

# INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF EAST RIDGE

## AGENDA

September 11, 2018  
5:00 pm

1. Call to Order
2. Prayer & Pledge of Allegiance
3. Roll Call
4. Approval of Minutes
5. Old Business - None
6. New Business
  - a. Financial Assistance for Proposed Development (Jack's Restaurant), 4209 Ringgold Road.
  - b. Modification to Development and Allocation Agreement – Jordan Crossing Development.
  - c. Discussion & Take Action on Exit 1 LLC Request to Assign Lenders for Collateral of the Border Region Sales Tax Revenue (Forthcoming).
  - d. Other
7. Adjourn

MEMORANDUM

TO: Industrial Development Board  
FROM: J. Scott Miller, City Manager   
DATE: September 7, 2018  
SUBJECT: Financial Assistance for Proposed Development  
4209 Ringgold Road (County Parcel No. 169H F 017)

Josiah Glafenhein, Greenbrier Real Estate Advisors, LLC approached the City in early July 2018 informing the City that they had a site under contract at 4209 Ringgold Road (presently a single-family home) to construct a family restaurant. The business would be a Jack's Family Restaurant (3,500 square feet). In order to bring this development project to fruition the Developer-Owner (Jack's) has requested financial assistance from the City of East Ridge.

Said property lies within the Border Region Redevelopment District, and thus, the development is eligible for the receipt of Border Region State sales tax revenues generated by the retail business. Greenbrier Real Estate Advisors and Jack's provided the City Manager's Office with a financial proforma displaying the projected sales for the Jack's Family Restaurant over the next 20 years and a cost breakdown on the proposed development. Based on these reports a table was constructed to compute the financial incremental dollars that this development would generate to the City in sales tax; both Border Region and County Local Option Sales Tax. Along with this table the increment in property taxes from the old property to the new development was figured.

Based on the financials, both parties (Developer/Owner and City of East Ridge) have agreed to a financial assistance package in the total amount of \$600,000; payable in increments of up to \$30,000 per year for a period of 20 consecutive years commencing upon the conclusion of the first full fiscal year of the State and provided the total annual sales tax revenue exceeds \$1,750,000 (the annual incentive amount). Should the annual sales tax revenue fall below the annual incentive amount then the annual payment shall be adjusted proportionately downward.

In summary, the incremental figures from the three (3) revenue sources over 20 years total \$3,348,521.51; as follows:

- Border Region \$ 1,753,966.38
- Local Option Sales Tax 478,354.47
- Property Tax 128,778.80
- Sub-Total \$ 2,361,099.65
- Less Current Prop. Tax 12,578.14
- Less Financial Assistance \$ 600,000.00
- Net Proceeds to City \$1,748,521.51

There are specific terms and conditions that are necessary to be attached to this financial assistance package that would include items as: all parties to enter into a development

agreement; the property shall only contain a retail facility (restaurant); IDB will be permitted to approve any replacement tenants; the payment of the annual incentive; should State sales tax revenues in any year generate less than the annual incentive, the amount paid the developer shall be reduced proportionately; and the developer may not assign its rights without approval of the IDB.

Should the IDB agree and approve the financial package as presented then this package will be forwarded to the City Council for their review and consideration for approval at an upcoming regular business meeting. Should the City Council approve the project then the IDB will be charged with negotiating a Development Agreement with the Developer.

Attachments

JSM/

East Ridge, TN  
Proposed Jack's Restaurant  
Border Region Retail Development District Incentive Analysis  
4.125% State sales tax back to the city

Year	Projected Net New Sales Volume	Projected State Sales Tax Back to City
Year 1	\$ 1,750,000.00 ✓	72,187.50 <i>BASE</i>
Year 2	\$ 1,785,000.00 ✓	73,631.25
Year 3	\$ 1,820,700.00 ✓	75,103.88
Year 4	\$ 1,857,114.00 ✓	76,605.95
Year 5	\$ 1,894,256.28 ✓	78,138.07
Year 6	\$ 1,932,141.41 ✓	79,700.83
Year 7	\$ 1,970,784.23 ✓	81,294.85
Year 8	\$ 2,010,199.92 ✓	82,920.75
Year 9	\$ 2,050,403.92 ✓	84,579.16
Year 10	\$ 2,091,412.00 ✓	86,270.74
Year 11	\$ 2,133,240.23 ✓	87,996.16
Year 12	\$ 2,175,905.04 ✓	89,756.08
Year 13	\$ 2,219,423.14 ✓	91,551.20

<i>14</i>	<i>2,263,811.60 ✓</i>	<i>93,387.23</i>
<i>15</i>	<i>2,309,087.83 ✓</i>	<i>95,249.87</i>
<i>16</i>	<i>2,355,269.59 ✓</i>	<i>97,154.87</i>
<i>17</i>	<i>2,402,374.98 ✓</i>	<i>99,097.97</i>
<i>18</i>	<i>2,450,422.48 ✓</i>	<i>101,079.93</i>
<i>19</i>	<i>2,499,430.93 ✓</i>	<i>103,101.53</i>
<i>20</i>	<i>2,549,419.55 ✓</i>	<i>105,163.56</i>

SALES \$ 42,520,397.13

BR \$ 1,753,966.38  
(4.125%)

COUNTY-WIDE SALES

TAX (1.125%) \$ 478,354.47

REF: 4209 Ringgold Road (Proposed Jack's Family Restaurant)

Property Tax – Current (1,866 square foot house on a 1.46 acre lot)

Total Value (Land and Building) - \$188,000

Assessed Value \$47,000

Property Taxes - \$628.91 per year / \$12,578.14 over 20 years

Property Tax - Proposed Development - Jack's Family Restaurant (3,500 square foot building on A 1.46 acre lot)

Total Value (estimated) - \$1,203,000

Assessed Value \$481,200

Property Taxes - \$6,438.94 per year / \$128,778.80

MEMORANDUM

TO: Industrial Development Board  
FROM: J. Scott Miller, City Manager   
DATE: September 7, 2018  
SUBJECT: Modification to Development and Allocation Agreement  
Jordan Crossing Development

I met with representatives of Exit 1 LLC (John Healy, Matt Wood, and Ethan Wood) on Wednesday, August 29th regarding their Jordan Crossing Development; specifically, their decision to change their business model from build to suit (ground lease) to the selling of parcels of land. According to the developers, they have a couple of major developments that are interested in developing in Jordan Crossings; however, they want to own their property. If the developers decide to take this approach to sell the land to another developer, they still want to receive the Border Region sales tax dollars generated within their development (Jordan Crossings). Currently, they are receiving 100% of the Border Region sales tax dollars; therefore, it would not affect the City's future and potential revenue stream in the collection of property taxes, County-wide sales taxes, and hotel taxes (if the development is another hotel). The advantages to the City would be that the vacant lands in Jordan Crossing would get developed with major retailers, and thus, generate dollars to the City's coffers.

