

AMENDED AGENDA

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

Monday, August 1, 2022 @ 11:00 AM

1. Call meeting to order.
2. Confirmation of Meeting Advertisement and Quorum Present.
3. Minutes Approval – June 27, 2022, Special Monthly Meeting.
4. Recognition of any person wishing to address the Board.
5. Volkswagen Finance Report by Eleanor Liu.
6. **Resolutions:**
 - (a) **SUMMARY: VW Resolution** - Change Order No. 1 to S&ME for Enterprise South Industrial Park re: add scope for due diligence study for Pad #2.

A RESOLUTION AUTHORIZING CHANGE ORDER NO. 1 TO S&ME TO ADD SCOPE TO THE DUE DILIGENCE STUDY RELATIVE TO PAD #2 AT ENTERPRISE SOUTH INDUSTRIAL PARK, IN THE AMOUNT OF EIGHTEEN THOUSAND NINE HUNDRED DOLLARS (\$18,900.00), FOR A NEW CONTRACT AMOUNT NOT TO EXCEED TWO HUNDRED EIGHTY-THREE THOUSAND ONE HUNDRED DOLLARS (\$283,100.00). **(VW(CB)76)**
 - (b) **PUBLIC HEARING – SOUTH BROAD DISTRICT AREA PLAN**
 - (1) A RESOLUTION OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA, WITH RESPECT TO AN ECONOMIC IMPACT PLAN FOR THE SOUTH BROAD DISTRICT PLAN AREA AND AUTHORIZING THE SUBMISSION OF SUCH PLAN TO THE CITY COUNCIL OF CHATTANOOGA, TENNESSEE. **(Plan Approval)**

(2) A RESOLUTION OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA, AUTHORIZING THE EXECUTION OF AN INTERLOCAL COOPERATIVE AGREEMENT WITH THE INDUSTRIAL DEVELOPMENT BOARD OF THE COUNTY OF HAMILTON, TENNESSEE, RELATING TO PAYMENT OF INCREMENTAL PROPERTY TAX REVENUES. (**Execute Interlocal Cooperative Agreement**)

(c) **ACCESS ROAD NORTH RIVER COMMERCE CENTER INDUSTRIAL PARK**

(1) A RESOLUTION OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA AUTHORIZING THE EXECUTION OF DOCUMENTS RELATING TO TAX INCREMENT FINANCING OF COSTS RELATING TO THE NORTH RIVER COMMERCE CENTER INDUSTRIAL PARK. (**Execution of documents for financing of costs**)

7. **Other Business and Discussion Items:**

- (a) PILOT policies and procedures;
- (b) TIF policies and procedures;
- (c) Bylaws;
- (d) Agenda Process; and
- (e) Website.

8. Adjournment.



**INDUSTRIAL DEVELOPMENT BOARD
SPECIAL MEETING MINUTES
John P. Franklin Sr. City Council Building
Chattanooga, Tennessee
for
June 27, 2022
10:00 AM**

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

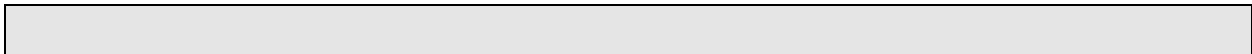
Also present were Phillip A. Noblett (Counsel for the Board); Mark Smith (Miller & Martin); Matt Phillips (Access Road, LLC and Rise Partners); Jermaine Freeman (Economic Development); Helen Burns Sharp (ATM); Gail Hart (Real Property); Inga Fricke (McKamey Animal Center); Mike Pare and John Wilson (Times Free Press); Clay Oliver (CDOT); Eleanor Liu (Finance); Brooke Satterfield (Mayor's Office); and Charles Wood (Chattanooga Chamber).

Mr. Rodgers called the meeting to order, established that the meeting was duly advertised, and a quorum was present to conduct business.



MEETING OF MAY 2, 2022 – MINUTES APPROVAL

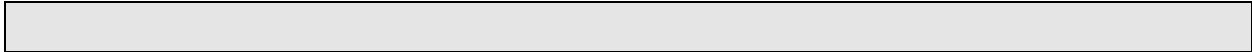
On motion of Mr. Adkins, seconded by Mr. Parker, the minutes of the May 2, 2022, monthly meeting were unanimously approved.



CHAIRMAN'S REPORT

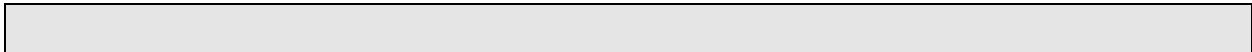
Mr. Rodgers stated we did not have a meeting in early June, and we are not having our normal, customary July meeting. This meeting today is in lieu of those two. The next meeting, we will be back to our normal schedule on August 1st at 11:00 a.m. instead of today's 10:00 a.m. Mr. Rodgers appreciates the efforts to improve the wording of some of these resolutions to where hopefully the public can more easily understand what is being presented from a standpoint of a little more detail and specifications.

A draft agenda process was passed out to the fellow board members and to the public, however, Mr. Rodgers has not made any adjustments to the draft. It reflects in general what Mr. Rodgers and Ms. Manalla in the City Attorney's office discussed. If anyone has any suggested changes or thoughts to it, please let us know. The intent plan is to enact it effective at the August 1st meeting and have it in place. Part of the goal is to make sure the IDB members in general, but also the public, have ample opportunity and notice of what is going on and time to review certain things. Our agenda today, one of the items is 227 pages of attachments. It is not from Mr. Rodgers' experience in the past, we have had some difficulties in getting things thrown on us at the last minute. We are going to try to get things formalized as far as deadlines and process in order to have things heard by the IDB and get that in place.



PUBLIC COMMENTS

There was no one wishing to address the Board except Ms. Helen Burns Sharp will speak when her particular item comes up.



RESOLUTION

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

A RESOLUTION RATIFYING THE EXECUTION BY THE CHAIR OF A LETTER DATED MARCH 28, 2022, TO SUPPLEMENT AND AMEND CONTRACT NO. 15328 BETWEEN THE INDUSTRIAL DEVELOPMENT BOARD (GRANTEE) AND THE TENNESSEE VALLEY AUTHORITY (TVA) WHEREBY FUNDING IS BEING USED TO ASSIST WITH ENGINEERING DESIGN, DUE DILIGENCE STUDIES, AND A RAIL YARD FEASIBILITY STUDY ON A 180-ACRE SITE FOR VOLKSWAGEN. (VW(CB)74)

Mr. Jason Payne stated this is a grant entered into a couple of years back where Chairman Skip Ireland signed off which is a grant to develop with due diligence study for developing some property out at Enterprise South on the corner of Ferdinand Piech Way.

Mr. Noblett stated that this was action taken by the Board in 2020 and initially, Mr. Ireland signed the resolution. At this point, they are getting up to having the engineering design, due diligence studies, and rail yard feasibility study for that tract which is 180 acres next to Volkswagen. That is an issue that needs to have approval. The contract is going on between the IDB and TVA. Funding will be coming for that process by the IDB.

Mr. Rodgers signed the letter on advice of counsel which was authorized by the prior resolution. This is to ratify what has already been done. This is a new board that was not present in 2020.

Mr. Payne stated the reimbursements are coming in for pay back from TVA.

The resolution was unanimously adopted.

ADOPTED – June 27, 2022

RESOLUTION

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

A RESOLUTION AUTHORIZING THE CHAIR OR VICE-CHAIR TO EXECUTE ANY AND ALL DOCUMENTS RELATED TO ACCEPTING TENNESSEE SBC PROJECT #170/003-01-2021, GRANT RELATED TO THE ELECTRIC VEHICLE EXPANSION OF THE CHATTANOOGA VOLKSWAGEN FACTORY, IN THE AMOUNT OF FIFTY MILLION DOLLARS (\$50,000,000.00). (VW(CB)75)

Mr. Payne stated this is related to the expansion that Volkswagen has already completed for electric vehicles. This MOU was entered into with the State several years back that just now came to terms on how to move forward.

Mr. Noblett stated that the IDB is the owner of this property which is the reason the IDB is the grantee during the course of this process. This began when the Enterprise South project began. Some of this property is owned by the IDB and others owned by the City and County. This is IDB property and is the reason why the grant from the State comes to the Board and will be dealt out through the finance process as the requests come in. The IDB will be a recipient of \$50 million.

The resolution was unanimously adopted.

ADOPTED – June 27, 2022

RESOLUTION

On motion of Mr. Adkins, seconded by Ms. Jones,

A RESOLUTION AUTHORIZING THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA TO REIMBURSE THE CITY OF CHATTANOOGA USING TIF LOAN FUNDS FOR EXPENDITURES RELATED TO THE EAST CHATTANOOGA RISING TIF DISTRICT FOR EXPENDITURES OF THREE THOUSAND FIVE HUNDRED FORTY-THREE AND 25/100 DOLLARS (\$3,543.25) FOR ASA ENGINEERING FOR DESIGN AND RPR SERVICES RELATED TO THE HARDY STREET EXTENSION AND THREE HUNDRED SIXTY THOUSAND TWO HUNDRED SEVENTY-EIGHT DOLLARS (\$360,278.00) TO THOMAS BROTHERS CONSTRUCTION COMPANY FOR SERVICES RELATED TO THE CONSTRUCTION OF THE HARDY STREET EXTENSION, FOR THE TOTAL AMOUNT OF THREE HUNDRED SIXTY-THREE THOUSAND EIGHT HUNDRED TWENTY-ONE AND 25/100 DOLLARS (\$363,821.25). (Hardy 2022-002)

Mr. Clay Oliver stated that he is the project manager with CDOT. There are four invoices for ASA Engineering, three are design invoices, and one is an RPR invoice which is essentially for construction inspection type of services. The design invoices are more for construction administration for ongoing design services when we have questions in the field that they not particularly addressed. The \$360,278 to Thomas Brothers is for the completion of all of the stormwater infrastructure and also have done all of the mass grading involved in the project.

Mr. Noblett stated that all of these amounts have been billed currently based upon the Tax Increment Financing deal for this project. This money is being forwarded by the City of Chattanooga for this project to the IDB until it is completed and then there will be an increment once the development occurs around that property. Mr. Oliver stated that is what he understands.

The resolution was unanimously adopted.

ADOPTED – June 27, 2022

PUBLIC HEARING

Tax Increment Financing Economic Impact Plan **Access Road, LLC's** **North River Commerce Center Project**

RESOLUTION

A RESOLUTION OF INTENT ACCEPTING THE APPLICATION AND ATTACHMENTS FROM THE APPLICATION REVIEW COMMITTEE AS COMPLETE AND AUTHORIZING SUBMISSION OF THE TAX INCREMENT FINANCING APPLICATION FOR ACCESS ROAD, LLC A/K/A THE NORTH RIVER COMMERCE CENTER PROJECT TO THE CHATTANOOGA CITY COUNCIL AND THE HAMILTON COUNTY COMMISSION FOR CONSIDERATION.

Introduction

Mr. Rodgers stated that this resolution seems similar to an item that was on our agenda from the last meeting in May. Mr. Noblett stated that Mr. Freeman is here today to talk about the Tax Increment Financing arrangement. It has been finalized and proposed as to the amount of the property. There have been some changes in the area for the project. There has been information that has been involved as to the extent of the area that would be involved and how much money would actually be done. Also, Mr. Noblett thinks the term of the agreement has been finalized since you saw it the last go round.

Presentation by Mr. Jermaine Freeman (Economic Development)

Mr. Freeman stated as a reminder that back in the May meeting, the Board received the initial application for a Tax Increment Financing Application from the applicant, Access Road, LLC. The project and application are a reminder for the North River Commerce Center which is the development of an industrial park in the corridor of North Access Road in the Hixson area. What this project calls for is \$102 million of total capital investment with a proposed reimbursement of \$8.7 million for TIF, with capitalized interest not to exceed \$9.9 million.

The creation of the industrial park would create 800,000 square feet of Class A industrial space which is a space and a product we do not have a lot of in Chattanooga and is an opportunity for us as a City to have some additional industrial space that can be used to attract neighboring jobs in the Chattanooga area. The project also calls for the creation of up to approximately 600 direct and full-time jobs and improvements to North Access Road along with some improvements of public infrastructure on the site of Kordsa, which is a company that occupies the former Dupont site.

Mr. Freeman also prepared a staff memo dated June 27, 2022, for the Board and read it into the record as follows:

SUMMARY

City of Chattanooga staff support the recommendation by the Chattanooga Area Chamber of Commerce for the creation of a proposed TIF District for the North River Commerce Center Project. The project aims to see Access Road, LLC undertake a \$102 million capital investment and create approximately 600 full time jobs in an underutilized area that can support much more industry. The Chamber and the administration have concluded that this project also meets the "But For" test, and the City Council - with the adoption of Resolution No. 31115 - confirmed that the proposed improvements to infrastructure were not part of the City of Chattanooga's capital improvement plans.

This project provides an opportunity for infill at the former Dupont industrial site, as the property is long-underutilized from its former days when Dupont operated. When Dupont was in full operation, the site supported thousands of workers every day. Today there are a few hundred workers remaining on this site. The Dupont site itself contains long unused and underutilized large surface parking lots and abandoned athletic fields. Access Road, LLC is also proposing to develop an undeveloped parcel on the other side of North Access Road from the former Dupont site.

This project proposes to create 800,000 square feet of new "Class A" industrial space. As the facilities are constructed, Chattanooga will gain new spaces that can be marketed by the Chattanooga Area Chamber to attract prospective companies in need of this type of space, which can be utilized by a variety of industrial and manufacturing users. Whether those companies are new to the area, or currently operating in Chattanooga but in need of more space for growth, the presence of Class A industrial space in the Chattanooga market will help Chattanooga remain competitive as the city looks to retain and attract companies, jobs, and wages. Developing the former Dupont site as a single large project rather than allowing the area to develop in a fragmented way over time also allows for the creation of a modern, well-designed industrial park rather than individual structures that are created with little regard for the larger character or infrastructure needs in the area.

The TIF District includes parcels that are currently undeveloped. Should these areas be developed at any point over the term of the TIF, the new incremental property taxes that will be generated can also be used to fund and pay for the TIF and retire the TIF faster.

The attached economic analysis estimates this project will yield more than \$140 million of annual economic impact once all buildings have been constructed. The analysis also shows that over the term of the TIF, Hamilton County Schools would receive \$8.2 million of additional revenue. Access Road, LLC has also agreed to donate property that can be used for the creation of a greenway along the Tennessee River.

END OF MEMO

This memo basically summarizes why the Administration supports the project. The TIF District was in the presentation. All of the areas in the purple lines are part of the TIF District as being recommended and called for in the Economic Impact Plan. You will note that there is a small green parcel that is directly to the south of Dupont Park. That parcel in the initial application the Board has received was also included as part of the TIF District, however, in the City Council's resolution that was passed on May 17, 2022, the City Council called for this parcel to be explicitly left out of the TIF District. This parcel is currently leased for the use of the North River Soccer Field, and there was some concern by City Council that having that parcel in the TIF District would encourage the redevelopment of those parcels, and they would lose the soccer fields. The TIF District will exclude that parcel. The overall TIF District was presented and the parcels where the construction would actually happen to the buildings. The parcel along the Tennessee River is also a parcel where the applicant has indicated and agreed to donate property that could be used for the development of the future Greenway.

Application Process

The application process is a fairly lengthy process. We have struck through all of the items already completed so the applicant already submitted their application to the IDB. We have already reviewed that application and partnership in coordination with the Chamber. The IDB has already accepted the initial application for a resolution of intent to forward it on. The City Council has now seen the application and passed their own resolution of intent which basically says that the improvements that are being asked for are not improvements that the City was intending to take anyway which is why it meets the but-for test because we were not going to do those improvements. As part of the resolution as a reminder, the City Council also explicitly said that they did not want the soccer field parcel included in the TIF District.

The applicant has now submitted its Economic Impact Plan to the IDB, and the Application Review Committee was selected to review the application process. Mr. Charles Wood, who was part of the Application Review Committee is here to speak about the meeting on June 3, 2022. The next step is the public hearing on the TIF to be held at an IDB meeting. After today, the City Council and County Commission will consider the final review and have final consideration of the TIF application. If it is approved by the City Council and County Commission, the IDB will have a chance to weigh in on the Development and Financing Agreement which is the very last step of the TIF process.

Mr. Rodgers stated that he would like to hear from Ms. Helen Burns Sharp before Mr. Charles Wood. Ms. Sharp has taken the time to give some thoughts in advance to the Board, and we normally do not get that kind of thing from the public. Mr. Rodgers would like to recognize Ms. Sharp, and thank her, and give Mr. Wood and any other folks who want to respond to any of the comments she makes, and maybe vice versa. Mr. Rodgers thanked Ms. Sharp for the Tax Increment Financing in Chattanooga she prepared.

Helen Burns Sharp (ATM)

Ms. Helen Burns Sharp is the founder of a group called Accountability for Taxpayer Money (ATM) which is a public interest advocacy group that focuses on taxpayer incentives, property tax incentives, and government transparency. Ms. Sharp submitted the following key points to the Board for consideration:

Key Points

1. This project appears to be a good candidate for tax increment financing.

The applicant wants to create about 800,000 square feet of "class A" industrial space by building four new speculative buildings. Chattanooga lags comparable cities in the southeast in the availability of light industrial space. The applicant's economic impact analysis projects the project could create 600 direct jobs, as well as 700 construction jobs.

The project would take place on both sides of North Access Road near the former Dupont plant. The property has been described as underutilized and aging. TIF funds would be used to replace old or mis-located infrastructure, address stormwater concerns, and improve traffic control and safety for this area.

2. This project presents as excellent opportunity to jump start the North Chickamauga Greenway project.

The city is developing a parks and outdoors plan. It will likely include a greenway along the Tennessee River from Dupont Park towards Chickamauga Dam. The applicant is willing to donate an easement on their riverfront parcel as a community benefit for the TIF project. The city already owns the riverfront property south of the soccer fields at Dupont Park. Kordsa owns the other riverfront property. The city could approach them to see if they would donate or sell an easement. Parks are considered infrastructure in the state TIF statute and thus the costs associated with the greenway could be added to the project and paid for with tax increment funds.

3. The IDB should consider requiring this applicant (or any TIF applicant) to provide a performance bond or insurance to limit public risk.

This is a recommended TIF Rule from MTAS for TIF projects. Cities in Tennessee frequently seek advice from the Municipal Technical Advisory Service on all aspects of city government. The cost of premiums issued in favor of the IDB can be built into the project, MTAS writes:

"The public risks can be high in the initial stages of the project. Ideally, the developer is committed with a development agreement or contract requiring that he undertake certain objectives and commit to spend a fixed amount of money. There are still risks. What if, for example, the project burns as soon as it is constructed, or if the developer goes bankrupt when only the pilings are set? Is the community willing to live with an eyesore funded with public dollars? Insurance or performance bonds may mitigate such losses, but the key is to have this spelled out

in the development agreement and to have the ability for the public agency to take control over the project or select another developer and move to completion. All projects have such risks." (MTAS)

The Development and Financing Agreement is something that has not come to the Board yet but just want to plant the seed from this in case the Board thinks it is a good idea and would like to see it included and maybe it is already planned to be included.

4. The IDB should require the applicant to provide at its expense a Phase I site assessment report for the project and/or plan area, as authorized by the city's adopted TIF policies and procedures. Very likely the applicants already have one. Ms. Sharp believes they have not consummated the purchase is why they have not provided it yet but wanted to make sure that at some point there is a Phase I environmental report submitted to the Board.

Charles Wood (Chattanooga Chamber)

Mr. Wood will be addressing Items 3 and 4 of Ms. Sharp's comments. The Application Review Committee is made up of five people, including Mr. Wood, as part of the City's TIF policies. The Committee met on Friday, June 3rd, in the J.B. Collins Conference Room in the City Council Building. The Committee included the following individuals: (1) Katie Hendrix with Pathway Lending which is a local CFI financing entity; (2) Jennifer Skjellum of UTC College of Business; (3) David Queen is a local CPA and also lives in the Hixson area; and (4) Courtney Watson who is a partner with Chestnut Catalyst Group, an investment advisory firm, as well as Mr. Wood.

The Committee reviewed the Economic Impact Plan that was presented and voted that the Economic Impact Plan was qualified to be considered by the City Council and County Commission approval, as well as with the IDB. The Application Review Committee thought the project was a great project largely due to the potential economic impact, as well as the potential Greenway along the river. A lot of positive feedback during the process and interesting going through that with a group that really is not involved in this kind of work day-to-day.

One thing to keep in mind as part of the project is the risk here which is highly limited basically because the project has developed are backed. The City is not and the County for that matter are not pledging a debt service to fund this project up front but instead the developer is funding the project up front. The risk really lies on the developer from a financial perspective. Is there some risk that something could happen between now and then? Yes, but it is a pretty limited risk from that perspective.

For the Phase I site assessment, Mr. Wood's assumption is no one is going to buy a piece of property like this without going through Phase I, and whether that is something that the IDB and City Council decide they want to have that document, it is up to the Board, but Mr. Wood thinks from a process standpoint for a development that is happening on site like this, is pretty traditional if that makes sense.

Mr. Rodgers asked if the Phase I site assessment has already been done?

Matt Phillips (President of Access Road, LLC and Rise Partners)

Mr. Phillips stated that they have a Phase I that has been completed. It was completed by their seller, Invista, and handed to them. They were shocked to find that there was a clean Phase I. The seller went through a Consent Decree with the federal government in order to make this property marketable, so it is very much a public record. Even though it is a public record, the Purchase Agreement with the seller requires some confidentiality. They have asked the seller to give them permission to share that with Mr. Freeman. Mr. Freeman and Mr. Phillips have been talking about this issue and are waiting for that approval because of their agreement with them of confidentiality. As soon as they get their approval, he cannot imagine that they would have an issue because of the Consent Decree process.

Mr. Phillips thanked the Board for the consideration and are very excited about the project. Mr. Freeman and Ms. Sharp have done a great job in highlighting both of what the project is. The key items that were not addressed in prior comments are:

We have talked about the 88 acres, and they are the developer, Access Road, LLC. Access Road is Mr. Phillips, Jeff Smith, and Greg Wilson. They believe that this project is in dire need in Chattanooga. Mr. Phillips has shared some of the stats last time and will do it again. They compare themselves with the City often times with other mid-size cities in the south that are growing like we are growing. Huntsville and Greenville often jump off the page. At the end of 2021, a report was published about the Greenville Metropolitan area. At the end of 2021, Greenville had 7.7 million square feet of Class A industrial under construction. At the end of 2021, according to another report, Huntsville, Alabama, had 3.3 million square feet under construction. Chattanooga currently as we stand, has about 260,000 square feet under construction. We have mountains, we have rivers, it is flat, we have flood plains, and we are in a constrained market. It is very difficult for undevelopable land in our area. We love our natural resources for all its beauty, but it makes people like him -- makes it difficult to find really good sites. A lot of good sites are gone.

About two years ago, they started calling on this piece of property. Their intern at the time, who works with them full-time, called on the ball fields. They called to see if the ball fields could be bought and found out that the current owner was about to sell 88 acres, not just a few acres. When Invista sold to Kordsa, at that time they retained these 88 acres. The 88 acres are made up of ball fields, unused parking lots (pictures of present condition looking towards Access Road), the turnaround looking towards the Kordsa plant, the parking lot could probably use a weed eater, it is not used anymore. It is not a ball field anymore, with graffiti, not what it used to be.

This is the site that is south of Access Road. You would not know it unless you are looking for it because it is behind a chain linked, barbed-wire fence. It has never been utilized for anything. Dupont bought all of this property post World War II, and this road leads to a water treatment facility and water pump that pumps three million gallons of water a day out of the Tennessee River directly into the Kordsa plant. Everything to the east of that (blue and orange) is undeveloped property that has its challenges, but it has never been brought to use.

Private Investment and Public Infrastructure

This is about a \$100 million project with infrastructure north of \$23 million. That is 1,800 layers of feet of sanitary sewer demo; 2,000 linear feet of new sewer being installed; and 1,700 linear feet of extension along North Access Road to get to the parcels mentioned. They have new improvements along Access Road. They will have new turn lanes, deceleration lanes, acceleration lanes, and will have to improve traffic signalization. The traffic signalization works for today's gone by. There are 5,000 to 6,000 employees at shift change, ingress only, egress only, that will all have to change to make Access Road function the way that it should in the area.

They plan to relocate the road that leads to the North River Soccer Complex in order to align with the full access movement at the main entrance of the Kordsa facility and their project. For much safer ingress/egress situation for those folks that use the soccer complex versus coming out right next to the traffic signal where they propose to relocate that road so the people can enter and exit safely. We have removal of a lot of abandoned utilities that they have found. We are sure we will find some more unfortunately, but they have done a lot of exploration (inaudible) storm surges leading to nowhere, utility lines that lead to nowhere from the 70 plus years of infrastructure and equipment ground undocumented. There is a lot of expense associated with that in order to make the site developable. There is 10,000 square feet of stormwater pipe to deal with. Really there is no stormwater quality system that exists today. (inaudible) and getting into treatment before it goes into the river. It was built in a time where those sorts of things were considered. On the 6,000 (sic) linear feet of fiber that runs through the parking lot that feeds Kordsa, will have to be relocated in order that Kordsa continue to operate the way that they are.

The Class A industrial facility – as far as sites that are now occupied by Amazon or FedEx, there really is only one in Chattanooga today. It is the Sai Sai Building, which is a Class A industrial building. The building is in Enterprise off of Bonny Oaks Road near Enterprise South. It was constructed recently, but it is a Class A industrial facility that deals with a certain number of dock doors and a certain clear height. It has structural reinforcement to deal with the type of racking that occurs and fire suppression systems that do not exist in older buildings. They were looking at this. In Chattanooga, the vacancy rate in industrial – if you take out all of the buildings that are functionally obsolete, buildings that are 30-40 plus years old, are vacancy rates at less than one percent. Basically, it does not exist. If you have a building that is functional in Chattanooga, it does not exist. Mr. Wood could probably speak to that when people call on him looking for space, there is very little space to show.

Project Benefit

The project benefit, as others have pointed out, 600 direct jobs are projected and 700 construction jobs. They have already chosen both their site contractor and general contractor. This is a very complicated job and decided to negotiate that work because of the complexity associated with it. The local site contractor (inaudible) in Marietta, Georgia. These buildings are concrete tilt buildings. It is sort of a specialty where you have to go find those folks that self-perform and their contractor does that. However, they have provided a long list of local subcontractors. They have been asked to give them an opportunity to bid on the project. Their hope is that the subcontractors be primarily local to the extent that they are qualified to work. The buildings themselves are not that complicated when it comes to industrial. It is electrical and

plumbing, and they hope that those sorts of trades come from the local submarket. They have also in the draft of the Development Agreement, which has not been finalized, offered up that there will be a requirement of them to make sure that the local subcontractors have a fair shot to be a part of it.

Ms. Sharp touched on this where they have committed to the City of Chattanooga providing an easement along the 2,200 linear foot parcel that fronts the Tennessee River for a Greenway extension to the North Chick Creek area. Mr. Phillips made a connection with Mr. Martin (Parks Director for Chattanooga). The relocation of the North River Soccer Complex.

With regard to the independent study that was done by the folks at Jackson Younger who projected the taxes created for the development for Hamilton County schools today, the four parcels produce \$16,000 a year going into the Hamilton County School coffers. For post development, they project \$429,000 that would go towards schools. That includes, or takes into account, the money that we set aside for the TIF. As far as the City is concerned, \$36,000 of property taxes are coming from these four parcels and post development \$322,000. Even with the TIF, there is a great economic story from a development perspective.

Questions

Mr. Rodgers thanked Mr. Phillips for his advanced consideration of the construction jobs that go into that and hopefully subcontractors. Mr. Rodgers asked Mr. Phillips if he is opposed to a performance bond or insurance as Ms. Sharp identified in her point #3? Is that something you would support, oppose, or what are your thoughts?

Mr. Phillips thanked Ms. Sharp for her comments. They talked about this in advance. Mr. Phillips believes a performance bond is required of them already so long as they are doing work in the right-of-way, signalization, and road widening, and if that is the case, obviously, it is a requirement. He could be wrong but that is his understanding. There would be no opposition as it relates to that. Mr. Noblett stated that as far as the City is involved, if there is going to be infrastructure improvement to road, sewer, or stormwater, that would normally require some type of performance bond. That is something that could be looked at in the Development Agreement.

Mr. Adkins asked who are all of the property owners right now involved in this project? Mr. Phillips stated that the current property owners is the Invista Company which is a Coke Brothers Company. When they bought the plant from Dupont years ago, operated the plant for a decade, and sold to Kordsa which is a Turkish company, when they sold the plant, Kordsa only wanted the plant and enough parking to serve their 300 plus employees. Invista retained those 88 acres which are shown in the area of Building 100 to 400, plus the Parcel D for future development is the 88 acres that Invista retained. They went under contract to purchase the property about a year ago and have been going through extensive due diligence, environmental geotech, utility due diligence to determine the 70 years of (inaudible coughing) weight underground, but they plan to close on this property September 1st after this process that Mr. Freeman discussed is complete.

Mr. Adkins asked if Mr. Phillips had any perspective companies that he thinks will move in? Mr. Phillips stated they are very pleased with the interest on this project. Mr. Woods can speak on this. When industrial occupants or tenants call to find out if they can be a part of the project, often times they need it in 90-120 days. They need it now. It takes a long time to build this project. They know to start construction in September and deliver their first building in the late Summer/early Fall. There is 12 months to get the first building complete. Even though that is the case, it is abnormal in their experience to be working on LOIs. They are working on LOI's and leases that take up half of the first building because the demand is so pent up here in Chattanooga.

Mr. Hayes asked if we know what the CARTA service for this parcel is? Mr. Hayes would be curious to know how public transit is available to the project. Mr. Freeman stated he can find out and e-mail it.

Mr. Payne would note that they serve between downtown and North Gate.

Ms. Jones asked if Mr. Phillips could speak more about the process that the site contractors and general contractors would use for subs? Mr. Phillips stated that most of the site contractors' work is self-performed. They will do all of the grading and utility work themselves. NAPCO and other local contractors is going to do all signalization work, and they are working directly with them on that project. The general contractor will put plans out to bid to local subcontractors, regional subcontractors, and everybody who is on the big list will get the opportunity to bid if they choose. When that comes back, the lowest qualified bidder will be awarded the job. Ms. Jones asked if there will be any considerations for small and minority veterans? Mr. Phillips said sure, they are working with Mr. Freeman, and others to get a list of those folks here locally and making sure that everybody that fits that category had a chance to bid as well.

Mr. Sharpley asked Mr. Phillips since he spoke on the lowest bidder, would that be all of the consideration taken or safety? Mr. Phillips stated no, that is why he likes saying the lowest qualified bidder. They make sure they are qualified first and qualified can mean anything like safety, financial strength, likelihood to perform, is not always the lowest bidder. Mr. Sharpley stated that if it is occupied by the public, it will not serve people involved.

Mr. Rodgers asked Mr. Phillips, what is Kordsa's thoughts on this project? The way Mr. Rodgers hears him describe it, certainly some of the development proposed would impact them. What are their thoughts here, do they support it? Mr. Phillips stated they do support the project. They have met multiple times. They have been a great partner. What they have laid out to them is a lot of varied utilities are running through property that others own today and will own in the future without easement. They have an interest to make sure that is dealt with the right way from a friendly neighbor, and they have been a great neighbor of theirs to help them go through the due diligence process to help dig up old drawings that may or may not correctly document where things are or not. Tommy Johnson is the Facility Manager and has been there since it was Dupont. He has been a great partner. Mr. Wood and Mr. Freeman have all met in their conference room there with their COO who lives in Hixson but commutes back and forth to Turkey. He is a big supporter of this project as well. There were no more comments for Mr. Phillips.

Mr. Freeman thanked the Board for hearing the presentation and for holding the public hearing. The City does not have anything else to add.

Ms. Sharp did not have any follow-up.

Inga Fricke (Executive Director of McKamey Animal Center)

Ms. Fricke stated that, of course, they agree that this looks like a wonderful project to help the City and its infrastructure, but Ms. Fricke just wanted to ensure that they are more remise in reminding the Board that there is one property operating. It is not simply an industrial area with soccer parks.

The McKamey Animal Center is located directly across and are the only property that is operating each and every day. Their fields extend basically to the property line of Access Road. They have animals and people out there every day. They have animals and people coming to walk the trails from their facility all the way down to the soccer fields. They are trying to make it more welcoming to the public and make them feel invited to come onto the property to visit with the animals to bring their own animals. They have to be careful as such that they do not have things such as fertilizers or other kinds of poisons or things that could negatively impact their animals or people on their property. As much as they are supportive, they want to make sure that it is not lost that they are there. They are not sure right now what the impacts might be with respect to the construction, noise, dust, excessive traffic, run-off, potentially harmful chemicals, and probably most importantly, is a concern it might deter members of the public from coming out and visiting their facility. While they understand the balance in favor of the workers and the industry coming, they just want to make sure again, they are there, and are a public utility essentially, and it is just very important to them to ensure that they are mindful as we continue to make progress on this particular project. That there are protections that they want to make sure continue to be in place to ensure that they cannot only operate safely for their staff, for the animals, but also for their visitors that are hopefully increased via visitor traffic to their site.

Mr. Rodgers thanked Ms. Fricke for taking the time to point that out and remind the Board.

Discussion

Mr. Rodgers asked, to the right (as on the picture), you could almost describe it as a race trac, what piece of property is that? Mr. Freeman stated that is Parcel D. Mr. Rodgers stated just south 100 to the left of 400? Mr. Freeman stated that is the Kordsa property. Mr. Freeman stated that is privately owned by Kordsa which is a company that currently occupies the former Dupont facility. They essentially own that parcel all the way from North Access Road all the way down to the river. That is the water that is pumped from the Tennessee River about three million gallons a day that goes into the plant is then pumped out into the water treatment facility is treated there before it goes back into the Tennessee River.

Mr. Adkins asked if McKamey is located in the 400 block? Mr. Phillips stated that McKamey is just south of Building 300 on the screen at the southeast quadrant of Access Road and Dupont Parkway. Mr. Rodgers asked how much of the property there surrounding McKamey do they have access and use of? He heard them talk about animals. Mr. Phillips stated McKamey, the southeast quadrant of Access Road and Dupont Parkway, McKamey's property is the long rectangular parcel that is in between Dupont Parkway and Dupont Park as it is shown on the screen.

Mr. Rodgers stated we have a proposed resolution, and it is on for the City Council and County Commission for consideration. Mr. Hayes stated this is a point of verification, that is what we are voting on, is to recommend to the legislative bodies that we accept the Economic Impact Plan? Mr. Rodgers stated that the resolution is not to accept as much as it is that the Board -- a resolution and intent accepting the application, and then forwarding it on for their consideration.

After further discussion, a motion was made by Mr. Hayes, seconded by Mr. Parker, and the resolution was unanimously adopted.

ADOPTED – June 27, 2022

OTHER BUSINESS

Website

Mr. Rodgers stated that Mr. Hayes and Mr. Floyd have agreed to be on the ad hoc committee. They are making progress. They also understand that they want to try to get it right. We are not in any rush. Mr. Hayes gave a brief status.

Mr. Hayes had a great set of conversations with the City's IT Department. Their staff have been very patient in helping him think through their timing of how they can get a new website constructed. The ball is very much in his court. He volunteered to write some text to get them going for a draft or version of something to look at. As a Board, he has been working on that and looked at some other examples previously talked about in Knoxville and Memphis as examples, in trying to build an outline and do writing around what our eventual Chattanooga IDB website would be in progress. The Administration and the IT Department have been very helpful.

Mr. Freeman is also on the ad hoc committee as well. Mr. Freeman stated that if there is any more information needed from their department, to let him know. Mr. Hayes would like locations of projects. Mr. Rodgers stated that they want, as a Board, to make sure that when they do this new website, it has accurate information. From what he understands right now, the current information available, the PILOT projects are not either a complete or accurate list. We need to make sure that anything new is accurate from the standpoint of PILOTs and TIFs. As we talked about before, we would like to see everything wrapped into one, including this new agenda process, so the public can understand that process -- any policies or Bylaws all wrapped together. Mr. Adkins asked to make it simple.

After further discussion, the meeting adjourned at 11:00 a.m.

PATRICK SHARPLEY, *Secretary*

APPROVED:

JIMMY F. RODGERS, JR., *Chair*

**CITY OF CHATTANOOGA INDUSTRIAL DEVELOPMENT BOARD
 ECD - VOLKSWAGEN INCENTIVE PROJECT
 VW FUNDING PROGRESS SUMMARY
 As of Jul 21, 2022**

FIRST MOU	Original Grant / Contract Budget	Grant / Contract Budget Adjustment	Final Contract Amount	Adj. For Grant Amount Not Expended at Grant Expiration Date	Final Grant Budget Amount	PJTD Expenditures As of Mar 24, 2022	Current Expenditures	PJTD Expenditures As of Jul 21, 2022	Encumbrances as of Jul 21, 2022	Available Budget (Over Expenditures & Encumbrances)	% Spent and Encumbered	Contingencies	Est. Available Balance net of Contingencies	% Spent, Encumbered & Contingencies
6.1 Site Preparation - State *	79,614,864	16,405,000	96,019,864	(3,099,867)	92,919,998	92,919,998	-	92,919,998	-	-	100.00%	-	-	100.00%
6.2 Infrastructure - State *	70,000,000	2,795,525	72,795,525	-	72,795,525	72,795,525	-	72,795,525	-	-	100.00%	-	-	100.00%
7.4 Training Facility - State *	40,000,000	-	40,000,000	(4,058)	39,995,942	39,995,942	-	39,995,942	-	-	100.00%	-	-	100.00%
9.10 Marketing & Public Relations - State *	1,966,200	(275)	1,965,925	(20)	1,965,905	1,965,905	-	1,965,905	-	-	100.00%	-	-	100.00%
TOTAL STATE FUNDING	191,581,064	19,200,250	210,781,314	(3,103,945)	207,677,370	207,677,370	-	207,677,370	-	-	100.00%	-	-	100.00%

6.2 Infrastructure - Local **	40,000,000	-	40,000,000	N/A	40,000,000	39,946,743	-	39,946,743	-	53,256	99.87%	-	53,256	99.87%
9.5 Welcome Center - Local	6,000,000	(6,000,000)	-	-	-	-	-	-	-	-	N/A	-	-	N/A
TOTAL LOCAL FUNDING	46,000,000	(6,000,000)	40,000,000	-	40,000,000	39,946,743	-	39,946,743	-	53,257	99.87%	-	53,256	99.87%

TOTAL IDB FUNDING FOR FIRST MOU	237,581,064	13,200,250	250,781,314	(3,103,945)	247,677,370	247,624,113	-	247,624,113	-	53,257	99.98%	-	53,256	99.98%
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* State grant 6.1, 6.2, and 7.4 ended on 6/30/2015; State grant 9.10 ended on 4/30/2017. Total of these four State grants per grant contract is \$210,781,314. \$3,103,945 was not used.

** Total local infrastructure does not include 6.3 Public roads and 6.4 Railway Lines as they are not managed by the IDB.

SECOND MOU	Original Grant / Contract Budget	Grant / Contract Budget Adjustment	Total Amended Budget	Adj. For Grant Amount Not Expended at Grant Expiration Date	Final Grant Budget Amount	PJTD Expenditures As of Mar 24, 2022	Current Expenditures	PJTD Expenditures As of Jul 21, 2022	Encumbrances as of Jul 21, 2022	Available Budget (Over Expenditures & Encumbrances)	% Spent and Encumbered	Contingencies	Est. Available Balance net of Contingencies	% Spent, Encumbered & Contingencies
3.1 Facility Development - State	165,778,000	3,099,867	168,877,867	N/A	168,877,867	168,877,867	-	168,877,867	-	-	100.00%	-	-	100.00%
TOTAL STATE FUNDING	165,778,000	3,099,867	168,877,867	N/A	168,877,867	168,877,867	-	168,877,867	-	-	100.00%	-	-	100.00%

VW SUV - Local	52,500,000	-	52,500,000	N/A	52,500,000	52,044,683	3,748	52,048,430	21,029	430,541	99.18%	-	430,540	99.18%
TOTAL LOCAL FUNDING	52,500,000	-	52,500,000	N/A	52,500,000	52,044,683	3,748	52,048,430	21,029	430,541	99.18%	-	430,540	99.18%

TOTAL IDB FUNDING FOR SECOND MOU	218,278,000	3,099,867	221,377,867	N/A	221,377,867	220,922,550	3,748	220,926,298	21,029	430,541	99.81%	-	430,540	99.81%
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* State grant 3.1 ended on 3/6/2020

THIRD MOU	Original Grant / Contract Budget	Grant / Contract Budget Adjustment	Total Amended Budget	Adj. For Grant Amount Not Expended at Grant Expiration Date	Final Grant Budget Amount	PJTD Expenditures As of Mar 24, 2022	Current Expenditures	PJTD Expenditures As of Jul 21, 2022	Encumbrances as of Jul 21, 2022	Available Budget (Over Expenditures & Encumbrances)	% Spent and Encumbered	Contingencies	Est. Available Balance net of Contingencies	% Spent, Encumbered & Contingencies
Electric Vehicle Expansion	50,000,000	-	50,000,000	N/A	50,000,000	-	-	-	-	50,000,000	0.0%	-	50,000,000	0.0%
TOTAL STATE FUNDING	50,000,000	-	50,000,000	N/A	50,000,000	-	-	-	-	50,000,000	0.0%	-	50,000,000	0.0%
Electric Vehicle Expansion	5,000,000	-	5,000,000	N/A	5,000,000	-	-	-	-	-	0.00%	-	5,000,000	0.00%
TOTAL LOCAL FUNDING	5,000,000	-	5,000,000	N/A	5,000,000	-	-	-	-	-	0.00%	-	5,000,000	0.00%

TOTAL IDB FUNDING FOR THIRD MOU	55,000,000	-	55,000,000	N/A	55,000,000	-	-	-	-	50,000,000	0.00%	-	55,000,000	0.00%
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FIRST & SECOND MOU & LOI	Original Grant / Contract Budget	Grant / Contract Budget Adjustment	Total Amended Budget	Adj. For Grant Amount Not Expended at Grant Expiration Date	Final Grant Budget Amount	PJTD Expenditures As of Mar 24, 2022	Current Expenditures	PJTD Expenditures As of Jul 21, 2022	Encumbrances as of Jul 21, 2022	Available Budget (Over Expenditures & Encumbrances)	% Spent and Encumbered	Contingencies	Est. Available Balance net of Contingencies	% Spent, Encumbered & Contingencies
TOTAL IDB FUNDING FOR FIRST & SECOND & THIRD MOU	510,859,064	16,300,117	527,159,181	(3,103,945)	524,055,237	468,546,663	3,748	468,550,410	21,029	50,483,797	89.41%	-	55,483,797	89.41%

CITY OF CHATTANOOGA INDUSTRIAL DEVELOPMENT BOARD
 ECD - VOLKSWAGEN INCENTIVE PROJECT
 STATE FUNDING PROGRESS REPORT - FIRST MOU
 As of Jul 21, 2022

Description	Original Grant / Contract Budget	Grant / Contract Budget Adjustment	Final Contract Amount	Adj. For Grant Amount Not Expended at Grant Expiration Date	Final Grant Budget Amount	PJTD Expenditures As of Mar 24, 2022	Current Expenditures	PJTD Expenditures As of Jul 21, 2022	Encumbrances as of Mar 24, 2022	Change in Encumbrances	Encumbrances as of Jul 21, 2022	Available Budget (Over Expenditures & Encumbrances)	% Spent and Encumbered	Contingencies	Est. Available Balance net of Contingencies	% Spent, Encumbered & Contingencies
6.1 SITE PREPARATION ----- GRANT ENDED 6/30/2015 -----																
Clearing, Grubbing & Mass Grading	1,664,957	-	1,664,957	-	1,664,957	1,664,957	-	1,664,957	-	-	-	-	100%	-	-	100%
Grubbing & Erosion Control	2,704,391	-	2,704,391	(110,911)	2,593,480	2,593,480	-	2,593,480	-	-	-	-	100%	-	-	100%
Fine Grading (Site Pad)	50,428,531	8,949,529	59,378,060	(312,448)	59,065,612	59,065,612	-	59,065,612	-	-	-	-	100%	-	-	100%
Stone Pad	7,483,865	-	7,483,865	-	7,483,865	7,483,865	-	7,483,865	-	-	-	-	100%	-	-	100%
Stream Relocation	5,436,511	-	5,436,511	83,275	5,519,786	5,519,786	-	5,519,786	-	-	-	-	100%	-	-	100%
Detention Pond	997,907	3,604,471	4,602,378	(1,424,905)	3,177,473	3,177,473	-	3,177,473	-	-	-	-	100%	-	-	100%
North Area	-	2,358,855	2,358,855	(1,613,304)	745,551	745,551	-	745,551	-	-	-	-	100%	-	-	100%
Construction Access Roads	718,565	-	718,565	-	718,565	718,565	-	718,565	-	-	-	-	100%	-	-	100%
Rammed Aggregate Piers	1,874,615	-	1,874,615	-	1,874,615	1,874,615	-	1,874,615	-	-	-	-	100%	-	-	100%
Design, RPR, Survey, Testing, Project Support	8,305,522	1,492,145	9,797,667	278,426	10,076,093	10,076,093	-	10,076,093	-	-	-	-	100%	-	-	100%
TOTAL 6.1 SITE PREPARATION *	79,614,864	16,405,000	96,019,864	(3,099,867)	92,919,998	92,919,998	-	92,919,998	-	-	-	-	100%	-	-	100%
6.2 INFRASTRUCTURE ----- GRANT ENDED 6/30/2015 -----																
VW Test Track	1,915,000	-	1,915,000	(9,482)	1,905,518	1,905,518	-	1,905,518	-	-	-	-	100%	-	-	100%
VW Electric Transformer Station	10,945,000	-	10,945,000	(9,690)	10,935,310	10,935,310	-	10,935,310	-	-	-	-	100%	-	-	100%
VW Mixing Yard	10,025,000	-	10,025,000	1,819,244	11,844,244	11,844,244	-	11,844,244	-	-	-	-	100%	-	-	100%
VW Parking Lots for Employees	12,700,000	2,091,000	14,791,000	(1,613,586)	13,177,414	13,177,414	-	13,177,414	-	-	-	-	100%	-	-	100%
VW Tank Farm (Fluids Storage) & Utilities	30,445,000	-	30,445,000	(17,473)	30,427,527	30,427,527	-	30,427,527	-	-	-	-	100%	-	-	100%
VW Planning, Engineering, Etc	3,970,000	245,855	4,215,855	(38,079)	4,177,776	4,177,776	-	4,177,776	-	-	-	-	100%	-	-	100%
North Area Grading	-	368,145	368,145	(130,935)	237,210	237,210	-	237,210	-	-	-	-	100%	-	-	100%
North Area Non-reimbursable	-	90,525	90,525	-	90,525	90,525	-	90,525	-	-	-	-	100%	-	-	100%
TOTAL 6.2 INFRASTRUCTURE	70,000,000	2,795,525	72,795,525	-	72,795,525	72,795,525	-	72,795,525	-	-	-	-	100%	-	-	100%
Subtotal State (6.1 & 6.2)	149,614,864	19,200,525	168,815,389	(3,099,867)	165,715,523	165,715,522	-	165,715,522	-	-	-	-	100%	-	-	100%

CITY OF CHATTANOOGA INDUSTRIAL DEVELOPMENT BOARD
 ECD - VOLKSWAGEN INCENTIVE PROJECT
 STATE FUNDING PROGRESS REPORT - FIRST MOU
 As of Jul 21, 2022

Description	Original Grant / Contract Budget	Grant / Contract Budget Adjustment	Final Contract Amount	Adj. For Grant Amount Not Expended at Grant Expiration Date	Final Grant Budget Amount	PJTD Expenditures As of Mar 24, 2022	Current Expenditures	PJTD Expenditures As of Jul 21, 2022	Encumbrances as of Mar 24, 2022	Change in Encumbrances	Encumbrances as of Jul 21, 2022	Available Budget (Over Expenditures & Encumbrances)	% Spent and Encumbered	Contingencies	Est. Available Balance net of Contingencies	% Spent, Encumbered & Contingencies
7.4 TRAINING FACILITY ----- GRANT ENDED 6/30/2015 -----																
Training Center	22,900,000	148,110	23,048,110	-	23,048,110	23,048,110	-	23,048,110	-	-	-	-	100%	-	-	100%
Equipment for Training Center	13,500,000	(327,889)	13,172,111	(4,058)	13,168,053	13,168,053	-	13,168,053	-	-	-	-	100%	-	-	100%
Related Planning Cost	3,600,000	179,779	3,779,779	-	3,779,779	3,779,779	-	3,779,779	-	-	-	-	100%	-	-	100%
Total 7.4 ST. TRAINING FACILITY	40,000,000	-	40,000,000	(4,058)	39,995,942	39,995,942	-	39,995,942	-	-	-	-	100%	-	-	100%
9.10 MARKETING & PUBLIC RELATIONS ----- GRANT ENDED 4/30/2017 -----																
9.10 Visitor's Center **	200,000	(275)	199,725	-	199,725	199,725	-	199,725	-	-	-	-	100%	-	-	100%
9.10 Capital Purchase (Roof Sign)	239,580	(30,460)	209,120	-	209,120	209,120	-	209,120	-	-	-	-	100%	-	-	100%
9.10 Capital Purchase & Professional Fees (Admin & Planning)	26,620	(15,204)	11,416	(20)	11,397	11,397	-	11,397	-	-	-	-	100%	-	-	100%
9.10 Professional Fees, Grant & Award (Education partnership)	1,500,000	(500,000)	1,000,000	-	1,000,000	1,000,000	-	1,000,000	-	-	-	-	100%	-	-	100%
9.10 Salaries, Benefits & Taxes (Plant Tours)	-	27,117	27,117	-	27,117	27,117	-	27,117	-	-	-	-	100%	-	-	100%
9.10 Professional Fees, Grants & Award (Marketing Expenses)	-	518,547	518,547	-	518,547	518,547	-	518,547	-	-	-	-	100%	-	-	100%
Total 9.10 MARKETING & PUBLIC RELATIONS	1,966,200	(275)	1,965,925	(20)	1,965,905	1,965,905	-	1,965,905	-	-	-	-	100%	-	-	100%
TOTAL ALL STATE FUNDS	191,581,064	19,200,250	210,781,314	(3,103,945)	207,677,370	207,677,370	-	207,677,370	-	-	-	-	100%	-	-	100%

These reports are intended to represent the budgets available to the IDB and do not reflect the entire incentive package.

CITY OF CHATTANOOGA INDUSTRIAL DEVELOPMENT BOARD
 ECD - VOLKSWAGEN INCENTIVE PROJECT
 LOCAL FUNDING PROGRESS REPORT - FIRST MOU
 As of Jul 21, 2022

Description	Original Grant / Contract Budget	Grant / Contract Budget Adjustment	Final Grant Budget Amount	PJTD Expenditures As of Mar 24, 2022	Current Expenditures	PJTD Expenditures As of Jul 21, 2022	Encumbrances as of Mar 24, 2022	Change in Encumbrances	Encumbrances as of Jul 21, 2022	Available Budget (Over Expenditures & Encumbrances)	% Spent and Encumbered	Contingencies	Est. Available Balance net of Contingencies	% Spent, Encumbered & Contingencies
VW Streets, Lanes, etc., including Helipad	8,345,835	-	8,345,835	8,345,835	-	8,345,835	-	-	-	-	100.00%	-	-	100.00%
VW Railroads, Loading Dept	10,080,801	-	10,080,801	10,080,801	-	10,080,801	-	-	-	-	100.00%	-	-	100.00%
VW Fire Dept Building, garage and equipment	3,070,609	-	3,070,609	3,070,609	-	3,070,609	-	-	-	-	100.00%	-	-	100.00%
VW Construction Lanes	1,640,533	-	1,640,533	1,640,533	-	1,640,533	-	-	-	-	100.00%	-	-	100.00%
VW Guard House and Fence	1,310,219	-	1,310,219	1,310,219	-	1,310,219	-	-	-	-	100.00%	-	-	100.00%
Drive Around Property	553,714	-	553,714	553,714	-	553,714	-	-	-	-	100.00%	-	-	100.00%
Scrap Yard	118,933	-	118,933	118,933	-	118,933	-	-	-	-	100.00%	-	-	100.00%
VW Water, Waste & Stormwater	6,093,236	-	6,093,236	6,093,236	-	6,093,236	-	-	-	-	100.00%	-	-	100.00%
VW Gas, Telecom, Power (Additional Utility Infra)	1,120,472	-	1,120,472	1,120,472	-	1,120,472	-	-	-	-	100.00%	-	-	100.00%
VW Planning, Engineering, Etc	7,665,648	-	7,665,648	7,612,392	-	7,612,392	-	-	-	53,256	99.31%	-	53,256	99.31%
TOTAL 6.2 INFRASTRUCTURE - LOCAL FUNDING	40,000,000	-	40,000,000	39,946,743	-	39,946,743	-	-	-	53,256	99.87%	-	53,256	99.87%
Welcome Center	6,000,000	(6,000,000)	-	-	-	-	-	-	-	-	N/A	-	-	N/A
TOTAL 9.5 OTHER LOCAL FUNDING	6,000,000	(6,000,000)	-	-	-	-	-	-	-	-	N/A	-	-	N/A
TOTAL LOCAL FUNDINGS (Managed by IDB) *	46,000,000	(6,000,000)	40,000,000	39,946,743	-	39,946,743	-	-	-	53,257	99.87%	-	53,256	99.87%

These reports are intended to represent the budgets available to the IDB and do not reflect the entire incentive package.

* Total local infrastructure does not include 6.3 Public roads and 6.4 Railway Lines as they are not managed by the IDB.

Changes Since Prior Report - FIRST MOU										
As of Jul 21, 2022										
		Expenditures		Encumbrances		Change				
		This Report	Last Report	This Report	Last Report	Expenditures	Encumbrances	Actual	Encumbrance	Comments
Z10101	Clearing, Grubbing & Mass Grading	1,664,957	1,664,957	-	-	-	-			
Z10102	Grubbing & Erosion Control	2,593,480	2,593,480	-	-	-	-			
Z10103	Fine Grading (Site Pad)	59,065,612	59,065,612	-	-	-	-			
Z10104	Stone Pad	7,483,865	7,483,865	-	-	-	-			
Z10105	Stream Relocation	5,519,786	5,519,786	-	-	-	-			
Z10106	Detention Pond	3,177,473	3,177,473	-	-	-	-			
Z10107	North Area	745,551	745,551	-	-	-	-			
Z10109	Construction Access Roads	718,565	718,565	-	-	-	-			
Z10110	Rammed Aggregate Piers	1,874,615	1,874,615	-	-	-	-			
Z10111	Design, RPR, Survey, Testing & Project Support	10,076,093	10,076,093	-	-	-	-			
TOTAL 6.1 SITE PREPARATION		92,919,998	92,919,998	-	-	-	-	-	-	Grant ended 6/30/2015
Z10301	VW Test Track	1,905,518	1,905,518	-	-	-	-			
Z10306	VW Electric Transformer Station	10,935,310	10,935,310	-	-	-	-			
Z10307	VW Mixing Yard	11,844,244	11,844,244	-	-	-	-			
Z10308	VW Parking Lots for Employees	13,177,414	13,177,414	-	-	-	-			
Z10312	VW Tank Farm (Fluids Storage) & Utilities	30,427,527	30,427,527	-	-	-	-			
Z10315	VW Planning, Engineering, Etc	4,177,776	4,177,776	-	-	-	-			
Z10316	North Area Grading	237,210	237,210	-	-	-	-			
Z10317	North Area Non-reimbursable	90,525	90,525	-	-	-	-			
TOTAL 6.2 INFRASTRUCTURE		72,795,525	72,795,525	-	-	-	-	-	-	Grant ended 6/30/2015
Z10601	Training Center	23,048,110	23,048,110	-	-	-	-			
Z10602	Equipment for Training Ctr	13,168,053	13,168,053	-	-	-	-			
Z10603	Related Planning Cost	3,779,779	3,779,779	-	-	-	-			
TOTAL 7.4 ST. TRAINING FACILITY		39,995,942	39,995,942	-	-	-	-	-	-	Grant ended 6/30/2015
Z00701	Visitor's Center	199,725	199,725	-	-	-	-			
Z00703	Capital Purchase (Roof Sign)	209,120	209,120	-	-	-	-			
Z00704	Capital Purchase & Professional Fees (Admin & Planning)	11,397	11,397	-	-	-	-			
Z00705	Professional Fees, Grant & Award (Education partnership)	1,000,000	1,000,000	-	-	-	-			
Z00706	Salaries, Benefits & Taxes (Plant Tours)	27,117	27,117	-	-	-	-			
Z00707	Professional Fees, Grants & Award (Marketing Expenses)	518,547	518,547	-	-	-	-			
TOTAL 9.10 MARKETING & PUBLIC RELATIONS		1,965,905	1,965,905	-	-	-	-	-	-	Grant ended 4/30/2017

Changes Since Prior Report - FIRST MOU

As of Jul 21, 2022

		Expenditures		Encumbrances		Change				
		This Report	Last Report	This Report	Last Report	Expenditures	Encumbrances	Actual	Encumbrance	Comments
Z10401	VW Streets, Lanes, etc., including Helipad	8,345,835	8,345,835	-	-	-	-			
Z10402	VW Railroads, Loading Dept	10,080,801	10,080,801	-	-	-	-			
Z10403	VW Fire Dept Building, garage and equipment	3,070,609	3,070,609	-	-	-	-			
Z10404	VW Construction Lanes	1,640,533	1,640,533	-	-	-	-			
Z10405	VW Guard House and Fence	1,310,219	1,310,219	-	-	-	-			
Z10409	VW Drive Around Property	553,714	553,714	-	-	-	-			
Z10411	VW Scrap Yard	118,933	118,933	-	-	-	-			
Z10412	VW Water, Waste & Stormwater	6,093,236	6,093,236	-	-	-	-			
Z10413	VW Gas, Telecom, Power (Additional Utility Infra)	1,120,472	1,120,472	-	-	-	-			
Z10415	VW Planning, Engineering, Etc	7,612,392	7,612,392	-	-	-	-			
TOTAL 6.2 INFRASTRUCT LOCAL FUNDING		39,946,743	39,946,743	-	-	-	-	-	-	
Z00801	Welcome Center	-	-	-	-	-	-			
TOTAL 9.5 WELCOME CTR LOCAL FUNDING		-	-	-	-	-	-	-	-	
TOTAL		247,624,113	247,624,113	-	-	-	-	-	-	

CITY OF CHATTANOOGA INDUSTRIAL DEVELOPMENT BOARD
 ECD - VOLKSWAGEN INCENTIVE PROJECT
 STATE FUNDING PROGRESS REPORT - SECOND MOU
 As of Jul 21, 2022

Description	Original Grant / Contract Budget	Grant / Contract Budget Adjustment	Final Grant Budget Amount	PJTD Expenditures As of Mar 24, 2022	Current Expenditures	PJTD Expenditures As of Jul 21, 2022	Encumbrances as of Mar 24, 2022	Change in Encumbrances	Encumbrances as of Jul 21, 2022	Available Budget (Over Expenditures & Encumbrances)	% Spent and Encumbered	Contingencies	Est. Available Balance net of Contingencies	% Spent, Encumbered & Contingencies
Infrastructure I	22,271,000	6,649,804	28,920,804	24,714,941	-	24,714,941	-	-	-	4,205,863	85.46%	-	4,205,863	85.46%
Manufacturing Equipment	140,635,000	(677,937)	139,957,063	144,162,926	-	144,162,926	-	-	-	(4,205,863)	103.01%	-	(4,205,863)	103.01%
TOTAL 3.1 FACILITY DEVELOPMENT	165,778,000	3,099,867	168,877,867	168,877,867	-	168,877,867	-	-	-	-	100.00%	-	-	100.00%
TOTAL STATE FUNDS	165,778,000	3,099,867	168,877,867	168,877,867	-	168,877,867	-	-	-	-	100.00%	-	-	100.00%

----- GRANT ENDED 3/6/2020 -----

These reports are intended to represent the budgets available to the IDB and do not reflect the entire incentive package.

CITY OF CHATTANOOGA INDUSTRIAL DEVELOPMENT BOARD
 ECD - VOLKSWAGEN INCENTIVE PROJECT
 LOCAL FUNDING PROGRESS REPORT - SECOND MOU
 As of Jul 21, 2022

Description	Original Grant / Contract Budget	Grant / Contract Budget Adjustment	Final Grant Budget Amount	PJTD Expenditures As of Mar 24, 2022	Current Expenditures	PJTD Expenditures As of Jul 21, 2022	Encumbrances as of Mar 24, 2022	Change in Encumbrances	Encumbrances as of Jul 21, 2022	Available Budget (Over Expenditures & Encumbrances)	% Spent and Encumbered	Contingencies	Est. Available Balance net of Contingencies	% Spent, Encumbered & Contingencies
Major Underground Additions	723,725	(267,894)	455,831	455,831	-	455,831	-	-	-	-	100.00%	-	-	100.00%
Paint Shop Capacity Increase	1,344,385	241,357	1,585,742	1,585,742	-	1,585,742	-	-	-	-	100.00%	-	-	100.00%
Production and Logistics Building Addition	22,802,333	207,197	23,009,530	23,009,530	-	23,009,530	-	-	-	-	100.00%	-	-	100.00%
Assembly Finish Building Extension & Infra.	8,590,958	295,658	8,886,616	8,886,616	-	8,886,616	-	-	-	-	100.00%	-	-	100.00%
Technical Center Pilot Program Extension	4,968,082	(253,229)	4,714,853	4,714,853	-	4,714,853	-	-	-	-	100.00%	-	-	100.00%
Body Shop Robots Fixtures Integration	2,460,223	2,979,843	5,440,066	5,420,707	-	5,420,707	-	-	-	19,359	99.64%	-	19,359	99.64%
VW SUV B Planning Costs	7,425,329	578,553	8,003,882	7,863,634	3,748	7,867,382	21,029	-	21,029	115,471.00	98.56%	-	115,471.00	98.56%
VW SUV B Contingency	1,085,098	(1,085,098)	-	-	-	-	-	-	-	-	0.00%	-	-	0.00%
VW SUV B Site Preparation	3,099,867	(2,696,387)	403,480	107,770	-	107,770	-	-	-	295,710	26.71%	-	295,710	26.71%
TOTAL 6.1 VW SUV - LOCAL FUNDING	52,500,000	-	52,500,000	52,044,683	3,748	52,048,430	21,029	-	21,029	430,541	99.18%	-	430,540	99.18%
TOTAL LOCAL FUNDINGS (Managed by IDB)	52,500,000	-	52,500,000	52,044,683	3,748	52,048,430	21,029	-	21,029	430,541	99.18%	-	430,540	99.18%

These reports are intended to represent the budgets available to the IDB and do not reflect the entire incentive package.

Changes Since Prior Report - SECOND MOU										
As of Jul 21, 2022										
		Expenditures		Encumbrances		Change				
		This Report	Last Report	This Report	Last Report	Expenditures	Encumbrances	Actual	Encumbrance	Comments
Z01001	Infrastructure I	24,714,941.48	24,714,941.48	-	-	-	-			
Z01003	Manufacturing Equipment	144,162,925.72	144,162,925.72	-	-	-	-			
TOTAL 3.1 FACILITY DEVELOPMENT - STATE		168,877,867	168,877,867	-	-	-	-	-	-	Grant ended 3/6/2020
Z00902	Major Underground Additions	455,831.00	455,831.00	-	-	-	-			
Z00904	Paint Shop Capacity Increase	1,585,741.95	1,585,741.95	-	-	-	-			
Z00905	Production and Logistics Building Addition	23,009,530.27	23,009,530.27	-	-	-	-			
Z00906	Assembly Finish Building Extension & Infra.	8,886,616.12	8,886,616.12	-	-	-	-			
Z00907	Technical Center Pilot Program Extension	4,714,852.72	4,714,852.72	-	-	-	-			
Z00913	Body Shop Robots Fixtures Integration	5,420,706.50	5,420,706.50	-	-	-	-			
Z00918	VW SUV B Planning Costs	7,867,381.87	7,863,634.00	21,028.96	21,028.96	3,747.87	-	3,747.87	-	Payment made to Hamilton County for Expenditure FY21
Z00919	VW SUV B Contingency	-	-	-	-	-	-			
Z00920	VW SUV B Site Preparation	107,770.00	107,770.00	-	-	-	-			
TOTAL 1.1 VW SUV - LOCAL FUNDING		52,048,430	52,044,683	21,029	21,029	3,748	-	3,748	-	
Contingency										
		This Report	Last Report	Change	Comments					
Z00919	VW SUV B Contingency	-	-	-						
TOTAL		220,926,298	220,922,550	21,029	21,029	3,748	-	3,748	-	

CITY OF CHATTANOOGA INDUSTRIAL DEVELOPMENT BOARD
 ECD - VOLKSWAGEN INCENTIVE PROJECT
 STATE FUNDING PROGRESS REPORT - THIRD MOU
 As of Jul 21, 2022

Description	Original Grant / Contract Budget	Grant / Contract Budget Adjustment	Final Grant Budget Amount	PJTD Expenditures As of Mar 24, 2022	Current Expenditures	PJTD Expenditures As of Jul 21, 2022	Encumbrances as of Mar 24, 2022	Change in Encumbrances	Encumbrances as of Jul 21, 2022	Available Budget (Over Expenditures & Encumbrances)	% Spent and Encumbered	Contingencies	Est. Available Balance net of Contingencies	% Spent, Encumbered & Contingencies
State 3rd MOU Electric Vehicle Expansion	50,000,000	-	50,000,000	-	-	-	-	-	-	50,000,000	0.00%	-	50,000,000	0.00%
TOTAL STATE FUNDING	50,000,000	-	50,000,000	-	-	-	-	-	-	50,000,000	0.00%	-	50,000,000	0.00%

These reports are intended to represent the budgets available to the IDB and do not reflect the entire incentive package.

CITY OF CHATTANOOGA INDUSTRIAL DEVELOPMENT BOARD
 ECD - VOLKSWAGEN INCENTIVE PROJECT
 LOCAL FUNDING PROGRESS REPORT - THIRD MOU
 As of Jul 21, 2022

Description	Original Grant / Contract Budget	Grant / Contract Budget Adjustment	Final Grant Budget Amount	PJTD Expenditures As of Mar 24, 2022	Current Expenditures	PJTD Expenditures As of Jul 21, 2022	Encumbrances as of Mar 24, 2022	Change in Encumbrances	Encumbrances as of Jul 21, 2022	Available Budget (Over Expenditures & Encumbrances)	% Spent and Encumbered	Contingencies	Est. Available Balance net of Contingencies	% Spent, Encumbered & Contingencies
Local 3rd MOU Electric Vehicle Expansion	5,000,000	-	5,000,000	-	-	-	-	-	-	5,000,000	0.0%	-	5,000,000	0.0%
TOTAL LOCAL FUNDING	5,000,000	-	5,000,000	-	-	-	-	-	-	5,000,000	0.00%	-	5,000,000	0.00%

These reports are intended to represent the budgets available to the IDB and do not reflect the entire incentive package.

Changes Since Prior Report - THIRD MOU										
As of Jul 21, 2022										
		Expenditures		Encumbrances		Change				
		This Report	Last Report	This Report	Last Report	Expenditures	Encumbrances	Actual	Encumbrance	Comments
Z11302	State 3rd MOU Electric Vehicle	-	-	-	-	-	-			
TOTAL STATE FUNDING		-	-	-	-	-	-	-	-	
Z11301'	Local 3rd MOU Electric Vehicle Expansion	-	-	-	-	-	-			
TOTAL LOCAL FUNDING		-	-	-	-	-	-	-	-	

RESOLUTION

A RESOLUTION AUTHORIZING CHANGE ORDER NO. 1 TO S&ME TO ADD SCOPE TO THE DUE DILIGENCE STUDY RELATIVE TO PAD #2 AT ENTERPRISE SOUTH INDUSTRIAL PARK, IN THE AMOUNT OF EIGHTEEN THOUSAND NINE HUNDRED DOLLARS (\$18,900.00), FOR A NEW CONTRACT AMOUNT NOT TO EXCEED TWO HUNDRED EIGHTY-THREE THOUSAND ONE HUNDRED DOLLARS (\$283,100.00).

BE IT RESOLVED, that it is hereby authorizing Change Order No. 1 to S&ME to add scope to the due diligence study relative to Pad #2 at Enterprise South Industrial Park, in the amount of \$18,900.00, for a new contract amount not to exceed \$283,100.00.

ADOPTED: August 1, 2022

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 6/21/2022

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 Change Order #1 to S&ME to add scope to the due diligence study relative to Pad #2 at Enterprise South Industrial Park for \$18,900 for a new contract amount not to exceed amount of \$283,100.

Name of Vendor/Contractor/Grant, etc.	<u>S&ME</u>	New Contract/Project? (Yes or No)	<u>Yes</u>
		Funds Budgeted? (YES OR NO)	<u>Yes</u>
Total project cost	\$ <u>283,100.00</u>	Provide Fund	<u>Z00317</u>
Amount Funded	\$ <u>264,200.00</u>	Provide Cost Center	<u>NR19</u>
New Funding Required	\$ <u>18,900.00</u>	Proposed Funding Source if not budgeted	
Purchase Order	<u>#580159</u>	Grant Period (if applicable)	<u>10/14/2020 thru 10/14/2022</u>

Location

Headquarters: Chattanooga, TN

Branch: Chattanooga, TN

List all other funding sources and amount for each contributor.

<u>Amount(s)</u>	<u>Grantor(s)</u>
<u>\$141,550</u>	<u>City of Chattanooga(IDB)</u>
<u>\$141,550</u>	<u>Hamilton County</u>

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



**CITY OF CHATTANOOGA
PUBLIC WORKS DEPARTMENT
ENGINEERING DIVISION**

Development Resource Center
1250 Market Street, Suite 2100
Chattanooga, TN 37402
Phone: (423) 643-6190
Fax: (423) 643-6008

CHANGE ORDER

Contract No.:	PO#: 580159	Change Order No.:	1
Contractor:	S&ME	Date:	6/21/2022
Project Name:	ESIP Release Area (Pad 2)	IDB Res. #'s: (Attach Copies)	VW (CB) 62

Check Reason for Change Order	Contract Days Changed: <u>0</u>	Original Contract Amount	\$ <u>264,200.00</u>
<input type="checkbox"/> Error/Omission	Revised Completion Date: _____	Net Change by Previous C.O.s	\$ <u>0.00</u>
<input type="checkbox"/> Field Condition		Contract Amount Prior to this C.O.	\$ <u>264,200.00</u>
<input type="checkbox"/> Field Dispute Settlement		Total Amount of this C.O.	\$ <u>18,900.00</u>
<input checked="" type="checkbox"/> Owner Request		NEW CONTRACT AMOUNT	\$ <u>283,100.00</u>
<input type="checkbox"/> Value Engineering			
<input type="checkbox"/> Other: _____			

Description / Justification (Add more pages if necessary)
Adding new Borings, Slope Stability Study and area for environmental review.

The terms and conditions of this Change Order, including the cost and time contained herein, constitute a full accord and complete satisfaction for all costs and time of performance related to the work described or referenced herein, including but not limited to, all delay and impact costs for the entire Project resulting from this Change Order. Except as amended herein, all provisions of the Contract remain in full force and effect.

APPROVALS

CONTRACTOR		ARCHITECT / ENGINEER / INSPECTOR / RPR	
Signature	Date	Signature	Date
CITY PROJECT MANAGER		CITY ENGINEER	
Signature	Date	Signature	Date
ADMINISTRATOR OF PUBLIC WORKS		CITY FINANCE OFFICER	
Signature	Date	Signature	Date

ESIP "Pad 2"
CRF/Invoice Report
 6/21/2022

S&ME	Funding									
	Invoice	Cost Item	Description	Amount	TVA	City	County	PO Ammount	Status	
	PO # 580159			\$ 264,200.00						
	Base Contract Amount	Fund NR19 Cost Center Z00317		\$ 264,200.00				\$ 264,200.00	Approved 11/2/20	
	Change Order #1	Added Slope study and substation cleanup		\$ 18,900.00				\$ 283,100.00	Pending	
	1 Invoice (1042680)			\$ 17,400.00		\$ 8,700.00	\$ 8,700.00	\$ 265,700.00	Approved 3/5	
	1 Invoice (1042679)			\$ 35,440.00		\$ 17,720.00	\$ 17,720.00	\$ 230,260.00	Approved 3/5	
	2 Invoice (1058139)			\$ 96,560.00		\$ 48,280.00	\$ 48,280.00	\$ 133,700.00	Approved 7/16	
	2 Invoice (1058140)			\$ 69,600.00		\$ 34,800.00	\$ 34,800.00	\$ 64,100.00	Approved 7/16	
	3 Invoice (1071553)			\$ 44,000.00		\$ 22,000.00	\$ 22,000.00	\$ 20,100.00	Approved 7/22	



June 16, 2022

City of Chattanooga
Department of Public Works
1250 Market Street, Suite #2100
Chattanooga, Tennessee 37402

Attention: Mr. Jason Payne

Reference: **Change Order Proposal for Geotechnical Exploration
Project Hercules**
Chattanooga, Tennessee
S&ME Proposal No. 12200361 CO1

Dear Mr. Payne,

S&ME, Inc. (S&ME) appreciates the opportunity to submit this change order proposal for the above referenced project. The purpose of our services will be to explore subsurface conditions at the east side of the site, evaluate those conditions, and provide a slope stability analysis for the proposed cut slope at the east end of the site. This proposal describes our understanding of the project, discusses the intended scope of services, outlines the project schedule and presents the associated compensation for our services. We understand our services will be authorized as a release to our existing agreement for Geo-Environmental Consulting and Construction Material Testing Services contract adopted by the City of Chattanooga on January 10, 2017.

❖ Project Information

The Project Hercules site is a 170+/- acre parcel is located on the north side of the Volkswagen option property in the Enterprise South Industrial Park in Hamilton County, Tennessee. S&ME has provided a geotechnical exploration for this site including 56 soil test borings and geophysical surveying. The results of our geotechnical exploration were submitted in our Report of Geotechnical Exploration dated May 7, 2021.

On June 8, 2022, Mr. Jason Payne of the City of Chattanooga provided a set of proposed 90% review site civil plans dated May 27, 2022. Based on review of the provided plans, we understand that the site is now planned to have two "pad" areas instead of the previously proposed one large pad area. The proposed grading plan also shows that the proposed cut slope on the east side of the site has been pushed back farther into the hill and is now taller and steeper than previously proposed. The proposed slope is now about 120 feet tall with 10 foot wide benches located every 20 feet of elevation change. The proposed slope will have an overall inclination of approximately 2.5 vertical to 1 horizontal (2.5:1) with the benches. Given the height and inclination of this slope, Mr. Payne has requested an additional slope stability analysis be performed.

We reviewed our 2021 report. As part of this exploration, we performed three soil test borings in the general vicinity of the proposed slope. However, the previously proposed slope did not require cuts as deep as presently planned. Therefore, our previous borings did not penetrate deep enough to generate a representative cross

Change Order Proposal for Geotechnical Exploration

Project Hercules

Chattanooga, Tennessee

S&ME Proposal No. 12200361 CO1



section for the analysis of the currently planned slope configuration. Therefore, we propose the following additional exploration to support the requested analysis.

◆ Scope of Services

Field Services

- **Public Utility Location Coordination**

We will proceed with our services upon receiving written authorization. Upon your authorization, we will contact Tennessee 811 who will facilitate the location of their member utilities; location of other utilities will be the responsibility of the client. We request personnel with knowledge of site utilities be present during our location layout to help identify potential and/or known conflicts. We will move our borings to help avoid potential and/or known conflicts. We are not responsible for damage or loss of service to any utilities which have not been marked for us or which are mis-located by others. If desired, we can retain the services of a private utility location consultant to check our boring locations for potential underground obstructions, for an additional fee.

- **Test Location Layout**

A member of our engineering staff will establish the test locations by using a commercial grade, hand-held global positioning system (GPS) device with points established using Google Earth™. Select locations can be cross referenced by estimating right angles and pacing or measuring distances from existing site features (i.e. property corners, roads, etc.). For this exploration, we propose to perform our test boring in a paved road which climbs the southwest side of the hill and circles the top of the hill. Clearing of trails through wooded portions of the site will not be performed as part of this scope. The ground surface elevation at each test location will be estimated from the provided topographic information. If more specific location and elevation data are desired, we recommend retaining a professional licensed surveyor to obtain that information.

- **Test Borings**

We will mobilize an all-terrain vehicle (ATV) or truck mounted drill rig to perform four (4) borings in general accordance with ASTM D6151, the *Standard Practice for Using Hollow-Stem Augers for Geotechnical Exploration and Soil Sampling*. Borings B-101 through B-104 will be advanced to depths of 85 to 100 feet below the existing ground surface or auger refusal, whichever is encountered first.

Four standard penetration resistance tests (SPT) will be performed in general accordance with ASTM D1586, the *Standard Test Method for Standard Penetration Test (SPT) and Split-Barrel Sampling of Soils* in the upper 10 feet of each boring. The SPT sampling will then be continued at 5-foot intervals thereafter until the proposed termination depth or auger refusal is met. In addition to SPT sampling, we will attempt to obtain relatively undisturbed Shelby tube samples from select boring locations and depths. Upon completion of the borings, subsurface water will be checked and measured in each borehole at the time the drilling and the following day. Two temporary piezometers will be installed. One will be placed at the toe of the proposed slope. One will be placed at the crest of the slope. These piezometers will be used

Change Order Proposal for Geotechnical Exploration

Project Hercules

Chattanooga, Tennessee

S&ME Proposal No. 12200361 CO1



to obtain delayed groundwater levels. Following completion of the drilling and water level measurements, each hole will be backfilled with auger cuttings and a borehole closure device.

• **Borehole Closure**

The work described in this section will involve the drilling or boring of test holes on the property being explored. Open boreholes on any site expose the property owner and other parties to a multitude of liability risks. These include physical risk of injury or damage to the owner or third parties on the property of the owner. Additionally, other real property may be at risk due to presence of the boreholes. While no method of closing a borehole is totally foolproof, we have found that the use of borehole closure appliances will substantially improve the stability of the surface in the vicinity of completed boreholes. Unless otherwise directed, we will close the boreholes made in this study using this standard protocol. The cost quoted in this proposal includes the cost of closing the boreholes in accordance with this protocol. If grouting of boreholes is desired, we can close the boreholes using that method for an additional fee.

Laboratory Testing Services

The obtained soil samples will be returned to our laboratory and visually classified by a member of our geotechnical staff in general accordance with ASTM D2488, the *Standard Practice for Description and Identification of Soils (Visual-Manual Procedure)*. To aid in our classification and analyses, we plan to perform up to 15 moisture contents tests (ASTM D2216), two (2) Atterberg Limits tests (ASTM D4318), and one consolidated undrained triaxial shear strength test with pore pressure measurements (ASTM D4767) on select samples.

Report

Upon completion of our field and laboratory testing, we will issue an addendum to our 2021 geotechnical report. This written addendum will be prepared by members of our geotechnical staff under the direction of an S&ME senior engineer licensed in Tennessee. Our report will include:

- A summary of the updated project information provided;
- A summary of the subsurface conditions encountered in the additional soil test borings;
- A summary of the laboratory test methods and results;
- Results of our slope stability analysis; and
- An Appendix with a Test Location Plan, individual boring logs for each test boring, and individual laboratory test reports.

