact Plans approved prior to January 1, 2023, the Applicant will pay to the Board an annual administrative fee equal to 25 basis points (0.25%) of the Tax Increment Revenues allocated to the Board each year with respect to the applicable Plan Area. For all Economic Impact Plans approved on or after January 1, 2023, the Applicant will pay to the Board an annual administrative fee equal to 250 basis points (2.50%) of the Tax Increment Revenues allocated to the Board each year with respect to the applicable Plan Area. The annual administrative fees provided for in this paragraph shall be payable from the Tax Increment Revenues allocable to the Board and not from Gross Tax Increment Revenues retained by the City.

In addition, the Board will charge reasonable fees for any amendments to the Tax Increment Incentive, including any amendment to the Development Agreement, that will be based upon the facts and circumstances requiring the amendment, the actions required by the Board to effect the amendment, and the involvement of any Governmental Authorities. The Board may require that these fees be paid in advance of Board action and at the time the Applicant requests the amendment.

The fees described above are intended to offset the expenses of the Board and the City staff for evaluating and administering Tax Increment Incentives. In addition to the fees described above, the Applicant is responsible for payment of the Board's counsel fees and other expenses incurred by the Board with respect to the Application, the Economic Impact Plan, the Development Agreement and all other aspects of the Tax Increment Incentive, as applied to the Applicant, including, without limitation, the cost of any economic impact study and/or financial review deemed advisable by the Board.

Section 7. Environmental Report and Title Insurance

The Board may require the Applicant to provide at its expense a Phase I Environmental Site Assessment Report for the Project and/or Plan Areas that (i) shall be prepared by a recognized Person in the health, safety and environmental field that is acceptable to the Board; (ii) shall bear a date acceptable to the Board; and (iii) shall disclose no unacceptable conditions to the Board. All environmental reports requested by the Board must grant to the Board the right to rely on such reports.

The Board may also require that the Applicant obtain at its expense, and deliver to the Board, a title insurance commitment for the Project and/or Plan Areas described in the Economic Impact Plan.

Section 8. Conflicts of Interest

Each Board member shall be responsible for disclosing any material interest which he or she may have in or with an Applicant or any financing source for the applicable Project. Any Board member having any material interest in a Project or a financial or family relationship with an Applicant or financing source

for the applicable Project shall submit to general counsel for the Board a representation of that interest, and such counsel shall advise both the Board and Board member whether the member needs to recuse himself or herself from consideration of the Application. Such recommendation of the Board's counsel shall be conclusive. If recusal is recommended, the Board will then consider the Application without participation from the member or members who recuse themselves.

If any counsel has a professional legal relationship with the Applicant or source of the financing for the Project other than incidental representations in connection with financings of other projects, the Board will retain special counsel to represent the Board in connection with the particular Application and Project being considered.

Section 9. Disclosures

The Application will require the Applicant to disclose, in addition to all other information required by the Application, the following:

- (i) If the Applicant or any principal in the Applicant are currently engaged in any civil or criminal proceeding;
- (ii) If the Applicant or any principal in the Applicant have ever been charged or convicted of any felony or currently is under indictment; or
- (iii) If the Applicant or any principal in the Applicant has ever filed for bankruptcy.

Section 10. Definitions

For purposes of these Policies, the following terms shall have the following meanings:

“Administrative Agent” means the Person providing administrative services to the Board from time to time. The Board's current administrative agent is Office of Economic Development of the City.

“Application” means the Application for Tax Increment Incentive submitted hereunder in the form designated by the Board and as amended from time to time. The current form of the Application is attached hereto as Exhibit A.

“Base Taxes” has the meaning given to such term in Section 9-23-102 of the TIF Uniformity Act.

“Dedicated Taxes” has the meaning given to such term in Section 9-23-102 of the TIF Uniformity Act.

“Development Agreement” means the Development Agreement between the Board and the Applicant (and any guarantor thereof) or similar agreement or contract providing for the terms and implementation of the Project and the Tax Increment Incentive.

“Economic Impact Plan” means an economic impact plan within the meaning of Section 7-53-312 of the IDB Act.

“Governmental Authority” means the City of Chattanooga, Tennessee, and Hamilton County, Tennessee.

“Gross Tax Increment Revenues” means the property tax revenues generated from the Plan Area less the Base Taxes, without reduction for Dedicated Taxes and any amount the County, the City, or the Board withhold as administrative expenses or as may be reserved pursuant to applicable law.

“IDB Act” means Chapter 53 of Title 7 of the Tennessee Code Annotated, as amended.

“Person” means any individual, sole proprietorship, corporation, limited liability company, association, partnership (general, limited, or limited liability partnership), organization, business, trust, individual and Governmental Authority.

“Plan Area” means the parcels of real property identified as the plan area in the applicable Economic Impact Plan.

“Project” means a project under Section 7-53-101(11) of the IDB Act and includes the infrastructure, utilities, road and traffic improvements, traffic signage and signals, buildings, structures, machinery, equipment, and land defined in the Application as part of the Project.

“Public Infrastructure” has the meaning assigned to it in Section 4.3.

“Reserved Taxes” means the Base Taxes and the Dedicated Taxes.

“Tax Increment Revenues” means the property tax revenues generated from the Plan Area after the Reserved Taxes less any amount that the County, the City or the Board withhold as administrative expenses or as may be reserved pursuant to applicable law.

“TIF Uniformity Act” means the Uniformity in Tax Increment Financing Act of 2012, as amended.

“Total Projected Project Cost” means all costs that are expected to be incurred in connection with the development of a Project and that would be capitalized in accordance with generally acceptable accounting principles other than interest, property taxes and insurance during the construction of the Project as set forth in the Applicant’s Application.

POLICIES AND PROCEDURES RELATING TO
TAX INCREMENT INCENTIVES

APPROVED BY

THE CITY OF CHATTANOOGA, TENNESSEE

AND

THE INDUSTRIAL DEVELOPMENT BOARD OF
THE CITY OF CHATTANOOGA

Effective _____, 2023

POLICIES AND PROCEDURES RELATING TO TAX INCREMENT INCENTIVES

Introduction

The Industrial Development Board of the City of Chattanooga, Tennessee (the “Board” or “IDB”) and the City of Chattanooga, Tennessee (the “City”) have adopted these Policies and Procedures (these “Policies”) relating to the use of tax increment incentives pursuant to Section 7-53-312 of the Tennessee Code Annotated (a “Tax Increment Incentive”) and are adopted pursuant to Section 9-23-107 of the Tennessee Code Annotated. These Policies set forth the procedures of the Board and the City associated with Tax Increment Incentives and are intended to facilitate the consideration of requests for

Tax Increment Incentives by the applicable legislative bodies of the City and Hamilton County, Tennessee (the “County”). These Policies also provide for the administration of the Tax Increment Incentives. The adoption of these Policies does not create or vest any rights in any person or entity, and both the City and the Board retain the right to approve any Tax Increment Incentive in the sole discretion of the City and the Board.

These policies and procedures only apply to any Tax Increment Incentives with respect to a specific project being initiated by a private developer and supported by incremental property tax revenues. If the City initiates a project supported by tax increment revenues on its own behalf or on behalf of or through the Chattanooga Housing Authority to finance public improvements in a redevelopment area, the City shall follow such procedures as the City deems appropriate under the circumstances.

Tax Increment Incentives generally take one of two forms – (i) reimbursements from Tax Increment Revenues to a private party of eligible costs incurred by that party relating to a Project as Tax Increment Revenues are received by the Board or (ii) non-recourse financing by the Board of eligible costs relating to a Project, which financing is payable from Tax Increment Revenues. The latter type of incentive is often called tax increment financing or a “TIF.” These Policies apply to both types of Tax Increment Incentives.

Capitalized terms used in these Policies and not otherwise defined shall have the meanings given to such terms in Section 10 of these Policies.

Section 1. General Policy

A Tax Increment Incentive is an economic development tool used by municipalities to allocate a portion of the new, additional taxes generated by a particular geographic area over a limited period of time to pay for eligible costs to the extent authorized by applicable law. For purposes of these Policies, the taxes that can be allocated are limited to property taxes. The tax increment is the difference in the property tax revenues generated by the property in the Plan Area after a Project has been completed compared with the tax revenues generated by such property before the applicable plan was adopted (less certain deductions as required or permitted by applicable law). This increment can be used, as described above, to reimburse eligible costs or to pay debt service on tax increment financing incurred to finance such eligible costs. Notwithstanding anything herein to the contrary, no portion of City or County property taxes, if any, that is dedicated to, earmarked, or designated for public school operations shall ~~not~~ be allocated to the IDB in connection with any Tax Increment Incentive, and in connection with any Tax Increment Incentive, no stormwater fees shall be deducted from any such property taxes so dedicated, earmarked or designated.

The benefits of Tax Increment Incentive transactions include the following:

- (i) A TIF can be effective as “off balance sheet” financing of components of public infrastructure such as utilities and road and traffic improvements. A TIF is generally not included as a liability on the City’s balance sheet (although it may be noted). The structure

of these transactions allows the City to utilize new incremental revenue streams to accelerate funding of public improvements. A TIF therefore can enable the City to complete public infrastructure that it otherwise could not afford at the time.

(ii) Tax Increment Incentives provide support for Projects that are not otherwise economically feasible. For instance, a Tax Increment Incentive transaction may assist in the redevelopment of blighted and under-utilized property in the City.

(iii) Because of the accelerated development of public infrastructure improvements, the ad valorem property tax base from associated and adjacent properties often increases, which produces even greater benefits for the City and County.

(iv) Tax Increment Incentives are paid from increases in tax revenues from a Plan Area and not from tax subsidies from other areas of the City. Therefore, that portion of the cost of Projects supported by Tax Increment Incentives generally are paid by the development itself.

(v) Projects supported by a Tax Increment Incentive may attract significant new jobs, businesses, and investment to the community, or may retain jobs and businesses that otherwise would be missed or lost without the investment made possible through a Tax Increment Incentive.

Tax Increment Incentives will generally be used for economic development Projects that provide improvements in blighted and under-utilized areas in the City and in other properties approved by the City and, if applicable, the County. Members of the City Council of the City and the County Commission of the County (collectively, the “Governmental Authorities”), as the community’s elected representatives, are not only vested with the final authority to approve plans authorizing Tax Increment Incentives, but also are in the best position to determine the relative priorities of the proposed infrastructure improvements and the related community benefits from a public policy standpoint. The Board, with the support of the City’s staff, will administer and implement these Policies consistent with the policy directives of the City and, to the extent applicable, the County.

Section 2. Statutory Background

The IDB is a nonprofit public corporation that was established in 1966 pursuant to the Tennessee Industrial Development Corporation Act (the “IDB Act”), Tenn. Code Ann. §§7-53-101 et seq. The Board’s statutory purpose includes financing, owning, and leasing certain real and personal properties, which will have the effect of maintaining and increasing employment and otherwise promoting new industry, commerce and trade in Tennessee and the City, in particular.

On May 14, 2004, the Tennessee General Assembly amended the IDB Act to vest industrial development corporations like the Board with the authority to initiate and administer Tax Increment Incentives in areas that are approved by the Governmental Authorities. The Board’s responsibilities under the amendment include the following:

- (i) Preparation and submission of an Economic Impact Plan for an area that includes an eligible Project, which plan must comply with certain statutory criteria;
- (ii) Holding a public hearing relating to the Economic Impact Plan after proper, published notice; and
- (iii) Administering the incremental tax payments allocated to the Board under the Economic Impact Plan.

The purpose of these Policies is to specify the procedures for applying for a Tax Increment Incentive, specify the information that will be required of an Applicant, confirm that the Governmental Authorities retain the legal authority to approve any plan that would affect their respective property taxes, and prescribe the role the Board will play in the process. These Policies presume that each Economic Impact Plan will be submitted for approval by both Governmental Authorities, but the IDB, with the approval by the City Council, may approve an Economic Impact Plan that only applies to the City's taxes, in which case all references to the County in these Policies will not be applicable as to such Economic Impact Plan.