In reviewing the Development and Allocation Agreement and Resolutions 2389 (and Resolution 2582 which amended No. 2389), City Attorney Mark Litchford, in consultation with Mark Mamantov, Attorney for the IDB, concluded that in order to accommodate the aforementioned change the City needs to amend these resolutions to reflect the Development and Allocation Agreement; which Agreement does not require the developers to own the parcels within the Jordan Crossing Development in order to receive the Border Region sales tax dollars. The Development and Allocation Agreement reflects the intention of the parties; thus, the City needs to amend its resolutions to mirror the Development and Allocation Agreement.

To achieve this end the IDB needs to pass its own resolution requesting the City of East Ridge City Council to amend Resolutions No. 2389 and 2582. Said resolution is attached hereto for your consideration for action. Once the IDB resolution is passed, the City Council would subsequently consider the adoption of a similar resolution amending Resolutions No. 2389 and 2582 at a regular business meeting.

Attachments

JSM/

**DEVELOPMENT AND ALLOCATION AGREEMENT RELATING TO BORDER REGION  
RETAIL DEVELOPMENT DISTRICT**

**THIS DEVELOPMENT AND ALLOCATION AGREEMENT RELATING TO BORDER REGION RETAIL DEVELOPMENT DISTRICT** (this "Agreement") is made and entered into as of the 30<sup>th</sup> day of June, 2014, by and among **THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF EAST RIDGE**, a public nonprofit corporation organized under Tenn. Code Ann. §§ 7-53-101, et seq., (the "IDB"), and **EXIT ONE LLC**, a Tennessee limited liability company (the "Developer").

**WITNESSETH:**

**WHEREAS**, the Border Region Retail Tourism Development District Act, codified as Tenn. Code Ann. §§ 7-40-101 et seq. ("Border Region Act"), was enacted to increase tourism and the competitiveness of the State of Tennessee ("State") with bordering states by empowering local governments to encourage the development of extraordinary retail or tourism facilities, including shopping, recreational and other activities; and

**WHEREAS**, pursuant to the Border Region Act and at the request of the City of East Ridge, Tennessee ("City"), the Commissioner of the Department of Revenue of the State has certified an area within the City as a border region retail tourism development district (the "Border Region District"), which Border Region District is shown on the map attached hereto as Exhibit A; and

**WHEREAS**, after such certification, a portion of the state sales and use tax revenues collected in the Border Region District shall be distributed to the City as provided in the Border Region Act (the "Allocated State Tax Revenues"); and

**WHEREAS**, the Developer has proposed the development of that certain property located within the Border Region District described or shown on Exhibit B attached hereto (the "Project Property") with an extraordinary retail or tourism facility and related retail development (the "Project"); and

**WHEREAS**, pursuant to the Border Region Act, the City is authorized to delegate to the IDB the authority to carry out any project authorized by the Border Region Act and to incur costs for the any such project; and

**WHEREAS**, by resolution of the City Council of the City, the City has made such a delegation to the IDB with respect to the Border Region District; and

**WHEREAS**, pursuant to such delegation, the City has agreed to pay to the IDB certain of the Allocated State Tax Revenues described herein that are to be allocated to the City pursuant to the Border Region Act; and

**WHEREAS**, the IDB has agreed that the these certain Allocated State Tax Revenues which are will be paid to the Developer to be used to pay the costs of the development of the Project to the extent provided herein; and

**WHEREAS**, pursuant to the Border Region Act, the City and the IDB are authorized to provide such incentives or financial support in the Border Region District as they deem appropriate in support of an economic development project, within the meaning of the Border Region Act; and

WHEREAS, for the purpose of establishing the rights and obligations of the parties with respect to the matters described above and related matters, the parties have entered into this Agreement.

NOW, THEREFORE, in consideration of the terms, conditions and mutual agreements by and between the parties, as hereafter set forth in detail, the parties do hereby mutually agree as follows:

**ARTICLE I  
REPRESENTATIONS AND WARRANTIES**

**Section 1.01. Representations and Warranties of Developer.** The Developer represents and warrants for the benefit of the IDB and the City as follows:

(a) Organization. The Developer is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Tennessee, is in compliance with the laws of the State of Tennessee, and has the power and authority to own its properties and assets and to carry on its business in the State of Tennessee as now being conducted and as hereby contemplated.

(b) Authority. The Developer has the power and authority to enter into this Agreement and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered by the Developer.

(c) Binding Obligations. This Agreement is a legal, valid and binding obligation of the Developer enforceable against the Developer in accordance with its terms, subject to applicable insolvency laws and equitable principles.

(d) No Litigation. No litigation at law or in equity or proceeding before any governmental agency involving the Developer is pending or, to the knowledge of the Developer, threatened, in which any liability of the Developer is not adequately covered by insurance or in which any judgment or order would have a material adverse effect upon the business or assets of the Developer or the performance of its obligations hereunder.

(e) No Default. Developer is not in default under or in violation of, and the execution, delivery and compliance by the Developer with the terms and conditions of this Agreement will not conflict with or constitute or result in a default under or violation of (i) any material agreement or other instrument to which the Developer is a party or by which it is bound, or (ii) any constitutional or statutory provisions or order, rule, regulation, decree or ordinance of any court, government or governmental authority having jurisdiction over the Developer or its property, and no event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute or result in such a default or violation.

**Section 1.02. Representation and Warranties of IDB.** The IDB represents and warrants for the benefit of the Developer as follows:

(a) Organization. The IDB is a public non-profit corporation duly organized, validly existing and in good standing under the laws of the State of Tennessee, is in compliance with the laws of the State of Tennessee, and has the power and authority to own its properties and assets and to carry on its business in the State of Tennessee as now being conducted and as hereby contemplated.