• **Excluded Services**

Without attempting to be a list of all services or potential services that will be excluded, the following services are specifically excluded from this proposal. If any of the excluded services are desired or required, please contact us so that we can modify this proposal or prepare a proposal for additional services.

- Surveying of boring locations and elevations.
- Private utility location services.
- Clearing of trees for drill rig access.



- Site shear wave velocity testing.
- Re-landscaping or otherwise restoring the site to its original condition.
- Environmental assessment services, including special handling/drumming of soil cuttings or groundwater and analytical testing of soil and groundwater.
- Construction Phase Services including the monitoring of construction, testing of construction materials and Special Inspections.

◆ **Limitations**

The following limitations apply to our scope of services:

- We assume others will provide right-of-entry to access the property. We anticipate our field work can be completed during normal business hours (i.e. 7AM to 5PM, Monday through Friday). If we are required to perform our field services during non-business hours (i.e nights or weekends), both our schedule and compensation could be affected.
- The generalized subsurface information obtained is intended to convey trends in subsurface conditions. The boundaries between strata will be approximate and will be developed by interpretations of widely spaced borings. Therefore, actual subsurface conditions may vary between test locations.

◆ **Client Responsibilities**

The Scope of Services, fees, and project schedule presented herein are contingent upon the client providing the following:

- Signed authorization of our services.
- Access to the site.
- A digital copy of site plans showing pertinent information.
- Personnel familiar with existing utility locations (if applicable) to meet with our personnel.
- Information on any utilities serving the project site and the presence and accurate locations of hidden or obscure man-made objects relative to field tests or boring locations.

◆ **Use of Proposal/Report**

This proposal is solely intended for the services described in the Scope of Services and may not be modified or amended, unless the changes are first agreed to in writing by the Client and S&ME. Use of this proposal and corresponding final report is limited to above-referenced project and client. No other use is authorized by S&ME.

◆ **Schedule**

Based on our current schedule, we plan to complete the geotechnical services outlined herein within approximately 7 weeks after authorization to proceed. Our field crew can typically mobilize to a project within 2 to 3 weeks and we expect the field work will take 4 to 5 days to complete. The field work schedule is subject to inclement weather.



◆ Compensation

Our lump sum fee to complete the geotechnical exploration scope described above is **\$18,900**.

If we encounter conditions that indicate additional services would be in the best interest of the project, we will contact the client with our recommendations prior to proceeding with any services beyond the scope of this proposal. We will not exceed this proposal amount without written authorization.

◆ Authorization

We understand our services will be authorized as a release to our existing agreement for Geo-Environmental Consulting and Construction Material Testing Services contract adopted by the City of Chattanooga on January 10, 2017.

◆ Closure

We appreciate the opportunity to submit this proposal and look forward to being of service on this project. Please contact us with any questions or comments.

Sincerely,
S&ME, Inc.

David Grass, PE
Project Engineer

dgrass@smeinc.com

Timothy S. Lawrence, PE
Senior Engineer

tlawrence@smeinc.com

RESOLUTION

A RESOLUTION AUTHORIZING THE INDUSTRIAL DEVELOPMENT CHAIR OR VICE-CHAIR TO ENTER INTO A PROFESSIONAL SERVICES CONTRACT WITH S&ME, INC. TO CONDUCT A DUE DILIGENCE STUDY RELATIVE TO PAD #2 AT ENTERPRISE SOUTH INDUSTRIAL PARK (ESIP), FOR AN AMOUNT NOT TO EXCEED TWO HUNDRED SIXTY-FOUR THOUSAND TWO HUNDRED DOLLARS (\$264,200.00).

BE IT RESOLVED, that the Industrial Development Board Chair or Vice-Chair is hereby authorized to enter into a professional services contract with S&ME, Inc. to conduct a due diligence study relative to Pad #2 at Enterprise South Industrial Park (ESIP), for an amount not to exceed \$264,200.00.

ADOPTED: November 2, 2020

THE INDUSTRIAL DEVELOPMENT
BOARD OF THE CITY OF CHATTANOOGA

Attest:

H H Ireland III
H H Ireland III (Nov 2, 2020 13:30 EST)

H.H. IRELAND, III, *Chair*

Alan Lebovitz
Alan Lebovitz (Nov 2, 2020 13:50 EST)

ALAN LEBOVITZ, *Secretary*

VWCB(62)









RESOLUTIONS - 11-02-2020

Final Audit Report

2020-11-02

Created:	2020-11-02
By:	Maria Manalla (mmanalla@chattanooga.gov)
Status:	Signed
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"RESOLUTIONS - 11-02-2020" History

-  Document created by Maria Manalla (mmanalla@chattanooga.gov)
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Account #: AP100099
Company #: INDUSTRIAL DEVELOPMENT
Ad number #: 238346
PO #:
Note:

AFFIDAVIT • STATE OF TENNESSEE • HAMILTON COUNTY

Before me personally appeared Jim Stevens, who being duly sworn that he is the Legal Sales Representative of the CHATTANOOGA TIMES FREE PRESS, and that the Legal Ad of which the attached is a true copy, has been published in the above named newspaper and on the corresponding newspaper website on the following dates, to-wit:

TFP Times Free Press 07/17/22; TFP TimesFreePress.com 07/17/22

And that there is due or has been paid the CHATTANOOGA TIMES FREE PRESS for publication the sum of \$288.78. (Includes \$10.00 Affidavit Charge).

Sworn to and subscribed before me this date: 19th day of July, 2022

My Commission Expires 02/28/2023



Chattanooga
Times Free Press

400 EAST 11TH ST
CHATTANOOGA, TN 37403

**NOTICE OF SPECIAL MONTHLY
MEETING AND
NOTICE OF PUBLIC HEARING**

NOTICE IS HEREBY GIVEN, that pursuant to T.C.A. § 8-44-101, et seq., as amended, that the Industrial Development Board will conduct its special monthly meeting for August on Monday, August 1, 2022, at 11:00 a.m. in the John P. Franklin, Sr. Council Assembly Room located at 1000 Lindsay Street, Chattanooga, TN 37402.

NOTICE IS HEREBY GIVEN, that pursuant to T.C.A. § 7-53-312(g), that the Industrial Development Board of the City of Chattanooga will conduct a public hearing on Monday, August 1, 2022, at 11:00 a.m. in the John P. Franklin, Sr. Council Assembly Room located at 1000 Lindsay Street, Chattanooga, TN 37402, to consider a proposed Economic Impact Plan (the "Plan"), for the South Broad District and immediately adjacent properties for Tax Increment Financing for a proposed Economic Development Project (the "Project"), and whether to submit the Plan to the City Council of Chattanooga, Tennessee (the "Governing Body") for approval.

There will be consideration at the public hearing of the Economic Impact Plan of the Project and the designation of the proposed Plan Area. A map of the plan area is on file and available for inspection at the Department of Economic Development, 101 East 11th Street, 3rd Floor, Chattanooga, Tennessee. The project proposes to create a publicly owned, multi-use sports facility, construct portions of a public greenway known as the Alton Park Connector and make improvements to public infrastructure.

The Economic Impact Plan for this proposed Tax Increment Financing (TIF) district is subject to local legislative approval and approval by the State. The Economic Impact Plan proposes that the tax increment generated within the Plan Area can be used by the Industrial Development Board of the City of Chattanooga to cover costs associated with public infrastructure and/or pay eligible project costs, and/or pay debt service on bonds, and/or pay other obligations issued by the Board to pay the costs of such projects for the duration of the Economic Impact Plan's term, which in no case shall exceed thirty (30) years. The Economic Impact Plan proposes that the tax increment generated within the Plan Area can be used by the Industrial Development Board to cover all statutorily approved uses and public infrastructure upgrades.

A map of the area subject to the Plan and a list of the parcels of property within the area that would be subject to the Plan may be viewed by the public at the City of Chattanooga's Department of Economic Development, 101 East 11th Street, 3rd Floor, Chattanooga, TN 37402.

All interested persons or affected property owners are invited to attend and express their views or send written comments prior to the date of hearing to Phillip A. Noblett, Attorney for the Board, 100 East 11th Street, Suite 200, Chattanooga, TN 37402, (telephone (423) 643-8250) or pnoblett@chattanooga.gov.

Questions or comments may also be addressed to Jermaine Freeman, Interim Administrator of Economic Development, at (423) 643-7821 or jfreeman@chattanooga.gov. This notice is published in compliance with Sections 8-44-101 to 8-44-106, inclusive, and Section 7-53-312, Tennessee Code Annotated, and other applicable provisions of law.

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF
CHATTANOOGA, WITH RESPECT TO AN ECONOMIC IMPACT PLAN
FOR THE SOUTH BROAD DISTRICT PLAN AREA AND AUTHORIZING
THE SUBMISSION OF SUCH PLAN TO THE CITY COUNCIL OF
CHATTANOOGA, TENNESSEE**

WHEREAS, the Industrial Development Board of the City of Chattanooga (the “Board”) has reviewed an economic impact plan (the “Economic Impact Plan”) regarding the development of an area consisting of more than 450 acres located south of downtown Chattanooga, Hamilton County, Tennessee identified as the South Broad District Plan Area (the “Plan Area”); and

WHEREAS, the development of the Plan Area is expected to include a stadium and related facilities (the “Project”) to be owned by a sports authority being formed by the City of Chattanooga (the “City”) and Hamilton County (the “County”); and

WHEREAS, the Economic Impact Plan would permit the use of incremental tax revenues allocated to the Board pursuant to the Economic Impact Plan to be made available for the purpose of paying debt service on the financing of the Project, with any excess tax increment revenues being available to (i) reimburse the County and the City for any financial assistance provided to pay such debt service; (ii) pay the cost of capital improvements or the funding of a capital reserve for capital improvements for such stadium; and (iii) pay the cost of public infrastructure in the Plan Area or debt service relating to the financing thereof; and

WHEREAS, the Economic Impact Plan would also permit, if necessary in the future, certain tax increment financing (“Tax Increment Financing”) to be provided through the issuance of the Board's bonds, notes or other obligations pursuant to Chapter 53, Title 7 of the Tennessee Code Annotated (the “TIF Obligations”); and

WHEREAS, the proceeds of the Tax Increment Financing, if issued, would be used to pay the cost of a contribution toward the Project; and

WHEREAS, any TIF Obligations, if issued, shall not represent or constitute a debt or pledge of the faith and credit or the taxing power of the Board, the City, or the County.

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Industrial Development Board of the City of Chattanooga as follows:

RESOLVED, that the Economic Impact Plan, in the form attached hereto as **Exhibit A**, is hereby approved for submission by the Board to the City Council of Chattanooga, Tennessee; and further

RESOLVED, that the Board shall refer and submit the Economic Impact Plan to the City Council of Chattanooga, Tennessee, for consideration and approval; and further

RESOLVED, that any and all other actions heretofore taken on behalf of the Board to review, refer, and submit the Economic Impact Plan to the City Council of Chattanooga, Tennessee, are hereby approved, ratified, and confirmed in all respects; and further

RESOLVED, that the officers of the Board are hereby authorized to take all appropriate actions necessary to carry out the terms of the Economic Impact Plan.

I hereby certify that attached hereto is a resolution of the Industrial Development Board of the City of Chattanooga, duly and lawfully adopted by its Board of Directors on August 1, 2022, at a meeting at which a quorum was acting throughout and I furthermore certify that such resolution has not been amended or modified in any respect.

**INDUSTRIAL DEVELOPMENT BOARD OF THE
CITY OF CHATTANOOGA**

By: _____
Name: Jimmy F. Rodgers, Jr.
Title: Chair

ATTEST:

Patrick Sharpley, Secretary

EXHIBIT A

ECONOMIC IMPACT PLAN

33391542.1

**INDUSTRIAL DEVELOPMENT BOARD
OF THE CITY OF CHATTANOOGA**

**ECONOMIC IMPACT PLAN
FOR
SOUTH BROAD DISTRICT PLAN AREA**

I. Authority for Economic Impact Plan

Industrial development corporations (“IDBs”) are authorized under Title 7, Chapter 53 of the Tennessee Code Annotated (the “IDB Act”), including Tenn. Code Ann. § 7-53-312, to prepare and submit to cities and counties an economic impact plan with respect to an area that includes a project within the meaning of Tenn. Code Ann. § 7-53-101 and such other properties that the IDB determines will be directly improved or benefited due to the undertaking of a project. Tennessee Code Annotated § 7-53-312 also authorizes cities and counties to allocate incremental tax revenues, which arise from the area subject to the economic impact plan, to an IDB to promote economic development, to pay the cost of projects or to pay debt service on bonds or other obligations issued by the IDB to pay the costs of projects.

II. Overview and Project Identity

The core area that is the subject of this economic impact plan (this “Plan”) is generally known as the South Broad District (the “District”). The area that is subject to this Plan also includes certain parcels adjacent to the District that will directly benefit from the redevelopment of the District. The area subject to this Plan consists of more than 450 acres located south of downtown Chattanooga, Tennessee (the “City”). The area subject to this Plan is located within the City and Hamilton County, Tennessee (the “County”).

The District was a center of industry for over a century. The area was home to the U.S. Pipe and Wheland Foundry from the late 1800s until U.S. Pipe closed its operations in 2006. For many years, U.S. Pipe employed thousands of people, and the adjoining residential neighborhood, known as Southside Gardens, as well as the commercial district along South Broad Street, developed as a result. The District also includes the historic Howard School, which has been in its current location since 1954.

Due to the closure of U.S. Pipe’s operations, the economic prospects for the area have significantly declined, and blight has become rampant in the area. As the District is adjacent to primary gateways from the east, west, and south into the City, the revitalization of this area is essential to the City and the County.

Because of the importance of revitalizing the District, Chattanooga Design Studio led, with assistance from the City and the County, a study of the District. Their result, The South Broad District Study (the “Study”), was released in January 2018. Significant public input was obtained in connection with the Study, and Chattanooga-Hamilton County Regional Planning Commission held a public meeting to consider the Study. The Planning Commission recommended that the City Council of the City (the “City Council”) adopt the Study as a guide for the long-term redevelopment of the District, and in April 2018, the City Council, by resolution, adopted the Study as a land use plan.

The Study recommended that a tax increment financing district be considered to assist in the redevelopment of the District. The Study also recommended that the development of a multi-use stadium (the “Stadium”), which would serve as the home for the City’s existing minor-league baseball team, be considered as a catalytic development to hasten the redevelopment of the District. The County and the City

intend to jointly form a sports authority (the “Sports Authority”), which is a governmental authority that the County and the City are authorized to form under applicable state law, to own the Stadium.

The Industrial Development Board of the City of Chattanooga (the “Board”) understands that this Plan promotes and accelerates the economic development of the area subject to this Plan, including the District, by authorizing a tax increment allocation to assist with the financing of the Stadium. The Stadium as a public facility and recreational facility constitutes an eligible project within the meaning of Tenn. Code Ann. § 7-53-101(15). The Stadium, including any related facilities, such as parking areas, is referred to herein as the “Project.” The Project shall constitute the “project” that is within the area subject to this Plan for purposes of Tenn. Code Ann. § 7-53-312.

III. Boundaries of Plan Area

The area that would be subject to this Plan, and to the tax increment incentive provisions described below, includes the District, as that District is described in the Study. The District is generally bounded by Interstate 24 to the north and the west, a rail line to the south, and Chattanooga Creek to the east. The area that is subject to this Plan will also include certain parcels adjacent to the District that will directly benefit from the catalytic redevelopment effect of the construction of the Stadium and the adjacent mixed-use development and the general redevelopment of the District. A map of the area that will be subject to this Plan (the “Plan Area”) is shown on Exhibit A attached hereto. A list of the parcels included in the Plan Area, and the property taxes for each parcel for 2021, which will be the base taxes for each parcel, is attached hereto as Exhibit B. The Plan Area is hereby declared to be subject to this Plan. In the event of any conflict between the general description of the Plan Area described in this paragraph and the map attached as Exhibit A and the specific parcel list attached as Exhibit B, Exhibit B shall control. In reliance on the Study and information provided by the City, the Board determines, based upon such reliance, that all of the parcels in the Plan Area will be directly improved or benefited due to the undertaking of the Project.

IV. Financial Assistance for Project and Public Infrastructure

The Board will provide financial assistance to the Project in the manner described in this Section. Pursuant to the IDB Act, the Board may apply the Tax Increment Revenues in furtherance of promoting economic development in the City. The Board intends to enter into an intergovernmental agreement with the Sports Authority pursuant to which the City IDB would pay the tax increment revenues, as received, together with certain tax increment revenues received from The Industrial Development Board of the County of Hamilton, Tennessee (the “County IDB”) as described below, to the Sports Authority in order to promote economic development. The Sports Authority would use the Tax Increment Revenues, together with the tax increment revenues received from the County IDB, to pay debt service on bonds or other obligations of the Sports Authority incurred to finance the Project.

The County and the City are also expected to enter into an intergovernmental agreement pursuant to which the County and the City will agree to provide financial assistance to the Sports Authority to the extent the Tax Increment Revenues and other sources received by the Sports Authority are insufficient to pay debt service on the bonds or other obligations of the Sports Authority issued to finance the Project. To the extent the Tax Increment Revenues, together with other available sources therefor, exceed the amount needed to pay debt service on the bonds or other obligations of the Sports Authority issued to finance the Project, such excess may be used to reimburse the County and/or the City for any previous payments made by the County and/or the City to provide such financial assistance. Such excess may also be used (i) to fund the cost of capital improvements to the Project and/or a capital improvements reserve fund maintained by the Sports Authority to pay the cost of capital improvements for the Project and (ii) to pay the cost of or debt service relating to public infrastructure improvements made in the Plan Area, including a public

greenway known as the Alton Park Connector. The manner and order in which any such excess of Tax Increment Revenues is applied may be determined by the Sports Authority pursuant to the documents under which the bonds or other obligations issued by the Sports Authority to finance the Project are issued.

It is not expected that the Board will be required to incur debt that is payable from or secured by the Tax Increment Revenues and that the Tax Increment Revenues would be applied as provided in the prior paragraph. However, if deemed necessary by the Sports Authority to provide a secure payment source for the payment of the Sports Authority's debt obligations relating to the Project, the Board is also authorized, in lieu of making payments of Tax Increment Revenues as provided in the preceding paragraph, to borrow funds from the Sports Authority to finance costs of the Project and to contribute the proceeds of such borrowing back to the Sports Authority to pay costs of the Project. To evidence such loan, the Board is authorized to issue a bond or other obligation to the Sports Authority payable solely from the Tax Increment Revenues.

V. Expected Benefits to City and County

The undertaking of the Project and the accelerated development of the surrounding area would be a transformational project for the Plan Area in particular and the City and the County as a whole. As is discussed in the Study, the revitalization of the District is essential to the expansion of the downtown core of the City.

The City has commissioned two reports regarding the expected economic benefits to the City and the County from the redevelopment of the Plan Area. One report was prepared by Younger Associates (the "Younger Study") and contains a detailed economic impact analysis of the Project and the mixed-use development that is expected to occur in the Plan Area as a result of the Project. The Younger Study addresses the first \$350 million of private development that is expected to occur in the area of the Project. This amount of development is consistent with the expressions of interest that have been received from developers relating to mixed-used development in the Plan Area. The Younger Study includes a detailed analysis of the anticipated tax receipts and jobs created as a result of the Project and the initial redevelopment of the Plan Area.

The City also obtained a report, through the Chattanooga Area Chamber of Commerce, from CSL International entitled, "Tax Revenue & Economic Impact Assessment" (the "CSL Report"). CSL International is a consulting firm with expertise analyzing the economic impact of stadium facilities. The CSL Report provides an estimate of the sales tax revenues from the Project and an analysis of the overall economic impact of the Project and approximately \$150 million of private development adjacent to the Project, which is less than what is initially expected. The CSL Report notes that the Plan Area can incorporate over \$1 billion in total capital investment.

The Younger Study and CSL Report are incorporated by reference and have been made available to the Board and the County.

VI. Distribution of Property Taxes and Tax Increment Incentive

a. Distribution of Taxes. Property taxes, excluding personal property taxes (which shall not be allocated pursuant to this Plan), imposed on the property located within the Plan Area shall be allocated and distributed as provided in this part.

The taxes assessed by the City on the real property within the Plan Area will be divided and distributed, subject to the elections and alternatives permitted below, as follows in accordance with the IDB

Act and Title 9, Chapter 23 of the Tennessee Code Annotated, being the Uniformity in Tax Increment Financing Act of 2012 (the “Tax Increment Act”):

1. The portion of the real property taxes that were payable with respect to the applicable portion of the Plan Area for the year prior to the date of approval of this Plan (the “Base Tax Amount”) shall be allocated to and, as collected, paid to the City as all other taxes levied by the jurisdictions on all other properties; provided, however, that in any year in which the taxes on the property within the applicable portion of the Plan Area are less than the Base Tax Amount, there shall be allocated and paid to the City only the taxes actually imposed.
2. The City shall calculate a percentage (the “City Percentage”) equal to the portion (expressed as a percentage of total City property taxes) of City property taxes allocated toward debt service. There shall be retained by the City an amount equal to the City Percentage of the excess of real property taxes over the Base Tax Amount, and the balance of the excess real property taxes over the Base Tax Amount (the “Tax Increment Revenues”) shall be, as collected, paid into a separate fund or funds of the Board, created to hold such payments until the Tax Increment Revenues are applied for the purposes described above under the section “Financial Assistance for Project and Public Infrastructure.”

These allocations are subject to the retention or payment of any applicable administrative expenses and fees of the Board or the City consistent with any policies of any of such entities not to exceed the limits contained in the Tax Increment Act.

b. Calculating the Tax Increment Revenues. It is expected that existing tax parcels within the Plan Area will need to be subdivided and/or aggregated in order to facilitate the phased development of the Plan Area. The Base Tax Amount with respect to each tax parcel that is subdivided shall be allocated to each subdivided parcel on a pro-rated basis using the acreage of each subdivided parcel as a percentage of the total acreage of the original tax parcel. If tax parcels are aggregated, the Base Tax Amount for each such parcel shall also be aggregated.

The Board is authorized to make all calculations of Tax Increment Revenues on the basis of each parcel within the Plan Area instead of on an aggregate basis as permitted by the Tax Increment Act. If the Board opts to have such calculations made based upon each parcel, the Board shall give notice to the City that such methodology will be used prior to the first allocation date of any Tax Increment Revenues.

As permitted by the Tax Increment Act, the Board is hereby authorized to separately group one or more parcels with the Plan Area for purposes of calculating and allocating the Tax Increment Revenues, and in such case, the allocation of Tax Increment Revenues shall be calculated and made based upon each such parcel or group of parcels, and not the entire Plan Area. The Board is specifically authorized to undertake such grouping of parcels at any time that this Plan is effective as of the beginning of any year (but not later than the first full year after the Project is placed in service). The Board shall give notice of any such grouping of parcels to the City.

The Board is also authorized to designate, by notice to the City, that the allocation of Tax Increment Revenues from any parcel or group of parcels shall begin in different years in order to match Tax Increment Revenues with the application of Tax Increment Revenues for the purposes provided herein, subject to the maximum allocation period as to any parcel provided below, provided that allocation of Tax Increment Revenues as to any parcel in the Plan Area must commence no later than the first full tax year after the Project is placed in service.

Allocations of Tax Increment Revenues by the City shall be made (i) as to Tax Increment Revenues derived from non-delinquent taxes, within sixty (60) days of the date such taxes are due without penalty for each tax year and (ii) as to Tax Increment Revenues derived from delinquent taxes, within sixty (60) days from when such taxes are collected by the City.

c. Time Period. Taxes on the real property within the Plan Area will be divided and distributed as provided in this Plan for a period not in excess of twenty (20) tax years, as to each parcel in the Plan Area, provided, however, that upon receipt of a written determination from State of Tennessee Department of Economic and Community Development and the Tennessee Comptroller of the Treasury that an allocation period not exceeding thirty (30) years is in the best interests of the State, then taxes will be divided and distributed for such longer period. The Board is authorized to request such a written determination. Until an allocation of Tax Increment Revenues as to any parcel commences as described in subsection (a) above, no Tax Increment Revenues shall be allocated to the Board as to such parcel.

d. Finding of Economic Benefit. The Board, by submission of this Plan, and the City, by the adoption of this Plan, find that the use of the Tax Increment Revenues, as described herein, is in furtherance of promoting economic development in the City.

VII. Approval Process; County Coordination

The process for the approval of this Plan and the conditions to this Plan being effective are as follows:

a. Board Action. The Board will conduct a public hearing on August 1, 2022, relating to this Plan, and the Board published notice of such public hearing on July 16, 2022, in the *Chattanooga Times Free Press*, in accordance with the IDB Act. After approval by the Board at such public hearing, the Board shall submit this Plan to the City Council for its approval.

b. City Action. This Plan shall be approved by resolution of the City Council.

c. Required Filings. Once the City Council has approved this Plan, the Plan shall be filed with the local taxing officials and the Comptroller of the State as required by the Tax Increment Act, and annual statements of incremental tax revenues allocated to the Board shall be filed with the State Board of Equalization as required by the Tax Increment Act. The Board will also comply with all other procedural requirements of the Tax Increment Act and other applicable laws.

d. State Determination. Following the approval from the City Council, this Plan and all the approving resolutions of the Board and City Council shall be submitted to the State of Tennessee Department of Economic and Community Development and the Tennessee Comptroller of the Treasury for either a written determination that it is in the best interest of the State of Tennessee for tax increment revenues to be applied as provided in this Plan or a written confirmation that such a best interest determination is not required by applicable law. This submission may also include a request for a written determination that it is in the best interest of the State of Tennessee for the allocation period described above to not exceed thirty (30) years.

e. County Coordination. On July 21, 2022, the County IDB held a public hearing related to an economic impact plan for the same Plan Area, which was prepared at the request of the County IDB (the "County Plan"), after publishing notice of such public hearing on July 6, 2022, in the *Chattanooga Times Free Press*, in accordance with the IDB Act. The County IDB has submitted the County Plan to the Hamilton County Board of Commissioners (the "County Commission") for approval. If approved, the

County Plan would authorize the allocation of certain incremental property tax revenues from the Plan Area to the County IDB. It is expected that the Board and the County IDB will enter into an interlocal cooperation agreement pursuant to which such incremental property tax revenues payable to the County IDB will be paid to the Board, to be combined with the Tax Increment Revenues allocated by the City, and paid to the Sports Authority for the purposes discussed above.

f. Conditions for Allocation. Notwithstanding any provision herein to the contrary, the City shall not be required to allocate any Tax Increment Revenues to the Board pursuant to this Plan unless the County Commission also approves the County Plan, and the Board and the County IDB enter into an intergovernmental agreement, to which the Sports Authority may also be a party, pursuant to which the Board and the County IDB agree to make the Tax Increment Revenues, to the extent authorized by this Plan, and the tax increment revenues made available under the County Plan, available to the Sports Authority to pay debt service on debt incurred by the Sports Authority to finance the Project, with any excess being available to pay the cost of or debt service relating to public infrastructure improvements in the Plan Area, as is described above.

EXHIBIT B
(to Economic Impact Plan)

List of Parcels Comprising the Plan Area

ADDRESS	TAX_MAP_NO	2021 City Taxes Owed	2021 County Taxes Owed
		BASE TAX ONLY	BASE TAX ONLY
I-24	145J A 003	\$1,793.70	\$1,783.58
2701 CHESTNUT ST	145N A 001	\$13,860.90	\$13,782.66
2501 CHESTNUT ST	145N A 002	\$4,345.20	\$4,320.67
2378 CHESTNUT ST	145N A 003	\$2,323.80	\$2,310.68
2450 CHESTNUT ST	145N A 004.01	\$309.60	\$307.85
2500 CHESTNUT ST	145N A 005	\$64.80	\$64.43
421 W 25TH ST	145N D 001	\$10,412.10	\$10,353.33
437 W 24TH ST	145N D 001.01	\$1,903.50	\$1,892.76
2407 SIDNEY ST	145N D 001.02	\$3,903.30	\$3,881.27
W 24TH ST	145N D 002	\$302.40	\$300.69
2401 BROAD ST	145N D 003	\$4,887.90	\$4,860.31
2423 BROAD ST	145N D 007	\$6,511.50	\$6,474.75
2441 BROAD ST	145N D 009	\$3,589.20	\$3,568.94
2451 BROAD ST	145N D 010	\$1,295.10	\$1,287.79
411 W 25TH ST	145N D 011	\$2,556.00	\$2,541.57
405 W 25TH ST	145N D 011.01	\$541.80	\$538.74
2440 SIDNEY ST	145N D 012	\$808.20	\$803.64
2433 BROAD ST	145N D 013	\$3,897.90	\$3,875.90
2409 BROAD ST	145N D 014	\$6,272.10	\$6,236.70
2414 SIDNEY ST	145N D 014.01	\$4,270.50	\$4,246.40
2406 SIDNEY ST	145N D 014.02	\$2,038.50	\$2,026.99
2420 BROAD ST	145N E 001	\$8,786.70	\$8,737.10
2435 COWART ST	145N E 002	\$6,845.40	\$6,806.76
2430 COWART ST	145N E 003	\$30,780.00	\$30,606.26
2431 WILLIAMS ST	145N E 004	\$21,588.30	\$21,466.45
COWART ST	145N E 005	\$278.10	\$276.53
2444 BROAD ST	145N E 019	\$3,165.30	\$3,147.43
2440 BROAD ST	145N E 020	\$1,218.60	\$1,211.72
507 W 26TH ST	145N F 001	\$7,075.80	\$7,035.86
503 W 26TH ST	145N F 001.01	\$387.90	\$385.71
410 W 25TH ST	145N F 002	\$39,645.00	\$39,421.23
2501 BROAD ST	145N F 004	\$3,492.90	\$3,473.18
2517 BROAD ST	145N F 009	\$2,188.80	\$2,176.45
2525 BROAD ST	145N F 010	\$7,717.50	\$7,673.94
2520 BROAD ST	145N G 001	\$19,329.30	\$19,220.20
2525 WILLIAMS ST	145N G 012	\$176.06	\$175.07
257 W 26TH ST	145N G 013	\$140.63	\$139.83
2512 COWART ST	145N G 014	\$0.00	\$0.00
COWART ST	145N G 015	\$246.38	\$244.98
2420 WILLIAMS ST	145N H 001	\$54,482.40	\$54,174.88
2440 WILLIAMS ST	145N H 001.01	\$15,965.10	\$15,874.99
2412 WILLIAMS ST	145N H 001.02	\$849.60	\$844.80
2419 LONG ST	145N H 002	\$253.69	\$252.26

2430 LONG ST	145N H 003	\$0.00	\$0.00
2409 CARR ST	145N H 005	\$33.75	\$33.56
51 W 25TH ST	145N H 007	\$0.00	\$0.00
I-24	145O A 001	\$291.60	\$289.95
500 W 26TH ST	155C A 001	\$4,536.00	\$4,510.40
2660 SIDNEY ST	155C A 001.01	\$18,297.90	\$18,194.62
2800 BROAD ST	155C A 002	\$673.20	\$669.40
2790 CHESTNUT ST	155C A 002.01	\$0.00	\$0.00
BROAD ST	155C A 003	\$2,928.60	\$2,912.07
2673 SIDNEY ST	155C A 006	\$2,007.00	\$1,995.67
2633 BROAD ST	155C A 006.01	\$648.90	\$645.24
2655 W SYDNEY ST	155C A 006.02	\$2,694.60	\$2,679.39
2601 BROAD ST	155C A 014	\$7,677.90	\$7,634.56
2613 BROAD ST	155C A 017	\$7,434.90	\$7,392.93
2627 BROAD ST	155C A 019	\$5,569.20	\$5,537.76
2642 BROAD ST	155C B 011	\$1,161.00	\$1,154.45
2643 COWART ST	155C B 012	\$154.69	\$153.81
2646 BROAD ST	155C B 013	\$3,004.20	\$2,987.24
2644 BROAD ST	155C B 013.01	\$3,160.80	\$3,142.96
2622 BROAD ST	155C B 019	\$6,394.50	\$6,358.41
2616 BROAD ST	155C B 021	\$11,661.30	\$11,595.48
2603 WILLIAMS ST	155C C 001	\$260.44	\$258.97
2607 WILLIAMS ST	155C C 002	\$140.63	\$139.83
2611 WILLIAMS ST	155C C 003	\$648.00	\$644.34
2613 WILLIAMS ST	155C C 004	\$105.75	\$105.15
2619 WILLIAMS ST	155C C 005	\$777.38	\$772.99
2623 WILLIAMS ST	155C C 006	\$190.13	\$189.05
2631 WILLIAMS ST	155C C 007	\$56.25	\$55.93
2637 WILLIAMS ST	155C C 008	\$190.13	\$189.05
2653 WILLIAMS ST	155C C 009	\$133.88	\$133.12
209 W 27TH ST	155C C 010	\$648.00	\$644.34
215 W 27TH ST	155C C 011	\$648.00	\$644.34
227 W 27TH ST	155C C 013	\$192.60	\$191.51
2638 COWART ST	155C C 015	\$140.63	\$139.83
2636 COWART ST	155C C 016	\$140.63	\$139.83
2632 COWART ST	155C C 017	\$168.75	\$167.80
2626 COWART ST	155C C 018	\$56.25	\$55.93
2622 COWART ST	155C C 019	\$140.63	\$139.83
2620 COWART ST	155C C 020	\$84.38	\$83.90
2618 COWART ST	155C C 021	\$84.38	\$83.90
2616 COWART ST	155C C 022	\$84.38	\$83.90
2614 COWART ST	155C C 023	\$140.63	\$139.83
2608 COWART ST	155C C 024	\$607.50	\$604.07
2526 WILLIAMS ST	155C D 001	\$570.94	\$567.71
2524 WILLIAMS ST	155C D 002	\$327.38	\$325.53
2518 WILLIAMS ST	155C D 003	\$648.00	\$644.34
2514 WILLIAMS ST	155C D 004	\$438.75	\$436.27

LONG ST	155C D 007	\$140.63	\$139.83
W 25TH ST	155C D 008	\$84.38	\$83.90
58 W 25TH ST	155C D 009	\$84.38	\$83.90
54 W 25TH ST	155C D 010	\$84.38	\$83.90
50 W 25TH ST	155C D 011	\$118.13	\$117.46
53 W 26TH ST	155C D 012	\$105.75	\$105.15
W 26TH ST	155C D 013	\$84.38	\$83.90
57 W 26TH ST	155C D 014	\$203.06	\$201.92
59 W 26TH ST	155C D 015	\$56.25	\$55.93
2514 LONG ST	155C D 016	\$2,631.38	\$2,616.52
2507 LONG ST	155C D 017	\$1,458.00	\$1,449.77
2515 LONG ST	155C D 018	\$105.75	\$105.15
2533 LONG ST	155C D 019	\$105.75	\$105.15
109 W 26TH ST	155C D 020	\$133.88	\$133.12
2405 MARKET ST	155C E 002	\$1,721.70	\$1,711.98
2411 MARKET ST	155C E 003	\$1,811.70	\$1,801.47
2501 MARKET ST	155C E 004	\$0.00	\$0.00
MARKET ST	155C F 001	\$0.00	\$0.00
2611 MARKET ST	155C F 006	\$268.31	\$266.80
2609 MARKET ST	155C F 007	\$203.63	\$202.48
MARKET ST	155C F 008	\$140.63	\$139.83
41 W 28TH ST	155C F 011	\$0.00	\$0.00
2630 CARR ST	155C F 019	\$704.25	\$700.27
2628 CARR ST	155C F 020	\$667.13	\$663.36
2626 CARR ST	155C F 021	\$140.63	\$139.83
2624 CARR ST	155C F 022	\$140.63	\$139.83
2618 CARR ST	155C F 024	\$2,592.00	\$2,577.37
25 W 26TH ST	155C F 029	\$0.00	\$0.00
18 W 26TH ST	155C F 030	\$226.13	\$224.85
2601 MARKET ST	155C F 032	\$572.40	\$569.17
2604 LONG ST	155C G 001	\$704.70	\$700.72
2601 CARR ST	155C G 002	\$863.10	\$858.23
W 26TH ST	155C G 002.01	\$0.00	\$0.00
2605 CARR ST	155C G 003	\$540.00	\$536.95
2611 CARR ST	155C G 004	\$777.60	\$773.21
2617 CARR ST	155C G 005	\$736.88	\$732.72
2619 CARR ST	155C G 006	\$611.44	\$607.99
2616 LONG ST	155C G 007	\$2,171.70	\$2,159.44
2623 CARR ST	155C G 008	\$105.75	\$105.15
2625 CARR ST	155C G 009	\$105.75	\$105.15
2627 CARR ST	155C G 010	\$140.63	\$139.83
2631 CARR ST	155C G 011	\$525.38	\$522.41
2633 CARR ST	155C G 012	\$84.38	\$83.90
2637 CARR ST	155C G 013	\$385.88	\$383.70
69 W 27TH ST	155C G 014	\$1,080.00	\$1,073.90
2630 LONG ST	155C G 015	\$251.44	\$250.02
2628 LONG ST	155C G 016	\$105.75	\$105.15

2626 LONG ST	155C G 017	\$336.94	\$335.04
2620 LONG ST	155C G 018	\$133.88	\$133.12
2618 LONG ST	155C G 019	\$84.38	\$83.90
2614 LONG ST	155C G 020	\$84.38	\$83.90
2610 LONG ST	155C G 021	\$336.94	\$335.04
2612 LONG ST	155C G 021.01	\$249.19	\$247.78
2608 LONG ST	155C G 022	\$347.06	\$345.10
2606 LONG ST	155C G 023	\$635.63	\$632.04
121 W 26TH ST	155C H 001	\$1,285.20	\$1,277.95
2603 LONG ST	155C H 002	\$0.00	\$0.00
2613 LONG ST	155C H 003	\$0.00	\$0.00
2615 LONG ST	155C H 004	\$352.69	\$350.70
LONG ST	155C H 005	\$56.25	\$55.93
2619 LONG ST	155C H 006	\$56.25	\$55.93
2621 LONG ST	155C H 007	\$140.63	\$139.83
2627 LONG ST	155C H 008	\$105.75	\$105.15
2629 LONG ST	155C H 009	\$519.19	\$516.26
2631 LONG ST	155C H 010	\$140.63	\$139.83
2633 LONG ST	155C H 011	\$56.25	\$55.93
2635 LONG ST	155C H 012	\$56.25	\$55.93
2637 LONG ST	155C H 013	\$176.06	\$175.07
2639 LONG ST	155C H 014	\$140.63	\$139.83
2641 LONG ST	155C H 015	\$540.00	\$536.95
131 W 27TH ST	155C H 016	\$140.63	\$139.83
2640 WILLIAMS ST	155C H 017	\$140.63	\$139.83
2634 WILLIAMS ST	155C H 019	\$0.00	\$0.00
2626 WILLIAMS ST	155C H 020	\$70.31	\$69.92
2612 WILLIAMS ST	155C H 025	\$618.19	\$614.70
2606 WILLIAMS ST	155C H 026	\$972.00	\$966.51
2700 BROAD ST	155C J 008	\$10,177.20	\$10,119.76
2726 COWART ST	155C J 011	\$648.00	\$644.34
2718 COWART ST	155C J 012	\$664.88	\$661.12
2712 COWART ST	155C J 012.01	\$693.00	\$689.09
2706 COWART ST	155C J 013	\$734.06	\$729.92
2704 COWART ST	155C J 014	\$295.31	\$293.65
214 W 27TH ST	155C J 015	\$275.06	\$273.51
208 W 27TH ST	155C J 016	\$0.00	\$0.00
2705 WILLIAMS ST	155C J 017	\$0.00	\$0.00
2709 WILLIAMS ST	155C J 018	\$0.00	\$0.00
WILLIAMS ST	155C J 019	\$0.00	\$0.00
WILLIAMS ST	155C J 020	\$0.00	\$0.00
WILLIAMS ST	155C J 021	\$0.00	\$0.00
118 W 27TH ST	155C K 002	\$0.00	\$0.00
106 W 27TH ST	155C K 003	\$140.63	\$139.83
2703 LONG ST	155C K 004	\$339.19	\$337.27
2705 LONG ST	155C K 005	\$269.44	\$267.92
2707 LONG ST	155C K 006	\$572.06	\$568.83

2709 LONG ST	155C K 007	\$279.00	\$277.43
2711 LONG ST	155C K 008	\$372.94	\$370.83
2713 LONG ST	155C K 009	\$244.69	\$243.31
2717 LONG ST	155C K 010	\$105.75	\$105.15
WILLIAMS ST	155C K 011	\$140.63	\$139.83
2712 WILLIAMS ST	155C K 012	\$583.20	\$579.91
2710 WILLIAMS ST	155C K 013	\$356.63	\$354.61
2708 WILLIAMS ST	155C K 014	\$105.75	\$105.15
2706 WILLIAMS ST	155C K 015	\$105.75	\$105.15
28 W 28TH ST	155C L 001	\$5,515.20	\$5,484.07
300 W 28TH ST	155C L 001.01	\$18,451.80	\$18,347.65
18 W 28TH ST	155C L 001.02	\$7,712.10	\$7,668.57
24 W 28TH ST	155C L 001.03	\$3,116.70	\$3,099.11
100 W 28TH ST	155C L 001.04	\$4,066.20	\$4,043.25
90 W 28TH ST	155C L 001.05	\$2,838.60	\$2,822.58
120 W 28TH ST	155C L 001.06	\$675.00	\$671.19
2712 LONG ST	155C L 003	\$140.63	\$139.83
2710 LONG ST	155C L 004	\$639.00	\$635.39
2706 LONG ST	155C L 005	\$260.44	\$258.97
2704 LONG ST	155C L 006	\$105.75	\$105.15
2700 LONG ST	155C L 007	\$84.38	\$83.90
64 W 27TH ST	155C L 008	\$275.63	\$274.07
58 W 27TH ST	155C L 009	\$320.06	\$318.26
52 W 27TH ST	155C L 010	\$333.00	\$331.12
21 W 28TH ST	155C L 012	\$2,686.50	\$2,671.34
340 E 25TH ST	155D A 001	\$0.00	\$0.00
2500 MARKET ST	155D A 002	\$0.00	\$0.00
MARKET ST	155D A 003	\$0.00	\$0.00
139 E 25TH ST	155D A 004	\$0.00	\$0.00
183 E 25TH ST	155D A 005	\$0.00	\$0.00
257 E 25TH ST	155D A 006	\$0.00	\$0.00
3147 ST ELMO AVE	155F A 001	\$7,004.70	\$6,965.16
3151 BROAD ST	155F A 001.01	\$7,249.50	\$7,208.58
3154 ST ELMO AVE	155F A 001.02	\$0.00	\$0.00
3131 BROAD ST	155F A 002	\$5,135.40	\$5,106.41
1350 W 31ST ST	155F A 003	\$5,447.70	\$5,416.95
3146 ST ELMO AVE	155F A 003.01	\$2,296.80	\$2,283.84
3103 BROAD ST	155F A 004	\$2,354.40	\$2,341.11
3127 BROAD ST	155F A 004.01	\$3,134.70	\$3,117.01
3070 ST ELMO AVE	155F A 005	\$7,115.40	\$7,075.24
3093 BROAD ST	155F A 005.01	\$3,133.80	\$3,116.11
3097 BROAD ST	155F A 005.02	\$5,706.90	\$5,674.69
3060 ST ELMO AVE	155F A 005.03	\$280.80	\$279.22
3061 BROAD ST	155F A 005.04	\$3,516.30	\$3,496.45
3069 BROAD ST	155F A 005.05	\$5,933.70	\$5,900.21
3077 BROAD ST	155F A 005.06	\$7,470.00	\$7,427.84
3085 BROAD ST	155F A 005.07	\$714.60	\$710.57

3088 ST ELMO AVE	155F A 005.08	\$754.20	\$749.94
1349 W 31ST ST	155F A 005.09	\$1,910.70	\$1,899.92
1500 SINCLAIR AVE	155F A 009	\$0.00	\$0.00
3129 ST ELMO AVE	155F A 009.01	\$2,050.31	\$2,038.74
3127 ST ELMO AVE	155F A 009.02	\$1,723.50	\$1,713.77
3125 ST ELMO AVE	155F A 009.03	\$1,580.06	\$1,571.14
3123 ST ELMO AVE	155F A 009.04	\$1,736.44	\$1,726.64
3121 ST ELMO AVE	155F A 009.05	\$1,591.88	\$1,582.89
3119 ST ELMO AVE	155F A 009.06	\$1,736.44	\$1,726.64
3117 ST ELMO AVE	155F A 009.07	\$1,591.88	\$1,582.89
3115 ST ELMO AVE	155F A 009.08	\$1,708.88	\$1,699.23
3113 ST ELMO AVE	155F A 009.09	\$1,591.88	\$1,582.89
3111 ST ELMO AVE	155F A 009.10	\$1,721.81	\$1,712.09
3109 ST ELMO AVE	155F A 009.11	\$1,965.94	\$1,954.84
1420 SINCLAIR AVE	155F A 009.12	\$2,863.13	\$2,846.96
1424 SINCLAIR AVE	155F A 009.13	\$2,606.63	\$2,591.91
1428 SINCLAIR AVE	155F A 009.14	\$2,529.56	\$2,515.28
1432 SINCLAIR AVE	155F A 009.15	\$2,702.81	\$2,687.56
1436 SINCLAIR AVE	155F A 009.16	\$2,681.44	\$2,666.30
1440 SINCLAIR AVE	155F A 009.17	\$2,823.75	\$2,807.81
1444 SINCLAIR AVE	155F A 009.18	\$2,718.00	\$2,702.66
1448 SINCLAIR AVE	155F A 009.19	\$2,882.25	\$2,865.98
1452 SINCLAIR AVE	155F A 009.20	\$2,743.31	\$2,727.83
1456 SINCLAIR AVE	155F A 009.21	\$2,675.81	\$2,660.71
1573 SINCLAIR AVE	155F A 009.22C001	\$1,298.25	\$1,290.92
1577 SINCLAIR AVE	155F A 009.22C002	\$1,298.25	\$1,290.92
1581 SINCLAIR AVE	155F A 009.22C003	\$1,510.88	\$1,502.35
1585 SINCLAIR AVE	155F A 009.22C004	\$1,510.88	\$1,502.35
1589 SINCLAIR AVE	155F A 009.22C005	\$1,227.94	\$1,221.01
1593 SINCLAIR AVE	155F A 009.22C006	\$1,227.94	\$1,221.01
3031 ST ELMO AVE	155F A 009.22C007	\$1,298.25	\$1,290.92
3035 ST ELMO AVE	155F A 009.22C008	\$1,463.06	\$1,454.80
3039 ST ELMO AVE	155F A 009.22C009	\$1,510.88	\$1,502.35
3043 ST ELMO AVE	155F A 009.22C010	\$1,298.25	\$1,290.92
3047 ST ELMO AVE	155F A 009.22C011	\$1,298.25	\$1,290.92
3051 ST ELMO AVE	155F A 009.22C012	\$1,510.88	\$1,502.35
3055 ST ELMO AVE	155F A 009.22C013	\$1,510.88	\$1,502.35
3059 ST ELMO AVE	155F A 009.22C014	\$1,298.25	\$1,290.92
1460 SINCLAIR AVE	155F A 009.23	\$2,525.06	\$2,510.81
1464 SINCLAIR AVE	155F A 009.24	\$2,692.13	\$2,676.93
1468 SINCLAIR AVE	155F A 009.25	\$2,684.25	\$2,669.10
1472 SINCLAIR AVE	155F A 009.26	\$2,702.81	\$2,687.56
1476 SINCLAIR AVE	155F A 009.27	\$2,695.50	\$2,680.29
1480 SINCLAIR AVE	155F A 009.28	\$2,637.00	\$2,622.12
1484 SINCLAIR AVE	155F A 009.29	\$2,583.00	\$2,568.42
1488 SINCLAIR AVE	155F A 009.30	\$2,858.63	\$2,842.49
1492 SINCLAIR AVE	155F A 009.31	\$2,683.69	\$2,668.54

1496 SINCLAIR AVE	155F A 009.32	\$2,632.50	\$2,617.64
3075 ST ELMO AVE	155F A 009.33	\$1,999.13	\$1,987.84
1465 SINCLAIR AVE	155F A 009.34	\$1,900.13	\$1,889.40
1469 SINCLAIR AVE	155F A 009.35	\$1,900.13	\$1,889.40
1473 SINCLAIR AVE	155F A 009.36	\$2,147.06	\$2,134.94
1477 SINCLAIR AVE	155F A 009.37	\$1,879.31	\$1,868.70
1481 SINCLAIR AVE	155F A 009.38	\$2,005.88	\$1,994.55
1485 SINCLAIR AVE	155F A 009.39	\$1,879.31	\$1,868.70
1489 SINCLAIR AVE	155F A 009.40	\$1,968.19	\$1,957.08
1493 SINCLAIR AVE	155F A 009.41	\$2,017.69	\$2,006.30
1497 SINCLAIR AVE	155F A 009.42	\$2,445.19	\$2,431.39
1501 SINCLAIR AVE	155F A 009.43	\$2,303.44	\$2,290.44
1505 SINCLAIR AVE	155F A 009.44	\$2,305.69	\$2,292.67
3099 ST ELMO AVE	155F A 009.45	\$2,122.31	\$2,110.33
3097 ST ELMO AVE	155F A 009.46	\$1,859.63	\$1,849.13
3095 ST ELMO AVE	155F A 009.47	\$1,647.56	\$1,638.26
3093 ST ELMO AVE	155F A 009.48	\$1,859.63	\$1,849.13
3091 ST ELMO AVE	155F A 009.49	\$1,698.75	\$1,689.16
3089 ST ELMO AVE	155F A 009.50	\$1,859.63	\$1,849.13
3087 ST ELMO AVE	155F A 009.51	\$1,698.75	\$1,689.16
3085 ST ELMO AVE	155F A 009.52	\$1,859.63	\$1,849.13
3083 ST ELMO AVE	155F A 009.53	\$1,698.75	\$1,689.16
3081 ST ELMO AVE	155F A 009.54	\$1,859.63	\$1,849.13
ST ELMO AVE	155F A 010	\$145.80	\$144.98
ST ELMO AVE	155F A 010.01	\$0.00	\$0.00
3210 BROAD ST	155F B 001	\$17,906.40	\$17,805.33
0 WILLIAMS ST	155F B 001.01	\$819.00	\$814.38
3203 WILLIAMS ST	155F B 003	\$24,588.90	\$24,450.11
3150 BROAD ST	155F B 003.01	\$7,812.90	\$7,768.80
3158 BROAD ST	155F B 003.02	\$12,672.90	\$12,601.37
3204 WILLIAMS ST	155F B 004	\$10,145.70	\$10,088.43
3220 WILLIAMS ST	155F B 004.01	\$4,677.30	\$4,650.90
3217 ALTON PARK BLVD	155F B 005	\$7,149.60	\$7,109.24
3008 BROAD ST	155F C 001	\$5,465.70	\$5,434.85
3120 BROAD ST	155F C 001.01	\$12,016.80	\$11,948.97
3146 BROAD ST	155F C 001.02	\$10,499.40	\$10,440.14
3116 BROAD ST	155F C 001.04	\$11,590.20	\$11,524.78
3100 BROAD ST	155F C 001.05	\$11,988.90	\$11,921.23
3103 WILLIAMS ST	155F C 001.06	\$9,022.50	\$8,971.57
3000 BROAD ST	155F C 001.07	\$12,344.40	\$12,274.72
3148 BROAD ST	155F C 001.08	\$33.30	\$33.11
3051 WILLIAMS ST	155F C 001.09	\$2,913.30	\$2,896.86
2901 LONG ST	155F C 011	\$3,453.30	\$3,433.81
2905 LONG ST	155F C 012	\$1,477.80	\$1,469.46
3010 WILLIAMS ST	155F C 013	\$18,630.00	\$18,524.84
3177 ST ELMO AVE	155G A 001 C001	\$1,119.38	\$1,113.06
3175 ST ELMO AVE	155G A 001 C002	\$1,002.38	\$996.72

3173 ST ELMO AVE	155G A 001 C003	\$1,017.56	\$1,011.82
3171 ST ELMO AVE	155G A 001 C004	\$1,017.56	\$1,011.82
3169 ST ELMO AVE	155G A 001 C005	\$916.31	\$911.14
3167 ST ELMO AVE	155G A 001 C006	\$1,017.56	\$1,011.82
3161 ST ELMO AVE	155G A 001 C007	\$1,359.00	\$1,351.33
3159 ST ELMO AVE	155G A 001 C008	\$1,208.25	\$1,201.43
3157 ST ELMO AVE	155G A 001 C009	\$1,208.25	\$1,201.43
3155 ST ELMO AVE	155G A 001 C010	\$1,359.00	\$1,351.33
1405 STOCKYARD PL	155G A 001 C011	\$1,681.88	\$1,672.38
1409 STOCKYARD PL	155G A 001 C012	\$1,559.81	\$1,551.01
1413 STOCKYARD PL	155G A 001 C013	\$1,559.81	\$1,551.01
1417 STOCKYARD PL	155G A 001 C014	\$1,559.81	\$1,551.01
1421 STOCKYARD PL	155G A 001 C015	\$1,559.81	\$1,551.01
1425 STOCKYARD PL	155G A 001 C016	\$1,559.81	\$1,551.01
1429 STOCKYARD PL	155G A 001 C017	\$1,559.81	\$1,551.01
1433 STOCKYARD PL	155G A 001 C018	\$1,559.81	\$1,551.01
1437 STOCKYARD PL	155G A 001 C019	\$1,292.63	\$1,285.33
1441 STOCKYARD PL	155G A 001 C020	\$1,114.31	\$1,108.02
1447 STOCKYARD PL	155G A 001 C021	\$168.75	\$167.80
1451 STOCKYARD PL	155G A 001 C022	\$168.75	\$167.80
1455 STOCKYARD PL	155G A 001 C023	\$168.75	\$167.80
1459 STOCKYARD PL	155G A 001 C024	\$168.75	\$167.80
1463 STOCKYARD PL	155G A 001 C025	\$168.75	\$167.80
1482 STOCKYARD PL	155G A 001 C028	\$168.75	\$167.80
1478 STOCKYARD PL	155G A 001 C029	\$168.75	\$167.80
1474 STOCKYARD PL	155G A 001 C030	\$168.75	\$167.80
1470 STOCKYARD PL	155G A 001 C031	\$168.75	\$167.80
1466 STOCKYARD PL	155G A 001 C032	\$168.75	\$167.80
1462 STOCKYARD PL	155G A 001 C033	\$168.75	\$167.80
1458 STOCKYARD PL	155G A 001 C034	\$168.75	\$167.80
1454 STOCKYARD PL	155G A 001 C035	\$168.75	\$167.80
1450 STOCKYARD PL	155G A 001 C036	\$168.75	\$167.80
1436 STOCKYARD PL	155G A 001 C037	\$926.44	\$921.21
1432 STOCKYARD PL	155G A 001 C038	\$1,001.81	\$996.16
1428 STOCKYARD PL	155G A 001 C039	\$1,001.81	\$996.16
1424 STOCKYARD PL	155G A 001 C040	\$1,001.81	\$996.16
1420 STOCKYARD PL	155G A 001 C041	\$1,001.81	\$996.16
1416 STOCKYARD PL	155G A 001 C042	\$1,001.81	\$996.16
ST ELMO AVE	155G A 001.01	\$504.00	\$501.16
0 ST ELMO AVE	155G A 001.02	\$1,149.30	\$1,142.81
ST ELMO AVE	155G A 002	\$1,119.60	\$1,113.28
1506 MIDDLE ST	155G A 004	\$1,085.40	\$1,079.27
1503 MIDDLE ST	155G A 004.01	\$0.00	\$0.00
3331 ST ELMO AVE	155G A 007	\$9,048.60	\$8,997.53
3333 ST ELMO AVE	155G A 008	\$4,885.20	\$4,857.63
3405 ST ELMO AVE	155G A 009	\$4,079.70	\$4,056.67
3421 ST ELMO AVE	155G A 010	\$0.00	\$0.00

1501 MOUNTAIN VIEW CT	155G A 011	\$339.19	\$337.27
1505 MOUNTAIN VIEW CT	155G A 011.01	\$339.19	\$337.27
1509 MOUNTAIN VIEW CT	155G A 011.02	\$339.19	\$337.27
1513 MOUNTAIN VIEW CT	155G A 011.03	\$339.19	\$337.27
1517 MOUNTAIN VIEW CT	155G A 011.04	\$339.19	\$337.27
1521 MOUNTAIN VIEW CT	155G A 011.05	\$339.19	\$337.27
1525 MOUNTAIN VIEW CT	155G A 011.06	\$339.19	\$337.27
1529 MOUNTAIN VIEW CT	155G A 011.07	\$339.19	\$337.27
1533 MOUNTAIN VIEW CT	155G A 011.08	\$339.19	\$337.27
1537 MOUNTAIN VIEW CT	155G A 011.09	\$339.19	\$337.27
1541 MOUNTAIN VIEW CT	155G A 011.10	\$56.25	\$55.93
1545 MOUNTAIN VIEW CT	155G A 011.11	\$339.19	\$337.27
1549 MOUNTAIN VIEW CT	155G A 011.12	\$339.19	\$337.27
1553 MOUNTAIN VIEW CT	155G A 011.13	\$56.25	\$55.93
MOUNTAIN VIEW CT	155G A 011.14	\$56.25	\$55.93
1518 MOUNTAIN VIEW CT	155G A 011.15	\$339.19	\$337.27
1516 MOUNTAIN VIEW CT	155G A 011.16	\$339.19	\$337.27
1514 MOUNTAIN VIEW CT	155G A 011.17	\$339.19	\$337.27
1512 MOUNTAIN VIEW CT	155G A 011.18	\$339.19	\$337.27
1508 MOUNTAIN VIEW CT	155G A 011.19	\$339.19	\$337.27
1504 MOUNTAIN VIEW CT	155G A 011.20	\$339.19	\$337.27
1500 MOUNTAIN VIEW CT	155G A 011.21	\$339.19	\$337.27
1515 MOUNTAIN VIEW CT	155G A 011.22	\$339.19	\$337.27
1550 MOUNTAIN VIEW CT	155G A 011.23	\$339.19	\$337.27
1540 MOUNTAIN VIEW CT	155G A 011.24	\$56.25	\$55.93
1520 MOUNTAIN VIEW CT	155G A 011.25	\$339.19	\$337.27
3211 BROAD ST	155G B 001	\$2,166.30	\$2,154.07
3201 BROAD ST	155G B 002	\$32,591.70	\$32,407.74
3209 BROAD ST	155G B 003	\$3,836.70	\$3,815.04
3225 BROAD ST	155G B 006	\$5,255.10	\$5,225.44
BROAD ST	155G B 006.01	\$0.00	\$0.00

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City of Chattanooga, Hamilton County TN
Chattanooga Stadium & Mixed-Use Development
Economic Impact Analysis - Summary - 30 Years of Operation

One-Time Impact from Construction												
Development Type	Construction Costs (Hard & Soft)	Economic Impact	Direct/ Indirect Jobs Supported During the Development Period	Wages (Direct & Indirect)	State Sales Tax (Indirect)	Local Sales Tax (Indirect)	Local Other Taxes (Indirect)	Indirect Property Tax	Direct LOCAL Sales Tax	Direct LOCAL Sales Tax - County Schools	Direct STATE Sales Tax - General	Direct STATE Sales Tax - Education
Stadium	\$ 82,500,000	\$ 146,882,750	625	\$ 35,603,125	\$ 1,253,586	\$ 402,938	\$ 107,584	N/A	\$ 639,000	N/A	\$ 1,988,000	N/A
Mixed-Use	\$ 174,500,000	\$ 311,412,700	1,321	\$ 75,250,765	\$ 2,649,579	\$ 851,650	\$ 227,391	N/A	\$ 1,570,500	N/A	\$ 4,886,000	N/A
Total	\$ 257,000,000	\$ 458,295,450	1,946	\$ 110,853,890	\$ 3,903,165	\$ 1,254,588	\$ 334,975	N/A	\$ 2,209,500	N/A	\$ 6,874,000	N/A

30-Year Impact from Operations and One-Time Impact from Construction												
Development Type	Economic Impact	Direct/ Indirect Jobs	Wages (Direct & Indirect)	State Sales Tax (Indirect)	Local Sales Tax (Indirect)	Local Other Taxes (Indirect)	Indirect Property Tax	Direct LOCAL Sales Tax	Direct LOCAL Sales Tax - County Schools	Direct STATE Sales Tax - General	Direct STATE Sales Tax - Education	
Stadium - All Operations	\$ 519,636,797	166	\$ 109,512,892	\$ 3,855,946	\$ 1,239,412	\$ 330,907	\$ 5,233,444	\$ 3,525,088	\$ 3,525,088	\$ 17,233,734	\$ 4,700,103	
Office	\$ 25,907,315	47	\$ 77,711,608	\$ 2,736,218	\$ 879,490	\$ 234,816	\$ 1,967,620	N/A	N/A	N/A	N/A	
Apartments	\$ 339,934,622	42	\$ 72,190,080	\$ 2,541,805	\$ 817,011	\$ 218,130	\$ 1,758,071	N/A	N/A	N/A	N/A	
Retail	\$ 797,190,667	205	\$ 141,330,199	\$ 72,439,814	\$ 23,284,313	\$ 427,053	\$ 8,577,477	\$ 9,475,080	N/A	\$ 29,478,123	N/A	
Construction	\$ 458,295,450	Transient	\$ 110,853,890	\$ 3,903,165	\$ 1,254,588	\$ 334,975	N/A	\$ 2,209,500	N/A	\$ 6,874,000	N/A	
Total	\$ 2,140,964,851	460	\$ 511,598,669	\$ 85,476,948	\$ 27,474,814	\$ 1,545,881	\$ 17,536,612	\$ 15,209,668	\$ 3,525,088	\$ 53,585,857	\$ 4,700,103	

Total Property Taxes Designated to Hamilton County Debt Service:	\$ 11,903,164
Total Property Taxes Designated to Schools:	\$ 33,007,576
Total Property Taxes Designated to City of Chattanooga Debt Service:	\$ 18,360,048
Total Property Taxes Designated to TIF:	\$ 77,899,612
Net Present Value of Taxes Designated to TIF	\$ 42,861,308

Total Local Taxes Generated During 30-Year TIF Period (Direct & Indirect Tax from Construction, Stadium Operations, Mixed-Use Development Tenant Operations, and Property Tax Designed to Schools and Debt Service) **\$ 128,562,851**

Benefit/Cost Ratio (Ratio of Taxes Designated to TIF to Local Taxes Generated From Operations and Taxes Designated for Schools and Debt Service) **1.65**

City of Chattanooga, Hamilton County TN
Chattanooga Stadium
Economic Impact Analysis

One-Time Impact from Construction	Stadium
Total Capital Investment	\$ 82,500,000
Projected Hard Costs	\$ 71,000,000
Projected Soft Costs	\$ 9,000,000
Projected Construction Cost/Real Property Investment*	\$ 80,000,000
Final Demand Output Multiplier ¹	1.7846
Economic Impact	\$ 142,768,000
Projected Personal Property Investment*	\$ 2,500,000
Final Demand Output Multiplier ²	1.6459
Economic Impact	\$ 4,114,750
Total Economic Impact	\$ 146,882,750
Projected Direct Local Sales Tax from Construction Spending** (2.25%)	\$ 639,000
Projected Direct State Sales Tax from Construction Spending** (7%)	\$ 1,988,000
Total Direct State & Local Sales Tax	\$ 2,627,000
Final Demand Employment Multiplier ³	7.5715
Direct/Indirect Jobs Supported During Construction Period***	625
Hamilton County Annual Average Wage - All Industries ⁴	\$ 56,965
Wages Paid to Direct/Indirect Jobs	\$ 35,603,125
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 1,253,586
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 402,938
Other Local Tax Revenue ⁶ (Indirect)	\$ 107,584
Total Indirect Tax Revenue from Wages Paid During Construction Period	\$ 1,764,108
Total Tax Revenue Generated During the Construction Period (Direct & Indirect)	\$ 2,403,108

*Projected construction estimates provided by the project team.

** Assumes 40% of construction purchases will be subject to state and local sales tax. These taxes would be direct, but not captured at the stadium.

***Represents the total number of jobs supported during the construction period. If the construction period is 2 years the annual average employment would be 312 per year. These jobs are considered transient and, in theory, would disappear after the construction and set-up period is complete.

**City of Chattanooga, Hamilton County TN
Chattanooga Stadium & Mixed-Use Development
Economic Impact Analysis**

One-Time Impact from Construction - Mixed-Use Development	Apartments	Office	Retail	Total
Projected Hard Costs	\$ 160,000,000	\$ 10,000,000	\$ 4,500,000	\$ 174,500,000
Projected Soft Costs	\$ -	\$ -	\$ -	\$ -
Projected Construction Cost/Real Property Investment*	\$ 160,000,000	\$ 10,000,000	\$ 4,500,000	\$ 174,500,000
Final Demand Output Multiplier ¹	1.7846	1.7846	1.7846	
Economic Impact	\$ 285,536,000	\$ 17,846,000	\$ 8,030,700	\$ 311,412,700
Projected Direct Local Sales Tax from Construction Spending** (2.25%)	\$ 1,440,000	\$ 90,000	\$ 40,500	\$ 1,570,500
Projected Direct State Sales Tax from Construction Spending** (7%)	\$ 4,480,000	\$ 280,000	\$ 126,000	\$ 4,886,000
Total Direct State & Local Sales Tax	\$ 5,920,000	\$ 370,000	\$ 166,500	\$ 6,456,500
Final Demand Employment Multiplier ³	7.5715	7.5715	7.5715	
Direct/Indirect Jobs Supported During Construction Period***	1,211	76	34	1,321
Hamilton County Annual Average Wage - All Industries ⁴	\$ 56,965	\$ 56,965	\$ 56,965	
Wages Paid to Direct/Indirect Jobs	\$ 68,984,615	\$ 4,329,340	\$ 1,936,810	\$ 75,250,765
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 2,428,948	\$ 152,436	\$ 68,195	\$ 2,649,579
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 780,733	\$ 48,997	\$ 21,920	\$ 851,650
Other Local Tax Revenue ⁶ (Indirect)	\$ 208,456	\$ 13,082	\$ 5,853	\$ 227,391
Total Indirect Tax Revenue from Wages Paid During Construction Period	\$ 989,189	\$ 62,079	\$ 27,773	\$ 1,079,041
Total Tax Revenue Generated During the Construction Period (Direct & Indirect)	\$ 2,429,189	\$ 152,079	\$ 68,273	\$ 2,649,541

*Projected construction estimates provided by developer.

** Assumes 40% of construction purchases will be subject to state and local sales tax.

***Represents the total number of jobs supported during the construction period. If the construction period is 2 years the annual average employment would be 660 per year. These jobs are considered transient and, in theory, would disappear after the construction and set-up period is complete.

City of Chattanooga, Hamilton County TN
Chattanooga Stadium
Economic Impact Analysis

Annual Impact of Operations - Stadium - Ticket Sales	Year 1 2023	Year 2 2024	Year 3 2025	Year 4 2026	Year 5 2027	Year 6 2028	Year 7 2029
Projected Annual Revenue*	\$ -	\$ -	\$ 2,818,989	\$ 2,818,989	\$ 2,818,989	\$ 2,818,989	\$ 2,818,989
Direct Local Sales Tax Generated from Operation (1.125% of 2.25%)	\$ -	\$ -	\$ 31,714	\$ 31,714	\$ 31,714	\$ 31,714	\$ 31,714
Projected Direct Local Sales Tax from Operations Designated to Schools (1.125% of 2.25%)	\$ -	\$ -	\$ 31,714	\$ 31,714	\$ 31,714	\$ 31,714	\$ 31,714
Projected Direct State Sales Tax from Operations (5.5% of 7%)	\$ -	\$ -	\$ 155,044	\$ 155,044	\$ 155,044	\$ 155,044	\$ 155,044
Projected Direct State Sales Tax from Operations Designated to Schools (1.5% of 7%)	\$ -	\$ -	\$ 42,285	\$ 42,285	\$ 42,285	\$ 42,285	\$ 42,285
Total Direct Local & State Sales Tax	\$ -	\$ -	\$ 260,757	\$ 260,757	\$ 260,757	\$ 260,757	\$ 260,757
Final Demand Output Multiplier ⁷			1.6291	1.6291	1.6291	1.6291	1.6291
Total Economic Impact from Stadium Operations	\$ -	\$ -	\$ 4,592,415	\$ 4,592,415	\$ 4,592,415	\$ 4,592,415	\$ 4,592,415
Final Demand Employment Multiplier ⁸			9.8475	9.8475	9.8475	9.8475	9.8475
Total Employment - Direct & Indirect	-	-	28	28	28	28	28
Hamilton County Annual Average Wage - Sector Specific ⁹			\$ 40,367	\$ 40,367	\$ 40,367	\$ 40,367	\$ 40,367
Total Wages - Direct & Indirect	\$ -	\$ -	\$ 1,130,276	\$ 1,130,276	\$ 1,130,276	\$ 1,130,276	\$ 1,130,276
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ -	\$ -	\$ 39,797	\$ 39,797	\$ 39,797	\$ 39,797	\$ 39,797
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ -	\$ -	\$ 12,792	\$ 12,792	\$ 12,792	\$ 12,792	\$ 12,792
Other Local Tax Revenue ⁶ (Indirect)	\$ -	\$ -	\$ 3,415	\$ 3,415	\$ 3,415	\$ 3,415	\$ 3,415
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ -	\$ -	\$ 40,750	\$ 40,750	\$ 40,750	\$ 40,750	\$ 40,750
Total Indirect Tax Revenue from Wages	\$ -	\$ -	\$ 96,754	\$ 96,754	\$ 96,754	\$ 96,754	\$ 96,754
Total Tax Revenue Generated from Operations (Direct & Indirect)	\$ -	\$ -	\$ 357,511	\$ 357,511	\$ 357,511	\$ 357,511	\$ 357,511

*Projection provided by the project team.

City of Chattanooga, Hamilton County TN
Chattanooga Stadium
Economic Impact Analysis

Annual Impact of Operations - Stadium - Ticket Sales	Year 8 2030	Year 9 2031	Year 10 2032	Year 11 2033	Year 12 2034	Year 13 2035	Year 14 2036
Projected Annual Revenue*	\$ 3,100,888	\$ 3,100,888	\$ 3,100,888	\$ 3,100,888	\$ 3,100,888	\$ 3,410,976	\$ 3,410,976
Direct Local Sales Tax Generated from Operation (1.125% of 2.25%)	\$ 34,885	\$ 34,885	\$ 34,885	\$ 34,885	\$ 34,885	\$ 38,373	\$ 38,373
Projected Direct Local Sales Tax from Operations Designated to Schools (1.125% of 2.25%)	\$ 34,885	\$ 34,885	\$ 34,885	\$ 34,885	\$ 34,885	\$ 38,373	\$ 38,373
Projected Direct State Sales Tax from Operations (5.5% of 7%)	\$ 170,549	\$ 170,549	\$ 170,549	\$ 170,549	\$ 170,549	\$ 187,604	\$ 187,604
Projected Direct State Sales Tax from Operations Designated to Schools (1.5% of 7%)	\$ 46,513	\$ 46,513	\$ 46,513	\$ 46,513	\$ 46,513	\$ 51,165	\$ 51,165
Total Direct Local & State Sales Tax	\$ 286,832	\$ 286,832	\$ 286,832	\$ 286,832	\$ 286,832	\$ 315,515	\$ 315,515
Final Demand Output Multiplier ⁷	1.6291	1.6291	1.6291	1.6291	1.6291	1.6291	1.6291
Total Economic Impact from Stadium Operations	\$ 5,051,657	\$ 5,051,657	\$ 5,051,657	\$ 5,051,657	\$ 5,051,657	\$ 5,556,821	\$ 5,556,821
Final Demand Employment Multiplier ⁸	9.8475	9.8475	9.8475	9.8475	9.8475	9.8475	9.8475
Total Employment - Direct & Indirect	31	31	31	31	31	34	34
Hamilton County Annual Average Wage - Sector Specific ⁹	\$ 40,367	\$ 40,367	\$ 40,367	\$ 40,367	\$ 40,367	\$ 40,367	\$ 40,367
Total Wages - Direct & Indirect	\$ 1,251,377	\$ 1,251,377	\$ 1,251,377	\$ 1,251,377	\$ 1,251,377	\$ 1,372,478	\$ 1,372,478
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 44,061	\$ 44,061	\$ 44,061	\$ 44,061	\$ 44,061	\$ 48,325	\$ 48,325
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 14,162	\$ 14,162	\$ 14,162	\$ 14,162	\$ 14,162	\$ 15,533	\$ 15,533
Other Local Tax Revenue ⁶ (Indirect)	\$ 3,781	\$ 3,781	\$ 3,781	\$ 3,781	\$ 3,781	\$ 4,147	\$ 4,147
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ 45,116	\$ 45,116	\$ 45,116	\$ 45,116	\$ 45,116	\$ 49,482	\$ 49,482
Total Indirect Tax Revenue from Wages	\$ 107,120	\$ 107,120	\$ 107,120	\$ 107,120	\$ 107,120	\$ 117,487	\$ 117,487
Total Tax Revenue Generated from Operations (Direct & Indirect)	\$ 393,952	\$ 393,952	\$ 393,952	\$ 393,952	\$ 393,952	\$ 433,002	\$ 433,002

*Projection provided by the project team.

City of Chattanooga, Hamilton County TN
Chattanooga Stadium
Economic Impact Analysis

Annual Impact of Operations - Stadium - Ticket Sales	Year 15 2037	Year 16 2038	Year 17 2039	Year 18 2040	Year 19 2041	Year 20 2042	Year 21 2043
Projected Annual Revenue*	\$ 3,410,976	\$ 3,410,976	\$ 3,410,976	\$ 3,752,074	\$ 3,752,074	\$ 3,752,074	\$ 3,752,074
Direct Local Sales Tax Generated from Operation (1.125% of 2.25%)	\$ 38,373	\$ 38,373	\$ 38,373	\$ 42,211	\$ 42,211	\$ 42,211	\$ 42,211
Projected Direct Local Sales Tax from Operations Designated to Schools (1.125% of 2.25%)	\$ 38,373	\$ 38,373	\$ 38,373	\$ 42,211	\$ 42,211	\$ 42,211	\$ 42,211
Projected Direct State Sales Tax from Operations (5.5% of 7%)	\$ 187,604	\$ 187,604	\$ 187,604	\$ 206,364	\$ 206,364	\$ 206,364	\$ 206,364
Projected Direct State Sales Tax from Operations Designated to Schools (1.5% of 7%)	\$ 51,165	\$ 51,165	\$ 51,165	\$ 56,281	\$ 56,281	\$ 56,281	\$ 56,281
Total Direct Local & State Sales Tax	\$ 315,515	\$ 315,515	\$ 315,515	\$ 347,067	\$ 347,067	\$ 347,067	\$ 347,067
Final Demand Output Multiplier ⁷	1.6291	1.6291	1.6291	1.6291	1.6291	1.6291	1.6291
Total Economic Impact from Stadium Operations	\$ 5,556,821	\$ 5,556,821	\$ 5,556,821	\$ 6,112,504	\$ 6,112,504	\$ 6,112,504	\$ 6,112,504
Final Demand Employment Multiplier ⁸	9.8475	9.8475	9.8475	9.8475	9.8475	9.8475	9.8475
Total Employment - Direct & Indirect	34	34	34	37	37	37	37
Hamilton County Annual Average Wage - Sector Specific ⁹	\$ 40,367	\$ 40,367	\$ 40,367	\$ 40,367	\$ 40,367	\$ 40,367	\$ 40,367
Total Wages - Direct & Indirect	\$ 1,372,478	\$ 1,372,478	\$ 1,372,478	\$ 1,493,579	\$ 1,493,579	\$ 1,493,579	\$ 1,493,579
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 48,325	\$ 48,325	\$ 48,325	\$ 52,589	\$ 52,589	\$ 52,589	\$ 52,589
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 15,533	\$ 15,533	\$ 15,533	\$ 16,904	\$ 16,904	\$ 16,904	\$ 16,904
Other Local Tax Revenue ⁶ (Indirect)	\$ 4,147	\$ 4,147	\$ 4,147	\$ 4,513	\$ 4,513	\$ 4,513	\$ 4,513
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ 49,482	\$ 49,482	\$ 49,482	\$ 53,848	\$ 53,848	\$ 53,848	\$ 53,848
Total Indirect Tax Revenue from Wages	\$ 117,487	\$ 117,487	\$ 117,487	\$ 127,854	\$ 127,854	\$ 127,854	\$ 127,854
Total Tax Revenue Generated from Operations (Direct & Indirect)	\$ 433,002	\$ 433,002	\$ 433,002	\$ 474,921	\$ 474,921	\$ 474,921	\$ 474,921

*Projection provided by the project team.

City of Chattanooga, Hamilton County TN
Chattanooga Stadium
Economic Impact Analysis

Annual Impact of Operations - Stadium - Ticket Sales	Year 22 2044	Year 23 2045	Year 24 2046	Year 25 2047	Year 26 2048	Year 27 2049	Year 28 2050
Projected Annual Revenue*	\$ 3,752,074	\$ 4,127,281	\$ 4,127,281	\$ 4,127,281	\$ 4,127,281	\$ 4,127,281	\$ 4,540,009
Direct Local Sales Tax Generated from Operation (1.125% of 2.25%)	\$ 42,211	\$ 46,432	\$ 46,432	\$ 46,432	\$ 46,432	\$ 46,432	\$ 51,075
Projected Direct Local Sales Tax from Operations Designated to Schools (1.125% of 2.25%)	\$ 42,211	\$ 46,432	\$ 46,432	\$ 46,432	\$ 46,432	\$ 46,432	\$ 51,075
Projected Direct State Sales Tax from Operations (5.5% of 7%)	\$ 206,364	\$ 227,000	\$ 227,000	\$ 227,000	\$ 227,000	\$ 227,000	\$ 249,700
Projected Direct State Sales Tax from Operations Designated to Schools (1.5% of 7%)	\$ 56,281	\$ 61,909	\$ 61,909	\$ 61,909	\$ 61,909	\$ 61,909	\$ 68,100
Total Direct Local & State Sales Tax	\$ 347,067	\$ 381,773	\$ 381,773	\$ 381,773	\$ 381,773	\$ 381,773	\$ 419,950
Final Demand Output Multiplier ⁷	1.6291	1.6291	1.6291	1.6291	1.6291	1.6291	1.6291
Total Economic Impact from Stadium Operations	\$ 6,112,504	\$ 6,723,753	\$ 6,723,753	\$ 6,723,753	\$ 6,723,753	\$ 6,723,753	\$ 7,396,129
Final Demand Employment Multiplier ⁸	9.8475	9.8475	9.8475	9.8475	9.8475	9.8475	9.8475
Total Employment - Direct & Indirect	37	41	41	41	41	41	45
Hamilton County Annual Average Wage - Sector Specific ⁹	\$ 40,367	\$ 40,367	\$ 40,367	\$ 40,367	\$ 40,367	\$ 40,367	\$ 40,367
Total Wages - Direct & Indirect	\$ 1,493,579	\$ 1,655,047	\$ 1,655,047	\$ 1,655,047	\$ 1,655,047	\$ 1,655,047	\$ 1,816,515
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 52,589	\$ 58,274	\$ 58,274	\$ 58,274	\$ 58,274	\$ 58,274	\$ 63,959
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 16,904	\$ 18,731	\$ 18,731	\$ 18,731	\$ 18,731	\$ 18,731	\$ 20,558
Other Local Tax Revenue ⁶ (Indirect)	\$ 4,513	\$ 5,001	\$ 5,001	\$ 5,001	\$ 5,001	\$ 5,001	\$ 5,489
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ 53,848	\$ 59,669	\$ 59,669	\$ 59,669	\$ 59,669	\$ 59,669	\$ 65,491
Total Indirect Tax Revenue from Wages	\$ 127,854	\$ 141,675	\$ 141,675	\$ 141,675	\$ 141,675	\$ 141,675	\$ 155,497
Total Tax Revenue Generated from Operations (Direct & Indirect)	\$ 474,921	\$ 523,448	\$ 523,448	\$ 523,448	\$ 523,448	\$ 523,448	\$ 575,447

*Projection provided by the project team.