The amendment, which is codified as Tenn. Code Ann. §7-53-312, provides that City Council is entitled to approve any Economic Impact Plan affecting property taxes due to the City and the County Commission must approve any Economic Impact Plan affecting property taxes owed to the County. Neither has the authority to approve an Economic Impact Plan affecting the property taxes of the other. A Tax Increment Incentive may be approved that allocates to the Board incremental property tax revenues from both real and personal property taxes in the specified area. However, because of the complexity of administering the calculation of the increment relating to personal property taxes, a Tax Increment Incentive that includes personal property taxes will only be approved if the allocation of incremental personal property taxes is essential, in the judgment of the Board and the Governmental Authorities, to the development of the Plan Area.

In 2012, the Tennessee General Assembly enacted the Uniformity in Tax Increment Financing Act of 2012 (the "TIF Uniformity Act") to provide a more comprehensive statutory framework for utilizing Tax Increment Incentives. The TIF Uniformity Act was codified as Chapter 23 of Title 9 of the Tennessee Code Annotated. Pursuant to Section 9-23-107 of the TIF Uniformity Act, the City and the Board were specifically authorized to adopt policies and procedures relating to Tax Increment Incentives, and these Policies are adopted pursuant to such statutory authorization.

The Tennessee General Assembly has also enacted Section 7-53-316 of the IDB Act, which authorizes the use of certain incremental sales tax revenues to supplement Tax Increment Revenues in connection with the development of certain brownfield sites. These Policies shall apply to the consideration of an Economic Impact Plan to be adopted pursuant to Section 7-53-316 of the IDB Act, as well as Section 7-53-312 of the IDB Act, and any Applicant requesting consideration of an Economic Impact Plan under Section 7-53-316 of the IDB Act shall request such consideration in the Applicant's

Application.

Section 3. Process

3.1. Application. The process for requesting a Tax Increment Incentive will commence with an Applicant filing a completed Application in the form attached to these Policies as Exhibit A and incorporated herein by reference together with all exhibits, supplements, schedules, and financial information required in the Application. The Applicant shall tender an application fee to the Board in an amount set forth in Section 6 of these Policies. No action will be taken with respect to the Application until the Board (or its Administrative Agent) determines that it has received all information which may be relevant or necessary in determining the qualifications of the Applicant and the Project. **Acceptance of the Application does not imply, evidence, or confirm the IDB's support for, or recommendation of, the Project identified in the Application or the Tax Increment Incentive request.**

3.2. Board Considerations. The Board has always viewed its core mission as the promotion of economic development and growth in the City, and in particular, commercial and industrial Projects that involve a significant capital investment and the generation of new jobs with wages in excess of the annual average wage in the City. An Application detailing a Project that fits within this core mission will encounter greater flexibility and receptivity by the Board, as well as the City and the County, as opposed to Projects that do not involve these factors. Additionally, the Board will evaluate the Project's community impact in connection with evaluating an Application for a Tax Increment Incentive. The Board recognizes that new commercial and industrial Projects have direct and indirect impacts on the existing businesses and people who work, live, dine, shop, and commute in and around the location of the Project, and an Applicant should consider any concerns of the community to be impacted by the Project and, to the extent practicable, be responsive to such concerns.

3.3 Submission to Governmental Authorities. Upon receipt of the Application, the Board shall work with City staff to review the Application. The review shall include, but not be limited to, the following considerations: the purpose of the request; experience of the Applicant; description of the Project to be located in the area that would be the subject of the Economic Impact Plan (the "Plan Area"); proposed sources of funds to pay the Project; evidence of the financial capability of the Applicant to undertake the Project; and community impact of the Project. Once the Board determines that it has received a properly completed Application and any other information that it considers relevant or necessary for City Council to evaluate the Application and the Project, the Board will submit its acceptance of the Application with a proposed Resolution of Intent to the City Council.

Upon receipt of the Application from the Board, the City Council may take one of three actions: (i) reject the Application and return it to the Board, (ii) return the Application to the Board to request more information from the Applicant as specified by City Council, or (iii) approve the Resolution of Intent to consider an Economic Impact Plan relating to the Application. If adopted, the Resolution of Intent will instruct the Board to prepare and submit to City Council an Economic Impact Plan as requested by the Application.

If the Tax Increment Incentive request will affect County property taxes, the Board will also

submit the Application and a proposed Resolution of Intent to the County Mayor and County Commission. County Commission may then take one of three actions described above in the same manner as City Council. If County Commission disapproves the Application or does not consider the Application in a timely manner, the City Council may reconsider the Application and adopt another Resolution of Intent instructing the Board to prepare and submit an Economic Impact Plan that only affects City taxes.

3.3. Economic Impact Plan. If the Board receives a Resolution of Intent from the City Council and, if applicable, County Commission, the Board may prepare, with input from the Applicant, a proposed Economic Impact Plan for the Board's consideration. The Board may also instruct the Applicant to prepare the proposed Economic Impact Plan for the Board's consideration. The proposed Economic Impact Plan shall contain the information required by Section 7-53-312(b) of the IDB Act and, to the extent not already required by the IDB Act, shall also include the following information:

- (i) a list of tax parcels composing the Plan Area, including owners and parcel numbers, from which the Tax Increment Revenues will be generated, and the Base Taxes for each such tax parcel;
- (ii) a map clearly identifying the boundaries of the Plan Area;
- (iii) a clear description of the Project or Projects that will be located in the Plan Area and that will be developed by the Applicant;
- (iv) confirmation of the current zoning of the parcels in the Plan Area subject to the Economic Impact Plan;
- (v) the proposed period of time for which taxes will be allocated from the Plan Area in accordance with the Economic Impact Plan as to each tax parcel, and if the allocation period as to each tax parcel shall not commence in the same tax year, the maximum period of time during which such allocation periods can commence;
- (vi) a description of any proposed borrowing related to the Tax Increment Incentive;
- (vii) the number of jobs which the Applicant estimates will be created by the Project identified in the Plan Area and a summary of the projected compensation that will be paid to those holding the jobs;
- (viii) the estimated development and construction costs of the Project; and
- (ix) the projected total cost of the Tax Increment Incentive, including interest paid during the term of the Tax Increment Incentive.

If the Applicant is requested to prepare a proposed Economic Impact Plan, the Applicant shall submit the proposed Economic Impact Plan to the Board no later than ninety (90) days after such request

is made of the Applicant. If the Applicant does not submit the proposed Economic Impact Plan within that period, the Board has the authority to take no further action with respect to the Application and the Project. If the Board chooses to take no further action, the Board will consider any further requests of the Applicant as a new request requiring a new Application, the re-commencement of the procedures described above, and the payment of another application fee. If the Board elects to cause the preparation of the Economic Impact Plan, the Board will cause such preparation to occur promptly after approval of the applicable Resolution of Intent. In either case, the Applicant shall fully cooperate in connection with preparation of the proposed Economic Impact Plan and shall provide such economic impact information, including a report relating thereto from an independent consultant if requested by the Board.

3.4. Application Review Committee. There shall be an Application Review Committee consisting of not less than ~~five~~seven (~~5~~7) members. Two (2) members shall be appointed by the City Mayor; two (2) members shall be appointed by City Council; two (2) members shall be appointed by the Board, and one (1) member shall be a representative of the Chamber of Commerce. The Board shall appoints its two members before the end of each calendar year for the following year. The Application Review Committee will review each Application, each proposed Economic Impact Plan, the application process to date, and the Resolution(s) of Intent. The Committee will advise the Board whether the Application and the proposed Economic Impact Plan comply with the IDB Act and these Policies, and is, therefore, qualified to be considered for submission to City Council and/or County Commission for approval. The Committee, in consultation with the Board's chairman, will then establish a proposed date for the Board to hold a public hearing and determine whether to submit the Economic Impact Plan to the City Council and, if applicable, County Commission for approval. The meetings of the Application Review Committee shall be subject to the Tennessee Open Meetings Act.

3.5. Public Hearing by the IDB. After the Application Review Committee and the Board's designated staff and counsel determine the Economic Impact Plan to be complete, the Board will hold a public hearing relating to the proposed Economic Impact Plan at a regular or special meeting of the Board. Notice of the public hearing shall be published in a newspaper of general circulation in Hamilton County at least two weeks prior to the date of the public hearing, as required by Section 7-53-312(g) of the IDB Act. If approved by the Board, the Board will submit the Economic Impact Plan to Chattanooga City Council and, if applicable, County Commission for consideration and approval. The submission shall include a summary of any comments from the public hearing on the proposed Economic Impact Plan and other information deemed pertinent by the Board.

3.6. Approval of Economic Impact Plan. The City Council and, if applicable, County Commission shall then consider whether to approve the proposed Economic Impact Plan. Such approval, if provided, shall be undertaken by resolution of the applicable governing body in accordance with the IDB Act and TIF Uniformity Act. After such approval, City Council and, if applicable, County Commission shall provide a certified copy of the resolution providing such approval to the Board.

3.7. Closing of Tax Increment Incentive. If an Economic Impact Plan requested by an Applicant is approved by City Council and, if applicable, County Commission, the Applicant and the Board will commence negotiation of the appropriate documents implementing the Tax Increment

Incentive authorized by the Economic Impact Plan. Such documentation shall include, without limitation, a Development Agreement with the Applicant that will incorporate the specific terms of the Tax Increment Incentive and will require the Applicant to undertake the Project identified in the Economic Impact Plan consistent with the Applicant's Application. If the Tax Increment Incentive includes tax increment financing, the documents required to implement such tax increment financing shall also be negotiated between the parties. Such documents, once negotiated, will be presented to the Board in substantially final form for consideration for approval.

The Board may instruct its counsel to prepare the documentation required to implement any Tax Increment Incentive or may instruct the Applicant to prepare such documents for the Board's review. In any event, all contractual commitments of the Board under such documents, including any tax increment financing, shall be non-recourse as to the Board other than with respect to allocated Tax Increment Revenues. All such documents shall be subject to the review and approval of the Board's counsel.

The Applicant will close the Tax Increment Incentive transaction within a reasonable period of time after the City Council and, if applicable, County Commission, approve the applicable Economic Impact Plan. If the closing of the Tax Increment Incentive does not occur within a 120-day period after such approval, the Board may consider the Application withdrawn and, unless such time period is extended by the Board, all approvals by the Board shall be deemed to have lapsed and be of no further force or effect.

Section 4. Board Policies for Tax Increment Incentives

The following policies shall apply with respect to Tax Increment Incentives within each Plan Area:

4.1. Maximum Allocation Period. Unless City Council and, if applicable, County Commission, approve otherwise in an Economic Impact Plan, the maximum allocation period for any Tax Increment Revenues as to any parcel in a Plan Area shall be 20 years, but the Board may provide for a shorter allocation period in any Economic Impact Plan if the Board determines that such shorter allocation period will result in a Tax Increment Incentive sufficient to make the Project financially feasible. A longer allocation period will only be permitted in extraordinary circumstances and only with the required statutory approvals under the TIF Uniformity Act.

4.2. Limit on Allocation of Gross Incremental Tax Revenues. Unless City Council approves otherwise in an Economic Impact Plan, the maximum amount of Gross Tax Increment Revenues of the City allocable to support a Tax Increment Incentive shall be 75% of the Gross Tax Increment Revenues of the City if the allocation period for the Tax Increment Incentive is 10 years or less and 60% of the Gross Tax Increment Revenues of the City if the allocation period for the Tax Increment Incentive is more than 10 years. The maximum amount of Gross Tax Increment Revenues of the County allocable to support a Tax Increment Incentive shall be as is approved by the County Commission if the Economic Impact Plan is submitted to the County for approval.