(b) Authority. The IDB has the power and authority to enter into this Agreement and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered by the IDB.

(c) Binding Obligations. This Agreement is a legal, valid and binding obligation of the IDB enforceable against the IDB in accordance with its terms, subject to applicable insolvency laws and equitable principles; provided, however, that this subsection shall not be construed as a representation or warranty that the Commissioner of Revenue of the State of Tennessee (the "Commissioner") will accept, confirm or approve any cost certification made by the City and/or the IDB to the Commissioner under the Border Region Act.

(d) No Litigation. No litigation at law or in equity or proceeding before any governmental agency involving the IDB is pending or, to the knowledge of the IDB, threatened, in which any liability of the IDB is not adequately covered by insurance or in which any judgment or order would have a material adverse effect upon the business or assets of the IDB or the performance of its obligations hereunder.

(f) No Default. The IDB is not in default under or in violation of, and the execution, delivery and compliance by the IDB with the terms and conditions of this Agreement will not conflict with or constitute or result in a default under or violation of, (i) any material agreement or other instrument to which the IDB is a party or by which it is bound, or (ii) any constitutional or statutory provisions or order, rule, regulation, decree or ordinance of any court, government or governmental authority having jurisdiction over the IDB or its property, and no event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute or result in such a default or violation.

## ARTICLE II INITIAL PHASE OF DEVELOPMENT

**Section 2.01. Financial Assistance to Developer.** In accordance with the Border Region Act, the IDB has determined that the provision of financial assistance to the Developer will further the purposes of the Border Region Act and the economic development of the City, and the IDB hereby agrees to grant the Developer the amounts provided in this section contingent on the Developer and the City entering into an agreement whereby the City will provide financial incentives up to \$5,000,000 to the Developer for the Project (the "Incentive Agreement"), unless otherwise agreed to by the IDB and the Developer. The Developer acknowledges that (i) no payments shall be required to be made by the IDB pursuant to this Section if the Incentive Agreement is not entered into with the City within one hundred eighty (180) days of the date of this Agreement and (ii) that the Incentive Agreement may provide the requirements for and timing of the initial disbursement of Project State Tax Revenues along with the requirements for and the timing of the provision of any other incentives under the Incentive Agreement. Subject to the limitations of this section, the IDB agrees to pay to the Developer the Project State Tax Revenues (as defined below) as received to reimburse the Developer for all costs incurred by or on behalf of the Developer relating to the Project and/or the Project Property, all financing costs of Developer relating thereto, all costs of acquisition, development, construction and improvement of the Project, and all other costs identified by the Developer relating to the development of the Project and/or the Project Property eligible to be reimbursed under the Border Region Act which shall include all costs and expenses that would be an eligible "cost" within the meaning of the Border Region Act. The Developer shall provide a list of the costs eligible for reimbursement under this Section periodically for each and every eligible cost for which the Developer claims reimbursement hereunder and shall update such list from time to time on at least an annual basis as additional costs are incurred at such times as are needed to permit the City and/or the IDB to submit such costs for approval by the State Department of Revenue. To the extent the Developer seeks reimbursement for any interest expense incurred by the Developer with respect to debt incurred to finance costs related to the Project Property, in no event shall the annual interest rate on the debt resulting in such interest expense exceed the highest lawful rate under applicable state law if

other than Tennessee or federal law or if no such other law is applicable, under the Tennessee formula rate (within the meaning of Tenn. Code Ann. § 47-14-103) at the time such debt was incurred. The amounts payable to the Developer pursuant to this Section 2.01 shall be payable solely from Project State Tax Revenues allocated to the IDB. The IDB, on behalf of the City, will submit the cost certification summaries required by the Border Region Act on an annual basis and shall request a distribution from the State of all eligible Allocated States Tax Revenues, including all amounts payable to the Developer as provided in this Section. The parties will fully cooperate in submitting such cost certifications. The IDB will pay the Project State Tax Revenues to the Developer within thirty (30) days of receipt and shall pay such Project State Tax Revenues to the Developer until the Developer has been reimbursed for all eligible costs pursuant to this Section. As long as amounts are payable to the Developer as hereinafter provided, the IDB shall not encumber in any manner such Project State Tax Revenues without obtaining the prior written consent of the Developer.

For purposes of this Agreement, the "Project State Tax Revenues" shall mean the following Allocated State Tax Revenues: (a) the Allocated State Tax Revenues attributable to sales or use taxes derived from or relating to the Project Property; (b) the Allocated State Tax Revenues attributable to sales or use taxes derived from or relating to any other property owned by the Developer in the Border Region District or owned by any entity in which John R. Healy, Ethan S. Wood and Matthew W. Wood are in the aggregate majority owners (the "Other Developer Property"); and (c) the Allocated State Tax Revenues attributable to the first \$10,000,000 in incremental sales derived from or relating to any property within the Border Region District other than the property described in clauses (a) and (b) of this paragraph. For purposes of making the calculations required by this paragraph, none of the "base tax revenues," within the meaning of the Act, shall be allocated to Project Property for purposes of these calculations, and as to the other properties in the Border Region District, the "base tax revenues" shall be allocated proportionately based upon the sales and use taxes generated by or derived from the property as to which the calculation is being made.

**Section 2.02. Identification of Applicable State Sales and Use Tax Revenues from Project Property and Incremental Tax Revenues.** The Developer and the IDB will cooperate fully in identifying no later than thirty (30) days after each June 30 the amount of sales on the Project Property and Other Developer Property that are subject to state sales or use tax and that produced Allocated State Tax Revenues for the annual period ending on such June 30. In the event such sales data is not publicly available, the parties will use their best efforts to estimate the amount of such sales.

**Section 2.03. Conversion to Financing.** The IDB acknowledges that the Developer may desire in the future to finance costs incurred by the Developer with respect to the development of the Project Parcel and may desire to pledge the Project State Tax Revenues payable to the Developer hereunder to such financing and/or to request the IDB to issue bonds payable from such Project State Tax Revenues, the proceeds of which would be loaned to the Developer to reimburse the Developer for eligible costs. Upon the request of the Developer to assist with such financing, the IDB agrees to cooperate fully with the Developer, at the Developer's expense, to accomplish such financing and will negotiate in good faith such amendments to this Agreement as are necessary to enable such financing, provided such amendments do not increase any liabilities or create recourse financial obligations of the IDB or the City.