City of Chattanooga, Hamilton County TN
Chattanooga Stadium
Economic Impact Analysis

Annual Impact of Operations - Stadium - Ticket Sales	Year 29 2051	Year 30 2052	30-Year Total
Projected Annual Revenue*	\$ 4,540,009	\$ 4,540,009	\$ 99,671,067
Direct Local Sales Tax Generated from Operation (1.125% of 2.25%)	\$ 51,075	\$ 51,075	\$ 1,121,300
Projected Direct Local Sales Tax from Operations Designated to Schools (1.125% of 2.25%)	\$ 51,075	\$ 51,075	\$ 1,121,300
Projected Direct State Sales Tax from Operations (5.5% of 7%)	\$ 249,700	\$ 249,700	\$ 5,481,905
Projected Direct State Sales Tax from Operations Designated to Schools (1.5% of 7%)	\$ 68,100	\$ 68,100	\$ 1,495,065
Total Direct Local & State Sales Tax	\$ 419,950	\$ 419,950	\$ 9,219,570
Final Demand Output Multiplier ⁷	1.6291	1.6291	
Total Economic Impact from Stadium Operations	\$ 7,396,129	\$ 7,396,129	\$ 162,374,137
Final Demand Employment Multiplier ⁸	9.8475	9.8475	
Total Employment - Direct & Indirect	45	45	45
Hamilton County Annual Average Wage - Sector Specific ⁹	\$ 40,367	\$ 40,367	
Total Wages - Direct & Indirect	\$ 1,816,515	\$ 1,816,515	\$ 39,963,330
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 63,959	\$ 63,959	\$ 1,407,107
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 20,558	\$ 20,558	\$ 452,284
Other Local Tax Revenue ⁶ (Indirect)	\$ 5,489	\$ 5,489	\$ 120,752
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ 65,491	\$ 65,491	\$ 1,440,798
Total Indirect Tax Revenue from Wages	\$ 155,497	\$ 155,497	\$ 3,420,941
Total Tax Revenue Generated from Operations (Direct & Indirect)	\$ 575,447	\$ 575,447	\$ 12,640,511

*Projection provided by the project team.

City of Chattanooga, Hamilton County TN
Chattanooga Stadium
Economic Impact Analysis

Annual Impact of Operations - Stadium - Concession Sales	Year 1 2023	Year 2 2024	Year 3 2025	Year 4 2026	Year 5 2027	Year 6 2028	Year 7 2029
Projected Annual Revenue*	\$ -	\$ -	\$ 3,364,786	\$ 3,432,082	\$ 3,500,723	\$ 3,570,738	\$ 3,642,153
Direct Local Sales Tax Generated from Operation (1.125% of 2.25%)	\$ -	\$ -	\$ 37,854	\$ 38,611	\$ 39,383	\$ 40,171	\$ 40,974
Projected Direct Local Sales Tax from Operations Designated to Schools (1.125% of 2.25%)	\$ -	\$ -	\$ 37,854	\$ 38,611	\$ 39,383	\$ 40,171	\$ 40,974
Projected Direct State Sales Tax from Operations (5.5% of 7%)	\$ -	\$ -	\$ 185,063	\$ 188,765	\$ 192,540	\$ 196,391	\$ 200,318
Projected Direct State Sales Tax from Operations Designated to Schools (1.5% of 7%)	\$ -	\$ -	\$ 50,472	\$ 51,481	\$ 52,511	\$ 53,561	\$ 54,632
Total Direct Local & State Sales Tax	\$ -	\$ -	\$ 311,243	\$ 317,468	\$ 323,817	\$ 330,294	\$ 336,898
Final Demand Output Multiplier ⁷			1.7059	1.7059	1.7059	1.7059	1.7059
Total Economic Impact from Stadium Operations	\$ -	\$ -	\$ 5,739,988	\$ 5,854,789	\$ 5,971,883	\$ 6,091,322	\$ 6,213,149
Final Demand Employment Multiplier ⁸			12.1038	12.1038	12.1038	12.1038	12.1038
Total Employment - Direct & Indirect	-	-	41	42	42	43	44
Hamilton County Annual Average Wage - Sector Specific ⁹			\$ 20,027	\$ 20,027	\$ 20,027	\$ 20,027	\$ 20,027
Total Wages - Direct & Indirect	\$ -	\$ -	\$ 821,107	\$ 841,134	\$ 841,134	\$ 861,161	\$ 881,188
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ -	\$ -	\$ 28,911	\$ 29,616	\$ 29,616	\$ 30,321	\$ 31,027
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ -	\$ -	\$ 9,293	\$ 9,520	\$ 9,520	\$ 9,746	\$ 9,973
Other Local Tax Revenue ⁶ (Indirect)	\$ -	\$ -	\$ 2,481	\$ 2,542	\$ 2,542	\$ 2,602	\$ 2,663
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ -	\$ -	\$ 59,669	\$ 61,125	\$ 61,125	\$ 62,580	\$ 64,035
Total Indirect Tax Revenue from Wages	\$ -	\$ -	\$ 100,354	\$ 102,803	\$ 102,803	\$ 105,249	\$ 107,698
Total Tax Revenue Generated from Operations (Direct & Indirect)	\$ -	\$ -	\$ 411,597	\$ 420,271	\$ 426,620	\$ 435,543	\$ 444,596

*Projection provided by the project team.

City of Chattanooga, Hamilton County TN
Chattanooga Stadium
Economic Impact Analysis

Annual Impact of Operations - Stadium - Concession Sales	Year 8 2030	Year 9 2031	Year 10 2032	Year 11 2033	Year 12 2034	Year 13 2035	Year 14 2036
Projected Annual Revenue*	\$ 3,714,996	\$ 3,789,295	\$ 3,865,081	\$ 3,942,383	\$ 4,021,231	\$ 4,101,655	\$ 4,183,688
Direct Local Sales Tax Generated from Operation (1.125% of 2.25%)	\$ 41,794	\$ 42,630	\$ 43,482	\$ 44,352	\$ 45,239	\$ 46,144	\$ 47,066
Projected Direct Local Sales Tax from Operations Designated to Schools (1.125% of 2.25%)	\$ 41,794	\$ 42,630	\$ 43,482	\$ 44,352	\$ 45,239	\$ 46,144	\$ 47,066
Projected Direct State Sales Tax from Operations (5.5% of 7%)	\$ 204,325	\$ 208,411	\$ 212,579	\$ 216,831	\$ 221,168	\$ 225,591	\$ 230,103
Projected Direct State Sales Tax from Operations Designated to Schools (1.5% of 7%)	\$ 55,725	\$ 56,839	\$ 57,976	\$ 59,136	\$ 60,318	\$ 61,525	\$ 62,755
Total Direct Local & State Sales Tax	\$ 343,638	\$ 350,510	\$ 357,519	\$ 364,671	\$ 371,964	\$ 379,404	\$ 386,990
Final Demand Output Multiplier ⁷	1.7059	1.7059	1.7059	1.7059	1.7059	1.7059	1.7059
Total Economic Impact from Stadium Operations	\$ 6,337,412	\$ 6,464,158	\$ 6,593,442	\$ 6,725,311	\$ 6,859,818	\$ 6,997,013	\$ 7,136,953
Final Demand Employment Multiplier ⁸	12.1038	12.1038	12.1038	12.1038	12.1038	12.1038	12.1038
Total Employment - Direct & Indirect	45	46	47	48	49	50	51
Hamilton County Annual Average Wage - Sector Specific ⁹	\$ 20,027	\$ 20,027	\$ 20,027	\$ 20,027	\$ 20,027	\$ 20,027	\$ 20,027
Total Wages - Direct & Indirect	\$ 901,215	\$ 921,242	\$ 941,269	\$ 961,296	\$ 981,323	\$ 1,001,350	\$ 1,021,377
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 31,732	\$ 32,437	\$ 33,142	\$ 33,847	\$ 34,552	\$ 35,258	\$ 35,963
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 10,200	\$ 10,426	\$ 10,653	\$ 10,879	\$ 11,106	\$ 11,333	\$ 11,559
Other Local Tax Revenue ⁶ (Indirect)	\$ 2,723	\$ 2,784	\$ 2,844	\$ 2,905	\$ 2,965	\$ 3,026	\$ 3,086
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ 65,491	\$ 66,946	\$ 68,401	\$ 69,857	\$ 71,312	\$ 72,768	\$ 74,223
Total Indirect Tax Revenue from Wages	\$ 110,146	\$ 112,593	\$ 115,040	\$ 117,488	\$ 119,935	\$ 122,385	\$ 124,831
Total Tax Revenue Generated from Operations (Direct & Indirect)	\$ 453,784	\$ 463,103	\$ 472,559	\$ 482,159	\$ 491,899	\$ 501,789	\$ 511,821

*Projection provided by the project team.

City of Chattanooga, Hamilton County TN
Chattanooga Stadium
Economic Impact Analysis

Annual Impact of Operations - Stadium - Concession Sales	Year 15 2037	Year 16 2038	Year 17 2039	Year 18 2040	Year 19 2041	Year 20 2042	Year 21 2043
Projected Annual Revenue*	\$ 4,267,362	\$ 4,352,709	\$ 4,439,764	\$ 4,528,559	\$ 4,619,130	\$ 4,711,513	\$ 4,805,743
Direct Local Sales Tax Generated from Operation (1.125% of 2.25%)	\$ 48,008	\$ 48,968	\$ 49,947	\$ 50,946	\$ 51,965	\$ 53,005	\$ 54,065
Projected Direct Local Sales Tax from Operations Designated to Schools (1.125% of 2.25%)	\$ 48,008	\$ 48,968	\$ 49,947	\$ 50,946	\$ 51,965	\$ 53,005	\$ 54,065
Projected Direct State Sales Tax from Operations (5.5% of 7%)	\$ 234,705	\$ 239,399	\$ 244,187	\$ 249,071	\$ 254,052	\$ 259,133	\$ 264,316
Projected Direct State Sales Tax from Operations Designated to Schools (1.5% of 7%)	\$ 64,010	\$ 65,291	\$ 66,596	\$ 67,928	\$ 69,287	\$ 70,673	\$ 72,086
Total Direct Local & State Sales Tax	\$ 394,731	\$ 402,626	\$ 410,677	\$ 418,891	\$ 427,269	\$ 435,816	\$ 444,532
Final Demand Output Multiplier ⁷	1.7059	1.7059	1.7059	1.7059	1.7059	1.7059	1.7059
Total Economic Impact from Stadium Operations	\$ 7,279,693	\$ 7,425,286	\$ 7,573,793	\$ 7,725,269	\$ 7,879,774	\$ 8,037,370	\$ 8,198,117
Final Demand Employment Multiplier ⁸	12.1038	12.1038	12.1038	12.1038	12.1038	12.1038	12.1038
Total Employment - Direct & Indirect	52	53	54	55	56	57	58
Hamilton County Annual Average Wage - Sector Specific ⁹	\$ 20,027	\$ 20,027	\$ 20,027	\$ 20,027	\$ 20,027	\$ 20,027	\$ 20,027
Total Wages - Direct & Indirect	\$ 1,041,404	\$ 1,061,431	\$ 1,081,458	\$ 1,101,485	\$ 1,121,512	\$ 1,141,539	\$ 1,161,566
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 36,668	\$ 37,373	\$ 38,078	\$ 38,783	\$ 39,488	\$ 40,194	\$ 40,899
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 11,786	\$ 12,013	\$ 12,239	\$ 12,466	\$ 12,693	\$ 12,919	\$ 13,146
Other Local Tax Revenue ⁶ (Indirect)	\$ 3,147	\$ 3,207	\$ 3,268	\$ 3,328	\$ 3,389	\$ 3,449	\$ 3,510
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ 75,678	\$ 77,134	\$ 78,589	\$ 80,044	\$ 81,500	\$ 82,955	\$ 84,410
Total Indirect Tax Revenue from Wages	\$ 127,279	\$ 129,727	\$ 132,174	\$ 134,621	\$ 137,070	\$ 139,517	\$ 141,965
Total Tax Revenue Generated from Operations (Direct & Indirect)	\$ 522,010	\$ 532,353	\$ 542,851	\$ 553,512	\$ 564,339	\$ 575,333	\$ 586,497

*Projection provided by the project team.

City of Chattanooga, Hamilton County TN
Chattanooga Stadium
Economic Impact Analysis

Annual Impact of Operations - Stadium - Concession Sales	Year 22 2044	Year 23 2045	Year 24 2046	Year 25 2047	Year 26 2048	Year 27 2049	Year 28 2050
Projected Annual Revenue*	\$ 4,901,858	\$ 4,999,895	\$ 5,099,893	\$ 5,201,891	\$ 5,305,929	\$ 5,412,047	\$ 5,520,288
Direct Local Sales Tax Generated from Operation (1.125% of 2.25%)	\$ 55,146	\$ 56,249	\$ 57,374	\$ 58,521	\$ 59,692	\$ 60,886	\$ 62,103
Projected Direct Local Sales Tax from Operations Designated to Schools (1.125% of 2.25%)	\$ 55,146	\$ 56,249	\$ 57,374	\$ 58,521	\$ 59,692	\$ 60,886	\$ 62,103
Projected Direct State Sales Tax from Operations (5.5% of 7%)	\$ 269,602	\$ 274,994	\$ 280,494	\$ 286,104	\$ 291,826	\$ 297,663	\$ 303,616
Projected Direct State Sales Tax from Operations Designated to Schools (1.5% of 7%)	\$ 73,528	\$ 74,998	\$ 76,498	\$ 78,028	\$ 79,589	\$ 81,181	\$ 82,804
Total Direct Local & State Sales Tax	\$ 453,422	\$ 462,490	\$ 471,740	\$ 481,174	\$ 490,799	\$ 500,616	\$ 510,626
Final Demand Output Multiplier ⁷	1.7059	1.7059	1.7059	1.7059	1.7059	1.7059	1.7059
Total Economic Impact from Stadium Operations	\$ 8,362,080	\$ 8,529,321	\$ 8,699,907	\$ 8,873,906	\$ 9,051,384	\$ 9,232,411	\$ 9,417,059
Final Demand Employment Multiplier ⁸	12.1038	12.1038	12.1038	12.1038	12.1038	12.1038	12.1038
Total Employment - Direct & Indirect	59	61	62	63	64	66	67
Hamilton County Annual Average Wage - Sector Specific ⁹	\$ 20,027	\$ 20,027	\$ 20,027	\$ 20,027	\$ 20,027	\$ 20,027	\$ 20,027
Total Wages - Direct & Indirect	\$ 1,181,593	\$ 1,221,647	\$ 1,241,674	\$ 1,261,701	\$ 1,281,728	\$ 1,321,782	\$ 1,341,809
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 41,604	\$ 43,014	\$ 43,719	\$ 44,424	\$ 45,130	\$ 46,540	\$ 47,245
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 13,373	\$ 13,826	\$ 14,053	\$ 14,279	\$ 14,506	\$ 14,959	\$ 15,186
Other Local Tax Revenue ⁶ (Indirect)	\$ 3,571	\$ 3,692	\$ 3,752	\$ 3,812	\$ 3,873	\$ 3,994	\$ 4,055
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ 85,866	\$ 88,776	\$ 90,232	\$ 91,687	\$ 93,142	\$ 96,053	\$ 97,508
Total Indirect Tax Revenue from Wages	\$ 144,414	\$ 149,308	\$ 151,756	\$ 154,202	\$ 156,651	\$ 161,546	\$ 163,994
Total Tax Revenue Generated from Operations (Direct & Indirect)	\$ 597,836	\$ 611,798	\$ 623,496	\$ 635,376	\$ 647,450	\$ 662,162	\$ 674,620

*Projection provided by the project team.

City of Chattanooga, Hamilton County TN
Chattanooga Stadium
Economic Impact Analysis

Annual Impact of Operations - Stadium - Concession Sales	Year 29 2051	Year 30 2052	30-Year Total
Projected Annual Revenue*	\$ 5,630,694	\$ 5,743,308	\$ 124,669,394
Direct Local Sales Tax Generated from Operation (1.125% of 2.25%)	\$ 63,345	\$ 64,612	\$ 1,402,532
Projected Direct Local Sales Tax from Operations Designated to Schools (1.125% of 2.25%)	\$ 63,345	\$ 64,612	\$ 1,402,532
Projected Direct State Sales Tax from Operations (5.5% of 7%)	\$ 309,688	\$ 315,882	\$ 6,856,817
Projected Direct State Sales Tax from Operations Designated to Schools (1.5% of 7%)	\$ 84,460	\$ 86,150	\$ 1,870,038
Total Direct Local & State Sales Tax	\$ 520,838	\$ 531,256	\$ 11,531,919
Final Demand Output Multiplier ⁷	1.7059	1.7059	
Total Economic Impact from Stadium Operations	\$ 9,605,401	\$ 9,797,509	\$ 212,673,518
Final Demand Employment Multiplier ⁸	12.1038	12.1038	
Total Employment - Direct & Indirect	68	70	70
Hamilton County Annual Average Wage - Sector Specific ⁹	\$ 20,027	\$ 20,027	
Total Wages - Direct & Indirect	\$ 1,361,836	\$ 1,401,890	\$ 30,300,851
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 47,950	\$ 49,361	\$ 1,066,892
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 15,413	\$ 15,866	\$ 342,931
Other Local Tax Revenue ⁶ (Indirect)	\$ 4,115	\$ 4,236	\$ 91,561
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ 98,964	\$ 101,875	\$ 2,201,945
Total Indirect Tax Revenue from Wages	\$ 166,442	\$ 171,338	\$ 3,703,329
Total Tax Revenue Generated from Operations (Direct & Indirect)	\$ 687,280	\$ 702,594	\$ 15,235,248

*Projection provided by the project team.

City of Chattanooga, Hamilton County TN
Chattanooga Stadium
Economic Impact Analysis

Annual Impact of Operations - Stadium - Merchandise Sales	Year 1 2023	Year 2 2024	Year 3 2025	Year 4 2026	Year 5 2027	Year 6 2028	Year 7 2029
Projected Annual Revenue*	\$ -	\$ -	\$ 702,087	\$ 716,129	\$ 730,451	\$ 745,060	\$ 759,961
Direct Local Sales Tax Generated from Operation (1.125% of 2.25%)	\$ -	\$ -	\$ 7,898	\$ 8,056	\$ 8,218	\$ 8,382	\$ 8,550
Projected Direct Local Sales Tax from Operations Designated to Schools (1.125% of 2.25%)	\$ -	\$ -	\$ 7,898	\$ 8,056	\$ 8,218	\$ 8,382	\$ 8,550
Projected Direct State Sales Tax from Operations (5.5% of 7%)	\$ -	\$ -	\$ 38,615	\$ 39,387	\$ 40,175	\$ 40,978	\$ 41,798
Projected Direct State Sales Tax from Operations Designated to Schools (1.5% of 7%)	\$ -	\$ -	\$ 10,531	\$ 10,742	\$ 10,957	\$ 11,176	\$ 11,399
Total Direct Local & State Sales Tax	\$ -	\$ -	\$ 64,942	\$ 66,241	\$ 67,568	\$ 68,918	\$ 70,297
Final Demand Output Multiplier ⁷			1.6500	1.6500	1.6500	1.6500	1.6500
Total Economic Impact from Stadium Operations	\$ -	\$ -	\$ 1,158,444	\$ 1,181,613	\$ 1,205,244	\$ 1,229,349	\$ 1,253,936
Final Demand Employment Multiplier ⁸			12.1040	12.1040	12.1040	12.1040	12.1040
Total Employment - Direct & Indirect	-	-	8	9	9	9	9
Hamilton County Annual Average Wage - Sector Specific ⁹			\$ 24,899	\$ 24,899	\$ 24,899	\$ 24,899	\$ 24,899
Total Wages - Direct & Indirect	\$ -	\$ -	\$ 199,192	\$ 224,091	\$ 224,091	\$ 224,091	\$ 224,091
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ -	\$ -	\$ 7,014	\$ 7,890	\$ 7,890	\$ 7,890	\$ 7,890
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ -	\$ -	\$ 2,254	\$ 2,536	\$ 2,536	\$ 2,536	\$ 2,536
Other Local Tax Revenue ⁶ (Indirect)	\$ -	\$ -	\$ 602	\$ 677	\$ 677	\$ 677	\$ 677
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ -	\$ -	\$ 11,643	\$ 13,098	\$ 13,098	\$ 13,098	\$ 13,098
Total Indirect Tax Revenue from Wages	\$ -	\$ -	\$ 21,513	\$ 24,201	\$ 24,201	\$ 24,201	\$ 24,201
Total Tax Revenue Generated from Operations (Direct & Indirect)	\$ -	\$ -	\$ 86,455	\$ 90,442	\$ 91,769	\$ 93,119	\$ 94,498

*Projection provided by the project team.

City of Chattanooga, Hamilton County TN
Chattanooga Stadium
Economic Impact Analysis

Annual Impact of Operations - Stadium - Merchandise Sales	Year 8 2030	Year 9 2031	Year 10 2032	Year 11 2033	Year 12 2034	Year 13 2035	Year 14 2036
Projected Annual Revenue*	\$ 775,161	\$ 790,664	\$ 806,477	\$ 822,607	\$ 839,059	\$ 855,840	\$ 872,957
Direct Local Sales Tax Generated from Operation (1.125% of 2.25%)	\$ 8,721	\$ 8,895	\$ 9,073	\$ 9,254	\$ 9,439	\$ 9,628	\$ 9,821
Projected Direct Local Sales Tax from Operations Designated to Schools (1.125% of 2.25%)	\$ 8,721	\$ 8,895	\$ 9,073	\$ 9,254	\$ 9,439	\$ 9,628	\$ 9,821
Projected Direct State Sales Tax from Operations (5.5% of 7%)	\$ 42,634	\$ 43,487	\$ 44,356	\$ 45,243	\$ 46,148	\$ 47,071	\$ 48,013
Projected Direct State Sales Tax from Operations Designated to Schools (1.5% of 7%)	\$ 11,627	\$ 11,860	\$ 12,097	\$ 12,339	\$ 12,586	\$ 12,838	\$ 13,094
Total Direct Local & State Sales Tax	\$ 71,703	\$ 73,137	\$ 74,599	\$ 76,090	\$ 77,612	\$ 79,165	\$ 80,749
Final Demand Output Multiplier ⁷	1.6500	1.6500	1.6500	1.6500	1.6500	1.6500	1.6500
Total Economic Impact from Stadium Operations	\$ 1,279,016	\$ 1,304,596	\$ 1,330,687	\$ 1,357,302	\$ 1,384,447	\$ 1,412,136	\$ 1,440,379
Final Demand Employment Multiplier ⁸	12.1040	12.1040	12.1040	12.1040	12.1040	12.1040	12.1040
Total Employment - Direct & Indirect	9	10	10	10	10	10	11
Hamilton County Annual Average Wage - Sector Specific ⁹	\$ 24,899	\$ 24,899	\$ 24,899	\$ 24,899	\$ 24,899	\$ 24,899	\$ 24,899
Total Wages - Direct & Indirect	\$ 224,091	\$ 248,990	\$ 248,990	\$ 248,990	\$ 248,990	\$ 248,990	\$ 273,889
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 7,890	\$ 8,767	\$ 8,767	\$ 8,767	\$ 8,767	\$ 8,767	\$ 9,644
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 2,536	\$ 2,818	\$ 2,818	\$ 2,818	\$ 2,818	\$ 2,818	\$ 3,100
Other Local Tax Revenue ⁶ (Indirect)	\$ 677	\$ 752	\$ 752	\$ 752	\$ 752	\$ 752	\$ 828
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ 13,098	\$ 14,554	\$ 14,554	\$ 14,554	\$ 14,554	\$ 14,554	\$ 16,009
Total Indirect Tax Revenue from Wages	\$ 24,201	\$ 26,891	\$ 26,891	\$ 26,891	\$ 26,891	\$ 26,891	\$ 29,581
Total Tax Revenue Generated from Operations (Direct & Indirect)	\$ 95,904	\$ 100,028	\$ 101,490	\$ 102,981	\$ 104,503	\$ 106,056	\$ 110,330

*Projection provided by the project team.

City of Chattanooga, Hamilton County TN
Chattanooga Stadium
Economic Impact Analysis

Annual Impact of Operations - Stadium - Merchandise Sales	Year 15 2037	Year 16 2038	Year 17 2039	Year 18 2040	Year 19 2041	Year 20 2042	Year 21 2043
Projected Annual Revenue*	\$ 890,416	\$ 908,224	\$ 926,389	\$ 944,917	\$ 963,815	\$ 983,091	\$ 1,002,753
Direct Local Sales Tax Generated from Operation (1.125% of 2.25%)	\$ 10,017	\$ 10,218	\$ 10,422	\$ 10,630	\$ 10,843	\$ 11,060	\$ 11,281
Projected Direct Local Sales Tax from Operations Designated to Schools (1.125% of 2.25%)	\$ 10,017	\$ 10,218	\$ 10,422	\$ 10,630	\$ 10,843	\$ 11,060	\$ 11,281
Projected Direct State Sales Tax from Operations (5.5% of 7%)	\$ 48,973	\$ 49,952	\$ 50,951	\$ 51,970	\$ 53,010	\$ 54,070	\$ 55,151
Projected Direct State Sales Tax from Operations Designated to Schools (1.5% of 7%)	\$ 13,356	\$ 13,623	\$ 13,896	\$ 14,174	\$ 14,457	\$ 14,746	\$ 15,041
Total Direct Local & State Sales Tax	\$ 82,363	\$ 84,011	\$ 85,691	\$ 87,404	\$ 89,153	\$ 90,936	\$ 92,754
Final Demand Output Multiplier ⁷	1.6500	1.6500	1.6500	1.6500	1.6500	1.6500	1.6500
Total Economic Impact from Stadium Operations	\$ 1,469,186	\$ 1,498,570	\$ 1,528,542	\$ 1,559,113	\$ 1,590,295	\$ 1,622,100	\$ 1,654,542
Final Demand Employment Multiplier ⁸	12.1040	12.1040	12.1040	12.1040	12.1040	12.1040	12.1040
Total Employment - Direct & Indirect	11	11	11	11	12	12	12
Hamilton County Annual Average Wage - Sector Specific ⁹	\$ 24,899	\$ 24,899	\$ 24,899	\$ 24,899	\$ 24,899	\$ 24,899	\$ 24,899
Total Wages - Direct & Indirect	\$ 273,889	\$ 273,889	\$ 273,889	\$ 273,889	\$ 298,788	\$ 298,788	\$ 298,788
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 9,644	\$ 9,644	\$ 9,644	\$ 9,644	\$ 10,520	\$ 10,520	\$ 10,520
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 3,100	\$ 3,100	\$ 3,100	\$ 3,100	\$ 3,382	\$ 3,382	\$ 3,382
Other Local Tax Revenue ⁶ (Indirect)	\$ 828	\$ 828	\$ 828	\$ 828	\$ 903	\$ 903	\$ 903
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ 16,009	\$ 16,009	\$ 16,009	\$ 16,009	\$ 17,464	\$ 17,464	\$ 17,464
Total Indirect Tax Revenue from Wages	\$ 29,581	\$ 29,581	\$ 29,581	\$ 29,581	\$ 32,269	\$ 32,269	\$ 32,269
Total Tax Revenue Generated from Operations (Direct & Indirect)	\$ 111,944	\$ 113,592	\$ 115,272	\$ 116,985	\$ 121,422	\$ 123,205	\$ 125,023

*Projection provided by the project team.

City of Chattanooga, Hamilton County TN
Chattanooga Stadium
Economic Impact Analysis

Annual Impact of Operations - Stadium - Merchandise Sales	Year 22 2044	Year 23 2045	Year 24 2046	Year 25 2047	Year 26 2048	Year 27 2049	Year 28 2050
Projected Annual Revenue*	\$ 1,022,808	\$ 1,043,264	\$ 1,064,130	\$ 1,085,412	\$ 1,107,120	\$ 1,129,263	\$ 1,151,848
Direct Local Sales Tax Generated from Operation (1.125% of 2.25%)	\$ 11,507	\$ 11,737	\$ 11,971	\$ 12,211	\$ 12,455	\$ 12,704	\$ 12,958
Projected Direct Local Sales Tax from Operations Designated to Schools (1.125% of 2.25%)	\$ 11,507	\$ 11,737	\$ 11,971	\$ 12,211	\$ 12,455	\$ 12,704	\$ 12,958
Projected Direct State Sales Tax from Operations (5.5% of 7%)	\$ 56,254	\$ 57,380	\$ 58,527	\$ 59,698	\$ 60,892	\$ 62,109	\$ 63,352
Projected Direct State Sales Tax from Operations Designated to Schools (1.5% of 7%)	\$ 15,342	\$ 15,649	\$ 15,962	\$ 16,281	\$ 16,607	\$ 16,939	\$ 17,278
Total Direct Local & State Sales Tax	\$ 94,610	\$ 96,503	\$ 98,431	\$ 100,401	\$ 102,409	\$ 104,456	\$ 106,546
Final Demand Output Multiplier ⁷	1.6500	1.6500	1.6500	1.6500	1.6500	1.6500	1.6500
Total Economic Impact from Stadium Operations	\$ 1,687,633	\$ 1,721,386	\$ 1,755,815	\$ 1,790,930	\$ 1,826,748	\$ 1,863,284	\$ 1,900,549
Final Demand Employment Multiplier ⁸	12.1040	12.1040	12.1040	12.1040	12.1040	12.1040	12.1040
Total Employment - Direct & Indirect	12	13	13	13	13	14	14
Hamilton County Annual Average Wage - Sector Specific ⁹	\$ 24,899	\$ 24,899	\$ 24,899	\$ 24,899	\$ 24,899	\$ 24,899	\$ 24,899
Total Wages - Direct & Indirect	\$ 298,788	\$ 323,687	\$ 323,687	\$ 323,687	\$ 323,687	\$ 348,586	\$ 348,586
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 10,520	\$ 11,397	\$ 11,397	\$ 11,397	\$ 11,397	\$ 12,274	\$ 12,274
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 3,382	\$ 3,663	\$ 3,663	\$ 3,663	\$ 3,663	\$ 3,945	\$ 3,945
Other Local Tax Revenue ⁶ (Indirect)	\$ 903	\$ 978	\$ 978	\$ 978	\$ 978	\$ 1,053	\$ 1,053
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ 17,464	\$ 18,920	\$ 18,920	\$ 18,920	\$ 18,920	\$ 20,375	\$ 20,375
Total Indirect Tax Revenue from Wages	\$ 32,269	\$ 34,958	\$ 34,958	\$ 34,958	\$ 34,958	\$ 37,647	\$ 37,647
Total Tax Revenue Generated from Operations (Direct & Indirect)	\$ 126,879	\$ 131,461	\$ 133,389	\$ 135,359	\$ 137,367	\$ 142,103	\$ 144,193

*Projection provided by the project team.

City of Chattanooga, Hamilton County TN
Chattanooga Stadium
Economic Impact Analysis

Annual Impact of Operations - Stadium - Merchandise Sales	Year 29 2051	Year 30 2052	30-Year Total
Projected Annual Revenue*	\$ 1,174,885	\$ 1,198,383	\$ 26,013,171
Direct Local Sales Tax Generated from Operation (1.125% of 2.25%)	\$ 13,217	\$ 13,482	\$ 292,648
Projected Direct Local Sales Tax from Operations Designated to Schools (1.125% of 2.25%)	\$ 13,217	\$ 13,482	\$ 292,648
Projected Direct State Sales Tax from Operations (5.5% of 7%)	\$ 64,619	\$ 65,911	\$ 1,430,724
Projected Direct State Sales Tax from Operations Designated to Schools (1.5% of 7%)	\$ 17,623	\$ 17,976	\$ 390,196
Total Direct Local & State Sales Tax	\$ 108,676	\$ 110,851	\$ 2,406,216
Final Demand Output Multiplier ⁷	1.6500	1.6500	
Total Economic Impact from Stadium Operations	\$ 1,938,560	\$ 1,977,332	\$ 42,921,734
Final Demand Employment Multiplier ⁸	12.1040	12.1040	
Total Employment - Direct & Indirect	14	15	15
Hamilton County Annual Average Wage - Sector Specific ⁹	\$ 24,899	\$ 24,899	
Total Wages - Direct & Indirect	\$ 348,586	\$ 373,485	\$ 7,843,185
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 12,274	\$ 13,150	\$ 276,159
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 3,945	\$ 4,227	\$ 88,766
Other Local Tax Revenue ⁶ (Indirect)	\$ 1,053	\$ 1,129	\$ 23,699
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ 20,375	\$ 21,830	\$ 458,439
Total Indirect Tax Revenue from Wages	\$ 37,647	\$ 40,336	\$ 847,063
Total Tax Revenue Generated from Operations (Direct & Indirect)	\$ 146,323	\$ 151,187	\$ 3,253,279

*Projection provided by the project team.

City of Chattanooga, Hamilton County TN
Chattanooga Stadium
Economic Impact Analysis

Annual Impact of Operations - Stadium - Other Events	Year 1 2023	Year 2 2024	Year 3 2025	Year 4 2026	Year 5 2027	Year 6 2028	Year 7 2029
Projected Annual Revenue*	\$ -	\$ -	\$ 1,700,000	\$ 1,734,000	\$ 1,768,680	\$ 1,804,054	\$ 1,840,135
Direct Local Sales Tax Generated from Operation (1.125% of 2.25%)	\$ -	\$ -	\$ 19,125	\$ 19,508	\$ 19,898	\$ 20,296	\$ 20,702
Projected Direct Local Sales Tax from Operations Designated to Schools (1.125% of 2.25%)	\$ -	\$ -	\$ 19,125	\$ 19,508	\$ 19,898	\$ 20,296	\$ 20,702
Projected Direct State Sales Tax from Operations (5.5% of 7%)	\$ -	\$ -	\$ 93,500	\$ 95,370	\$ 97,277	\$ 99,223	\$ 101,207
Projected Direct State Sales Tax from Operations Designated to Schools (1.5% of 7%)	\$ -	\$ -	\$ 25,500	\$ 26,010	\$ 26,530	\$ 27,061	\$ 27,602
Total Direct Local & State Sales Tax	\$ -	\$ -	\$ 157,250	\$ 160,396	\$ 163,603	\$ 166,876	\$ 170,213
Final Demand Output Multiplier ⁷			1.6141	1.6141	1.6141	1.6141	1.6141
Total Economic Impact from Stadium Operations	\$ -	\$ -	\$ 2,743,970	\$ 2,798,849	\$ 2,854,826	\$ 2,911,924	\$ 2,970,162
Final Demand Employment Multiplier ⁸			12.3317	12.3317	12.3317	12.3317	12.3317
Total Employment - Direct & Indirect	-	-	21	21	22	22	23
Hamilton County Annual Average Wage - Sector Specific ⁹			\$ 40,367	\$ 40,367	\$ 40,367	\$ 40,367	\$ 40,367
Total Wages - Direct & Indirect	\$ -	\$ -	\$ 847,707	\$ 847,707	\$ 888,074	\$ 888,074	\$ 928,441
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ -	\$ -	\$ 29,848	\$ 29,848	\$ 31,269	\$ 31,269	\$ 32,690
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ -	\$ -	\$ 9,594	\$ 9,594	\$ 10,051	\$ 10,051	\$ 10,508
Other Local Tax Revenue ⁶ (Indirect)	\$ -	\$ -	\$ 2,562	\$ 2,562	\$ 2,684	\$ 2,684	\$ 2,806
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ -	\$ -	\$ 30,562	\$ 30,562	\$ 32,018	\$ 32,018	\$ 33,473
Total Indirect Tax Revenue from Wages	\$ -	\$ -	\$ 72,566	\$ 72,566	\$ 76,022	\$ 76,022	\$ 79,477
Total Tax Revenue Generated from Operations (Direct & Indirect)	\$ -	\$ -	\$ 229,816	\$ 232,962	\$ 239,625	\$ 242,898	\$ 249,690

*Projection provided by the project team.

City of Chattanooga, Hamilton County TN
Chattanooga Stadium
Economic Impact Analysis

Annual Impact of Operations - Stadium - Other Events	Year 8 2030	Year 9 2031	Year 10 2032	Year 11 2033	Year 12 2034	Year 13 2035	Year 14 2036
Projected Annual Revenue*	\$ 1,876,937	\$ 1,914,476	\$ 1,952,766	\$ 1,991,821	\$ 2,031,657	\$ 2,072,291	\$ 2,113,736
Direct Local Sales Tax Generated from Operation (1.125% of 2.25%)	\$ 21,116	\$ 21,538	\$ 21,969	\$ 22,408	\$ 22,856	\$ 23,313	\$ 23,780
Projected Direct Local Sales Tax from Operations Designated to Schools (1.125% of 2.25%)	\$ 21,116	\$ 21,538	\$ 21,969	\$ 22,408	\$ 22,856	\$ 23,313	\$ 23,780
Projected Direct State Sales Tax from Operations (5.5% of 7%)	\$ 103,232	\$ 105,296	\$ 107,402	\$ 109,550	\$ 111,741	\$ 113,976	\$ 116,255
Projected Direct State Sales Tax from Operations Designated to Schools (1.5% of 7%)	\$ 28,154	\$ 28,717	\$ 29,291	\$ 29,877	\$ 30,475	\$ 31,084	\$ 31,706
Total Direct Local & State Sales Tax	\$ 173,618	\$ 177,089	\$ 180,631	\$ 184,243	\$ 187,928	\$ 191,686	\$ 195,521
Final Demand Output Multiplier ⁷	1.6141	1.6141	1.6141	1.6141	1.6141	1.6141	1.6141
Total Economic Impact from Stadium Operations	\$ 3,029,564	\$ 3,090,156	\$ 3,151,960	\$ 3,214,998	\$ 3,279,298	\$ 3,344,885	\$ 3,411,781
Final Demand Employment Multiplier ⁸	12.3317	12.3317	12.3317	12.3317	12.3317	12.3317	12.3317
Total Employment - Direct & Indirect	23	24	24	25	25	26	26
Hamilton County Annual Average Wage - Sector Specific ⁹	\$ 40,367	\$ 40,367	\$ 40,367	\$ 40,367	\$ 40,367	\$ 40,367	\$ 40,367
Total Wages - Direct & Indirect	\$ 928,441	\$ 968,808	\$ 968,808	\$ 1,009,175	\$ 1,009,175	\$ 1,049,542	\$ 1,049,542
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 32,690	\$ 34,112	\$ 34,112	\$ 35,533	\$ 35,533	\$ 36,954	\$ 36,954
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 10,508	\$ 10,964	\$ 10,964	\$ 11,421	\$ 11,421	\$ 11,878	\$ 11,878
Other Local Tax Revenue ⁶ (Indirect)	\$ 2,806	\$ 2,927	\$ 2,927	\$ 3,049	\$ 3,049	\$ 3,171	\$ 3,171
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ 33,473	\$ 34,928	\$ 34,928	\$ 36,384	\$ 36,384	\$ 37,839	\$ 37,839
Total Indirect Tax Revenue from Wages	\$ 79,477	\$ 82,931	\$ 82,931	\$ 86,387	\$ 86,387	\$ 89,842	\$ 89,842
Total Tax Revenue Generated from Operations (Direct & Indirect)	\$ 253,095	\$ 260,020	\$ 263,562	\$ 270,630	\$ 274,315	\$ 281,528	\$ 285,363

*Projection provided by the project team.

City of Chattanooga, Hamilton County TN
Chattanooga Stadium
Economic Impact Analysis

Annual Impact of Operations - Stadium - Other Events	Year 15 2037	Year 16 2038	Year 17 2039	Year 18 2040	Year 19 2041	Year 20 2042	Year 21 2043
Projected Annual Revenue*	\$ 2,156,011	\$ 2,199,131	\$ 2,243,114	\$ 2,287,976	\$ 2,333,736	\$ 2,380,410	\$ 2,428,019
Direct Local Sales Tax Generated from Operation (1.125% of 2.25%)	\$ 24,255	\$ 24,740	\$ 25,235	\$ 25,740	\$ 26,255	\$ 26,780	\$ 27,315
Projected Direct Local Sales Tax from Operations Designated to Schools (1.125% of 2.25%)	\$ 24,255	\$ 24,740	\$ 25,235	\$ 25,740	\$ 26,255	\$ 26,780	\$ 27,315
Projected Direct State Sales Tax from Operations (5.5% of 7%)	\$ 118,581	\$ 120,952	\$ 123,371	\$ 125,839	\$ 128,355	\$ 130,923	\$ 133,541
Projected Direct State Sales Tax from Operations Designated to Schools (1.5% of 7%)	\$ 32,340	\$ 32,987	\$ 33,647	\$ 34,320	\$ 35,006	\$ 35,706	\$ 36,420
Total Direct Local & State Sales Tax	\$ 199,431	\$ 203,419	\$ 207,488	\$ 211,639	\$ 215,871	\$ 220,189	\$ 224,591
Final Demand Output Multiplier ⁷	1.6141	1.6141	1.6141	1.6141	1.6141	1.6141	1.6141
Total Economic Impact from Stadium Operations	\$ 3,480,017	\$ 3,549,617	\$ 3,620,610	\$ 3,693,022	\$ 3,766,883	\$ 3,842,220	\$ 3,919,065
Final Demand Employment Multiplier ⁸	12.3317	12.3317	12.3317	12.3317	12.3317	12.3317	12.3317
Total Employment - Direct & Indirect	27	27	28	28	29	29	30
Hamilton County Annual Average Wage - Sector Specific ⁹	\$ 40,367	\$ 40,367	\$ 40,367	\$ 40,367	\$ 40,367	\$ 40,367	\$ 40,367
Total Wages - Direct & Indirect	\$ 1,089,909	\$ 1,089,909	\$ 1,130,276	\$ 1,130,276	\$ 1,170,643	\$ 1,170,643	\$ 1,211,010
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 38,376	\$ 38,376	\$ 39,797	\$ 39,797	\$ 41,218	\$ 41,218	\$ 42,640
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 12,335	\$ 12,335	\$ 12,792	\$ 12,792	\$ 13,249	\$ 13,249	\$ 13,706
Other Local Tax Revenue ⁶ (Indirect)	\$ 3,293	\$ 3,293	\$ 3,415	\$ 3,415	\$ 3,537	\$ 3,537	\$ 3,660
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ 39,294	\$ 39,294	\$ 40,750	\$ 40,750	\$ 42,205	\$ 42,205	\$ 43,661
Total Indirect Tax Revenue from Wages	\$ 93,298	\$ 93,298	\$ 96,754	\$ 96,754	\$ 100,209	\$ 100,209	\$ 103,667
Total Tax Revenue Generated from Operations (Direct & Indirect)	\$ 292,729	\$ 296,717	\$ 304,242	\$ 308,393	\$ 316,080	\$ 320,398	\$ 328,258

*Projection provided by the project team.

City of Chattanooga, Hamilton County TN
Chattanooga Stadium
Economic Impact Analysis

Annual Impact of Operations - Stadium - Other Events	Year 22 2044	Year 23 2045	Year 24 2046	Year 25 2047	Year 26 2048	Year 27 2049	Year 28 2050
Projected Annual Revenue*	\$ 2,476,579	\$ 2,526,111	\$ 2,576,633	\$ 2,628,165	\$ 2,680,729	\$ 2,734,343	\$ 2,789,030
Direct Local Sales Tax Generated from Operation (1.125% of 2.25%)	\$ 27,862	\$ 28,419	\$ 28,987	\$ 29,567	\$ 30,158	\$ 30,761	\$ 31,377
Projected Direct Local Sales Tax from Operations Designated to Schools (1.125% of 2.25%)	\$ 27,862	\$ 28,419	\$ 28,987	\$ 29,567	\$ 30,158	\$ 30,761	\$ 31,377
Projected Direct State Sales Tax from Operations (5.5% of 7%)	\$ 136,212	\$ 138,936	\$ 141,715	\$ 144,549	\$ 147,440	\$ 150,389	\$ 153,397
Projected Direct State Sales Tax from Operations Designated to Schools (1.5% of 7%)	\$ 37,149	\$ 37,892	\$ 38,649	\$ 39,422	\$ 40,211	\$ 41,015	\$ 41,835
Total Direct Local & State Sales Tax	\$ 229,085	\$ 233,666	\$ 238,338	\$ 243,105	\$ 247,967	\$ 252,926	\$ 257,986
Final Demand Output Multiplier ⁷	1.6141	1.6141	1.6141	1.6141	1.6141	1.6141	1.6141
Total Economic Impact from Stadium Operations	\$ 3,997,446	\$ 4,077,396	\$ 4,158,943	\$ 4,242,121	\$ 4,326,965	\$ 4,413,503	\$ 4,501,773
Final Demand Employment Multiplier ⁸	12.3317	12.3317	12.3317	12.3317	12.3317	12.3317	12.3317
Total Employment - Direct & Indirect	31	31	32	32	33	34	34
Hamilton County Annual Average Wage - Sector Specific ⁹	\$ 40,367	\$ 40,367	\$ 40,367	\$ 40,367	\$ 40,367	\$ 40,367	\$ 40,367
Total Wages - Direct & Indirect	\$ 1,251,377	\$ 1,251,377	\$ 1,291,744	\$ 1,291,744	\$ 1,332,111	\$ 1,372,478	\$ 1,372,478
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 44,061	\$ 44,061	\$ 45,482	\$ 45,482	\$ 46,904	\$ 48,325	\$ 48,325
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 14,162	\$ 14,162	\$ 14,619	\$ 14,619	\$ 15,076	\$ 15,533	\$ 15,533
Other Local Tax Revenue ⁶ (Indirect)	\$ 3,781	\$ 3,781	\$ 3,903	\$ 3,903	\$ 4,025	\$ 4,147	\$ 4,147
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ 45,116	\$ 45,116	\$ 46,571	\$ 46,571	\$ 48,027	\$ 49,482	\$ 49,482
Total Indirect Tax Revenue from Wages	\$ 107,120	\$ 107,120	\$ 110,575	\$ 110,575	\$ 114,032	\$ 117,487	\$ 117,487
Total Tax Revenue Generated from Operations (Direct & Indirect)	\$ 336,205	\$ 340,786	\$ 348,913	\$ 353,680	\$ 361,999	\$ 370,413	\$ 375,473

*Projection provided by the project team.

City of Chattanooga, Hamilton County TN
Chattanooga Stadium
Economic Impact Analysis

Annual Impact of Operations - Stadium - Other Events	Year 29 2051	Year 30 2052	30-Year Total
Projected Annual Revenue*	\$ 2,844,811	\$ 2,901,707	\$ 62,987,058
Direct Local Sales Tax Generated from Operation (1.125% of 2.25%)	\$ 32,004	\$ 32,644	\$ 708,608
Projected Direct Local Sales Tax from Operations Designated to Schools (1.125% of 2.25%)	\$ 32,004	\$ 32,644	\$ 708,608
Projected Direct State Sales Tax from Operations (5.5% of 7%)	\$ 156,465	\$ 159,594	\$ 3,464,288
Projected Direct State Sales Tax from Operations Designated to Schools (1.5% of 7%)	\$ 42,672	\$ 43,526	\$ 944,804
Total Direct Local & State Sales Tax	\$ 263,145	\$ 268,408	\$ 5,826,308
Final Demand Output Multiplier ⁷	1.6141	1.6141	
Total Economic Impact from Stadium Operations	\$ 4,591,809	\$ 4,683,645	\$ 101,667,408
Final Demand Employment Multiplier ⁸	12.3317	12.3317	
Total Employment - Direct & Indirect	35	36	36
Hamilton County Annual Average Wage - Sector Specific ⁹	\$ 40,367	\$ 40,367	
Total Wages - Direct & Indirect	\$ 1,412,845	\$ 1,453,212	\$ 31,405,526
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 49,746	\$ 51,168	\$ 1,105,788
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 15,990	\$ 16,447	\$ 355,431
Other Local Tax Revenue ⁶ (Indirect)	\$ 4,269	\$ 4,391	\$ 94,895
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ 50,937	\$ 52,393	\$ 1,132,262
Total Indirect Tax Revenue from Wages	\$ 120,942	\$ 124,399	\$ 2,688,376
Total Tax Revenue Generated from Operations (Direct & Indirect)	\$ 384,087	\$ 392,807	\$ 8,514,684

*Projection provided by the project team.

**City of Chattanooga, Hamilton County TN
Chattanooga Stadium & Mixed-Use Development
Economic Impact Analysis**

Annual Impact of Operations - Office Space	At Full Operation	Year 1 2023	Year 2 2024	Year 3 2025	Year 4 2026	Year 5 2027
		25%	50%	100%	100%	100%
Total Office Square Footage*	30,000	7,500	15,000	30,000	30,000	30,000
Projected Occupancy Rate	95%	95%	95%	95%	95%	95%
Average SF Gross Rental Rate ¹¹	\$ 22.00	\$ 22.00	\$ 22.00	\$ 22.00	\$ 22.00	\$ 22.00
Total Projected Annual Revenue	\$ 627,000	\$ 156,750	\$ 313,500	\$ 627,000	\$ 627,000	\$ 627,000
Final Demand Output Multiplier ¹²	1.4372	1.4372	1.4372	1.4372	1.4372	1.4372
Total Economic Impact	\$ 901,124	\$ 225,281	\$ 450,562	\$ 901,124	\$ 901,124	\$ 901,124
Median SF Per Office Employee (Mixed-Use) ¹³	604	604	604	604	604	604
Total Employment - Direct & Indirect	47	12	24	47	47	47
Hamilton County Annual Average Wage - Professional Services ¹⁴	\$ 57,479	\$ 57,479	\$ 57,479	\$ 57,479	\$ 57,479	\$ 57,479
Total Wages - Direct & Indirect	\$ 2,701,513	\$ 689,748	\$ 1,379,496	\$ 2,701,513	\$ 2,701,513	\$ 2,701,513
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 95,120	\$ 24,286	\$ 48,572	\$ 95,120	\$ 95,120	\$ 95,120
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 30,574	\$ 7,806	\$ 15,612	\$ 30,574	\$ 30,574	\$ 30,574
Other Local Tax Revenue ⁶ (Indirect)	\$ 8,163	\$ 2,084	\$ 4,168	\$ 8,163	\$ 8,163	\$ 8,163
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ 68,401	\$ 17,464	\$ 34,928	\$ 68,401	\$ 68,401	\$ 68,401
Total Annual Tax Revenue (Indirect - from Operations & Wages)	\$ 202,258	\$ 51,640	\$ 103,280	\$ 202,258	\$ 202,258	\$ 202,258

*Projection provided by the developer.

City of Chattanooga, Hamilton County TN
Chattanooga Stadium & Mixed-Use Development
Economic Impact Analysis

Annual Impact of Operations - Office Space	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12
	2028	2029	2030	2031	2032	2033	2034
	100%	100%	100%	100%	100%	100%	100%
Total Office Square Footage*	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Projected Occupancy Rate	95%	95%	95%	95%	95%	95%	95%
Average SF Gross Rental Rate ¹¹	\$ 22.00	\$ 22.00	\$ 22.00	\$ 22.00	\$ 22.00	\$ 22.00	\$ 22.00
Total Projected Annual Revenue	\$ 627,000	\$ 627,000	\$ 627,000	\$ 627,000	\$ 627,000	\$ 627,000	\$ 627,000
Final Demand Output Multiplier ¹²	1.4372	1.4372	1.4372	1.4372	1.4372	1.4372	1.4372
Total Economic Impact	\$ 901,124	\$ 901,124	\$ 901,124	\$ 901,124	\$ 901,124	\$ 901,124	\$ 901,124
Median SF Per Office Employee (Mixed-Use) ¹³	604	604	604	604	604	604	604
Total Employment - Direct & Indirect	47	47	47	47	47	47	47
Hamilton County Annual Average Wage - Professional Services ¹⁴	\$ 57,479	\$ 57,479	\$ 57,479	\$ 57,479	\$ 57,479	\$ 57,479	\$ 57,479
Total Wages - Direct & Indirect	\$ 2,701,513	\$ 2,701,513	\$ 2,701,513	\$ 2,701,513	\$ 2,701,513	\$ 2,701,513	\$ 2,701,513
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 95,120	\$ 95,120	\$ 95,120	\$ 95,120	\$ 95,120	\$ 95,120	\$ 95,120
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 30,574	\$ 30,574	\$ 30,574	\$ 30,574	\$ 30,574	\$ 30,574	\$ 30,574
Other Local Tax Revenue ⁶ (Indirect)	\$ 8,163	\$ 8,163	\$ 8,163	\$ 8,163	\$ 8,163	\$ 8,163	\$ 8,163
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ 68,401	\$ 68,401	\$ 68,401	\$ 68,401	\$ 68,401	\$ 68,401	\$ 68,401
Total Annual Tax Revenue (Indirect - from Operations & Wages)	\$ 202,258	\$ 202,258	\$ 202,258	\$ 202,258	\$ 202,258	\$ 202,258	\$ 202,258

*Projection provided by the developer.

**City of Chattanooga, Hamilton County TN
Chattanooga Stadium & Mixed-Use Development
Economic Impact Analysis**

Annual Impact of Operations - Office Space	Year 13 2035	Year 14 2036	Year 15 2037	Year 16 2038	Year 17 2039	Year 18 2040	Year 19 2041
	100%	100%	100%	100%	100%	100%	100%
Total Office Square Footage*	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Projected Occupancy Rate	95%	95%	95%	95%	95%	95%	95%
Average SF Gross Rental Rate ¹¹	\$ 22.00	\$ 22.00	\$ 22.00	\$ 22.00	\$ 22.00	\$ 22.00	\$ 22.00
Total Projected Annual Revenue	\$ 627,000	\$ 627,000	\$ 627,000	\$ 627,000	\$ 627,000	\$ 627,000	\$ 627,000
Final Demand Output Multiplier ¹²	1.4372	1.4372	1.4372	1.4372	1.4372	1.4372	1.4372
Total Economic Impact	\$ 901,124	\$ 901,124	\$ 901,124	\$ 901,124	\$ 901,124	\$ 901,124	\$ 901,124
Median SF Per Office Employee (Mixed-Use) ¹³	604	604	604	604	604	604	604
Total Employment - Direct & Indirect	47	47	47	47	47	47	47
Hamilton County Annual Average Wage - Professional Services ¹⁴	\$ 57,479	\$ 57,479	\$ 57,479	\$ 57,479	\$ 57,479	\$ 57,479	\$ 57,479
Total Wages - Direct & Indirect	\$ 2,701,513	\$ 2,701,513	\$ 2,701,513	\$ 2,701,513	\$ 2,701,513	\$ 2,701,513	\$ 2,701,513
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 95,120	\$ 95,120	\$ 95,120	\$ 95,120	\$ 95,120	\$ 95,120	\$ 95,120
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 30,574	\$ 30,574	\$ 30,574	\$ 30,574	\$ 30,574	\$ 30,574	\$ 30,574
Other Local Tax Revenue ⁶ (Indirect)	\$ 8,163	\$ 8,163	\$ 8,163	\$ 8,163	\$ 8,163	\$ 8,163	\$ 8,163
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ 68,401	\$ 68,401	\$ 68,401	\$ 68,401	\$ 68,401	\$ 68,401	\$ 68,401
Total Annual Tax Revenue (Indirect - from Operations & Wages)	\$ 202,258	\$ 202,258	\$ 202,258	\$ 202,258	\$ 202,258	\$ 202,258	\$ 202,258

*Projection provided by the developer.

**City of Chattanooga, Hamilton County TN
Chattanooga Stadium & Mixed-Use Development
Economic Impact Analysis**

Annual Impact of Operations - Office Space	Year 20 2042	Year 21 2043	Year 22 2044	Year 23 2045	Year 24 2046	Year 25 2047	Year 26 2048
	100%	100%	100%	100%	100%	100%	100%
Total Office Square Footage*	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Projected Occupancy Rate	95%	95%	95%	95%	95%	95%	95%
Average SF Gross Rental Rate ¹¹	\$ 22.00	\$ 22.00	\$ 22.00	\$ 22.00	\$ 22.00	\$ 22.00	\$ 22.00
Total Projected Annual Revenue	\$ 627,000	\$ 627,000	\$ 627,000	\$ 627,000	\$ 627,000	\$ 627,000	\$ 627,000
Final Demand Output Multiplier ¹²	1.4372	1.4372	1.4372	1.4372	1.4372	1.4372	1.4372
Total Economic Impact	\$ 901,124	\$ 901,124	\$ 901,124	\$ 901,124	\$ 901,124	\$ 901,124	\$ 901,124
Median SF Per Office Employee (Mixed-Use) ¹³	604	604	604	604	604	604	604
Total Employment - Direct & Indirect	47	47	47	47	47	47	47
Hamilton County Annual Average Wage - Professional Services ¹⁴	\$ 57,479	\$ 57,479	\$ 57,479	\$ 57,479	\$ 57,479	\$ 57,479	\$ 57,479
Total Wages - Direct & Indirect	\$ 2,701,513	\$ 2,701,513	\$ 2,701,513	\$ 2,701,513	\$ 2,701,513	\$ 2,701,513	\$ 2,701,513
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 95,120	\$ 95,120	\$ 95,120	\$ 95,120	\$ 95,120	\$ 95,120	\$ 95,120
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 30,574	\$ 30,574	\$ 30,574	\$ 30,574	\$ 30,574	\$ 30,574	\$ 30,574
Other Local Tax Revenue ⁶ (Indirect)	\$ 8,163	\$ 8,163	\$ 8,163	\$ 8,163	\$ 8,163	\$ 8,163	\$ 8,163
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ 68,401	\$ 68,401	\$ 68,401	\$ 68,401	\$ 68,401	\$ 68,401	\$ 68,401
Total Annual Tax Revenue (Indirect - from Operations & Wages)	\$ 202,258	\$ 202,258	\$ 202,258	\$ 202,258	\$ 202,258	\$ 202,258	\$ 202,258

*Projection provided by the developer.

**City of Chattanooga, Hamilton County TN
Chattanooga Stadium & Mixed-Use Development
Economic Impact Analysis**

Annual Impact of Operations - Office Space	Year 27 2049	Year 28 2050	Year 29 2051	Year 30 2052	30-Year Total
	100%	100%	100%	100%	
Total Office Square Footage*	30,000	30,000	30,000	30,000	
Projected Occupancy Rate	95%	95%	95%	95%	
Average SF Gross Rental Rate ¹¹	\$ 22.00	\$ 22.00	\$ 22.00	\$ 22.00	
Total Projected Annual Revenue	\$ 627,000	\$ 627,000	\$ 627,000	\$ 627,000	\$ 18,026,250
Final Demand Output Multiplier ¹²	1.4372	1.4372	1.4372	1.4372	
Total Economic Impact	\$ 901,124	\$ 901,124	\$ 901,124	\$ 901,124	\$ 25,907,315
Median SF Per Office Employee (Mixed-Use) ¹³	604	604	604	604	
Total Employment - Direct & Indirect	47	47	47	47	47
Hamilton County Annual Average Wage - Professional Services ¹⁴	\$ 57,479	\$ 57,479	\$ 57,479	\$ 57,479	
Total Wages - Direct & Indirect	\$ 2,701,513	\$ 2,701,513	\$ 2,701,513	\$ 2,701,513	\$ 77,711,608
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 95,120	\$ 95,120	\$ 95,120	\$ 95,120	\$ 2,736,218
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 30,574	\$ 30,574	\$ 30,574	\$ 30,574	\$ 879,490
Other Local Tax Revenue ⁶ (Indirect)	\$ 8,163	\$ 8,163	\$ 8,163	\$ 8,163	\$ 234,816
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ 68,401	\$ 68,401	\$ 68,401	\$ 68,401	\$ 1,967,620
Total Annual Tax Revenue (Indirect - from Operations & Wages)	\$ 202,258	\$ 202,258	\$ 202,258	\$ 202,258	\$ 5,818,144

*Projection provided by the developer.

**City of Chattanooga, Hamilton County TN
Chattanooga Stadium & Mixed-Use Development
Economic Impact Analysis**

Annual Impact of Operations - Apartments	At Full Operation	Year 1	Year 2	Year 3	Year 4	Year 5
		2023	2024	2025	2026	2027
		25%	50%	100%	100%	100%
Total Units*	425	106	213	425	425	425
Projected Occupancy Rate	95%	95%	95%	95%	95%	95%
Average Monthly Rental Rate*	\$ 1,698	\$ 1,698	\$ 1,698	\$ 1,698	\$ 1,698	\$ 1,698
Total Projected Annual Revenue	\$ 8,226,810	\$ 2,051,863	\$ 4,123,084	\$ 8,226,810	\$ 8,226,810	\$ 8,226,810
Final Demand Output Multiplier ¹²	1.4372	1.4372	1.4372	1.4372	1.4372	1.4372
Total Economic Impact	\$ 11,823,571	\$ 2,948,938	\$ 5,925,696	\$ 11,823,571	\$ 11,823,571	\$ 11,823,571
Final Demand Employment Multiplier ¹⁵	5.1584	5.1584	5.1584	5.1584	5.1584	5.1584
Total Employment - Direct & Indirect	42	11	21	42	42	42
Hamilton County Annual Average Wage - Real Estate ¹⁶	\$ 59,760	\$ 59,760	\$ 59,760	\$ 59,760	\$ 59,760	\$ 59,760
Total Wages - Direct & Indirect	\$ 2,509,920	\$ 657,360	\$ 1,254,960	\$ 2,509,920	\$ 2,509,920	\$ 2,509,920
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 88,374	\$ 23,146	\$ 44,187	\$ 88,374	\$ 88,374	\$ 88,374
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 28,406	\$ 7,440	\$ 14,203	\$ 28,406	\$ 28,406	\$ 28,406
Other Local Tax Revenue ⁶ (Indirect)	\$ 7,584	\$ 1,986	\$ 3,792	\$ 7,584	\$ 7,584	\$ 7,584
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ 61,125	\$ 16,009	\$ 30,562	\$ 61,125	\$ 61,125	\$ 61,125
Total Annual Tax Revenue (Indirect - from Operations & Wages)	\$ 185,489	\$ 48,581	\$ 92,744	\$ 185,489	\$ 185,489	\$ 185,489

*Projection provided by the developer.

**City of Chattanooga, Hamilton County TN
Chattanooga Stadium & Mixed-Use Development
Economic Impact Analysis**

Annual Impact of Operations - Apartments	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12
	2028	2029	2030	2031	2032	2033	2034
	100%	100%	100%	100%	100%	100%	100%
Total Units*	425	425	425	425	425	425	425
Projected Occupancy Rate	95%	95%	95%	95%	95%	95%	95%
Average Monthly Rental Rate*	\$ 1,698	\$ 1,698	\$ 1,698	\$ 1,698	\$ 1,698	\$ 1,698	\$ 1,698
Total Projected Annual Revenue	\$ 8,226,810	\$ 8,226,810	\$ 8,226,810	\$ 8,226,810	\$ 8,226,810	\$ 8,226,810	\$ 8,226,810
Final Demand Output Multiplier ¹²	1.4372	1.4372	1.4372	1.4372	1.4372	1.4372	1.4372
Total Economic Impact	\$ 11,823,571	\$ 11,823,571	\$ 11,823,571	\$ 11,823,571	\$ 11,823,571	\$ 11,823,571	\$ 11,823,571
Final Demand Employment Multiplier ¹⁵	5.1584	5.1584	5.1584	5.1584	5.1584	5.1584	5.1584
Total Employment - Direct & Indirect	42	42	42	42	42	42	42
Hamilton County Annual Average Wage - Real Estate ¹⁶	\$ 59,760	\$ 59,760	\$ 59,760	\$ 59,760	\$ 59,760	\$ 59,760	\$ 59,760
Total Wages - Direct & Indirect	\$ 2,509,920	\$ 2,509,920	\$ 2,509,920	\$ 2,509,920	\$ 2,509,920	\$ 2,509,920	\$ 2,509,920
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 88,374	\$ 88,374	\$ 88,374	\$ 88,374	\$ 88,374	\$ 88,374	\$ 88,374
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 28,406	\$ 28,406	\$ 28,406	\$ 28,406	\$ 28,406	\$ 28,406	\$ 28,406
Other Local Tax Revenue ⁶ (Indirect)	\$ 7,584	\$ 7,584	\$ 7,584	\$ 7,584	\$ 7,584	\$ 7,584	\$ 7,584
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ 61,125	\$ 61,125	\$ 61,125	\$ 61,125	\$ 61,125	\$ 61,125	\$ 61,125
Total Annual Tax Revenue (Indirect - from Operations & Wages)	\$ 185,489	\$ 185,489	\$ 185,489	\$ 185,489	\$ 185,489	\$ 185,489	\$ 185,489

*Projection provided by the developer.

**City of Chattanooga, Hamilton County TN
Chattanooga Stadium & Mixed-Use Development
Economic Impact Analysis**

Annual Impact of Operations - Apartments	Year 13 2035	Year 14 2036	Year 15 2037	Year 16 2038	Year 17 2039	Year 18 2040	Year 19 2041
	100%	100%	100%	100%	100%	100%	100%
Total Units*	425	425	425	425	425	425	425
Projected Occupancy Rate	95%	95%	95%	95%	95%	95%	95%
Average Monthly Rental Rate*	\$ 1,698	\$ 1,698	\$ 1,698	\$ 1,698	\$ 1,698	\$ 1,698	\$ 1,698
Total Projected Annual Revenue	\$ 8,226,810	\$ 8,226,810	\$ 8,226,810	\$ 8,226,810	\$ 8,226,810	\$ 8,226,810	\$ 8,226,810
Final Demand Output Multiplier ¹²	1.4372	1.4372	1.4372	1.4372	1.4372	1.4372	1.4372
Total Economic Impact	\$ 11,823,571	\$ 11,823,571	\$ 11,823,571	\$ 11,823,571	\$ 11,823,571	\$ 11,823,571	\$ 11,823,571
Final Demand Employment Multiplier ¹⁵	5.1584	5.1584	5.1584	5.1584	5.1584	5.1584	5.1584
Total Employment - Direct & Indirect	42	42	42	42	42	42	42
Hamilton County Annual Average Wage - Real Estate ¹⁶	\$ 59,760	\$ 59,760	\$ 59,760	\$ 59,760	\$ 59,760	\$ 59,760	\$ 59,760
Total Wages - Direct & Indirect	\$ 2,509,920	\$ 2,509,920	\$ 2,509,920	\$ 2,509,920	\$ 2,509,920	\$ 2,509,920	\$ 2,509,920
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 88,374	\$ 88,374	\$ 88,374	\$ 88,374	\$ 88,374	\$ 88,374	\$ 88,374
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 28,406	\$ 28,406	\$ 28,406	\$ 28,406	\$ 28,406	\$ 28,406	\$ 28,406
Other Local Tax Revenue ⁶ (Indirect)	\$ 7,584	\$ 7,584	\$ 7,584	\$ 7,584	\$ 7,584	\$ 7,584	\$ 7,584
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ 61,125	\$ 61,125	\$ 61,125	\$ 61,125	\$ 61,125	\$ 61,125	\$ 61,125
Total Annual Tax Revenue (Indirect - from Operations & Wages)	\$ 185,489	\$ 185,489	\$ 185,489	\$ 185,489	\$ 185,489	\$ 185,489	\$ 185,489

*Projection provided by the developer.

**City of Chattanooga, Hamilton County TN
Chattanooga Stadium & Mixed-Use Development
Economic Impact Analysis**

Annual Impact of Operations - Apartments	Year 20 2042	Year 21 2043	Year 22 2044	Year 23 2045	Year 24 2046	Year 25 2047	Year 26 2048
	100%	100%	100%	100%	100%	100%	100%
Total Units*	425	425	425	425	425	425	425
Projected Occupancy Rate	95%	95%	95%	95%	95%	95%	95%
Average Monthly Rental Rate*	\$ 1,698	\$ 1,698	\$ 1,698	\$ 1,698	\$ 1,698	\$ 1,698	\$ 1,698
Total Projected Annual Revenue	\$ 8,226,810	\$ 8,226,810	\$ 8,226,810	\$ 8,226,810	\$ 8,226,810	\$ 8,226,810	\$ 8,226,810
Final Demand Output Multiplier ¹²	1.4372	1.4372	1.4372	1.4372	1.4372	1.4372	1.4372
Total Economic Impact	\$ 11,823,571	\$ 11,823,571	\$ 11,823,571	\$ 11,823,571	\$ 11,823,571	\$ 11,823,571	\$ 11,823,571
Final Demand Employment Multiplier ¹⁵	5.1584	5.1584	5.1584	5.1584	5.1584	5.1584	5.1584
Total Employment - Direct & Indirect	42	42	42	42	42	42	42
Hamilton County Annual Average Wage - Real Estate ¹⁶	\$ 59,760	\$ 59,760	\$ 59,760	\$ 59,760	\$ 59,760	\$ 59,760	\$ 59,760
Total Wages - Direct & Indirect	\$ 2,509,920	\$ 2,509,920	\$ 2,509,920	\$ 2,509,920	\$ 2,509,920	\$ 2,509,920	\$ 2,509,920
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 88,374	\$ 88,374	\$ 88,374	\$ 88,374	\$ 88,374	\$ 88,374	\$ 88,374
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 28,406	\$ 28,406	\$ 28,406	\$ 28,406	\$ 28,406	\$ 28,406	\$ 28,406
Other Local Tax Revenue ⁶ (Indirect)	\$ 7,584	\$ 7,584	\$ 7,584	\$ 7,584	\$ 7,584	\$ 7,584	\$ 7,584
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ 61,125	\$ 61,125	\$ 61,125	\$ 61,125	\$ 61,125	\$ 61,125	\$ 61,125
Total Annual Tax Revenue (Indirect - from Operations & Wages)	\$ 185,489	\$ 185,489	\$ 185,489	\$ 185,489	\$ 185,489	\$ 185,489	\$ 185,489

*Projection provided by the developer.

**City of Chattanooga, Hamilton County TN
Chattanooga Stadium & Mixed-Use Development
Economic Impact Analysis**

Annual Impact of Operations - Apartments	Year 27 2049	Year 28 2050	Year 29 2051	Year 30 2052	30-Year Total
	100%	100%	100%	100%	
Total Units*	425	425	425	425	
Projected Occupancy Rate	95%	95%	95%	95%	
Average Monthly Rental Rate*	\$ 1,698	\$ 1,698	\$ 1,698	\$ 1,698	
Total Projected Annual Revenue	\$ 8,226,810	\$ 8,226,810	\$ 8,226,810	\$ 8,226,810	\$ 236,525,627
Final Demand Output Multiplier ¹²	1.4372	1.4372	1.4372	1.4372	
Total Economic Impact	\$ 11,823,571	\$ 11,823,571	\$ 11,823,571	\$ 11,823,571	\$ 339,934,622
Final Demand Employment Multiplier ¹⁵	5.1584	5.1584	5.1584	5.1584	
Total Employment - Direct & Indirect	42	42	42	42	42
Hamilton County Annual Average Wage - Real Estate ¹⁶	\$ 59,760	\$ 59,760	\$ 59,760	\$ 59,760	
Total Wages - Direct & Indirect	\$ 2,509,920	\$ 2,509,920	\$ 2,509,920	\$ 2,509,920	\$ 72,190,080
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 88,374	\$ 88,374	\$ 88,374	\$ 88,374	\$ 2,541,805
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 28,406	\$ 28,406	\$ 28,406	\$ 28,406	\$ 817,011
Other Local Tax Revenue ⁶ (Indirect)	\$ 7,584	\$ 7,584	\$ 7,584	\$ 7,584	\$ 218,130
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ 61,125	\$ 61,125	\$ 61,125	\$ 61,125	\$ 1,758,071
Total Annual Tax Revenue (Indirect - from Operations & Wages)	\$ 185,489	\$ 185,489	\$ 185,489	\$ 185,489	\$ 5,335,017

*Projection provided by the developer.

**City of Chattanooga, Hamilton County TN
Chattanooga Stadium & Mixed-Use Development
Economic Impact Analysis**

Annual Impact of Operations - Retail	At Full Operation				
	Food & Beverage	Grocery	General Retail	Service	Total
Total Square Footage*	7,500	7,500	7,500	7,500	30,000
Average Sales Per Square Foot ¹⁷	\$ 710	\$ 670	\$ 465	\$ 325	
Total Annual Revenue	\$ 5,325,000	\$ 5,025,000	\$ 3,487,500	\$ 2,437,500	\$ 16,275,000
Projected Direct Local Sales Tax from Construction Spending** (2.25%)	\$ 107,831	\$ 101,756	\$ 70,622	\$ 49,359	\$ 329,568
Projected Direct State Sales Tax from Construction Spending** (7%)	\$ 335,475	\$ 316,575	\$ 219,713	\$ 153,563	\$ 1,025,326
Total Direct Local & State Sales Tax	\$ 443,306	\$ 418,331	\$ 290,335	\$ 202,922	\$ 1,354,894
Final Demand Output Multiplier ¹⁸	1.7203	1.7059	1.6500	1.7400	
Total Economic Impact from Retail Sales	\$ 9,160,598	\$ 8,572,148	\$ 5,754,375	\$ 4,241,250	\$ 27,728,371
Final Demand Employment Multiplier ¹⁹	13.8658	12.1038	12.1040	11.6690	
Total Employment - Direct & Indirect	74	61	42	28	205
Hamilton County Annual Average Wage - Sector Specific ²⁰	\$ 20,027	\$ 24,567	\$ 25,234	\$ 31,265	
Total Wages - Direct & Indirect	\$ 1,481,998	\$ 1,498,587	\$ 1,059,828	\$ 875,420	\$ 4,915,833
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 52,181	\$ 52,765	\$ 37,317	\$ 30,824	\$ 173,086
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 16,773	\$ 16,960	\$ 11,995	\$ 9,908	\$ 55,635
Other Local Tax Revenue ⁶ (Indirect)	\$ 4,478	\$ 4,528	\$ 3,203	\$ 2,645	\$ 14,854
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ 107,696	\$ 88,776	\$ 61,125	\$ 40,750	\$ 298,347
Total Indirect Tax Revenue from Wages	\$ 181,128	\$ 163,029	\$ 113,640	\$ 84,127	\$ 541,922
Total Annual Tax Revenue (Direct & Indirect - from Operations & Wages)	\$ 624,434	\$ 581,360	\$ 403,975	\$ 287,049	\$ 1,896,816

*Projection provided by the developer. Total projected retail square footage is divided equally among four basic retail-type activities.

**Assumes 90% of sales are subject to state/local sales tax.

**City of Chattanooga, Hamilton County TN
Chattanooga Stadium & Mixed-Use Development
Economic Impact Analysis**

Annual Impact of Operations - Retail	Year 1	Year 2	Year 3	Year 4	Year 5
	2023	2024	2025	2026	2027
	25%	50%	100%	100%	100%
Total Square Footage*					
Average Sales Per Square Foot ¹⁷					
Total Annual Revenue	\$ 4,068,750	\$ 8,137,500	\$ 16,275,000	\$ 16,275,000	\$ 16,275,000
Projected Direct Local Sales Tax from Construction Spending** (2.25%)	\$ 82,392	\$ 164,784	\$ 329,568	\$ 329,568	\$ 329,568
Projected Direct State Sales Tax from Construction Spending** (7%)	\$ 256,332	\$ 512,663	\$ 1,025,326	\$ 1,025,326	\$ 1,025,326
Total Direct Local & State Sales Tax	\$ 338,724	\$ 677,447	\$ 1,354,894	\$ 1,354,894	\$ 1,354,894
Final Demand Output Multiplier ¹⁸					
Total Economic Impact from Retail Sales	\$ 6,932,093	\$ 13,864,186	\$ 27,728,371	\$ 27,728,371	\$ 27,728,371
Final Demand Employment Multiplier ¹⁹					
Total Employment - Direct & Indirect	51	103	205	205	205
Hamilton County Annual Average Wage - Sector Specific ²⁰					
Total Wages - Direct & Indirect	\$ 1,228,958	\$ 2,457,917	\$ 4,915,833	\$ 4,915,833	\$ 4,915,833
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 43,272	\$ 86,543	\$ 173,086	\$ 173,086	\$ 173,086
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 13,909	\$ 27,817	\$ 55,635	\$ 55,635	\$ 55,635
Other Local Tax Revenue ⁶ (Indirect)	\$ 3,714	\$ 7,427	\$ 14,854	\$ 14,854	\$ 14,854
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ 74,587	\$ 149,174	\$ 298,347	\$ 298,347	\$ 298,347
Total Indirect Tax Revenue from Wages	\$ 135,481	\$ 270,961	\$ 541,922	\$ 541,922	\$ 541,922
Total Annual Tax Revenue (Direct & Indirect - from Operations & Wages)	\$ 474,205	\$ 948,408	\$ 1,896,816	\$ 1,896,816	\$ 1,896,816

*Projection provided by the developer. Total projected retail square footage is divided equally among the three years.

**Assumes 90% of sales are subject to state/local sales tax.

**City of Chattanooga, Hamilton County TN
Chattanooga Stadium & Mixed-Use Development
Economic Impact Analysis**

Annual Impact of Operations - Retail	Year 6	Year 7	Year 8	Year 9	Year 10
	2028	2029	2030	2031	2032
	100%	100%	100%	100%	100%
Total Square Footage*					
Average Sales Per Square Foot ¹⁷					
Total Annual Revenue	\$ 16,275,000	\$ 16,275,000	\$ 16,275,000	\$ 16,275,000	\$ 16,275,000
Projected Direct Local Sales Tax from Construction Spending** (2.25%)	\$ 329,568	\$ 329,568	\$ 329,568	\$ 329,568	\$ 329,568
Projected Direct State Sales Tax from Construction Spending** (7%)	\$ 1,025,326	\$ 1,025,326	\$ 1,025,326	\$ 1,025,326	\$ 1,025,326
Total Direct Local & State Sales Tax	\$ 1,354,894	\$ 1,354,894	\$ 1,354,894	\$ 1,354,894	\$ 1,354,894
Final Demand Output Multiplier ¹⁸					
Total Economic Impact from Retail Sales	\$ 27,728,371	\$ 27,728,371	\$ 27,728,371	\$ 27,728,371	\$ 27,728,371
Final Demand Employment Multiplier ¹⁹					
Total Employment - Direct & Indirect	205	205	205	205	205
Hamilton County Annual Average Wage - Sector Specific ²⁰					
Total Wages - Direct & Indirect	\$ 4,915,833	\$ 4,915,833	\$ 4,915,833	\$ 4,915,833	\$ 4,915,833
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 173,086	\$ 173,086	\$ 173,086	\$ 173,086	\$ 173,086
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 55,635	\$ 55,635	\$ 55,635	\$ 55,635	\$ 55,635
Other Local Tax Revenue ⁶ (Indirect)	\$ 14,854	\$ 14,854	\$ 14,854	\$ 14,854	\$ 14,854
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ 298,347	\$ 298,347	\$ 298,347	\$ 298,347	\$ 298,347
Total Indirect Tax Revenue from Wages	\$ 541,922	\$ 541,922	\$ 541,922	\$ 541,922	\$ 541,922
Total Annual Tax Revenue (Direct & Indirect - from Operations & Wages)	\$ 1,896,816	\$ 1,896,816	\$ 1,896,816	\$ 1,896,816	\$ 1,896,816

*Projection provided by the developer. Total projected retail square footage is divided equally among years.