4.3. Plan Area. The Plan Area, from which the Tax Increment Revenues will be generated, will

consist of no more than (i) the parcels on which the applicable Project will be located, and (ii) those parcels, determined by the Board, to be directly affected and substantially benefited by the Project, whose owners have received the notice referred to in Section 4.5. The Board may rely upon the opinions of City staff and such independent consultants as the Board deems advisable in determining whether a parcel would be directly affected and substantially benefited by the Project in the Plan Area.

4.4. Eligible Costs. Unless City Council and, if applicable, County Commission approve otherwise in an Economic Impact Plan, a Tax Increment Incentive may only be used to pay or reimburse the cost of Public Infrastructure in a Plan Area that relates to a Project or Projects in such Plan Area. The cost of Public Infrastructure may include the following costs:

- (i) The cost of the land on which the Public Infrastructure will be located;
- (ii) Costs relating to the design and construction of the Public Infrastructure, including clearing, grading and excavating, site work, and other hard construction expenses;
- (iii) costs of obtaining permits for the Project from Governmental Authorities;
- (iv) capitalized interest relating to financing of the Public Infrastructure;
- (v) premiums for payment and performance bonds issued in favor of Governmental Authorities or professional fees for architectural and engineering services and legal expenses capitalized as Project costs under generally accepted accounting principles;
- (vi) acquisition costs for equipment included in the Public Infrastructure; and
- (vii) fees and expenses of the Board and other fees and expenses related to the Tax Increment Incentive.

For purposes of these Policies, “Public Infrastructure” shall have the meaning given to that term in Section 9-23-102 of the TIF Uniformity Act.

If an Applicant desires the Board to pay any cost not described above, the Applicant should make such a request in its Application and shall demonstrate the extraordinary circumstances requiring the payment of such additional costs. If City Council and, if applicable, County Commission approve such additional costs as part of a Resolution of Intent, the Board may include such additional costs as being permitted in the applicable Economic Impact Plan.

4.5. Notice to Property Owners. The Board through its designated administrative staff will notify any owners of parcels included in the proposed Plan Area (other than the Applicant) that the Board will consider the Application for Tax Increment Incentive on a certain date and at a prescribed time and place. The Applicant will provide a list of all parcels contained in the Plan Area, the names of the record owners and the address of each owner. The Board’s notice will invite public comment and will be mailed to such property owners at least 14 days prior to the public hearing of the Board relating to the Economic

Impact Plan described in Section 3.5 above. In addition, the form of notice will advise property owners how they may comment on the Economic Impact Plan such as by email or by letter, as well as by attending the hearing. This notice is in addition to the notice required by Tenn. Code Ann. 7-53-312(g).

4.6. Maximum Percentage of Project Cost and Minimum Project Size. The amount of a Tax Increment Incentive for a specific Project (either through the reimbursement of costs or based upon the principal amount of any tax increment financing) shall not exceed fifteen percent (15%) of the Total Projected Project Cost of any Applicant. The Applicant must also reasonably anticipate a Total Projected Project Cost of at least \$5,000,000 with respect to a proposed Project in order to apply for a Tax Increment Incentive.

4.7. Eligible Projects. As is described above, each Economic Impact Plan must include an eligible Project. The list of eligible Projects is included in Section 7-53-101(15) of the IDB Act. Such list of eligible Projects includes many types of commercial, industrial, and warehousing facilities as may be determined by the Board. However, in the absence of unusual or extenuating circumstances acceptable to the Board and the City, Projects that are substantially residential or are multifamily housing facilities under Section 7-53-101(15)(x) of the IDB Act will not qualify as an eligible Project for purposes of an Economic Impact Plan. A request for an incentive for a residential project, including a multifamily housing facility, should be submitted to the appropriate governmental authority or entity to the extent incentives may be available for such projects.

4.8. Guaranties of Completion. The Board may require guaranties of completion of all or any portion of the Public Infrastructure from principals of the Applicant, payment and performance bonds from sureties acceptable to the Board, or letters of credit from financial institutions acceptable to the Board that assure the timely completion of the Public Infrastructure.

4.9. Transfer of Tax Increment Incentive. No rights to a Tax Increment Incentive may be sold, assigned, or leased, including by transfer of ownership interests in the Applicant, unless approved by the Board or otherwise specified in the Development Agreement, provided however that the Board will consent to the collateral assignment of Tax Increment Revenues to secure tax increment financing.

4.10. Additional Requirements; Amendments. These Policies are in addition to the normal rules and procedures of the Board. From time to time and without notice, these Policies may be amended or waived, in whole or part, by the Board and the City, and new policies may also be adopted by the Board and the City. The Board may consider any special circumstances or conditions in determining whether to submit an Application for consideration by the City Council and, if applicable, County Commission, and whether to prepare and submit an Economic Impact Plan for approval.

4.11. Applicant Affidavit and Third-Party Review. The Applicant must submit a signed affidavit certifying that the Project cannot proceed without the availability of a Tax Increment Incentive and must provide supporting documentation justifying the need for and the amount of the Tax Increment Incentive, in accordance with the Application form. The form of such affidavit is attached to these Policies as Exhibit B. In addition to requiring such affidavit, the Board, as a condition to the approval of any Economic Impact Plan, shall retain an independent consulting firm with experience in public finance

[and real estate development](#), at the expense of the Applicant, to evaluate the Applicant's financial projections for the Applicant's Project to assist in evaluating whether the amount and allocation period of Tax Increment Incentive requested by the Applicant is required for Applicant to receive a commercially reasonable return on investment with respect to the Applicant's Project. By submitting an Application, the Applicant agrees to pay the cost of such independent consulting firm.

4.12. Tax Increment Payment Dates. The Tax Increment Revenues to be allocated to the Board for any Tax Increment Incentive shall be paid by the City and, if applicable, the County no later than sixty (60) days from the last day of each February, which is the last day that such tax revenues are not overdue. Delinquent taxes to be allocated to the Board shall be paid by the County and the City no later than sixty (60) days after each date such delinquent taxes are collected, together with interest thereon to the extent required by the Tax Increment Act.

4.13. State Approval Process. If any Tax Increment Incentive will be used to pay any cost that does not relate to Public Infrastructure or if any allocation period with respect to any parcel is to extend beyond 20 years, and only to the extent permitted by these Policies, the State Commissioner of Community and Economic Development and the State Comptroller of the Treasury shall be required to make a determination, as provided in the TIF Uniformity Act, that it is in the best interests of the State to permit such use of the Tax Increment Incentive or such extended allocation period.

4.14. Stormwater Fees. All applications for Tax Increment Incentives shall require verification that all stormwater fees for any properties owned by the Applicant shall have been paid in full. No Tax Increment Incentive payments shall be made by the Board or the City to an Applicant or its permitted assigns unless all stormwater fees have been paid in full and continue to be paid in full during the term of any Tax Incremental Incentive by the Applicant and its permitted assigns. Additionally, no stormwater fees within a Plan Area shall be waived at any time during the term of the Tax Increment Incentive pursuant to Tennessee law.

Section 5. Post-Closing Evaluation

The Board intends to produce substantial and measurable changes and improvements to and for the economic and commercial environment of the City through the use of Tax Increment Incentives. Accordingly, the Applicant will be obligated to develop the Project substantially in accordance with the Economic Impact Plan and the Applicant's Application, and the Development Agreement will document that obligation. Material departures from the development specified in the Development Agreement will require the consent of the Board and may result in reductions or even elimination of the Tax Increment Incentive, depending on the effect of the proposed changes.

In addition, the Board requires the Applicant to annually certify compliance with the Development and Financing Agreement in a writing signed by the Applicant's chief executive officer or other executive acceptable to the Board. The Board will annually (or at such other times as it deems appropriate) evaluate each Project receiving a TIF to ensure compliance with the Development and Financing Agreement.

Section 6. Fees

6.1. Application Fee. The Applicant will submit the Application with an Application Fee of \$1,500.00, provided that for any Application submitted on or after January 1, 2023, the Application Fee shall be increased to \$8,000.00.

6.2. Annual Administrative Fee. For all Economic Impact Plans approved prior to January 1, 2023, the Applicant will pay to the Board an annual administrative fee equal to 25 basis points (0.25%) of the Tax Increment Revenues allocated to the Board each year with respect to the applicable Plan Area. For all Economic Impact Plans approved on or after January 1, 2023, the Applicant will pay to the Board an annual administrative fee equal to 250 basis points (2.50%) of the Tax Increment Revenues allocated to the Board each year with respect to the applicable Plan Area. The annual administrative fees provided for in this paragraph shall be payable from the Tax Increment Revenues allocable to the Board and not from Gross Tax Increment Revenues retained by the City.

In addition, the Board will charge reasonable fees for any amendments to the Tax Increment Incentive, including any amendment to the Development Agreement, that will be based upon the facts and circumstances requiring the amendment, the actions required by the Board to effect the amendment, and the involvement of any Governmental Authorities. The Board may require that these fees be paid in advance of Board action and at the time the Applicant requests the amendment.

The fees described above are intended to offset the expenses of the Board and the City staff for evaluating and administering Tax Increment Incentives. In addition to the fees described above, the Applicant is responsible for payment of the Board's counsel fees and other expenses incurred by the Board with respect to the Application, the Economic Impact Plan, the Development Agreement and all other aspects of the Tax Increment Incentive, as applied to the Applicant, including, without limitation, the cost of any economic impact study and/or financial review deemed advisable by the Board.

Section 7. Environmental Report and Title Insurance

The Board may require the Applicant to provide at its expense a Phase I Environmental Site Assessment Report for the Project and/or Plan Areas that (i) shall be prepared by a recognized Person in the health, safety and environmental field that is acceptable to the Board; (ii) shall bear a date acceptable to the Board; and (iii) shall disclose no unacceptable conditions to the Board. All environmental reports requested by the Board must grant to the Board the right to rely on such reports.

The Board may also require that the Applicant obtain at its expense, and deliver to the Board, a title insurance commitment for the Project and/or Plan Areas described in the Economic Impact Plan.

Section 8. Conflicts of Interest

Each Board member shall be responsible for disclosing any material interest which he or she may have in or with an Applicant or any financing source for the applicable Project. Any Board member

having any material interest in a Project or a financial or family relationship with an Applicant or financing source for the applicable Project shall submit to general counsel for the Board a representation of that interest, and such counsel shall advise both the Board and Board member whether the member needs to recuse himself or herself from consideration of the Application. Such recommendation of the Board's counsel shall be conclusive. If recusal is recommended, the Board will then consider the Application without participation from the member or members who recuse themselves.

If any counsel has a professional legal relationship with the Applicant or source of the financing for the Project other than incidental representations in connection with financings of other projects, the Board will retain special counsel to represent the Board in connection with the particular Application and Project being considered.

Section 9. Disclosures

The Application will require the Applicant to disclose, in addition to all other information required by the Application, the following:

- (i) If the Applicant or any principal in the Applicant are currently engaged in any civil or criminal proceeding;
- (ii) If the Applicant or any principal in the Applicant have ever been charged or convicted of any felony or currently is under indictment; or
- (iii) If the Applicant or any principal in the Applicant has ever filed for bankruptcy.

Section 10. Definitions

For purposes of these Policies, the following terms shall have the following meanings:

“Administrative Agent” means the Person providing administrative services to the Board from time to time. The Board's current administrative agent is Office of Economic Development of the City.

“Application” means the Application for Tax Increment Incentive submitted hereunder in the form designated by the Board and as amended from time to time. The current form of the Application is attached hereto as Exhibit A.

“Base Taxes” has the meaning given to such term in Section 9-23-102 of the TIF Uniformity Act.

“Dedicated Taxes” has the meaning given to such term in Section 9-23-102 of the TIF Uniformity Act.

“Development Agreement” means the Development Agreement between the Board and the Applicant (and any guarantor thereof) or similar agreement or contract providing for the terms and implementation of the Project and the Tax Increment Incentive.

“Economic Impact Plan” means an economic impact plan within the meaning of Section 7-53-312 of

the IDB Act.