**Section 2.04. Reimbursement of Costs Relating to Other Developer Property.** The Developer is hereby authorized to and shall include as a cost as to which the Developer is entitled to reimbursement under Section 2.01, any eligible "cost" within the meaning of the Border Region Act relating to the development of any Other Developer Property (unless the Developer notifies the IDB in writing to the contrary). The Developer is hereby authorized to and shall include such costs (unless the Developer notifies the IDB in writing to the contrary) as eligible costs entitled to reimbursement to the same extent

as if such cost were incurred with respect to the Project Property, with the same procedures relating to reimbursement in Section 2.01 being applicable to the reimbursement of such costs, and such Other Developer Property shall be deemed to be part of the Project Property for all purposes of Section 2.01 of the Agreement. The Developer will notify the IDB of any property that that the Developer from time to time claims to be Other Developer Property and shall provide the IDB of such evidence that the IDB reasonably may request to demonstrate that such property qualifies as Other Developer Property for purposes of this Agreement.

### ARTICLE III EVENTS OF DEFAULT AND REMEDIES

**Section 3.01. Developer Event of Default.** The occurrence and continuance of any of the following events shall constitute a "Developer Event of Default":

(a) failure of the Developer to perform any of its obligations under this Agreement after written notice is given to the Developer of such failure and the Developer has not cured such failure within sixty (60) days of such notice; or

(b) any material representation, warranty, certification or other statement made or deemed made by Developer in this Agreement or in any statement or certificate at any time given by Developer in writing pursuant hereto or thereto or in connection herewith or therewith shall be false in any material respect as of the date made; or

(c) a court of competent jurisdiction shall enter a decree or order for relief in respect of either Developer in an involuntary case under any applicable bankruptcy, insolvency or similar law now or hereafter in effect, which decree or order is not stayed, or any other similar relief shall be granted under any applicable federal or state law; or (ii) an involuntary case shall be commenced against Developer under any applicable bankruptcy, insolvency or similar law now or hereafter in effect; or a decree or order of a court having jurisdiction in the premises for the appointment of a receiver, liquidator, sequestrator, trustee, custodian or other officer having similar powers over Developer, as the case may be, or over all or a substantial part of its property, shall have been entered; or there shall have occurred the involuntary appointment of an interim receiver, trustee or other custodian of Developer for all or a substantial part of its property; or a warrant of attachment, execution or similar process shall have been issued against any substantial part of the property of Developer, and any such event described in this clause (ii) shall continue for sixty (60) days without having been dismissed, bonded or discharged; or

(d) Developer shall have an order for relief entered with respect to it or shall commence a voluntary case under any applicable bankruptcy, insolvency or similar law now or hereafter in effect, or shall consent to the entry of an order for relief in an involuntary case or to the conversion of an involuntary case to a voluntary case under any such law, or shall consent to the appointment of or taking possession by a receiver, trustee or other custodian for all or a substantial part of its property; or Developer shall make any assignment for the benefit of creditors, or Developer shall be unable, or shall fail generally, or shall admit in writing its inability, to pay its debts as such debts become due; or Developer shall adopt any resolution or otherwise authorize any action to approve any of the actions referred to herein or in Section 3.01(c).

**Section 3.02. IDB Remedies.** If a Developer Event of Default occurs hereunder, the IDB may (a) terminate this Agreement, following written notice to the Developer and/or a sixty (60) day opportunity to cure at which time all of the rights and privileges of the Developer hereunder shall cease and be of no further force or effect, and/or (b) pursue whatever other remedies are available at law or in

equity which are necessary or desirable to effect the purposes of this Agreement. The IDB's termination of the rights of the Developer shall not terminate or otherwise adversely affect the rights of the IDB to pursue and exercise other remedies against either Developer.

**Section 3.03. Waiver.** No failure by the IDB to exercise any right, remedy, or option under this Agreement or any present or future supplement hereto, or delay by the IDB in exercising the same, will operate as a waiver thereof. No waiver by the IDB will be effective unless it is in writing, and then only to the extent specifically stated. No waiver by the IDB on any occasion shall affect or diminish the IDB's rights thereafter to require strict performance by the Developer of any provision of this Agreement. The IDB's rights under this Agreement will be cumulative and not exclusive of any other right or remedy which the IDB may have. Following a Developer Event of Default and opportunity to cure as provided above, the IDB any time and from time to time, may apply any and all funds from the Project Fund against any and all obligations of Developers to the IDB under this Agreement.

**Section 3.04. IDB Events of Default.** The occurrence and continuance of any of the following events shall constitute a "Governmental Event of Default":

(a) failure of the IDB to perform any of its obligations under this Agreement after written notice is given to the IDB of such failure and the IDB has not cured such failure within sixty (60) days of such notice; or

(b) any material representation, warranty, certification or other statement made or deemed made by either the IDB in this Agreement or in any statement or certificate at any time given by either the IDB in writing pursuant hereto or thereto or in connection herewith or therewith shall be false in any material respect as of the date made; or

(c) a court of competent jurisdiction shall enter a decree or order for relief in respect of either the IDB in an involuntary case under any applicable bankruptcy, insolvency or similar law now or hereafter in effect, which decree or order is not stayed, or any other similar relief shall be granted under any applicable federal or state law; or (ii) an involuntary case shall be commenced against either the IDB under any applicable bankruptcy, insolvency or similar law now or hereafter in effect; or a decree or order of a court having jurisdiction in the premises for the appointment of a receiver, liquidator, sequestrator, trustee, custodian or other officer having similar powers over either the IDB, as the case may be, or over all or a substantial part of its property, shall have been entered; or there shall have occurred the involuntary appointment of an interim receiver, trustee or other custodian of either the IDB for all or a substantial part of its property; or a warrant of attachment, execution or similar process shall have been issued against any substantial part of the property of either the IDB, and any such event described in this clause (ii) shall continue for sixty (60) days without having been dismissed, bonded or discharged; or

(d) either the IDB shall have an order for relief entered with respect to it or shall commence a voluntary case under any applicable bankruptcy, insolvency or similar law now or hereafter in effect, or shall consent to the entry of an order for relief in an involuntary case or to the conversion of an involuntary case to a voluntary case under any such law, or shall consent to the appointment of or taking possession by a receiver, trustee or other custodian for all or a substantial part of its property; or either the IDB shall make any assignment for the benefit of creditors, or either the IDB shall be unable, or shall fail generally, or shall admit in writing its inability, to pay its debts as such debts become due; or either the IDB shall adopt any resolution or otherwise authorize any action to approve any of the actions referred to herein.