**Assumes 90% of sales are subject to state/local sales tax.

**City of Chattanooga, Hamilton County TN
Chattanooga Stadium & Mixed-Use Development
Economic Impact Analysis**

Annual Impact of Operations - Retail	Year 11	Year 12	Year 13	Year 14	Year 15
	2033	2034	2035	2036	2037
	100%	100%	100%	100%	100%
Total Square Footage*					
Average Sales Per Square Foot ¹⁷					
Total Annual Revenue	\$ 16,275,000	\$ 16,275,000	\$ 16,275,000	\$ 16,275,000	\$ 16,275,000
Projected Direct Local Sales Tax from Construction Spending** (2.25%)	\$ 329,568	\$ 329,568	\$ 329,568	\$ 329,568	\$ 329,568
Projected Direct State Sales Tax from Construction Spending** (7%)	\$ 1,025,326	\$ 1,025,326	\$ 1,025,326	\$ 1,025,326	\$ 1,025,326
Total Direct Local & State Sales Tax	\$ 1,354,894	\$ 1,354,894	\$ 1,354,894	\$ 1,354,894	\$ 1,354,894
Final Demand Output Multiplier ¹⁸					
Total Economic Impact from Retail Sales	\$ 27,728,371	\$ 27,728,371	\$ 27,728,371	\$ 27,728,371	\$ 27,728,371
Final Demand Employment Multiplier ¹⁹					
Total Employment - Direct & Indirect	205	205	205	205	205
Hamilton County Annual Average Wage - Sector Specific ²⁰					
Total Wages - Direct & Indirect	\$ 4,915,833	\$ 4,915,833	\$ 4,915,833	\$ 4,915,833	\$ 4,915,833
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 173,086	\$ 173,086	\$ 173,086	\$ 173,086	\$ 173,086
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 55,635	\$ 55,635	\$ 55,635	\$ 55,635	\$ 55,635
Other Local Tax Revenue ⁶ (Indirect)	\$ 14,854	\$ 14,854	\$ 14,854	\$ 14,854	\$ 14,854
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ 298,347	\$ 298,347	\$ 298,347	\$ 298,347	\$ 298,347
Total Indirect Tax Revenue from Wages	\$ 541,922	\$ 541,922	\$ 541,922	\$ 541,922	\$ 541,922
Total Annual Tax Revenue (Direct & Indirect - from Operations & Wages)	\$ 1,896,816	\$ 1,896,816	\$ 1,896,816	\$ 1,896,816	\$ 1,896,816

*Projection provided by the developer. Total projected retail square footage is divided equally among the years.

**Assumes 90% of sales are subject to state/local sales tax.

**City of Chattanooga, Hamilton County TN
Chattanooga Stadium & Mixed-Use Development
Economic Impact Analysis**

Annual Impact of Operations - Retail	Year 16	Year 17	Year 18	Year 19	Year 20
	2038	2039	2040	2041	2042
	100%	100%	100%	100%	100%
Total Square Footage*					
Average Sales Per Square Foot ¹⁷					
Total Annual Revenue	\$ 16,275,000	\$ 16,275,000	\$ 16,275,000	\$ 16,275,000	\$ 16,275,000
Projected Direct Local Sales Tax from Construction Spending** (2.25%)	\$ 329,568	\$ 329,568	\$ 329,568	\$ 329,568	\$ 329,568
Projected Direct State Sales Tax from Construction Spending** (7%)	\$ 1,025,326	\$ 1,025,326	\$ 1,025,326	\$ 1,025,326	\$ 1,025,326
Total Direct Local & State Sales Tax	\$ 1,354,894	\$ 1,354,894	\$ 1,354,894	\$ 1,354,894	\$ 1,354,894
Final Demand Output Multiplier ¹⁸					
Total Economic Impact from Retail Sales	\$ 27,728,371	\$ 27,728,371	\$ 27,728,371	\$ 27,728,371	\$ 27,728,371
Final Demand Employment Multiplier ¹⁹					
Total Employment - Direct & Indirect	205	205	205	205	205
Hamilton County Annual Average Wage - Sector Specific ²⁰					
Total Wages - Direct & Indirect	\$ 4,915,833	\$ 4,915,833	\$ 4,915,833	\$ 4,915,833	\$ 4,915,833
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 173,086	\$ 173,086	\$ 173,086	\$ 173,086	\$ 173,086
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 55,635	\$ 55,635	\$ 55,635	\$ 55,635	\$ 55,635
Other Local Tax Revenue ⁶ (Indirect)	\$ 14,854	\$ 14,854	\$ 14,854	\$ 14,854	\$ 14,854
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ 298,347	\$ 298,347	\$ 298,347	\$ 298,347	\$ 298,347
Total Indirect Tax Revenue from Wages	\$ 541,922	\$ 541,922	\$ 541,922	\$ 541,922	\$ 541,922
Total Annual Tax Revenue (Direct & Indirect - from Operations & Wages)	\$ 1,896,816	\$ 1,896,816	\$ 1,896,816	\$ 1,896,816	\$ 1,896,816

*Projection provided by the developer. Total projected retail square footage is divided equally among years.

**Assumes 90% of sales are subject to state/local sales tax.

City of Chattanooga, Hamilton County TN
Chattanooga Stadium & Mixed-Use Development
Economic Impact Analysis

Annual Impact of Operations - Retail	Year 21	Year 22	Year 23	Year 24	Year 25	Year 26	Year 27
	2043	2044	2045	2046	2047	2048	2049
	100%	100%	100%	100%	100%	100%	100%
Total Square Footage*							
Average Sales Per Square Foot ¹⁷							
Total Annual Revenue	\$ 16,275,000	\$ 16,275,000	\$ 16,275,000	\$ 16,275,000	\$ 16,275,000	\$ 16,275,000	\$ 16,275,000
Projected Direct Local Sales Tax from Construction Spending** (2.25%)	\$ 329,568	\$ 329,568	\$ 329,568	\$ 329,568	\$ 329,568	\$ 329,568	\$ 329,568
Projected Direct State Sales Tax from Construction Spending** (7%)	\$ 1,025,326	\$ 1,025,326	\$ 1,025,326	\$ 1,025,326	\$ 1,025,326	\$ 1,025,326	\$ 1,025,326
Total Direct Local & State Sales Tax	\$ 1,354,894	\$ 1,354,894	\$ 1,354,894	\$ 1,354,894	\$ 1,354,894	\$ 1,354,894	\$ 1,354,894
Final Demand Output Multiplier ¹⁸							
Total Economic Impact from Retail Sales	\$ 27,728,371	\$ 27,728,371	\$ 27,728,371	\$ 27,728,371	\$ 27,728,371	\$ 27,728,371	\$ 27,728,371
Final Demand Employment Multiplier ¹⁹							
Total Employment - Direct & Indirect	205	205	205	205	205	205	205
Hamilton County Annual Average Wage - Sector Specific ²⁰							
Total Wages - Direct & Indirect	\$ 4,915,833	\$ 4,915,833	\$ 4,915,833	\$ 4,915,833	\$ 4,915,833	\$ 4,915,833	\$ 4,915,833
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 173,086	\$ 173,086	\$ 173,086	\$ 173,086	\$ 173,086	\$ 173,086	\$ 4,577,871
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 55,635	\$ 55,635	\$ 55,635	\$ 55,635	\$ 55,635	\$ 55,635	\$ 1,471,464
Other Local Tax Revenue ⁶ (Indirect)	\$ 14,854	\$ 14,854	\$ 14,854	\$ 14,854	\$ 14,854	\$ 14,854	\$ 14,854
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ 298,347	\$ 298,347	\$ 298,347	\$ 298,347	\$ 298,347	\$ 298,347	\$ 298,347
Total Indirect Tax Revenue from Wages	\$ 541,922	\$ 541,922	\$ 541,922	\$ 541,922	\$ 541,922	\$ 541,922	\$ 541,922
Total Annual Tax Revenue (Direct & Indirect - from Operations & Wages)	\$ 1,896,816	\$ 1,896,816	\$ 1,896,816	\$ 1,896,816	\$ 1,896,816	\$ 1,896,816	\$ 1,896,816

*Projection provided by the developer. Total projected retail square footage is divided equa

**Assumes 90% of sales are subject to state/local sales tax.

**City of Chattanooga, Hamilton County TN
Chattanooga Stadium & Mixed-Use Development
Economic Impact Analysis**

Annual Impact of Operations - Retail	Year 28	Year 29	Year 30	30-Year Total
	2050	2051	2052	
	100%	100%	100%	
Total Square Footage*				
Average Sales Per Square Foot ¹⁷				
Total Annual Revenue	\$ 16,275,000	\$ 16,275,000	\$ 16,275,000	\$ 467,906,250
Projected Direct Local Sales Tax from Construction Spending** (2.25%)	\$ 329,568	\$ 329,568	\$ 329,568	\$ 9,475,080
Projected Direct State Sales Tax from Construction Spending** (7%)	\$ 1,025,326	\$ 1,025,326	\$ 1,025,326	\$ 29,478,123
Total Direct Local & State Sales Tax	\$ 1,354,894	\$ 1,354,894	\$ 1,354,894	\$ 38,953,203
Final Demand Output Multiplier ¹⁸				
Total Economic Impact from Retail Sales	\$ 27,728,371	\$ 27,728,371	\$ 27,728,371	\$ 797,190,667
Final Demand Employment Multiplier ¹⁹				
Total Employment - Direct & Indirect	205	205	205	205
Hamilton County Annual Average Wage - Sector Specific ²⁰				
Total Wages - Direct & Indirect	\$ 4,915,833	\$ 4,915,833	\$ 4,915,833	\$ 141,330,199
State Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 9,102,977	\$ 18,168,637	\$ 36,306,450	\$ 72,439,814
Local Sales Tax Revenue from Wages ⁵ (Indirect)	\$ 2,925,968	\$ 5,839,941	\$ 11,669,974	\$ 23,284,313
Other Local Tax Revenue ⁶ (Indirect)	\$ 14,854	\$ 14,854	\$ 14,854	\$ 427,053
Residential/Commercial Property Tax Revenue ¹⁰ (Indirect)	\$ 298,347	\$ 298,347	\$ 298,347	\$ 8,577,477
Total Indirect Tax Revenue from Wages	\$ 541,922	\$ 541,922	\$ 541,922	\$ 15,580,258
Total Annual Tax Revenue (Direct & Indirect - from Operations & Wages)	\$ 1,896,816	\$ 1,896,816	\$ 1,896,816	\$ 54,533,461

*Projection provided by the developer. Total projected retail square footage is divided equally among the three years.

**Assumes 90% of sales are subject to state/local sales tax.

Baseball Stadium & Mixed Use Development

Project - Mixed-Use Development*

Total Real Property Investment:	\$ 350,000,000
85% of Investment Assumed for Appraised Value:	\$ 297,500,000
Estimated Assessed Value of Development (40% Ratio):	\$ 119,000,000
Current Assessed Value of Parcels in the Development:	\$ 2,428,320
Real Property Incremental Assessed Value Included in TIF:	\$ 116,571,680

Hamilton County Tax Schedule

Hamilton County Tax Rate: \$2.2373	% Complete	Real Property						
		New Tax on Increment	County Admin Fee/ Trustee Fee	Taxes Allocated to Debt Service (\$0.3650)	Taxes Allocated to Schools (\$1.0116)	Remaining New Incremental Tax	% Designated to TIF	Remaining Funds Allocated to General Fund
Assessed Value		\$ 116,571,680	7.0%	16.3%	45.2%		100%	
Year 1 - 2023	0%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Year 2 - 2024	0%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Year 3 - 2025	100%	\$ 2,608,058	\$ 182,564	\$ 425,113	\$ 1,178,842	\$ 821,539	\$ 821,539	\$ -
Year 4 - 2026	100%	\$ 2,608,058	\$ 182,564	\$ 425,113	\$ 1,178,842	\$ 821,539	\$ 821,539	\$ -
Year 5 - 2027	100%	\$ 2,608,058	\$ 182,564	\$ 425,113	\$ 1,178,842	\$ 821,539	\$ 821,539	\$ -
Year 6 - 2028	100%	\$ 2,608,058	\$ 182,564	\$ 425,113	\$ 1,178,842	\$ 821,539	\$ 821,539	\$ -
Year 7 - 2029	100%	\$ 2,608,058	\$ 182,564	\$ 425,113	\$ 1,178,842	\$ 821,539	\$ 821,539	\$ -
Year 8 - 2030	100%	\$ 2,608,058	\$ 182,564	\$ 425,113	\$ 1,178,842	\$ 821,539	\$ 821,539	\$ -
Year 9 - 2031	100%	\$ 2,608,058	\$ 182,564	\$ 425,113	\$ 1,178,842	\$ 821,539	\$ 821,539	\$ -
Year 10 - 2032	100%	\$ 2,608,058	\$ 182,564	\$ 425,113	\$ 1,178,842	\$ 821,539	\$ 821,539	\$ -
Year 11 - 2033	100%	\$ 2,608,058	\$ 182,564	\$ 425,113	\$ 1,178,842	\$ 821,539	\$ 821,539	\$ -
Year 12 - 2034	100%	\$ 2,608,058	\$ 182,564	\$ 425,113	\$ 1,178,842	\$ 821,539	\$ 821,539	\$ -
Year 13 - 2035	100%	\$ 2,608,058	\$ 182,564	\$ 425,113	\$ 1,178,842	\$ 821,539	\$ 821,539	\$ -
Year 14 - 2036	100%	\$ 2,608,058	\$ 182,564	\$ 425,113	\$ 1,178,842	\$ 821,539	\$ 821,539	\$ -
Year 15 - 2037	100%	\$ 2,608,058	\$ 182,564	\$ 425,113	\$ 1,178,842	\$ 821,539	\$ 821,539	\$ -
Year 16 - 2038	100%	\$ 2,608,058	\$ 182,564	\$ 425,113	\$ 1,178,842	\$ 821,539	\$ 821,539	\$ -
Year 17 - 2039	100%	\$ 2,608,058	\$ 182,564	\$ 425,113	\$ 1,178,842	\$ 821,539	\$ 821,539	\$ -
Year 18 - 2040	100%	\$ 2,608,058	\$ 182,564	\$ 425,113	\$ 1,178,842	\$ 821,539	\$ 821,539	\$ -
Year 19 - 2041	100%	\$ 2,608,058	\$ 182,564	\$ 425,113	\$ 1,178,842	\$ 821,539	\$ 821,539	\$ -
Year 20 - 2042	100%	\$ 2,608,058	\$ 182,564	\$ 425,113	\$ 1,178,842	\$ 821,539	\$ 821,539	\$ -
Year 21 - 2043	100%	\$ 2,608,058	\$ 182,564	\$ 425,113	\$ 1,178,842	\$ 821,539	\$ 821,539	\$ -
Year 22 - 2044	100%	\$ 2,608,058	\$ 182,564	\$ 425,113	\$ 1,178,842	\$ 821,539	\$ 821,539	\$ -
Year 23 - 2045	100%	\$ 2,608,058	\$ 182,564	\$ 425,113	\$ 1,178,842	\$ 821,539	\$ 821,539	\$ -
Year 24 - 2046	100%	\$ 2,608,058	\$ 182,564	\$ 425,113	\$ 1,178,842	\$ 821,539	\$ 821,539	\$ -
Year 25 - 2047	100%	\$ 2,608,058	\$ 182,564	\$ 425,113	\$ 1,178,842	\$ 821,539	\$ 821,539	\$ -
Year 26 - 2048	100%	\$ 2,608,058	\$ 182,564	\$ 425,113	\$ 1,178,842	\$ 821,539	\$ 821,539	\$ -
Year 27 - 2049	100%	\$ 2,608,058	\$ 182,564	\$ 425,113	\$ 1,178,842	\$ 821,539	\$ 821,539	\$ -
Year 28 - 2050	100%	\$ 2,608,058	\$ 182,564	\$ 425,113	\$ 1,178,842	\$ 821,539	\$ 821,539	\$ -
Year 29 - 2051	100%	\$ 2,608,058	\$ 182,564	\$ 425,113	\$ 1,178,842	\$ 821,539	\$ 821,539	\$ -
Year 30 - 2052	100%	\$ 2,608,058	\$ 182,564	\$ 425,113	\$ 1,178,842	\$ 821,539	\$ 821,539	\$ -
Total		\$ 73,025,624	\$ 5,111,792	\$ 11,903,164	\$ 33,007,576	\$ 23,003,092	\$ 23,003,092	\$ -
							**Net Present Value	\$ 12,656,579

Total Taxes Designated to Hamilton County Debt Service:	\$ 11,903,164
Total Taxes Designated to Schools:	\$ 33,007,576
Total Taxes Designated to TIF:	\$ 23,003,092
Net Present Value of Taxes Designated to TIF:	\$ 12,656,579

*Assumes stadium will be tax exempt.

**The discount rate for NPV calculation is 4%.

Baseball Stadium & Mixed Use Development

Project - Mixed-Use Development*		Total
Total Real Property Investment:	\$	350,000,000
85% of Investment Assumed for Appraised Value:	\$	297,500,000
Estimated Assessed Value of Development (40% Ratio):	\$	119,000,000
Current Assessed Value of Parcels in the Development:	\$	2,428,320
Real Property Incremental Assessed Value Included in TIF:	\$	116,571,680

Chattanooga Tax Schedule

City of Chattanooga Tax Rate: \$2.250	% Complete	Real Property					
		New Tax on Increment	City Admin Fee	Taxes Allocated to Debt Service	Remaining New Incremental Tax	% Designated to TIF	Remaining Funds Allocated to General Fund
Assessed Value		\$ 116,571,680	0.25%	25.0%		100%	
Year 1 - 2023	0%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Year 2 - 2024	0%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Year 3 - 2025	100%	\$ 2,622,863	\$ 6,557	\$ 655,716	\$ 1,960,590	\$ 1,960,590	\$ -
Year 4 - 2026	100%	\$ 2,622,863	\$ 6,557	\$ 655,716	\$ 1,960,590	\$ 1,960,590	\$ -
Year 5 - 2027	100%	\$ 2,622,863	\$ 6,557	\$ 655,716	\$ 1,960,590	\$ 1,960,590	\$ -
Year 6 - 2028	100%	\$ 2,622,863	\$ 6,557	\$ 655,716	\$ 1,960,590	\$ 1,960,590	\$ -
Year 7 - 2029	100%	\$ 2,622,863	\$ 6,557	\$ 655,716	\$ 1,960,590	\$ 1,960,590	\$ -
Year 8 - 2030	100%	\$ 2,622,863	\$ 6,557	\$ 655,716	\$ 1,960,590	\$ 1,960,590	\$ -
Year 9 - 2031	100%	\$ 2,622,863	\$ 6,557	\$ 655,716	\$ 1,960,590	\$ 1,960,590	\$ -
Year 10 - 2032	100%	\$ 2,622,863	\$ 6,557	\$ 655,716	\$ 1,960,590	\$ 1,960,590	\$ -
Year 11 - 2033	100%	\$ 2,622,863	\$ 6,557	\$ 655,716	\$ 1,960,590	\$ 1,960,590	\$ -
Year 12 - 2034	100%	\$ 2,622,863	\$ 6,557	\$ 655,716	\$ 1,960,590	\$ 1,960,590	\$ -
Year 13 - 2035	100%	\$ 2,622,863	\$ 6,557	\$ 655,716	\$ 1,960,590	\$ 1,960,590	\$ -
Year 14 - 2036	100%	\$ 2,622,863	\$ 6,557	\$ 655,716	\$ 1,960,590	\$ 1,960,590	\$ -
Year 15 - 2037	100%	\$ 2,622,863	\$ 6,557	\$ 655,716	\$ 1,960,590	\$ 1,960,590	\$ -
Year 16 - 2038	100%	\$ 2,622,863	\$ 6,557	\$ 655,716	\$ 1,960,590	\$ 1,960,590	\$ -
Year 17 - 2039	100%	\$ 2,622,863	\$ 6,557	\$ 655,716	\$ 1,960,590	\$ 1,960,590	\$ -
Year 18 - 2040	100%	\$ 2,622,863	\$ 6,557	\$ 655,716	\$ 1,960,590	\$ 1,960,590	\$ -
Year 19 - 2041	100%	\$ 2,622,863	\$ 6,557	\$ 655,716	\$ 1,960,590	\$ 1,960,590	\$ -
Year 20 - 2042	100%	\$ 2,622,863	\$ 6,557	\$ 655,716	\$ 1,960,590	\$ 1,960,590	\$ -
Year 21 - 2043	100%	\$ 2,622,863	\$ 6,557	\$ 655,716	\$ 1,960,590	\$ 1,960,590	\$ -
Year 22 - 2044	100%	\$ 2,622,863	\$ 6,557	\$ 655,716	\$ 1,960,590	\$ 1,960,590	\$ -
Year 23 - 2045	100%	\$ 2,622,863	\$ 6,557	\$ 655,716	\$ 1,960,590	\$ 1,960,590	\$ -
Year 24 - 2046	100%	\$ 2,622,863	\$ 6,557	\$ 655,716	\$ 1,960,590	\$ 1,960,590	\$ -
Year 25 - 2047	100%	\$ 2,622,863	\$ 6,557	\$ 655,716	\$ 1,960,590	\$ 1,960,590	\$ -
Year 26 - 2048	100%	\$ 2,622,863	\$ 6,557	\$ 655,716	\$ 1,960,590	\$ 1,960,590	\$ -
Year 27 - 2049	100%	\$ 2,622,863	\$ 6,557	\$ 655,716	\$ 1,960,590	\$ 1,960,590	\$ -
Year 28 - 2050	100%	\$ 2,622,863	\$ 6,557	\$ 655,716	\$ 1,960,590	\$ 1,960,590	\$ -
Year 29 - 2051	100%	\$ 2,622,863	\$ 6,557	\$ 655,716	\$ 1,960,590	\$ 1,960,590	\$ -
Year 30 - 2052	100%	\$ 2,622,863	\$ 6,557	\$ 655,716	\$ 1,960,590	\$ 1,960,590	\$ -
Total		\$ 73,440,164	\$ 183,596	\$ 18,360,048	\$ 54,896,520	\$ 54,896,520	\$ -
						**Net Present Value	\$ 30,204,729

Total Taxes Designated to City of Chattanooga Debt Service:	\$	18,360,048
Total Taxes Designated to TIF:	\$	54,896,520
Net Present Value of Taxes Designated to TIF:	\$	30,204,729

*Assumes stadium will be tax exempt.

**The discount rate for NPV calculation is 4%.

Notes for Chattanooga Stadium & Mixed-Use Development TIF Analysis:

1. U.S. Bureau of Economic Analysis, RIMS II final demand aggregate output multiplier for Hamilton County, Tennessee for construction. This multiplier represents the total dollar change in output that occurs in all industries for each additional dollar of output delivered to final demand by the specified industry.
2. U.S. Bureau of Economic Analysis, RIMS II final demand output multiplier for Hamilton County, Tennessee for Wholesale trade.
3. U.S. Bureau of Economic Analysis, RIMS II aggregate final demand employment multiplier for construction for Hamilton County, Tennessee. This multiplier represents the number of indirect jobs supported per million dollars of output by the specified industry.
4. Based upon data from the Tennessee Department of Labor; 2020 Annual Average Wage for Hamilton County for all industry sectors with a 1.5% inflation factor applied for 2021-22.
5. U.S. Department of Labor, "Consumer Expenditure Survey, Southern US" 2020; factor applied to determine the rate of indirect or "downstream" expenditures on sales taxable goods and services at the State of Tennessee sales tax rate of 7% and Chattanooga local option tax rate of 2.25%.
6. Based upon a ratio of July 2020 - June 2021 collections of business, motor vehicle and other local taxes compared to local sales tax for Hamilton County.
7. U.S. Bureau of Economic Analysis, RIMS II final demand aggregate output multiplier for Hamilton County, Tennessee for the specified operations:
 - Ticket Sales – Spectator Sports
 - Concession Sales – Food Services & Drinking Places
 - Merchandise Sales – General Merchandise Retail
 - Other Events – Performing Arts, Spectator Sports, Museums and Related Activities
8. U.S. Bureau of Economic Analysis, RIMS II final demand aggregate employment multiplier for Hamilton County, Tennessee for the specified operations:
 - Ticket Sales – Spectator Sports
 - Concession Sales – Food Services & Drinking Places
 - Merchandise Sales – General Merchandise Retail
 - Other Events – Performing Arts, Spectator Sports, and Related Activities
9. Based upon data from the Tennessee Department of Labor; 2020 Annual Average Wage for Hamilton County for the specified industry sectors with a 1.5% inflation factor applied for 2021-22.
 - Ticket Sales – Performing Arts, Spectator Sports, and Related Activities
 - Concession Sales – Food Services & Drinking Places
 - Merchandise Sales – General Merchandise Retail
 - Other Events – Performing Arts, Spectator Sports, Museums and Related Activities

10. Indirect property tax for Chattanooga/Hamilton County is based on projected new property value created by wages paid to direct jobs supported by the tenants of the mixed-use development. The 2022 median home value for Hamilton County is utilized as a proxy for residential property value, to determine property tax generated per job. The new property value may be new single-family homes, new rental property, expansions, or improvements to existing residential or commercial property. The residential assessment rate of 25% and a combined Hamilton County (\$2.2373) and City of Chattanooga (\$2.25) tax rate of \$4.4873 per \$100 of assessed value is used. For this calculation, it is assumed that 75% of the jobs supported are direct. Property taxes paid directly by businesses in the development are not included in this value.
11. Based on the average rental rate for available office space in Chattanooga as listed on LoopNet.
12. U.S. Bureau of Economic Analysis, RIMS II final demand output multiplier for Hamilton County, Tennessee for real estate.
13. Based on Department of Energy Commercial Business Use Survey median square foot per office employee for mixed-use office space 2021
14. U.S. Bureau of Economic Analysis, RIMS II final demand employment multiplier for professional and business services for Hamilton County, Tennessee.
15. U.S. Bureau of Economic Analysis, RIMS II final demand employment multiplier for real estate for Hamilton County, Tennessee.
16. Based upon data from the Tennessee Department of Labor; 2020 Annual Average Wage for Hamilton County for the real estate - rental and leasing industry sector with a 1.5% inflation factor applied for 2021-22.
17. Average sales per square foot are based on Sales Per Square Foot Report as published by BizMiner and Emarketer 2019-2020 for the specified industries.
18. U.S. Bureau of Economic Analysis, RIMS II final demand aggregate output multiplier for Hamilton County, Tennessee for the specified operations – food services and drinking places; food and beverage stores; general merchandise stores; and other services
19. U.S. Bureau of Economic Analysis, RIMS II aggregate final demand employment multiplier for the specified operations – food services and drinking places; food and beverage stores; general merchandise stores; and other services for Hamilton County, Tennessee.
20. Based upon data from the Tennessee Department of Labor; 2020 Annual Average Wage for Hamilton County for the specified industry sectors (food services and drinking places, food and beverage stores, general merchandise stores, and other personal services) with a 1.5% inflation factor applied for 2021.

Notes:

- RIMS II 2012/2020 Vintage Multipliers were used for this analysis.
- No adjustments were made for future changes (increases or decreases) in wages or tax rates.



CSL CHATTANOOGA AREA
CHAMBER

NEW MULTI-USE STADIUM
TAX REVENUE & ECONOMIC IMPACT ASSESSMENT

May 3, 2022





May 3, 2022

Mr. Charles Wood
Vice President of Economic Development
Chattanooga Area Chamber of Commerce
811 Broad St #100
Chattanooga, TN 37402

Dear Mr. Wood:

Conventions, Sports & Leisure International (“CSL”) is pleased to present this tax revenue and economic impact assessment related to the development and operations of a new multi-use stadium (“Stadium”) and surrounding development in the South Broad District of Chattanooga, TN. The attached report summarizes our research and analyses and is intended to assist project stakeholders in making informed decisions regarding the new stadium and associated development.

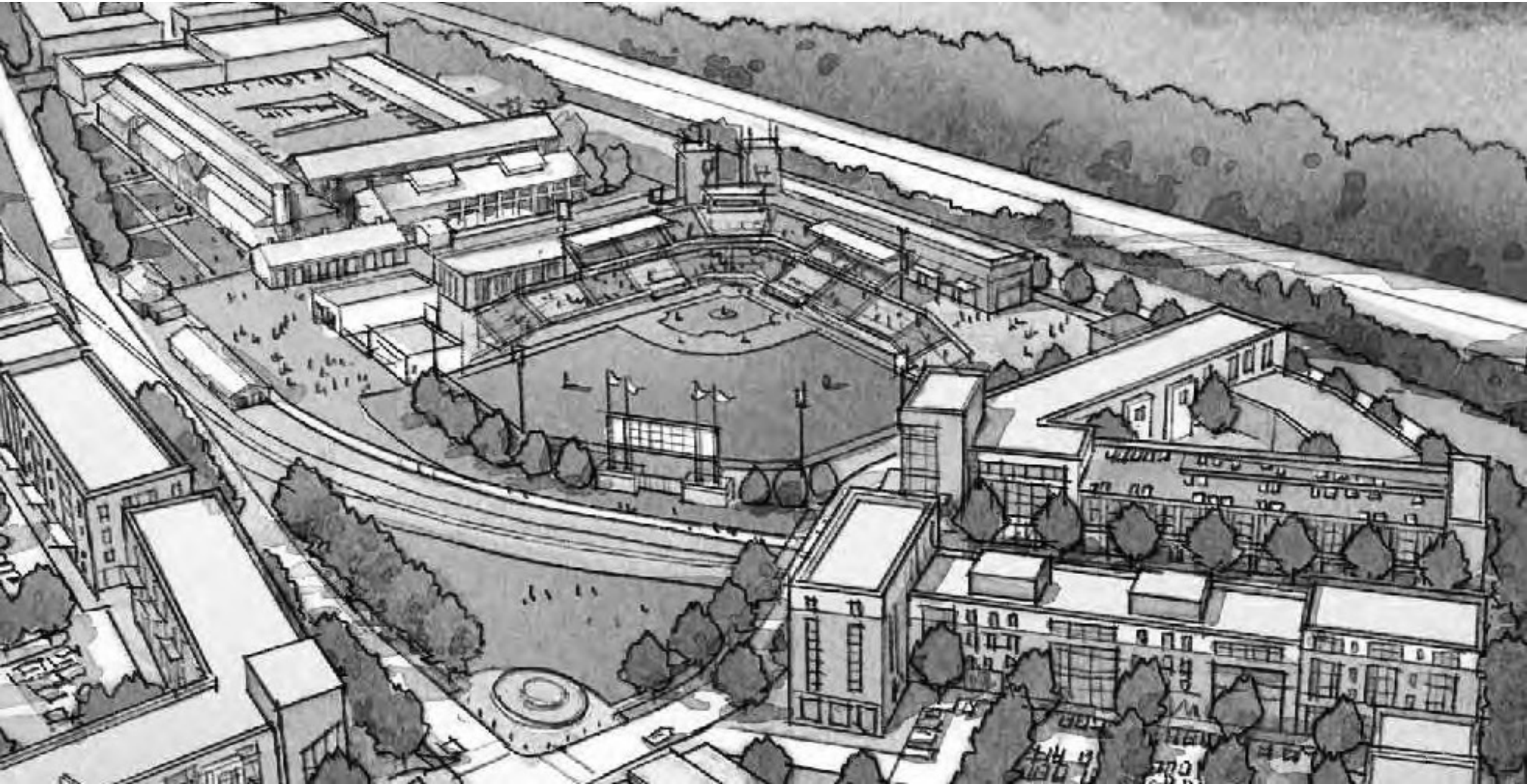
The information contained in this report is based on estimates, assumptions, and other information developed from research of the market, knowledge of the sports, entertainment and real estate industries and other factors, including certain information provided by you and others. All information provided to us was not audited or verified and was assumed to be correct. Because procedures were limited, we express no opinion or assurances of any kind on the achievability of any projected information contained herein and this report should not be relied upon for that purpose. Furthermore, there will be differences between projected and actual results. This is because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

We sincerely appreciate the opportunity to assist you with this project and would be pleased to be of further assistance in the interpretation and application of the study’s findings.

Very truly yours,

CSL International

1. INTRODUCTION





INTRODUCTION

The Chattanooga Lookouts are a minor league baseball team that has been operating in Chattanooga for over 100 years and have been the minor league affiliate for numerous major league organizations, including the Cincinnati Reds, Los Angeles Dodgers, and Minnesota Twins. Currently the team operates within the Southern League as the minor league affiliate for the Cincinnati Reds (since 2019).

The Lookouts have played in AT&T Field since 2000, which has a capacity of approximately 6,400. Currently, the ballpark, due to facility age and lack of many modern amenities, as the facility was poorly designed and cheaply built, has been deemed unsuitable for future professional play by Major League Baseball (“MLB”), prompting team ownership and other community stakeholders to explore the potential for the development of a new Stadium for the Lookouts.

Currently, plans for the new Stadium have it being located at the former U.S. Pipe Wheel & Foundry site within the wider South Broad District. Following a public study of the entire South Broad District, in addition to the new Stadium, it is envisioned that the area will eventually be redeveloped as a live-work-play community asset with over \$1 billion in new development, including residential, retail, food & beverage, office, hotel, and parking space. Phase I for the larger development project includes the Stadium and approximately \$150 million in development (“Development”).

As part of the Stadium planning process, project stakeholders are seeking an evaluation of the tax revenues and economic impacts to be realized from the new multi-use Stadium and adjacent mixed-use Development. These estimates are intended to help inform local leaders of the project’s fiscal benefits that could be apportioned and distributed for the retirement of debt on and the maintenance of the Stadium.

As such, the Chattanooga Area Chamber of Commerce has engaged Conventions, Sports & Leisure International (“CSL”) to conduct a tax revenue and economic impact analysis related to the development of the proposed Stadium and Development.





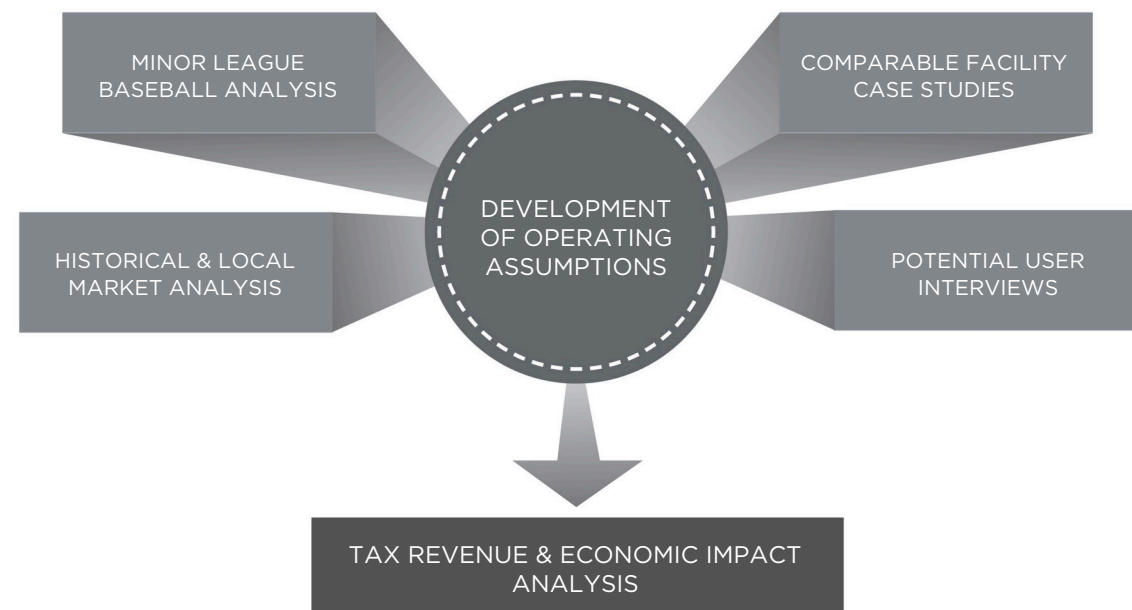
INTRODUCTION

To evaluate the tax and broader economic impacts of the Stadium and Development, CSL:

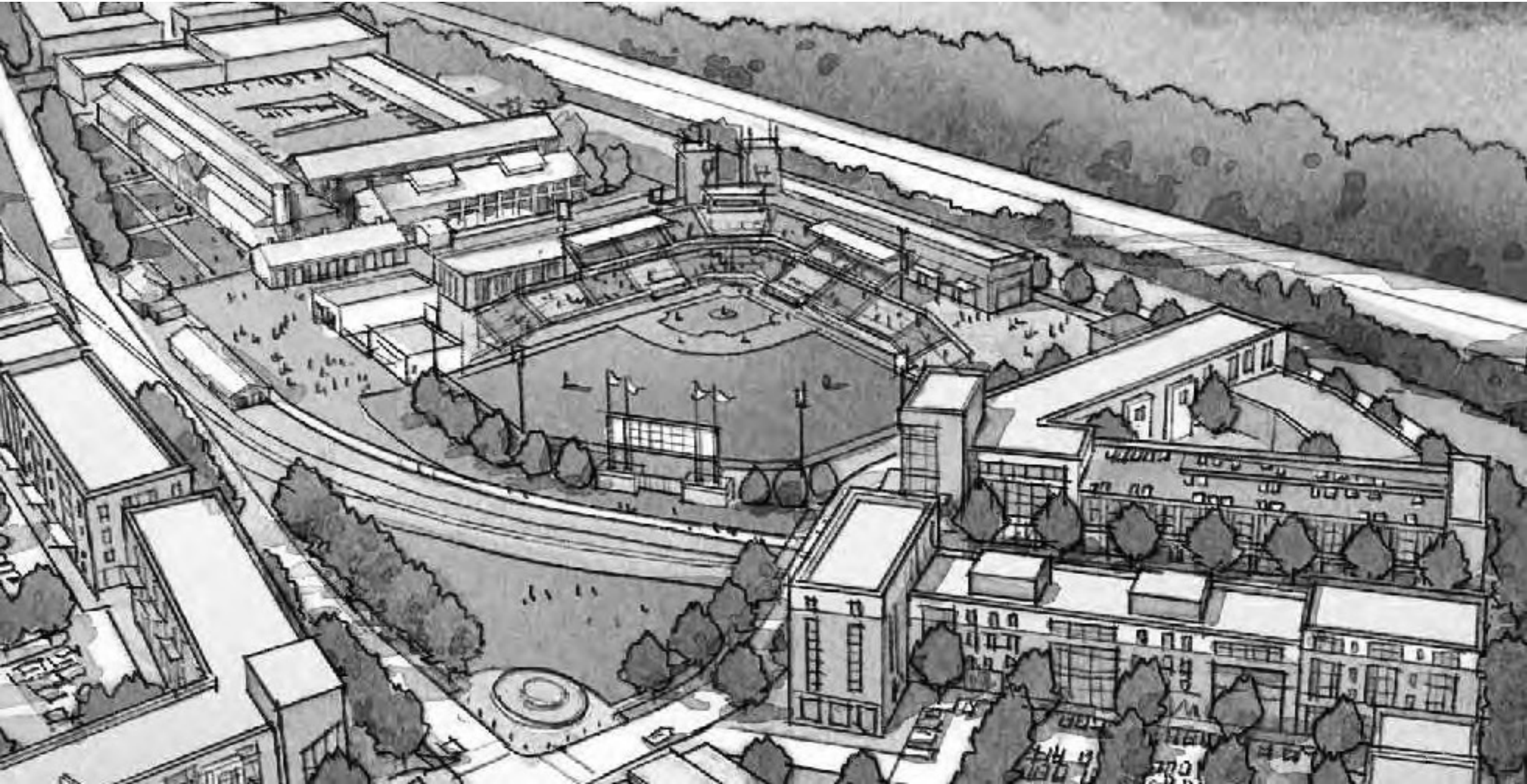
- Conducted a kick-off meeting with key project stakeholders to discuss project goals;
- Reviewed historical operating information related to the Chattanooga Lookouts;
- Reviewed preliminary analyses and planning documents related to the development of the Stadium and broader Development;
- Compiled and analyzed regional market data regarding demographic, socioeconomic, competitive venues and other trends;
- Reviewed characteristics of Double-A baseball to inform attendance, pricing, building program and lease assumptions;
- Identified and analyzed comparable stadia to provide a benchmark from which to assess key operating metrics for the new Stadium;
- Interviewed key potential user groups of the Stadium to confirm building program needs and potential utilization;
- Estimated event demand, potential annual attendance and other key operating assumptions for a new Stadium; and,
- Estimated the economic and fiscal impacts anticipated to be generated by the construction and operations of the project.

The remainder of this report outlines the key findings of the analysis and is designed to assist project representatives in making informed decisions regarding Stadium development. The report should be read in its entirety to obtain the background, methods, and assumptions underlying the findings.

STUDY METHODOLOGY



2. MINOR LEAGUE BASEBALL ANALYSIS



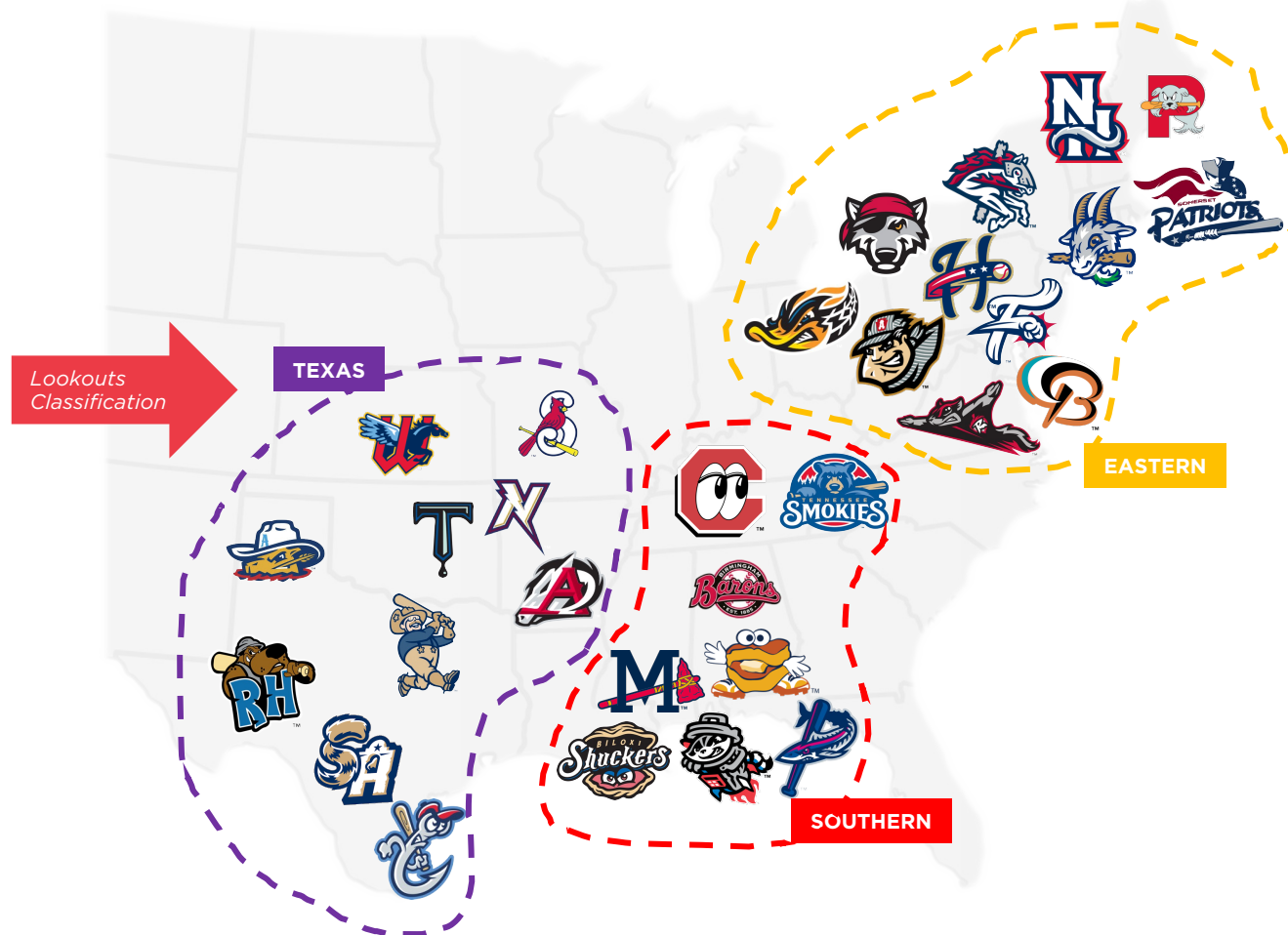


AFFILIATED MINOR LEAGUE CLASSIFICATION SYSTEM

Minor League Baseball (“MiLB”) underwent a major realignment and restructuring in 2021, consolidating the number of teams and organizing into a standardized affiliate system in which each Major League Baseball (“MLB”) team has four affiliate teams, one in each of the four minor leagues:

- Class AAA - “Triple-A” is the highest classification of the affiliated minor leagues. It was established in 1945 and currently consists of the Pacific Coast League and the International League. With 2021’s realignment, there was some movement in Triple-A with three teams joining the league and three teams being demoted to lower-level classifications.
- Class AA - “Double-A” is the second-highest classification of the affiliated minor leagues. It was established in 1912 and currently consists of the Eastern, Southern, and Texas Leagues. As a result of the 2021 realignment, three teams in AA were replaced by three new teams, including the San Antonio Missions, Wichita Wind Surge, and Somerset Patriots. The Chattanooga Lookouts have been a Double-A affiliate of a major league ballclub since 1932 and are currently a member of the Southern League.
- Class A-Advanced - “High-A” is the third tier of the affiliated minor leagues. It currently consists of the Midwest, Northwest, and South Atlantic Leagues. High-A, previously known as A+, experienced a significant amount of consolidation during 2021’s restructuring, as five leagues were combined into three divisions.
- Class A - “Single-A” is the lowest tier of the affiliated minor leagues. It currently consists of the California, Carolina, and Florida State Leagues.

Over 40 teams that were affiliated with an MLB franchise in 2020 are no longer in 2022. Many of these clubs will be part of the new MLB Draft League, a Collegiate Summer League intended to act as a showcase for top prospects in MLB’s annual draft, or have moved to various independent leagues, while some have ceased operations entirely.





DOUBLE-A BASEBALL

Because the Lookouts are an established member of Double-A baseball, having been in the classification since 1885 and maintaining its status with 2021's realignment, the remainder of this section will focus on Double-A baseball to better understand how the Lookouts market compares to other Double-A franchises.

The table to the right presents a summary of Double-A teams including their location, league, key stadium elements, and average attendance during the 2019 season (the last season unaffected by the COVID-19 pandemic and resulting restrictions).

As shown, 19 of 30 teams currently play in stadiums located in downtown centers. Among stadiums built since 2015, five out of six have been built in downtown cores.

The average Double-A stadium opened or underwent a major renovation in 2002. Double-A stadiums range in capacity from 5,038 (Admiral Fetterman Field - Pensacola Blue Wahoos) to 10,486 (Hammons Field - Springfield Cardinals), with an average capacity of 7,660. The three most recent Double-A stadiums to be constructed are the Wichita Wind Surge's Riverfront Stadium which opened in 2021, the Rocket City Trash Pandas' Toyota Field which was opened in 2021, and the Amarillo Sodpoodles' Hodgetown Stadium which opened in 2019; these stadiums have an average capacity of 7,338. The Tennessee Smokies have recently received approval to build a new 7,000 seat stadium in downtown Knoxville, TN planned to be open in 2025.

Average Double-A attendance in 2019 was approximately 4,615; new stadium average attendance was 10 percent higher at approximately 5,059.

TEAM	LOCATION	LEAGUE	STADIUM	STADIUM LOCATION	YEAR OPENED (Renovated)	TOTAL CAPACITY	2019 AVERAGE ATTENDANCE
Frisco Roughriders	Frisco, TX	Central	Riders Field	Suburban	2003	10,316	6,802
Amarillo Sodpoodles	Amarillo, TX	Central	Hodgetown Stadium	Downtown	2019*	7,000	6,291
Richmond Flying Squirrels	Richmond, VA	Northeast	The Diamond	Suburban	1985	9,560	6,255
Hartford Yard Goats	Hartford, CT	Northeast	Dunkin Donuts Park	Downtown	2017*	6,121	6,193
Reading Fightin Phils	Reading, PA	Northeast	FirstEnergy Stadium	Suburban	1951 (2011)	9,000	5,945
Portland Sea Dogs	Portland, ME	Northeast	Hadlock Field	Downtown	1994	7,368	5,677
Tulsa Drillers	Tulsa, OK	Central	ONEOK Field	Downtown	2010	7,833	5,507
Birmingham Barons	Birmingham, AL	South	Regions Field	Downtown	2013	8,500	5,424
Somerset Patriots	Bridgewater Township, NJ	Northeast	TD Bank Ballpark	Suburban	1999	8,580	5,385
Akron Rubber Ducks	Akron, OH	Northeast	Canal Park	Downtown	1997	9,447	5,077
San Antonio Missions	San Antonio, TX	Central	Nelson W. Wolff Municipal Stadium	Suburban	1994	9,200	4,891
Springfield Cardinals	Springfield, MI	South	Hammons Field	Downtown	2004	10,486	4,757
New Hampshire Fisher Cats	Manchester, NH	Northeast	Northeast Delta Dental Stadium	Downtown	2005	6,500	4,716
Corpus Christi Hooks	Corpus Christi, TX	Central	Whataburger Field	Downtown	2005	7,679	4,624
Altoona Curve	Altoona, PA	Northeast	People's Natural Gas Field	Suburban	1999	7,210	4,604
Arkansas Travelers	North Little Rock, AR	Central	Dickey-Stephens Park	Downtown	2007	7,200	4,574
Pensacola Blue Wahoos	Pensacola, FL	South	Admiral Fetterman Field	Downtown	2012	5,038	4,354
Tennessee Smokies	Knoxville, TN	South	New Downtown Stadium	Downtown	2025*	7,000	4,319
Northwest Arkansas Naturals	Springdale, AR	Central	Arvest Ballpark	Suburban	2008	5,500	4,316
Midland Rockhounds	Midland, TX	Central	Momentum Bank Ballpark	Suburban	2002	6,669	4,197
Harrisburg Senators	Harrisburg, PA	Northeast	FNB Field	Downtown	1987 (2009)	6,187	3,864
Chattanooga Lookouts	Chattanooga, TN	South	AT&T Field	Downtown	2000	6,362	3,518
Erie Sea Wolves	Erie, Pennsylvania	Northeast	UPMC Park	Downtown	1995	6,000	3,315
Bowie Baysox	Bowie, MD	Northeast	Prince George's Stadium	Suburban	1994	10,000	3,256
Montgomery Biscuits	Montgomery, AL	South	Montgomery Riverwalk Stadium	Downtown	2004	7,000	3,189
Binghamton Rumble Ponies	Binghamton, NY	Northeast	Mirabito Stadium	Downtown	1992	6,012	3,000
Biloxi Shuckers	Biloxi, MS	South	MGM Park	Downtown	2015*	6,067	2,692
Mississippi Braves	Pearl, MS	South	Trustmark Park	Suburban	2004	8,450	2,482
Rocket City Trash Pandas	Madison, AL	South	Toyota Field	Suburban	2020*	7,500	n/a
Wichita Wind Surge	Wichita, KS	Central	Riverfront Stadium	Downtown	2021*	10,000	n/a
Overall Average					2004	7,660	4,615
New Stadium Average (*opened since 2015)					2018	7,338	5,059
Downtown Stadium Average					2006	7,253	4,505

*Sorted by 2019 Average Attendance



DOUBLE-A BASEBALL STADIUM FUNDING

The table to the right summarizes total project costs and the proportion of public and private funding contributions for Double-A stadium projects.

As shown, the average Double-A stadium cost \$31 million to construct or significantly renovate, with the public sector funding an average of 73 percent of development costs and the private sector funding an average of 23 percent. As stadium construction costs have escalated since 2015 (average cost of \$57 million), public participation in facility funding has increased, with an average of 90 percent of stadium costs covered by the public sector.

Many recently-opened stadiums (Riverfront Stadium, Toyota Field, Regions Field, and ONEOK Field, amongst others) have anchored larger mixed-use development projects. There has been a significant amount of public money devoted to these projects as municipalities aim to build restaurants, shopping areas, and other attractions for tourists and residents.

The Tennessee Smokies new stadium in downtown Knoxville will cost approximately \$80 million with 93 percent of stadium costs coming from public sources. The City of Knoxville and Knox County will contribute \$61 million through property and sales taxes from the area around the stadium and the state will contribute \$13.5 million. The team owners will contribute \$5.8 million for construction and any cost overruns. Ownership is also expected to bring in at least \$142 million in private money to build 630,000 square feet of mixed used development space around the stadium.

TEAM	LOCATION	BALLPARK	OPENED (Renovated)	STADIUM COST	% PUBLIC	% PRIVATE
Tennessee Smokies	Knoxville, TN	New Downtown Ballpark	2025*	\$80M	93%	7%
Wichita Wind Surge	Wichita, KS	Riverfront Stadium	2021*	\$75M	48%	52%
Rocket City Trash Pandas (Mobile)	Madison, AL	Toyota Field	2020*	\$46M	100%	0%
Amarillo Sodpoodles	Amarillo, TX	Hodgetown Stadium	2019*	\$46M	100%	0%
Hartford Yard Goats	Hartford, CT	Dunkin Donuts Park	2017*	\$56M	100%	0%
Biloxi Shuckers	Biloxi, MS	MGM Park	2015*	\$36M	100%	0%
Birmingham Barons	Birmingham, AL	Regions Field	2013	\$64M	100%	0%
Pensacola Blue Wahoos	Pensacola, FL	Admiral Fetterman Field	2012	\$23.8M	13%	87%
Tulsa Drillers	Tulsa, OK	ONEOK Field	2010	\$39.2M	42%	58%
Harrisburg Senators	Harrisburg, PA	FNB Field	1987 (2009)	\$3.5M (\$45M)	80%	20%
Northwest Arkansas Naturals	Springdale, AR	Arvest Ballpark	2008	\$32M	100%	0%
Arkansas Travelers	North Little Rock, AR	Dickey-Stephens Park	2007	\$40.4M	83%	17%
Corpus Christi Hooks	Corpus Christi, TX	Whataburger Field	2005	\$30.3M	89%	11%
New Hampshire Fisher Cats	Manchester, NH	Northeast Delta Dental Stadium	2005	\$27M	64%	36%
Mississippi Braves	Pearl, MS	Trustmark Park	2005	\$28M	100%	0%
Springfield Cardinals	Springfield, MI	Hammons Field	2004	\$32M	0%	100% ⁽¹⁾
Montgomery Biscuits	Montgomery, AL	Montgomery Riverwalk Stadium	2004	\$26M	96%	4%
Frisco Roughriders	Frisco, TX	Riders Field	2003	\$22.7M	100%	0%
Midland Rockhounds	Midland, TX	Momentum Bank Ballpark	2002	\$23M	85%	15%
Somerset Patriots	Bridgewater Township, NJ	TD Bank Ballpark	1999	\$18M	--	--
Altoona Curve	Altoona, PA	People's Natural Gas Field	1999	\$20M	--	--
Akron Rubber Dicks	Akron, OH	Canal Park	1997	\$32M	--	--
Erie Sea Wolves	Erie, Pennsylvania	UPMC Park	1995	\$9M	100%	0%
San Antonio Missions	San Antonio, Tx	Nelson W. Wolff Municipal Stadium	1994	\$10.5M	--	--
Portland Sea Dogs	Portland, ME	Hadlock Field	1994	\$3M	--	--
Bowie Baysox	Bowie, MD	Prince George's Stadium	1994	\$10M	15%	85%
Binghamton Rumble Ponies	Binghamton, NY	Mirabito Stadium	1992	\$4.6M	30%	70%
Richmond Flying Squirrels	Richmond, VA	The Diamond	1985	\$8M	50%	50%
Reading Fightin Phils	Reading, PA	FirstEnergy Stadium	1951	\$650K	--	--
Overall Average			2003	\$31M	73%	23%
New Stadium Average (*opened since 2015)			2020	\$57M	90%	10%
Downtown Stadium Average			2008	\$37M	71%	24%

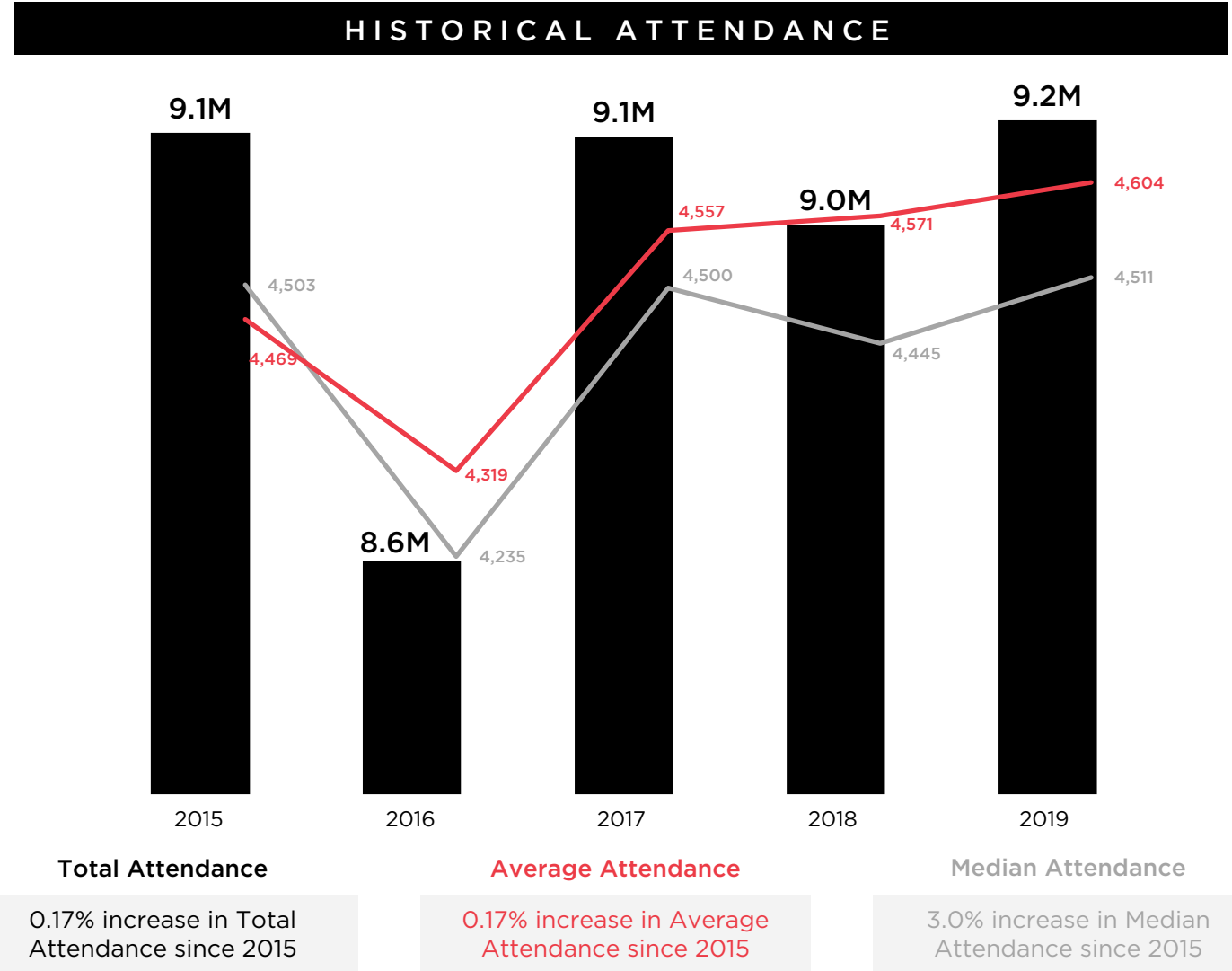
(1) All private money for Hammons Field came from private philanthropist, not the team.



DOUBLE-A STADIUM ATTENDANCE

Attendance levels impact the magnitude of revenue that can be generated from the sale of tickets, food and beverage, merchandise, and parking. Attendance levels can also provide an indicator of the overall health of Double-A baseball and the general support for a team within its market. The chart on the right presents a summary of league-wide Double-A baseball home attendance from 2015 to 2019, as reported by Minor League Baseball. The 2021 attendance was impacted by COVID-19, and thus not included in the analysis.

Despite 2016's material drop in attendance (attributed to the delayed relocation of the Hartford Yard Goats), Double-A attendance has remained consistent from 2015 to 2019. Total and average attendance has grown 0.17 percent while median attendance has grown three percent since 2015.





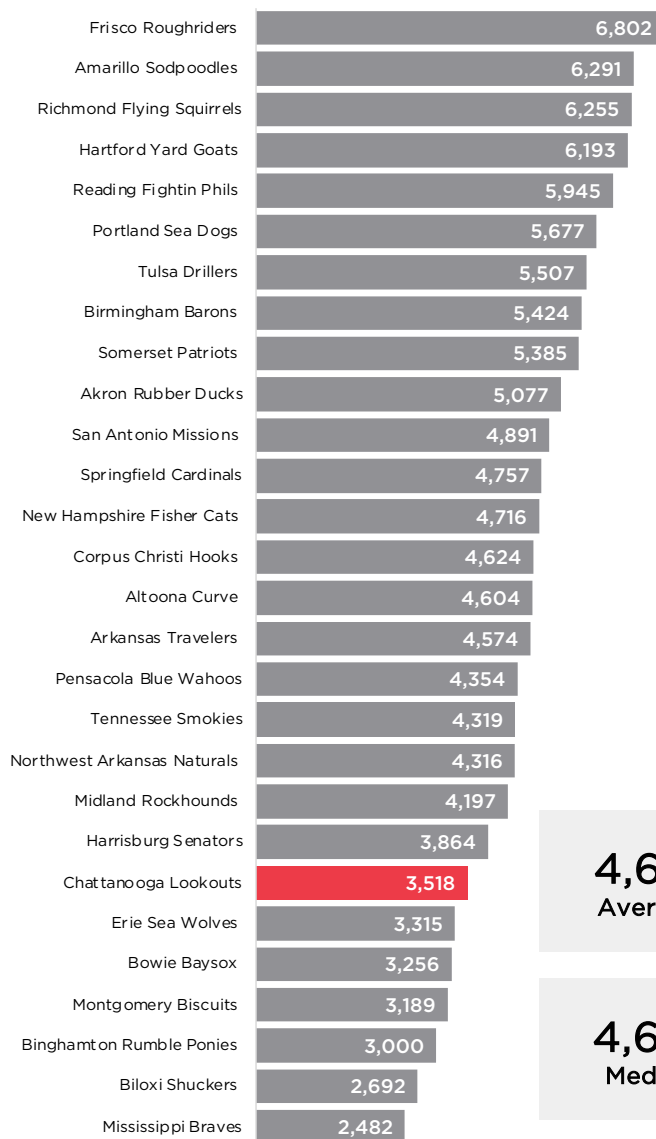
DOUBLE-A STADIUM ATTENDANCE

The charts on the right show the average attendance and attendance as a percentage of stadium capacity among the active Double-A teams that played in 2019. This excludes the Wichita Wind Surge, which relocated to Wichita in 2021, and the Rocket City Trash Pandas, which relocated to Madison, Alabama in 2020.

In 2019, active Double-A home teams averaged a reported attendance of 4,615, ranging from a low of 2,482 for the Mississippi Braves to a high of 6,802 for the Frisco Roughriders.

Also in 2019, Double-A teams utilized approximately 61 percent of available stadium capacity, on average. Attendance as a percentage of capacity ranges from a low of 29 percent for the Mississippi Braves to a high of 100 percent for the Hartford Yard Goats.

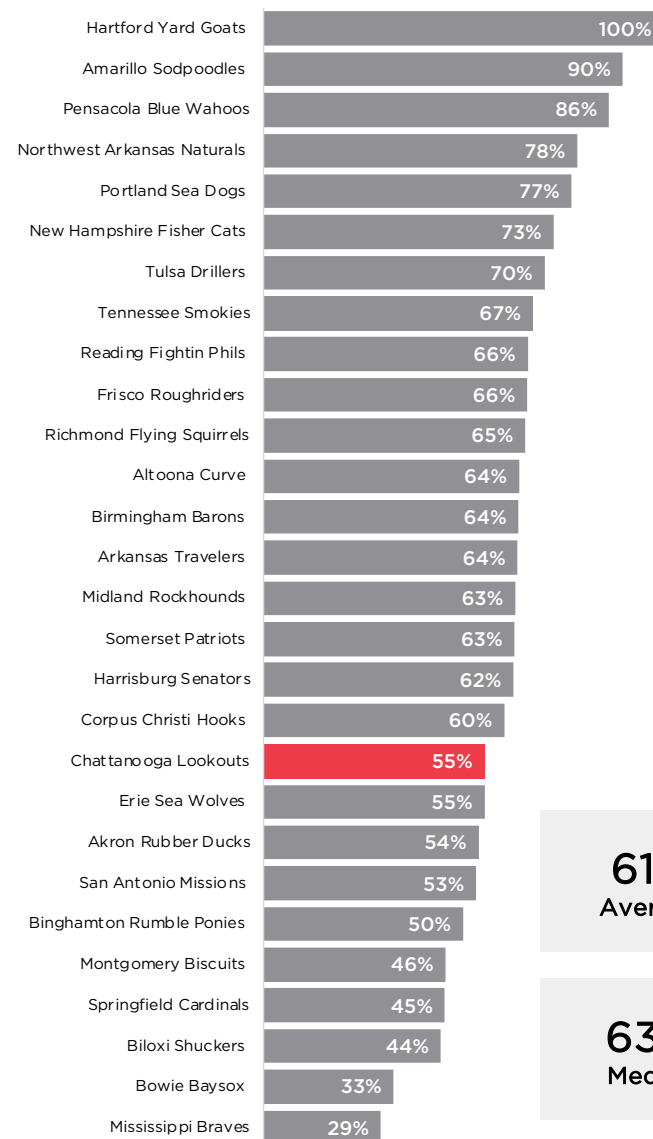
2019 AVERAGE ATTENDANCE



4,615
Average

4,614
Median

2019 ATTENDANCE AS % CAPACITY



61%
Average

63%
Median



DOUBLE-A STADIUM PREMIUM SEATING

Premium seat offerings represent a significant source of revenue for Double-A teams. Suites, club seats, and other such products allow teams to charge a premium above average ticket prices, affording a limited number of fans an upscale environment to enjoy games or conduct business. Premium seating can also serve as a source of contractually-obligated income that can be used for facility funding.

As shown, the average Double-A stadium allocates approximately nine percent of seating capacity, or approximately 669 seats, to premium seating. Premium seating ranges from a low of 180 total premium seats for the Richmond Flying Squirrels to a high of 1,875 premium seats for the Frisco Roughriders. New stadiums, built since 2013, have an average of 736 total premium seats, or 10.1 percent of capacity. It should also be noted that new stadiums also have more premium hospitality areas that are sold on a single game basis to groups.

STADIUM	TEAM	YEAR OPENED (Renovated)	CAPACITY	TOTAL PREMIUM SEATS	PREMIUM AS % OF CAPACITY
Riders Field	Frisco Roughriders	2003	10,316	1,875	18.2%
Dunkin Donuts Park	Hartford Yard Goats	2017	6,121	757	12.4%
Toyota Field	Rocket City Trash Pandas	2020	7,500	918	12.2%
Hogetown Stadium	Amarillo Sod Poodles	2019	7,000	792	11.3%
Trustmark Park	Mississippi Braves	2004	8,450	896	10.6%
Hammons Field	Springfield Cardinals	2004	10,486	1,100	10.5%
Regions Field	Birmingham Barons	2013	8,500	888	10.4%
Montgomery Riverwalk Stadium	Montgomery Biscuits	2004	7,000	720	10.3%
Momentum Bank Ballpark	Midland Rockhounds	2002	6,669	652	9.8%
Arvest Ballpark	Northwest Arkansas Naturals	2008	5,500	500	9.1%
Northeast Delta Dental Stadium	New Hampshire Fisher Cats	2005	6,500	576	8.9%
MGM Park	Biloxi Shuckers	2015	6,067	516	8.5%
Admiral Fetterman Field	Pensacola Blue Wahoos	2012	5,038	374	7.4%
ONEOK Field	Tulsa Drillers	2010	7,833	568	7.3%
TD Bank Ballpark	Somerset Patriots	1999	8,580	550	6.4%
Riverfront Stadium	Wichita Wind Surge	2021	10,000	546	5.5%
Dickey-Stephens Park	Arkansas Travelers	2007	7,200	384	5.3%
Hadlock Field	Portland Sea Dogs	1994	7,368	352	4.8%
Whataburger Field	Corpus Christi Hooks	2005	7,679	228	3.0%
The Diamond	Richmond Flying Squirrels	1985	9,560	180	1.9%
Overall Average				669	8.7%
New Stadium Average				736	10.1%



DOUBLE-A STADIUM PREMIUM SEATING

The table on the right details current premium seating inventory and pricing at Double-A ballparks. As shown, Double-A ballparks have an average of 20 luxury suites with an average annual price of approximately \$35,000 per suite. Of the two teams offering loge seating on a seasonal basis, the average inventory is 35 loge boxes sold at approximately \$8,000 annually. Of the 13 teams offering seasonal club seating for which information was made available, the average inventory is 370 seats priced at approximately \$1,700 annually. In total, premium seating at the average Double-A stadium has the potential to generate approximately \$1.1 million annually. For new stadiums, opened since 2013, premium seating has the potential to generate approximately \$1.5 million annually.

STADIUM	TEAM	LUXURY SUITES		LOGE BOXES		CLUB SEATS		POTENTIAL ANNUAL REVENUE
		Inventory	Price	Inventory	Price	Inventory	Price	
Riders Field	Frisco Roughriders	27	\$50,000	--	--	1,200	\$2,485	\$4,332,000
Hogetown Stadium	Amarillo Sod Poodles	26	\$60,000	--	--	200	\$1,750	\$1,910,000
Riverfront Stadium	Wichita Wind Surge	12	\$53,000	26	\$12,000	250	\$3,500	\$1,823,000
Toyota Field	Rocket City Trash Pandas	12	\$65,000	44	\$4,284	442	\$1,750	\$1,741,996
Regions Field	Birmingham Barons	23	\$35,000	--	--	520	\$1,560	\$1,616,200
Hammons Field	Springfield Cardinals	28	\$31,500	--	--	400	\$1,610	\$1,526,000
ONEOK Field	Tulsa Drillers	23	\$35,000	--	--	200	\$1,750	\$1,155,000
Dunkin Donuts Park	Hartford Yard Goats	18	\$45,000	--	--	200	\$1,270	\$1,064,000
Montgomery Riverwalk Stadium	Montgomery Biscuits	20	\$30,350	--	--	400	\$980	\$999,000
Admiral Fetterman Field	Pensacola Blue Wahoos	--	--	--	--	374	\$2,500	\$935,000
Trustmark Park	Mississippi Braves	22	\$35,000	--	--	126	\$900	\$883,400
Arvest Ballpark	Northwest Arkansas Naturals	25	\$35,000	--	--	--	--	\$875,000
MGM Park	Biloxi Shuckers	12	\$35,000	--	--	196	\$2,000	\$812,000
Momentum Bank Ballpark	Midland Rockhounds	22	\$25,000	--	--	300	\$605	\$731,500
Dickey-Stephens Park	Arkansas Travelers	24	\$29,000	--	--	--	--	\$696,000
Whataburger Field	Corpus Christi Hooks	19	\$30,000	--	--	--	--	\$570,000
Northeast Delta Dental Stadium	New Hampshire Fisher Cats	32	\$17,500	--	--	--	--	\$560,000
TD Bank Ballpark	Somerset Patriots	18	\$26,000	--	--	--	--	\$468,000
The Diamond	Richmond Flying Squirrels	15	\$26,000	--	--	--	--	\$390,000
Hadlock Field	Portland Sea Dogs	16	\$20,000	--	--	--	--	\$320,000
AT&T Field	Chattanooga Lookouts	14	\$13,000	--	--	--	--	\$182,000
Overall Average		20	\$34,818	35	\$8,142	370	\$1,743	\$1,123,338
New Ballpark Average		17	\$48,833	35	\$8,142	301	\$1,972	\$1,494,533



CLUB SEATS



LEDGE TABLES



SUITES



DOUBLE-A STADIUM NAMING RIGHTS

Among the 30 current Double-A ballparks, 17 have sold naming rights. Current agreements for which data is available are summarized in the table on the right.

As shown, the average naming rights fee is approximately \$222,000 per year, ranging from a low of \$50,000 (MGM Park - Biloxi Shuckers) to a high of \$500,000 (Regions Field - Birmingham Barons). The terms of Double-A naming rights deals average 16 years, ranging from 10-year to 20-year agreements.

RANK	TEAM	STADIUM NAME	CATEGORY	TERM (LENGTH)	AVERAGE ANNUAL FEE
1	Birmingham Barons	Regions Field	Banking	20	\$500,000
2	Mississippi Braves	Trustmark Park	Banking	15	\$300,000
3	Hartford Yard Goats	Dunkin Donuts Park	Restaurants	--	\$250,000
4	Tulsa Drillers	ONEOK Field	Natural Gas	20	\$250,000
5	Somerset Patriots	TD Bank Ballpark	Banking	15	\$233,333
6	Harrisburg Senators	FNB Field	Banking	10	\$233,333
7	Reading Fightin Phils	FirstEnergy Stadium	Electric Services	15	\$150,000
8	Corpus Christi Hooks	Whataburger Field	Restaurants	15	\$150,000
9	Chattanooga Lookouts	AT&T Field	Telecommunications	10	\$100,000
10	Biloxi Shuckers	MGM Park	Hospitality	20	\$50,000
Overall Average				16	\$221,667



LEASE TERMS

The chart on the right details lease terms for Double-A teams' tenancy at home stadiums that have been opened since 2010.

As shown, the average lease term is 25 years and includes options for an additional 10 years. Average base rental fee is approximately \$300,000, with additional rental fees in the form of variable attendance threshold fees and stadium revenue sharing.

Stadiums are typically owned by the public sector, which is often responsible for long-term stadium capital repairs, while the team generally serves as stadium operator and is responsible for day-to-day stadium maintenance.

	Owner	Operator	Year Opened	Term (years)	Extension Options	Annual Rent		Revenue Share w/ Public Sector				Expense Responsibility	
						Fixed	Additional	Naming Rights	Premium Seating	Third-Party Events	Parking	Maintenance	Capital Repairs
Riverfront Stadium	City of Wichita	Wichita Wind Surge	2021	20	2 @ 5 Years	\$350k	No	\$250k	No	No	No	Team	City
Toyota Field	City of Madison	Rocket City Trash Pandas	2020	30	2 @ 5 years	\$250k	\$1 per ticket sold over 250k; City owed min. \$1m from rent, rev share & sales taxes	50%	No	50% net	50% net	Team	City
Hodgetown Stadium	City of Amarillo	Amarillo Sodpoodles	2019	30	3 @ 5 years	\$400k	No	No	No	No	15%	Team	City
Dunkin Donuts Park	City of Hartford	Hartford Yard Goats	2017	25	3 @ 5 years	\$500k	No	\$50k + 50% remaining increment	No	30% net	No	Team	City
MGM Park	City of Biloxi	Biloxi Shuckers	2015	21	2 @ 5 years	\$150k	\$2 per ticket (not to exceed \$500k)	100% to ground lease landowner	No	No	100% to ground lease landowner	Team	\$25k from team
Regions Field	City of Birmingham	Birmingham Barons	2013	30	unknown	\$400k	\$1 per ticket sold over 200k	50%	\$2.5k per suite leased	10% team special event ticket receipts	unknown	Team	unknown
Admiral Fetterman Field	City of Pensacola	Pensacola Blue Wahoos	2012	10	2 @ 5 years	\$175k	Minimum \$125k from variable attendance surcharge	50%	No	No	100%	Team	City
ONEOK Field	Tulsa Stadium Trust	Tulsa Drillers	2010	30	2 @ 5 Years	\$150k	\$0.50 per ticket sold over 400k	100%	No	10% sponsorship + \$0.50 ticket surcharge	No	Team	\$50k from team
Average:	Public	Team	2016	25	2 @ 5 Years	\$297k	Yes	Yes	No	No	Yes	Team	Public



KEY TAKEAWAYS

The following are key takeaways from this review of Double-A baseball:



RECENT STADIUM CONSTRUCTION FOCUSED IN DOWNTOWN CORES

Four of the five new stadiums opened since 2015 are located downtown



CONSISTENT ATTENDANCE LEVELS LEAGUE-WIDE

Total and average attendance league-wide has remained relatively stable in recent years



STADIUM LEASES TYPICALLY NAME PUBLIC ENTITY AS OWNER AND TEAM AS OPERATOR

Average base rental fee is \$300,000, with additional rental fees in the form of variable attendance fees and revenue sharing



MORE PREMIUM AND GROUP SEATING AREAS

New stadiums have dedicated more space towards premium and group seating

3. LOCAL MARKET ANALYSIS





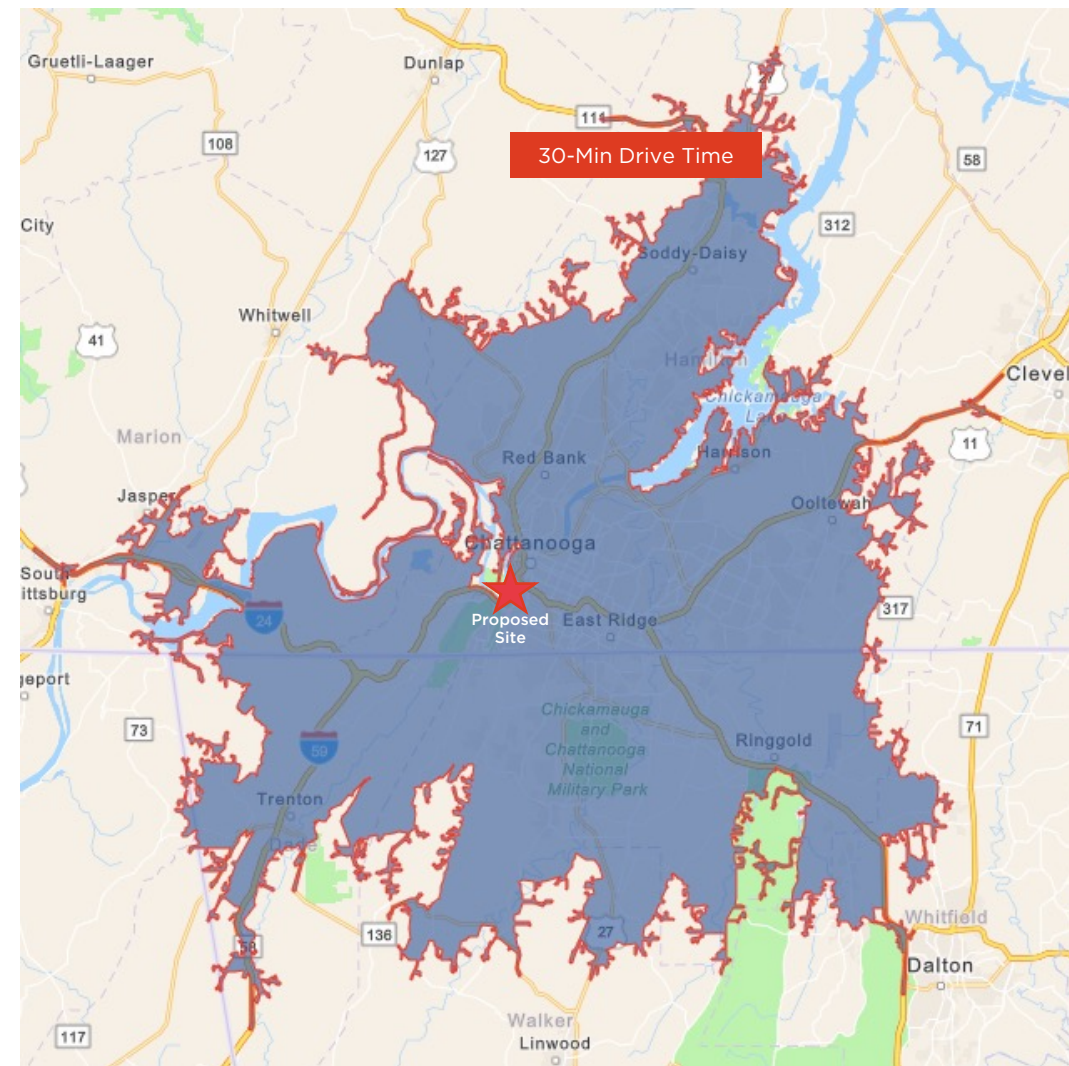
INTRODUCTION

The viability of a new multi-use stadium in Chattanooga is dependent, to some degree, on the demographic and socioeconomic characteristics of the local and regional market. Key market characteristics that may have an impact on a new Stadium include:

- Population;
- Age;
- Income;
- Employment;
- Corporate Base; and,
- Other Characteristics.