“Governmental Authority” means the City of Chattanooga, Tennessee, and Hamilton County, Tennessee.

“Gross Tax Increment Revenues” means the property tax revenues generated from the Plan Area less the Base Taxes, without reduction for Dedicated Taxes and any amount the County, the City, or the Board withhold as administrative expenses or as may be reserved pursuant to applicable law.

“IDB Act” means Chapter 53 of Title 7 of the Tennessee Code Annotated, as amended.

“Person” means any individual, sole proprietorship, corporation, limited liability company, association, partnership (general, limited, or limited liability partnership), organization, business, trust, individual and Governmental Authority.

“Plan Area” means the parcels of real property identified as the plan area in the applicable Economic Impact Plan.

“Project” means a project under Section 7-53-101(11) of the IDB Act and includes the infrastructure, utilities, road and traffic improvements, traffic signage and signals, buildings, structures, machinery, equipment, and land defined in the Application as part of the Project.

“Public Infrastructure” has the meaning assigned to it in Section 4.3.

“Reserved Taxes” means the Base Taxes and the Dedicated Taxes.

“Tax Increment Revenues” means the property tax revenues generated from the Plan Area after the Reserved Taxes less any amount that the County, the City or the Board withhold as administrative expenses or as may be reserved pursuant to applicable law.

“TIF Uniformity Act” means the Uniformity in Tax Increment Financing Act of 2012, as amended.

“Total Projected Project Cost” means all costs that are expected to be incurred in connection with the development of a Project and that would be capitalized in accordance with generally acceptable accounting principles other than interest, property taxes and insurance during the construction of the Project as set forth in the Applicant’s Application.

**A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY
OF CHATTANOOGA, TENNESSEE APPROVING POLICIES AND PROCEDURES
FOR TAX INCREMENT FINANCING AND FORWARDING THE ATTACHED
DOCUMENT TO THE CHATTANOOGA CITY COUNCIL
FOR ITS FURTHER CONSIDERATION**

WHEREAS the Industrial Development Board of the City of Chattanooga, Tennessee is a “tax increment agency” as defined by *T.C.A.* § 9-23-102(17); and

WHEREAS the Chattanooga City Council is a “taxing agency” as defined by *T.C.A.* § 9-23-102(20); and

WHEREAS *T.C.A.* § 9-23-107 states that any “taxing agency and tax increment agency may agree upon, approve and amend policies and procedures” for TIF’s; and

WHEREAS the Chattanooga City Council first approved policies for tax increment financing (TIF) in 2015 (Resolution 28335); and

WHEREAS the Industrial Development Board was never asked to consider or approve the TIF policies and procedures from 2015; and

WHEREAS the City Council approved amendments to the TIF policies and procedures in 2022 (Resolution 31389); and

WHEREAS, unlike 2015, the TIF policies and procedures approved by City Council on November 29, 2022, were forwarded to the Industrial Development Board for its consideration; and

WHEREAS, the Industrial Development Board held public hearings and discussed the City Council-approved TIF policies and procedures (as amended) at its meetings on December 5, 2022, January 18, 2023, and March 6, 2023; and

WHEREAS, after hearing public comments, after receiving input from city staff, after receiving comments and recommendations from the City Attorney’s office and outside counsel, and after public discussions among Industrial Development Board members, the Industrial Development Board identified several sections where it determined the policies and procedures should be modified.

NOW, THEREFORE, BE IT RESOLVED BY THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA, TENNESSEE, that it is hereby approving policies and procedures for the tax increment financing program, a copy of which is attached hereto and adopted by reference.

BE IT FURTHER RESOLVED BY THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA, TENNESSEE, that a copy of this resolution and attachment be forwarded by the City Attorney’s office to the Chattanooga City Council for its further consideration.

ADOPTED: April 17, 2023

THE INDUSTRIAL DEVELOPMENT
BOARD OF THE CITY OF CHATTANOOGA

Attest:

JIMMY F. RODGERS, JR., Chair

PATRICK SHARPLEY, Secretary



CLEAR CHATTANOOGA

WATER FOR LIFE

MBEC Green Energy Program

Industrial Development Board

April 17, 2023

AGENDA

1. Program **Drivers**
2. MBEC **Green (Renewable?)**
Energy Program
3. Green Energy → **Green Economy**
4. **Responsibilities** of Each Party

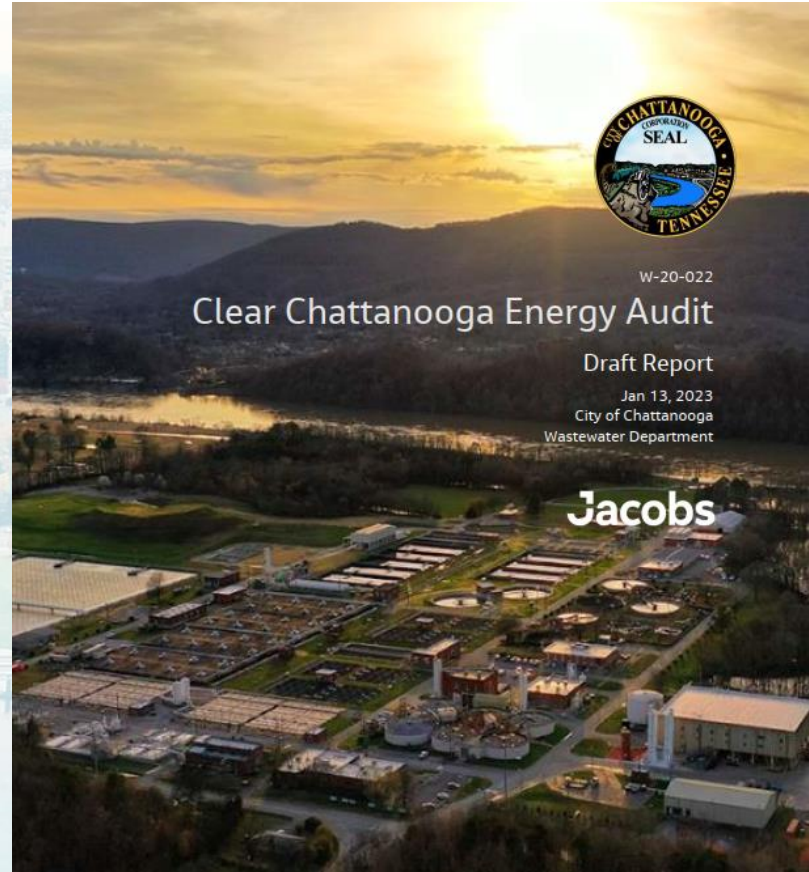


PROGRAM DRIVERS

- **Clear Chattanooga Energy Audit**, 2021-2023
 - ❖ Selected “**THP**” for Solids Treatment and Generation of Green Energy
 - ❖ Capital Investment: **\$130M**



CLEAR CHATTANOOGA
WATER FOR LIFE



W-20-022

Clear Chattanooga Energy Audit

Draft Report

Jan 13, 2023
City of Chattanooga
Wastewater Department

Jacobs

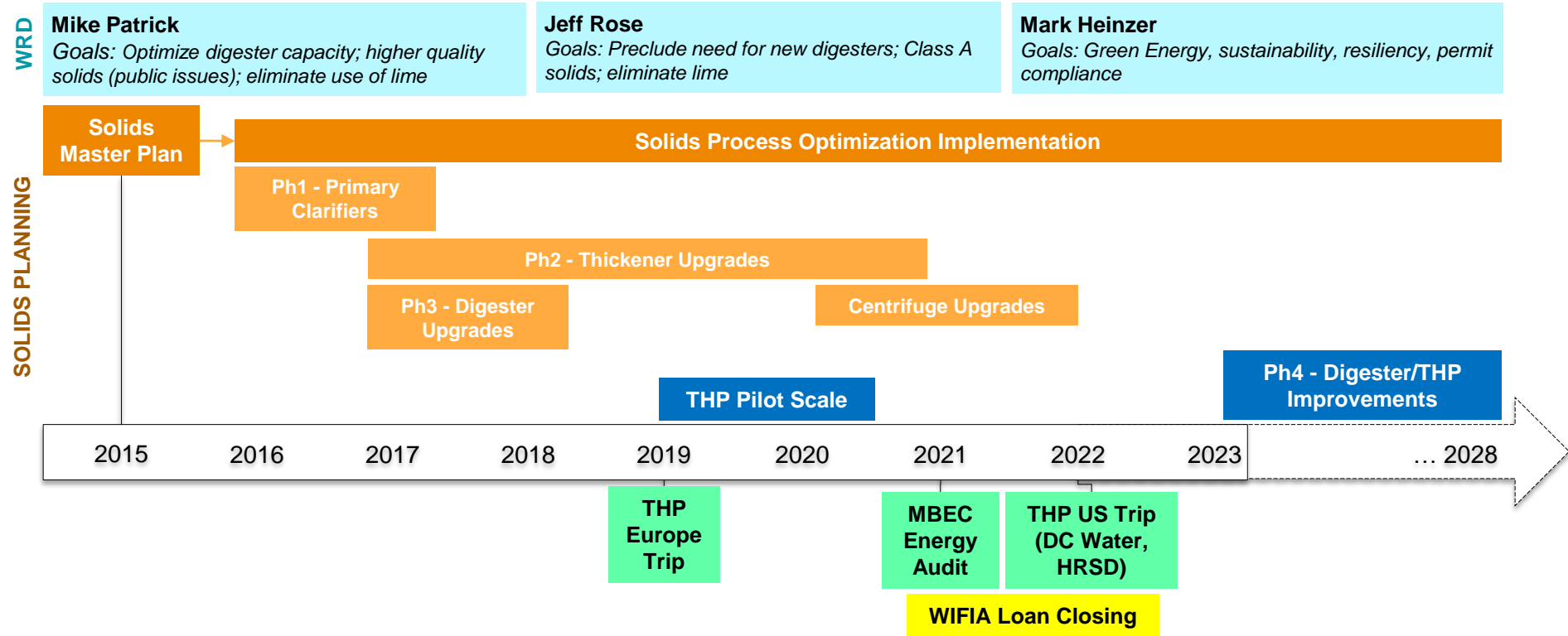
PROGRAM FUNDING

- Capital Investment: **\$130M**
- Funding Sources
 - ❖ **WIFIA: \$64M** (49%)
 - ❖ **SRF: \$66M** (51%)