**Section 3.05. Developer Remedies.** If any Governmental Event of Default listed above occurs, the Developer may elect to terminate this Agreement and shall be compensated for the cost of the work performed to date and not previously reimbursed, as well as for the damages resulting from the Governmental Event of Default, but any liability of the IDB shall be subject to the limitations of Section 4.01 hereof. If the Developer intends to terminate this Agreement, the Developer shall first notify the IDB in writing of such intention and of the grounds for such termination and allow IDB sixty (60) days to eliminate or mitigate to the reasonable satisfaction of the Developer the grounds for such termination. If, in the reasonable opinion of the Developer, such grounds for termination can be eliminated or mitigated, but not within such 60 day period, such period shall be extended in order to provide a reasonably sufficient amount of time to accomplish such elimination or mitigation, but only if the non-defaulting governmental entity has instituted corrective action within such 60 day period and the non-defaulting governmental entity is thereafter proceeding with diligence to eliminate or mitigate such grounds for termination. If at the end of such period (and any extension thereof), the non-defaulting governmental entity has not eliminated or completely mitigated such grounds for termination to the reasonable satisfaction of the Developer, the Developer may then terminate this Agreement by delivering a written notice of such termination to the IDB and the City. In any event, the liability of the IDB for any Governmental Event of Default or any other claim by Developer under this Agreement or related to this Agreement or the transactions to be consummated hereunder shall be specifically limited by the terms of Section 4.01 hereof.

#### **ARTICLE V MISCELLANEOUS**

**Section 4.01. IDB Liability. No Personal Liability; No City Liability.** THE LIABILITY OF THE IDB FOR ANY CLAIM BY DEVELOPER IS EXPRESSLY LIMITED TO THE IDB'S INTEREST IN ANY ALLOCATED STATE TAX REVENUES PAYABLE TO THE IDB FROM THE BORDER REGION DISTRICT, AND, OTHERWISE, THE IDB SHALL NOT HAVE ANY PECUNIARY LIABILITY UNDER THIS AGREEMENT FOR ANY ACT OR OMISSION OF THE IDB. NO OTHER PROPERTY OR ASSETS OF THE IDB SHALL BE SUBJECT TO LEVY, EXECUTION OR OTHER PROCEDURES FOR THE SATISFACTION OF REMEDIES OF THE DEVELOPER HEREUNDER OR RELATING HERETO. UNDER NO CIRCUMSTANCES SHALL THE IDB BE LIABLE FOR ANY SPECIAL OR CONSEQUENTIAL DAMAGES, ALL OF WHICH ARE HEREBY WAIVED BY THE DEVELOPER. NO RECOURSE SHALL BE HAD FOR ANY CLAIM BASED UPON ANY OBLIGATION, COVENANT OR AGREEMENT IN THIS AGREEMENT OR ANY TRANSACTION OR MATTER RELATING HERETO AGAINST ANY PAST, PRESENT OR FUTURE DIRECTOR, OFFICER, EMPLOYEE, COUNSEL OR AGENT OF THE IDB, WHETHER DIRECTLY OR INDIRECTLY, AND ALL SUCH LIABILITY OF ANY SUCH INDIVIDUAL AS SUCH IS EXPRESSLY WAIVED AND RELEASED AS A CONDITION OF AND IN CONSIDERATION FOR THE IDB ENTERING INTO THIS AGREEMENT. NOTWITHSTANDING THE FOREGOING, THE PARTIES AGREE THAT THE DEVELOPER MAY ENFORCE THE TERMS OF THIS AGREEMENT THROUGH A CLAIM FOR SPECIFIC PERFORMANCE. THE DEVELOPER ACKNOWLEDGES THAT THE CITY IS A SEPARATE ENTITY FROM THE IDB, AND IN NO EVENT SHALL THE CITY BE RESPONSIBLE FOR THE PERFORMANCE OF ANY OBLIGATIONS OF THE IDB HEREUNDER OR LIABLE FOR ANY CLAIMS AGAINST THE IDB HEREUNDER.

**Section 4.02. Indemnity.** The Developers shall indemnify the IDB and its successors and assigns, and every director, officer, employee, counsel and agent of the IDB (individually, an "Indemnitee") with respect to, and hold each Indemnitee harmless from and against, any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and disbursements of any kind or nature whatsoever (including, without limitation, the fees and

disbursements of counsel for any Indemnitee in connection with any investigative, administrative or judicial proceeding, whether or not such Indemnitee shall be designated a party thereto) which may be imposed on, incurred by, or asserted against such Indemnitee, in any way relating to or arising out of this Agreement (other than as a result of a breach hereof by the IDB), or the development of the Project ("Indemnification Liabilities"). The Developers shall reimburse each Indemnitee on demand from time to time for all Indemnification Liabilities incurred by such Indemnitee. Each Indemnitee will promptly notify the Developer of the commencement of any proceeding involving it in respect of which indemnification may be sought pursuant to this Section. The obligations of the Developers under this Section 4.02 shall survive the termination of this Agreement.

**Section 4.03. Assignment.** The Developer may assign or transfer this Agreement, or any interest of the Developer hereunder, without the prior written consent of IDB. Any such assignment shall not relieve the Developer its liability for the performance of its duties and obligations hereunder unless IDB consents to such release.

**Section 4.04. Successors and Assigns.** This Agreement shall inure to the benefit of and be binding upon the parties hereto and the permitted successors and assigns of the parties.

**Section 4.05. Notices.** Any notice, request, demand, tender or other communication under this Agreement shall be in writing, and shall be deemed to have been duly given at the time and on the date when personally delivered, or upon the Business Day (as defined below) 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 (3<sup>rd</sup>) 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 Developer to:  
Exit One LLC  
115 Cedar Lane  
Chattanooga, TN 37421

With a copy to:  
William G. Colvin,  
Esq.  
Suite 428  
801 Broad Street  
Chattanooga, TN 37402

If to the IDB:  
The Industrial Development Board of the City East Ridge  
1517 Tombras Avenue  
East Ridge, TN 37412  
Attention: Chairman

Rejection or other refusal to accept or inability to deliver because of changed address of which no notice was given shall be deemed to be receipt of such communication. By giving prior notice to all other parties, any party may designate a different address for receiving notices.