For the purpose of this report, the primary market for a potential new multi-use stadium is anticipated to include patrons within a 30-minute drive. This market area is based on a zip code analysis, past ticket sales for the Chattanooga Lookouts, and ticketing trends across similar minor league baseball markets. This market area comprises a majority attendees for most events held at the stadium, although for certain high-profile events, the stadium could draw patrons from beyond this area.

The demographic and socioeconomic data presented in the remainder of this section is based on this anticipated market area, as illustrated in the map on the right.





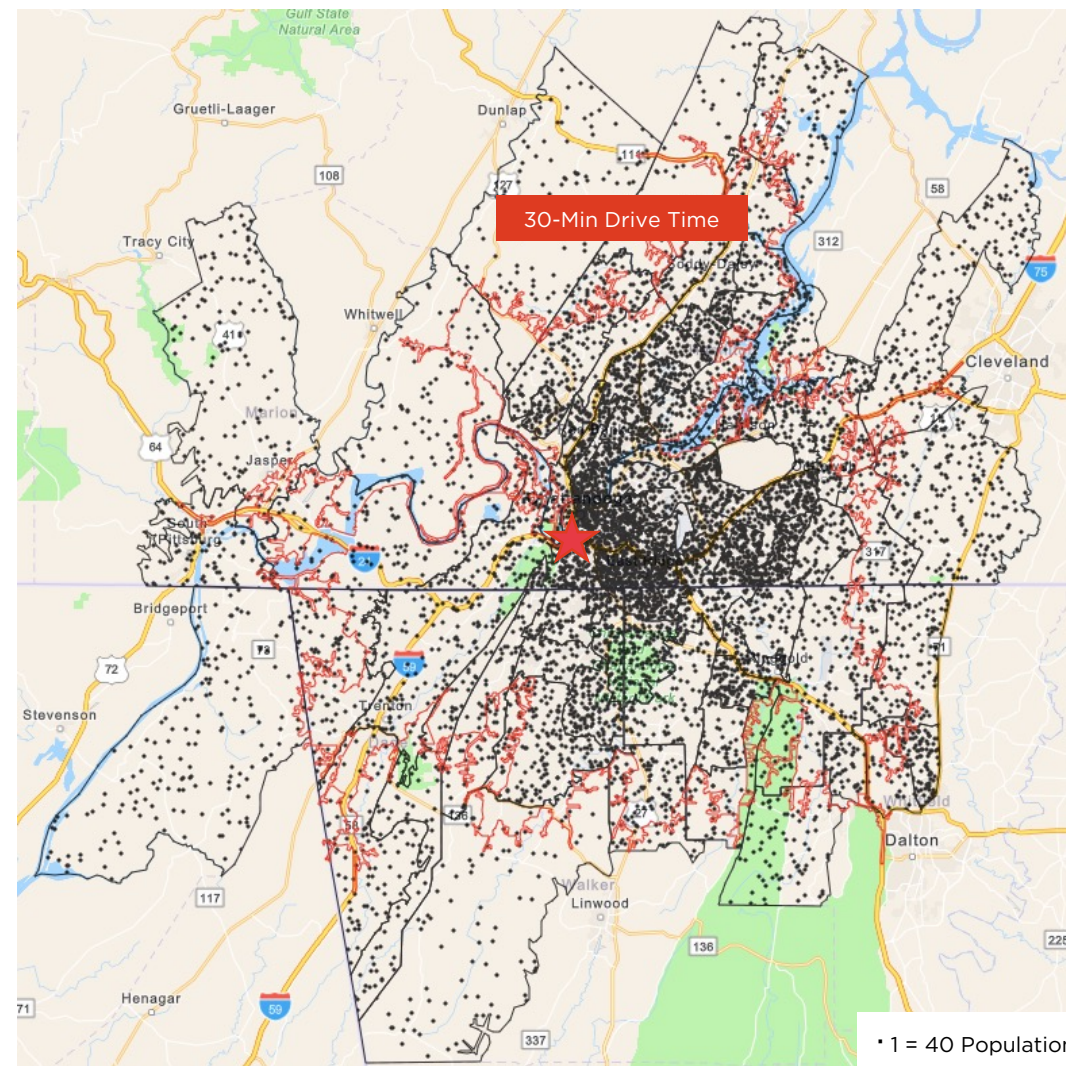
POPULATION

The ability of a venue to attract attendees to events is affected by the level of population within the primary market. As shown in the table below, approximately 485,000 people reside within a 30-minute drive of the potential Stadium site.

Variable	Primary Market 30-Min Drive Time	United States
2011 Total Population	444,691	310,800,395
2021 Total Population	485,010	333,934,112
2026 Total Population	506,329	345,887,495
Historical Annual Growth Rate (2011-2021)	1.0%	0.8%
Projected Annual Growth Rate (2021-2026)	0.9%	0.7%

The population of the primary market is projected to grow by 0.9 percent annually over the next five years, which is higher than the United States as a whole, which is anticipated to grow at 0.7 percent.

The map to the right shows the population density of the primary market. As shown, downtown Chattanooga is the most densely populated area, along with areas east of the proposed stadium’s site. Because Chattanooga is home to the University of Tennessee at Chattanooga, approximately 11,000 students, the area enjoys a significant seasonal population boost during the fall and spring semesters.





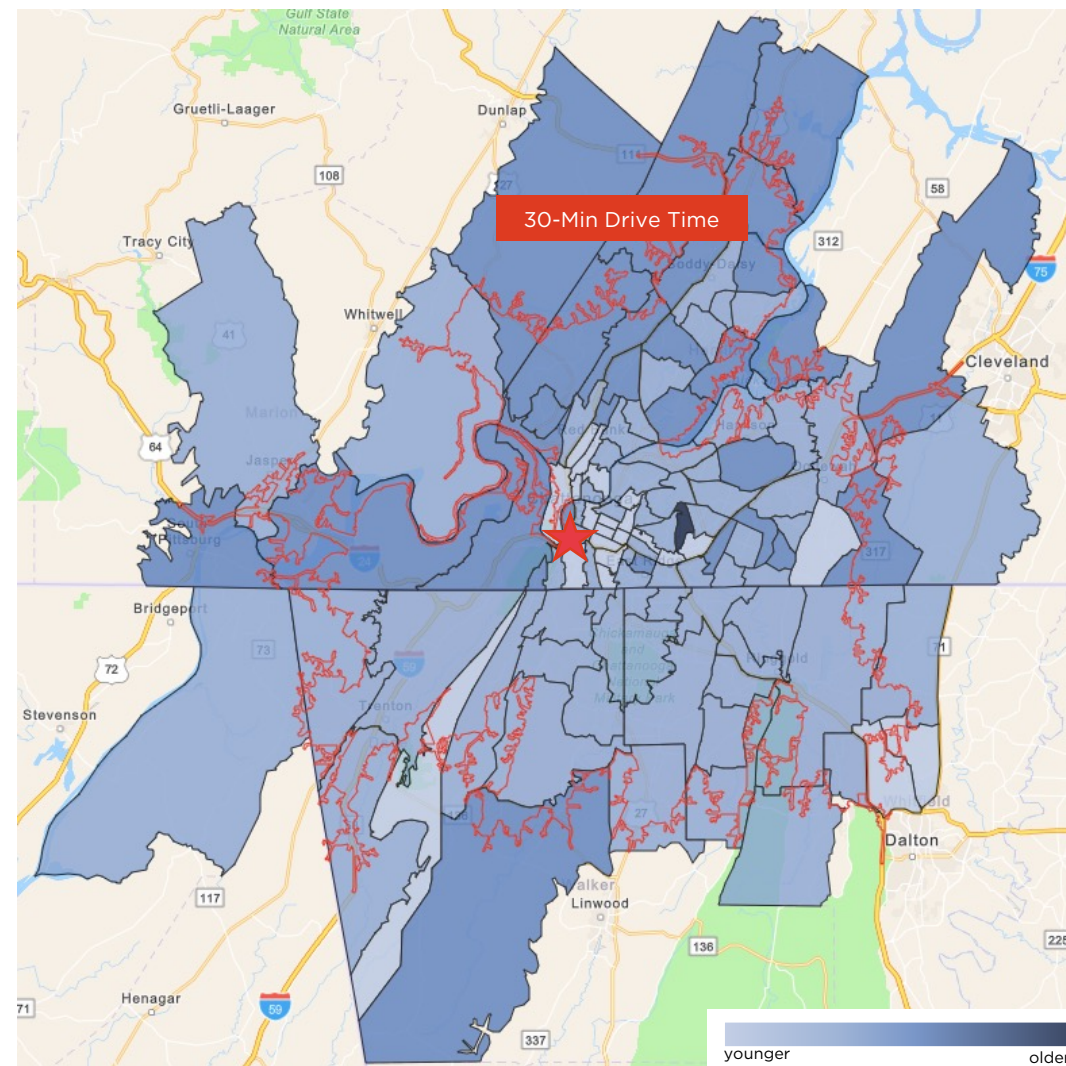
AGE

The age distribution of a market’s population can provide insight into the total base from which attendees will likely be drawn. The table below shows the ages of residents within the primary market compared to the United States as a whole.

Variable	Primary Market 30-Min Drive Time	United States
2021 Median Age	41.1	38.8
Age Distribution		
Under 15	16.9%	18.2%
15 to 24	12.0%	12.8%
25 to 34	13.3%	14.0%
35 to 44	12.7%	12.8%
45 to 54	12.3%	12.1%
55 to 64	13.5%	13.0%
65+	19.3%	17.3%

The median age of the primary market for a potential new stadium is 41.1, which is more than two years older than the national median age of 38.8. Typically, sports and entertainment events attract the largest number of patrons from a younger age range. In the primary market, 38.3 percent of residents are between the ages of 25 and 54, which is comparable to the national average of 38.8 percent.

The map to the right illustrates the median age distribution within the potential stadium’s primary market area. As shown, the downtown area of Chattanooga, adjacent to the proposed stadium site, trends younger than outlying areas.





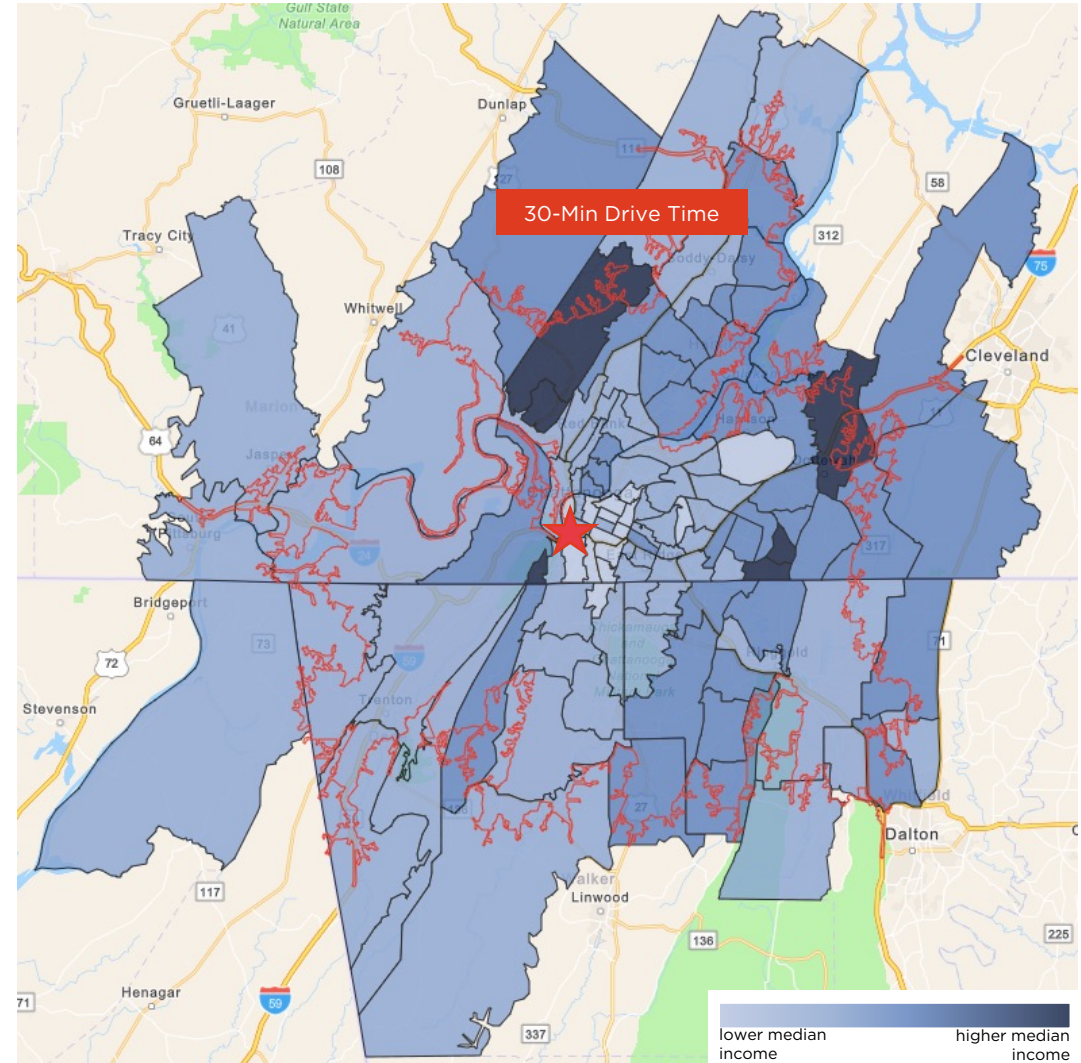
HOUSEHOLD INCOME

An important socioeconomic characteristic that provides insight into a market’s ability to support a venue through the purchase of tickets, food and beverages, merchandise, and parking is household income. The table below presents an overview of the income characteristics of residents within the primary market.

Variable	Primary Market 30-Min Drive Time	United States
2021 Median Household Income	\$55,635	\$64,730
Cost of Living	93.2	100.0
Adjusted Household Income	\$59,694	\$64,730
Income Distribution		
Less than \$25,000	20.3%	18.0%
\$25,000 to \$49,999	23.8%	20.3%
\$50,000 to \$74,999	19.3%	17.3%
\$75,000 to \$99,999	12.8%	12.8%
\$100,000 to \$149,999	13.4%	15.8%
\$150,000 or more	10.5%	15.7%

The median household income within the primary market is \$55,635, which is 14 percent lower than the national average of \$64,730. However, when adjusted for cost of living in Chattanooga, the median household income increases to \$59,694, which is eight percent lower than the country as a whole. Approximately 37 percent of households within the primary market have an annual income over \$75,000, which is seven percent less than the nation as a whole at 44 percent.

The map to the right shows the median household income distribution within the potential stadium’s primary market. As shown, areas directly southwest of downtown Chattanooga have the highest median household income in the area, while areas around downtown Chattanooga have the lowest. Additionally, pockets to the north and east near the edge of the primary market have higher median incomes.





CORPORATE BASE

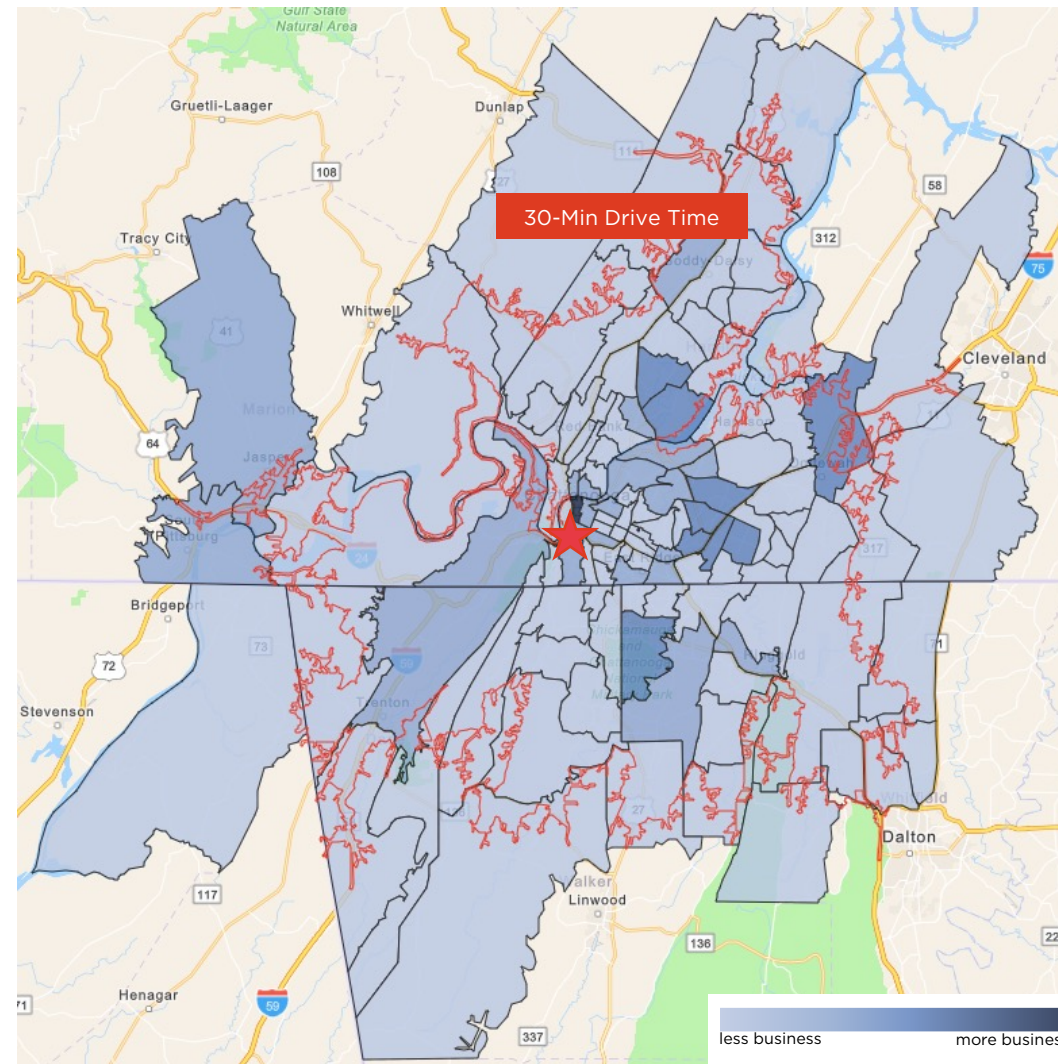
The corporate base within a market can play a crucial role in the success of a new stadium. Corporate support of live sports and entertainment venues includes the purchase of tickets and premium seating, advertising and sponsorship opportunities, and the hosting of private corporate events. The table below shows an overview of the number and size of corporations within the primary market.

Variable	Primary Market 30-Min Drive Time	United States
Corporate Base	4,633	2,550,929
Corporate Distribution by Income		
Less than \$1.0M	67.7%	63.9%
\$1.0M to \$4.9M	19.3%	21.7%
\$5.0M to \$9.9M	5.7%	6.0%
\$10.0 to \$49.9M	5.6%	6.3%
\$50.0M to \$99.9M	0.9%	0.9%
\$100.0M or More	1.0%	1.3%

Note: Corporate Base excludes corporations with less than 10 employees and certain industries such as religious, non-profit, membership, governmental, or educational organizations and private households.

Overall, there are approximately 4,600 companies within the primary market. This corporate base has a high concentration of companies with income less than \$1.0 million and overall has a similar income distribution of companies compared to the United States as a whole. The potential Stadium provides corporations of all sizes the opportunity to have a presence, including the purchase of premium or general seating or partnerships including naming rights, founding partnerships, signage, program ads, and ticket backs, among others.

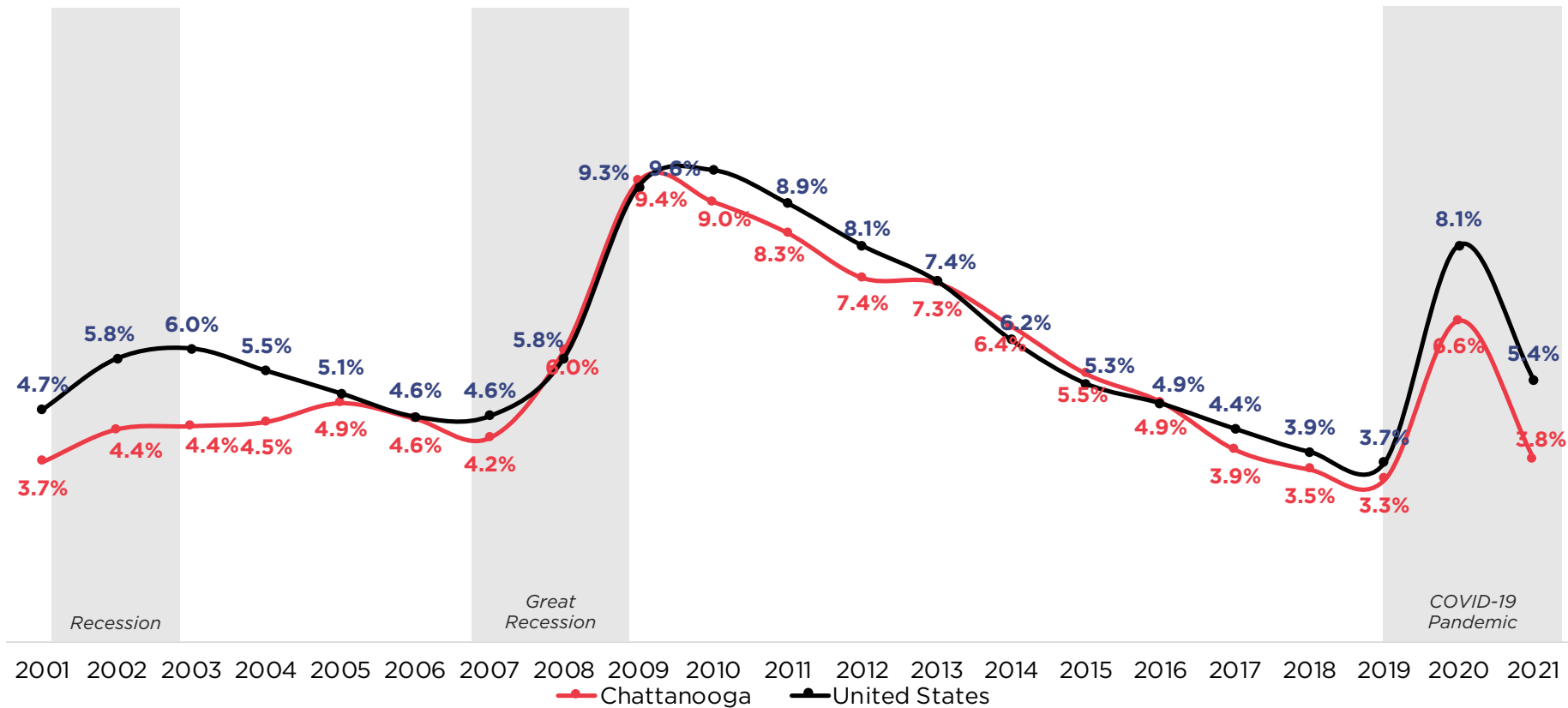
The map to the right shows the distribution of corporations within the primary market. As shown, downtown and the surrounding area has the highest concentration of businesses.





EMPLOYMENT

A market's unemployment rate is an indicator of the relative strength of the local economy. The chart below provides an overview of the historical unemployment rate in the Chattanooga market area over the past 20 years compared to the United States as a whole. As shown, Chattanooga's unemployment rate has consistently been lower than or equal to the national average, including following the economic fallout of the 2007-2009 Great Recession, as well as the COVID-19 pandemic, indicating that Chattanooga and outlying areas have relatively healthy local economies. The area is provided with additional economic stability with the presence of a large economic engine such as the University of Tennessee at Chattanooga.



Source: Bureau of Labor Statistics.

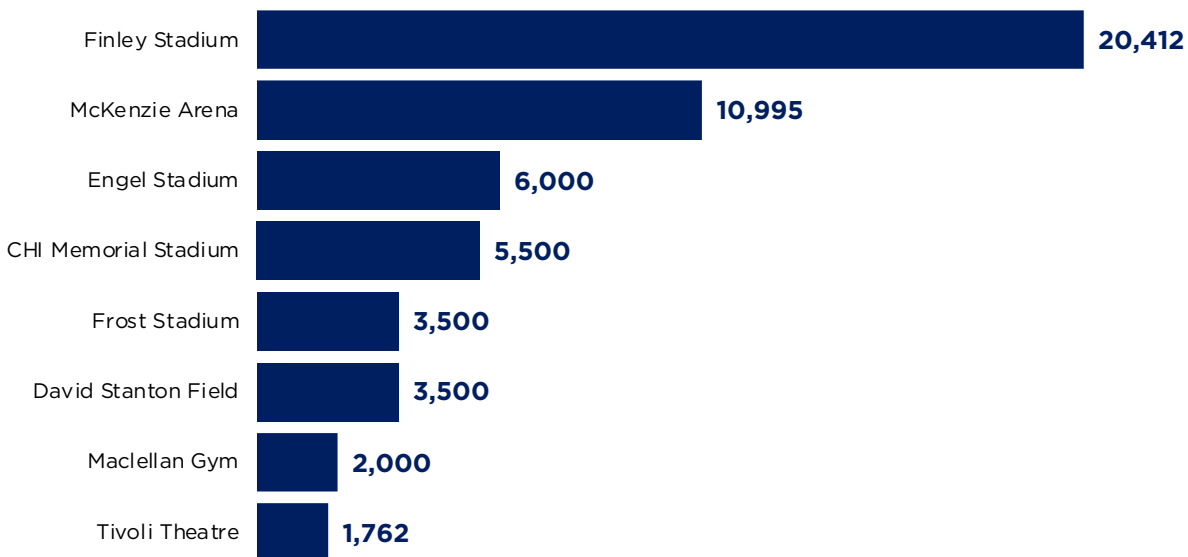


MARKET COMPETITION

The operations of a potential new Stadium will be affected, to some degree, by the number and type of local facilities that could compete for the limited supply of events, participants, spectators, attendees, and sponsorship dollars within the marketplace. Within the Chattanooga area, major stadiums or arenas include Finley Stadium (20,412 capacity), home of University of Tennessee at Chattanooga football, McKenzie Arena (10,995 capacity), home of University of Tennessee at Chattanooga men’s and women’s basketball, and CHI Memorial Stadium (5,500 capacity), home of Chattanooga Red Wolves SC of the United Soccer League.

The chart below shows all the current venues and capacities within a 30-minute drive time of the potential stadium site with a capacity of at least 1,500, which are venues most likely to compete with a potential new ballpark for third-party events.

Active Chattanooga Venues





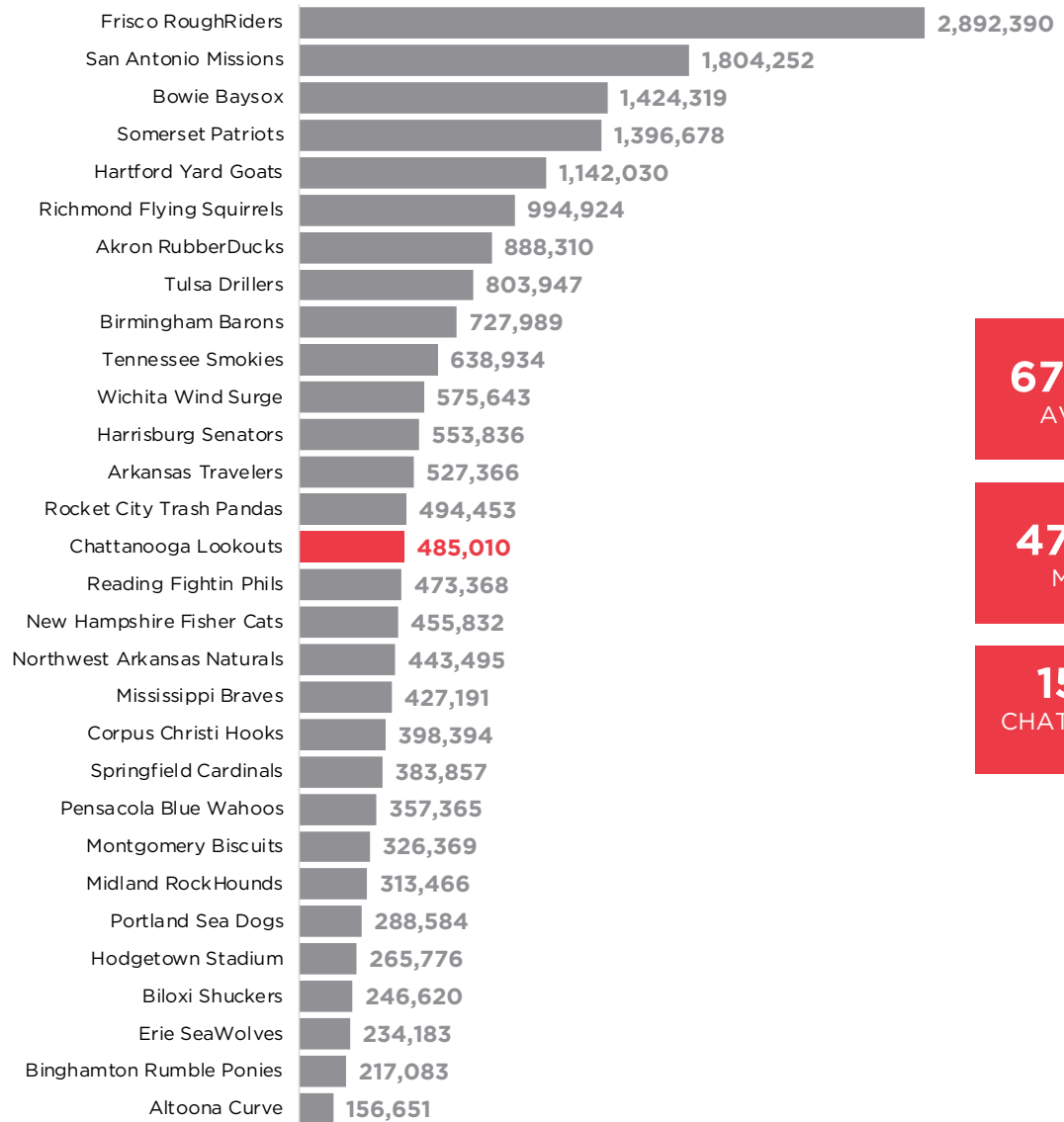
DOUBLE-A MARKET COMPARISON

POPULATION

To gain an understanding of the relative strength of the primary market, it is useful to compare the area to various demographic and socioeconomic characteristics among other markets that currently support Double-A franchises.

The level of population from which the Stadium will draw spectators can impact the events and attendance attracted to the facility. The chart on the right shows the total market population (30-minute drive time) for all Double-A markets.

The primary market's population of approximately 485,000 ranks 15th among Double-A franchises and is approximately 28 percent below the league average of approximately 678,000, but above the median of approximately 479,189. Populations among Double-A markets range from a low of approximately 157,000 in Altoona, Pennsylvania (Altoona Curve) to approximately 2.9 million in Frisco, Texas (Frisco RoughRiders).



677,944
AVERAGE

479,189
MEDIAN

15 of 30
CHATTANOOGA RANK

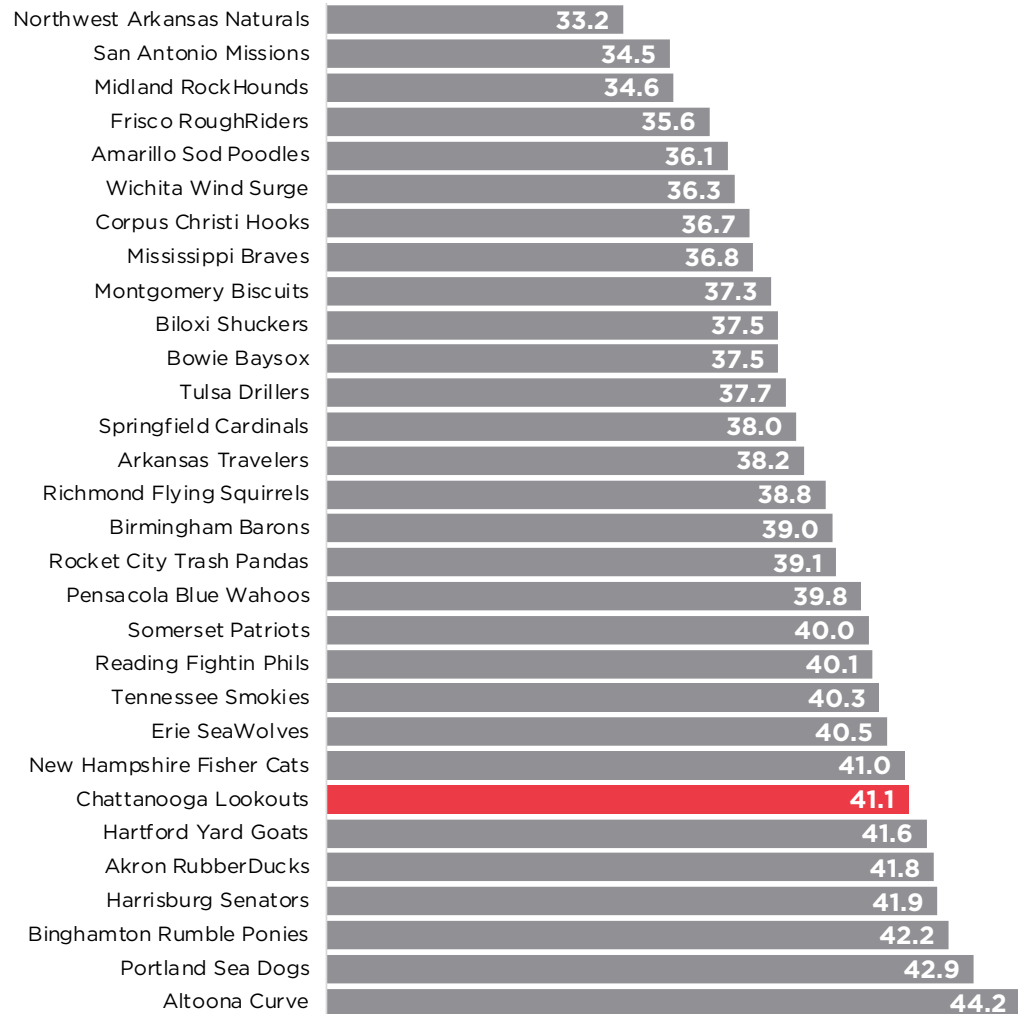


DOUBLE-A MARKET COMPARISON

MEDIAN AGE

The median age of a population informs the total base from which to draw attendees to the various sports and entertainment events that will be hosted at a new Stadium and can also serve to influence the type of programming offered at the stadium.

The median age for residents in the Chattanooga area is 41.1, ranking 24th youngest among Double-A markets, and slightly above the league average of 38.8. The median age of residents in Double-A markets ranges from a low of 33.2 years in Springdale, Arkansas (Northwest Arkansas Naturals) to a high of 44.2 years old in Altoona, Pennsylvania (Altoona Curve).



38.8
AVERAGE

38.9
MEDIAN

24 of 30
CHATTANOOGA
RANK



DOUBLE-A MARKET COMPARISON

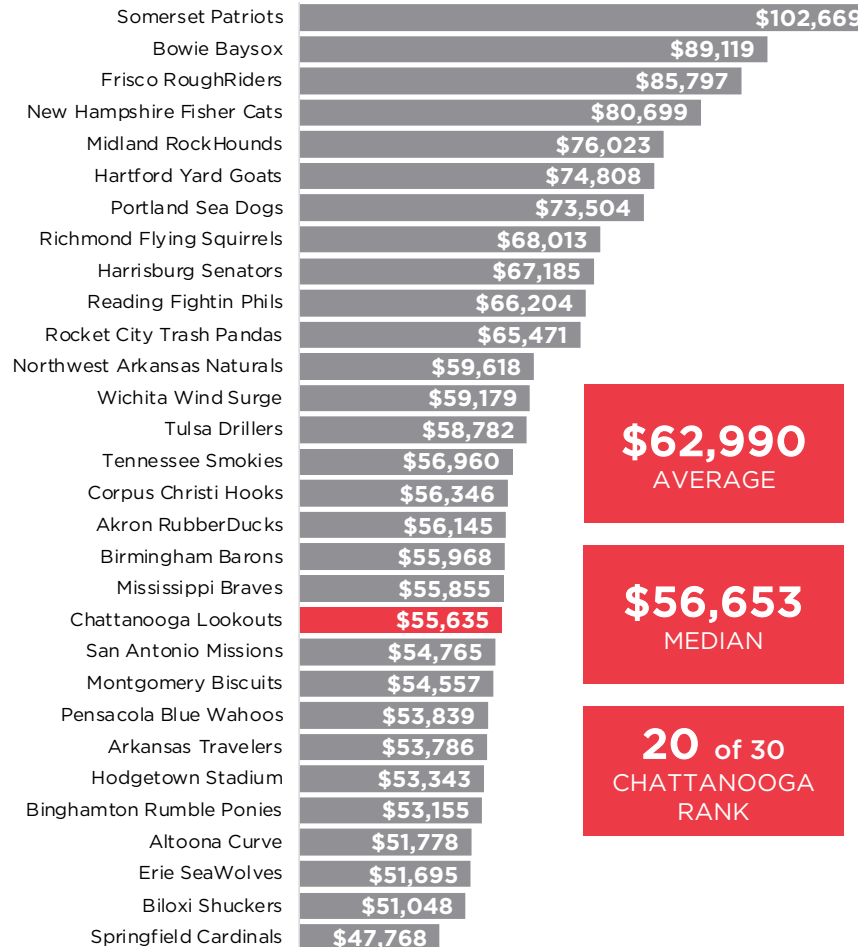
HOUSEHOLD INCOME

A market's ability to allocate discretionary income to purchase tickets, concessions, merchandise, and other items at a new Stadium is contingent upon the income of its residents. The charts to the right present the median household income and adjusted median income among Double-A markets.

The primary market has the 20th highest median household income (\$55,635) among Double-A markets, which is 12 percent below the league average (\$62,990) but comparable to the league median (\$56,653).

When adjusted for cost of living, the primary market ranks 18th (\$59,694), which is six percent below the league average (\$63,593).

Median Household Income

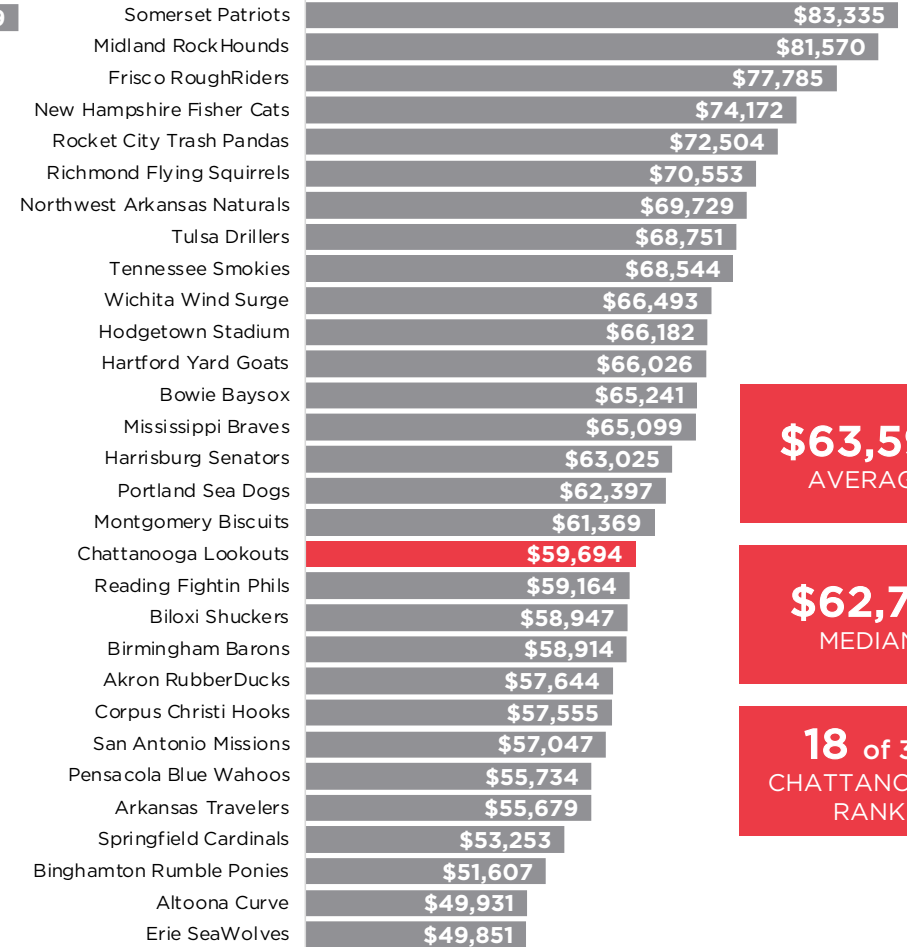


\$62,990
AVERAGE

\$56,653
MEDIAN

20 of 30
CHATTANOOGA
RANK

Adjusted Median Household Income



\$63,593
AVERAGE

\$62,711
MEDIAN

18 of 30
CHATTANOOGA
RANK



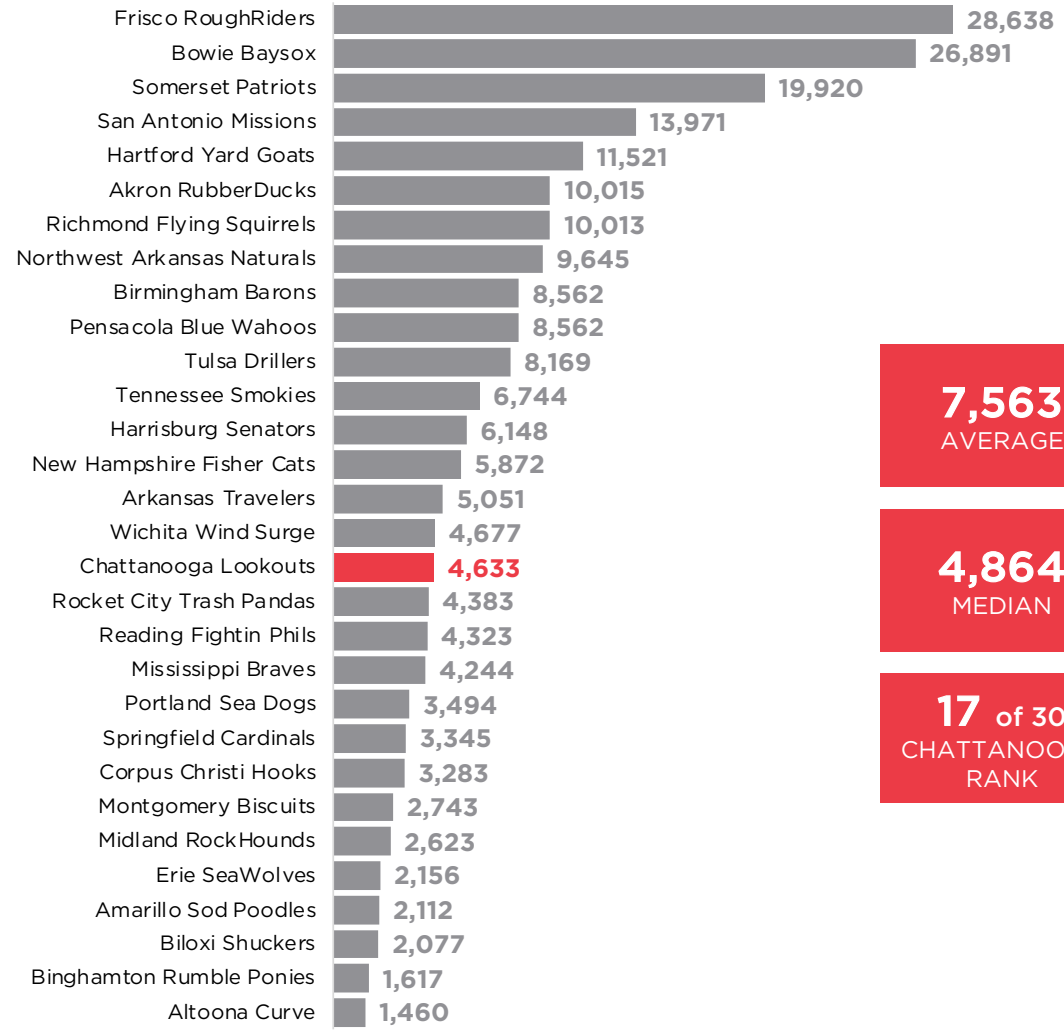
DOUBLE-A MARKET COMPARISON

CORPORATE BASE

The corporate inventory in a market can serve as an indicator of potential support for a new facility through sponsorship, premium seating, and season ticket sales. The table to the right summarizes the corporate inventories of Double-A baseball markets.

The primary market in Chattanooga has approximately 4,600 corporations with at least 10 employees. The corporations that fit this criteria exclude industries that are unlikely to purchase tickets and premium opportunities, such as education organizations, government entities, membership, religious, non-profit organizations, and private households.

The primary market's corporate base ranks 17th among Double-A markets and is approximately 39 percent lower than the comparable average of 7,563, but comparable to the league median of 4,864. The corporate base among Double-A markets ranges from a low of 1,460 in Altoona, Pennsylvania (Altoona Curve) to a high of 28,638 in Frisco (Frisco Roughriders).



7,563
AVERAGE

4,864
MEDIAN

17 of 30
CHATTANOOGA RANK

Note: Corporate Base excludes corporations with less than 10 employees and certain industries such as religious, non-profit, membership, governmental, or educational organizations and private households.



KEY TAKEAWAYS

The following are key takeaways from an analysis of local market conditions:



GROWING POPULATION BASE

The primary market population is forecasted to grow at a faster rate than the nation as a whole



OLDER AGE POPULATION

Both Chattanooga's median age and percentage of the population aged 65+ is higher than the nation as a whole



STEADY ECONOMIC BASE

Chattanooga's strong corporate base and lower-than-average unemployment rate are bolstered by the presence of the University of Tennessee Chattanooga



LOWER-THAN-AVERAGE INCOME

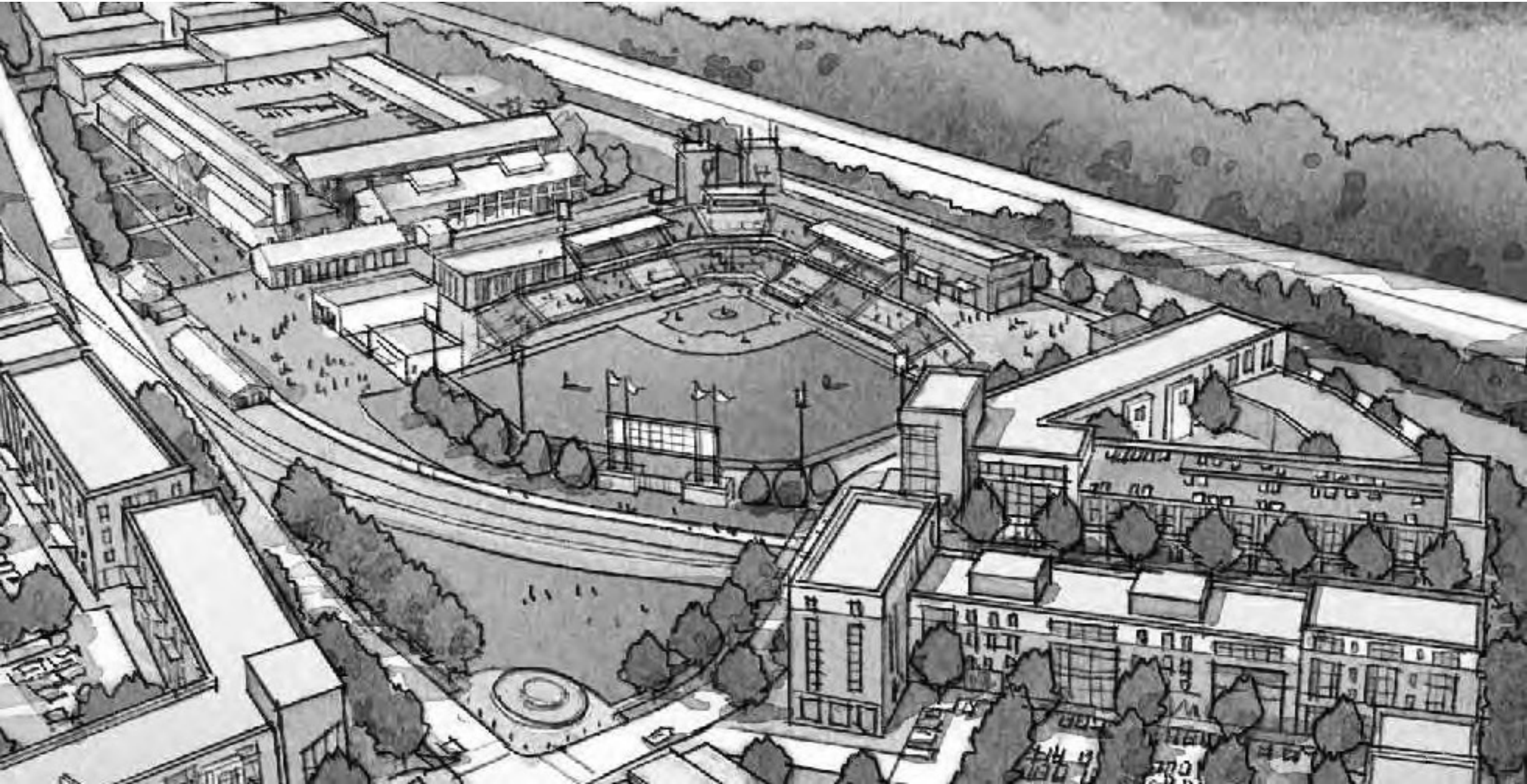
The primary market has lower-than-average median household income relative to the national average, which will require ticket pricing to be reflective of the market characteristics to attract attendees to games and events hosted at the new Multi-Use Stadium



DOUBLE-A MARKET CONDITIONS

The Chattanooga market has an average rank of 18 among Double-A markets when comparing a variety of demographic characteristics

4. COMPARABLE STADIUM REVIEW





IDENTIFIED COMPARABLE STADIUMS

Operations of the 30 existing Double-A teams, as reviewed in the preceding section, provide a useful basis from which to evaluate proposed Stadium operations. To provide more granular operational context, however, it is important to assess the operations of the Double-A stadiums most comparable to the proposed Stadium. Identified comparable stadiums, including the Tennessee Smokies' New Downtown Stadium, the Wichita Wind Surge's Riverfront Stadium, the Rocket City Trash Pandas' Toyota Field, the Amarillo Sodpoodles' Hodgetown Stadium, the Birmingham Barons' Regions Field and the Pensacola Blue Wahoos' Admiral Fetterman Field, were identified through the following stadium filtering process:



9

Double-A Ballparks Opened Since 2010



9

Built in Downtown Locations or Anchor Larger Mixed-Use Developments



6

Within Comparably-Sized or Comparably-Located Markets

Team	Market	Stadium	Year Opened	Location	Mixed-Use Development	30-Minute Drive Time Population
Tennessee Smokies	Knoxville, TN	New Downtown Stadium	2025	Downtown	Yes	638,934
Chattanooga Lookouts	Chattanooga, TN	Chattanooga Multi-Use Stadium	2023	Downtown	Yes	485,010
Wichita Wind Surge	Wichita, KS	Riverfront Stadium	2021	Downtown	Yes	575,643
Rocket City Trash Pandas	Huntsville, AL	Toyota Field	2020	Suburban	Yes	494,453
Amarillo Sodpoodles	Amarillo, TX	Hodgetown Stadium	2019	Downtown	Yes	265,776
Hartford Yard Goats	Hartford, CT	Dunkin Donuts Park	2017	Downtown	No	1,139,007
Biloxi Shuckers	Biloxi, MS	MGM Park	2015	Downtown	No	246,620
Birmingham Barons	Birmingham, AL	Regions Field	2013	Downtown	Yes	727,989
Pensacola Blue Wahoos	Pensacola, FL	Admiral Fetterman Field	2012	Downtown	No	356,906
Tulsa Drillers	Tulsa, OK	Oneok Field	2010	Downtown	Yes	803,947
Northwest Arkansas Naturals	Springdale, AR	Arvest Ballpark	2008			
Arkansas Travelers	Little Rock, AR	Dickey-Stephens Park	2007			
New Hampshire Fisher Cats	Manchester, NH	Northeast Delta Dental Stadium	2005			
Corpus Christi Hooks	Corpus Christi, TX	Whataburger Field	2005			
Mississippi Braves	Jackson, MS	Trustmark Park	2004			
Springfield Cardinals	Springfield, MO	Hammons Field	2004			
Montgomery Biscuits	Montgomery, AL	Montgomery Riverwalk Stadium	2004			
Frisco Roughriders	Frisco, TX	Riders Field	2003			
Midland Rockhounds	Midland, TX	Momentum Bank Ballpark	2002			
Somerset Patriots	Bridgewater, NJ	TD Bank Ballpark	1999			
Altoona Curve	Altoona, PA	People's Natural Gas Field	1999			
Akron Rubber Ducks	Akron, OH	Canal Park	1997			
Erie Sea Wolves	Erie, Pennsylvania	UPMC Park	1995			
San Antonio Missions	San Antonio, TX	Nelson Wolff Municipal Stadium	1994			
Bowie Baysox	Bowie, MD	Prince George's Stadium	1994			
Portland Sea Dogs	Portland, ME	Hadlock Field	1994			
Binghamton Rumble Ponies	Binghamton, NY	Mirabito Stadium	1992			
Harrisburg Senators	Harrisburg, PA	FNB Field	1987			
Richmond Flying Squirrels	Richmond, VA	The Diamond	1985			
Reading Fightin Phils	Reading, PA	FirstEnergy Stadium	1951			

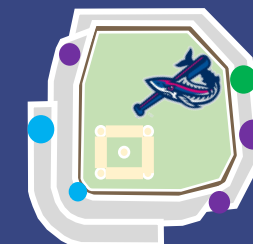
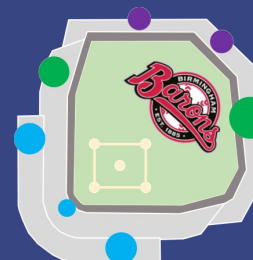
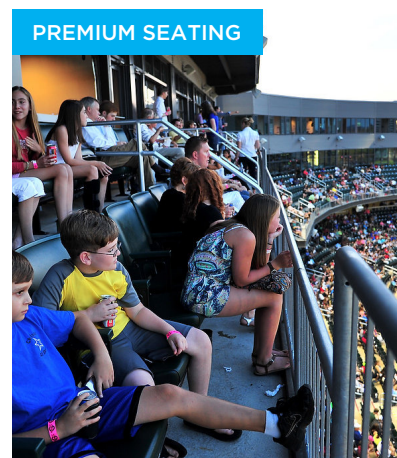
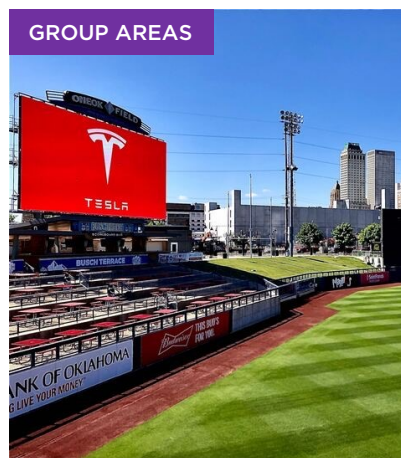
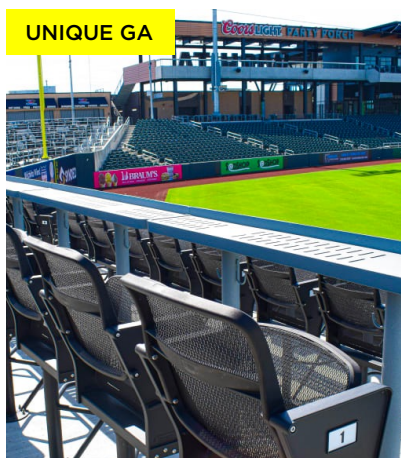
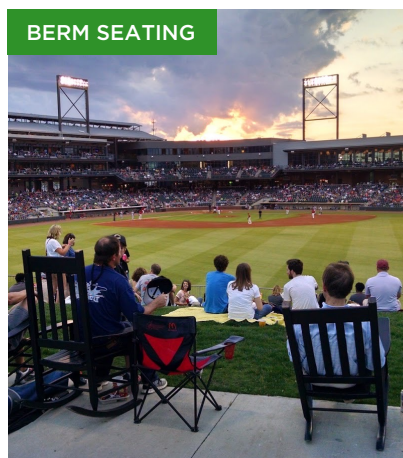
IDENTIFIED COMPARABLES



STADIUM BUILDING PROGRAMS

Comparable stadiums required significant investment relative to the Double-A stadium average (\$51 million compared to \$28 million), providing for the construction of diverse seating products with state-of-the-art amenities. A review of comparable stadium building program elements, including diversity in product offerings, is provided in the table below.

	Stadium Cost (\$M)	Total Capacity	Berm Capacity	Unique GA		Group Areas			Premium Seating		
				Ledge Seats	Picnic Tables	Party Suites	Party Decks	Party Patios	Club Seats	Loge Boxes	Luxury Suites
Riverfront Stadium	\$75	10,000	3,500	Yes	Yes	2	1	2	250	26	12
Toyota Field	\$46	7,500	2,500	Yes	Yes	4	1	2	442	44	15
Hodgetown Stadium	\$46	7,000	2,362	No	Yes	4	1	1	200	--	26
Regions Field	\$64	8,500	2,250	No	Yes	2	2	3	520	--	23
Admiral Fetterman Field	\$24	5,038	1,500	No	Yes	--	3	--	374	--	--
Average	\$51	7,608	2,422	No	Yes	3	2	2	357	35	19



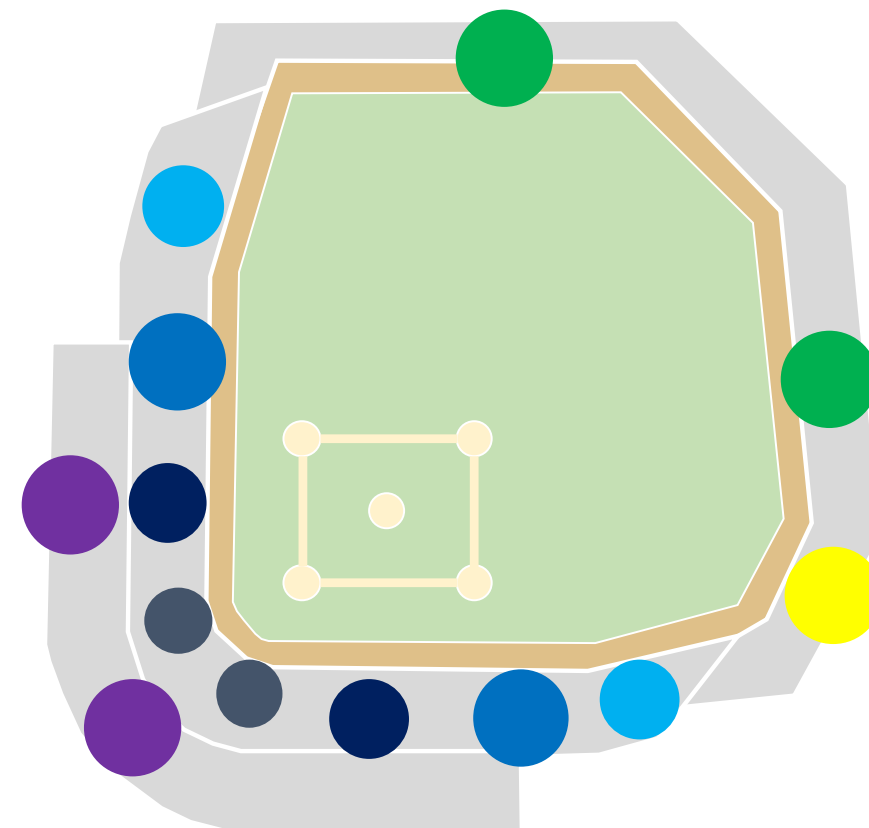


TICKET PRICING

The diversity in comparable stadium product offerings as outlined on the previous page provides for the segmentation of seating price points such that diverse market segments can be accommodated within the venue. The table below details price points for various seating areas within comparable facilities.

General Seating Annual Prices:		Wichita Wind Surge	Rocket City Trash Pandas	Amarillo Sod Poodles	Birmingham Barons	Pensacola Blue Wahoos	Average
	Berm	\$660	\$480	\$360	\$600	\$600	\$540
	Baseline Box	\$980	\$1,120	\$700	\$550	\$630	\$796
	Field Reserved	\$980	\$1,120	\$840	\$550	\$770	\$852
	Dugout Premium	\$980	\$1,120	\$980	\$750	\$770	\$920
	Batters Box	\$980	\$1,120	\$1,260	\$650	\$770	\$956
	Premium Rail Seats	\$1,400	\$1,400	--	--	--	\$1,400
Premium Seating Annual Prices:		Wind Surge	Trash Pandas	Sod Poodles	Barons	Blue Wahoos	Average
	Club Seats	\$3,500	\$1,750	\$1,750	\$1,600	\$2,500	\$2,220
	Loge Tables	\$12,000	\$4,284	--	--	--	\$8,142
	Luxury Suites	\$53,000	\$65,000	\$60,000	\$35,000	--	\$53,250

As shown, general seating can range in price from \$360 to \$1,540 annually. Premium seating, often sold on a seasonal basis, ranges in price from \$1,600 for club seats, to \$12,000 for loge tables (or \$3,000 per seat for a four-person table), to \$65,000 for luxury suites (or \$3,250 per seat for a 20-person suite).





REGULAR SEASON AVERAGE ATTENDANCE

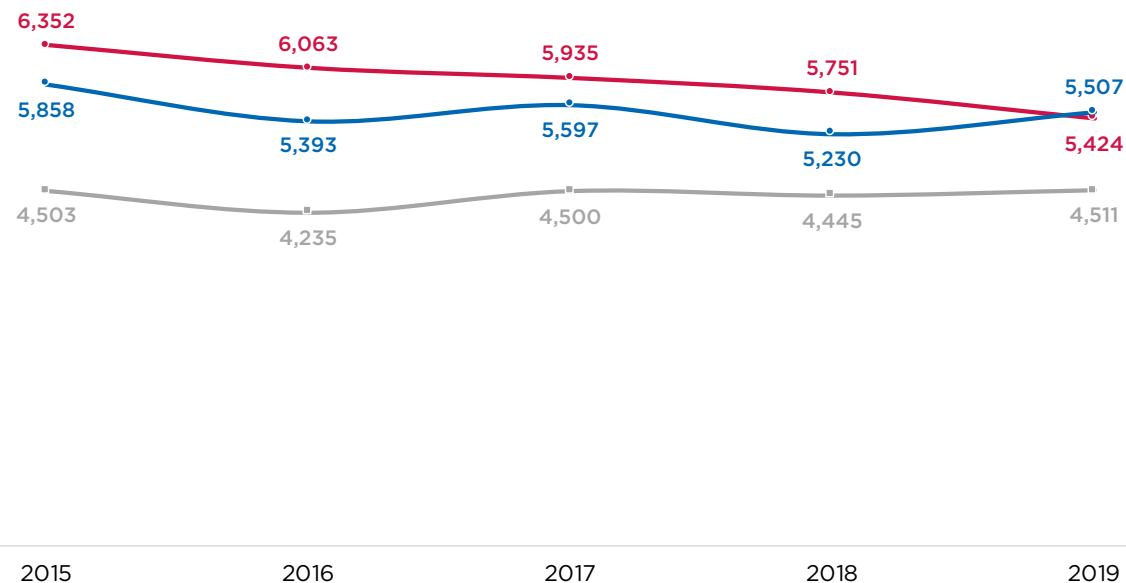
Attendance at comparable stadiums is an important indicator of potential demand for the proposed Stadium. As visualized in the chart on the right, reported average attendance for the Birmingham Barons and Tulsa Drillers over the past five non-COVID-impacted seasons has remained materially above the average for Double-A baseball as a whole.

It should be noted that data for the Wichita Wind Surge is not available as Riverfront Stadium did not open until 2021. Similarly, the Rocket City Trash Pandas did not begin play at Toyota Field until the 2021 season; through 30 games, the team reported average attendance of 6,088. After the Sod Poodles moved to Amarillo in 2019, the team averaged 6,291 reported attendees.

It is also useful to understand the attendance impact teams have seen from moving into new, comparable facilities. The chart below compares average attendance for Drillers and Barons home games for the three seasons preceding and following the teams' moves into new downtown stadiums:

	Tulsa Drillers	Birmingham Barons
Old Stadium Average Attendance (3 seasons prior to move)	4,525	3,677
New Stadium Average Attendance (3 seasons following move)	5,632	6,091
% Average Attendance Change	24%	66%

As shown, average attendance in their new stadiums increased by 24 percent in Tulsa and 66 percent in Birmingham.



5,905
5-Year Average



5,517
5-Year Average



4,439
5-Year Average



STADIUM NAMING RIGHTS

Naming rights fees for comparable stadiums range from \$250,000 (ONEOK Field - Tulsa Drillers) to \$500,000 (Regions Field - Birmingham Barons) annually, as detailed in the images on the right. These fees are higher than the Double-A average of approximately \$222,000 per annum, aided in part by the visibility provided by the facilities' downtown locations and the newness of the stadiums within their respective markets.

It should be noted that, while Wichita's Riverfront Stadium has yet to secure a naming rights partner, the Wind Surge's lease agreement with the city requires a flat annual naming rights fee revenue share of \$250,000.

The Rocket City Trash Pandas secured Toyota as their stadium naming rights partner in 2019; details of the agreement were not disclosed.



ONEOK | NATURAL GAS | 20 YEARS | \$250,000 | \$5M



REGIONS | BANKING | 20 YEARS | \$500,000 | \$10M



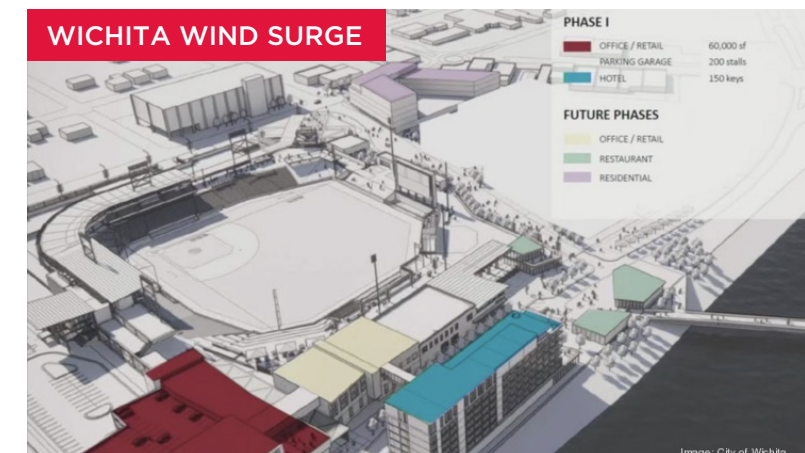
MIXED-USE DEVELOPMENT

Mixed-use development has been an integral part of six out of the last nine Double-A ballparks built. A baseball stadium is a large landmark which attracts hundreds of thousands of visitors each year, and an ideal centerpiece of a mixed-use development district. A significant reason all recent Double-A ballparks have received significant public funding is because of the economic activity that can result in a mixed-use development surrounding the stadium. A review of the mixed-use developments around Double-A ballparks is detailed in the following pages.

The mixed-use development plan next to the Tennessee Smokies new ballpark is expected to be driven by \$142 million in private investments. There will be restaurants, retail and office space, and residential buildings on the 630,000 square foot site, which represents a fraction of the total developable space on the site (530 acres).



Riverfront Stadium, the home of the Wichita Wind Surge, will be surrounded by a 500,000 square foot mixed-use development space. Phase one, which will total \$65 million in development is approved and will include a six-story office/retail space, an eight-story, 150 room hotel, and a 200-stall parking garage. Future phases plan to include more office/retail space, the National Baseball Conference Museum, restaurants, and residential apartments for a total mixed-use development cost of \$127 million.





MIXED-USE DEVELOPMENT

The Rocket City Trash Pandas stadium, Toyota Field, is located in Madison, AL a suburb of Huntsville, AL. The ballpark was the centerpiece of a planned "live, work, play" community on 530 acres of land. There has been \$300 million of mixed-use development approved that includes hotels, residential buildings, retail/office buildings, restaurants, and parking to total 1.7 million square feet, which represents a fraction of the total developable space on the site (530 acres)



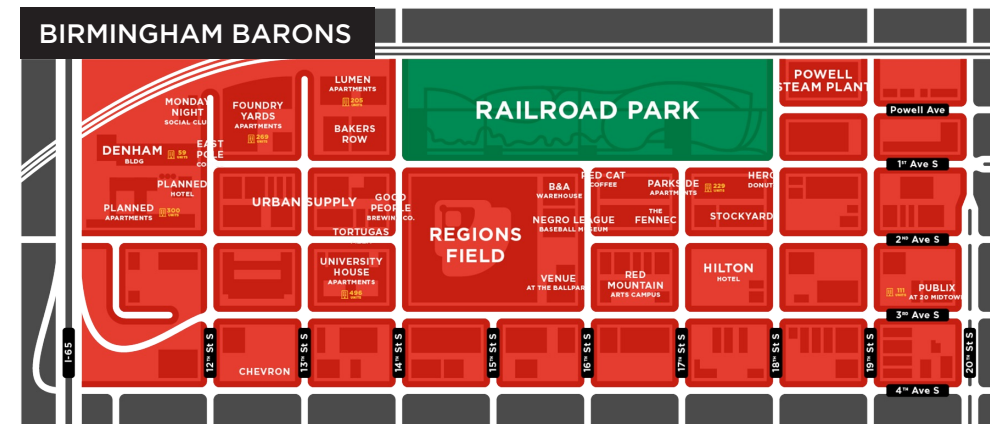
Hodgetown, the new home of the Amarillo Sod Poodles is located in downtown Amarillo. With the approval of the stadium, there planned to be residential apartments and retail/office space surrounding the stadium, but no development plans have been approved thus far.





MIXED-USE DEVELOPMENT

The Birmingham Baron's new ballpark, Regions Field, was part of a \$375 million master plan of development in the Parkside District of downtown Birmingham, AL. The master plan includes approximately 1 million square feet of retail/office space and 800 new multi-family housing units, as well as the Negro Southern League Museum. Since construction of the development, it is estimated that the development has exceeded the \$375 million initial estimate.



ONEOK Field, the home of the Tulsa Drillers, was built in 2010 and deemed critical to the development of downtown Tulsa. Within three years of the ballparks construction the city of Tulsa had announced projects totaling \$710 million including a \$100 million mixed-use project with office buildings and a parking garage, a \$30 million project to transform an office building into residential apartments, office, and retail space, \$25 million to convert the old Tulsa City Hall into a hotel and meeting space, and \$18 million to convert an old warehouse into a museum and education/art center.





THIRD-PARTY EVENTS

In addition to approximately 70 regular season Double-A home games per year, comparable stadiums host a variety of third-party events annually. Select events include:

SECONDARY TENANT



GIRL SCOUT CAMPING



BANQUETS



WATCH PARTIES



CONCERTS



WEDDING RECEPTIONS



AMATEUR TOURNAMENTS



GRADUATIONS



Comparable ballparks can host upwards of 200 events annually, ranging from 20-person birthday parties to major nationally-touring concerts. It is also not uncommon for baseball and soccer to co-exist in Double-A stadiums, with the Tulsa Drillers sharing Oneok Field with the USLC FC Tulsa, among others.



KEY TAKEAWAYS

The following are key takeaways from this review of identified comparable stadiums:



SIGNIFICANT INVESTMENT REQUIRED TO DRIVE DIVERSE OFFERINGS

The average construction cost of comparable stadiums was \$45 million (compared to the Double-A average of \$28 million)



DIVERSE SEATING OFFERINGS ATTRACT DIVERSE MARKET SEGMENTS

General seat offerings range in price from \$630 to \$1,400 annually, while premium offerings can range from \$1,750 to \$12,000 annually



BALLPARK CENTERPIECE OF MIXED-USE DEVELOPMENT

Six of the past nine Double-A ballparks have included plans for mixed-use development surrounding the stadium



HIGHER ATTENDANCE RELATIVE TO DOUBLE-A AVERAGE

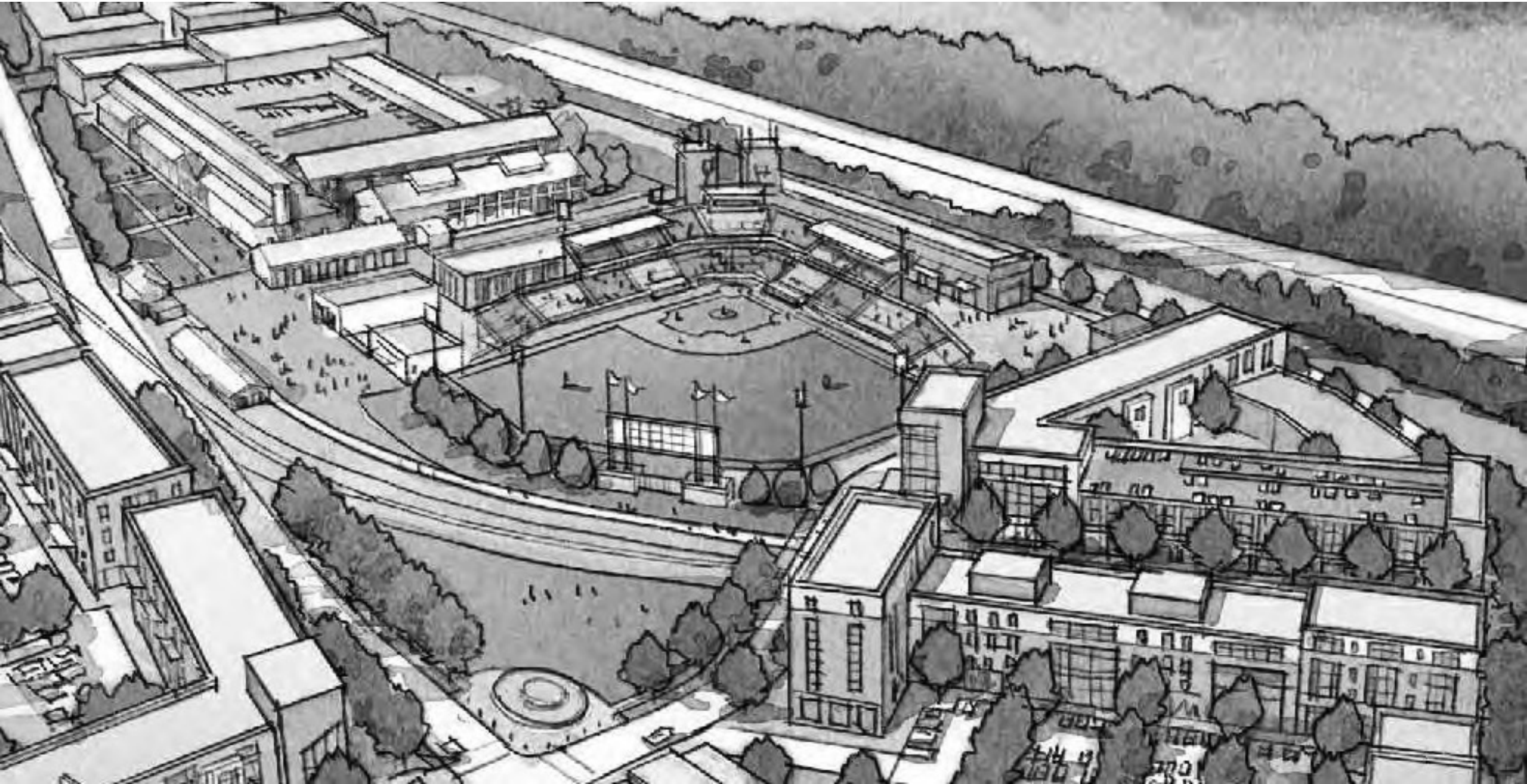
Comparable stadiums averaged 5,500 to 5,900 reported attendees, compared to 4,400 in Double-A from 2015 to 2019



EVENT POTENTIAL BEYOND DOUBLE-A SEASON

Comparable facilities can host upwards of 200 events annually, ranging from birthday parties to concerts

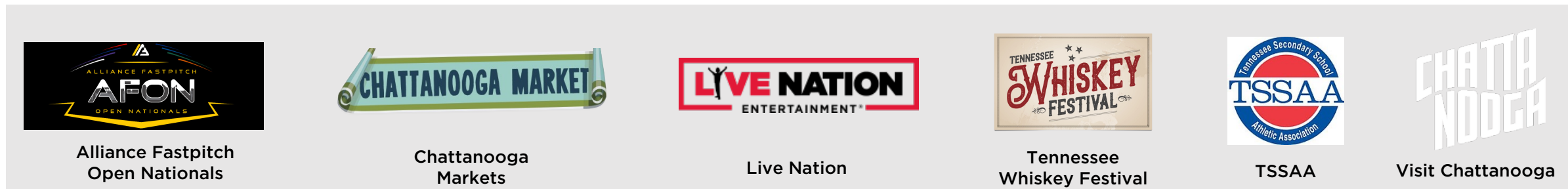
5. USER INTERVIEWS





KEY FEEDBACK

To better understand the event potential for and other information related to the new Stadium, CSL held conversations with potential Stadium users, as shown in the graphic below. Key feedback related to the event potential of the Stadium and other key pieces of information related to building program and market demand is shown below.