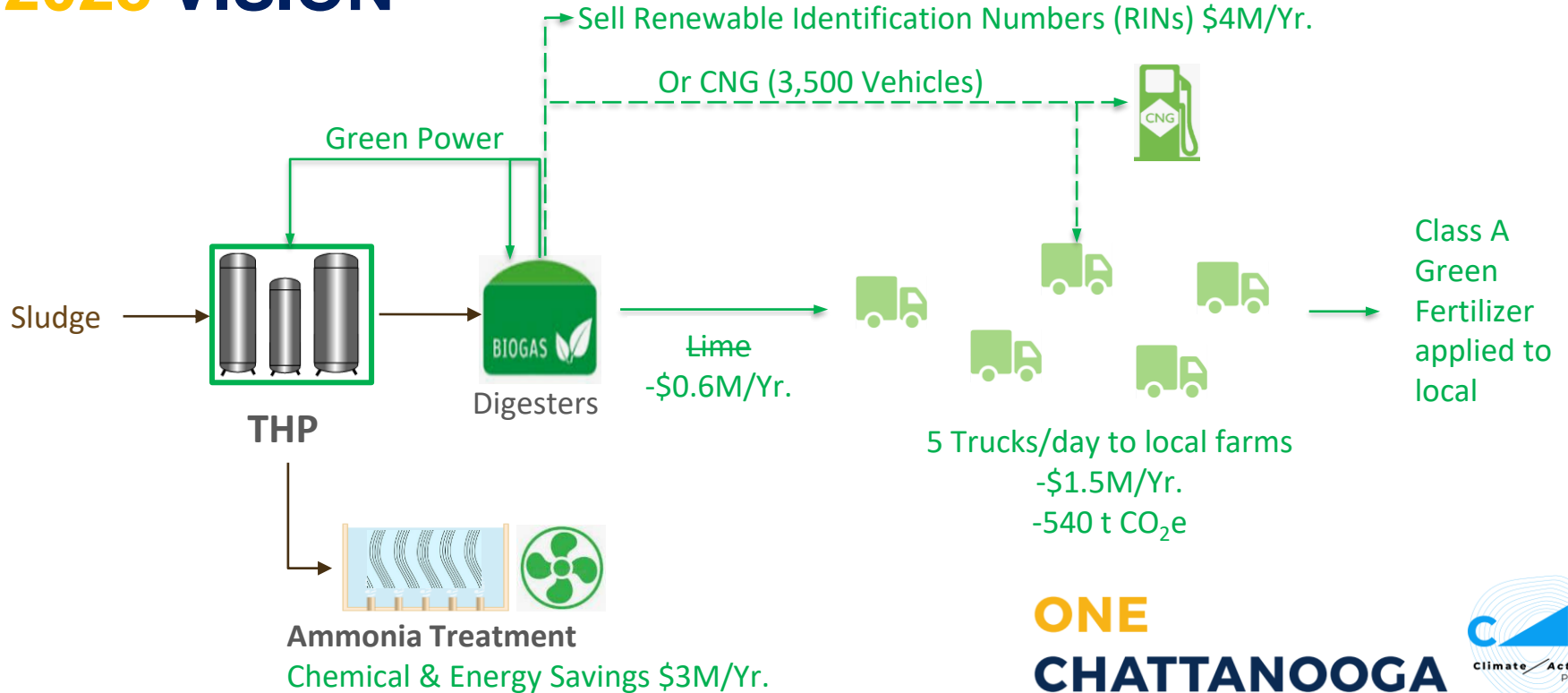
MBEC GREEN ENERGY PROGRAM

PROJECT CONCEPT TIMELINE



MBEC GREEN ENERGY PROGRAM

2028 VISION

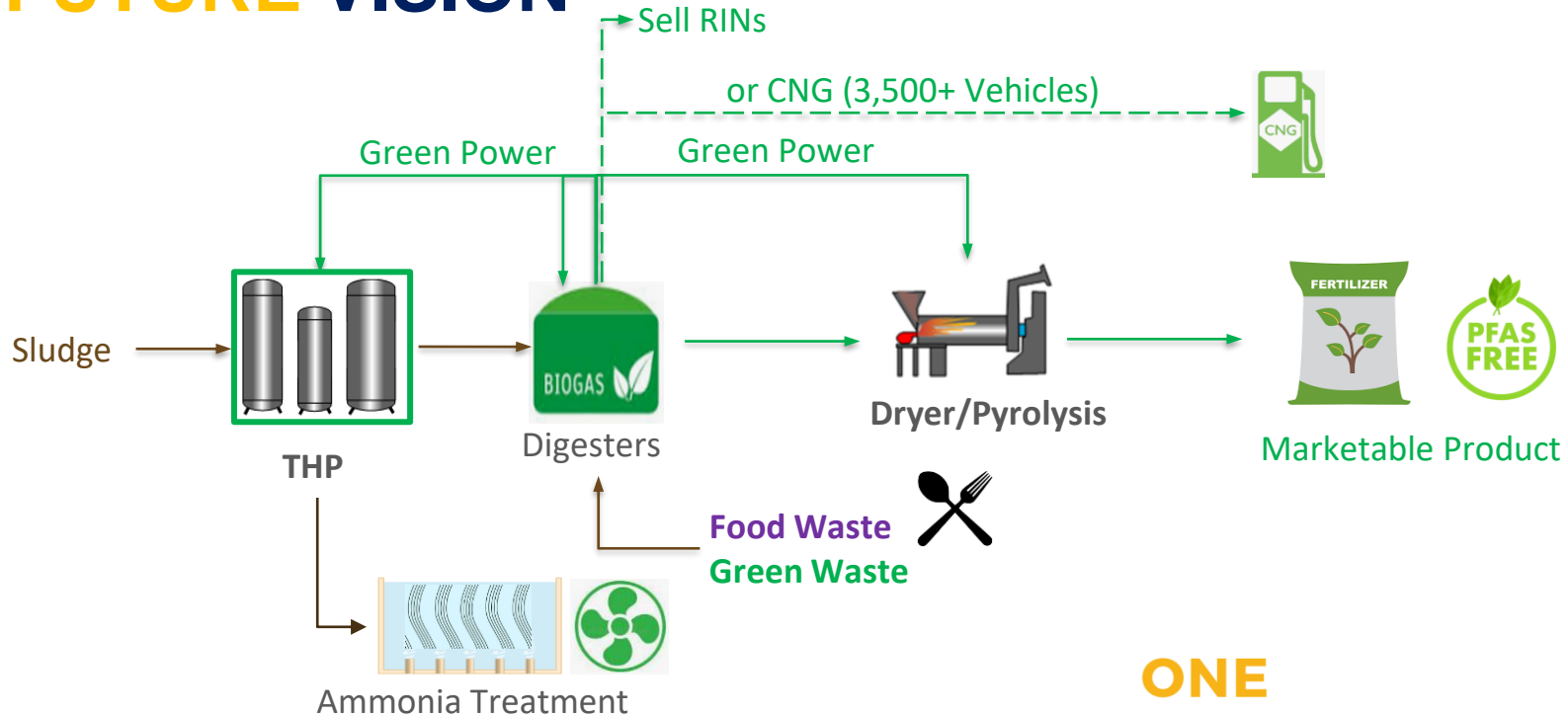


ONE
CHATTANOOGA



MBEC GREEN ENERGY PROGRAM

FUTURE VISION



ONE
CHATTANOOGA



GREEN ENERGY → GREEN ECONOMY

- **THP - Economic Development** nexus
 - ❖ Maintain **affordable sewer rates** to promote economic development in Chattanooga (attract + retain large industrial users)
 - ❖ Allow for regional growth
 - ❖ Stimulus Program for local & MWBE businesses
 - ❖ **Green Economy**, Citywide synergies (food and green waste, gas-vehicles, Carbon credits)
 - ❖ Support **local agriculture** by reducing fertilizer costs



RESPONSIBILITIES OF DEVELOPMENT AUTHORITY - IDB

- *Same as the e2i2 Program – Existing MOU to be updated*
- Shall act as the **Authority** described in T.C.A. 12-10-124
- Awarding the **Design-Build** contract to the selected design-builder
- Receive **Funds** from the Owner
- **Distribute** funds to the Project as described in Funds Transfer Process
- **Owns** project site during construction



RESPONSIBILITIES OF OWNER – WASTEWATER DPT.

- *Same as the e2i2 Program – Existing MOU to be updated*
- **Owner** of the Facilities
- **Planning** of the Project
- Development of Design-Build **Request for Proposal** and **Agreement**
- Submit **Resolutions** to the City Council of Chattanooga for authorization
- Apply for **Project Funding** and coordinate with the financing agencies
- **Project Management** of the selected Design-Builder
- **Leases** project site from the IDB during construction

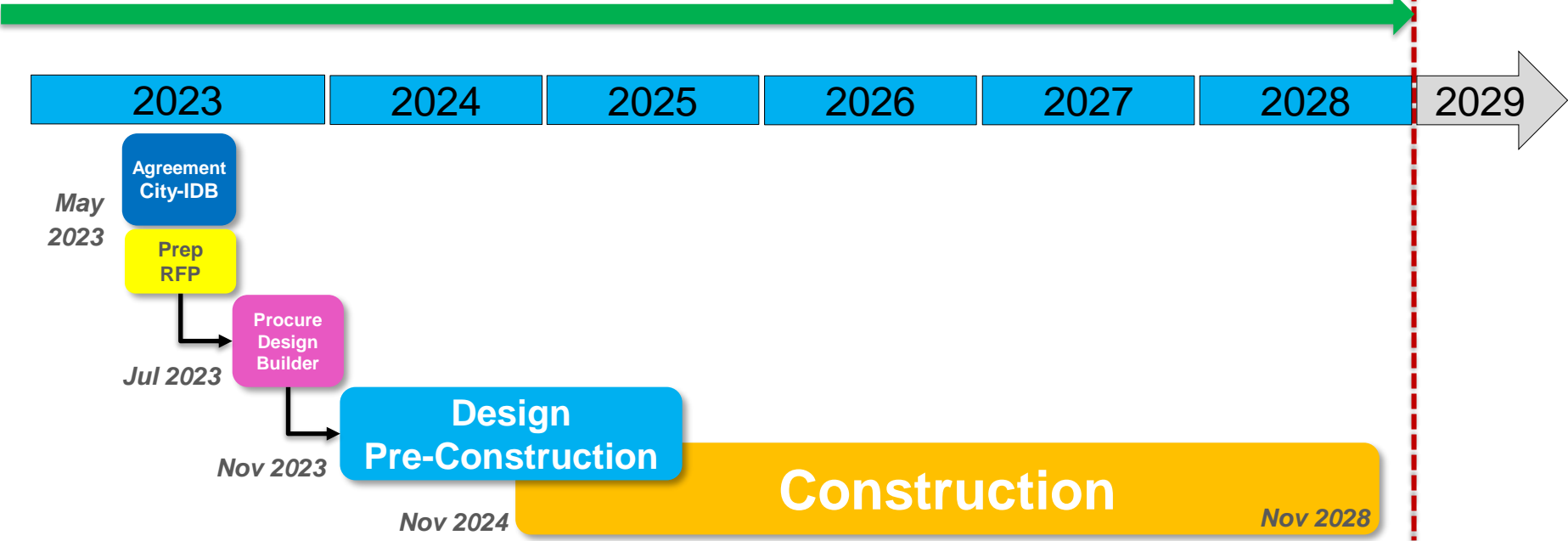


MBEC GREEN ENERGY PROGRAM

DESIGN-BUILD TIMELINE

WIFIA Loan Closed
Nov 22, 2022

WIFIA Projects to be
Completed Dec 2028



Thank You.



CLEAR CHATTANOOGA
WATER FOR LIFE

RESOLUTION

A RESOLUTION AUTHORIZING THE CHAIR OR VICE-CHAIR TO EXECUTE A PROGRESSIVE DESIGN BUILD CONTRACT FOR THE E2I2 SANITARY SEWER OVERFLOW (SSO) ABATEMENT PROGRAM – SOUTH LEE HWY. AND WEST CHICKAMAUGA EQUALIZATION STATIONS, CONTRACT NO. W-20-001-201, WITH BRASFIELD & GORRIE, LLC, TO EXECUTE PHASE 1 OF THE PROJECT, IN THE AMOUNT OF FIVE MILLION ONE HUNDRED THIRTY THOUSAND DOLLARS (\$5,130,000.00).

BE IT RESOLVED, that the Chair or Vice-Chair of the Industrial Development Board of the City of Chattanooga is hereby authorized to execute a Progressive Design Build contract for the e2i2 Sanitary Sewer Overflow (SSO) Abatement Program – South Lee Hwy. and West Chickamauga Equalization Stations, Contract No. W-20-001-201, with Brasfield & Gorrie, LLC, to execute Phase 1 of the project, in the amount of \$5,130,000.00.

ADOPTED: April 17, 2023

THE INDUSTRIAL DEVELOPMENT
BOARD OF THE CITY OF CHATTANOOGA

Attest:

JIMMY F. RODGERS, JR., Chair

PATRICK SHARPLEY, Secretary

Industrial Development Board



Resolution Request Form

(This form is only required for resolutions requiring expenditure of IDB Funds)

Date Prepared 4/5/2023

Preparer: William C. Payne

Department: Public Works

Brief Description of Purpose for Resolution:

Resolution Number (if approved by IDB):

An IDB resolution is requested authorizing the Chair or Vice Chair of the Industrial Development Board of the City of Chattanooga to execute a Progressive Design Build contract for e2i2 SSO Abatement Program – South Lee Hwy and West Chickamauga EQ Stations, Contract No. W-20-001-201, with Brasfield & Gorrie, L.L.C. in the amount of \$5,130,000.00, to execute phase 1 of the project.