**Section 4.06. Applicable Law.** This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Tennessee. Venue for any action arising out of this Agreement shall be exclusively in Hamilton County, Tennessee.

**Section 4.07. Entire Agreement.** This Agreement supersedes all prior discussions and agreements between the IDB and the Developer with respect all matters contained herein. This Agreement contains the sole and entire understanding between the IDB and the Developer with respect to the transactions contemplated by this Agreement.

**Section 4.08. Amendment.** This Agreement shall not be modified or amended in any respect except by written agreement executed by or on behalf of the parties to this Agreement in the same manner as this Agreement is executed; provided, however, that no modification or amendment of this Agreement shall be effective unless the IDB shall have provided its prior written consent to such modification or amendment.

**Section 4.09. Severability.** If any provision of this 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.

**Section 4.10. Captions.** All captions, headings and section and paragraph 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 sections, paragraphs or subparagraphs by number refer to the particular section, paragraph or subparagraph so numbered in this Agreement unless reference to another document or instrument is specifically made.

**Section 4.11. Counterparts.** This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all such counterparts together shall constitute one and the same Agreement.

**Section 4.12. Expenses.** Each party shall promptly pay all of their own costs and expenses incurred in connection with the performance of their obligations under of this Agreement.

**Section 4.13. Term.** Unless terminated earlier as provided herein, this Agreement shall be effective as of the date hereof and shall remain in effect until the parties have performed all of their obligations hereunder or until terminated upon default or by mutual agreement of the parties and the City or their successors and assigns.

**Section 4.14. 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, code or law under its jurisdiction.

**Section 4.15. Time of the Essence.** Time shall be of the essence in the performance of the terms and conditions of this Agreement.

**Section 4.16. Business Days.** For purposes of this Agreement, "Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the laws of, or are in fact closed in, the State of Tennessee. If any date on which performance or notice is due under this Agreement is not a Business Day, performance or notice shall not be due until the next Business Day.

**Section 4.17. Approvals by IDB.** Any approval by the IDB required hereunder may be granted by a duly authorized representative of the IDB and not the board of directors of the IDB, unless specifically provided otherwise herein.

*[Signature pages to follow]*

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

THE INDUSTRIAL DEVELOPMENT BOARD OF  
THE CITY OF EAST RIDGE, TENNESSEE

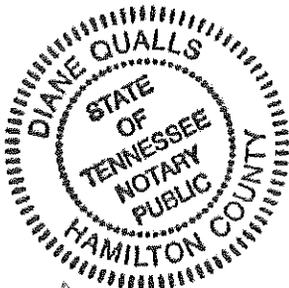
By: *Bruce H. Bras*  
Chairman

EXIT ONE LLC

By: *[Signature]*  
Title: *Partner*

13217438.4

13217438.4



*Diane Qualls*

**MY COMMISSION EXPIRES  
AUGUST 19, 2015**

RESOLUTION NO. 2389

**A RESOLUTION OF THE CITY OF EAST RIDGE, TENNESSEE IN SUPPORT OF THE DEVELOPMENT PROJECT PROPOSED BY EXIT ONE, LLC, INDICATING ITS INTENT TO PROVIDE FINANCIAL ASSISTANCE AND INCENTIVES FOR PURPOSES CONSISTENT WITH THE BORDER REGION RETAIL TOURISM DEVELOPMENT DISTRICT ACT T.C.A. § 7-40-101 ET SEQ. (THE "ACT") AND TO DELEGATE AND ALLOCATE TO THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF EAST RIDGE CERTAIN INCREMENTAL SALES TAX REVENUES TO BE RECEIVED FROM THE STATE PURSUANT TO THE ACT.**

**WHEREAS**, the City of East Ridge, Tennessee ("the City") by Ordinance No. 906 has designated a Border Region Retail Tourism Development District ("District") pursuant to the Act; and

**WHEREAS**, on or about June 4, 2012, the Tennessee Commissioner of Revenue approved the District for the City; and

**WHEREAS**, development of the District is critical to the growth and sustainability of the tax base of the City; and

**WHEREAS**, it is in the public interest of the City of East Ridge, Tennessee to indicate its public support for the commercial development project proposed by Exit One, LLC, ("the Developer") and to indicate its preliminary agreement to provide financial assistance and incentives consistent with the purposes and intent of the Act and to delegate all state sales tax allocable to the City of East Ridge, Tennessee under the Border Region Retail Tourism Development Act to the Industrial Development Board of the City of East Ridge, Tennessee ("the Board").

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, AS FOLLOWS:**

Section 1. **BE IT RESOLVED**, the City Council finds (i) that Ordinance No. 906 adopted by the City of East Ridge, Tennessee designating a Border Region Retail Tourism Development District, is still in full force and effect, (ii) that the District was certified and approved by the Tennessee Commissioner of Revenue on or about June 4, 2012; and (iii) that the District includes property owned by the Developer.

Section 2. **BE IT FURTHER RESOLVED**, that in order to advance the development proposed by the Developer within the District, the City Council of the City of East Ridge, Tennessee hereby indicates its support of the proposed development by this resolution setting forth its intention to provide assistance and incentives in an amount up to \$5,000,000.00, the proceeds of which will be used for purposes consistent with the Act and pursuant to an agreement to be negotiated among the City, the Board and the Developer.

Section 3. **BE IT FURTHER RESOLVED**, that, subject to Section 5 hereof, in order to advance the proposed development within the District, and pursuant to T.C.A. § 7-40-107, the City Council of the City hereby irrevocably delegates to the Board, the following incremental state sales and use tax revenues generated within the District allocable and/or payable to the City in accordance with the T.C.A. § 7-40-101 *et seq.* for said Board to administer in accordance with the provisions of the Act: (i) all incremental state sales and use tax revenues payable to the City and allocated to the Board that arise from any sales that occur on property which is majority owned and acquired by any entity of which John R. Healy, Ethan S. Wood and Matthew W. Wood are the majority owners on which new construction or substantial renovation occurs after the date hereof by such entity plus (ii) all incremental sales and use tax revenues payable to the City and allocated to the Board that arise as a result of the first \$10,000,000 annually in incremental sales in the District on property not described in clause (i).

