



**INDUSTRIAL DEVELOPMENT BOARD
MONTHLY MEETING MINUTES
Electronic-Conducted (Virtual) Meeting
Chattanooga, Tennessee
for
August 3, 2020
11:05 a.m.**

Present were H.H. (Skip) Ireland, III (Chair), Jimmy F. Rodgers, Jr. (Vice-Chair), Alan Lebovitz (Secretary), Ray Adkins, Althea Jones (Assistant Secretary), and Jelena Butler. Absent was James Miller. It was established that a quorum was present virtually in an electronic meeting to conduct business, and the meeting was duly advertised.

Also present were: Phillip A. Noblett (City Attorney); Eleanor Liu (City Finance); Bill Payne and Jason Payne (City Engineering); Charita Allen and Jermaine Freeman (ECD); Helen Burns Sharp (ATM); and Randy Merritt (Christman Company).

Mr. Ireland called the meeting to order.

MEETING MINUTES APPROVAL

On motion of Mr. Adkins, seconded by Ms. Butler, the minutes of the June 1, 2020, meeting were unanimously approved as published (6-0) upon roll call vote.

ACTION: APPROVED

Ms. Helen Burns Sharp (ATM) was present to address the Board. Ms. Sharp stated there was no written information with regard to Item 7 for the update on the pending completion of the Tax Increment Financing (TIF) Infrastructure Project at M.L. King Blvd. and Riverfront Parkway, in accordance with the Development and Financing Agreement to obtain a Certificate of Occupancy for the Project and cause Public Infrastructure to be available for use no later than thirty (30) months from the commencement of construction of the Project and Public Infrastructure. Ms. Sharp does not understand the part concerning the Certificate of Occupancy whereas the funds are for Project Infrastructure and not apartments. Ms. Sharp stated that this is acquisition and development for the extension not apartments. Ms. Allen will explain this part in her presentation.

VOLKSWAGEN FINANCE REPORT

Ms. Eleanor Liu presented the Volkswagen Finance Report. There were \$88,890 in expenditures since the last meeting in the second MOU. The overall spent, encumbered, and contingencies are at 98.88%. We are in budget.

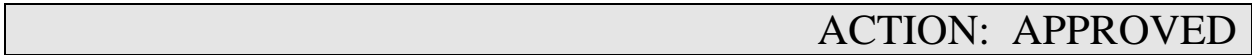


On motion of Mr. Lebovitz, seconded by Mr. Rodgers,

A RESOLUTION AUTHORIZING THE CHAIR OR VICE-CHAIR TO EXECUTE AN AMENDMENT TO CONTRACT FOR SALE AND PURCHASE, IN SUBSTANTIALLY THE FORM ATTACHED, WITH THE ELECTRIC POWER BOARD OF CHATTANOOGA AND TO EXECUTE ANY OTHER NECESSARY CLOSING DOCUMENTS FOR THE CONVEYANCE OF THE PROPERTY LOCATED AT ENTERPRISE SOUTH INDUSTRIAL PARK (ESIP).

Mr. Noblett stated that this item is for an extension of sixty (60) days to complete the closing. This matter was slowed down because of COVID-19. The agreement is in effect with a due diligence period through July 17th and with a closing date of September 14th. These are the only changes.

The motion carried unanimously with (6-0) upon roll call vote.



TAX INCREMENT FINANCING UPDATE
M.L. KING BLVD. EXTENSION AND FULTON STREET
UPGRADE PROJECTS PRESENTATION

Ms. Allen presented to the Board the update on the Tax Increment Financing (TIF) for the M.L. King Blvd. extension and Fulton Street Upgrade Projects.

The presentation began with the 1911 Landscape Plan by Architect, Jim Nolen, and the 1985 Tennessee Riverpark Master Plan. The Evergreen TIF Plan was approved in March 2018. The presentation showed the January 2020 road construction status and August 2020 road delivery. The August 2020 Riverwalk at Cameron Harbor, primary increment-generating building, received July Certificate of Occupancy (CO). Per the Development and Financing Agreement, the road is operational and is pending August CO from CDOT.

The August 2020 Finance Report and Roles are as follows:

Developer:

Submits invoices, receipts, and draw requests to construction loan provider with copy to City on all draws (also known as certificates for payment)

Pinnacle Bank:

- Reviews and maintains hard copies of all invoices, receipts, and notarized draws
- Documents available for City staff inspection
- Monitors project development

Economic Development Staff:

- Communicates with Pinnacle regarding documents
- Monitors project with Public Works and CDOT staff
- Communicates with developer regarding schedules and deadlines

Treasury and Finance Team:

- Confirms developer request for payment
- Collects increment from County and then issues payment to Pinnacle Bank on behalf of the IDB
- Remits City increment to Pinnacle Bank on behalf of IDB

Attached as Exhibit “A” to these minutes is the presentation which includes the most recent TIF draw; the June 30, 2020 Finance Report which represents \$3,245,681.08 paid to date by Pinnacle Bank to build the City-requested road and improved connectivity; the January 2020 TIF Account Summary which represents \$56,114.99 paid to Pinnacle (TIF Agency); and the July 7, 2020, TIF Account Summary which represents \$262,066.90 paid to date to Pinnacle (TIF Agency).

This is for infrastructure only and not for the project. ECD will report annually to the Board in August. Ms. Sharp asked if annual reports will be made on the three TIFs. Ms. Allen stated that is being worked on and this is a better project because of the system in place.

OVERVIEW AND UPDATE
COVID-19 SMALL BUSINESS BRIDGE LOANS

Ms. Allen gave this presentation which is attached as Exhibit “B” to these minutes. The Southeast Tennessee Development District is the administrator of this program. The \$500,000 in funds is intended to come back to the IDB for a maximum of seven (7) years. These are not forgivable loans. The system in place is they will be paid back.

\$500,000 in IDB funds – Quick injection of capital and long term financing for working capital needs brought on by executive order closures. Loans range from \$5,000 to \$25,000. First-come first-served with completed paperwork:

- Four loans between \$5,000 - \$7,500
- Nine loans between \$15,000 - \$20,000
- Twelve loans between \$21,000 - \$25,000
- Six – fitness/gym/yoga
- Nine – restaurants/food service
- Five – office
- Six – salon

There is monthly survey and monitoring done by the Southeast Tennessee Development District, and a list of the names of businesses is listed in the presentation attached.

Mr. Ireland asked if there were more applicants than funds? Ms. Allen stated there are 18 in the system with a potential for HUD Section 108 loans which are federal funds. The benefit is for low income residents with threshold to provide the information.

It was announced that Mr. Lebovitz will be resigning from the Board when a replacement is made. Mr. Noblett stated that the Board really appreciated Mr. Lebovitz’s service.

There being no further business, the meeting was adjourned at 11:35 a.m.

Alan Lebovitz

ALAN LEBOVITZ, Secretary

APPROVED:

H H Ireland III

H.H. (SKIP) IRELAND, III, Chair

**The electronic Zoom presentation is kept on record by the Industrial Development Board.*

Signature: *H H Ireland III*
H H Ireland III (Sep 18, 2020 08:44 EDT)
Email: sireland@cosonline.com

Signature: *Alan Lebovitz*
Alan Lebovitz (Sep 18, 2020 09:48 EDT)
Email: alan_lebovitz@cblproperties.com









08-03-2020 IDB Minutes

Final Audit Report

2020-09-18

Created:	2020-09-18
By:	Maria Manalla (mmanalla@chattanooga.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAARcWqK2p5Jcd8B04R9_DgBzg0ql4I0Kup

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