Name of Vendor/Contractor/Grant, etc. Brasfield & Gorrie, L.L.C.

New Contract/Project? (Yes or No) Yes

Total project cost \$ 5,130,000.00

Funds Budgeted? (YES or NO) Yes

Amount Funded \$ _____

Provide Fund 6012 - K37199

New Funding Required \$ 0.00

Provide Cost Center C10493 & 10494

Purchase Order _____

Proposed Funding Source if not budgeted _____

Grant Period (if applicable) _____

Location

Headquarters: Chattanooga, TN

Branch: Chattanooga, TN

List all other funding sources and amount for each contributor.

Amount(s)

Grantor(s)

Agency Grant Number _____

Contract Administered by: : City

CFDA Number if known _____

Other comments: (Include contingency amount, contractor, and other information useful in preparing resolution)

This goes towards the local Match of the TVA InvestPrep Grant awarded to the IDB.

Approved by: _____

Reviewed by: FINANCE OFFICE

DESIGNATED OFFICIAL/ADMINISTRATOR

Please submit completed form to @budget, City Attorney and City Finance Officer

RESOLUTION

A RESOLUTION AUTHORIZING THE CHAIR OR VICE-CHAIR TO ENTER INTO A LEASE WITH THE CITY OF CHATTANOOGA, IN SUBSTANTIALLY THE FORM ATTACHED, FOR THE DESIGN AND CONSTRUCTION OF THE CITY'S PROPOSED WET WEATHER EQUALIZATION STATIONS, TO BE LOCATED AT 6000 CORNELISON ROAD, IDENTIFIED AS TAX MAP NO. 169D-A-001.02; 220 CORNELISON ROAD, IDENTIFIED AS A PORTION OF TAX MAP NO. 157M-A-009.03; AND 7148 LEE HWY., IDENTIFIED AS TAX MAP NOS. 139P-C-008.01 AND 138M-C-002.01, FOR A TERM OF SIX (6) YEARS, FOR AN ANNUAL AMOUNT OF \$1.00, SUBJECT TO FINAL CLOSING.

BE IT RESOLVED, that the Chair or Vice-Chair of the Industrial Development Board of the City of Chattanooga is hereby authorized to enter into a Lease with the City of Chattanooga, in substantially the form attached, for the design and construction of the City's proposed wet weather equalization stations, to be located at 6000 Cornelison Road, identified as Tax Map No. 169D-A-001.02; 220 Cornelison Road, identified as a portion of Tax Map No. 157M-A-009.03; and 7148 Lee Hwy., identified as Tax Map Nos. 139P-C-008.01 and 138M-C-002.01, for a term of six (6) years, for an annual amount of \$1.00, subject to final closing.

ADOPTED: April 17, 2023

THE INDUSTRIAL DEVELOPMENT
BOARD OF THE CITY OF CHATTANOOGA

Attest:

JIMMY F. RODGERS, JR., Chair

PATRICK SHARPLEY, Secretary

RESOLUTION NO. 31559

A RESOLUTION AUTHORIZING THE MAYOR OR HIS DESIGNEE TO ENTER INTO A LEASE WITH THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA, IN SUBSTANTIALLY THE FORM ATTACHED, FOR THE DESIGN AND CONSTRUCTION OF THE CITY'S PROPOSED WET WEATHER EQUALIZATION STATIONS, TO BE LOCATED AT 6000 CORNELISON ROAD, IDENTIFIED AS TAX MAP NO. 169D-A-001.02; 220 CORNELISON ROAD, IDENTIFIED AS A PORTION OF TAX MAP NO. 157M-A-009.03; AND 7148 LEE HIGHWAY, IDENTIFIED AS TAX MAP NOS. 139P-C-008.01 AND 138M-C-002.01, FOR A TERM OF SIX (6) YEARS, FOR AN ANNUAL AMOUNT OF \$1.00, SUBJECT TO FINAL CLOSING.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHATTANOOGA, TENNESSEE, That it is hereby authorizing the Mayor or his designee to enter into a lease with the Industrial Development Board of the City of Chattanooga, in substantially the form attached, for the design and construction of the City's proposed wet weather equalization stations, to be located at 6000 Cornelison Road, identified as Tax Map No. 169D-A-001.02; 220 Cornelison Road, identified as a portion of Tax Map No. 157M-A-009.03; and 7148 Lee Highway, identified as Tax Map Nos. 139P-C-008.01 and 138M-C-002.01, for a term of six (6) years, for an annual amount of \$1.00, subject to final closing.

ADOPTED: April 4, 2023

/mem

LEASE AGREEMENT

This Lease Agreement ("Agreement") is made this _____ day of _____, 2023, but is effective for all purposes as of the _____ day of _____, 2023 (the "Effective Date") by and between City of Chattanooga, ("Lessor") and the Industrial Development Board of the City of Chattanooga, Tennessee, a Tennessee public corporation ("Lessee").

RECITALS

WHEREAS, LESSOR desires to allow the LESSEE to acquire, by lease, or otherwise, certain property referenced in the Memorandum of Understanding by and between the City of Chattanooga, through its Wastewater Department, City of Chattanooga, Tennessee, (the "City") and the Industrial Development Board for the City of Chattanooga, Tennessee (the "IDB" and/or "Development Authority") (the City and the Development Authority, collectively, the "Parties") dated April 4, 2022 for the design and construction of the City's proposed wet weather equalization stations (the "Facilities") are located at two (2) project sites which reside on four (4) parcels (two (2) parcels per site) in Chattanooga, Tennessee (the "Project Sites"):

- West Chickamauga (Hwy I-75, Chattanooga, TN, 37411)
- South Lee Hwy (7148 Lee Hwy, Chattanooga, TN, 37421); and

WHEREAS, this Lease Agreement supersedes and takes precedence over the Memorandum of Understanding by and between the Parties, dated April 4, 2022 for items which may conflict; and

WHEREAS, the Project will be awarded through the Lessee as a Development Authority under this lease agreement and the City will provide a grant of funds pursuant to T.C.A. § 6-54-118 for the project by a mix of sources that may include loans from the EPA Water Infrastructure Finance and Innovation Act of 2014 (WIFIA) the Tennessee Department of Environment and Conservation (TDEC) State Revolving Fund (SRF) and cash; and

WHEREAS, the Project will be delivered by the Lessee under this Lease Agreement as a Development Authority under the Progressive Design-Build method. The Lessee will be the Industrial Development Board for the City of Chattanooga, Tennessee, as described in Tennessee Code Annotated authority described in Tennessee Code Annotated § 12-10-124, as a public corporation, to engage in a request-for-proposal process or other public process for the construction of this project; and

WHEREAS, the Lessor authorizes the Lessee and a professional consultant hired by the City as its agent to manage and execute the e2i2 project on its behalf; and

WHEREAS, the Lessor has agreed to lease to the Lessee during construction of this project and Lessee agrees to return all property so leased to it to Lessor following the

completion of all property to the City after the completion of this project for a specified time period and on the terms and conditions set forth in this Agreement;

NOW THEREFORE, in consideration of the mutual covenants and conditions herein contained, the parties hereto agree as follows:

1. LEASED PREMISES. Lessor hereby leases to Lessee, proposed wet weather equalization stations (the "Facilities") are located at four parcels in Chattanooga, Tennessee (the "Project Sites"):

- West Chickamauga (Hwy I-75, Chattanooga, TN, 37411)
- South Lee Hwy (7148 Lee Hwy, Chattanooga, TN, 37421);,

as more particularly described on **Exhibit A** attached hereto and made a part hereof ("the Space"). Lessee shall be entitled to the permitted use of the Space during the term of this Lease Agreement to improve, maintain, equip and furnish this wet weather equalization station and facilities, including all real and personal properties in connection with these projects as authorized under Tennessee law.

Leased Premises are subject to the following:

Existing zoning, existing lease agreements for cellular utilities or otherwise, all existing utility easements, rights-of-way easements and drainage easements thereon.

Restrictions on said property, whether contained in prior title or otherwise, are not lifted or removed by this agreement.

Lessee is responsible to maintain access at all times in accordance with all existing lease agreements on subject properties including but not limited to the following:

Crown Castle GT Company, LLC recorded in Deed Book GI 10083, Page 609

Signal One Corporation recorded in Deed Book 10366, Page 170

2. TERM. The term of this Agreement is for six (6) years, which includes the entire period of the design and construction of the facilities located at the four parcels in Chattanooga, Tennessee which are the two (2) project sites set forth in Paragraph 1 above. Upon the completion of construction of each project site the Lessee as the Development Authority shall transfer all constructed infrastructure and property to the Wastewater Department of the City of Chattanooga. In addition, either party

may terminate this Agreement without cause upon sixty (60) days written notice to the other party.

3. REMEDY. In the event of the expiration or early termination (for any reason) of this Agreement, Lessor shall have the right to re-enter and repossess the Space, with or without legal action.
4. BUSINESS CONDUCTED IN THE SPACE; PERMITTED USE. Lessee and its agents or consultants under this Lease Agreement shall conduct themselves in a manner consistent with the recognized standards of the profession and with all applicable ethical guidelines, policies and procedures and federal, state and local laws and regulations. Lessee shall use the Leased Premises for the sole purpose of the completion of the design build components of the e2i2 project as set forth in Paragraph 5 of this Lease Agreement.
5. OBLIGATIONS OF LESSEE.
 - 5.1 RESPONSIBILITIES. Lessee shall provide its Services in compliance with federal, state and local laws and regulations, as well as comply with all the policies established by Lessor on the Lease Premises including the following:
 - (a) Planning and preliminary engineering of the e2i2 Project;
 - (b) Development of a request for proposals, receive and review the submitted proposals, and development a selection committee for the procurement of the design-builder;
 - (c) Development of the design-build agreement for the Project. The design-build agreement will be developed to implement the project in accordance with Exhibit B – Progressive Design-Build Process.
 - (d) Submission of resolutions to the IDB or City for authorization of payments during construction;
 - (e) City and IDB’s agent shall be responsible to submit monthly status reports to the IDB concerning the Project;
 - (f) City and IDB’s agent shall be responsible to submit applications for project funding and coordination with the financing agencies;
 - (g) City and IDB’s agent shall be responsible for management of the selected Design-Builder including schedule management, progress reporting, workshop attendance, budget management, and approvals of invoices;

- (h) The Project shall continue to be leased by the IDB during the design and construction completion of each project site; and the Project shall comply with all federal, state, and local requirements before it is returned to the Lessor at the end of this Lease after construction is completed.
- (i) Upon termination of this Agreement, at the expiration of the term hereof, or an extension thereof, Lessee shall surrender the Lease Premises to Lessor in its improved condition following construction of all site improvements. Lessee covenants to Lessor that it shall vacate the Lease Premises on or before thirty-one (31) days following the expiration of the term hereof or any extension thereof or earlier termination of this Agreement, including the removal of all personnel and personal property.

5.2 CONTACT. Lessee shall report to Lessor any administrative problems or concerns arising in or related to the Lease Premises during design or construction as soon as practicable to the Chief Financial Officer for the City, who shall be the designated contact person for such problems or concerns. Notice shall be given at the address set forth in Section 12.

6. RENT. In consideration for the use of the Lease Premises during the design and construction of all facilities, Lessee shall pay Lessor rent in the amount of One Dollar (\$1) per year. The rent shall be due on the Effective Date of this Agreement and thereafter on the first day of each succeeding year (with rentals for portions of a month, if any, being prorated). Any changes in the rent shall be set in advance and specified in writing prior to each Renewal Term by addendum to this Agreement.