Section 4. **BE IT FURTHER RESOLVED**, that the Mayor and the City Manager be hereby authorized to sign any and all documents and agreements necessary to effect the herein approved delegation to the Board.

Section 5. **BE IT FURTHER RESOLVED**, that the delegation pursuant to Section 3 hereof shall be null and void if the Developer does not execute a development agreement with the Board agreeing to undertake the proposed project not later than eighteen (18) months from the date of adoption of this resolution.

Section 6. **BE IT FURTHER RESOLVED**, that the City of East Ridge, Tennessee hereby indicates its intention to adopt any and all further resolutions as required by applicable law to effectuate its intentions expressed herein.

Section 7. **BE IT FURTHER RESOLVED**, that this Resolution shall take effect immediately from and after its adoption, the welfare of the City of East Ridge, Tennessee requiring it.

Adopted and approved this 5 day of June, 2014.

  
\_\_\_\_\_  
Brent Lambert, Mayor

ATTEST:

  
\_\_\_\_\_  
Andrew Hyatt, City Manager

APPROVED AS TO FORM

  
\_\_\_\_\_  
Harold L. North, Jr., City Attorney

**RESOLUTION NO. 2582**

**A RESOLUTION OF THE CITY OF EAST RIDGE, TENNESSEE  
MODIFYING RESOLUTION NO. 2389 RELATING TO THE  
BORDER REGION TOURISM DEVELOPMENT DISTRICT ACT  
T.C.A. § 7-40-101 ET SEQ.**

**WHEREAS**, the City of East Ridge, Tennessee (the "City") by Resolution No. 2389 has provided financial assistance and incentives for the purposes consistent with the Border Region Tourism Development District ("District"); and

**WHEREAS**, Resolution No. 2389 needs to be clarified as to Section 3;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, AS FOLLOWS:**

Section 1. **BE IT RESOLVED**, that Section 3 of Resolution No. 2389 hereby be amended in its entirety to read as follows:

Section 3. **BE IT FURTHER RESOLVED**, that, subject to Section 5 hereof, in order to advance the proposed development within the District, and pursuant to T.C.A. § 7-40-107, the City Council of the City hereby irrevocably delegates to the Board, the following incremental state sales and use tax revenues generated within the District allocable and/or payable to the City in accordance with the T.C.A. § 7-40-101 *et seq.* for said Board to administer in accordance with the provisions of the Act: (i) all incremental state sales and use tax revenues payable to the City and allocated to the Board that arise from any sales that occur on property which is majority owned and acquired by any entity of which John R. Healy, Ethan S. Wood and Matthew W. Wood or their heirs and/or estates are the majority owners on which new construction or substantial renovation occurs after the date hereof by such entity plus (ii) all incremental sales and use tax revenues payable to the City and allocated to the Board that arise as a result of the first \$10,000,000 annually in incremental sales in the District on property not described in clause (i).

Section 2. **BE IT FURTHER RESOLVED**, that the City of East Ridge, Tennessee hereby indicates its intention to adopt any and all further resolutions as required by applicable law to effectuate its intentions expressed herein.

Section 3. **BE IT FURTHER RESOLVED**, that this Resolution shall take effect immediately from and after its adoption, the welfare of the City of East Ridge, Tennessee requiring it.

Adopted and approved this 20<sup>th</sup> July day of June, 2016.



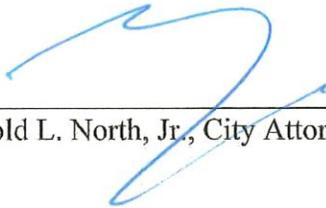
\_\_\_\_\_  
Brent Lambert, Mayor

ATTEST:



\_\_\_\_\_  
J. Scott Miller, City Manager

APPROVED AS TO FORM



\_\_\_\_\_  
Harold L. North, Jr., City Attorney

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE EAST RIDGE INDUSTRIAL DEVELOPMENT BOARD TO MODIFY DEVELOPMENT AGREEMENT RELATING TO THE BORDER REGION TOURISM DEVELOPMENT DISTRICT ACT T.C.A. § 7-40-101 ET SEQ.**

**WHEREAS**, the City of East Ridge, Tennessee (the “City”) by Ordinance No. 906 has designated a Border Region Retail Tourism Development District (the “District”) pursuant to T.C.A. § 7-40-101 *et seq.* (the “Act”); and

**WHEREAS**, the City by Resolution No. 2389 dated June 5, 2014, found that it was in the public interest of the City to indicate its public support for a commercial development project proposed by Exit One, LLC (the “Developer”) at the development known as Jordan Crossings and approved certain financial assistance and incentives consistent with the purposes and intent of the Act and to delegate the state sales tax allocable to the City (the “Allocated State Tax Revenues”) under the Act to the Industrial Development Board of the City of East Ridge, Tennessee (the “Board”); and

**WHEREAS**, upon satisfaction of the condition that the Developer execute a development agreement with the Board agreeing to undertake that certain proposed project subsequently known to be Bass Pro within eighteen (18) months from the date of adoption of Resolution 2389, Section 3 of Resolution No. 2389 provided, *inter alia*, as follows:

“[T]he City Council of the City hereby irrevocably delegates to the Board the following incremental state sales and use tax revenue generated within the District allocable and/or payable to the City in accordance with T.C.A. §7-40-101 *et seq.* for said Board to administer in accordance with the provisions of the Act: (i) all incremental state sales and use tax revenues payable to the City and allocated to the Board that arise from any sales that occur on property which is majority owned and acquired by any entity of which John R. Healy, Ethan S. Wood, and Matthew W. Wood are the majority owners on which new construction or substantial renovation occurs after the date hereof by such entity plus (ii) all incremental sales and use tax revenues payable to the City and allocated to the Board that arise as a result of the first \$10,000,000 annually in incremental sales in the District on property not described in clause (i).”