Key feedback related to the event potential of the Stadium and other key pieces of information related to building program and market demand is shown below.

Market Potential:

- Local constituents noted there is a niche for a mid-size outdoor venue in the greater Chattanooga market. Currently, there is a gap between the University of Chattanooga's Finley Stadium (20,412 capacity), McKenzie Arena (10,995), and Tivoli Theatre (1,762).
- Concert promoters indicated that there is currently little activity in the Chattanooga market due to the lack of a dedicated concert venue, such as an outdoor amphitheater. Without an outdoor amphitheater, there is little competition for a new downtown Stadium to host concerts, however concerts are generally expensive to host in ballparks and promoters are reluctant to do so because of the small profits.
- With over 1,800 non-profit organizations, the Chattanooga market hosts an extensive amount community events. According to local representatives there is great opportunity to host a wide variety of events at the proposed Stadium ranging from fundraisers, gala's, festivals, picnics, and more.
- In terms of youth sports, Chattanooga is one of the largest markets for softball in the country. Tournaments of over 500 teams are held in the Chattanooga market, and local representatives are attempting to start a professional softball team in the city. Currently, opening ceremonies and large exhibition games are held at Frost Stadium but the venue will soon become too small for opening ceremonies giving a new Stadium great potential to host opening ceremonies, championship games, and exhibition games for large tournaments.
- The City of Chattanooga indicated that a new Stadium would present a great opportunity to host NCAA postseason baseball conference tournaments. The city has hosted the Gulf South tournament in the past but did not have a large enough facility to accommodate an event such as the SEC tournament.



KEY FEEDBACK

Building Program:

- All local representatives expressed the importance of the venue to be flexible in nature in order to host a wide variety of events. Key components in flexibility could include a turf field (depending on tenant preferences), ample ancillary space, extra visiting locker rooms, direct access to the field for loading trucks through a gate in the outfield, and additional support structure under a stage.
- Softball representatives indicated that the baseball field will need to be able to be sized down in order to host softball exhibition and championship games. Sizing down the baseball field will require the removal of the pitcher's mound and the installation of a temporary outfield fence.
- Concert promoters indicated that a ballpark would need to have a capacity for concerts of at least 12,000 in order to be a viable venue. In order to reach a concert capacity promoters indicated the ballpark capacity can typically double by utilizing the field for seating.

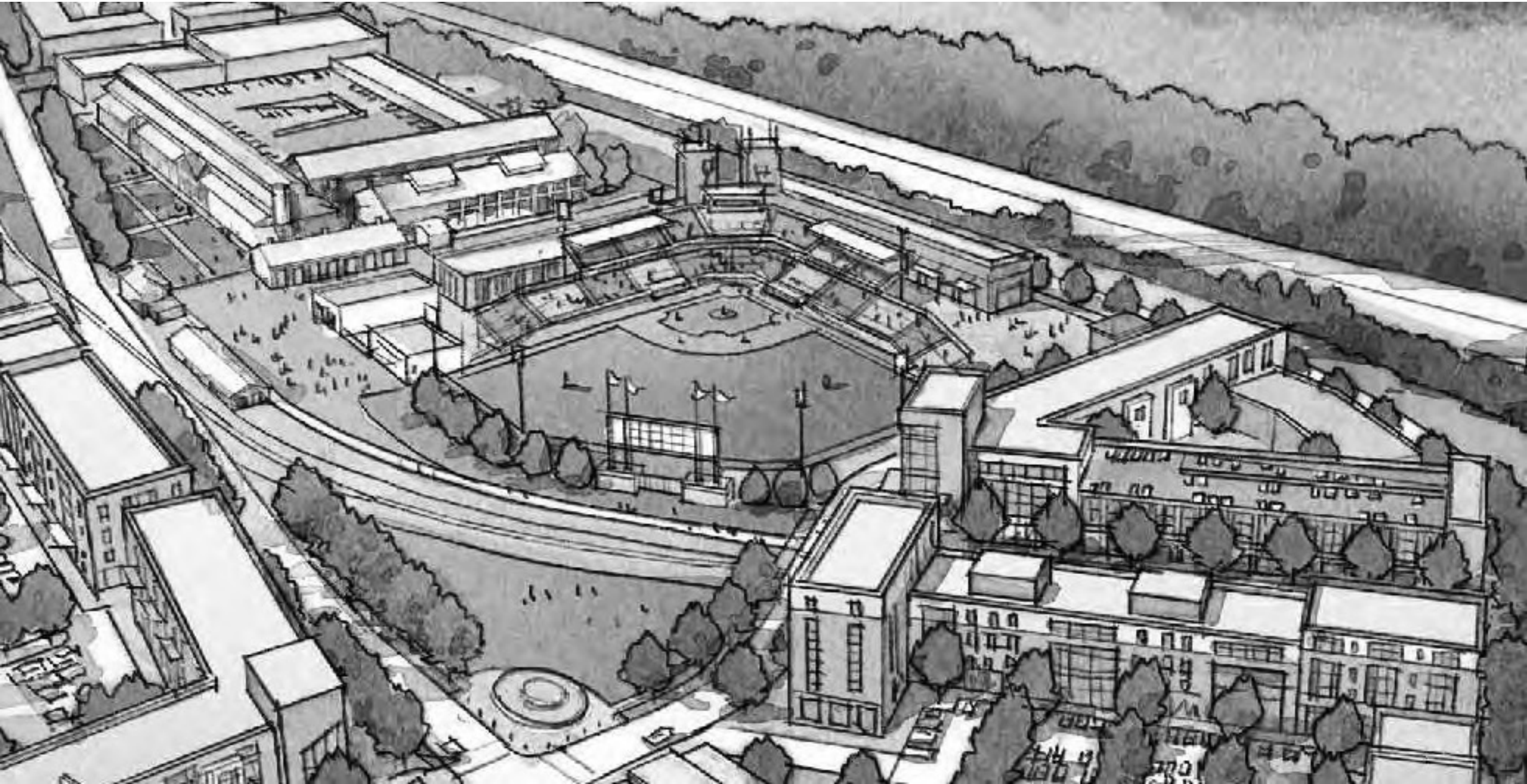
Summary:

Based on the feedback from local and regional event promoters, the following chart depicts the estimated event utilization for the proposed Stadium.

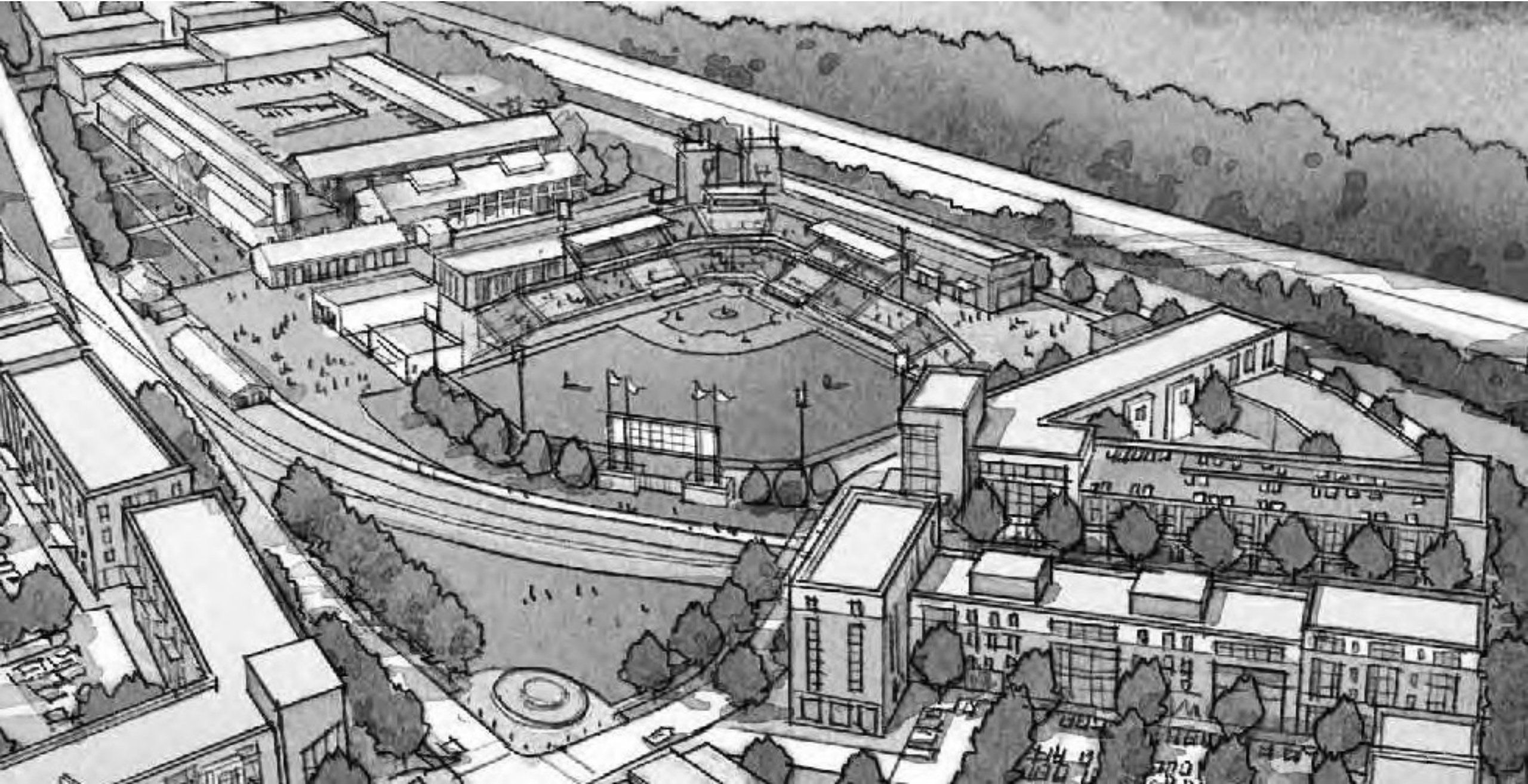
SUMMARY OF EVENT UTILIZATION			
Event Type	Number of Events	Average Attendance	Total Attendance
Concerts	3	10,000	30,000
Festivals	5	7,500	37,500
NCAA Sports	7	2,000	14,000
Youth Sports	6	5,000	30,000
Community Events	10	2,000	20,000
Private Events	25	150	3,750
TOTAL	56	4,442	135,250

Overall, it is estimated that the proposed Stadium could host a variety of events outside of Chattanooga Lookout games, including concerts, large festivals, NCAA sports, youth sports, community events, and other private events. As shown above, it is estimated that the proposed ballpark could host a total of 56 third-party events, for a total attendance of 135,250.

6. KEY OPERATING ASSUMPTIONS



7. TAX REVENUE & ECONOMIC IMPACT ANALYSIS

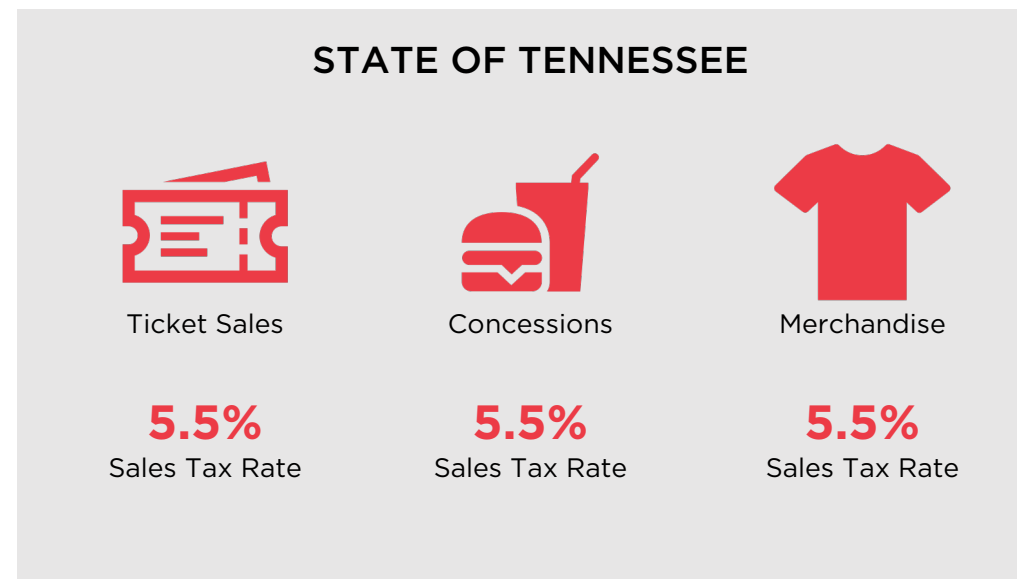
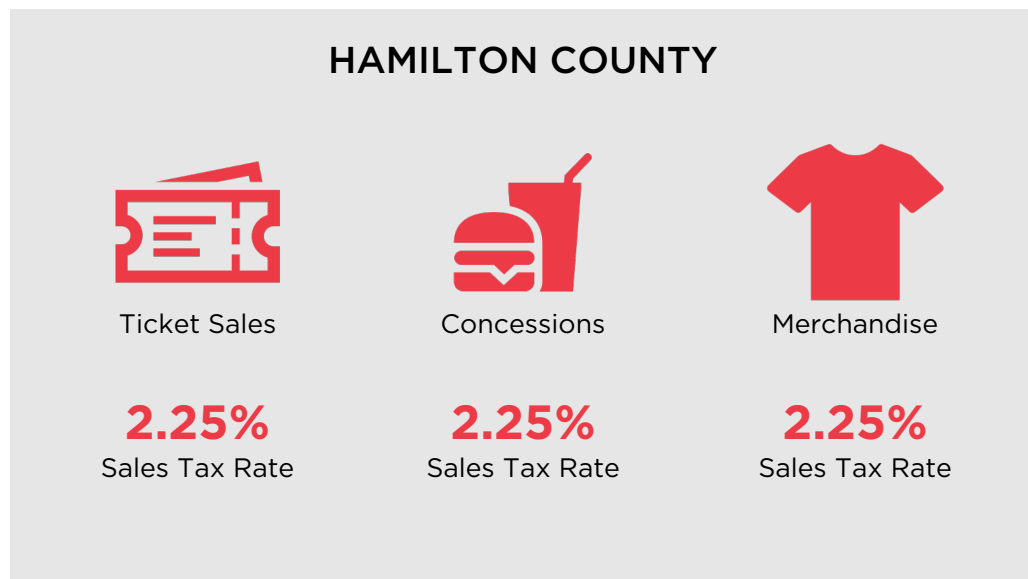




TAX REVENUE ANALYSIS

SALES TAX ASSUMPTIONS

The purpose of this analysis is to identify the long-term funding potential of sales taxes generated within the proposed Stadium given the key operating assumptions outlined in the preceding section. The graphic below depicts the sales tax rates that could be applied to the three taxable sources of revenue within the proposed Stadium: ticket sales, concessions, and merchandise.



As shown, the full County sales tax rate of 2.25 percent can be applied to all three revenue streams. However, for the State of Tennessee, the full sales tax rate (7.0 percent) less 1.5 percent can be applied per discussions with project stakeholders. The remaining 1.5 percent state sales tax is retained by the State for education and other purposes.



TAX REVENUE ANALYSIS

SALES TAX REVENUE

The chart below depicts total sales tax revenues estimated to be generated from ticket sales, concessions, and merchandise at the proposed Stadium for all events. For example, in year one, there is estimated to be \$13.4 million of taxable sales (i.e., ticket sales, concessions, merchandise), which generates approximately \$302,000 in County sales tax revenues and \$738,000 in State sales tax revenues. Overall, over a 30-year period, between County and State sales tax revenues, it is estimated that \$49.4 million of cumulative sales tax revenues would be generated. On a net present value basis, it is estimated that \$30.3 million in County and State tax revenues can be generated.

SALES TAX REVENUE																						
Year	Taxable Sales				Applicable County Tax Rate			County Tax Revenue				Applicable State Tax Rate			State Tax Revenue				Total (County & State) Tax Revenue			
	Ticket Sales	Concessions	Merchandise	Total	Ticket Sales	Concessions	Merchandise	Ticket Sales	Concessions	Merchandise	Total	Ticket Sales	Concessions	Merchandise	Ticket Sales	Concessions	Merchandise	Total	Ticket Sales	Concessions	Merchandise	Total
Year 1	\$7,217,000	\$4,521,000	\$1,673,000	\$13,411,000	2.25%	2.25%	2.25%	\$162,000	\$102,000	\$38,000	\$302,000	5.50%	5.50%	5.50%	\$397,000	\$249,000	\$92,000	\$738,000	\$559,000	\$351,000	\$130,000	\$1,040,000
Year 2	\$7,433,000	\$4,656,000	\$1,723,000	\$13,812,000	2.25%	2.25%	2.25%	\$167,000	\$105,000	\$39,000	\$311,000	5.50%	5.50%	5.50%	\$409,000	\$256,000	\$95,000	\$760,000	\$576,000	\$361,000	\$134,000	\$1,071,000
Year 3	\$7,656,000	\$4,796,000	\$1,775,000	\$14,227,000	2.25%	2.25%	2.25%	\$172,000	\$108,000	\$40,000	\$320,000	5.50%	5.50%	5.50%	\$421,000	\$264,000	\$98,000	\$783,000	\$593,000	\$372,000	\$138,000	\$1,103,000
Year 4	\$7,886,000	\$4,940,000	\$1,828,000	\$14,654,000	2.25%	2.25%	2.25%	\$177,000	\$111,000	\$41,000	\$329,000	5.50%	5.50%	5.50%	\$434,000	\$272,000	\$101,000	\$807,000	\$611,000	\$383,000	\$142,000	\$1,136,000
Year 5	\$8,122,000	\$5,088,000	\$1,883,000	\$15,093,000	2.25%	2.25%	2.25%	\$183,000	\$114,000	\$42,000	\$339,000	5.50%	5.50%	5.50%	\$447,000	\$280,000	\$104,000	\$831,000	\$630,000	\$394,000	\$146,000	\$1,170,000
Year 6	\$8,366,000	\$5,241,000	\$1,940,000	\$15,547,000	2.25%	2.25%	2.25%	\$188,000	\$118,000	\$44,000	\$350,000	5.50%	5.50%	5.50%	\$460,000	\$288,000	\$107,000	\$855,000	\$648,000	\$406,000	\$151,000	\$1,205,000
Year 7	\$8,617,000	\$5,398,000	\$1,998,000	\$16,013,000	2.25%	2.25%	2.25%	\$194,000	\$121,000	\$45,000	\$360,000	5.50%	5.50%	5.50%	\$474,000	\$297,000	\$110,000	\$881,000	\$668,000	\$418,000	\$155,000	\$1,241,000
Year 8	\$8,875,000	\$5,560,000	\$2,058,000	\$16,493,000	2.25%	2.25%	2.25%	\$200,000	\$125,000	\$46,000	\$371,000	5.50%	5.50%	5.50%	\$488,000	\$306,000	\$113,000	\$907,000	\$688,000	\$431,000	\$159,000	\$1,278,000
Year 9	\$9,142,000	\$5,727,000	\$2,120,000	\$16,989,000	2.25%	2.25%	2.25%	\$206,000	\$129,000	\$48,000	\$383,000	5.50%	5.50%	5.50%	\$503,000	\$315,000	\$117,000	\$935,000	\$709,000	\$444,000	\$165,000	\$1,318,000
Year 10	\$9,416,000	\$5,898,000	\$2,183,000	\$17,497,000	2.25%	2.25%	2.25%	\$212,000	\$133,000	\$49,000	\$394,000	5.50%	5.50%	5.50%	\$518,000	\$324,000	\$120,000	\$962,000	\$730,000	\$457,000	\$169,000	\$1,356,000
Year 11	\$9,698,000	\$6,075,000	\$2,249,000	\$18,022,000	2.25%	2.25%	2.25%	\$218,000	\$137,000	\$51,000	\$406,000	5.50%	5.50%	5.50%	\$533,000	\$334,000	\$124,000	\$991,000	\$751,000	\$471,000	\$175,000	\$1,397,000
Year 12	\$9,989,000	\$6,258,000	\$2,316,000	\$18,563,000	2.25%	2.25%	2.25%	\$225,000	\$141,000	\$52,000	\$418,000	5.50%	5.50%	5.50%	\$549,000	\$344,000	\$127,000	\$1,020,000	\$774,000	\$485,000	\$179,000	\$1,438,000
Year 13	\$10,289,000	\$6,445,000	\$2,386,000	\$19,120,000	2.25%	2.25%	2.25%	\$232,000	\$145,000	\$54,000	\$431,000	5.50%	5.50%	5.50%	\$566,000	\$354,000	\$131,000	\$1,051,000	\$798,000	\$499,000	\$185,000	\$1,482,000
Year 14	\$10,598,000	\$6,639,000	\$2,457,000	\$19,694,000	2.25%	2.25%	2.25%	\$238,000	\$149,000	\$55,000	\$442,000	5.50%	5.50%	5.50%	\$583,000	\$365,000	\$135,000	\$1,083,000	\$821,000	\$514,000	\$190,000	\$1,525,000
Year 15	\$10,916,000	\$6,838,000	\$2,531,000	\$20,285,000	2.25%	2.25%	2.25%	\$246,000	\$154,000	\$57,000	\$457,000	5.50%	5.50%	5.50%	\$600,000	\$376,000	\$139,000	\$1,115,000	\$846,000	\$530,000	\$196,000	\$1,572,000
Year 16	\$11,243,000	\$7,043,000	\$2,607,000	\$20,893,000	2.25%	2.25%	2.25%	\$253,000	\$158,000	\$59,000	\$470,000	5.50%	5.50%	5.50%	\$618,000	\$387,000	\$143,000	\$1,148,000	\$871,000	\$545,000	\$202,000	\$1,618,000
Year 17	\$11,580,000	\$7,254,000	\$2,685,000	\$21,519,000	2.25%	2.25%	2.25%	\$261,000	\$163,000	\$60,000	\$484,000	5.50%	5.50%	5.50%	\$637,000	\$399,000	\$148,000	\$1,184,000	\$898,000	\$562,000	\$208,000	\$1,668,000
Year 18	\$11,928,000	\$7,472,000	\$2,766,000	\$22,166,000	2.25%	2.25%	2.25%	\$268,000	\$168,000	\$62,000	\$498,000	5.50%	5.50%	5.50%	\$656,000	\$411,000	\$152,000	\$1,219,000	\$924,000	\$579,000	\$214,000	\$1,717,000
Year 19	\$12,286,000	\$7,696,000	\$2,848,000	\$22,830,000	2.25%	2.25%	2.25%	\$276,000	\$173,000	\$64,000	\$513,000	5.50%	5.50%	5.50%	\$676,000	\$423,000	\$157,000	\$1,256,000	\$952,000	\$596,000	\$221,000	\$1,769,000
Year 20	\$12,654,000	\$7,927,000	\$2,934,000	\$23,515,000	2.25%	2.25%	2.25%	\$285,000	\$178,000	\$66,000	\$529,000	5.50%	5.50%	5.50%	\$696,000	\$436,000	\$161,000	\$1,293,000	\$981,000	\$614,000	\$227,000	\$1,822,000
Year 21	\$13,034,000	\$8,165,000	\$3,022,000	\$24,221,000	2.25%	2.25%	2.25%	\$293,000	\$184,000	\$68,000	\$545,000	5.50%	5.50%	5.50%	\$717,000	\$449,000	\$166,000	\$1,332,000	\$1,010,000	\$633,000	\$234,000	\$1,877,000
Year 22	\$13,425,000	\$8,410,000	\$3,113,000	\$24,948,000	2.25%	2.25%	2.25%	\$302,000	\$189,000	\$70,000	\$561,000	5.50%	5.50%	5.50%	\$738,000	\$463,000	\$171,000	\$1,372,000	\$1,040,000	\$652,000	\$241,000	\$1,933,000
Year 23	\$13,828,000	\$8,662,000	\$3,206,000	\$25,696,000	2.25%	2.25%	2.25%	\$311,000	\$195,000	\$72,000	\$578,000	5.50%	5.50%	5.50%	\$761,000	\$476,000	\$176,000	\$1,413,000	\$1,072,000	\$671,000	\$248,000	\$1,991,000
Year 24	\$14,242,000	\$8,922,000	\$3,302,000	\$26,466,000	2.25%	2.25%	2.25%	\$320,000	\$201,000	\$74,000	\$595,000	5.50%	5.50%	5.50%	\$783,000	\$491,000	\$182,000	\$1,456,000	\$1,103,000	\$692,000	\$256,000	\$2,051,000
Year 25	\$14,670,000	\$9,190,000	\$3,401,000	\$27,261,000	2.25%	2.25%	2.25%	\$330,000	\$207,000	\$77,000	\$614,000	5.50%	5.50%	5.50%	\$807,000	\$505,000	\$187,000	\$1,499,000	\$1,137,000	\$712,000	\$264,000	\$2,113,000
Year 26	\$15,110,000	\$9,465,000	\$3,503,000	\$28,078,000	2.25%	2.25%	2.25%	\$340,000	\$213,000	\$79,000	\$632,000	5.50%	5.50%	5.50%	\$831,000	\$521,000	\$193,000	\$1,545,000	\$1,171,000	\$734,000	\$272,000	\$2,177,000
Year 27	\$15,563,000	\$9,749,000	\$3,608,000	\$28,920,000	2.25%	2.25%	2.25%	\$350,000	\$219,000	\$81,000	\$650,000	5.50%	5.50%	5.50%	\$856,000	\$536,000	\$198,000	\$1,590,000	\$1,206,000	\$755,000	\$279,000	\$2,240,000
Year 28	\$16,030,000	\$10,042,000	\$3,717,000	\$29,789,000	2.25%	2.25%	2.25%	\$361,000	\$226,000	\$84,000	\$671,000	5.50%	5.50%	5.50%	\$882,000	\$552,000	\$204,000	\$1,638,000	\$1,243,000	\$778,000	\$288,000	\$2,309,000
Year 29	\$16,511,000	\$10,343,000	\$3,828,000	\$30,682,000	2.25%	2.25%	2.25%	\$371,000	\$233,000	\$86,000	\$690,000	5.50%	5.50%	5.50%	\$908,000	\$569,000	\$211,000	\$1,688,000	\$1,279,000	\$802,000	\$297,000	\$2,378,000
Year 30	\$17,006,000	\$10,653,000	\$3,943,000	\$31,602,000	2.25%	2.25%	2.25%	\$383,000	\$240,000	\$89,000	\$712,000	5.50%	5.50%	5.50%	\$935,000	\$586,000	\$217,000	\$1,738,000	\$1,318,000	\$826,000	\$306,000	\$2,450,000
CUMULATIVE	\$343,330,000	\$215,073,000	\$79,603,000	\$638,006,000	--	--	--	\$7,724,000	\$4,839,000	\$1,792,000	\$14,355,000	--	--	--	\$18,883,000	\$11,828,000	\$4,379,000	\$35,090,000	\$26,607,000	\$16,667,000	\$6,171,000	\$49,445,000
NPV*	\$210,191,000	\$131,670,000	\$48,734,000	\$390,595,000	--	--	--	\$4,729,000	\$2,962,000	\$1,097,000	\$8,788,000	--	--	--	\$11,561,000	\$7,241,000	\$2,681,000	\$21,483,000	\$16,289,000	\$10,204,000	\$3,779,000	\$30,272,000

* Net present value assumes a discount rate of 3.0 percent.



ECONOMIC IMPACT ANALYSIS

MEASURES OF ECONOMIC IMPACT

While the preceding estimated fiscal impacts are a quantifiable benefit of the Stadium project, the Stadium and associated Development will also provide broader quantifiable impacts in the form of market-wide economic impacts. To provide a detailed analysis of the estimated benefits associated with the new Stadium and Development, CSL applied relevant assumptions to the study methodology. Typically, and for purposes of this analysis, quantifiable effects are characterized in terms of economic impacts. Economic impacts are conveyed through measures of direct spending, total output, personal earnings and employment, as outlined over the following pages.



DIRECT SPENDING represents the initial primary spending that would occur as a result of the construction and operations of the proposed Stadium and Development as outlined in the graphic to the right, including:

- Construction-related spending on materials, supplies, labor, professional fees and other soft costs for the development of the Stadium and Development;
- In-Stadium spending during annual team and Stadium operations consisting of expenditures on tickets, premium seating, concessions, sponsorships, etc.;
- Out-of-Stadium spending both at the Development and at independent area businesses on hotel rooms, food and beverage, retail, transportation, entertainment, and other such expenditures by event patrons and visiting team and event personnel;
- Development spending by residents, office workers, retail/restaurant and food hall patrons, hotel guests, music theater attendees, and District event patrons not already captured.

DIRECT SPENDING SOURCES



CONSTRUCTION SPENDING

Construction Spending:

- Materials
- Supplies
- Labor
- Professional Fees

OPERATIONS SPENDING

In-Facility Spending:

- Ticket Sales
- Premium Seats
- Concessions
- Merchandise
- Sponsorship
 - Parking
 - Fees
 - Other

Out-of-Facility Spending:

- Lodging
 - Bars
 - Service
 - Retail
- Entertainment
 - Transit
 - Other

Development Spending:

- Restaurants
 - Bars
 - Lodging
 - Retail
- Residential
 - Office
 - Parking
 - Other



ECONOMIC IMPACT ANALYSIS

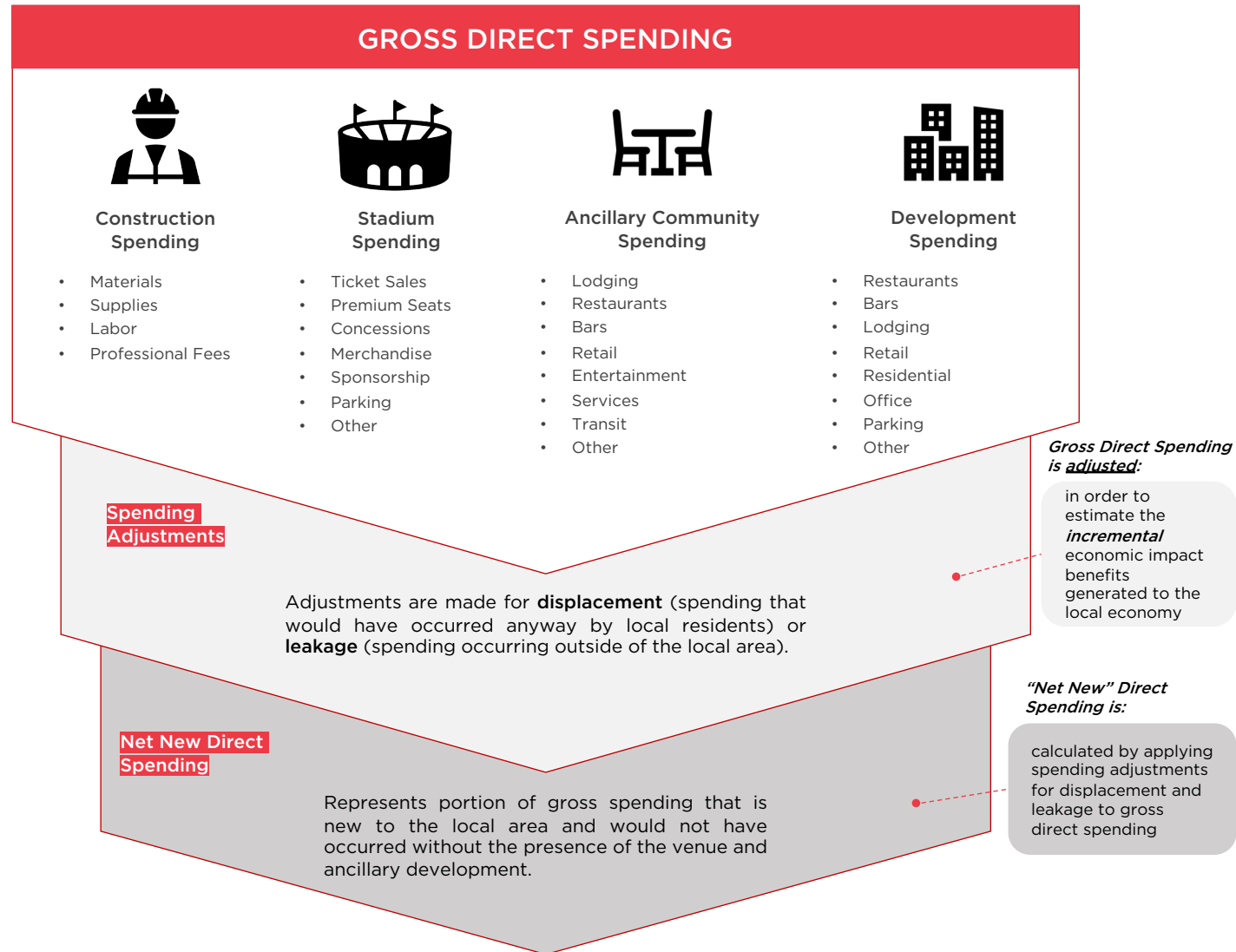
DIRECT SPENDING ADJUSTMENTS

The combined operations of the tenants, Stadium, and Development can impact the local economy in a variety of ways. As outlined in the figure to the right, initial direct spending is generated during construction and annual operations at events on tickets, premium seating, concessions, sponsorships, etc. as well as before and after events at local hotels, restaurants, retail, and other such establishments, and throughout the Development’s restaurants, bars, hotels, retail spaces, residences, office buildings, etc.

To estimate the incremental economic impact benefits generated to the local economy from these spending sources, certain adjustments must be made to initial direct spending to reflect the fact that all spending is not likely to impact the local economy. The figure on the right summarizes the adjustments made to initial direct spending in order to determine net new direct spending impacting the local economy.

Adjustments must be made to account for the fact that a certain amount of spending associated with the Team, Stadium, and Development will be made by local residents and, therefore, likely represents money already spent in the economy in another form. This is called displacement and reduces the overall net new impacts. This type of spending is not considered net new to the local economy.

Additionally, not all spending associated with the Team and Stadium takes place in the local economy. A portion of this spending is likely to occur outside the immediate area. This is called leakage and similarly reduces the overall impact. The economic impacts presented herein are derived from the net new direct spending associated with the teams, Stadium, and Development.





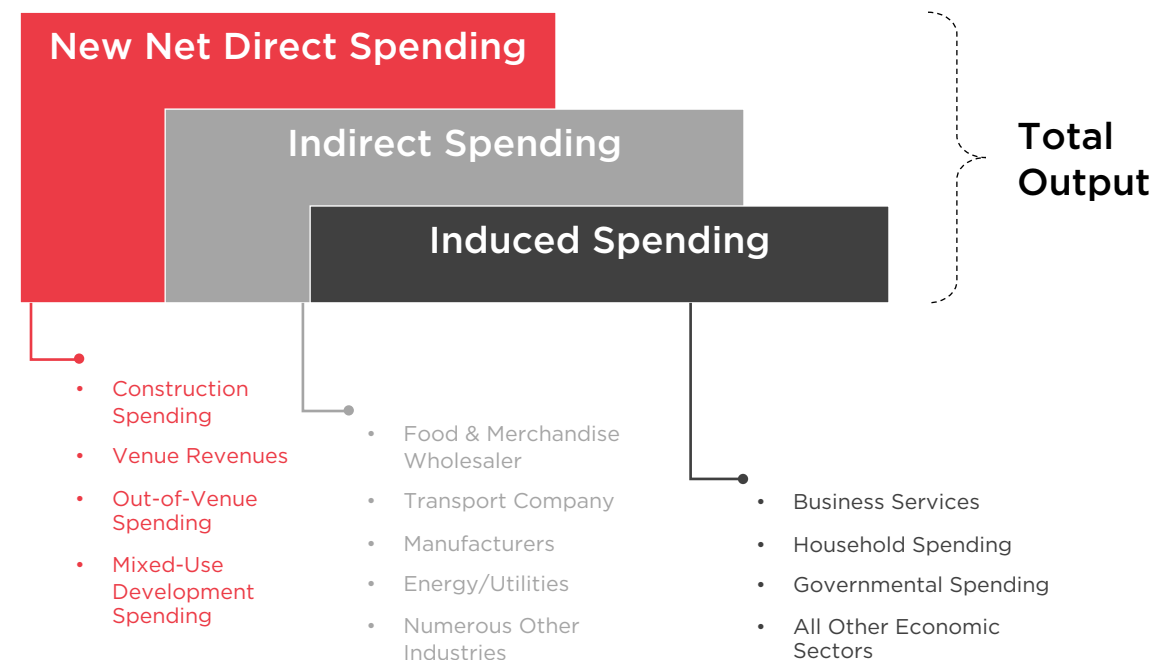
ECONOMIC IMPACT ANALYSIS

MULTIPLIER EFFECTS

Economic impacts are further increased through re-spending of direct spending. The total impact is estimated by applying an economic multiplier to initial direct spending to account for the total economic impact. The total output multiplier is used to estimate the aggregate total spending that takes place beginning with direct spending and continuing through each successive round of re-spending. Successive rounds of re-spending are generally discussed in terms of their indirect and induced effects on the area economy, as follows:

- **Indirect effects** consist of the re-spending of the initial or direct expenditures. These indirect impacts extend further as the dollars constituting the direct expenditures continue to change hands. This process, in principle, could continue indefinitely. However, recipients of these expenditures may spend all or part of it on goods and services outside the market area, put part of these earnings into savings or pay taxes. This spending halts the process of subsequent expenditure flows and does not generate additional spending or impact within the community after a period of time. This progression is termed leakage and reduces the overall economic impact. Indirect impacts occur in a number of industries, including the following:
 - the wholesale industry, as purchases of food and merchandise products are made;
 - the transportation industry, as products are shipped from purchaser to buyer;
 - the manufacturing industry, as products used to service the venue, vendors and others are produced;
 - the utility industry, as the power to produce goods and services is consumed; and,
 - other such industries.
- **Induced effects** consist of the positive changes in spending, employment, earnings and tax collections generated by personal income associated with the operations of the proposed Stadium and Development. Specifically, as the economic impact process continues, wages and salaries are earned, increased employment is generated, and spending occurs in virtually all business, household and governmental sectors. This represents the induced spending impacts generated by direct expenditures.

The graphic to the right illustrates the flow of direct spending through the successive rounds of re-spending, including the indirect and induced effects.






ECONOMIC IMPACT ANALYSIS


MULTIPLIER EFFECTS (CONT'D)


Indirect and induced effects are calculated by applying the appropriate multipliers to the net new direct spending estimates. The appropriate multipliers to be used are dependent upon certain regional characteristics and also the nature of the expenditure. Generally, an area which is capable of producing a wide range of goods and services within its borders will have high multipliers, a positive correlation existing between the self-sufficiency of an area's economy and the higher probability of re-spending occurring within the region. If a high proportion of the expenditures must be imported from another geographical region, lower multipliers will result.

The multiplier estimates used in this analysis are based on the RIMS II system and are specific to the Hamilton County area. The specific multipliers used in this analysis are show in the chart to the right.

Multipliers are applied to direct spending to calculate the following measures of economic impact:

 **Total Output** represents the total direct, indirect and induced spending effects generated by the proposed Stadium and Development. Total output is calculated by multiplying the appropriate total output multiplier by the estimated direct spending within each industry.

 **Employment** is expressed in terms of total full-time equivalent (FTE) jobs and includes both full- and part-time jobs. Employment is calculated by dividing the appropriate employment multiplier by one million, and then multiplying by the estimated direct spending within each industry.

 **Personal Earnings** represent the wages and salaries earned by employees of businesses impacted by the proposed Stadium and Development. Personal earnings are calculated by multiplying the appropriate personal earnings multiplier by the estimated direct spending within each industry.

ECONOMIC MULTIPLIERS (HAMILTON COUNTY)

	Total Output	Employment (FTE)	Personal Earnings
Commercial Sports	1.60	9.03	0.55
Construction	1.77	8.70	0.50
Entertainment	1.73	15.28	0.41
Food and Beverage	1.69	18.27	0.53
Lodging	1.60	8.99	0.36
Multifamily	0.94	5.32	0.22
Office	1.74	13.59	0.53
Other	1.65	17.89	0.50
Parking	1.60	21.67	0.36
Retail	1.70	13.05	0.46
Transportation	1.60	21.67	0.36

Note: Total Output and Personal Earnings multipliers are applied one-to-one to dollars, whereas Employment multipliers are applied one-to-one to millions of dollars.

Source: RIMS II.



ECONOMIC IMPACT ANALYSIS

KEY ASSUMPTIONS

The findings and analysis in this study are derived from a review of the Chattanooga marketplace and economic drivers in the region, historical and projected operating data provided by the Smokies, information obtained from other similar studies completed by CSL, the use of RIMS II multipliers, and CSL's experience in quantifying the economic and fiscal impacts of similar projects. The results presented are for the construction period and cumulative 30-year operations.

The following is a list of key assumptions used in order to estimate the economic and fiscal impacts associate with the construction and on-going operations of the Stadium and Development:



Total project costs are estimated to be approximately \$230 million, including a \$80 million Stadium and \$150 million Development (phase I only)



Event attendance at the Stadium is estimated to total approximately 532,000 annually.



The Stadium construction period will be from 2023 to 2024



Approximately 71 percent of Stadium attendees will be Hamilton County residents, while 27 percent will be non-County day trippers and two percent will be overnighters. Due to Chattanooga's location along state borders, a meaningful portion of ballpark attendees are estimated to originate from out-of-State, which increases "net new" impacts to the local economies.



The Development, at full Phase I build-out, will contain approximately 740,000 square feet of development and will be constructed over a two-year period from 2023 to 2024



Spending by Stadium visitors consists of in-facility spending on tickets, concessions, merchandise, and parking, as well as out-of-facility spending on hotels, restaurants, shopping, gas, transit, entertainment, services and other expenditures. Out-of-facility spending by visitors ranges from \$5.00 for County resident to \$125.00 for overnighters



The Stadium will host a total of 151 events, including 69 Lookouts games, 26 secondary tenant events, 31 other ticketed events, and 25 private rentals, on an annual basis



ECONOMIC IMPACT ANALYSIS

PHASE I DEVELOPMENT ASSUMPTIONS

In addition to the direct spending from Stadium operations and ancillary community spending, direct spending will be generating by the operations of the Development. The chart below shows the key assumptions for each component of the Development (Phase I only) as provided by project stakeholders.

KEY DEVELOPMENT COMPONENT ASSUMPTIONS														
Operating Year	Residential				Office			Retail / Restaurant				Parking		
	Total Square Footage	Total Units	Occupancy	Average Rent / Sq.Ft.	Total Square Footage	Occupancy	Average Rent / Sq.Ft.	Total Square Footage	Occupancy	Average Rent / Sq.Ft.	Average Sales / Sq.Ft.	Total Spaces	Daily Occupancy	Daily Rate
Year 1	555,953	660	50%	\$20.00	100,000	50%	\$25.00	79,500	50%	\$20.00	\$200.00	1,540	50%	\$5.00
Year 2	555,953	660	70%	\$20.60	100,000	70%	\$25.75	79,500	70%	\$20.60	\$206.00	1,540	50%	\$5.15
Year 3	555,953	660	90%	\$21.22	100,000	90%	\$26.52	79,500	80%	\$21.22	\$212.18	1,540	75%	\$5.30
Year 4	555,953	660	90%	\$21.85	100,000	90%	\$27.32	79,500	90%	\$21.85	\$218.55	1,540	75%	\$5.46
Year 5	555,953	660	90%	\$22.51	100,000	90%	\$28.14	79,500	90%	\$22.51	\$225.10	1,540	75%	\$5.63
Year 6	555,953	660	90%	\$23.19	100,000	90%	\$28.98	79,500	90%	\$23.19	\$231.85	1,540	75%	\$5.80
Year 7	555,953	660	90%	\$23.88	100,000	90%	\$29.85	79,500	90%	\$23.88	\$238.81	1,540	75%	\$5.97

As shown, at full Phase I build-out (stabilized operations by year seven), the Development is estimated to comprise 660 residences, 100,000 square feet of office space, 79,500 square feet of retail/restaurant, and 1,540 parking spaces.



ECONOMIC IMPACT ANALYSIS

SUMMARY OF ECONOMIC IMPACTS

The table to the right summarizes the net present value (NPV) net new economic impacts of the proposed Stadium and Development to the City of Chattanooga, Hamilton County, and State of Tennessee.

As shown, over a period of construction and 30 years of operations for the proposed Stadium and Development, it is estimated that the City of Chattanooga will generate approximately \$305 million in net new direct spending that will generate \$482 million in total output, 340 total jobs, and \$145 million in personal earnings. Approximately 63 percent of the estimated economic impacts are attributable to the proposed Stadium.

Additionally, over a period of construction and 30 years of operations for the proposed Stadium and Development, it is estimated that Hamilton County will generate approximately \$322 million in net new direct spending that will generate \$524 million in total output, 570 total jobs, and \$156 million in personal earnings. Approximately 57 percent of the estimated economic impacts are attributable to the proposed Stadium.

Moreover, over a period of construction and 30 years of operations for the proposed Stadium and Development, it is estimated that State of Tennessee will generate approximately \$252 million in net new direct spending that will generate \$418 million in total output, 610 total jobs, and \$124 million in personal earnings. Approximately 53 percent of the estimated economic impacts are attributable to the proposed Stadium.

It should be noted that economic impacts for operations of the venue are necessarily higher for smaller measured economies. For example, the City has higher operational economic impacts than the State because some spending can be considered “net new” to the City but not “net new” to the State. For example, if someone, who is looking to spend money on sports / entertainment, living in the State but outside of the City attends a game and spends money on tickets and concessions, that revenue is “net new” to the City but not “net new” to the State. It should also be noted that economic impacts, for this reason, are not additive across catchment areas.

It should also be noted that the estimates contained herein assume only the Stadium and Phase I of mixed-use development construction, which is estimated to include approximately \$150 million in development. It is envisioned that the surrounding mixed-use district could, over 10 to 15 years, incorporate over \$1 billion in total development. This analysis does not include estimated economic impacts for this future development.

ECONOMIC IMPACT SUMMARY

Stadium & Phase I Only

Construction + 30-Year Operations Net Present Value

	City	County	State
Stadium Impacts			
Direct Spending	\$184.5M	\$181.0M	\$133.6M
Total Output	\$302.9M	\$299.3M	\$222.9M
Jobs (FTEs)	150	210	210
Earnings	\$95.3M	\$93.2M	\$68.5M
Mixed-Use District Impacts (Phase I Only)			
Direct Spending	\$120.6M	\$141.1M	\$117.9M
Total Output	\$178.8M	\$224.5M	\$195.5M
Jobs (FTEs)	190	360	400
Earnings	\$49.4M	\$62.8M	\$55.1M
Total Impacts			
Direct Spending	\$305.1M	\$322.1M	\$251.5M
Total Output	\$481.8M	\$523.8M	\$418.4M
Jobs (FTEs)	340	570	610
Earnings	\$144.7M	\$156.0M	\$123.6M

Note: Economic impacts are not additive across City, County, and State.

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA, AUTHORIZING THE EXECUTION OF AN INTERLOCAL COOPERATIVE AGREEMENT WITH THE INDUSTRIAL DEVELOPMENT BOARD OF THE COUNTY OF HAMILTON, TENNESSEE, RELATING TO PAYMENT OF INCREMENTAL PROPERTY TAX REVENUES

WHEREAS, the Industrial Development Board of the City of Chattanooga (the “Board”) is duly incorporated pursuant to Sections 7-53-101 *et seq.*, Tennessee Code Annotated (the “Act”); and

WHEREAS, the Board is interested in preserving and promoting the economic welfare, employment opportunities, educational growth, and vitality of Chattanooga, Tennessee (the “City”); and

WHEREAS, the City Council of the City (the “City Council”) is anticipated to approve an Economic Impact Plan for the South Broad District Plan Area (the “Plan”) in order to promote and accelerate the economic development of the South Broad District and certain parcels adjacent to the District in the City that would benefit from redevelopment of the District (the “Plan Area”); and

WHEREAS, as described in the Plan, a new stadium (the “Stadium”) is expected to be constructed within the Plan Area and would be a catalytic project to promote and accelerate the redevelopment of the Plan Area; and

WHEREAS, a sports authority to be jointly formed by the City and Hamilton County, Tennessee (the “County”) (the “Sports Authority”) is expected to own the Stadium and finance all or a portion of the cost of the construction of the Stadium through the issuance of bonds or other obligations (the “Stadium Bonds”); and

WHEREAS, pursuant to the Plan, the City will allocate to the Board certain incremental property tax revenues derived from the Plan Area, and the Board desires for such incremental property tax revenues to be applied, in order to promote economic development, to pay debt service on the Stadium Bonds, with any excess of incremental property tax revenues being applied to (i) the reimbursement of the County and the City for financial assistance provided to the Sports Authority to pay such debt service; (ii) the cost of capital improvements or the funding of a capital reserve for capital improvements for the Stadium; and (iii) the cost of or debt service relating to the financing of the cost of public infrastructure improvements in the Plan Area; and

WHEREAS, pursuant to the Plan, the County will allocate to The Industrial Development Board of the County of Hamilton, Tennessee (the “County IDB”) certain incremental property tax revenues derived from the Plan Area to be applied for the same purposes as the comparable incremental property tax revenues allocated by the City to the Board; and

WHEREAS, for administrative convenience and efficiency, the County IDB desires to pay such incremental property tax revenues allocated to the County IDB by the County to the Board to be combined with comparable incremental property tax revenues of the City for payment to the Sports Authority for the purposes described herein; and

WHEREAS, there has been submitted to the Board a form of interlocal cooperative agreement (the “Interlocal Cooperative Agreement”) between the Board and the County IDB, which the Board proposes to execute, pursuant to Sections 12-9-101, *et seq.*, Tenn. Code Ann., in connection with the payment of the County incremental property tax revenues to the Board for the purpose of the Board paying all tax increment revenues it receives, both directly from the City and from the County IDB, toward the debt service on the Stadium Bonds and the other purposes described above, as further described therein.

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Industrial Development Board of the City of Chattanooga:

RESOLVED, that the Chairman or Vice Chairman of the Board is hereby authorized and directed to execute, and the Secretary of the Board is authorized to attest, the Interlocal Cooperative Agreement; and further

RESOLVED, that the Interlocal Cooperative Agreement shall be in substantially the form submitted, which is hereby approved, with such completions, omissions, insertions, and changes as may be approved by the officer executing it, his or her execution to constitute conclusive evidence of his or her approval of any such completions, omissions, insertions, and changes; and further

RESOLVED, that the officers of the Board are hereby authorized to take all appropriate actions necessary to carry out the terms of the Interlocal Cooperative Agreement.

I hereby certify that attached hereto is a resolution of the Industrial Development Board of the City of Chattanooga, duly and lawfully adopted by its Board of Directors on August 1, 2022, at a meeting at which a quorum was acting throughout and I furthermore certify that such resolution has not been amended or modified in any respect.

**INDUSTRIAL DEVELOPMENT BOARD OF THE
CITY OF CHATTANOOGA**

By: _____
Name: Jimmy F. Rodgers, Jr.
Title: Chair

ATTEST:

Patrick Sharpley, Secretary

EXHIBIT A

INTERLOCAL COOPERATIVE AGREEMENT

33391283.1

INTERLOCAL COOPERATIVE AGREEMENT

This Interlocal Cooperative Agreement is made and entered into as of the __ day of _____, 2022, by and between The Industrial Development Board of the County of Hamilton, Tennessee (the “County IDB”), and the Industrial Development Board of the City of Chattanooga (the “City IDB”) (the City IDB collectively with the County IDB, the “Parties” and each a “Party”).

WITNESSETH:

WHEREAS, the County IDB and the City IDB are industrial development corporations duly incorporated pursuant to Chapter 53, Title 7, Tennessee Code Annotated, as amended (the “Act”); and

WHEREAS, the Board of Commissioners (the “County Commission”) of Hamilton County, Tennessee (the “County”) has approved an Economic Impact Plan for South Broad District Plan Area (the “Plan”) in order to promote and accelerate the economic development of the South Broad District and certain parcels adjacent to the District that would benefit from redevelopment of the District (the “Plan Area”); and

WHEREAS, pursuant to the Plan, certain incremental property tax revenues derived from the Plan Area will be allocated by the County to the County IDB for use consistent with this Agreement; and

WHEREAS, as described in the Plan, a new stadium (the “Stadium”) is expected to be constructed within the Plan Area and is intended to be a catalytic project to promote and accelerate the redevelopment of the Plan Area; and

WHEREAS, a sports authority to be jointly formed by the City and the County (the “Sports Authority”) is expected to own the Stadium and finance all or a portion of the cost of the construction of the Stadium through the issuance of bonds or other obligations (the “Stadium Bonds”); and

WHEREAS, the County IDB desires for the incremental property tax revenues paid by the County to the County IDB pursuant to the Plan to be applied, in order to promote economic development, to pay debt service on the Stadium Bonds, with any excess of incremental property tax revenues being applied to (i) the reimbursement of the County and the City for financial assistance provided to the Sports Authority to pay such debt service; (ii) the cost of capital improvements or the funding of a capital reserve for capital improvements for the Stadium and (iii) the cost of or debt service relating to the financing of the cost of public infrastructure improvements in the Plan Area; and

WHEREAS, for administrative convenience and efficiency, the County IDB desires to pay such incremental property tax revenues so derived from County taxes to the City IDB to be combined with comparable incremental property tax revenues of the City of Chattanooga (the “City”) thereafter for payment by the City IDB to the Sports Authority for the purposes described herein.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of all of which is hereby acknowledged, the Parties agree as follows:

1. Payment of Tax Increment Revenues. Subject to receiving any approval required by Section 6 hereof and to the conditions set forth in Section 2 hereof, the County IDB agrees to pay all incremental property tax revenues (the “County Tax Increment Revenues”) allocated to the County IDB

pursuant to the Plan, as received, less any administrative expenses deducted by the County IDB, to the City IDB for payment to the Sports Authority as provided in Section 2.

2. City Tax Increment Revenues. The City IDB represents that the City IDB has submitted to the City and the City Council of the City has approved an economic impact plan (the “City Plan”) pursuant to which certain incremental property tax revenues received by the City from the Plan Area (the “City Tax Increment Revenues”) will also be made available to the Sports Authority for the same purposes for which the County Tax Increment Revenues can be applied pursuant to the Plan. The City IDB agrees to transfer the City Tax Increment Revenues, together with the County Tax Increment Revenues, as received, to the Sports Authority to be applied to pay debt service on the Stadium Bonds with any excess of County Tax Increment Revenues and City Tax Increment Revenues being applied to (i) the reimbursement of the County and the City for financial assistance provided to the Sports Authority to pay such debt service; (ii) the cost of capital improvements or the funding of a capital reserve for capital improvements for the Stadium and (iii) the cost of or debt service relating to the financing of the cost of public infrastructure improvements in the Plan Area. The County IDB’s obligation in Section 1 to pay County Tax Increment Revenues to the City IDB for the foregoing purposes shall be conditioned upon the City IDB’s continued right to receive the City Tax Increment Revenues and the City IDB’s obligation to pay such City Tax Increment Revenues to the Sports Authority pursuant to a binding agreement.

3. Application of Tax Increment Revenues. The City IDB, by agreement with the Sports Authority, will ensure that all County Tax Increment Revenues and City Tax Increment Revenues paid to the Sports Authority shall only be applied for the purposes authorized in the Plan, including the payment of debt service on the Stadium Bonds with any excess being applied to (i) the reimbursement of the County and the City for financial assistance provided to the Sports Authority to pay such debt service; (ii) the cost of capital improvements or the funding of a capital reserve for capital improvements for the Stadium and (iii) the cost of or debt service relating to the financing of the cost of public infrastructure improvements in the Plan Area.

4. Term. Subject to the approvals and conditions herein, the duties and responsibilities of the Parties hereunder shall commence as of the date hereof and shall continue until all County Tax Increment Revenues have been allocated pursuant to the Plan and paid to the City IDB as provided hereunder.

5. Interlocal Cooperation Provisions. For purposes of Section 12-9-104 of the Tennessee Code Annotated, as amended, the County IDB and the City IDB agree that (i) no separate legal entity shall be established to conduct the cooperative undertaking being undertaken pursuant to this Agreement; (ii) no real or personal property is expected to be acquired in connection with the cooperative undertaking being undertaken pursuant to this Agreement; and (iii) prior to the first payment of County Tax Increment Revenues to the City IDB, the Parties shall jointly designate an administrator to oversee the performance of the provisions of this Agreement.

6. State Determination. Promptly following the execution of this Agreement, the County IDB shall submit the Plan and all the approving resolutions of the County IDB and County Commission to the State of Tennessee Department of Economic and Community Development and the Tennessee Comptroller of the Treasury for either a written determination that it is in the best interest of the State of Tennessee for County Tax Increment Revenues to be applied as provided in the Plan and this Agreement or a written confirmation that such a best interest determination is not required by applicable law. This submission shall also include a request for a written determination that it is in the best interest of the State of Tennessee for the allocation period of Tax Increment Revenues as to any parcel as described in the Plan to not exceed thirty (30) years.

12. Severability. If a court of competent jurisdiction or an arbitrator determines that any term of this Agreement is invalid or unenforceable to any extent under applicable law, the remainder of this Agreement (and the application of this Agreement to other circumstances) shall not be affected thereby, and each remaining term shall be valid and enforceable to the fullest extent permitted by law.

13. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee. The Chancery Court and/or the Circuit Court of Hamilton County, Tennessee, shall have exclusive and concurrent jurisdiction of any disputes which arise hereunder.

14. Entire Agreement. This Agreement contains the entire understanding among the Parties with respect to the matters contained herein, and supersedes any prior understanding and agreements between them respecting the within subject matter. There are no representations, agreements, arrangements or understandings, oral or written, between or among the Parties hereto relating to the subject matter of this Agreement which are not fully expressed herein. Notwithstanding the foregoing, to the extent this Agreement or any of the terms hereof shall conflict with the terms of any of the other documents or agreements referenced herein between the Parties, the terms of said documents or agreements shall control.

15. Amendments and Modifications. No amendment, modification, or alteration to this Agreement shall be valid or enforceable nor shall any waiver of any provision be effective unless such amendment, modification, or alteration is approved, in writing, by the governing body of the Parties.

16. Headings. The paragraph headings are inserted only as a matter of convenience and for references and in no way define, limit or describe the scope or intent of this Agreement or in any way affect this Agreement.

17. Authorized Representatives. Any action required of or permitted to be taken pursuant to this Agreement by any of the Parties hereto may be performed by an authorized representative of the respective Party without further action by the governing body of such Party.

18. Limitation of Liability. All covenants, stipulations, promises, agreements and obligations of the Parties contained in this Agreement shall be deemed to be the respective limited covenants, stipulations, promises, agreements and obligations of the Parties, as applicable, and not of any officer, director, employee or agent of such Parties nor of any incorporator, director, employee or agent of any successor corporation to any such Party, in its individual capacity. No recourse shall be had against any such individual, either directly or otherwise under or upon any obligation, covenant, stipulation, promise or agreement contained herein or in any other document executed in connection herewith.

[Signature page follows]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed and delivered by their respective officers as of the date first written above.

THE INDUSTRIAL DEVELOPMENT BOARD
OF THE COUNTY OF HAMILTON,
TENNESSEE

By: _____
Its: _____

INDUSTRIAL DEVELOPMENT BOARD OF
THE CITY OF CHATTANOOGA

By: _____
Its: _____

33317613.6

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF
CHATTANOOGA AUTHORIZING THE EXECUTION OF
DOCUMENTS RELATING TO TAX INCREMENT FINANCING
OF COSTS RELATING TO THE NORTH RIVER COMMERCE
CENTER INDUSTRIAL PARK**

WHEREAS, the Industrial Development Board of the City of Chattanooga (the "Board") is an industrial development corporation created by the City of Chattanooga, Tennessee (the "City") and is duly incorporated pursuant to Sections 7-53-101, *et seq.*, Tennessee Code Annotated; and

WHEREAS, the Board has previously approved that certain the Economic Impact Plan (the "Economic Impact Plan") for an area located in the City of Chattanooga, Hamilton County, Tennessee (the "Plan Area"); and

WHEREAS, the development of the Plan Area would include the North River Commerce Center Industrial Park (collectively the "Industrial Park") to be developed by Access Road, LLC (the "Developer"); and

WHEREAS, the Economic Impact Plan would permit certain tax increment financing ("Tax Increment Financing") for infrastructure improvements in the Plan Area (the "Project") to be provided through the issuance of the Board's bonds, notes and other obligations in the total principal amount not to exceed \$9,900,000; and

WHEREAS, the Board desires to authorize the execution of the documents necessary to implement such Tax Increment Financing pursuant to Section 7-53-312, Tennessee Code Annotated in the maximum principal amount not to exceed \$9,900,000; and

WHEREAS, there have been submitted to the Board the forms of the following instruments (collectively, the "Documents") which the Board proposes to execute to carry out the transactions described above, copies of which Documents shall be filed with the records of the Board;

(a) Loan Agreement (the "Loan Agreement"), between the Board and the Developer, in its capacity as lender (the "Lender"), providing for a loan not to exceed \$9,900,000 (the "Loan") to the Board;

(b) The form of the Board's \$9,900,000 Tax Increment Revenue Note (North Access Road District) (the "Tax Increment Note") that will evidence the Board's obligation to repay the Loan on the terms set forth therein;

(c) Assignment of Tax Increment Revenues (the "Assignment") from the Board for the benefit of the Lender assigning tax increment revenues to secure the Tax Increment Note; and

(d) Development and Financing Agreement (the "Development Agreement") between the Board and the Developer relating to the development of the Project.

WHEREAS, such Tax Increment Financing will further the public purposes of the Board by promoting development in the Plan Area.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Industrial Development Board of the City of Chattanooga, Tennessee, as follows:

1. It is hereby found and determined that the financing of the Project will promote the economy and development in the State of Tennessee, City of Chattanooga, the County of Hamilton, Tennessee and the welfare of the citizens thereof.

2. The Chairman or Vice Chairman of the Board is hereby authorized and directed to execute, and, if requested, its Secretary or Assistant Secretary is hereby authorized to attest, and either is authorized and directed to deliver the Loan Agreement to the Lender.

3. The Chairman or Vice Chairman of the Board is hereby authorized and directed to execute, and, if requested, its Secretary or Assistant Secretary is hereby authorized to attest, and either is authorized and directed to deliver the Tax Increment Note to the Lender.

4. The Chairman or Vice Chairman of the Board is hereby authorized and directed to execute, and, if requested, its Secretary or Assistant Secretary is hereby authorized to attest, and either is authorized and directed to deliver the Assignment to the Lender.

5. The Chairman or Vice Chairman of the Board is hereby authorized and directed to execute, and, if requested, its Secretary or Assistant Secretary is hereby authorized to attest, and either is authorized and directed to deliver the Development Agreement to the Developer.

6. The Chairman or Vice Chairman of the Board is hereby authorized and directed to execute, and, if requested, its Secretary or Assistant Secretary is hereby authorized to attest, and either is authorized and directed to deliver any and all other instruments, documents and agreements deemed necessary or desirable by the Lender in order to evidence and secure the Tax Increment Financing properly in accordance with the requirements of the Lender, including without limitation security agreements, certificates, affidavits, and any other instruments of any kind or nature whatsoever, all in the form required by the Lender.

7. Any authorization herein to execute any document shall include authorization to record such document where appropriate and to make any changes and completions to any such document as may be required by the Lender that do not materially change the obligations of the Board under such document, with such changes and completions approved by the authorized officers executing same in consultation with counsel to the Board, the execution of same by such authorized officers to constitute conclusive evidence of the approval of same.

8. All other acts of the officers of the Board which are in conformity with the purposes and intent of this resolution and in furtherance of the financing of the Project are hereby approved and confirmed.

Approved this 1st day of August, 2022

Jimmy F. Rodgers, Jr., Chairman

ATTEST:

Patrick Sharpley, Secretary

33390546.1

LOAN AGREEMENT

between

ACCESS ROAD, LLC

and

**INDUSTRIAL DEVELOPMENT BOARD OF THE
CITY OF CHATTANOOGA**

**RELATING TO NORTH RIVER COMMERCE CENTER
INDUSTRIAL PARK AND REDEVELOPMENT OF NORTH ACCESS ROAD**

Dated as of _____, 2022

LOAN AGREEMENT

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LOAN AGREEMENT

THIS LOAN AGREEMENT (the “Loan Agreement”) is made and entered into as of _____, 2022, between ACCESS ROAD, LLC, a Tennessee limited liability company (the “Lender”), and the INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA, a public body corporate and politic and an instrumentality of the City of Chattanooga, Tennessee (the “Board”).

RECITALS:

A. The Board submitted for approval an Economic Impact Plan for the Development of the North River Commerce Center Industrial Park and the Redevelopment of North Access Road (the “Economic Impact Plan”), by resolution of the Board on _____, 2022, for the area identified therein located in the City of Chattanooga, Hamilton County, Tennessee (the “Plan Area”).

B. The Economic Impact Plan, including certain tax increment financing provisions contained therein, has been approved by the County Commission of Hamilton County, Tennessee (the “Commission”), on _____, 2022, on behalf of Hamilton County, Tennessee (the “County”), and by the City Council of the City of Chattanooga, Tennessee (the “City Council”), on _____, 2022, on behalf of the City of Chattanooga, Tennessee (the “City”).

C. The Board and Lender, in its capacity as the developer of an industrial park within the Plan Area (the “Developer”), have entered into a Development and Financing Agreement, dated as of the date hereof (the “Development Agreement”), regarding the development of certain parcels of real property located within the Plan Area to include a new industrial park with over 800,000 square feet of space and related necessary public utility improvements as further described therein (the “Project”).

D. Under Tenn. Code Ann. §§ 7-53-101, *et seq.* (the “Act”), and the Economic Impact Plan, the Board is authorized to issue and secure the TIF Note (as herein defined) to finance the Public Infrastructure Costs (as herein defined) and Transaction Costs (as herein defined).

E. In relation to the TIF Note, the Board will execute and deliver that certain Assignment of Tax Increment Revenues (the “Assignment”), under which the Board assigned and pledged to the Lender all Tax Increment Revenues (as herein defined).

F. The Board will establish a special fund into which Tax Increment Revenues will be deposited, and from which debt service on the TIF Note will be paid in accordance with Tenn. Code Ann. § 7-53-312.

TERMS:

NOW, THEREFORE, in consideration of the Recitals above, the premises and the mutual covenants and undertakings below, the parties hereto covenant, agree and bind themselves as follows:

ARTICLE I DEFINITIONS

The following words and phrases shall have the following meanings:

“Administrative Fee” shall mean the fee payable to the Board for each Tax Year in accordance with the Board’s policies and in accordance with Section 7.3(a) hereof.

“Allocation Period” shall mean, with respect to each Parcel, the twenty Tax Years designated in a notice from the Board to the City and County, at the direction of Developer pursuant to the Development Agreement, in accordance with Section 6.2(c) hereof as permitted by the Economic Impact Plan and under applicable law.

“Assignment” means the Assignment of Tax Increment Revenues executed by the Board and delivered in accordance with Article III hereof and any amendments thereto from time to time.

“Borrowing Certificate” means a certificate executed by the Developer and approved by the Lender and the Board with respect to each Disbursement, which certificate shall be in substantially the form attached hereto as Exhibit B.

“Business Day” means any day other than a Saturday, Sunday, or federal holiday, on which financial institutions are regularly open for business in Chattanooga, Tennessee.

“Closing Date” means the date on which the TIF Note is issued by the Board to the Lender.

“Default” means any Default under this Loan Agreement as specified in and defined in Article VIII hereof.

“Development Agreement” shall have the meaning given to such term in the Recitals above.

“Disbursement” means a disbursement of the proceeds of the TIF Note in accordance with Article VI hereof.

“Disbursement Date” means any date on which a Disbursement occurs in accordance with Article VI hereof.

“Economic Impact Plan” shall have the meaning given to such term in Recital A of this Agreement.

“Eligible Costs” means the Public Infrastructure Costs and Transaction Costs.

“Loan” means the loan made under this Loan Agreement and evidenced by the TIF Note.

“Loan Documents” mean, collectively, the TIF Note, this Loan Agreement and the Assignment.

“Maturity Date” means the May 1 following the end of the latest occurring Allocation Period, which shall be May 1, 2047.

“Note Payment Date” shall have the meaning given to such term in Section 2.5 of this Loan Agreement.

“Parcel” means a tax parcel in the Tax Increment Area.

“Plan Area” shall have the meaning given to such term in the Recitals of this Agreement.

“Project Fund” shall mean the North Access Road Project Fund created under Section 7.1 of this Loan Agreement.

“Public Infrastructure” means roads, streets, publicly-owned or privately-owned parking lots, facilities or garages, traffic signals, sidewalks or other public improvements that are available for public use, utility improvements and storm water and drainage improvements, whether or not located on public property or a publicly-dedicated easement.

“Public Infrastructure Costs” means all costs incurred by the Developer in connection with the acquisition, construction and installation of Public Infrastructure within the Plan Area.

“State” means the State of Tennessee.

“Tax Increment Area” means those parcels of property within the Plan Area, which are listed on Exhibit C attached as such parcels may be subdivided and/or aggregated from time to time.

“Tax Increment Fund” shall mean the North Access Road Tax Increment Fund created under Section 7.1 of this Loan Agreement.

“Tax Increment Revenues” means all ad valorem property taxes allocated to the Board pursuant to the Economic Impact Plan exclusive of any administrative costs withheld by the City or the County.

“Tax Year” shall mean each calendar year as to which property taxes are payable with respect to the Tax Increment Area.

“TIF Note” or “Note” means the Tax Increment Revenue Note issued pursuant to Article II hereof.

“Transaction Costs” mean (i) all reasonable legal fees, recording fees, fees of the Board and other similar fees and expenses incurred by the Board, the Lender or the Developer in connection with and attributable to the issuance of the TIF Note and the transactions directly related thereto, and (ii) interest incurred on the TIF Note from the date of the TIF Note until such time as the Public Infrastructure is placed in service.

ARTICLE II THE TIF NOTE

Section 2.1 Designation. The TIF Note shall be designated the “Industrial Development Board of the City of Chattanooga Tax Increment Revenue Note (North Access Road Plan Area).”

Section 2.2 Principal Amount. The TIF Note shall be in an aggregate original principal amount not to exceed Nine Million Nine Hundred Thousand and No/100 Dollars (\$9,900,000.00).

Section 2.3 Interest Rate. Amounts disbursed under the TIF Note shall bear interest at the same interest rate that is applicable to the loan obtained by Developer that is secured by a first lien on the Project or any portion thereof. If Developer has incurred multiple loans secured by a first lien on portions of the Project, the lowest interest rate on such loans shall be the applicable interest rate. Interest shall accrue from the date hereof for each year and shall be payable on May 1st of each year commencing May 1, 2023. Interest shall not accrue on any interest that has accrued but is not paid on any such payment date. On or prior to May 1st of each year, Developer shall provide the Board with a list of the interest rate(s) that were applicable to the TIF Note during the prior year (or portion thereof) and provide a calculation of the interest that accrued on the TIF Note during the applicable period. At the request of the Board, Developer shall provide such additional support demonstrating the applicable interest rate or calculation of the amount of accrued interest as the Board may request. If Developer does not have any

outstanding loans as is described above that are secured by the Project or any portion thereof, the TIF Note shall bear interest at a fixed rate per annum of 3.00%. Interest shall be calculated based on a 360-day year at the interest rate specified above based on the actual number of days elapsed for purposes of such calculation.

Section 2.4 Maturity. The TIF Note shall mature on the Maturity Date, unless prepaid earlier as provided herein or in the TIF Note. Notwithstanding the Maturity Date of the Note, any Tax Increment Revenues received with respect to taxes imposed during the Allocation Period but received after the Maturity Date of the Note shall be applied to the payment of the Note if the Note has not been paid in full at such time.

Section 2.5 Interest Payments. Payment of accrued interest shall be made from Tax Increment Revenues available therefor (if any) deposited in the Tax Increment Fund or as is otherwise provided herein. On May 1st each year, all Tax Increment Revenues on deposit in the Tax Increment Fund that are derived from property taxes imposed for the prior Tax Year (other than Administrative Fees) shall be paid by the Board to the Lender and applied by the Lender to accrued interest on the TIF Note, with any excess being applied toward principal as provided in Section 2.6. Any Tax Increment Revenues derived from delinquent payments of taxes with respect to any Tax Year that are received by the Board after May 1st of the following year shall be paid by the Board within ten (10) days of receipt by the Board to the Lender and applied by the Lender to accrued interest on the TIF Note, with any excess being applied toward principal as provided in Section 2.6. Each such date on which Tax Increment Revenues are applied to the payment of the TIF Note shall be deemed a "Note Payment Date." The Lender shall maintain a ledger of the amounts of accrued interest paid pursuant to this Section and principal paid pursuant to Sections 2.6 or 2.7, and such ledger shall be available for inspection by the Board on any Business Day. In addition, on each July 1 and on the Maturity Date, the Lender shall provide to the Board and Developer annual statements of such interest payments and any principal reductions on the TIF Note.

Section 2.6 Principal Payments. To the extent Tax Increment Revenues are on deposit in the Tax Increment Fund on each Note Payment Date in excess of the amount necessary to pay accrued interest on the TIF Note and the Administrative Fee payable to the Board pursuant to Section 7.3, such excess shall be paid by the Board to the Lender to be applied to pay principal on the TIF Note on each such Note Payment Date with all unpaid principal coming due on the Maturity Date. The Lender acknowledges that the principal of and interest on the TIF Note are payable from the limited sources provided herein as described in Section 2.9 and that if there are not such adequate revenues to pay the remaining balance, if any, of TIF Note on the Maturity Date, the remaining principal balance of the TIF Note on the Maturity Date may not be paid.

Section 2.7 Prepayments. In addition to the principal payments required by Section 2.6 hereof, the Board shall have the right to prepay the TIF Note, at the direction of the Developer, with available amounts in the Tax Increment Fund or from any other amounts as otherwise are available to the Board, including any amounts provided by the Developer, without premium or penalty, at any time upon three (3) Business Days' notice to the Lender.

Section 2.8 Delivery of the TIF Note. In connection with the delivery of the TIF Note, there shall be delivered to or deposited with the Lender:

- (a) copies, certified by the Secretary of the Board, of the Charter and Bylaws of the Board and the resolutions authorizing the issuance of the TIF Note and the execution, delivery and performance of this Loan Agreement and the TIF Note;

- (b) copies of closing certificates and documentation required in connection with the execution and delivery of this Agreement and the Development Agreement, all in form and substance satisfactory to Lender's counsel;
- (c) a Tennessee certificate of existence for the Board and the Developer indicating that each is in good standing;
- (d) originally executed complete counterparts of the Loan Documents; and
- (e) an opinion of counsel to the Board in form and substance satisfactory to the Lender;
- (f) if requested by the Lender, an opinion of bond counsel acceptable to the Lender as to the tax-exempt status of the TIF Note; and
- (g) the TIF Note, duly executed and issued by the Board, in an aggregate principal amount not to exceed \$9,900,000.00.

By its execution and delivery of this Loan Agreement, the Lender hereby acknowledges that each of the deliveries in this Section 2.8 has been satisfied.

Section 2.9 Execution, Limited Obligations. The TIF Note shall be executed on behalf of the Board with the manual signature of the Chairman or Vice Chairman and attested by the Secretary or other duly authorized officer of the Board. The TIF Note, and the obligations of the Board under this Loan Agreement and the other Loan Documents, shall not constitute an indebtedness of the City and County within the meaning of the Constitution and statutes of the State or the charter or ordinances of the City and County. In the event that a Default occurs under this Loan Agreement or any other Loan Document, no judgment for any deficiency for the obligations of the Board under the TIF Note or any other Loan Document shall be sought or obtained against the Board, except to the extent payable solely from the Tax Increment Revenues pledged to and designated for the payment of such obligations. Nothing contained in this Section 2.9 shall (x) be deemed to be a release or impairment of the indebtedness evidenced by the TIF Note or the lien of this Loan Agreement or any of the other Loan Documents except for the nonrecourse provisions of the immediately preceding sentence, or (y) preclude the Lender from realizing on the collateral described in the Loan Documents in the event of a Default. Amounts deposited in the Tax Increment Fund and the Tax Increment Revenues shall be used for no purpose other than to pay the principal of, interest on and any other amounts due under the TIF Note and this Agreement until they are paid in full (and Administrative Fees of the Board). For the avoidance of doubt, and notwithstanding the foregoing or anything to the contrary in this Loan Agreement or in any of the other Loan Documents, the Board is not personally liable for the repayment of the Loan outside of the Tax Increment Revenues pledged to and designated for the payment of such obligations and is not obligated to make up any shortfall in Tax Increment Revenues to pay debt service on the TIF Note.

Section 2.10 Form of TIF Note. The TIF Note is to be in substantially the form set forth in Exhibit A attached hereto, with appropriate variations, omissions and insertions as permitted or required by this Loan Agreement, with such changes being conclusively approved by execution of the TIF Note by the Board and acceptance of the TIF Note by the Lender.

ARTICLE III
COLLATERAL SECURING THE TIF NOTE

Section 3.1 Assignment of Tax Increment Revenues. As a source of and security for the payment of the TIF Note and all amounts due hereunder, the Board has assigned and pledged to the Lender, pursuant to the Assignment, all Tax Increment Revenues (except the Administrative Fees payable to the Board pursuant to Section 7.3).

Section 3.2 Pledge of the Tax Increment Fund. To the extent of any interest of the Board therein, all moneys in the Project Fund and Tax Increment Fund, including, without limitation, any earnings thereon and proceeds thereof (except the Administrative Fee payable to the Board pursuant to Section 7.3), are hereby pledged to the payment of the principal of and interest on the TIF Note, and the Board hereby grants to the Lender a security interest therein. The Tax Increment Fund shall be maintained at a bank acceptable to the Board at the expense of the Lender.

Section 3.3 Waiver of Other Rights. Other than as provided in this Loan Agreement or as subsequently provided in a separate written instrument, the Lender shall not have any right of set-off against any funds of the Board maintained in an account with the Lender and, other than with respect to rights of set-off expressly granted herein or therein, the Lender expressly waives all such rights.

ARTICLE IV
PREPAYMENT OF THE TIF NOTE BEFORE MATURITY

Section 4.1 Extraordinary Prepayment. The TIF Note is subject to prepayment from any funds provided by the Developer pursuant to Section 7 of the Development Agreement as a result of the failure of the Developer to complete the Project within the period required by the Development Agreement.

Section 4.2 Payment Due. The payment due to the Lender as a result of any prepayment of the TIF Note pursuant to this Article IV shall be paid in full within ten (10) days after the occurrence of the event pursuant to which the TIF Note must be prepaid hereunder. The prepayment required by this Article IV is mandatory and may not be waived or delayed by the Lender without the prior written consent of the Board.

ARTICLE V
REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 5.1 Representations and Warranties of the Board. The Board represents and warrants that:

(a) The Board is a duly established, organized and existing public corporation under the laws of the State of Tennessee.