7. RELATIONSHIP OF PARTIES.

7.1 STATUS AS AN INDEPENDENT CONTRACTOR. Lessee and Lessor are independent parties. Both parties (and their respective employees and agents) at all times will act as independent contractors and not as partners, agents, shareholders, members or employees' of each other. Neither party shall hold itself out to third parties as a partner, employee, shareholder, member or agent of or joint venturer with the other party in the leasing of space and equipment or in the provision of patient services under this Agreement. Each party shall have the exclusive responsibility for the payment of all sales and use taxes, business taxes, payroll (employment) taxes, or income taxes in the Lessor's Premises, including the Space.

- 7.2 COMPLIANCE WITH LAWS. Lessee shall act at all times in compliance with all federal, state and local laws. It shall be deemed a material breach of this Agreement if Lessee shall fail to observe this requirement, and, in such event, Lessor may terminate this Agreement immediately.
- (a) Lessee covenants to comply with all state, county, and city laws and ordinances, including those regarding nuisances insofar as the Leased Premises are concerned, and that the Lessee will not by any act of its agents or officers render the Lessor liable therefor. Further, Lessee covenants to comply with all federal, county, and city laws and ordinances in regard to discrimination due to handicap, age, race, color, religion, sex, national origin, or any other classification protected by said laws.
 - (b) The parties expressly agree that nothing contained in this Agreement shall require either party to refer patients to the other party. Notwithstanding any unanticipated effect of any provisions of this Agreement, neither party will intentionally conduct itself in such a manner as to violate the applicable federal or state fraud and abuse or self-referral laws.
- 7.3 INCURRING FINANCIAL OBLIGATIONS. Lessee shall be responsible for all personal and professional expenses of its own employees or agents, including but not limited to, professional liability insurance premiums, personal and professional expenses, membership fees, dues, and expenses involved in attending conventions and meetings.
8. PROHIBITION ON ASSIGNMENT BY LESSEE. The benefits conferred under this Agreement may not be assigned by Lessee without the express written consent of Lessor.
9. CHANGES IN LAW. In the event that either party (i) due to its involvement in activities relating to this Agreement, becomes the subject of governmental regulatory action, the purpose of which is to enforce federal or state fraud and abuse or self-referral laws, or (ii) becomes aware of (a) a new written interpretation released by a governmental regulatory body involving federal or state fraud and abuse or self-referral laws, or (b) a material change in the regulatory atmosphere surrounding the exchange of compensation between health care providers as described in this Agreement, as evidenced by written commentary, written guidance, advisory opinions, fraud alerts, or any other written communications issued by a governmental regulatory body, that, in the reasonable opinion of such party's counsel, creates a substantial risk of subjecting such party to governmental regulatory action for violating federal or state fraud and abuse or self-referral laws, then Lessor and Lessee shall use reasonable efforts

to revise this Agreement in a manner that would appropriately reduce or eliminate such substantial risk and if such revision is not agreed to by Lessee and Lessor, then either party may terminate this Agreement upon written notice to the other party.

10. NOTICES

Any notice required or desired to be served by either party hereto upon the other shall be deemed to have been properly given if such notice shall be in writing and either personally delivered, delivered by messenger or overnight courier, transmitted by a telefacsimile device, or sent certified mail, with postage prepaid, and addressed as follows:

City of Chattanooga
Attn: Mark Heinzer, Interim Administrator
Wastewater Department
1250 Market Street
Chattanooga, TN 37402

Industrial Development Board of the City of Chattanooga
Attn: Phillip A. Noblett, Counsel
100 E. 11th Street, Suite 101
Chattanooga, TN 37402

Unless otherwise provided herein, the date which is five (5) days after the date of mailing, or the date of written confirmation of transmission if sent by facsimile, or the date of delivery if sent by messenger or overnight courier shall be deemed to be the date on which such notice was given. Either party may change its address for purposes of this Agreement by providing written notice to the other.

11. MISCELLANEOUS.

11.1 TRADEMARKS AND TRADE NAMES. Nothing in this Agreement shall give either party the right to use the name, symbols, trademarks, trade names, service marks, or copyrights of the other party. Any permitted use shall terminate upon the termination of such consent or termination of this Agreement, whichever first occurs.

- 11.2 NO THIRD PARTY RIGHTS. This Agreement has been made and is made solely for the benefit of the parties hereto and their respective successors and permitted assigns. Nothing in this Agreement is intended to confer any rights or remedies under or by reason of this Agreement on any persons other than the parties to it and their respective successors and permitted assigns. Nothing in this Agreement is intended, to relieve or discharge the obligation or liability of any third persons to any party to this Agreement.
- 11.3 FORCE MAJEURE. Neither party hereto shall be liable for any delay or failure in the performance of any obligation under this Agreement (excluding Lessee's payment obligations hereunder) or for any loss or damage (including indirect or consequential damage) to the extent that such nonperformance, delay, loss or damage results from any contingency which is beyond the control of such party, provided such contingency is not caused by the fault or negligence of such party. Such contingencies for the purposes of this Agreement shall be acts of God, fires, floods, earthquakes, explosions, storms, wars, hostilities, blockades, public disorders, quarantine restrictions, embargoes, strikes or other labor disturbances, and compliance with any law, order or control of, or insistence by any governmental or military authority. The party claiming to be affected by such contingency shall give immediate notice to the other party, giving full particulars thereof, and all such contingencies shall, as far as is reasonably possible, be remedied with all reasonable efforts and dispatch. The existence of such contingencies shall justify the suspension of performance hereunder by either party and shall extend the time for such performance for a period equal to the period of delay; provided, however, that if such period of delay shall exceed sixty (60) days from the date of such notice, either party shall have the right to terminate this Agreement.
- 11.4 NO WAIVER. Any waiver by the parties of any default or breach of any of one or more of the terms, conditions, or covenants of this Agreement shall be in writing and shall not be construed to be a waiver of any subsequent or other breach or default of the same or of any other term, condition, or covenant of this Agreement. No delay, failure, or omission of Lessor to re-enter the Space, to insist on strict enforcement of any term, covenant or condition, or to exercise any right, privilege or option arising from any breach or default shall impair any such right, privilege or option or be construed as a waiver or acquiescence in such breach of default.

- 11.5 SEVERABILITY. The invalidity or unenforceability of any provisions of this Agreement shall not affect the validity or enforceability of any other provisions, which shall remain in full force and effect.
- 11.6 TITLES AND CAPTIONS. All section or subsection headings used herein are for convenience only and shall not be taken into consideration in any construction or interpretation of this Agreement or any of its provisions.
- 11.7 GOVERNING LAW. This Agreement shall be governed by and construed according to the laws of the State of Tennessee.
- 11.8 SURVIVAL. Any provisions of this Agreement extending beyond the term hereof shall survive the expiration or termination of this Agreement, regardless of the reason for such termination.
- 11.9 AMENDMENTS. This Agreement may not be changed orally, but only by an amendment to this Agreement in writing and signed by both Lessor and Lessee.
- 11.10 ENTIRE AGREEMENT. This Agreement, together with its Exhibits attached hereto, sets forth the entire agreement and understanding of the parties relating to the subject matter contained herein and merges all prior discussions between them, and neither party shall be bound by any definition, condition, warranty or representation other than as expressly stated in this Agreement. This Agreement represents all of the premises and equipment leased between the parties for the term of this Agreement.
- 11.12 AUTHORIZATION FOR AGREEMENT. The execution and performance of this Agreement by both parties have been duly authorized by all necessary and applicable laws, resolutions, and partnership action, and this constitutes valid and enforceable obligations of both parties in accordance with its terms.

[Signature Page Attached]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement through their duly authorized representatives.

Lessor:

City of Chattanooga

By: _____

Name: _____

Title: _____

LESSEE:

Industrial Development Board of the City of Chattanooga

By: _____

Name: _____

Title: _____

EXHIBIT A

Lease Premises Description

Site #1 - West Chickamauga EQ Station

Parcel #1 (6000 Cornelison Road, Chattanooga, TN, 37411)



LAND DESCRIPTION

TAX PARCEL 169D A 001.02

Property of Hamilton County Wastewater Treatment Authority

Ref: Deed Book 13105, Page 421, Register's Office, Hamilton County, Tennessee

A tract or parcel of land located in Hamilton County, Tennessee and being Lot 1 as shown on Revised Plat Lots 1 & 2, HCWWTA on I-75 Subdivision Plat, recorded in P3 124, Page 183, Instrument No. 2022081100165, in the Register's Office of Hamilton County, Tennessee, and being more particularly described as follows:

A parcel of land situated in Hamilton County, Tennessee being a part of Deed Book 10366, page 170 of the Register's Office Hamilton County (R.O.H.C.). To find the true point of beginning begin at the remote point of beginning which is the South right of way of U. S. Interstate 75 and the West boundary of Chickamauga Creek; thence with and along the West boundary of said creek 91.3 feet more or less to a point; said line is subtended by a chord South 27 degrees 43 minutes 13 seconds East 91.17 feet; thence leaving said boundary and with a series of bearings and distances as follows: South 37 degrees 32 minutes 18 seconds West 720.63 feet to a point, South 70 degrees 36 minutes 54 seconds

West 830.77 feet to a point, North 59 degrees 06 minutes 20 seconds West 499.14 feet to a point in the South right of way of U. S. Interstate 75; thence leaving said lines and with and /along the South right of way of said Interstate with a series of bearings and distances as follows: North 64 degrees 43 minutes 21 seconds East 371.13 feet to the point of curve and marked by a concrete monument found, with a curve measured to the right an arc distance of 603.07 feet to a point of compound curve marked by a concrete monument found, said curve has a radius of 11,339.16 feet a tangent of 301.60 feet and is subtended by a chord North 66 degrees 13 minutes 06 seconds East 603.00 feet with a curve measured to the right an arc distance of 616.93 feet to the point of tangent, said curve has a radius of 11,339.16 feet a tangent of 308.54 feet and is subtended by a chord North 69 degrees 18 minutes 02 seconds East 616.86 feet, North 70 degrees 12 minutes 14 seconds East 153.29 feet to the point of beginning.

LESS AND EXCEPT Lot 2 as shown on Revised Plat Lots 1 & 2, HCWWTA on I-75 Subdivision Plat, recorded in P3 124, Page 183, Instrument No. 2022081100165, in the Register's Office of Hamilton County, Tennessee, and being more particularly described as follows:

A parcel commencing at an iron pin; beginning South 66 degrees 14 minutes 20 seconds East a distance 818.33 feet from the termination of Cornelison Road at Tennessee State Plane Coordinates (N 245797.9841, E 2206706.4819), said iron pin being the Southwest corner of the tract herein described and also the POINT OF BEGINNING;

Thence North 00 degrees 00 minutes 00 seconds East a distance of 150 feet to an iron pin;

Thence South 90 degrees 00 minutes 00 seconds East a distance of 150.00 feet to an iron pin;

Thence North 90 degrees 00 minutes 00 seconds West a distance of 150.00 feet to the POINT OF BEGINNING.

Containing 0.52 acres more or less.

The above legal description of property taken from Exhibit 1 to Memorandum of Lease recorded in Deed Book GI 5377 Page 43.