**WHEREAS**, on June 30, 2014, the Developers entered into a Development and Allocation Agreement Relating to Border Region Retail Development District (“Development Agreement”); and

**WHEREAS**, pursuant to Section 2.01 of the Development Agreement, the Board agreed to allocate and pay certain revenues identified as “Project State Tax Revenues” to the Developer, which consisted of:

- (a) The Allocated State Tax Revenues attributable to sales or use taxes derived from or relating to the Project Property;
- (b) The allocated State Tax Revenues attributable to sales or use taxes derived from or relating to any other property owned by the Developer in the Border Region District or owned by any entity in which John R. Healy, Ethan S. Wood and Matthew W. Wood are in the aggregate majority owners (the “Other Developer Property”); and
- (c) The Allocated State Tax Revenues attributable to the first \$10,000,000 in incremental sales derived from or relating to any property within the Border Region District other than the property described in clauses (a) and (b) of this paragraph.

**WHEREAS**, the City by Resolution No. 2582 dated July 20, 2016, modified Section 3 of Resolution No. 2389 by deleting Section 3 in its entirety and replacing it with the following:

Section 3. **BE IT FURTHER RESOLVED**, that, subject to Section 5 hereof, in order to advance the proposed development within the District, and pursuant to T.C.A. § 7-40-107, the City Council of the City hereby irrevocably delegates to the Board the following incremental state sales and use tax revenue generated within the District allocable and/or payable to the City in accordance with T.C.A. §7-40-101 *et seq.* for said Board to administer in accordance with the provisions of the Act: (i) all incremental state sales and use tax revenues payable to the City and allocated to the Board that arise from any sales that occur on property which is majority owned and acquired by any entity of which John R. Healy, Ethan S. Wood, and Matthew W. Wood or their heirs and/or estates are the majority owners on which new construction or substantial renovation occurs after the date hereof by such entity plus (ii) all incremental sales and use tax revenues payable to the City and allocated to the Board that arise as a result of the first \$10,000,000 annually in incremental sales in the District on property not described in clause (i).”

**WHEREAS**, the Board deems it necessary to clarify and otherwise cure any real, perceived or potential ambiguity that may exist between Section 3 of Resolution No. 2389 and Section 1 of Resolution No. 2582, and Section 2.01 of the Development Agreement by referring this matter to the City Council with instructions to delete Section 3 of Resolution 2389 and Section 1 of Resolution 2582 in their entirety and substituting therein the following:

Section 3. **BE IT FURTHER RESOLVED**, that subject to Section 5 hereof, in order to advance the proposed development within the District, and pursuant to T.C.A. § 7-40-107, the City Council of the City hereby irrevocably delegates to the Board, the following incremental state sales and use tax revenues generated within the District allocable and/or payable to the City in accordance with

T.C.A. § 7-40-101 *et seq.* for said Board to administer in accordance with the provisions of the Act: (i) the incremental state sales and use tax revenues payable to the City and allocated to the Board (“Allocated State Tax Revenues”) attributable to sales or use taxes derived from or relating to the Project Property; (ii) the Allocated State Tax Revenues attributable to sales or use taxes derived from or relating to any other property owned by the Developer in the Border Region District or owned by any entity in which John R. Healy, Ethan S. Wood and Matthew W. Wood or their heirs and/or estates are in the aggregate majority owners (the “Other Developer Property”) on which new construction or substantial renovation occurs; and (iii) the Allocated State Tax Revenues attributable to the first \$10,000,000 in incremental sales derived from or relating to any property within the Border Region District other than the property described in clauses (a) and (b) of this paragraph.

**WHEREAS**, the purpose for amending Resolution 2389 and Resolution 2582 is to effectuate the intentions of the City, Board and Developer in accordance with Section 6 of Resolution 2389 and Section 2 of Resolution 2582 and to clarify that the Developers are entitled to the Allocated State Tax Revenues attributable to sales or use taxes derived from or relating to the Jordan Crossing development (“Project Property”), as amended, irrespective of whether the Developer is an owner of the property or properties within said Project Property. A site plan of the Project Property, as amended, is attached hereto as Exhibit A; and

**WHEREAS**, the Developer has consented to the request to amend Resolution 2389 and Resolution 2582 to effectuate the intentions of the City, Board and Developer relative to the entitlement of the Allocated State Tax Revenues attributable to sales or use taxes derived from or relating to the Jordan Crossing development (“Project Property”), as amended.

**NOW, THEREFORE, BE IT RESOLVED BY THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF EAST RIDGE** that it requests the City Council for the City of East Ridge, Tennessee to delete Section 3 of Resolution 2389 and Section 1 of Resolution 2582 in their entirety and substituting therein the following:

Section 3. **BE IT FURTHER RESOLVED**, that subject to Section 5 hereof, in order to advance the proposed development within the District, and pursuant to T.C.A. § 7-40-107, the City Council of the City hereby irrevocably delegates to the Board, the following incremental state sales and use tax revenues generated within the District allocable and/or payable to the City in accordance with T.C.A. § 7-40-101 *et seq.* for said Board to administer in accordance with the provisions of the Act: (i) the incremental state sales and use tax revenues payable to the City and allocated to the Board (“Allocated State Tax Revenues”) attributable to sales or use taxes derived from or relating to the Project Property, as amended; (ii) the Allocated State Tax Revenues attributable to sales or use taxes derived from or relating to any other property owned by the Developer in the Border Region District or owned by any entity in which John R. Healy, Ethan S. Wood and

Matthew W. Wood or their heirs and/or estates are in the aggregate majority owners (the "Other Developer Property") on which new construction or substantial renovation occurs; and (iii) the Allocated State Tax Revenues attributable to the first \$10,000,000 in incremental sales derived from or relating to any property within the Border Region District other than the property described in clauses (a) and (b) of this paragraph.

**BE IT FURTHER RESOLVED**, that attached hereto as Exhibit A is a copy of the site plan identifying the Project Property, as amended, known as Jordan Crossing;

**BE IT FURTHER RESOLVED**, that the City of East Ridge, Tennessee hereby indicates its intention to adopt any and all further resolutions as required by applicable law to effectuate its intentions expressed herein.

**BE IT FURTHER RESOLVED**, that this Resolution shall take effect immediately upon its passage, the public welfare requiring it.

Passed this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

INDUSTRIAL DEVELOPMENT BOARD  
FOR THE CITY OF EAST RIDGE,  
TENNESSEE

By: \_\_\_\_\_  
Chairperson

Attest:

By: \_\_\_\_\_  
Authorized Member