(b) The Board has all requisite power, authority and legal right to execute and deliver the Loan Documents and all other instruments and documents to be executed and delivered by the Board pursuant hereto or thereto, to perform and observe the provisions hereof and thereof and to carry out the transactions contemplated hereby and thereby. All corporate action on the part of the Board which is required for the execution, delivery, performance and observance by the Board of the Loan Documents has been duly authorized and effectively taken, and such execution, delivery, performance and observation by the Board do not contravene applicable law or any contractual restriction binding on or affecting the Board.

(c) No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution and delivery by the Board of, and performance by the Board of its obligations under, the Loan Documents other than the notices and filings required under the Act and Tenn. Code Ann. § 9-23-101, et seq.

(d) The Loan Documents when delivered will be, legal, valid and binding special obligations of the Board enforceable against the Board in accordance with their respective terms.

(e) There is no default of the Board in the payment of the principal of or interest on any of its indebtedness for borrowed money or under any instrument or instruments or agreements under and subject to which any indebtedness for borrowed money has been incurred which does or could affect the validity and enforceability of the Loan Documents or the ability of the Board to perform its obligations hereunder or thereunder, and no event has occurred and is continuing under the provisions of any such instrument or agreement which constitutes or, with the lapse of time or the giving of notice, or both, would constitute such a default.

(f) There is no pending or, to the knowledge of the undersigned officers of the Board, threatened, action or proceeding before any court, governmental agency or arbitrator (i) to restrain or enjoin the issuance or delivery of the TIF Note or the collection of any revenues pledged under the Loan Documents, (ii) in any way contesting or affecting the validity, authorization or enforceability of the Loan Documents, the availability of Tax Increment Revenues to pay and secure the Loan Documents or the Development Agreement, or (iii) in any way contesting the existence or powers of the Board which could have an adverse effect on the validity, authorization or enforceability of the Loan Documents with respect to the Board or on the ability of the Board to carry out its obligations hereunder or thereunder.

(g) In connection with the authorization, issuance and sale of the TIF Note, the Board has complied with all provisions of the Act and Sections 8-44-104, et seq., of Tennessee Code Annotated.

(h) The Board has not assigned or pledged and will not assign or pledge its interest in the Tax Increment Revenues prior to payment in full of the indebtedness evidenced by the TIF Note for any purpose other than to secure the TIF Note under this Loan Agreement. The TIF Note constitutes the only bond or note or obligation of the Board in any manner payable from the revenues to be derived from the Tax Increment Revenues.

(i) Other than the TIF Note, no bonds or notes or other obligations have been or will be issued payable, in whole or in part, from the Tax Increment Revenues, except for bonds or other obligations issued to refinance the TIF Note.

(j) Other than as expressly provided in this Loan Agreement, the Tax Increment Fund is not subject to any lien, security interest or right of set-off in favor of any lender, creditor or claimant of the Board.

(k) The Board is not in default under any provision of its Charter or Bylaws and is not in default under any of the provisions of the laws of the State which default would affect its existence or its powers referred to in Section 5.1(b) hereof.

Section 5.2 Covenants of the Board. The Board covenants with the Lender as follows:

(a) The Board will not allow the Tax Increment Fund to become subject to any lien, security interest or right of set-off in favor of any lender, creditor or claimant of the Board, other than the Lender pursuant to the Loan Documents.

(b) The Board will not enter into any agreement or instrument which might in any way prevent or materially impair its ability to perform its obligations hereunder or under the Loan Documents.

(c) The Board will cooperate in the refinancing of the TIF Note to the extent required by Section 4 of the Development Agreement.

(d) So long as the TIF Note shall remain outstanding, the Board will, upon the reasonable request of the Lender:

(i) take all action and do all things which it is authorized by law to take and do in order to perform and observe all covenants and agreements on its part to be performed and observed under the Loan Documents; and

(ii) execute, acknowledge where appropriate, and deliver from time to time, promptly at the request of the Lender, all such instruments and documents as in the reasonable opinion of the Lender are necessary or desirable to carry out the intent and purpose of the Loan Documents, but at all times, the Loan shall remain non-recourse to the Board, except to the extent payable solely from the Tax Increment Revenues as described herein.

(e) So long as the TIF Note shall remain outstanding, the Board will not, without the prior written consent of the Lender:

(i) take any action, or fail to take any required action, that, directly or indirectly, adversely affects its existence or status as a public corporation under the laws of the State; or

(ii) take any action, or fail to take any required action, that would cause or permit the City and County not to collect and pay to the Board (or deposit into the Tax Increment Fund) the Tax Increment Revenues; or

(iii) take any action, or fail to take any required action, that would have the effect of materially reducing the expected Tax Increment Revenues, including, without limitation, entering into a payment in lieu of tax transaction in accordance with Tenn. Code. Ann. § 7-53-305 with respect to any parcel in the Tax Increment Area.

ARTICLE VI DISBURSEMENTS OF PROCEEDS

Section 6.1 Disbursements of Proceeds. Proceeds of the Loan shall be disbursed from the Project Fund solely in the manner provided herein. The proceeds of the Loan shall be used solely to pay or to reimburse the Developer for Eligible Costs. The proceeds of the Loan may not be repaid and reborrowed. Amounts will be deposited by the Lender in the Project Fund at such times and in such amounts as are necessary to make disbursements that are permitted pursuant to this Article, and each such deposit will be considered an advance under the TIF Loan and the TIF Note. Amounts shall not be deposited in the Project Fund until required for disbursement pursuant to this Article. In no event shall the amount

disbursed to pay Public Infrastructure Costs hereunder exceed \$8,754,000, and in no event shall the amount disbursed to pay Transaction Costs hereunder exceed \$1,146,000.

Section 6.2 Disbursement Procedure. On each Disbursement Date, the Lender will disburse and deposit in the Project Fund such amount as is eligible for disbursement in accordance with this Article VI. Each Disbursement Date shall occur within five (5) days after the conditions to the Disbursement on the Disbursement Date set forth in Section 6.3 have been met.

Section 6.3 Conditions Precedent to Each Disbursement. The Lender's obligation to make a Disbursement on any Disbursement Date shall be subject to the prior satisfaction of each of the following conditions:

- (a) No Default shall then be existing; and
- (b) The Developer shall have delivered to the Board and the Lender a Borrowing Certificate with respect to such Disbursement and the Board and the Lender shall have approved such Borrowing Certificate.

ARTICLE VII PROJECT FUND AND TAX INCREMENT FUND

Section 7.1 Establishment of Funds. There are hereby established by the Board (a) a special fund to be held in a segregated account with the Lender called the "North Access Road Plan Area Project Fund," that is not commingled with other funds of the Board, the Lender or the Developer into which shall be deposited all proceeds of the TIF Note prior to their disbursement to pay Transaction Costs and Public Infrastructure Costs and (b) a special fund to be held in an account with Lender called the "North Access Road Plan Area Tax Increment Fund," into which shall be deposited all Tax Increment Revenues and any amounts paid by Developer to pay the principal of or interest on the TIF Note, including any amounts payable by Developer under Section 7 of the Development Agreement.

Section 7.2 Disbursements from Project Fund. All proceeds of the TIF Note shall be deposited in the Project Fund. Amounts deposited in the Project Fund shall be applied as disbursed in accordance with Article VI hereof and will not be invested.

Section 7.3 Disbursements from Tax Increment Fund.

(a) On each May 1st on which funds are on deposit in the Tax Increment Fund, the Board shall disburse to itself its Administrative Fee from the Tax Increment Revenues deposited in the Tax Increment Fund on such date, but only to the extent available therefrom and only to the extent the Administrative Fee has not already been received by the Board for the Tax Year during which such date occurs. After such disbursement, all remaining Tax Increment Revenues on deposit in the Tax Increment Fund shall be applied to the payment of the interest and principal due under the TIF Note as provided in Sections 2.5 and 2.6 hereof.

(b) In the event of prepayment in whole of the TIF Note under Article IV hereof, the entire amount deposited in the Tax Increment Fund pursuant to Section 7 of the Development Agreement shall be applied to pay the principal of TIF Note and accrued interest relating to the portion of the principal prepaid.

ARTICLE VIII DEFAULTS AND REMEDIES

Section 8.1 Defaults. Each of the following events shall constitute a “Default” hereunder:

(a) default in the due and punctual payment of interest on or principal of the TIF Note on any Note Payment Date (without regard to the sufficiency of Tax Increment Revenues available therefor) after ten (10) days’ written notice thereof to the Board and the Developer;

(b) the occurrence of a breach under or failure to comply with terms of the Development Agreement and the passage of the period of time, if any, allowed thereunder for the remedying or curing of such breach or failure of compliance; or

(c) the occurrence of a breach under or failure to comply with terms of any other of the covenants, agreements or conditions on the part of the Board contained in this Loan Agreement or the TIF Note (except as described in Sections 8.1(a) and (b) hereof) and the failure to remedy the same within thirty (30) days after written notice thereof to the Board, provided, however, that if any such breach or failure to comply (i) is such that it cannot be cured or remedied within such thirty (30) day period, (ii) does not involve the payment of any monetary sum, and (iii) does not place any rights or interest in collateral of the Lender in immediate jeopardy, then such breach or failure to comply shall not constitute a Default if corrective action is instituted by the Board to the reasonable satisfaction of the Lender within such thirty (30) day period and diligently pursued until such breach or failure to comply is corrected; provided, further, however, that in no event shall any such cure period exceed ninety (90) days without the express written consent of the Lender, which shall not be unreasonably withheld, conditioned or delayed. If the Board or the Developer on behalf of the Board shall fail to correct or cure such breach or failure to comply within such ninety (90) day period (as the same may be extended pursuant to the foregoing sentence), a Default shall be deemed to have occurred hereunder without further notice or demand of any kind being required.

Notwithstanding anything in this Loan Agreement or the other Loan Documents to the contrary, no Default shall occur or be deemed to have occurred unless and until notice thereof has been given to both the Board and the Developer and such parties have had the opportunity to cure such default within the time periods set forth in above in this Section 8.1.

Section 8.2 Acceleration. Upon the occurrence of any Default hereunder, Lender may declare the principal of the TIF Note and all accrued and unpaid interest thereunder to be immediately due and payable.

Section 8.3 Other Remedies.

(a) Upon the occurrence of a Default, and subject to the provisions of Section 2.9 hereof, the Lender may pursue any available remedy at law or in equity to enforce the payment of the principal of and interest on the outstanding TIF Note and to enforce the Loan Documents and all rights derived therefrom.

(b) No remedy conferred upon or reserved to the Lender by the terms of this Loan Agreement or the other Loan Documents is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Lender hereunder or now or hereafter existing at law or in equity.

(c) No delay or omission to exercise any right or power accruing upon any Default shall impair any such right or power or shall be construed to be a waiver of any such Default or

acquiescence therein; such right or power may be exercised from time to time as often as may be deemed expedient.

(d) No waiver of any Default hereunder, whether by the Lender or by any holder of the TIF Note, shall extend to or shall affect any subsequent Default or shall impair any rights or remedies consequent thereon.

Section 8.4 Waiver. Upon the occurrence of a Default, to the extent that such rights may then lawfully be waived, neither the Board nor anyone claiming through or under it, shall set up, claim or seek to take advantage of any stay or extension laws of any jurisdiction now or hereafter in force, in order to prevent or hinder the collection of the TIF Note or the enforcement of this Loan Agreement or any of the other Loan Documents, and the Board, for itself and all who may claim through or under it, hereby waives, to the extent that it lawfully may do so, the benefit of all such laws.

By written notice to the Board provided in accordance with Section 9.2 hereof, the Lender shall have the right to waive any breach of any promise made in the TIF Note, or any Default under Section 8.1 hereof, or any default under any of the Loan Documents or other documents relating to, securing or otherwise executed in connection with the TIF Note, and its consequences except as is provided in Article IV. In case of any such waiver or rescission, then and in every such case the Board and the Lender shall be restored to their former positions and rights hereunder, but no such waiver or rescission shall extend to any subsequent or other breach, Default or default or impair any right consequent thereon.

Section 8.5 Application of Moneys. All moneys received by the Lender pursuant to any right given or action taken under the provisions of this Article VIII shall, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the fees of, and expenses, liabilities and advances incurred or made by, the Lender, be allocated to and applied first to accrued interest and then to principal due on the TIF Note.

ARTICLE IX MISCELLANEOUS

Section 9.1 Term of Loan Agreement. This Loan Agreement shall remain in full force and effect from the date hereof to and including such time as all of the TIF Note and the fees and expenses of the Lender relating to any of the Loan Documents shall have been fully paid.

Section 9.2 Notices. All notices, certificates or other communications hereunder shall be in writing, and shall be deemed to have been duly given and shall be deemed given at the time and date when personally delivered, or upon the Business Day following delivery to a nationally recognized commercial courier for next day delivery, to the address for each party set forth below, or upon the third Business Day after being deposited in the United States Mail, Certified Mail, Return Receipt Requested, with all postage prepaid, to the address for each party set forth below:

If to the Board:

Industrial Development Board of the City of Chattanooga
825 West First North Street
Chattanooga, Tennessee 37814
Attention: Chairman

If to the Lender:

Access Road, LLC
P.O. Box 1757
Chattanooga, TN 37816
Attention: Chief Manager

The Board and the Lender may, by written notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 9.3 Binding Effect. This Loan Agreement shall inure to the benefit of and shall be binding upon the Board and the Lender and their respective successors and assigns.

Section 9.4 Severability. In any event any provision of this Loan Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof or thereof.

Section 9.5 Amendments, Changes and Modifications. This Loan Agreement may not be effectively amended, changed, modified, altered or terminated without the written consent of the Lender and the Board.

Section 9.6 Execution in Counterparts. This Loan Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 9.7 Applicable Law. This Loan Agreement shall be governed by and construed in accordance with the laws of the State, and the venue of any litigation with respect hereto shall be exclusively in state court in Hamilton County, Tennessee or federal court in the U.S. District Court for the Eastern District of Tennessee.

Section 9.8 Captions. The captions and headings in this Loan Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Sections of this Loan Agreement.

Section 9.9 Payment or Performance on Business Days. If the date for any payment hereunder, or the last date for performance of any act or the exercising of any right as provided in this Loan Agreement, shall not be a Business Day, such payment may be made or act performed or right exercised on the next succeeding Business Day.

Section 9.10 No Liability of Officers. No recourse under or upon any obligation, covenant or agreement herein, in the TIF Note, in any other Loan Document, or under any judgment obtained against the Board, or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise or under any circumstances, shall be had against any incorporator, member, employee, director or officer, as such, past, present, or future, of the Board, either directly or through the Board, or otherwise, for the payment for or to the Board or any receiver thereof, or for or to the holder of the TIF Note, of any sum that may be due and unpaid by the Board upon the TIF Note or any other Loan Document. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such incorporator, member, employee, director or officer, as such, to respond by reason of any act or omission on his part or otherwise, for the payment for or to the Board or any receiver thereof, or for or to the holder of the TIF Note, of any sum that may

remain due and unpaid upon the TIF Note or any other Loan Document, is hereby expressly waived and released as a condition of and consideration for the execution of this Loan Agreement and the issuance of the TIF Note.

Section 9.11 No Liability of City and County. Neither the City nor the County shall in any event be liable for the performance of any pledge, mortgage, obligation or agreement of any kind whatsoever herein or indebtedness by the Board, and neither the TIF Note nor any of the agreements or obligations of the Board contained in any other Loan Document or otherwise shall be construed to constitute an indebtedness of the City and County within the meaning of any constitutional or statutory provision whatsoever, provided, however, that the terms of this Section 9.11 shall in no way limit or affect the obligation of the City and County to remit the Tax Increment Revenues for the benefit of the Lender and the Board.

Section 9.12 Interest and Charges. Notwithstanding any provision herein to the contrary, it is the intent of the Lender and the Board that neither the Lender nor any subsequent holder of the indebtedness evidenced by this Loan Agreement or the TIF Note shall be entitled to receive, collect, reserve or apply, as interest or other charges, any amounts in excess of the maximum amounts legally permitted to be charged under applicable law or regulations. In the event this Loan Agreement or the TIF Note requires a payment of interest or other charges that exceeds the maximum amounts legally permitted to be charged under applicable law or regulations, such interest or other charges, as the case may be, shall not be received, collected, charged or reserved until such time as such interest or other charges, as the case may be, together with all other interest and other charges then payable, fall within the maximum amounts legally permitted to be charged under applicable law and regulations. In determining whether or not the interest paid or payable, under any specific contingency, exceeds the amount provided by application of the maximum lawful rate of interest, the Board and the Lender, to the greatest extent permitted under applicable law, (a) shall exclude voluntary prepayments and the effects thereof, and (b) shall amortize, prorate, allocate and spread, in equal parts, the total amount of interest throughout the entire term hereof; provided, however, that if the principal indebtedness evidenced hereby is paid in full prior to the end of the full contemplated term hereof, and if the interest received for the actual period of existence hereof exceeds the amount provided by application of the maximum lawful rate of interest, the Lender shall refund to the Board the amount of such excess or credit the amount of such excess against the principal portion of the principal indebtedness hereunder as of the date it was received, and, in such event, the Lender shall not be subject to any penalties provided by any laws for contracting for, charging, reserving, collecting or receiving interest in excess of the amount provided by application of the maximum lawful rate of interest. The term "maximum lawful rate of interest" as used herein shall mean a rate of interest equal to the maximum lawful rate of interest permitted to be charged under the applicable laws and regulations of the State of Tennessee.

[Signatures to follow on next page]

IN WITNESS WHEREOF the parties have executed this Assignment as of the date first stated above.

BORROWER:

INDUSTRIAL DEVELOPMENT BOARD OF THE
CITY OF CHATTANOOGA, TENNESSEE

By: _____
Chairman

ATTEST:

Secretary

LENDER:

ACCESS ROAD, LLC

By: _____
Title: _____

EXHIBIT A

TIF Note Form

**INDUSTRIAL DEVELOPMENT BOARD OF THE
CITY OF CHATTANOOGA
TAX INCREMENT REVENUE NOTE
(North Access Road Plan Area)**

\$9,900,000.00

_____, 2022

FOR VALUE RECEIVED, the INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA, a public body corporate and politic and an instrumentality of the City of Chattanooga, Tennessee (the "Board"), promises and agrees to pay to the order of ACCESS ROAD, LLC (the "Lender"), or at such other place as may be designated in writing by the holder, in lawful money of the United States of America, the principal sum of NINE MILLION NINE HUNDRED THOUSAND AND NO/100 DOLLARS (\$9,900,000.00), or such lesser amount as is advanced hereunder pursuant to the Loan Agreement, as hereinafter defined, together with interest from the date hereof on the unpaid principal balance outstanding from time to time, at such rate(s) as are provided in the Loan Agreement. Interest shall be computed based upon a year of 360 days and based upon the actual number of days elapsed. This Note is issued pursuant to that certain Loan Agreement, dated as of the date hereof (as it may be amended, modified, extended, or removed from time to time, the "Loan Agreement"), by and between the Lender and the Board. Any capitalized term used in this Note that is not otherwise defined herein shall have the meaning given to it in the Loan Agreement.

The Board may prepay all or any portion of the outstanding balance under this Note at any time without penalty or premium.

The proceeds hereunder shall be disbursed in accordance with Article VI of the Loan Agreement.

This Note shall mature on the Maturity Date, as defined in the Loan Agreement, unless earlier paid pursuant to the terms of the Loan Agreement.

On each Note Payment Date or as is otherwise provided in the Loan Agreement, all available Tax Increment Revenues, if any, shall (after the payment of the Administrative Fee payable pursuant to Section 7.3 of the Loan Agreement) be applied to the payment of accrued interest and principal of this Note until paid in full as provided in the Loan Agreement.

All payments hereunder, including any prepayments, will be applied first to accrued interest and any remaining funds will be applied as a principal reduction on the indebtedness evidenced by this Note.

Notwithstanding any provision herein to the contrary, it is the intent of the Lender, the Board and all parties liable on this Note that neither the Lender nor any subsequent holder shall be entitled to receive, collect, reserve or apply, as interest or other charges, any amounts in excess of the maximum lawful rate of interest. In the event this Note requires a payment of interest or other charges that exceeds the maximum lawful rate of interest, such interest or other charges, as the case may be, shall not be received, collected, charged or reserved until such time as such interest or other charges, as the case may be, together with all other interest and other charges then payable, fall within the maximum lawful rate of interest. In determining whether or not the interest paid or payable, under any specific contingency,

exceeds the amount provided by application of the maximum lawful rate of interest, the Board and the Lender, to the greatest extent permitted under applicable law, (a) shall exclude voluntary prepayments and the effects thereof, and (b) shall amortize, prorate, allocate and spread, in equal parts, the total amount of interest throughout the entire term hereof; provided, however, that if the principal indebtedness evidenced hereby is paid in full prior to the end of the full contemplated term of this Note, and if the interest received for the actual period of existence hereof exceeds the amount provided by application of the maximum lawful rate of interest, the holder shall refund to the Board the amount of such excess or credit the amount of such excess against the principal portion of the principal indebtedness hereunder as of the date it was received, and, in such event, the Lender shall not be subject to any penalties provided by any laws for contracting for, charging, reserving, collecting or receiving interest in excess of the amount provided by application of the maximum lawful rate of interest.

Principal and unpaid interest shall bear interest following any default in payment of principal of or interest on this Note and the expiration of the cure period provided in the Loan Agreement at the maximum lawful rate of interest until paid.

This Note and all obligations relating hereto or hereunder shall not be general obligations of the Board and shall in any event be payable only from any Tax Increment Revenues. Nothing contained in this paragraph shall (x) be deemed to be a release or impairment of the indebtedness evidenced by this Note or the lien of any of the Loan Documents, or (y) preclude the Lender from (1) realizing on the collateral described in the Loan Documents, or (2) enforcing any other rights of the Lender against third parties other than the Board, including any remedies the Lender may have under the Loan Documents.

The makers, endorsers, and all parties to this Note and all who may become liable for the same, jointly and severally waive presentment for payment, protest, notice of protest, notice of nonpayment of this Note, demand and all legal diligence in enforcing collection, and hereby expressly agree that the lawful owner or holder of this Note may defer or postpone collection of the whole or any part hereof, either principal and/or interest, or may extend or renew the whole or any part hereof, either principal and/or interest, or may accept additional collateral or security for the payment of this Note, or may release the whole or any part of any collateral security and/or liens given to secure the payment of this Note, or may release from liability on account of this Note any one or more of the makers, endorsers, and/or other parties hereto, all without notice to them or any of them; and such deferment, postponement, renewal, extension, acceptance of additional collateral or security and/or release shall not in any way affect or change the obligation of any such maker, endorser, guarantor or other party to this Note, or of any who may become liable for the payment hereof.

The term "maximum lawful rate of interest" as used herein shall mean a rate of interest equal to the higher or greater of the following: (a) the "applicable formula rate" defined in Tenn. Code Ann. § 47-14-102(2), or (b) such other rate of interest as may be legally charged under other applicable laws or regulations.

This Note is secured by an Assignment of Tax Increment Revenues from the Board to the holder hereof. It is the intent of the parties that all Tax Increment Revenues (less the Administrative Fees payable to the Board pursuant to Section 7.3 of the Loan Agreement) shall be made available for and applied to debt service on this Note or other obligations created under the Loan Agreement, and to no other purpose or use until the indebtedness evidenced by this Note has been paid in full.

The validity, interpretation, enforcement and effect of this Note shall be governed by, and construed in accordance with, the laws of the State of Tennessee.

This Note may not be changed or terminated without the prior written approval of the holder hereof and the Board. No waiver of any term or provision hereof shall be valid unless in writing signed by the holder.

Executed as of the ____ day of _____, 2022.

INDUSTRIAL DEVELOPMENT BOARD OF THE
CITY OF CHATTANOOGA

By: _____
Chairman

Attest:

Secretary

EXHIBIT B

BORROWING CERTIFICATE

DISBURSEMENT REQUEST

To: Access Road, LLC
P.O. Box 1757
Chattanooga, TN 37816
Attention: Chief Manager

Re: Loan evidenced by the Industrial Development Board of the City of Chattanooga Tax Increment Revenue Note (North Access Road Plan Area) in the principal amount not to exceed \$9,900,000.00, dated _____, 2022 (the "Loan"), made pursuant to a Loan Agreement, dated _____, 2022 (the "Loan Agreement"), between the Industrial Development Board of the City of Chattanooga (the "Board") and Access Road, LLC (the "Lender")

You are hereby authorized and requested to disburse pursuant to Article VI of the Loan Agreement the sum of \$ _____ (the "Requested Amount") from the Project Fund created pursuant to the Loan Agreement. In connection with such disbursement, Access Road, LLC, as the Developer referenced in the Loan Agreement (the "Developer"), hereby certifies as follows:

(a) All amounts disbursed shall be applied to the payment of or the reimbursement to the Developer for the payment of Eligible Costs consisting of Public Infrastructure Costs and/or Transaction Costs. All Public Infrastructure Costs as to which disbursement is requested are listed on Exhibit A attached hereto, and all Transaction Costs as to which disbursement is requested are listed on Exhibit B attached hereto. The amount requested to pay Public Infrastructure Costs, together with all disbursements previously made for such purpose, does not exceed \$8,754,000, and The amount requested to pay Transaction Costs, together with all disbursements previously made for such purpose, does not exceed \$1,146,000

(b) Attached hereto as Appendix A is a certificate of the civil engineering firm that is providing consulting services to the Developer in connection with the construction of the Public Infrastructure certifying that each expense listed on Exhibit A is a Public Infrastructure Cost.

(c) With the delivery of this Certificate, and upon approval of the Board below, all requirements for disbursement of amounts pursuant to this request under Article VI of the Loan Agreement have been satisfied.

Please disburse all such amounts to the parties in the manner described on Exhibit A and/or Exhibit B attached hereto.

All capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the Loan Agreement.

Dated as of _____, 20__.

ACCESS ROAD, LLC, as the Developer

By: _____
Title: _____

APPROVED BY:

ACCESS ROAD, LLC, as the Lender

By: _____
Title: _____

APPROVED BY:

INDUSTRIAL DEVELOPMENT BOARD OF
THE CITY OF CHATTANOOGA

By: _____
Title: _____

APPENDIX A TO DISBURSEMENT REQUEST

**CONFIRMING CERTIFICATE
OF ENGINEERING FIRM**

The undersigned hereby certifies as follows:

(a) The undersigned is a civil engineering firm and is delivering this certificate in connection with a Disbursement Request by Access Road, LLC, as developer , pursuant to a Loan Agreement dated as of _____, 2022 (the “Loan Agreement”), between the Access Road, LLC, as lender, and the Industrial Development Board of the City of Chattanooga.

(b) The undersigned is familiar with the definition of Public Infrastructure as set forth in the Loan Agreement and hereby certifies that each cost listed on Exhibit A to the attached Disbursement Request is for a cost relating to Public Infrastructure, within the meaning of the Loan Agreement, and that each such cost has been incurred in connection with the acquisition, construction and/or installation of Public Infrastructure relating to the Project (as defined in the Loan Agreement).

IN WITNESS WHEREOF, the undersigned officer has executed this Certificate effective as of the ____ day of _____, 20__.

[ENGINEERING FIRM]

By: _____
Title: _____

EXHIBIT C

Parcels within Tax Increment Area

Tax Map/Parcel
110P B 001.02
119H A 001.05
119H A 003
110P B 001
119H A 001
119H A 003.02
119H A 001.03
119H A 001.04

33323813.2

ASSIGNMENT OF TAX INCREMENT REVENUES

THIS ASSIGNMENT OF TAX INCREMENT REVENUES (the "Assignment") is entered into as of [_____, 2022], by and between the INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA, TENNESSEE, a public body corporate and politic and an instrumentality of the City of Chattanooga, Tennessee (the "Board"), and ACCESS ROAD, LLC, a Tennessee limited liability company (the "Lender").

RECITALS:

A. The Lender and the Board have entered into a Loan Agreement, dated as of the date hereof (as it may be amended from time to time, the "Loan Agreement"). Any capitalized terms not otherwise defined hereunder shall have the meanings given them in the Loan Agreement.

B. One condition to the Lender's agreement to extend credit under the Loan Agreement to the Board is the execution and delivery of this Assignment of the Board's rights to receive the Tax Increment Revenues.

C. The Board has agreed to cause to be deposited all of the Tax Increment Revenues into the Tax Increment Fund, as defined in and as is established under the Loan Agreement.

NOW, THEREFORE, in consideration of the above Recitals, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is agreed as follows:

TERMS:

1. Definition of Secured Indebtedness. As used in this Assignment, "Secured Indebtedness" shall mean all of the obligations of the Board under the documents and instruments described in Exhibit A hereto, and all modifications, extensions and renewals thereof.

2. Assignment; Lien and Pledge. To secure the payment and performance of the Secured Indebtedness, the Board hereby pledges and assigns to the Lender and grants to the Lender a first priority lien upon, pledge of and security interest in the Board's right to receive the Tax Increment Revenues (less the Administrative Fees payable to the Board pursuant to Section 7.3 of the Loan Agreement).

3. No Assumption of Obligations. Neither the Lender's execution hereof nor its exercise of any remedies hereunder shall cause the Lender to assume any obligations of the Board under the Loan Agreement or any document relating thereto.

4. Representations and Warranties. The Board represents and warrants to the Lender as follows:

(a) Validity of Rights. The Board is duly entitled to receive the Tax Increment Revenues with respect to tax revenues that relate to each Allocation Period, has complied with all applicable laws and regulations relating thereto and has full power and authority to segregate such Tax Increment Revenues and pledge them to the Lender for the repayment of the Secured Indebtedness.

(b) No Other Lien. The Tax Increment Revenues are not subject to any lien, assignment, pledge, security interest or encumbrance other than the lien and pledge of this Assignment in favor of the Lender.

(c) No Conflicts. The Board is not a party to any contract or agreement and is not subject to any contingent liability that does or may impair the Board's ability to perform under the terms of this Assignment.

(d) No Defaults. The execution and performance of this Assignment will not cause a default under any other contract or agreement to which the Board is a party or any property of the Board is subject, and will not result in the imposition of any charge, penalty, lien, or other encumbrance against any of the Board's property, except in favor of the Lender.

(e) Legal and Binding Agreement. The execution and performance of this Assignment will not violate any judicial or administrative order or governmental law or regulation, and this Assignment is valid, binding and enforceable in every respect according to its terms.

(f) No Consent Required. The execution and performance of this Assignment by the Board do not require the consent of or the giving of notice to any third party including, without limitation, any other lender, governmental body, or regulatory authority.

(g) Valid Assignment and Lien. This Assignment provides the Lender with a valid assignment of and lien upon and pledge of the Tax Increment Revenues.

5. Covenants. The Board covenants with the Lender as follows:

(a) Performance of Contract Obligations. The Board shall continue to duly comply with all requirements in order to continue to be entitled to receive the Tax Increment Revenues.

(b) No Amendment Without Consent. The Board shall not reduce, cancel or waive any right of the Board to receive the Tax Increment Revenues without the prior written approval of the Lender. Any attempted reduction, cancellation, or waiver without such prior written approval of the Lender shall be void.

(c) The Tax Increment Fund. The Board will cause all Tax Increment Revenues to be deposited in the Tax Increment Fund.

(d) No Other Lien. The Board shall not grant nor allow any security interest or lien to attach to the Tax Increment Revenues, except for the pledge and lien in favor of the Lender provided for herein.

(e) Further Assurances. The Board agrees to execute any and all necessary financing statements or other documents in order to perfect the lien and pledge granted herein or otherwise to complete and/or perfect this Assignment. The Board authorizes the Lender to file Uniform Commercial Code financing statements (and any financing statement amendments and correction statements thereto deemed necessary by the Lender) at any time deemed necessary or desirable by the Lender, covering the Lender's lien against the Tax Increment Revenues and containing such legends, descriptions or statements as the Lender shall deem necessary or desirable to protect the Lender's interest. The Board shall not file any amendments, correction statements or termination

statements relating to this Assignment or the Lender's rights hereunder without the prior written consent of the Lender.

6. Lender's Rights. The Lender shall be entitled to avail itself of all rights and remedies as may now or hereafter exist, at law or in equity, for the collection of the Secured Indebtedness or any part thereof and the enforcement of the lien and pledge created hereby. The resort to any remedy provided hereunder or provided by the Uniform Commercial Code as adopted in the State of Tennessee, or by any other applicable law, shall not prevent the concurrent employment of any other appropriate remedy or remedies. The subsequent taking of additional collateral for the Secured Indebtedness or any part thereof shall not effect a release or termination of this Assignment or any terms or provisions hereof. No failure or delay on the part of the Lender in exercising any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right, power, or remedy. The rights, powers, and remedies hereunder are cumulative and may be exercised by the Lender either independently of or concurrently with any other right, power, or remedy of the Lender contained herein or otherwise. The Lender shall have the right, but without the obligation so to do, to take any such action that the Lender may deem necessary to prevent the material impairment of the lien and pledge of the Tax Increment Revenues provided by this Assignment, including, without limitation, the right to appear in and defend any action or proceeding purporting to affect the lien and pledge of this Assignment or the rights or powers of the Lender.

7. Recitals. The Board warrants and agrees that the recitals set forth at the beginning of this Assignment are true.

8. No Default. The Board warrants that, as of the execution of this Assignment, no default exists hereunder.

9. Default Defined. A "Default" as defined under the Loan Agreement shall constitute a default under this Assignment.

10. Remedies Upon Default. Upon the occurrence of a default hereunder, the Lender may pursue any or all remedies available under the Loan Agreement or any other document evidencing or securing the Secured Indebtedness or otherwise available at law or in equity, without any notice to the Board except as otherwise required by law.

11. Indulgence Not Waiver. The Lender's indulgence in the existence of a default hereunder or any other departure from the terms of this Assignment shall not prejudice the Lender's rights to declare a default or otherwise demand strict compliance with this Assignment.

12. Cumulative Remedies. The remedies provided the Lender in this Assignment are not exclusive of any other remedies that may be available to the Lender under any other document or at law or in equity.

13. Amendment and Waiver in Writing. No provision of this Assignment can be amended or waived, except by a statement in writing signed by the party against which enforcement of the amendment or waiver is sought.

14. Assignment. This Assignment shall be binding upon and inure to the benefit of the respective successors and assigns of the Board and the Lender, except that the Board shall not assign any rights or delegate any obligations arising hereunder without the prior written consent of the Lender. Any

attempted assignment or delegation by the Board without the required prior written consent of the Lender shall be void.

15. Entire Agreement. This Assignment, the Loan Agreement and the other written agreements between the Board and the Lender regarding the Tax Increment Revenues represent the entire agreement between the parties concerning the subject matter hereof, and all oral discussions and prior agreements are merged herein and therein.

16. Severability. The provisions of this Assignment shall be deemed severable. If any part of this Assignment shall be held unenforceable by a court of competent jurisdiction, the remainder shall remain in full force and effect, and such unenforceable provision shall be reformed by such court so as to give maximum legal effect to the intention of the parties as expressed herein.

17. Time of Essence. Time is of the essence of this Assignment, and all dates and time periods specified herein shall be strictly observed, except that the Lender may permit specific deviations therefrom by its written consent.

18. Applicable Law. The validity, construction, and enforcement of this Assignment shall be determined according to the laws of Tennessee, in which state this Assignment has been executed and delivered.

19. Notices. All notices required or permitted to be given under this Assignment shall be in writing and shall be given in the manner and to the addresses specified for notices pursuant to the Loan Agreement, and the effectiveness of each such notice shall be determined as provided in the Loan Agreement for a notice given thereunder.

20. Execution in Counterparts. This Assignment may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Signatures to follow on next page]

IN WITNESS WHEREOF the parties have executed this Assignment as of the date first stated above.

BOARD:

INDUSTRIAL DEVELOPMENT BOARD OF THE
CITY OF CHATTANOOGA, TENNESSEE

By: _____
Chairman

ATTEST:

Secretary

LENDER:

ACCESS ROAD, LLC

By: _____
Title: _____

Exhibit A

List of TIF Documents

1. The Tax Increment Revenue Note (North Access Road District), dated as of the date hereof, issued by the Industrial Development Board of the City of Chattanooga, Tennessee, and payable to Access Road, LLC in the original principal amount not to exceed \$9,900,000.00, as it may be amended, modified, extended, or renewed from time to time; and
2. The Loan Agreement, dated as of the date hereof, by and between the Industrial Development Board of the City of Chattanooga, Tennessee, and Access Road, LLC, as it may be amended, modified, extended, or renewed from time to time.

**DEVELOPMENT AND FINANCING AGREEMENT
RELATING TO THE NORTH RIVER COMMERCE CENTER INDUSTRIAL PARK
AND THE NORTH ACCESS ROAD ECONOMIC DEVELOPMENT AREA**

THIS DEVELOPMENT AND FINANCING AGREEMENT (this "Agreement") is made and entered into as of the ___ day of _____, 2022 (the "Effective Date"), by and between the INDUSTRIAL DEVELOPMENT BOARD FOR THE CITY OF CHATTANOOGA ("IDB") and ACCESS ROAD, LLC, a Tennessee limited liability company ("Developer").

WHEREAS, IDB desires to support job creation, economic growth and provide for the development of certain under-improved areas within the City of Chattanooga, Tennessee ("City"); and

WHEREAS, IDB has prepared and approved an economic impact plan (the "Economic Impact Plan") regarding the development of the North River Commerce Center Industrial Park and the North Access Road economic development area within the City of Chattanooga and Hamilton County, Tennessee, as shown on Exhibit A (the "Plan Area"); and

WHEREAS, Developer is the owner of a portion of the property located within the Plan Area, as shown on Exhibit B, which property is also referred to as the "Industrial Park Parcels" in the Economic Impact Plan; and

WHEREAS, Developer proposes to develop the Industrial Park Parcels by constructing a new industrial park with over 800,000 square feet of industrial space at a cost of over \$100 million (collectively, the "Project") in accordance with the general site plans attached as Exhibit C (the "Approved Plans"); and

WHEREAS, Developer has agreed to provide the City an easement across a portion of the Industrial Park Parcels that fronts on the Tennessee River (the "Greenway Easement") to facilitate the development of a greenway along Tennessee River and has agreed to re-align the access road to certain property within the Plan Area to align that access road with a traffic signal on North Access Road; and

WHEREAS, the City has no funding allocated to pay the cost of public infrastructure improvements within the Plan Area; and,

WHEREAS, IDB and Developer agreed to enter into this Agreement to evidence (i) Developer's commitment to undertake the Project and certain infrastructure and related improvements in connection with the redevelopment of the Plan Area, the general scope and estimated costs of which are provided in Exhibit E to the Economic Impact Plan (the "Public Infrastructure") and (ii) IDB's commitment to provide certain financial assistance for the development of the Public Infrastructure.

NOW, THEREFORE, in consideration of the terms, conditions and mutual agreements by and between the parties, as hereinafter set forth in detail, the parties do hereby mutually agree as follows:

1. Designation of TIF District and Developer. IDB designates Developer as the party responsible for development of the Project and in furtherance thereof, and IDB grants to Developer, during the term of this Agreement, the exclusive right to develop the Project and the Public Infrastructure in accordance with this Agreement, the general site plan attached as Exhibit C and the Economic Impact Plan. This designation is conditioned upon Developer's compliance with this Agreement.

2. IDB Obligations. In reliance upon Developer's agreement to undertake and complete the Project and the Public Infrastructure, IDB hereby agrees to do the following in connection with the development of the Project:

(a) IDB shall comply with the terms of the Agreement. Any default by IDB under this Agreement that is not curable within any applicable grace or cure period shall constitute a default by IDB under the Agreement,

(b) IDB shall use good faith efforts to assist Developer in obtaining such legislative and administrative actions of the appropriate governmental entities as may be necessary or desirable and as Developer may reasonably request to facilitate the Project or construction of the Public Infrastructure.

(c) IDB shall use good faith efforts to take and/or obtain all necessary planning, administrative, legislative, and other action, as required to facilitate and implement the Project and the Public Infrastructure.

(d) IDB shall cooperate with Developer in designating the commencement of the allocation period for tax increment revenues for the parcels in the Plan Area as permitted by the Economic Impact Plan, provided that Developer shall request in writing to IDB the commencement of the allocation period as to each parcel.

(e) Subject to any required approvals by the State, IDB shall issue a note or other debt obligation in an amount not exceeding the amount authorized by the Economic Impact Plan ("TIF Financing") as arranged by Developer with a lender, which initially may be Developer ("Lender") and secured only (as to IDB's obligations) by the annual incremental tax revenue paid to IDB with regard to and generated by all or any portion of the Plan Area, on the following terms and conditions:

(i) IDB will separate each tax parcel as to which incremental tax revenues will be allocated for purposes of making calculations of such incremental tax revenues, and the period of allocation with respect to any parcel shall not exceed twenty (20) tax years commencing with the first tax year in which an allocation occurs as to such parcel pursuant to the Economic Impact Plan;

(ii) IDB will apply the incremental tax revenues paid to IDB accordance with the Economic Impact Plan and this Agreement, less any applicable administrative fees of the County, the City or the IDB, to make debt service payments under the TIF Financing;

(iii) The proceeds of the TIF Financing shall only be applied to pay the costs of Public Infrastructure, capitalized interest as permitted by law, any appropriate debt service

reserve and all other costs related to closing of the TIF Financing, subject to the limits contained in the Economic Impact Plan as to the amounts that can be used to pay certain costs. All disbursements of proceeds shall be subject to the approval of IDB and shall be consistent with the provisions of Section 7-53-101 *et seq.* of the Tennessee Code ("TIF Eligible Costs");

(iv) The TIF Financing shall mature within six (6) months after the expiration of the final twenty (20) year allocation period for any parcel from which incremental tax revenues will be applied to pay debt service on the TIF Financing;

(v) Developer is responsible for arranging and paying all costs associated with the TIF Financing to the extent not constituting TIF Eligible Costs; and

(vi) The documents pursuant which the TIF Financing is issued, including the note or other debt obligation, related loan agreement and assignment of tax increment revenues shall be in such form as is acceptable to both IDB and Developer.

(f) IDB will establish and, as long as the indebtedness evidenced by the TIF Financing remains outstanding and unpaid, maintain a separate and special fund of IDB to be known as the North River Commerce Center Tax Increment Fund, to be kept separate and apart from all other funds of IDB, pursuant to the requirements of Tenn. Code Ann. § 7-53-312, into which will be deposited all incremental tax revenues received by IDB (the "TIF Payments"). The fund shall consist of a separate account into which all TIF Payments shall be deposited as received and from which all disbursements will be made. Developer shall pay all costs and expenses of establishing and maintaining such account.

(g) IDB covenants and agrees that it has not pledged or otherwise obligated and covenants and agrees that it will not pledge or otherwise obligate the TIF Payments to the payment of any indebtedness other than the TIF Financing.

(h) IDB covenants and agrees that it will not apply the TIF Payments for any purpose other than the payment of the TIF Financing and reimbursement of TIF Eligible Costs until such time as all obligations under the TIF Financing have been satisfied.

(i) IDB covenants and agrees not to grant, approve or enter into any real property tax abatement or other similar concession with respect to the Industrial Park Parcels until such time as all obligations under the TIF Financing have been satisfied.

(j) IDB shall work with the State of Tennessee to obtain any necessary approvals from the Tennessee State Comptroller and the Commissioner of Economic and Community Development to allow the use of TIF Payments for privately owned land and improvements pursuant to Tenn. Code Ann. § 9-23-108.

3. Developer Obligations. To induce IDB to make the TIF Financing proceeds and the TIF Payments available for the purposes outlined in this Agreement and to otherwise undertake IDB's obligations under this Agreement, Developer hereby agrees to do the following in connection with the Project:

(a) Developer shall comply with the terms of the Agreement. Any default by Developer under this Agreement that is not cured within any applicable grace or cure period shall constitute a default by Developer under the Agreement.

(b) Developer shall close on the construction financing for the Project and the Public Infrastructure, obtain required building permits for the Public Infrastructure, and commence construction of the Public Infrastructure not later than three hundred sixty-five (365) days following the Effective Date.

(c) Developer shall diligently pursue and complete construction of the Project and the Public Infrastructure in accordance with the Approved Plans and complete the construction of the Project and the Public Infrastructure not later than December 31, 2026; provided, that Developer may modify the square footage, configuration of buildings and general site plan for the Project so long as the total square footage of all planned buildings included in the Project is at least eight hundred thousand (800,000) square feet and such buildings are constructed with concrete tilt wall panels or otherwise constitute "Class A" new construction. The foregoing requirement to complete the Project and the Public Infrastructure shall in all cases be subject to extensions for a period of time equal to the delay in completion caused as a result of Excusable Delay. As used herein, the term "Excusable Delay" shall mean any delay in performance under this Section due to strikes, lockouts, or other labor or industrial disturbance, civil disturbances, labor shortages, supply chain shortages, transportation interruptions, pandemics, epidemics, quarantines, future order of any government, court or regulatory body claiming jurisdiction, act of the public enemy, war, riot, sabotage, blockade, embargo, lightning, earthquake, fire, hurricane, tornado, flood, washout, explosion, unusually inclement weather, moratorium or other unusual delay in obtaining necessary governmental permits or approvals (with Developer using commercially reasonable efforts to obtain the same) or any other cause whatsoever beyond the reasonable control of Developer (excluding financial inability to perform) to the extent that in each case of Excusable Delay, Developer has notified IDB in writing within thirty (30) days after the occurrence constituting Excusable Delay and the anticipated number of days by which performance is delayed of each Excusable Delay event and has specified in detail the circumstances as a result thereof.

(d) Developer shall not discriminate upon the basis of race, color, creed, sex, handicap or national origin in the sale, lease or rental of or in the construction of the Project or the Public Infrastructure.

(e) At closing of the TIF Financing ("Closing"), Developer shall reimburse IDB for legal fees incurred in connection with this Agreement and the TIF Financing, in each case payable out of proceeds of the TIF Financing.

(f) Developer shall make good faith efforts, in consultation with the City, County, Chattanooga Area Chamber of Commerce, and Developer's general contractors to publicize available opportunities in connection with the construction of the Project so that qualified subcontractors located in Hamilton County, Tennessee have the opportunity to seek and gain contracts in connection with the construction of the Project.

(g) At any time upon reasonable request of the City following consummation of the TIF Financing, Developer shall provide the City with the Greenway Easement across the

portion of the parcel within Industrial Park Parcels that is identified as Tax Parcel No. 119H A 003, and the Greenway Easement shall be located immediately adjacent to the river line of the Tennessee River and shall be of a width not to exceed the current average width of the Tennessee Riverwalk; provided that nothing in this subsection precludes City and Developer from mutually agreeing upon a different location and a different width of the Greenway Easement. Developer acknowledges and agrees that the City is an intended third-party beneficiary of this provision.

(h) In connection with the construction of the Public Infrastructure, Developer will re-align the access road serving Tax Parcel No. 119H A 001.03 so that the access road aligns with the traffic signal that is to be located on North Access Road in connection with the development of the Project.

4. Cooperation in Refinancing of TIF Financing. Developer or Lender may hereafter request that some or all of the TIF Financing be refinanced through the issuance of one or more notes or bonds (including, without limitation, tax-exempt bonds of IDB). IDB shall provide commercially reasonable cooperation to Developer and Lender in closing any such refinancing, provided that such terms are acceptable to IDB in its sole and absolute discretion. IDB shall not be obligated to incur any out-of-pocket costs or expense in connection therewith or incur any additional obligations in connection with the refinancing of the TIF Financing beyond the obligations set forth in this Agreement. At the request of Developer, Lender or IDB, the parties shall enter into any addendum to (or amended and restated version of) this Agreement reasonably requested by either party or the lender under the refinancing of the TIF Financing to further evidence and memorialize the parties' rights and obligations with respect to any TIF Financing hereafter arranged as set forth in this Section 4; provided, that such addendum (or amended and restated agreement) must be acceptable to IDB in its sole and absolute discretion. In the event of any such refinancing, the refinanced obligation shall thereafter be considered "TIF Financing" for purposes of this Agreement to the extent of the refinanced interest.

5. Developer Default. IDB shall have the option to terminate this Agreement if Developer fails to comply with its obligations under this Agreement and does not cure such failure within ninety (90) days after receipt of written notice from IDB specifying such failure to comply; provided that if (i) such default cannot be cured within such ninety (90) day period; (ii) Developer notifies IDB in writing stating the reasons for delay prior to expiration of said ninety (90) day period; (iii) Developer promptly commences curative actions within such ninety (90) day period; and (iv) Developer thereafter diligently and continuously pursues cure efforts, then the period for cure shall be extended for such period of time as shall reasonably be required under the circumstances, except that Developer shall not be entitled to any extension if the default is monetary in nature or results from Developer's inability to perform due to financial reasons. IDB's right to terminate this Agreement as set forth above shall be in addition to any other remedy available to IDB as a result of Developer's failure to comply with this Agreement; provided, however, that notwithstanding the foregoing provision, the remedy set forth in Section 7 represents the sole remedy in the event that Developer fails to complete the Project and Public Infrastructure in accordance with the requirements set forth in Section 3(c). Upon IDB's termination of this Agreement, IDB shall have no further obligations under this Agreement. Upon completion of the Project and the Public Infrastructure and the issuance of the TIF Financing, IDB shall not have a termination right pursuant to this Section.

6. Certification. Developer certifies, to the best of its knowledge and belief, that it, its current and future principals:

(a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal, state, or local department or agency;

(b) have not within a three (3) year period preceding this Agreement been convicted of, or had a civil judgment rendered against them for commission of fraud, or a criminal offence in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property or any other crime of moral turpitude;

(c) are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification;

(d) have not within a three (3) year period preceding this Contract had one or more public transactions (federal, state, or local) terminated for cause or default;

(e) have paid their state, local and federal taxes and do not have outstanding taxes that have not been paid by their due date; and,

(f) have not within a three (3) year period declared bankruptcy or defaulted on any bank loan.

7. Claw-back. IDB reserves the right to claw-back a portion of the funds available through the TIF Financing if Developer fails to complete the Public Infrastructure and Project within the construction period set forth in Section 3(c), above, provided that the claw-back shall be proportional to the benefit Developer failed to provide based upon the total square footage of all the buildings completed as part of the Project divided by 800,000 square feet. (For example, if Developer has completed 600,000 square feet of the Project as of December 31, 2026, IDB shall be entitled to claw back twenty five percent (25%) of the maximum funds available through the TIF Financing based upon Developer's delivery of seventy five percent (75%) (600,000 square feet / 800,000 square feet) of the Project.) The remedy set forth in this Section 7 represents the sole remedy in the event that Developer fails to complete the Project and Public Infrastructure in accordance with the requirements set forth in Section 3(c).

8. Cooperation. IDB and Developer agree that:

(a) Each party shall cooperate with the other party to provide such assistance as may reasonably be requested in connection with the fulfillment of each of its respective obligations under this Agreement. Such cooperation shall include, without limitation, the best efforts of both parties to cause the cooperation and assistance of their respective employees, agents, consultants, contractors and principals; provided that Developer acknowledges that the City of

Chattanooga and its instrumentalities are independent from IDB and that IDB cannot guarantee their cooperation. Each party shall keep the other party informed of its actions; and

(b) Each party agrees that in exercising any rights of approval or consent it may have under this Agreement, it shall act in good faith unless said approval or consent is left to the full and absolute discretion of the approving or consenting party.

9. Term. This Agreement shall be effective upon the Effective Date and shall remain in effect until the earlier of: (a) six (6) months after the completion of the final 20 year allocation period provided in Section 2(d)(i), above, and the IDB's receipt and distribution of all TIF Payments; (b) termination by mutual agreement of the parties or their successors and assigns; (c) satisfaction of all obligations relating to the TIF Financing (including any refinancing pursuant to Section 4); (d) termination by IDB pursuant to Section 5 of this Agreement; or (e) termination by Developer at any time prior to the closing of the TIF Financing. If this Agreement is terminated pursuant to items (d) or (e) above, Developer shall pay to IDB all costs incurred by IDB in connection with this Agreement, including, but not limited to, reasonable attorneys' fees. The expiration date of this Agreement may be extended by written mutual consent of the parties hereto.

10. Governing Law. This Agreement shall be governed and construed under and in accordance with the laws of the State of Tennessee and may not be modified or amended except in writing signed by all parties. Any legal venue for claims or actions arising from this Agreement shall be in Hamilton County, Tennessee.

11. Assignment. Developer shall not engage in, permit or suffer any Transfer without IDB's written consent. As used herein, the term "Transfer" shall mean any assignment, mortgage, pledge, hypothecation, encumbrance, lien or other transfer of Developer's rights under this Agreement or any interest under this Agreement (except that Developer may grant a security interest and/or collaterally assign this Agreement to secure financing of all or any portion of the Project). Notwithstanding the foregoing, nothing contained herein shall prohibit or limit any Transfer to an entity which Controls Developer, to an entity that Developer Controls or to an entity under common Control with Developer. As used herein, the term "Control" shall mean the possession, directly or indirectly, of at least fifty percent (50%) of the voting interests in any entity. The IDB acknowledges and agrees that Developer (including each of the foregoing Developer-related entities) shall have the discretion to (a) bring in such additional members as Developer determines, and (b) sell all or any portion of the Project from time to time and that neither of these events shall constitute a Transfer or require the approval of the IDB.

12. Successors and Assigns.

(a) Subject to restrictions on assignment provided in Section 11 above, this Agreement shall inure to the benefit of and be binding upon the parties hereto and the successors and assigns of the parties.

(b) The obligations of Sections 3(d) and 3(g) (as to Tax Parcel No. 119H A 0003) of this Agreement will be binding upon any subsequent owner of all or a portion of the applicable Industrial Park Parcels for the duration of the TIF Financing and, for such period, these obligations will run with the land. IDB and Developer shall execute and record a Memorandum

of this Agreement (the "Memorandum"). Such Memorandum shall provide that, upon the repayment in full of the TIF Financing, IDB will deliver to Developer or the successor for recording a Certificate of Completion whereby IDB acknowledges that the TIF Financing has been repaid. Such Memorandum shall also provide that, upon satisfaction of the obligation under Section 3(g) or the earlier repayment of the TIF Financing, IDB will deliver to Developer or the successor owner of the applicable parcel within the Industrial Park Parcel a Certificate of Completion indicating that the obligation under Section 3(g) has been satisfied.

13. Notices. Any notices permitted or required to be given hereunder shall be given in writing and shall be delivered in person or sent by facsimile (with confirmation of successful transmission), by hand delivery, by overnight courier service or by certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Industrial Development Board:

Industrial Development Board of the City of Chattanooga
100 E. 11th Street, Suite 200
Chattanooga, TN 37402

with a copy to:

Phil Noblett
100 E. 11th Street, Suite 200
Chattanooga, TN 37402

If to Developer:

with a copy to:

Notices shall be effective only upon actual receipt.

14. Severability. The invalidation of any one or more of the provisions of this Agreement or any part thereof by judgment of any court of competent jurisdiction shall not in any way affect the validity of any other such provisions of the Agreement but the same shall remain in full force and effect.

15. Amendments. This Agreement may be amended only by written mutual consent of IDB and Developer.

16. Reliance by Lender. The parties hereto acknowledge and agree that Lender may rely on all of the representations, warranties and covenants set forth in this Agreement, that Lender is an intended third-party beneficiary of such representations, warranties and covenants and that Lender shall have all rights and remedies available at law or in equity as a result of a breach of such representations, warranties and covenants, including to the extent applicable, the right of subrogation. Notwithstanding any other terms of this Agreement, IDB shall not, without the prior

written consent of Lender, while Lender is the holder of the note or other obligation pursuant to the TIF Financing, consent or agree to any modification of, or grant any consent or approval under, this Agreement or waive compliance with any of the terms hereof. While Lender is the holder of such note or obligation, any attempt by IDB to grant any such consent, approval or waiver without the prior written consent of Lender shall be void and of no force and effect.

17. No Government Limitation. This Agreement shall not be construed to bind any other agency or instrumentality of federal, State or local government in the enforcement of any regulation, codes or laws under its jurisdiction.

18. Enforcement. The prevailing party in any action commenced due to a breach of this Agreement shall be entitled to receive from the other party reasonable attorneys' fees and court costs incurred in such action. Venue for any such litigation shall be Hamilton County, Tennessee.

19. Time of the Essence. Time shall be of the essence in the performance of the terms and conditions of this Agreement.

20. Merger. This Agreement constitutes the complete and entire agreement among the parties with respect to the subject matter hereof, and all prior agreements and understandings are merged into this Agreement.

21. Captions. All captions, headings, paragraph and subparagraph numbers and letters and other reference numbers or letters are solely for the purpose of facilitating reference to this Agreement and shall not supplement, limit or otherwise vary in any respect the text of this Agreement. All references to particular paragraphs and subparagraphs by number refer to the paragraph or subparagraph so numbered in this Agreement.

22. Business Day. If any date on which performance or notice is due under this Agreement should fall on Saturday, Sunday or any other day on which IDB's offices are not open to the general public for business, performance or notice shall not be due until IDB's next business day.

23. Counterparts. This Agreement may be executed in counterparts, each of which shall constitute an original and all of which together shall constitute one and the same instrument.

24. Defense of TIF Financing; Further Assurances. IDB agrees to defend any legal challenge to the use of TIF Financing for the Project. If the TIF Financing for the Project should be disallowed as a result of such litigation, IDB agrees to take all reasonable steps, at no additional cost to IDB, to restructure the TIF Financing and/or to otherwise deliver to Developer the economic benefit of the incentives provided under the Economic Impact Plan and this Agreement.

[END OF TEXT; SIGNATURES APPEAR ON FOLLOWING PAGE.]

IN WITNESS WHEREOF, IDB and Developer have caused this Agreement to be duly executed as of the date first above written

IDB:

THE INDUSTRIAL DEVELOPMENT BOARD
OF THE CITY OF CHATTANOOGA

By: _____

APPROVED AS TO FORM AND LEGALITY:

By: _____

DEVELOPER:

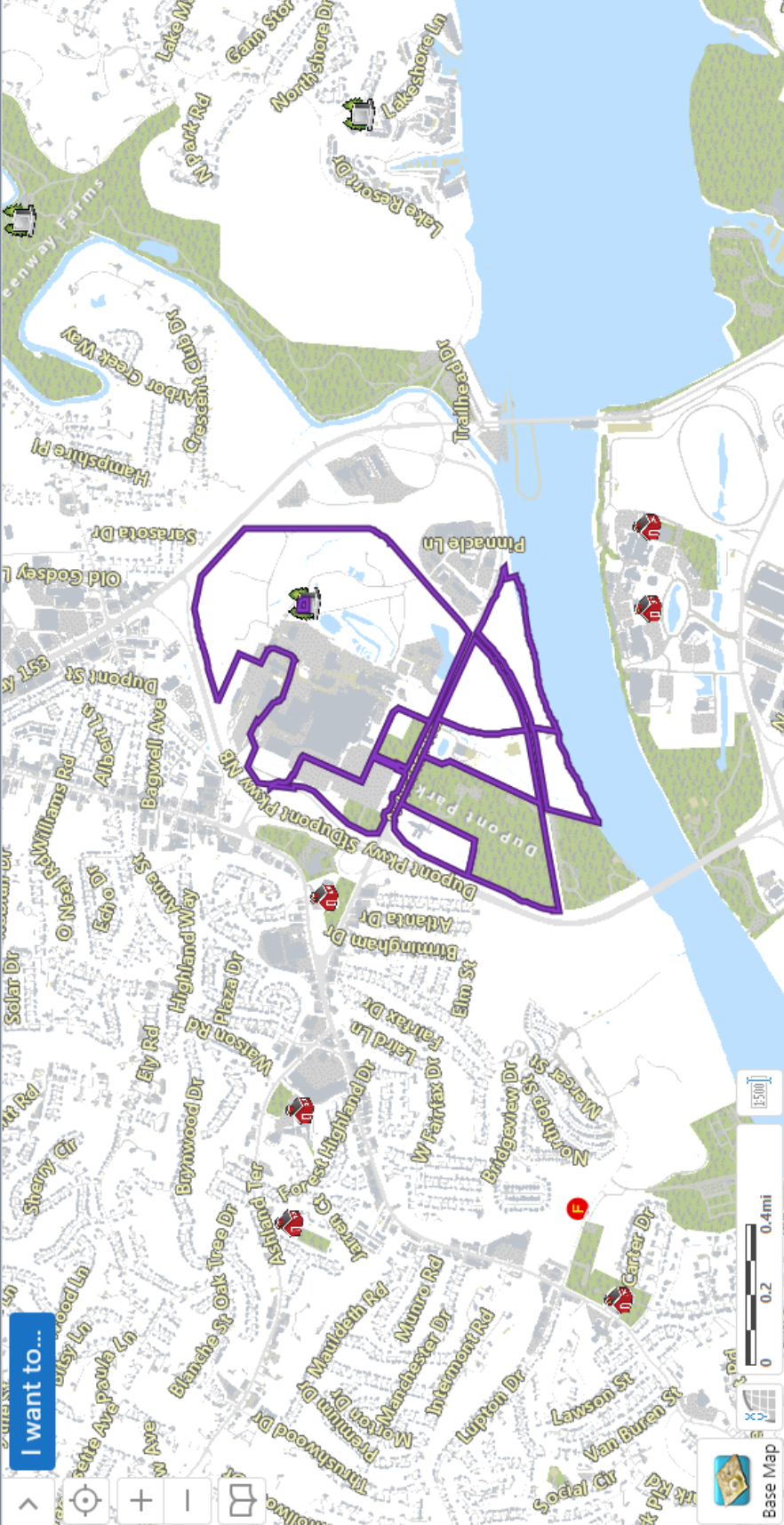
ACCESS ROAD, LLC

By: _____

EXHIBIT A
THE PLAN AREA

Search...

Hamilton County Mapping - GISMO 5



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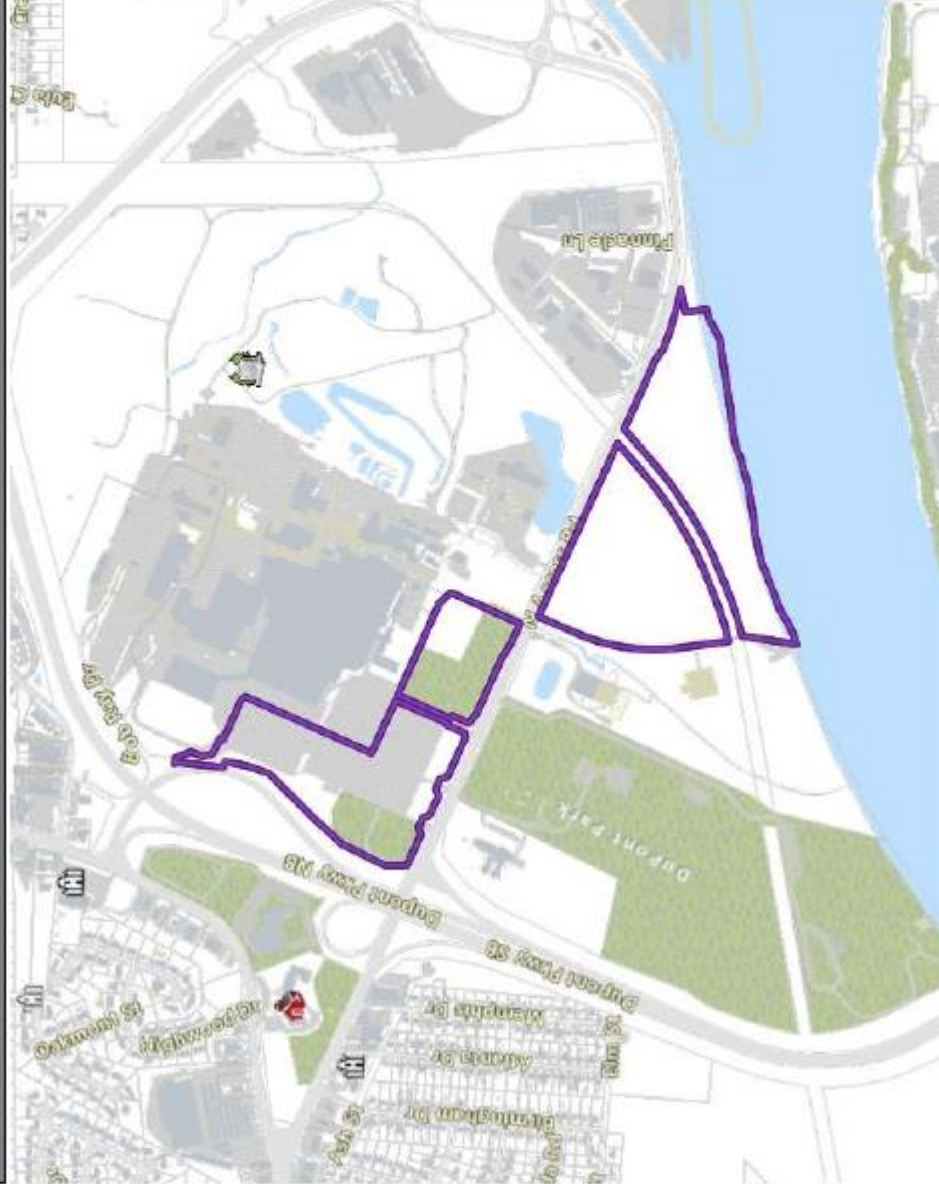
Base Map

110P B 001.02, 119H A 001.05, 119H A 003


GISMO 5



- Legend**
- Parcels
 - County Boundary
 - Recycling Centers
 - Healthcare Facilities
 - Emergency Services Locations
 - FIRE
 - MEDIC
 - POLICE
 - Cemeteries
 - Religious Facilities
 - Schools
 - Building Footprints
 - Miscellaneous Structures
 - Driveways
 - Parking
 - Water Bodies
 - Other Water Bodies
 - Recreational Areas
 - Surrounding
 - Hamlet



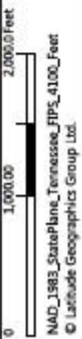
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GISMO 5



- Legend**
- Parcels
 - ▬ County Boundary
 - ♻️ Recycling Centers
 - 🏥 Healthcare Facilities
 - 🚒 Emergency Services Locations
 - 👮 FPE
 - 👮 MEDIC
 - 👮 POLICE
 - ⚰️ Cemeteries
 - ⛪ Religious Facilities
 - 🏫 Schools
 - 🏠 Building Footprints
 - 🏠 Miscellaneous Structures
 - 🚗 Driveways
 - 🅇 Parking
 - 💧 Water Bodies
 - 🌊 Other Water Bodies
 - 🌳 Recreational Areas
 - 🏞 Surrounding
 - 🏠 Hamlet



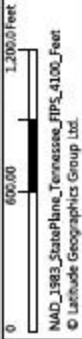
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GISMO 5



- Legend**
- Parcels
 - County Boundary
 - Recycling Centers
 - Healthcare Facilities
 - Emergency Services Locations
 - FIRE
 - MEHC
 - POLICE
 - Cemeteries
 - Schools
 - Religious Facilities
 - Building Footprints
 - Miscellaneous Structures
 - Driveways
 - Parking
 - Water Bodies
 - Other Water Bodies
 - Recreational Areas
 - Surrounding
 - Hanilton

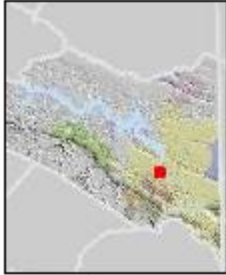


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GISMO 5



- Legend**
- Parcels
 - County Boundary
 - Recycling Centers
 - Healthcare Facilities
 - Emergency Services Locations
 - FIRE
 - MEQC
 - POLICE
 - Cemeteries
 - Religious Facilities
 - Schools
 - Building Footprints
 - Miscellaneous Structures
 - Driveways
 - Parking
 - Water Bodies
 - Other Water Bodies
 - Recreational Areas
 - Surrounding
 - Hamilton



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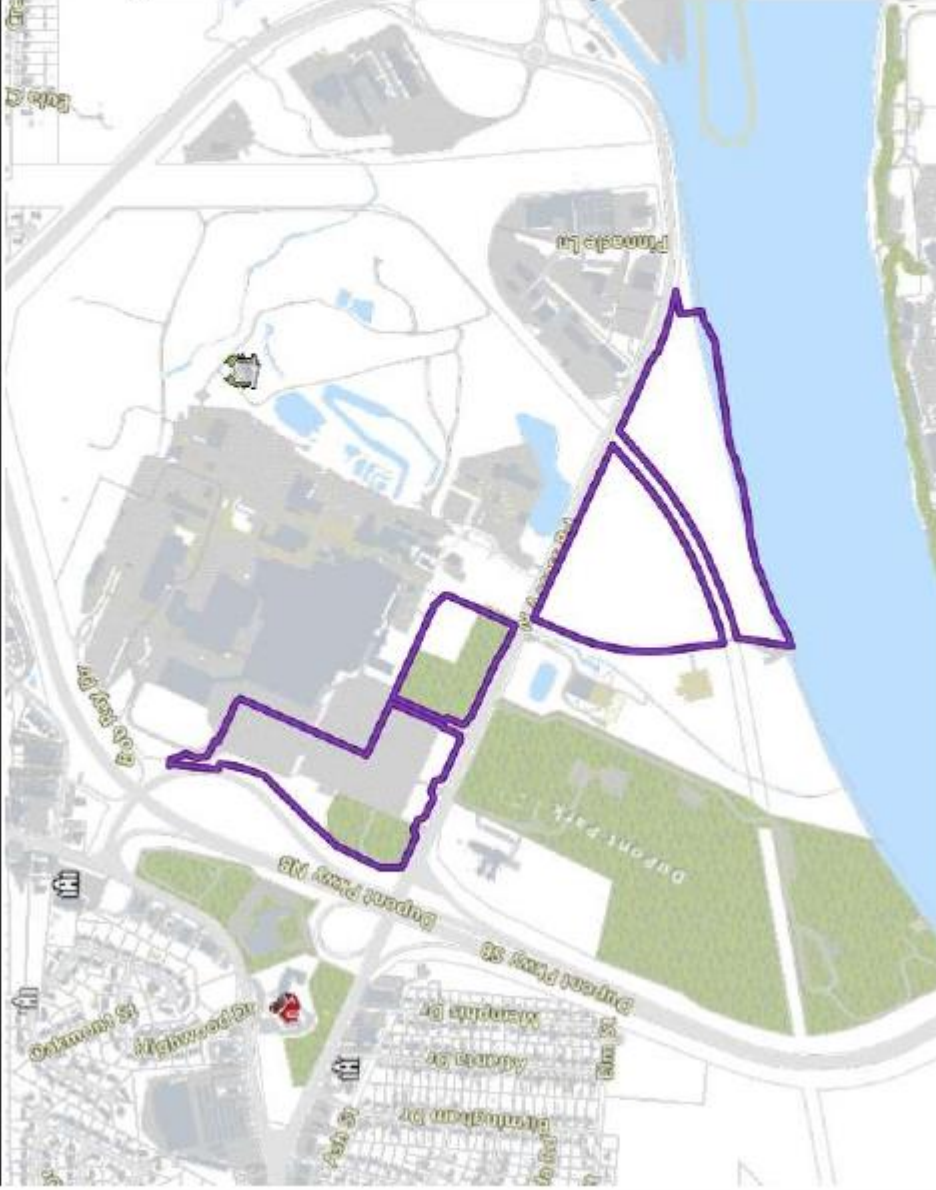


EXHIBIT B
INDUSTRIAL PARK PARCELS

GISMO 5



- Legend**
- Parcels
 - County Boundary
 - Recycling Centers
 - Healthcare Facilities
 - Emergency Services Locations
 - FIRE
 - MEDIC
 - POLICE
 - Cemeteries
 - Religious Facilities
 - Schools
 - Building Footprints
 - Miscellaneous Structures
 - Driveways
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 - Water Bodies
 - Other Water Bodies
 - Recreational Areas
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 - Hamlet



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EXHIBIT C
SITE PLAN FOR PROJECT



ACCESS ROAD, LLC. - MASTERPLAN
 Chattanooga, TN
 Month, 2020



IDB AGENDA PROCESS

- All items desired to be included on the agenda for the next IDB meeting, along with a resolution request and/or all supporting documents, must be submitted via email to Maria Manalla @ mmanalla@chattanooga.gov and Attorney for the Board Phillip Noblett @ pnoblett@chattanooga.gov by noon at least ten (10) days before the regular monthly or specially called meeting (*i.e.*, for the regular Monday meetings, this means by noon on the Friday, ten (10) days prior).
- The final cut-off for agenda changes, not additional items, is seven (7) days before the regular monthly or specially called meeting at 10:00 a.m. (*i.e.*, for the regular Monday meetings, this means by 10:00 a.m. on the Monday, seven (7) days prior).
- The agenda will be finalized, circulated to the Board and team departments, and posted for the public, by 3:00 p.m. seven (7) days before the monthly or specially called meeting.
- When the seven (7) day circulation date falls on a Monday Holiday, the submittal deadline is noon on Thursday before the Friday distribution. In that situation, the final cut-off for agenda changes, not additional items, is noon on Friday.
- These deadlines are necessary to allow the public and IDB members time to meaningfully review and digest the materials. Exceptions may be made by the Chair in exceptional circumstances only.

APPROVED, SIGNED, AND EFFECTIVE on August 1, 2022.

INDUSTRIAL DEVELOPMENT BOARD
FOR THE CITY OF CHATTANOOGA,
TENNESSEE

By _____
Jimmy F. Rodgers, Jr.
Chair

By: _____
Phillip A. Noblett
Attorney for the Board

**DEVELOPMENT AND FINANCING AGREEMENT
RELATING TO THE NORTH RIVER COMMERCE CENTER INDUSTRIAL PARK
AND THE NORTH ACCESS ROAD ECONOMIC DEVELOPMENT AREA**

THIS DEVELOPMENT AND FINANCING AGREEMENT (this "Agreement") is made and entered into as of the ___ day of _____, 2022 (the "Effective Date"), by and between the INDUSTRIAL DEVELOPMENT BOARD FOR THE CITY OF CHATTANOOGA ("IDB") and ACCESS ROAD, LLC, a Tennessee limited liability company ("Developer").

WHEREAS, IDB desires to support job creation, economic growth and provide for the development of certain under-improved areas within the City of Chattanooga, Tennessee ("City"); and

WHEREAS, IDB has prepared and approved an economic impact plan (the "Economic Impact Plan") regarding the development of the North River Commerce Center Industrial Park and the North Access Road economic development area within the City of Chattanooga and Hamilton County, Tennessee, as shown on Exhibit A (the "Plan Area"); and

WHEREAS, Developer is the owner of a portion of the property located within the Plan Area, as shown on Exhibit B, which property is also referred to as the "Industrial Park Parcels" in the Economic Impact Plan; and

WHEREAS, Developer proposes to develop the Industrial Park Parcels by constructing a new industrial park with over 800,000 square feet of industrial space at a cost of over \$100 million (collectively, the "Project") in accordance with the general site plans attached as Exhibit C (the "Approved Plans"); and

WHEREAS, Developer has agreed to provide the City an easement across a portion of the Industrial Park Parcels that fronts on the Tennessee River (the "Greenway Easement") to facilitate the development of a greenway along Tennessee River and has agreed to re-align the access road to certain property within the Plan Area to align that access road with a traffic signal on North Access Road; and

WHEREAS, the City has no funding allocated to pay the cost of public infrastructure improvements within the Plan Area; and,

WHEREAS, IDB and Developer agreed to enter into this Agreement to evidence (i) Developer's commitment to undertake the Project and certain infrastructure and related improvements in connection with the redevelopment of the Plan Area, the general scope and estimated costs of which are provided in Exhibit E to the Economic Impact Plan (the "Public Infrastructure") and (ii) IDB's commitment to provide certain financial assistance for the development of the Public Infrastructure.

NOW, THEREFORE, in consideration of the terms, conditions and mutual agreements by and between the parties, as hereinafter set forth in detail, the parties do hereby mutually agree as follows:

1. Designation of TIF District and Developer. IDB designates Developer as the party responsible for development of the Project and in furtherance thereof, and IDB grants to Developer, during the term of this Agreement, the exclusive right to develop the Project and the Public Infrastructure in accordance with this Agreement, the general site plan attached as Exhibit C and the Economic Impact Plan. This designation is conditioned upon Developer's compliance with this Agreement.

2. IDB Obligations. In reliance upon Developer's agreement to undertake and complete the Project and the Public Infrastructure, IDB hereby agrees to do the following in connection with the development of the Project:

(a) IDB shall comply with the terms of the Agreement. Any default by IDB under this Agreement that is not curable within any applicable grace or cure period shall constitute a default by IDB under the Agreement,

(b) IDB shall use good faith efforts to assist Developer in obtaining such legislative and administrative actions of the appropriate governmental entities as may be necessary or desirable and as Developer may reasonably request to facilitate the Project or construction of the Public Infrastructure.

(c) IDB shall use good faith efforts to take and/or obtain all necessary planning, administrative, legislative, and other action, as required to facilitate and implement the Project and the Public Infrastructure.

(d) IDB shall cooperate with Developer in designating the commencement of the allocation period for tax increment revenues for the parcels in the Plan Area as permitted by the Economic Impact Plan, provided that Developer shall request in writing to IDB the commencement of the allocation period as to each parcel.

(e) Subject to any required approvals by the State, IDB shall issue a note or other debt obligation in an amount not exceeding the amount authorized by the Economic Impact Plan ("TIF Financing") as arranged by Developer with a lender, which initially may be Developer ("Lender") and secured only (as to IDB's obligations) by the annual incremental tax revenue paid to IDB with regard to and generated by all or any portion of the Plan Area, on the following terms and conditions:

(i) IDB will separate each tax parcel as to which incremental tax revenues will be allocated for purposes of making calculations of such incremental tax revenues, and the period of allocation with respect to any parcel shall not exceed twenty (20) tax years commencing with the first tax year in which an allocation occurs as to such parcel pursuant to the Economic Impact Plan;

(ii) IDB will apply the incremental tax revenues paid to IDB accordance with the Economic Impact Plan and this Agreement, less an administrative fee of one-fourth of one percent (0.25%) for the IDB, to make debt service payments under the TIF Financing;

(iii) The proceeds of the TIF Financing shall only be applied to pay the costs of Public Infrastructure, capitalized interest as permitted by law, any appropriate debt service

reserve and all other costs related to closing of the TIF Financing, subject to the limits contained in the Economic Impact Plan as to the amounts that can be used to pay certain costs. All disbursements of proceeds shall be subject to the approval of IDB and shall be consistent with the provisions of Section 7-53-101 *et seq.* of the Tennessee Code ("TIF Eligible Costs");

(iv) The TIF Financing shall mature within six (6) months after the expiration of the final twenty (20) year allocation period for any parcel from which incremental tax revenues will be applied to pay debt service on the TIF Financing;

(v) Developer is responsible for arranging and paying all costs associated with the TIF Financing to the extent not constituting TIF Eligible Costs; and

(vi) The documents pursuant which the TIF Financing is issued, including the note or other debt obligation, related loan agreement and assignment of tax increment revenues shall be in such form as is acceptable to both IDB and Developer.