Parcel #2 (220 Cornelison Road, Chattanooga, TN, 37411)



SURVEYOR'S DESCRIPTION

LEASE AREA

A portion of Tax Parcel 157M A 009.03

Land located in the City of Chattanooga, Hamilton County, Tennessee. Being a portion of the Property of the City of Chattanooga, Tennessee, of record in Deed Book 2514, Page 310, Register's Office, Hamilton County, Tennessee, (ROHC), which is a portion of Hamilton County Tax Parcel 157M A 009.03, and being more particularly described as follows, relative to the Tennessee State Plane Coordinate System, North American Datum of 1983 (NAD83):

COMMENCE at a 5/8in Rebar found, which lies in the West Line of aforesaid Property of the City and at the Southeast Corner of "Parcel 2" as recorded in Plat of Bright Par 3 Associates LP, Plat Book 75, Page 102, ROHC, and said Rebar located at Tennessee State Plane Coordinates: North: 246,940.23 feet, East: 2,207,005.39 feet, NAD83;

Thence S 07°40'46" E, along the West Line of aforesaid Property of the City, a distance of 12.23 feet to the POINT OF BEGINNING of the Lease Area described herein, which is located at Tennessee State Plane Coordinates: North: 246,928.11 feet, East: 2,207,007.02 feet, NAD83;

Thence N 78°59'31" E, a distance of 151.00 feet;

Thence S 07°49'36" E, a distance of 455.00 feet to a point on the Northern Right-of-Way Line of State of Tennessee Right-of-Way of Interstate Highway 75, as shown by Tennessee Department of Transportation Plans I-75-1(70)0;

Thence S 70°52'15" W, along said Right-of-Way Line a distance of 155.00 feet to the point said Right-of-Way Line intersects with the West Line of aforesaid Property of the City of Chattanooga;

Thence N 07°40'46" W, along said Line, a distance of 477.00 feet to the POINT OF BEGINNING.

The LEASE AREA described herein contains 1.62 Acres (70,531 Square Feet), more or less.

LESS AND EXCEPT a tract designated within a land lease agreement for wireless utility infrastructure being particularly described as follows:

BEGINNING at a point as the southwest corner of the Lease Area Boundary, said point being located North 13 degrees 58 minutes 00 seconds East a distance of 40.12 feet from the existing iron rod on the line common with the Osborne and City of Chattanooga Property.

Thence, North 18 degrees 29 minutes 35 seconds West a distance of 114.22 feet to an iron rod;

Thence, North 71 degrees 30 minutes 25 seconds East a distance of 75.00 feet to an iron rod;

Thence, South 18 degrees 29 minutes 35 seconds East a distance of 117.55 feet to a point located on the northerly side of a 15 foot ingress/egress easement;

Thence, continuing with said proposed easement South 72 degrees 13 minutes 16 seconds West a distance of 32.59 feet to a point;

Thence, South 75 degrees 27 minutes 38 seconds West a distance of 42.51 feet to the POINT OF BEGINNING.

Containing 0.20 acres or 8730 square feet more or less.

Being part of that property conveyed by deed recorded in Book 2514, Page 310, in the Register's Office, Hamilton County, Tennessee.

The foregoing description was taken from survey drawing No. 9517422S, dated July 25, 1995, made by Tysinger, Hampton & Partners, 3248 Bristol Highway, Johnson City, Tennessee 37605.

Site #2 - South Lee Hwy EO Station

Parcel #3 (7148 Lee Hwy, Chattanooga, TN, 37421)



SURVEYOR'S DESCRIPTION

TAX PARCEL 139P C 008.01

Property of the City of Chattanooga, Tennessee

Land lying in the City of Chattanooga, Tennessee. Being the property the City of Chattanooga, Tennessee, a municipal corporation of the State of Tennessee, of record in Deed Book 11148, Page 73, Register's Office, Hamilton County, Tennessee, (ROHC), and also known as being the "Webster Tract", as shown on Plat of James Webster's Subdivision, recorded in Plat Book 65, Page 52, ROHC, and being more particularly described relative to the Tennessee State Plane Coordinate System, as follows:

BEGINNING at a five-eighths-inch Rebar found at the Southwest Corner of aforesaid Webster Tract and Southwest Corner of the property described herein, and said Rebar lying in the Southeast Right-of-Way line of Lee Highway, and said rebar located at Tennessee State Plane Coordinates: North: 261,689.24 feet, East: 2,221,357.42 feet, North American Datum of 1983;

Thence North 52 degrees 25 minutes 26 seconds East, along said Right-of-Way line, a distance of 355.28 feet to the Northwest Corner of the property described herein, said point lies in an asphalt driveway;

Thence South 62 degrees 56 minutes 01 seconds East, leaving said Right-of-Way line, a distance of 526.08 feet to and Iron Spike found;

Thence South 50 degrees 52 minutes 20 seconds East, a distance of 91.15 feet to a point in a 28-inch Hickory Tree;

Thence South 83 degrees 51 minutes 15 seconds East, a distance of 30.61 feet to a point in a 24-inch Hickory Tree;

Thence South 57 degrees 25 minutes 36 seconds East, a distance of 158.68 feet to a five-eighths-inch Rebar found;

Thence South 65 degrees 13 minutes 29 seconds East, a distance of 151.89 feet to a one-half-inch Open-Top Pipe found;

Thence South 74 degrees 06 minutes 58 seconds East, a distance of 293.65 feet to a five-eighths-inch Rebar found, same marking the Northeast Corner of the property described herein;

Thence South 24 degrees 09 minutes 28 seconds West, a distance of 360.99 feet to a one-half-inch Iron Rod found marking the Southeast Corner of the property described herein, which lies in the Northwest Right-of-Way line of Interstate Highway 75;

Thence North 62 degrees 56 minutes 31 seconds West, a distance of 1412.08 feet the POINT OF BEGINNING

Said Property described herein contains 9.70 Acres, more or less.

Parcel #4 (McCutcheon Road, Chattanooga, TN, 37421)



SURVEYOR'S DESCRIPTION TAX PARCEL 138M C 002.01

Land located in the City of Chattanooga, Tennessee. Being the property of the City of Chattanooga, Tennessee, of record in Deed Book 5515, Page 504, Register's Office, Hamilton County, Tennessee, (ROHC), and being more particularly describe, relative to the Tennessee State Plane Coordinate System, as follows:

BEGINNING at a Capped Iron Rod found at the Northwest Corner of Lot 1, Bridgeway Apartments, of record in Plat Book 99, Page 166, ROHC, located at Tennessee State Plane Coordinates: North: 262,257.30 feet, East: 2,219,526.30, North American Datum of 1983;

Thence North 23 degrees 24 minutes 38 seconds East, a distance of 344.32 feet to a point in the centerline of Friar's Branch;

Thence Eastwardly with and along the meanders of the centerline of said Branch, a chord bearing of South 59 degrees 00 minutes 38 seconds East, for a chord distance of 1099.23 feet to a point on said centerline of Friar's Branch;

Thence South 52 degrees 21 minutes 37 seconds West, a distance of 227.94 feet to Capped Iron Rod found at a Northeastern Corner of aforesaid Lot 1, Bridgeway Apartments;

Thence North 66 degrees 34 minutes 57 seconds West along the principal Northeast line of said Lot 1, a distance of 979.29 feet to the POINT OF BEGINNING.

Property described herein contains 6.51 Acres, more or less, subject to variations in the route of Friar's Branch as may occur over time as a result of natural factors.

EXHIBIT B
Progressive Design-Build Process

Procure Design-Builder

The City has established criteria for solicitation of a design-build team for the project. Such criteria was published on the City's procurement website and which included such items as the prospective proposer's:

- licensure/bonding amount
- work history including size of recent projects completed as well as experience
- qualifications of the design-build organization(s)
- collaborative delivery approach
- past performance
- small business enterprise and local preference
- project understanding and delivery
- personnel qualifications and team approach
- oral communication
- costs of the 60% design professional services

The list of items above is not comprehensive.

Design

The design of the project will be completed in accordance with the design-builder contract. All Project components will be designed by a professional engineer (P.E.) licensed in the State of Tennessee. A guaranteed maximum price (GMP) will be provided at an interim design milestone. Based on its review of the GMP, it may become more economical to receive construction bids for the Project. The City reserves the right to deviate from the design-build of the project and solicit construction bids. If the design-build method remains the most economical option, the design-builder will be permitted to begin construction while finalizing the design for the project.

Construction

The construction of the project will be completed as described in the design-builder contract and design documents developed by a licensed professional engineer. Construction will be permitted to begin once the GMP is approved by the IDB.

Startup

Once construction of the Project components is substantially complete, the design-builder will implement the startup of Project components. Once the startup is approved by the City, the design-builder will provide the City with final project operational manuals and allow the City to begin operating the Project components.

RESOLUTION

A RESOLUTION APPROVING THE ANNUAL REPORT ON PAYMENT IN LIEU OF TAX (PILOT) PROGRAM DATED JANUARY 9, 2023, FOR THE YEARS 2021 AND 2022 FROM HOMESERVE C/O SITE SELECTION GROUP.

BE IT RESOLVED, that the Industrial Development Board of the City of Chattanooga is hereby approving the Annual Report on Payment in Lieu of Tax (PILOT) Program dated January 9, 2023, for the years 2021 and 2022 from HomeServe c/o Site Selection Group.

ADOPTED: April 17, 2023

THE INDUSTRIAL DEVELOPMENT
BOARD OF THE CITY OF CHATTANOOGA

Attest:

JIMMY F. RODGERS, JR., Chair

PATRICK SHARPLEY, Secretary



Annual Report for Payment-In-Lieu-of-Tax (PILOT) Program for Chattanooga and Hamilton County Tennessee

Company Information

Name: HomeServe c/o Site Selection Group

Address: 8235 Douglas Ave. Suite 500

City and Zip: Dallas, TX 75225

Company Contact: Eileen Hughett

Telephone: 214/226-3335

E-mail: ehughett@siteselectiongroup.com

Fax:

Company's Commitment due by 12/31/2021

Employment at Beginning of PILOT	326
---	-----

Category	Commitments	Progress Toward Commitments (Cumulative Total during Grace Period starting 2019 - ending 12/31/2021)
Property Investment Amount	\$4,560,000	\$3,335,064
Number of Net New Jobs	154	377
Average Wages per New Job ¹	\$39,520	\$49,573

¹May include overtime; must exclude benefits

	2022
Current Total Employment <i>(This figure is greater than or equal to the # of jobs associated with the PILOT)</i>	742
Current Employment in this PILOT Project	416
Average Wages per Employee in this PILOT Project	\$46,978.46

Comment on Progress Toward Commitments – Please Explain Any Shortfall.

[2021 note] HomeServe has had a great experience working with Chattanooga on this exciting project. The project has been a huge success, significantly exceeding the 154 jobs commitment, with a total growth of 377 net new, full-time positions. These net new positions have also exceeded the original average wage by \$10,000 with an average wage of approximately \$50,000 (note this number does not include bonuses).

In terms of capital investment, the company met the original estimate of over \$1.7m of personal property. For the real property investment, the company had anticipated closer to \$4m of investment to prepare the building for the project. This annual report only asks for the direct investment made by the Company, so any costs incurred by the landlord on behalf of the Company were excluded from the \$3.3 million reported above.

[2022 note] – The project continues to be a huge success, significantly exceeding the 154-job commitment, with a total growth of 416 net new, full-time positions. These net new positions have exceeded the original average wage by \$7,458 with an average wage of approximately \$46,978 (note this does not include bonuses)

With regards to capital investment, the company has made a total capex investment as of November 2022 of \$4,151,314 in both personal and real property. This amount includes \$1,017,627 for a parking lot (150 spaces) that was completed in September of 2021. The parking lot cost was not originally included in the Investment amount on the year end 12/31/21 report since it was a cost incurred by the landlord on behalf of the company. The company’s monthly lease payments were increased through the term of the lease to account for the cost of the parking lot.

Submit Completed Information by Mail or Email to:

Mr. J. Steven Hiatt, Director of Existing Business
Chattanooga Area Chamber of Commerce
811 Broad Street, Suite 100 • Chattanooga, TN 37402
PHONE: (423) 763-4333
EMAIL: shiatt@chattanoogachamber.com

I certify that this project continues to reside in Hamilton County, TN - YES NO

I certify that the information and attachments provided are true and accurate to the best of my knowledge and belief:

Grant Smith – Director of Sourcing.
Print name and title of authorized representative of applicant

Signature 

Date 1/9/2023 | 7:41 AM EST