(f) IDB will establish and, as long as the indebtedness evidenced by the TIF Financing remains outstanding and unpaid, maintain a separate and special fund of IDB to be known as the North River Commerce Center Tax Increment Fund, to be kept separate and apart from all other funds of IDB, pursuant to the requirements of Tenn. Code Ann. § 7-53-312, into which will be deposited all incremental tax revenues received by IDB (the "TIF Payments"). The fund shall consist of a separate account into which all TIF Payments shall be deposited as received and from which all disbursements will be made. Developer shall pay all costs and expenses of establishing and maintaining such account. Developer acknowledges that Hamilton County (the "County") will retain a five percent (5%) administrative fee from the County incremental tax revenues that would have otherwise been paid to IDB accordance with the Economic Impact Plan. Developer also acknowledges that the County Trustee will retain two percent of the County incremental tax revenues that would have otherwise been paid to IDB in accordance with the Economic Impact Plan.

(g) IDB covenants and agrees that it has not pledged or otherwise obligated and covenants and agrees that it will not pledge or otherwise obligate the TIF Payments to the payment of any indebtedness other than the TIF Financing.

(h) IDB covenants and agrees that it will not apply the TIF Payments for any purpose other than the payment of the TIF Financing and reimbursement of TIF Eligible Costs until such time as all obligations under the TIF Financing have been satisfied.

(i) IDB covenants and agrees not to grant, approve or enter into any real property tax abatement or other similar concession with respect to the Industrial Park Parcels until such time as all obligations under the TIF Financing have been satisfied.

(j) IDB shall work with the State of Tennessee to obtain any necessary approvals from the Tennessee State Comptroller and the Commissioner of Economic and Community Development to allow the use of TIF Payments for privately owned land and improvements pursuant to Tenn. Code Ann. § 9-23-108.

3. Developer Obligations. To induce IDB to make the TIF Financing proceeds and the TIF Payments available for the purposes outlined in this Agreement and to otherwise undertake IDB's obligations under this Agreement, Developer hereby agrees to do the following in connection with the Project:

(a) Developer shall comply with the terms of the Agreement. Any default by Developer under this Agreement that is not cured within any applicable grace or cure period shall constitute a default by Developer under the Agreement.

(b) Developer shall close on the construction financing for the Project and the Public Infrastructure, obtain required building permits for the Public Infrastructure, and commence construction of the Public Infrastructure not later than three hundred sixty-five (365) days following the Effective Date.

(c) Developer shall diligently pursue and complete construction of the Project and the Public Infrastructure in accordance with the Approved Plans and complete the construction of the Project and the Public Infrastructure not later than December 31, 2026; provided, that Developer may modify the square footage, configuration of buildings and general site plan for the Project so long as the total square footage of all planned buildings included in the Project is at least eight hundred thousand (800,000) square feet and such buildings are constructed with concrete tilt wall panels or otherwise constitute "Class A" new construction. The foregoing requirement to complete the Project and the Public Infrastructure shall in all cases be subject to extensions for a period of time equal to the delay in completion caused as a result of Excusable Delay. As used herein, the term "Excusable Delay" shall mean any delay in performance under this Section due to strikes, lockouts, or other labor or industrial disturbance, civil disturbances, labor shortages, supply chain shortages, transportation interruptions, pandemics, epidemics, quarantines, future order of any government, court or regulatory body claiming jurisdiction, act of the public enemy, war, riot, sabotage, blockade, embargo, lightning, earthquake, fire, hurricane, tornado, flood, washout, explosion, unusually inclement weather, moratorium or other unusual delay in obtaining necessary governmental permits or approvals (with Developer using commercially reasonable efforts to obtain the same) or any other cause whatsoever beyond the reasonable control of Developer (excluding financial inability to perform) to the extent that in each case of Excusable Delay, Developer has notified IDB in writing within thirty (30) days after the occurrence constituting Excusable Delay and the anticipated number of days by which performance is delayed of each Excusable Delay event and has specified in detail the circumstances as a result thereof.

(d) Developer shall not discriminate upon the basis of race, color, creed, sex, handicap or national origin in the sale, lease or rental of or in the construction of the Project or the Public Infrastructure.

(e) At closing of the TIF Financing ("Closing"), Developer shall reimburse IDB for legal fees incurred in connection with this Agreement and the TIF Financing, in each case payable out of proceeds of the TIF Financing.

(f) Developer shall make good faith efforts, in consultation with the City, County, Chattanooga Area Chamber of Commerce, and Developer's general contractors to publicize available opportunities in connection with the construction of the Project so that qualified

subcontractors located in Hamilton County, Tennessee have the opportunity to seek and gain contracts in connection with the construction of the Project.

(g) Within sixty (60) days of the consummation of the TIF Financing, Developer shall provide the City with a legal description of the Greenway Easement for approval of IDB and the City. Upon approval of such legal description, Developer shall promptly prepare and submit for IDB's and the City's approval the form of the Greenway Easement and, upon receipt of IDB's and the City's approval, cause such Greenway Easement to be recorded in the Register's Office of Hamilton County, Tennessee. Developer acknowledges that the Greenway Easement will affect the parcel within Industrial Park Parcels that is identified as Tax Parcel No. 119H A 003, and that the Greenway Easement shall be located immediately adjacent to the river line of the Tennessee River and shall be of a width not to exceed the current average width of the Tennessee Riverwalk; provided that nothing in this subsection precludes City and Developer from mutually agreeing upon a different location and a different width of the Greenway Easement. The conveyance of the Greenway Easement as provided in this subsection shall be a condition precedent to the application of TIF Payments to the payment of the TIF Financing by IDB. Developer acknowledges and agrees that the City is an intended third-party beneficiary of this provision.

(h) In connection with the construction of the Public Infrastructure, Developer will re-align the access road serving Tax Parcel No. 119H A 001.03 so that the access road aligns with the traffic signal that is to be located on North Access Road in connection with the development of the Project and shall also complete the other traffic improvements on public right of ways shown on the diagram identified as "Overall Traffic Improvements" included in the exhibits to the Economic Impact Plan. All such Public Infrastructure improvements shall be constructed in accordance with the regulations and policies of the City, including its transportation department. If Developer fails to complete any of the Public Infrastructure improvements described in this subsection, other than any such improvements that consist of entry ways to private portions of the Project, the City may complete such Public Infrastructure improvements, and Developer shall reimburse the City for all costs incurred in connection therewith. If the maximum principal amount of the TIF Financing has not been fully advanced, the maximum principal amount shall be reduced, but not reduced beyond the amount advanced, by all costs incurred by the City pursuant to this subsection. Developer acknowledges and agrees that the City is an intended third-party beneficiary of this provision.

(i) Developer shall have a goal to award, and endeavor to award, at least twenty percent (20%) of the total dollars of the contracting and related work for the Project contracted after the Effective Date of this Agreement to qualified, certified Diversified Business Enterprises ("DBE") provided such awards do not increase the projected cost of the Project. DBE is defined as a business which is at least fifty-one (51%) percent owned or controlled by minority group members or women controlled. As used herein, the term "contracting work" includes any or more of the following roles or positions with respect to the Development: (i) general contractor; (ii) subcontractor; or (iii) supplier. Within sixty (60) days of completion of construction of the Project, Developer shall submit to IDB a report of Developer's compliance with this DBE provision including the percentage of work performed by DBEs.

4. Cooperation in Refinancing of TIF Financing. Developer or Lender may hereafter request that some or all of the TIF Financing be refinanced through the issuance of one or more notes or bonds (including, without limitation, tax-exempt bonds of IDB). IDB shall provide commercially reasonable cooperation to Developer and Lender in closing any such refinancing, provided that such terms are acceptable to IDB in its sole and absolute discretion. IDB shall not be obligated to incur any out-of-pocket costs or expense in connection therewith or incur any additional obligations in connection with the refinancing of the TIF Financing beyond the obligations set forth in this Agreement. At the request of Developer, Lender or IDB, the parties shall enter into any addendum to (or amended and restated version of) this Agreement reasonably requested by either party or the lender under the refinancing of the TIF Financing to further evidence and memorialize the parties' rights and obligations with respect to any TIF Financing hereafter arranged as set forth in this Section 4; provided, that such addendum (or amended and restated agreement) must be acceptable to IDB in its sole and absolute discretion. In the event of any such refinancing, the refinanced obligation shall thereafter be considered "TIF Financing" for purposes of this Agreement to the extent of the refinanced interest.

5. Developer Default. IDB shall have the option to terminate this Agreement if Developer fails to comply with its obligations under this Agreement and does not cure such failure within ninety (90) days after receipt of written notice from IDB specifying such failure to comply; provided that if (i) such default cannot be cured within such ninety (90) day period; (ii) Developer notifies IDB in writing stating the reasons for delay prior to expiration of said ninety (90) day period; (iii) Developer promptly commences curative actions within such ninety (90) day period; and (iv) Developer thereafter diligently and continuously pursues cure efforts, then the period for cure shall be extended for such period of time as shall reasonably be required under the circumstances, except that Developer shall not be entitled to any extension if the default is monetary in nature or results from Developer's inability to perform due to financial reasons. IDB's right to terminate this Agreement as set forth above shall be in addition to any other remedy available to IDB as a result of Developer's failure to comply with this Agreement; provided, however, that notwithstanding the foregoing provision, the remedy set forth in Section 7 represents the sole remedy in the event that Developer fails to complete the Project and Public Infrastructure in accordance with the requirements set forth in Section 3(c). Upon IDB's termination of this Agreement, IDB shall have no further obligations under this Agreement. Upon completion of the Project and the Public Infrastructure and the issuance of the TIF Financing, IDB shall not have a termination right pursuant to this Section.

6. Certification. Developer certifies, to the best of its knowledge and belief, that it, its current and future principals:

(a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal, state, or local department or agency;

(b) have not within a three (3) year period preceding this Agreement been convicted of, or had a civil judgment rendered against them for commission of fraud, or a criminal offence in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of

records, making false statements, or receiving stolen property or any other crime of moral turpitude;

(c) are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification;

(d) have not within a three (3) year period preceding this Contract had one or more public transactions (federal, state, or local) terminated for cause or default;

(e) have paid their state, local and federal taxes and do not have outstanding taxes that have not been paid by their due date; and,

(f) have not within a three (3) year period declared bankruptcy or defaulted on any bank loan.

7. Reduction or Prepayment of TIF Financing. If Developer fails to complete the Public Infrastructure and Project within the construction period set forth in Section 3(c) above, the maximum principal amount of the TIF Financing shall automatically be reduced proportionally to the benefit Developer failed to provide based upon the total square footage of all the buildings completed as part of the Project divided by 800,000 square feet. (For example, if Developer has completed 600,000 square feet of the Project as of December 31, 2026, the maximum principal amount of the TIF Financing shall automatically be reduced by twenty-five percent (25%) based upon Developer's delivery of seventy five percent (75%) (600,000 square feet / 800,000 square feet) of the Project.) If the principal amount of the TIF Financing that has been advanced as of such date such failure occurs exceeds the reduced maximum principal amount, Developer shall cause the prepayment of the TIF Financing within thirty (30) days of when such failure occurred. Except as provided in Section 3(g) and Section 3(h) hereof, the remedy set forth in this Section 7 represents the sole remedy in the event that Developer fails to complete the Project and Public Infrastructure in accordance with the requirements set forth in Section 3(c).

8. Cooperation. IDB and Developer agree that:

(a) Each party shall cooperate with the other party to provide such assistance as may reasonably be requested in connection with the fulfillment of each of its respective obligations under this Agreement. Such cooperation shall include, without limitation, the best efforts of both parties to cause the cooperation and assistance of their respective employees, agents, consultants, contractors and principals; provided that Developer acknowledges that the City of Chattanooga and its instrumentalities are independent from IDB and that IDB cannot guarantee their cooperation. Each party shall keep the other party informed of its actions; and

(b) Each party agrees that in exercising any rights of approval or consent it may have under this Agreement, it shall act in good faith unless said approval or consent is left to the full and absolute discretion of the approving or consenting party.

9. Term. This Agreement shall be effective upon the Effective Date and shall remain in effect until the earlier of: (a) six (6) months after the completion of the final 20 year allocation period provided in Section 2(d)(i), above, and the IDB's receipt and distribution of all TIF

Payments; (b) termination by mutual agreement of the parties or their successors and assigns; (c) satisfaction of all obligations relating to the TIF Financing (including any refinancing pursuant to Section 4); (d) termination by IDB pursuant to Section 5 of this Agreement; or (e) termination by Developer at any time prior to the closing of the TIF Financing. If this Agreement is terminated pursuant to items (d) or (e) above, Developer shall pay to IDB all costs incurred by IDB in connection with this Agreement, including, but not limited to, reasonable attorneys' fees. The expiration date of this Agreement may be extended by written mutual consent of the parties hereto.

10. Governing Law. This Agreement shall be governed and construed under and in accordance with the laws of the State of Tennessee and may not be modified or amended except in writing signed by all parties. Any legal venue for claims or actions arising from this Agreement shall be in Hamilton County, Tennessee.

11. Assignment. Developer shall not engage in, permit or suffer any Transfer without IDB's written consent. As used herein, the term "Transfer" shall mean any assignment, mortgage, pledge, hypothecation, encumbrance, lien or other transfer of Developer's rights under this Agreement or any interest under this Agreement (except that Developer may grant a security interest and/or collaterally assign this Agreement to secure financing of all or any portion of the Project). Notwithstanding the foregoing, nothing contained herein shall prohibit or limit any Transfer to an entity which Controls Developer, to an entity that Developer Controls or to an entity under common Control with Developer. As used herein, the term "Control" shall mean the possession, directly or indirectly, of at least fifty percent (50%) of the voting interests in any entity. The IDB acknowledges and agrees that Developer (including each of the foregoing Developer-related entities) shall have the discretion to (a) bring in such additional members as Developer determines (subject to the limitations on the Transfer of Control as set forth above), and (b) sell all or any portion of the Project from time to time and that neither of these events shall constitute a Transfer or require the approval of the IDB.

12. Successors and Assigns.

(a) Subject to restrictions on assignment provided in Section 11 above, this Agreement shall inure to the benefit of and be binding upon the parties hereto and the successors and assigns of the parties.

(b) The obligations of Sections 3(d) and 3(g) (as to Tax Parcel No. 119H A 0003) of this Agreement will be binding upon any subsequent owner of all or a portion of the applicable Industrial Park Parcels for the duration of the TIF Financing and, for such period, these obligations will run with the land. IDB and Developer shall execute and record a Memorandum of this Agreement (the "Memorandum"). Such Memorandum shall provide that, upon the repayment in full of the TIF Financing, IDB will deliver to Developer or the successor for recording a Certificate of Completion whereby IDB acknowledges that the TIF Financing has been repaid. Such Memorandum shall also provide that, upon satisfaction of the obligation under Section 3(g) or the earlier repayment of the TIF Financing, IDB will deliver to Developer or the successor owner of the applicable parcel within the Industrial Park Parcel a Certificate of Completion indicating that the obligation under Section 3(g) has been satisfied.

13. Notices. Any notices permitted or required to be given hereunder shall be given in writing and shall be delivered in person or sent by facsimile (with confirmation of successful transmission), by hand delivery, by overnight courier service or by certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Industrial Development Board:

Industrial Development Board of the City of Chattanooga
100 E. 11th Street, Suite 200
Chattanooga, TN 37402

with a copy to:

Phil Noblett
100 E. 11th Street, Suite 200
Chattanooga, TN 37402

If to Developer:

Access Road, LLC
832 Georgia Avenue, Suite 507
Chattanooga, TN 37402
Attention: Matt Phillips

with a copy to:

Mark W. Smith
Miller & Martin PLLC
832 Georgia Avenue, Suite 1200
Chattanooga TN 37420

Notices shall be effective only upon actual receipt.

14. Severability. The invalidation of any one or more of the provisions of this Agreement or any part thereof by judgment of any court of competent jurisdiction shall not in any way affect the validity of any other such provisions of the Agreement but the same shall remain in full force and effect.

15. Amendments. This Agreement may be amended only by written mutual consent of IDB and Developer.

16. Reliance by Lender. The parties hereto acknowledge and agree that Lender may rely on all of the representations, warranties and covenants set forth in this Agreement, that Lender is an intended third-party beneficiary of such representations, warranties and covenants and that Lender shall have all rights and remedies available at law or in equity as a result of a breach of such representations, warranties and covenants, including to the extent applicable, the right of subrogation. Notwithstanding any other terms of this Agreement, IDB shall not, without the prior

written consent of Lender, while Lender is the holder of the note or other obligation pursuant to the TIF Financing, consent or agree to any modification of, or grant any consent or approval under, this Agreement or waive compliance with any of the terms hereof. While Lender is the holder of such note or obligation, any attempt by IDB to grant any such consent, approval or waiver without the prior written consent of Lender shall be void and of no force and effect. Notwithstanding the foregoing, IDB and the City may exercise all rights and remedies under this Agreement due to a default by Developer without the consent, approval or involvement of Lender.

17. No Government Limitation. This Agreement shall not be construed to bind any other agency or instrumentality of federal, State or local government in the enforcement of any regulation, codes or laws under its jurisdiction.

18. Enforcement. The prevailing party in any action commenced due to a breach of this Agreement shall be entitled to receive from the other party reasonable attorneys' fees and court costs incurred in such action. Venue for any such litigation shall be Hamilton County, Tennessee.

19. Time of the Essence. Time shall be of the essence in the performance of the terms and conditions of this Agreement.

20. Merger. This Agreement constitutes the complete and entire agreement among the parties with respect to the subject matter hereof, and all prior agreements and understandings are merged into this Agreement.

21. Captions. All captions, headings, paragraph and subparagraph numbers and letters and other reference numbers or letters are solely for the purpose of facilitating reference to this Agreement and shall not supplement, limit or otherwise vary in any respect the text of this Agreement. All references to particular paragraphs and subparagraphs by number refer to the paragraph or subparagraph so numbered in this Agreement.

22. Business Day. If any date on which performance or notice is due under this Agreement should fall on Saturday, Sunday or any other day on which IDB's offices are not open to the general public for business, performance or notice shall not be due until IDB's next business day.

23. Counterparts. This Agreement may be executed in counterparts, each of which shall constitute an original and all of which together shall constitute one and the same instrument.

24. Defense of TIF Financing; Further Assurances. IDB agrees to defend any legal challenge to the use of TIF Financing for the Project provided Developer agrees to pay the cost of such defense. If the TIF Financing for the Project should be disallowed as a result of such litigation, IDB agrees to take all reasonable steps, at no additional cost to IDB, to restructure the TIF Financing and/or to otherwise deliver to Developer the economic benefit of the incentives provided under the Economic Impact Plan and this Agreement.

[END OF TEXT; SIGNATURES APPEAR ON FOLLOWING PAGE.]

IN WITNESS WHEREOF, IDB and Developer have caused this Agreement to be duly executed as of the date first above written

IDB:

THE INDUSTRIAL DEVELOPMENT BOARD
OF THE CITY OF CHATTANOOGA

By: _____

Title: _____

APPROVED AS TO FORM AND LEGALITY:

By: _____

DEVELOPER:

ACCESS ROAD, LLC

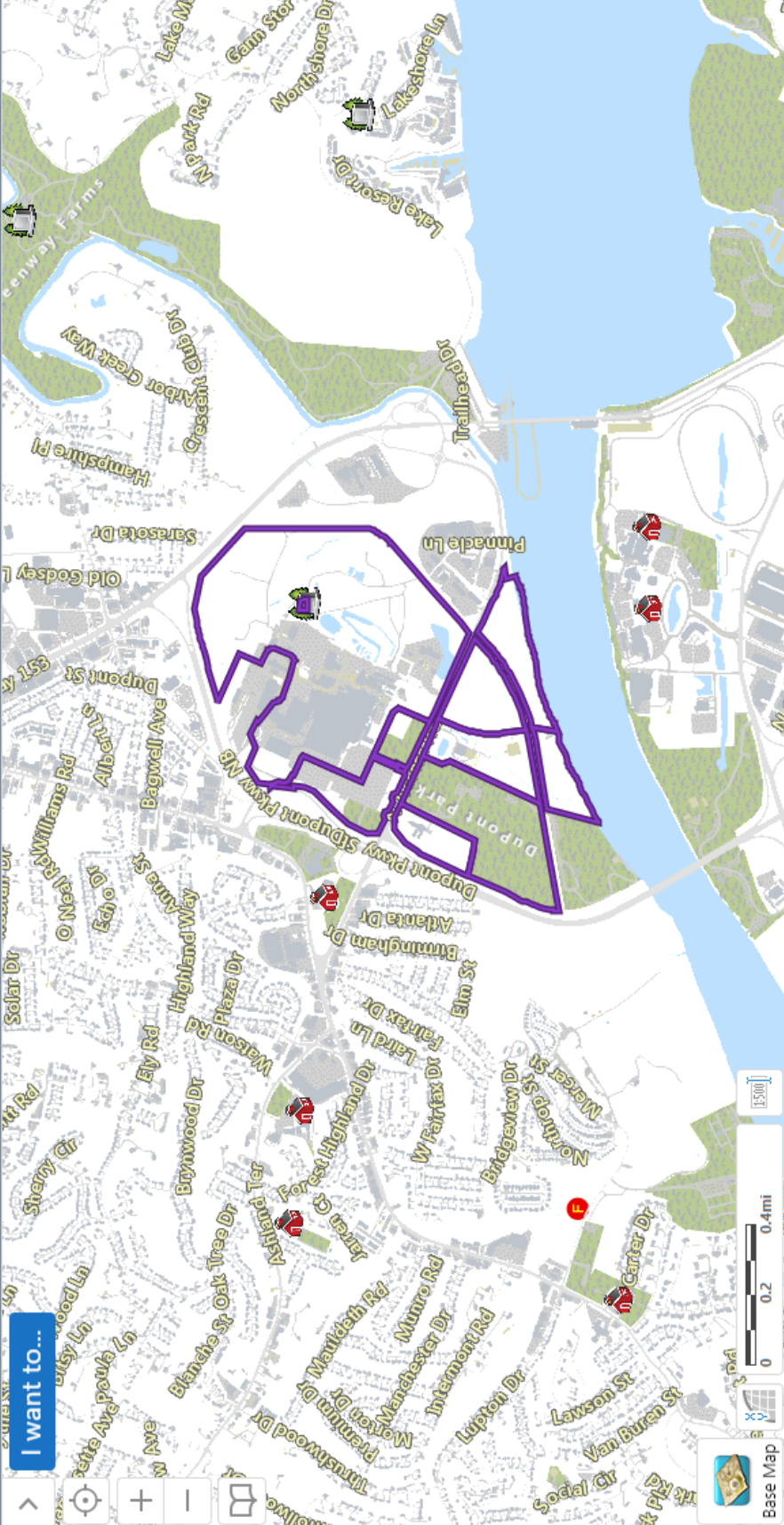
By: _____

Title: _____

EXHIBIT A
THE PLAN AREA

Search...

Hamilton County Mapping - GISMO 5

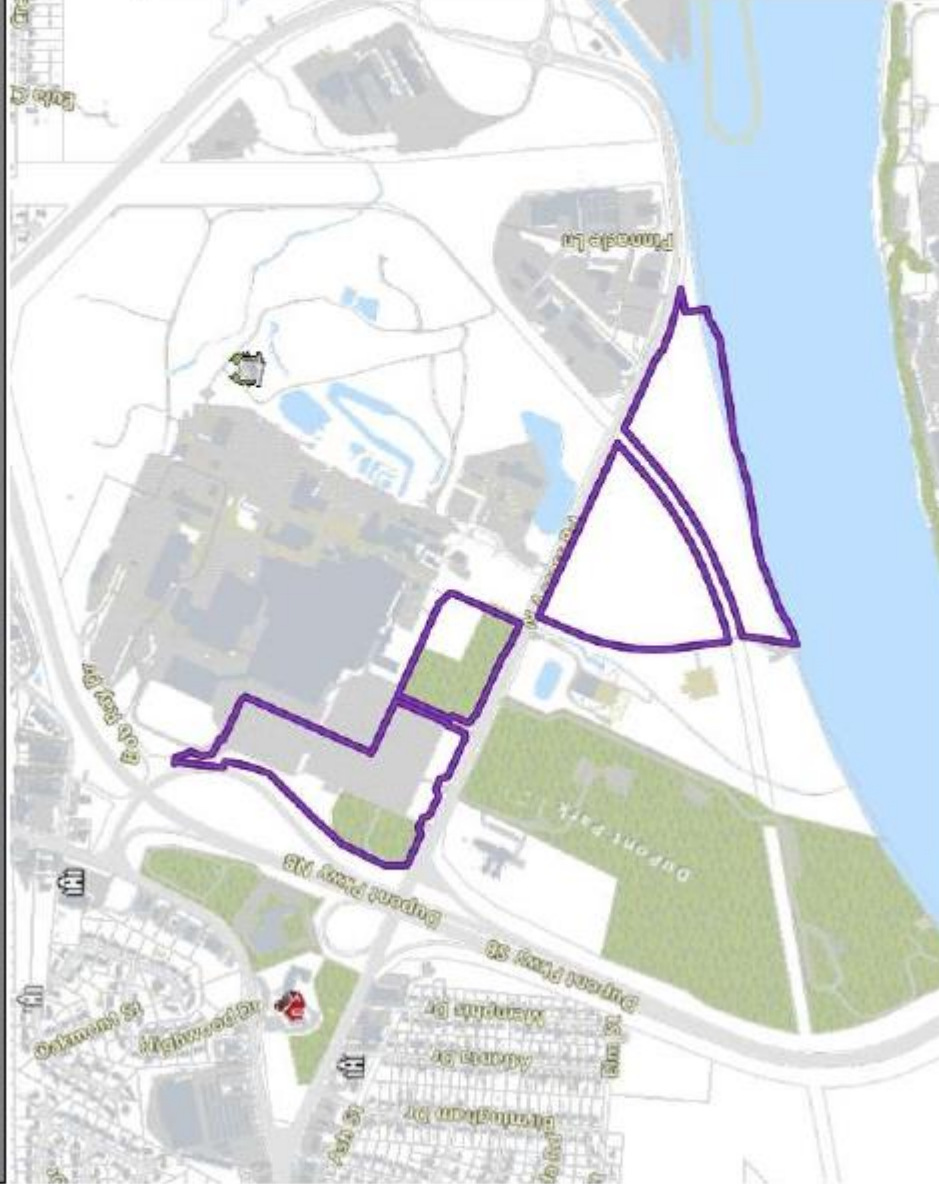


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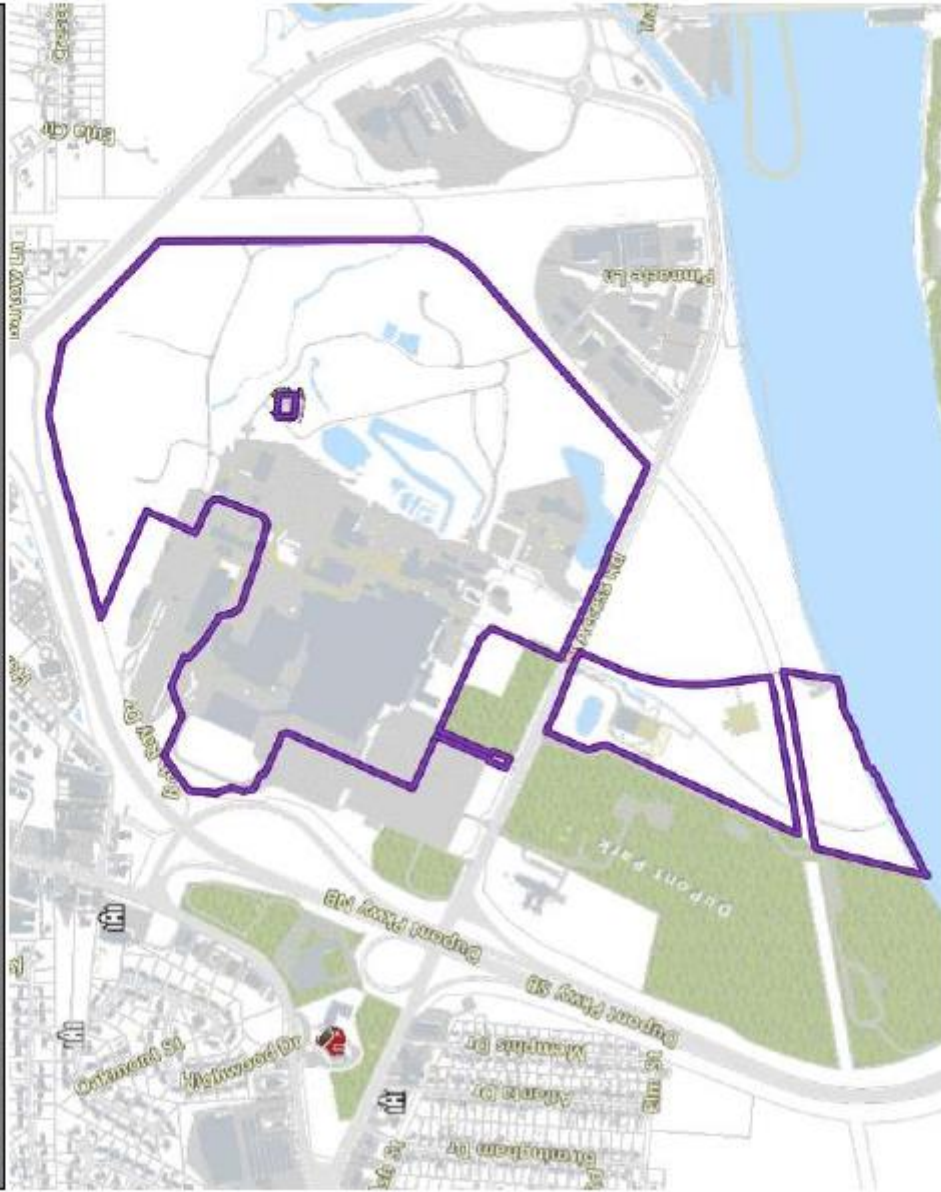
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- Parcels
 - County Boundary
 - Recycling Centers
 - Healthcare Facilities
 - Emergency Services Locations
 - FIRE
 - MEDIC
 - POLICE
 - Cemeteries
 - Religious Facilities
 - Schools
 - Building Footprints
 - Miscellaneous Structures
 - Driveways
 - Parking
 - Water Bodies
 - Other Water Bodies
 - Recreational Areas
 - Surrounding
 - Hambun



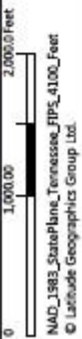
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GISMO 5



- Legend**
- Parcels
 - County Boundary
 - Recycling Centers
 - Healthcare Facilities
 - Emergency Services Locations
 - FIRE
 - MEDIC
 - POLICE
 - Cemeteries
 - Religious Facilities
 - Schools
 - Building Footprints
 - Miscellaneous Structures
 - Driveways
 - Parking
 - Water Bodies
 - Other Water Bodies
 - Recreational Areas
 - Surrounding
 - Hamilton



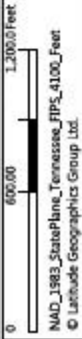
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GISMO 5



- Legend**
- Parcels
 - County Boundary
 - Recycling Centers
 - Healthcare Facilities
 - Emergency Services Locations
 - FIRE
 - MEHC
 - POLICE
 - Cemeteries
 - Schools
 - Religious Facilities
 - Building Footprints
 - Miscellaneous Structures
 - Driveways
 - Parking
 - Water Bodies
 - Other Water Bodies
 - Recreational Areas
 - Surrounding
 - HazMat



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GISMO 5



- Legend**
- Parcels
 - County Boundary
 - Recycling Centers
 - Healthcare Facilities
 - Emergency Services Locations
 - FIRE
 - MEQC
 - POLICE
 - Cemeteries
 - Religious Facilities
 - Schools
 - Building Footprints
 - Miscellaneous Structures
 - Driveways
 - Parking
 - Water Bodies
 - Other Water Bodies
 - Recreational Areas
 - Surrounding
 - Hamilton



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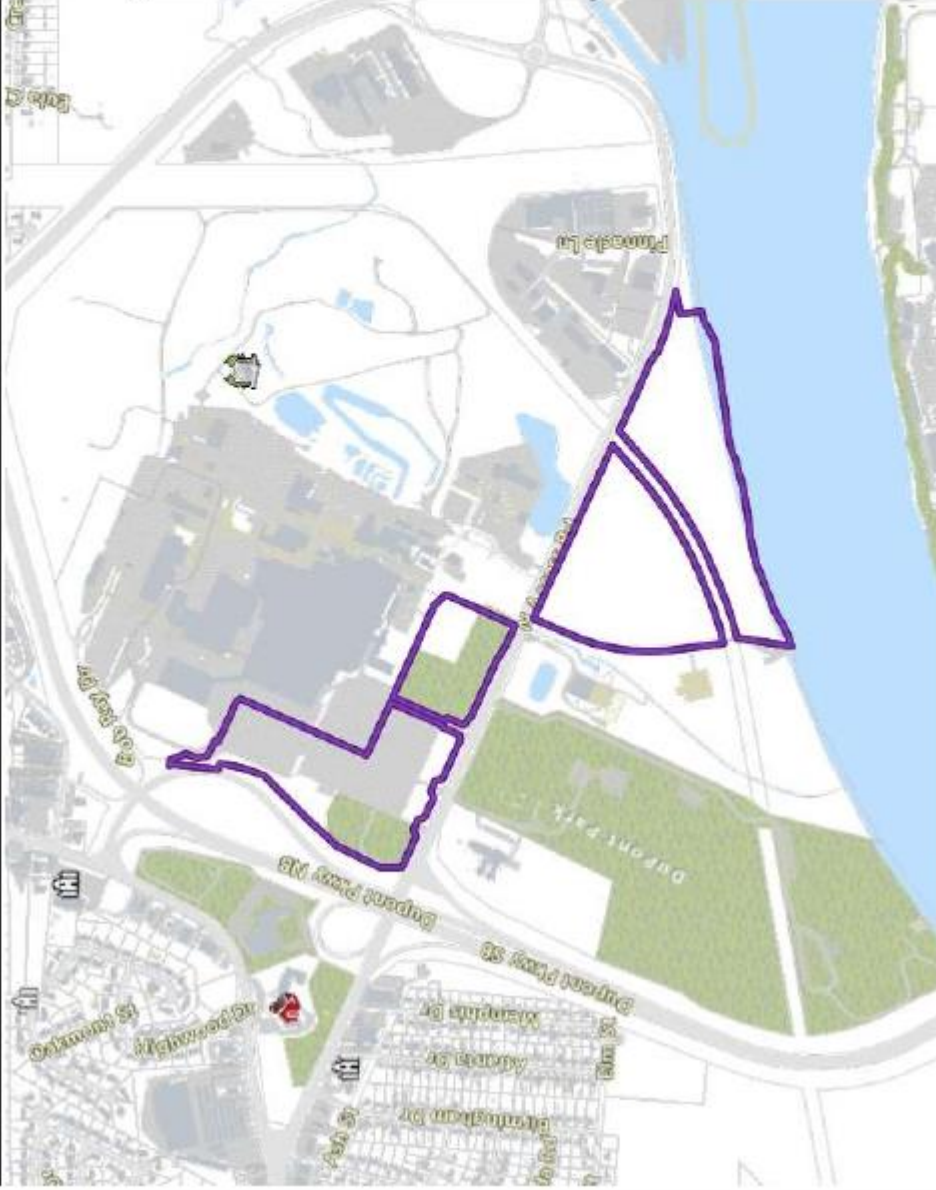
EXHIBIT B

INDUSTRIAL PARK PARCELS

GISMO 5



- Legend**
- Parcels
 - County Boundary
 - Recycling Centers
 - Healthcare Facilities
 - Emergency Services Locations
 - FIRE
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 - Other Water Bodies
 - Recreational Areas
 - Surrounding
 - Hambun



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EXHIBIT C

SITE PLAN FOR PROJECT

LOAN AGREEMENT

between

ACCESS ROAD, LLC

and

**INDUSTRIAL DEVELOPMENT BOARD OF THE
CITY OF CHATTANOOGA**

**RELATING TO NORTH RIVER COMMERCE CENTER
INDUSTRIAL PARK AND REDEVELOPMENT OF NORTH ACCESS ROAD**

Dated as of _____, 2022

LOAN AGREEMENT

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- Exhibit B - Borrowing Certificate
- Exhibit C - Parcels within Tax Increment Area

LOAN AGREEMENT

THIS LOAN AGREEMENT (the “Loan Agreement”) is made and entered into as of _____, 2022, between ACCESS ROAD, LLC, a Tennessee limited liability company (the “Lender”), and the INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA, a public body corporate and politic and an instrumentality of the City of Chattanooga, Tennessee (the “Board”).

RECITALS:

A. The Board submitted for approval an Economic Impact Plan for the Development of the North River Commerce Center Industrial Park and the Redevelopment of North Access Road (the “Economic Impact Plan”), by resolution of the Board on June 27, 2022, for the area identified therein located in the City of Chattanooga, Hamilton County, Tennessee (the “Plan Area”).

B. The Economic Impact Plan, including certain tax increment financing provisions contained therein, has been approved by the County Commission of Hamilton County, Tennessee (the “Commission”), on July 20, 2022, on behalf of Hamilton County, Tennessee (the “County”), and by the City Council of the City of Chattanooga, Tennessee (the “City Council”), on July 19, 2022, on behalf of the City of Chattanooga, Tennessee (the “City”).

C. The Board and Lender, in its capacity as the developer of an industrial park within the Plan Area (the “Developer”), have entered into a Development and Financing Agreement, dated as of the date hereof (the “Development Agreement”), regarding the development of certain parcels of real property located within the Plan Area to include a new industrial park with over 800,000 square feet of space and related necessary infrastructure improvements as further described therein (the “Project”).

D. Under Tenn. Code Ann. §§ 7-53-101, *et seq.* (the “Act”), and the Economic Impact Plan, the Board is authorized to issue and secure the TIF Note (as herein defined) to finance the Public Infrastructure Costs (as herein defined) and Transaction Costs (as herein defined).

E. In relation to the TIF Note, the Board will execute and deliver that certain Assignment of Tax Increment Revenues (the “Assignment”), under which the Board assigned and pledged to the Lender all Tax Increment Revenues (as herein defined).

F. The Board will establish a special fund into which Tax Increment Revenues will be deposited, and from which debt service on the TIF Note will be paid in accordance with Tenn. Code Ann. § 7-53-312.

TERMS:

NOW, THEREFORE, in consideration of the Recitals above, the premises and the mutual covenants and undertakings below, the parties hereto covenant, agree and bind themselves as follows:

ARTICLE I DEFINITIONS

The following words and phrases shall have the following meanings:

“Administrative Fee” shall mean the fee to the Board for each Tax Year equal to one-fourth of one percent (0.25%) of the City’s Tax Increment Revenues that is payable in accordance with Section 7.3(a) hereof.

“Allocation Period” shall mean, with respect to each Parcel, the twenty Tax Years designated in a notice from the Board to the City and County, at the direction of Developer pursuant to Section 2 of the Development Agreement, as permitted by the Economic Impact Plan and applicable law.

“Assignment” means the Assignment of Tax Increment Revenues executed by the Board and delivered in accordance with Article III hereof and any amendments thereto from time to time.

“Borrowing Certificate” means a certificate executed by the Developer and approved by the Lender and the Board with respect to each Disbursement, which certificate shall be in substantially the form attached hereto as Exhibit B.

“Business Day” means any day other than a Saturday, Sunday, or federal holiday, on which financial institutions are regularly open for business in Chattanooga, Tennessee.

“Closing Date” means the date on which the TIF Note is issued by the Board to the Lender.

“Default” means any Default under this Loan Agreement as specified in and defined in Article VIII hereof.

“Development Agreement” shall have the meaning given to such term in the Recitals above.

“Disbursement” means a disbursement of the proceeds of the TIF Note in accordance with Article VI hereof.

“Disbursement Date” means any date on which a Disbursement occurs in accordance with Article VI hereof.

“Economic Impact Plan” shall have the meaning given to such term in Recital A of this Agreement.

“Eligible Costs” means the Public Infrastructure Costs and Transaction Costs.

“Loan” means the loan made under this Loan Agreement and evidenced by the TIF Note.

“Loan Documents” mean, collectively, the TIF Note, this Loan Agreement and the Assignment.

“Maturity Date” means the May 1 following the end of the latest occurring Allocation Period, which shall be May 1, 2047.

“Note Payment Date” shall have the meaning given to such term in Section 2.5 of this Loan Agreement.

“Parcel” means a tax parcel in the Tax Increment Area.

“Plan Area” shall have the meaning given to such term in the Recitals of this Agreement.

“Project Fund” shall mean the North River Commerce Center Project Fund created under Section 7.1 of this Loan Agreement.

“Public Infrastructure” means roads, streets, publicly-owned or privately-owned parking lots, facilities or garages, traffic signals, sidewalks or other public improvements that are available for public use, utility improvements and storm water and drainage improvements, whether or not located on public property or a publicly-dedicated easement.

“Public Infrastructure Costs” means all costs incurred by the Developer in connection with the acquisition, construction and installation of Public Infrastructure within the Plan Area.

“State” means the State of Tennessee.

“Tax Increment Area” means those parcels of property within the Plan Area, which are listed on Exhibit C attached as such parcels may be subdivided and/or aggregated from time to time.

“Tax Increment Fund” shall mean the North River Commerce Center Tax Increment Fund created under Section 7.1 of this Loan Agreement.

“Tax Increment Revenues” means all ad valorem property taxes allocated to the Board pursuant to the Economic Impact Plan exclusive of any administrative costs withheld by the County in accordance with the Development Agreement.

“Tax Year” shall mean each calendar year as to which property taxes are payable with respect to the Tax Increment Area.

“TIF Note” or “Note” means the Tax Increment Revenue Note issued pursuant to Article II hereof.

“Transaction Costs” mean (i) all reasonable legal fees, recording fees, fees of the Board and other similar fees and expenses incurred by the Board, the Lender or the Developer in connection with and attributable to the issuance of the TIF Note and the transactions directly related thereto (including, without limitation, refinancing the TIF Note as permitted by Section 4 of the Development Agreement), and (ii) interest incurred on the TIF Note from the date of the TIF Note until such time as the Public Infrastructure is placed in service.

ARTICLE II THE TIF NOTE

Section 2.1 Designation. The TIF Note shall be designated the “Industrial Development Board of the City of Chattanooga Tax Increment Revenue Note (North Access Road Plan Area).”

Section 2.2 Principal Amount. The TIF Note shall be in an aggregate original principal amount not to exceed Nine Million Nine Hundred Thousand and No/100 Dollars (\$9,900,000.00), provided, that such maximum principal amount shall be reduced to the extent provided in Section 3(h) of the Development Agreement and in Article IV hereof.

Section 2.3 Interest Rate. Amounts disbursed under the TIF Note shall bear interest at the same interest rate that is applicable to the loan obtained by Developer that is secured by a first lien on the Project or any portion thereof. If Developer has incurred multiple loans secured by a first lien on portions of the Project, the lowest interest rate on such loans shall be the applicable interest rate. Interest shall accrue from the date hereof for each year and shall be payable on May 1st of each year commencing May 1, 2023. Interest shall not accrue on any interest that has accrued but is not paid on any such payment date. On or prior to May 1st of each year, Developer shall provide the Board with a list of the interest

rate(s) that were applicable to the TIF Note during the prior year (or portion thereof) and provide a calculation of the interest that accrued on the TIF Note during the applicable period. At the request of the Board, Developer shall provide such additional support demonstrating the applicable interest rate or calculation of the amount of accrued interest as the Board may request. If Developer does not have any outstanding loans as is described above that are secured by the Project or any portion thereof, the TIF Note shall bear interest at a fixed rate per annum of 4.75%. Interest shall be calculated based on a 360-day year at the interest rate specified above based on the actual number of days elapsed for purposes of such calculation.

Section 2.4 Maturity. The TIF Note shall mature on the Maturity Date, unless prepaid earlier as provided herein or in the TIF Note. Notwithstanding the Maturity Date of the Note, any Tax Increment Revenues received with respect to taxes imposed during the Allocation Period but received after the Maturity Date of the Note shall be applied to the payment of the Note if the Note has not been paid in full at such time.

Section 2.5 Interest Payments. Payment of accrued interest shall be made from Tax Increment Revenues available therefor (if any) deposited in the Tax Increment Fund or as is otherwise provided herein. On May 1st each year, all Tax Increment Revenues on deposit in the Tax Increment Fund that are derived from property taxes imposed for the prior Tax Year (other than Administrative Fees) shall be paid by the Board to the Lender and applied by the Lender to accrued interest on the TIF Note, with any excess being applied toward principal as provided in Section 2.6. Any Tax Increment Revenues derived from delinquent payments of taxes with respect to any Tax Year that are received by the Board after May 1st of the following year shall be paid by the Board (after deduction of the Board's Administrative Fee) within ten (10) days of receipt by the Board to the Lender and applied by the Lender to accrued interest on the TIF Note, with any excess being applied toward principal as provided in Section 2.6. Each such date on which Tax Increment Revenues are applied to the payment of the TIF Note shall be deemed a "Note Payment Date." The Lender shall maintain a ledger of the amounts of accrued interest paid pursuant to this Section and principal paid pursuant to Sections 2.6 or 2.7, and such ledger shall be available for inspection by the Board on any Business Day. In addition, on each July 1 and on the Maturity Date, the Lender shall provide to the Board and Developer annual statements of such interest payments and any principal reductions on the TIF Note.

Section 2.6 Principal Payments. To the extent Tax Increment Revenues are on deposit in the Tax Increment Fund on each Note Payment Date in excess of the amount necessary to pay accrued interest on the TIF Note and the Administrative Fee payable to the Board pursuant to Section 7.3, such excess shall be paid by the Board to the Lender to be applied to pay principal on the TIF Note on each such Note Payment Date with all unpaid principal coming due on the Maturity Date. The Lender acknowledges that the principal of and interest on the TIF Note are payable from the limited sources provided herein as described in Section 2.9 and that if there are not such adequate revenues to pay the remaining balance, if any, of TIF Note on the Maturity Date, the remaining principal balance of the TIF Note on the Maturity Date may not be paid.

Section 2.7 Prepayments. In addition to the principal payments required by Section 2.6 hereof, the Board shall have the right to prepay the TIF Note, at the direction of the Developer, with available amounts in the Tax Increment Fund or from any other amounts as otherwise are available to the Board, including any amounts provided by the Developer, without premium or penalty, at any time upon three (3) Business Days' notice to the Lender.

Section 2.8 Delivery of the TIF Note. In connection with the delivery of the TIF Note, there shall be delivered to or deposited with the Lender:

- (a) copies, certified by the Secretary of the Board, of the Charter and Bylaws of the Board and the resolutions authorizing the issuance of the TIF Note and the execution, delivery and performance of this Loan Agreement and the TIF Note;
- (b) copies of closing certificates and documentation required in connection with the execution and delivery of this Agreement and the Development Agreement, all in form and substance satisfactory to Lender's counsel;
- (c) a Tennessee certificate of existence for the Board and the Developer indicating that each is in good standing;
- (d) originally executed complete counterparts of the Loan Documents; and
- (e) an opinion of counsel to the Board in form and substance satisfactory to the Lender;
- (f) an opinion of bond counsel acceptable to the Lender as to the enforceability of the TIF Note and the pledge of the Tax Increment Revenues and, if requested by Lender, as to the tax-exempt status of the TIF Note; and
- (g) the TIF Note, duly executed and issued by the Board, in an aggregate principal amount not to exceed \$9,900,000.00.

By its execution and delivery of this Loan Agreement, the Lender hereby acknowledges that each of the deliveries in this Section 2.8 has been satisfied.

Section 2.9 Execution, Limited Obligations. The TIF Note shall be executed on behalf of the Board with the manual signature of the Chairman or Vice Chairman and attested by the Secretary or other duly authorized officer of the Board. The TIF Note, and the obligations of the Board under this Loan Agreement and the other Loan Documents, shall not constitute an indebtedness of the City and County within the meaning of the Constitution and statutes of the State or the charter or ordinances of the City and County. In the event that a Default occurs under this Loan Agreement or any other Loan Document, no judgment for any deficiency for the obligations of the Board under the TIF Note or any other Loan Document shall be sought or obtained against the Board, except to the extent payable solely from the Tax Increment Revenues pledged to and designated for the payment of such obligations. Nothing contained in this Section 2.9 shall (x) be deemed to be a release or impairment of the indebtedness evidenced by the TIF Note or the lien of this Loan Agreement or any of the other Loan Documents except for the nonrecourse provisions of the immediately preceding sentence, or (y) preclude the Lender from realizing on the collateral described in the Loan Documents in the event of a Default. Amounts deposited in the Tax Increment Fund and the Tax Increment Revenues shall be used for no purpose other than to pay the principal of, interest on and any other amounts due under the TIF Note and this Agreement until they are paid in full (and Administrative Fees of the Board). For the avoidance of doubt, and notwithstanding the foregoing or anything to the contrary in this Loan Agreement or in any of the other Loan Documents, the Board is not personally liable for the repayment of the Loan outside of the Tax Increment Revenues pledged to and designated for the payment of such obligations and is not obligated to make up any shortfall in Tax Increment Revenues to pay debt service on the TIF Note.

Section 2.10 Form of TIF Note. The TIF Note is to be in substantially the form set forth in Exhibit A attached hereto, with appropriate variations, omissions and insertions as permitted or required by this Loan Agreement, with such changes being conclusively approved by execution of the TIF Note by the Board and acceptance of the TIF Note by the Lender.

ARTICLE III
COLLATERAL SECURING THE TIF NOTE

Section 3.1 Assignment of Tax Increment Revenues. As a source of and security for the payment of the TIF Note and all amounts due hereunder, the Board has assigned and pledged to the Lender, pursuant to the Assignment, all Tax Increment Revenues (except the Administrative Fees payable to the Board pursuant to Section 7.3).

Section 3.2 Pledge of the Tax Increment Fund. To the extent of any interest of the Board therein, all moneys in the Project Fund and Tax Increment Fund, including, without limitation, any earnings thereon and proceeds thereof (except the Administrative Fee payable to the Board pursuant to Section 7.3), are hereby pledged to the payment of the principal of and interest on the TIF Note, and the Board hereby grants to the Lender a security interest therein. The Tax Increment Fund shall be maintained at a bank acceptable to the Board at the expense of the Lender.

Section 3.3 Waiver of Other Rights. Other than as provided in this Loan Agreement or as subsequently provided in a separate written instrument, the Lender shall not have any right of set-off against any funds of the Board maintained in an account with the Lender and, other than with respect to rights of set-off expressly granted herein or therein, the Lender expressly waives all such rights.

ARTICLE IV
PREPAYMENT OF THE TIF NOTE BEFORE MATURITY

Section 4.1 Extraordinary Prepayment. The TIF Note is subject to prepayment from any funds provided by the Developer pursuant to Section 7 of the Development Agreement as a result of the failure of the Developer to complete the Project within the period required by the Development Agreement. If the Developer fails to make any prepayment required by Section 7 of the Development Agreement, the principal amount of the TIF Note shall be automatically reduced, without further action by the Board, by the amount of the prepayment that was not made as required by Section 7 of the Development Agreement.

Section 4.2 Payment Due. The payment due to the Lender as a result of any prepayment of the TIF Note pursuant to this Article IV shall be paid in full within ten (10) days after the occurrence of the event pursuant to which the TIF Note must be prepaid hereunder. The prepayment required by this Article IV is mandatory and may not be waived or delayed by the Lender without the prior written consent of the Board.

ARTICLE V
REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 5.1 Representations and Warranties of the Board. The Board represents and warrants that:

- (a) The Board is a duly established, organized and existing public corporation under the laws of the State of Tennessee.
- (b) The Board has all requisite power, authority and legal right to execute and deliver the Loan Documents and all other instruments and documents to be executed and delivered by the Board pursuant hereto or thereto, to perform and observe the provisions hereof and thereof and to carry out the transactions contemplated hereby and thereby. All corporate action on the part of

the Board which is required for the execution, delivery, performance and observance by the Board of the Loan Documents has been duly authorized and effectively taken, and such execution, delivery, performance and observation by the Board do not contravene applicable law or any contractual restriction binding on or affecting the Board.

(c) No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution and delivery by the Board of, and performance by the Board of its obligations under, the Loan Documents other than the notices and filings required under the Act and Tenn. Code Ann. § 9-23-101, et seq.

(d) The Loan Documents when delivered will be, legal, valid and binding special obligations of the Board enforceable against the Board in accordance with their respective terms.

(e) There is no default of the Board in the payment of the principal of or interest on any of its indebtedness for borrowed money or under any instrument or instruments or agreements under and subject to which any indebtedness for borrowed money has been incurred which does or could affect the validity and enforceability of the Loan Documents or the ability of the Board to perform its obligations hereunder or thereunder, and no event has occurred and is continuing under the provisions of any such instrument or agreement which constitutes or, with the lapse of time or the giving of notice, or both, would constitute such a default.

(f) There is no pending or, to the knowledge of the undersigned officers of the Board, threatened, action or proceeding before any court, governmental agency or arbitrator (i) to restrain or enjoin the issuance or delivery of the TIF Note or the collection of any revenues pledged under the Loan Documents, (ii) in any way contesting or affecting the validity, authorization or enforceability of the Loan Documents, the availability of Tax Increment Revenues to pay and secure the Loan Documents or the Development Agreement, or (iii) in any way contesting the existence or powers of the Board which could have an adverse effect on the validity, authorization or enforceability of the Loan Documents with respect to the Board or on the ability of the Board to carry out its obligations hereunder or thereunder.

(g) In connection with the authorization, issuance and sale of the TIF Note, the Board has complied with all provisions of the Act and Sections 8-44-104, et seq., of Tennessee Code Annotated.

(h) The Board has not assigned or pledged and will not assign or pledge its interest in the Tax Increment Revenues prior to payment in full of the indebtedness evidenced by the TIF Note for any purpose other than to secure the TIF Note under this Loan Agreement. The TIF Note constitutes the only bond or note or obligation of the Board in any manner payable from the revenues to be derived from the Tax Increment Revenues.

(i) Other than the TIF Note, no bonds or notes or other obligations have been or will be issued payable, in whole or in part, from the Tax Increment Revenues, except for bonds or other obligations issued to refinance the TIF Note.

(j) Other than as expressly provided in this Loan Agreement, the Tax Increment Fund is not subject to any lien, security interest or right of set-off in favor of any lender, creditor or claimant of the Board.

(k) The Board is not in default under any provision of its Charter or Bylaws and is not in default under any of the provisions of the laws of the State which default would affect its existence or its powers referred to in Section 5.1(b) hereof.

Section 5.2 Covenants of the Board. The Board covenants with the Lender as follows:

(a) The Board will not allow the Tax Increment Fund to become subject to any lien, security interest or right of set-off in favor of any lender, creditor or claimant of the Board, other than the Lender pursuant to the Loan Documents.

(b) The Board will not enter into any agreement or instrument which might in any way prevent or materially impair its ability to perform its obligations hereunder or under the Loan Documents.

(c) The Board will cooperate in the refinancing of the TIF Note to the extent required by Section 4 of the Development Agreement.

(d) So long as the TIF Note shall remain outstanding, the Board will, upon the reasonable request of the Lender:

(i) take all action and do all things which it is authorized by law to take and do in order to perform and observe all covenants and agreements on its part to be performed and observed under the Loan Documents; and

(ii) execute, acknowledge where appropriate, and deliver from time to time, promptly at the request of the Lender, all such instruments and documents as in the reasonable opinion of the Lender are necessary or desirable to carry out the intent and purpose of the Loan Documents, but at all times, the Loan shall remain non-recourse to the Board, except to the extent payable solely from the Tax Increment Revenues as described herein.

(e) So long as the TIF Note shall remain outstanding, the Board will not, without the prior written consent of the Lender:

(i) take any action, or fail to take any required action, that, directly or indirectly, adversely affects its existence or status as a public corporation under the laws of the State; or

(ii) take any action, or fail to take any required action, that would cause or permit the City and County not to collect and pay to the Board (or deposit into the Tax Increment Fund) the Tax Increment Revenues; or

(iii) take any action, or fail to take any required action, that would have the effect of materially reducing the expected Tax Increment Revenues, including, without limitation, entering into a payment in lieu of tax transaction referenced in Section 2(i) of the Development Agreement.

ARTICLE VI
DISBURSEMENTS OF PROCEEDS

Section 6.1 Disbursements of Proceeds. Proceeds of the Loan shall be disbursed from the Project Fund solely in the manner provided herein. The proceeds of the Loan shall be used solely to pay or to reimburse the Developer for Eligible Costs. The proceeds of the Loan may not be repaid and reborrowed. Amounts will be deposited by the Lender in the Project Fund at such times and in such amounts as are necessary to make disbursements that are permitted pursuant to this Article, and each such deposit will be considered an advance under the TIF Loan and the TIF Note. Amounts shall not be deposited in the Project Fund until required for disbursement pursuant to this Article. In no event shall the amount disbursed to pay Public Infrastructure Costs hereunder exceed \$8,754,000, and in no event shall the amount disbursed to pay Transaction Costs hereunder exceed \$1,146,000.

Section 6.2 Disbursement Procedure. On each Disbursement Date, the Lender will disburse and deposit in the Project Fund such amount as is eligible for disbursement in accordance with this Article VI. Each Disbursement Date shall occur within five (5) days after the conditions to the Disbursement on the Disbursement Date set forth in Section 6.3 have been met.

Section 6.3 Conditions Precedent to Each Disbursement. The Lender's obligation to make a Disbursement on any Disbursement Date shall be subject to the prior satisfaction of each of the following conditions:

- (a) No Default shall then be existing; and
- (b) The Developer shall have delivered to the Board and the Lender a Borrowing Certificate with respect to such Disbursement and the Board and the Lender shall have approved such Borrowing Certificate.

ARTICLE VII
PROJECT FUND AND TAX INCREMENT FUND

Section 7.1 Establishment of Funds. There are hereby established by the Board (a) a special fund to be held in a segregated account with the Lender called the "North River Commerce Center Project Fund," that is not commingled with other funds of the Board, the Lender or the Developer into which shall be deposited all proceeds of the TIF Note prior to their disbursement to pay Transaction Costs and Public Infrastructure Costs and (b) a special fund to be held in an account with Lender called the "North River Commerce Center Tax Increment Fund," into which shall be deposited all Tax Increment Revenues and any amounts paid by Developer to pay the principal of or interest on the TIF Note, including any amounts payable by Developer under Section 7 of the Development Agreement. The Board shall not be required to deposit any amounts in the Tax Increment Fund until the requirements of Section 3(g) of the Development Agreements have been satisfied.

Section 7.2 Disbursements from Project Fund. All proceeds of the TIF Note shall be deposited in the Project Fund. Amounts deposited in the Project Fund shall be applied as disbursed in accordance with Article VI hereof and will not be invested.

Section 7.3 Disbursements from Tax Increment Fund.

- (a) On each May 1st on which funds are on deposit in the Tax Increment Fund, the Board shall disburse to itself its Administrative Fee from the Tax Increment Revenues deposited in the Tax Increment Fund on such date, but only to the extent available therefrom and only to the

extent the Administrative Fee has not already been received by the Board for the Tax Year during which such date occurs. After such disbursement, all remaining Tax Increment Revenues on deposit in the Tax Increment Fund shall be applied to the payment of the interest and principal due under the TIF Note as provided in Sections 2.5 and 2.6 hereof. The Board shall also disburse Tax Increment Revenues received from delinquent tax payments as provided in Section 2.5 hereof.

(b) In the event of prepayment in whole of the TIF Note under Article IV hereof, the entire amount deposited in the Tax Increment Fund pursuant to Section 7 of the Development Agreement shall be applied to pay the principal of TIF Note and accrued interest relating to the portion of the principal prepaid.

ARTICLE VIII DEFAULTS AND REMEDIES

Section 8.1 Defaults. Each of the following events shall constitute a “Default” hereunder:

(a) default in the due and punctual payment of interest on or principal of the TIF Note on any Note Payment Date (without regard to the sufficiency of Tax Increment Revenues available therefor) after ten (10) days’ written notice thereof to the Board and the Developer;

(b) the occurrence of a breach under or failure to comply with terms of the Development Agreement and the passage of the period of time, if any, allowed thereunder for the remedying or curing of such breach or failure of compliance; or

(c) the occurrence of a breach under or failure to comply with terms of any other of the covenants, agreements or conditions on the part of the Board contained in this Loan Agreement or the TIF Note (except as described in Sections 8.1(a) and (b) hereof) and the failure to remedy the same within thirty (30) days after written notice thereof to the Board, provided, however, that if any such breach or failure to comply (i) is such that it cannot be cured or remedied within such thirty (30) day period, (ii) does not involve the payment of any monetary sum, and (iii) does not place any rights or interest in collateral of the Lender in immediate jeopardy, then such breach or failure to comply shall not constitute a Default if corrective action is instituted by the Board to the reasonable satisfaction of the Lender within such thirty (30) day period and diligently pursued until such breach or failure to comply is corrected; provided, further, however, that in no event shall any such cure period exceed ninety (90) days without the express written consent of the Lender, which shall not be unreasonably withheld, conditioned or delayed. If the Board or the Developer on behalf of the Board shall fail to correct or cure such breach or failure to comply within such ninety (90) day period (as the same may be extended pursuant to the foregoing sentence), a Default shall be deemed to have occurred hereunder without further notice or demand of any kind being required.

Notwithstanding anything in this Loan Agreement or the other Loan Documents to the contrary, no Default shall occur or be deemed to have occurred unless and until notice thereof has been given to both the Board and the Developer and such parties have had the opportunity to cure such default within the time periods set forth in above in this Section 8.1.

Section 8.2 Acceleration. Upon the occurrence of any Default hereunder, Lender may declare the principal of the TIF Note and all accrued and unpaid interest thereunder to be immediately due and payable.

Section 8.3 Other Remedies.

(a) Upon the occurrence of a Default, and subject to the provisions of Section 2.9 hereof, the Lender may pursue any available remedy at law or in equity to enforce the payment of the principal of and interest on the outstanding TIF Note and to enforce the Loan Documents and all rights derived therefrom.

(b) No remedy conferred upon or reserved to the Lender by the terms of this Loan Agreement or the other Loan Documents is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Lender hereunder or now or hereafter existing at law or in equity.

(c) No delay or omission to exercise any right or power accruing upon any Default shall impair any such right or power or shall be construed to be a waiver of any such Default or acquiescence therein; such right or power may be exercised from time to time as often as may be deemed expedient.

(d) No waiver of any Default hereunder, whether by the Lender or by any holder of the TIF Note, shall extend to or shall affect any subsequent Default or shall impair any rights or remedies consequent thereon.

Section 8.4 Waiver. Upon the occurrence of a Default, to the extent that such rights may then lawfully be waived, neither the Board nor anyone claiming through or under it, shall set up, claim or seek to take advantage of any stay or extension laws of any jurisdiction now or hereafter in force, in order to prevent or hinder the collection of the TIF Note or the enforcement of this Loan Agreement or any of the other Loan Documents, and the Board, for itself and all who may claim through or under it, hereby waives, to the extent that it lawfully may do so, the benefit of all such laws.

By written notice to the Board provided in accordance with Section 9.2 hereof, the Lender shall have the right to waive any breach of any promise made in the TIF Note, or any Default under Section 8.1 hereof, or any default under any of the Loan Documents or other documents relating to, securing or otherwise executed in connection with the TIF Note, and its consequences except as is provided in Article IV. In case of any such waiver or rescission, then and in every such case the Board and the Lender shall be restored to their former positions and rights hereunder, but no such waiver or rescission shall extend to any subsequent or other breach, Default or default or impair any right consequent thereon.

Section 8.5 Application of Moneys. All moneys received by the Lender pursuant to any right given or action taken under the provisions of this Article VIII shall, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the fees of, and expenses, liabilities and advances incurred or made by, the Lender, be allocated to and applied first to accrued interest and then to principal due on the TIF Note.

ARTICLE IX
MISCELLANEOUS

Section 9.1 Term of Loan Agreement. This Loan Agreement shall remain in full force and effect from the date hereof to and including such time as all of the TIF Note and the fees and expenses of the Lender relating to any of the Loan Documents shall have been fully paid.

Section 9.2 Notices. All notices, certificates or other communications hereunder shall be in writing, and shall be deemed to have been duly given and shall be deemed given at the time and date when personally delivered, or upon the Business Day following delivery to a nationally recognized commercial courier for next day delivery, to the address for each party set forth below, or upon the third Business Day after being deposited in the United States Mail, Certified Mail, Return Receipt Requested, with all postage prepaid, to the address for each party set forth below:

If to the Board:

Industrial Development Board of the City of Chattanooga
100 E. 11th Street, Suite 200
Chattanooga, Tennessee 37402
Attention: Chairman

With a copy to:

Phil Noblett, Esq.
100 E. 11th Street, Suite 200
Chattanooga, Tennessee 37402

If to the Lender:

Access Road, LLC
832 Georgia Avenue, Suite 507
Chattanooga, TN 37402
Attention: Matt Phillips

With a copy to:

Mark W. Smith
Miller & Martin PLLC
832 Georgia Avenue, Suite 1200
Chattanooga TN 37420

The Board and the Lender may, by written notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 9.3 Binding Effect. This Loan Agreement shall inure to the benefit of and shall be binding upon the Board and the Lender and their respective successors and assigns.

Section 9.4 Severability. In any event any provision of this Loan Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof or thereof.

Section 9.5 Amendments, Changes and Modifications. This Loan Agreement may not be effectively amended, changed, modified, altered or terminated without the written consent of the Lender and the Board.

Section 9.6 Execution in Counterparts. This Loan Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 9.7 Applicable Law. This Loan Agreement shall be governed by and construed in accordance with the laws of the State, and the venue of any litigation with respect hereto shall be exclusively in state court in Hamilton County, Tennessee or federal court in the U.S. District Court for the Eastern District of Tennessee.

Section 9.8 Captions. The captions and headings in this Loan Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Sections of this Loan Agreement.

Section 9.9 Payment or Performance on Business Days. If the date for any payment hereunder, or the last date for performance of any act or the exercising of any right as provided in this Loan Agreement, shall not be a Business Day, such payment may be made or act performed or right exercised on the next succeeding Business Day.

Section 9.10 No Liability of Officers. No recourse under or upon any obligation, covenant or agreement herein, in the TIF Note, in any other Loan Document, or under any judgment obtained against the Board, or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise or under any circumstances, shall be had against any incorporator, member, employee, director or officer, as such, past, present, or future, of the Board, either directly or through the Board, or otherwise, for the payment for or to the Board or any receiver thereof, or for or to the holder of the TIF Note, of any sum that may be due and unpaid by the Board upon the TIF Note or any other Loan Document. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such incorporator, member, employee, director or officer, as such, to respond by reason of any act or omission on his part or otherwise, for the payment for or to the Board or any receiver thereof, or for or to the holder of the TIF Note, of any sum that may remain due and unpaid upon the TIF Note or any other Loan Document, is hereby expressly waived and released as a condition of and consideration for the execution of this Loan Agreement and the issuance of the TIF Note.

Section 9.11 No Liability of City and County. Neither the City nor the County shall in any event be liable for the performance of any pledge, mortgage, obligation or agreement of any kind whatsoever herein or indebtedness by the Board, and neither the TIF Note nor any of the agreements or obligations of the Board contained in any other Loan Document or otherwise shall be construed to constitute an indebtedness of the City and County within the meaning of any constitutional or statutory provision whatsoever, provided, however, that the terms of this Section 9.11 shall in no way limit or affect the obligation of the City and County to remit the Tax Increment Revenues for the benefit of the Lender and the Board.

Section 9.12 Interest and Charges. Notwithstanding any provision herein to the contrary, it is the intent of the Lender and the Board that neither the Lender nor any subsequent holder of the indebtedness evidenced by this Loan Agreement or the TIF Note shall be entitled to receive, collect, reserve or apply, as interest or other charges, any amounts in excess of the maximum amounts legally permitted to be charged under applicable law or regulations. In the event this Loan Agreement or the TIF Note requires a payment of interest or other charges that exceeds the maximum amounts legally permitted to be charged under applicable law or regulations, such interest or other charges, as the case may be, shall not be received, collected, charged or reserved until such time as such interest or other charges, as the case may be, together with all other interest and other charges then payable, fall within the maximum amounts legally permitted to be charged under applicable law and regulations. In determining whether or not the interest paid or payable, under any specific contingency, exceeds the amount provided by application of the maximum lawful rate of interest, the Board and the Lender, to the greatest extent permitted under

applicable law, (a) shall exclude voluntary prepayments and the effects thereof, and (b) shall amortize, prorate, allocate and spread, in equal parts, the total amount of interest throughout the entire term hereof; provided, however, that if the principal indebtedness evidenced hereby is paid in full prior to the end of the full contemplated term hereof, and if the interest received for the actual period of existence hereof exceeds the amount provided by application of the maximum lawful rate of interest, the Lender shall refund to the Board the amount of such excess or credit the amount of such excess against the principal portion of the principal indebtedness hereunder as of the date it was received, and, in such event, the Lender shall not be subject to any penalties provided by any laws for contracting for, charging, reserving, collecting or receiving interest in excess of the amount provided by application of the maximum lawful rate of interest. The term "maximum lawful rate of interest" as used herein shall mean a rate of interest equal to the maximum lawful rate of interest permitted to be charged under the applicable laws and regulations of the State of Tennessee.

[Signatures to follow on next page]

IN WITNESS WHEREOF the parties have executed this Assignment as of the date first stated above.

BORROWER:

INDUSTRIAL DEVELOPMENT BOARD OF THE
CITY OF CHATTANOOGA, TENNESSEE

By: _____
Chairman

ATTEST:

Secretary

LENDER:

ACCESS ROAD, LLC

By: _____
Title: _____

EXHIBIT A

TIF Note Form

**INDUSTRIAL DEVELOPMENT BOARD OF THE
CITY OF CHATTANOOGA
TAX INCREMENT REVENUE NOTE
(North Access Road Plan Area)**

\$9,900,000.00

_____, 2022

FOR VALUE RECEIVED, the INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA, a public body corporate and politic and an instrumentality of the City of Chattanooga, Tennessee (the "Board"), promises and agrees to pay to the order of ACCESS ROAD, LLC (the "Lender"), or at such other place as may be designated in writing by the holder, in lawful money of the United States of America, the principal sum of NINE MILLION NINE HUNDRED THOUSAND AND NO/100 DOLLARS (\$9,900,000.00), or such lesser amount as is advanced hereunder pursuant to the Loan Agreement, as hereinafter defined, together with interest from the date hereof on the unpaid principal balance outstanding from time to time, at such rate(s) as are provided in the Loan Agreement. Interest shall be computed based upon a year of 360 days and based upon the actual number of days elapsed. This Note is issued pursuant to that certain Loan Agreement, dated as of the date hereof (as it may be amended, modified, extended, or removed from time to time, the "Loan Agreement"), by and between the Lender and the Board. Any capitalized term used in this Note that is not otherwise defined herein shall have the meaning given to it in the Loan Agreement.

The Board may prepay all or any portion of the outstanding balance under this Note at any time without penalty or premium.

The proceeds hereunder shall be disbursed in accordance with Article VI of the Loan Agreement.

This Note shall mature on the Maturity Date, as defined in the Loan Agreement, unless earlier paid pursuant to the terms of the Loan Agreement.

On each Note Payment Date or as is otherwise provided in the Loan Agreement, all available Tax Increment Revenues, if any, shall (after the payment of the Administrative Fee payable pursuant to Section 7.3 of the Loan Agreement) be applied to the payment of accrued interest and principal of this Note until paid in full as provided in the Loan Agreement.

All payments hereunder, including any prepayments, will be applied first to accrued interest and any remaining funds will be applied as a principal reduction on the indebtedness evidenced by this Note.

Notwithstanding any provision herein to the contrary, it is the intent of the Lender, the Board and all parties liable on this Note that neither the Lender nor any subsequent holder shall be entitled to receive, collect, reserve or apply, as interest or other charges, any amounts in excess of the maximum lawful rate of interest. In the event this Note requires a payment of interest or other charges that exceeds the maximum lawful rate of interest, such interest or other charges, as the case may be, shall not be received, collected, charged or reserved until such time as such interest or other charges, as the case may be, together with all other interest and other charges then payable, fall within the maximum lawful rate of interest. In determining whether or not the interest paid or payable, under any specific contingency,

exceeds the amount provided by application of the maximum lawful rate of interest, the Board and the Lender, to the greatest extent permitted under applicable law, (a) shall exclude voluntary prepayments and the effects thereof, and (b) shall amortize, prorate, allocate and spread, in equal parts, the total amount of interest throughout the entire term hereof; provided, however, that if the principal indebtedness evidenced hereby is paid in full prior to the end of the full contemplated term of this Note, and if the interest received for the actual period of existence hereof exceeds the amount provided by application of the maximum lawful rate of interest, the holder shall refund to the Board the amount of such excess or credit the amount of such excess against the principal portion of the principal indebtedness hereunder as of the date it was received, and, in such event, the Lender shall not be subject to any penalties provided by any laws for contracting for, charging, reserving, collecting or receiving interest in excess of the amount provided by application of the maximum lawful rate of interest.

Principal and unpaid interest shall bear interest following any default in payment of principal of or interest on this Note and the expiration of the cure period provided in the Loan Agreement at the maximum lawful rate of interest until paid.

This Note and all obligations relating hereto or hereunder shall not be general obligations of the Board and shall in any event be payable only from any Tax Increment Revenues. Nothing contained in this paragraph shall (x) be deemed to be a release or impairment of the indebtedness evidenced by this Note or the lien of any of the Loan Documents, or (y) preclude the Lender from (1) realizing on the collateral described in the Loan Documents, or (2) enforcing any other rights of the Lender against third parties other than the Board, including any remedies the Lender may have under the Loan Documents.

The makers, endorsers, and all parties to this Note and all who may become liable for the same, jointly and severally waive presentment for payment, protest, notice of protest, notice of nonpayment of this Note, demand and all legal diligence in enforcing collection, and hereby expressly agree that the lawful owner or holder of this Note may defer or postpone collection of the whole or any part hereof, either principal and/or interest, or may extend or renew the whole or any part hereof, either principal and/or interest, or may accept additional collateral or security for the payment of this Note, or may release the whole or any part of any collateral security and/or liens given to secure the payment of this Note, or may release from liability on account of this Note any one or more of the makers, endorsers, and/or other parties hereto, all without notice to them or any of them; and such deferment, postponement, renewal, extension, acceptance of additional collateral or security and/or release shall not in any way affect or change the obligation of any such maker, endorser, guarantor or other party to this Note, or of any who may become liable for the payment hereof.

The term "maximum lawful rate of interest" as used herein shall mean a rate of interest equal to the higher or greater of the following: (a) the "applicable formula rate" defined in Tenn. Code Ann. § 47-14-102(2), or (b) such other rate of interest as may be legally charged under other applicable laws or regulations.

This Note is secured by an Assignment of Tax Increment Revenues from the Board to the holder hereof. It is the intent of the parties that all Tax Increment Revenues (less the Administrative Fees payable to the Board pursuant to Section 7.3 of the Loan Agreement) shall be made available for and applied to debt service on this Note or other obligations created under the Loan Agreement, and to no other purpose or use until the indebtedness evidenced by this Note has been paid in full.

The validity, interpretation, enforcement and effect of this Note shall be governed by, and construed in accordance with, the laws of the State of Tennessee.

This Note may not be changed or terminated without the prior written approval of the holder hereof and the Board. No waiver of any term or provision hereof shall be valid unless in writing signed by the holder.

Executed as of the ____ day of _____, 2022.

INDUSTRIAL DEVELOPMENT BOARD OF THE
CITY OF CHATTANOOGA

By: _____
Chairman

Attest:

Secretary

EXHIBIT B

BORROWING CERTIFICATE

DISBURSEMENT REQUEST

To: Access Road, LLC
832 Georgia Avenue, Suite 507
Chattanooga, TN 37377
Attention: Matt Phillips

Re: Loan evidenced by the Industrial Development Board of the City of Chattanooga Tax Increment Revenue Note (North Access Road Plan Area) in the principal amount not to exceed \$9,900,000.00, dated _____, 2022 (the "Loan"), made pursuant to a Loan Agreement, dated _____, 2022 (the "Loan Agreement"), between the Industrial Development Board of the City of Chattanooga (the "Board") and Access Road, LLC (the "Lender")

You are hereby authorized and requested to disburse pursuant to Article VI of the Loan Agreement the sum of \$ _____ (the "Requested Amount") from the Project Fund created pursuant to the Loan Agreement. In connection with such disbursement, Access Road, LLC, as the Developer referenced in the Loan Agreement (the "Developer"), hereby certifies as follows:

(a) All amounts disbursed shall be applied to the payment of or the reimbursement to the Developer for the payment of Eligible Costs consisting of Public Infrastructure Costs and/or Transaction Costs. All Public Infrastructure Costs as to which disbursement is requested are listed on Exhibit A attached hereto, and all Transaction Costs as to which disbursement is requested are listed on Exhibit B attached hereto. The amount requested to pay Public Infrastructure Costs, together with all disbursements previously made for such purpose, does not exceed \$8,754,000, and the amount requested to pay Transaction Costs, together with all disbursements previously made for such purpose, does not exceed \$1,146,000.

(b) Attached hereto as Appendix A is a certificate of the civil engineering firm that is providing consulting services to the Developer in connection with the construction of the Public Infrastructure certifying that each expense listed on Exhibit A is a Public Infrastructure Cost.

(c) With the delivery of this Certificate, and upon approval of the Board below, all requirements for disbursement of amounts pursuant to this request under Article VI of the Loan Agreement have been satisfied.

Please disburse all such amounts to the parties in the manner described on Exhibit A and/or Exhibit B attached hereto.

All capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the Loan Agreement.

Dated as of _____, 20__.

ACCESS ROAD, LLC, as the Developer

By: _____
Title: _____

APPROVED BY:

ACCESS ROAD, LLC, as the Lender

By: _____
Title: _____

APPROVED BY:

INDUSTRIAL DEVELOPMENT BOARD OF
THE CITY OF CHATTANOOGA

By: _____
Title: _____

APPENDIX A TO DISBURSEMENT REQUEST

**CONFIRMING CERTIFICATE
OF ENGINEERING FIRM**

The undersigned hereby certifies as follows:

(a) The undersigned is a civil engineering firm and is delivering this certificate in connection with a Disbursement Request by Access Road, LLC, as developer , pursuant to a Loan Agreement dated as of _____, 2022 (the “Loan Agreement”), between the Access Road, LLC, as lender, and the Industrial Development Board of the City of Chattanooga.

(b) The undersigned is familiar with the definition of Public Infrastructure as set forth in the Loan Agreement and hereby certifies that each cost listed on Exhibit A to the attached Disbursement Request is for a cost relating to Public Infrastructure, within the meaning of the Loan Agreement, and that each such cost has been incurred in connection with the acquisition, construction and/or installation of Public Infrastructure relating to the Project (as defined in the Loan Agreement).

IN WITNESS WHEREOF, the undersigned officer has executed this Certificate effective as of the _____ day of _____, 20__.

[ENGINEERING FIRM]

By: _____
Title: _____

EXHIBIT C

Parcels within Tax Increment Area

Tax Map/Parcel
110P B 001.02
110P B 001.07 ¹
119H A 001.05
119H A 003
110P B 001
119H A 001
119H A 003.02
119H A 001.03
119H A 001.04

33323813.3

¹ For the base tax year of 2021, Tax Map / Parcel 110P B 001.02 included two separate tracts of land. The maps and the legal descriptions included in the Economic Impact Plan include both tracts of land. In June of 2022, at the request of the current property owner, the Hamilton County Assessor of Property created new Parcel 110P B 001.07 out of Parcel 110P B 001.02 in order to separate the two tracts of land.