

AGENDA

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

Monday, January 5, 2026 @ 11:00 AM

1. Call meeting to order.
2. Confirmation of Meeting Advertisement and Quorum Present.
3. Minutes and Transcript approval for the December 1, 2025, monthly meeting.
4. Recognition of any person wishing to address the Board.
5. Quarterly Finance Reports by Eleanor Liu.
6. Quarterly Project Update No. 2 by Wastewater Dept. and Jacobs Engineering Group, Inc. W-20-027-101 MBEC Class A POWER (Progressive Design Build).
7. **Northgate Mall TIF Project**
A resolution of the Industrial Development Board of the City of Chattanooga approving and acknowledging an amendment to the Economic Impact Plan for the Northgate Mall Infrastructure Project as recommended by the City of Chattanooga, Tennessee.
8. **North River Access Road TIF Project**
A resolution of the Board of Directors of the Industrial Development Board of the City of Chattanooga authorizing the execution of certain documents to amend the Development Agreement and tax increment financing documents relating to the North River Commerce Center Industrial Park.
9. **Wildflower Development**
A resolution declaring the intent of the Industrial Development Board of the City of Chattanooga stating its intent to reimburse public infrastructure costs relating to proposed Wildflower Development conditioned upon the issuance of special assessment indebtedness.
10. **Other Business – Discussion Items**
11. Adjournment.



INDUSTRIAL DEVELOPMENT BOARD

MONTHLY MEETING MINUTES

John P. Franklin Sr. City Council Building

Assembly Room

Chattanooga, Tennessee

for

Monday, December 1, 2025

11:00 AM

Present were Althea Jones (Chair), Jim Floyd (Secretary), Nadia Kain (Assistant Secretary), Jimmy F. Rodgers, Jr., Marcus Cade-Johnson, and Brent Goldberg. Absent were Gordon Parker (Secretary) and Melody Shekari.

Also Present were: Attorney for the Board, Phillip A. Noblett; Elizabeth Goss (Public Works); Gail Hart (Real Property); Eleanor Liu and Weston Porter (Finance); and Charita Allen and Winston Brooks (Economic Development).

[Redacted]

Chairwoman Althea Jones confirmed that a quorum was present to conduct business, and the meeting was properly advertised.

[Redacted]

MONTHLY MEETING OF NOVEMBER 3, 2025 – MINUTES APPROVAL

On motion of Mr. Rodgers, seconded by Mr. Floyd, the minutes of the November 3, 2025, monthly meeting were approved as submitted.

[Redacted]

PUBLIC COMMENTS

There was no one from the public with comments.

[Redacted]

RESOLUTIONS

HomeServe PILOT

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

A RESOLUTION RATIFYING THE CHAIR'S EXECUTION ON EXHIBIT B – WORK LETTER AGREEMENT TO A PERMANENT SANITARY SEWER EASEMENT AND TEMPORARY CONSTRUCTION EASEMENT RELATED TO THE HOMESERVE USA CORP. PILOT PROJECT WITH T. GENE EDWARDS AND JUDY A. EDWARDS.

Attorney Phil Noblett said that this Work Letter Agreement was signed by the Chair at the request of the City Attorney's Office last week and wanted to make sure it was on for ratification today. The purpose of this Work Letter Agreement was to cut off a liquidated damage claim of \$56,000 per day that we were trying to avoid in connection with an easement that was not allowed on this project. We rushed through a Temporary Construction Easement on this project, got the cut off done, and avoided \$56,000 in liquidated damages per day.

The HomeServe folks had this project that was ongoing in connection with this matter, and this was holding up that PILOT and that is the reason it came before the Board.

The motion carried.

ADOPTED

e2i2 Project

On motion of Mr. Floyd, seconded by Mr. Goldberg,

A RESOLUTION AUTHORIZING THE CHAIR TO ENTER INTO A CONTRACT FOR SALE AND PURCHASE WITH THE LOCAL BOARD OF TRUSTEES OF THE LEE HIGHWAY CHURCH OF GOD, IN SUBSTANTIALLY THE FORM ATTACHED, FOR THE PURCHASE OF THE REAL PROPERTY AT 7218 HAMILTON ACRES CIRCLE, IDENTIFIED AS TAX MAP NO. 139P-C-007.04, IN THE AMOUNT OF FIVE HUNDRED EIGHTY THOUSAND DOLLARS (\$580,000.00), AND TO EXECUTE ALL DOCUMENTS NECESSARY TO CONSUMMATE THE TRANSACTION, WITH CLOSING FEES NOT TO EXCEED TEN THOUSAND DOLLARS (\$10,000.00), FOR A TOTAL TRANSACTIONAL AMOUNT NOT TO EXCEED FIVE HUNDRED NINETY THOUSAND DOLLARS (\$590,000.00).

Attorney Noblett said that this project is a Contract for Sale and Purchase that will access the property that is in a PILOT currently. This is owned by the Lee Hwy. Church of God and is basically an easement area that would allow us to be able to get into this area that is needed for the sewer purposes in that area.

Ms. Elizabeth Goss said that the purpose of this project is that we have been before the Board before providing access to the Lee Hwy. property that the IDB already holds for the e2i2 project. The existing entrance uses a culvert that is shared with the neighbor and is not rated to withstand some of these larger vehicles that we need to get in there. Due to the upcoming FEMA changes, we cannot add a new bridge without flooding downstream. Purchasing this property allows us to have access to that project in perpetuity with the remaining parcel that will not be used for access potentially to be sold later. It is a triangular shape, and they were not interested in just an access easement. They wanted to sell the parcel.

There is also another large tank. It is a ten-million-gallon wet weather sewage holding tank. Whenever it rains and is in a combined system it will be for treatment later and held there and will go out later. Mr. Floyd wanted to confirm this is a permanent easement and not a temporary easement. This is the purchase of that property.

Mr. Rodgers said that one of the landowners right now the City is sharing is the temporary easement, is he involved with this purchase? Ms. Goss said the current City deeded access to the property is on the 7148 Lee Hwy. property. We do not utilize that entrance because we cannot get the construction equipment over it. We have a temporary entrance right now, but we cannot make that permanent. This would be the permanent solution to get to that property.

Eventually, this will become the property owned by the City after the completion of the project. It is in the process right now for construction. It would be the City.

Ms. Kain asked if the due diligence has been done to make sure this new property is going to be adequate for the vehicles that you need to get access there. Ms. Goss said yes, they have done survey, environmental studies, and we believe it is sufficient.

The motion carried.

ADOPTED

DISCUSSION

Reporting of the TIF Final Audit Report.

Mr. Winston Brooks spoke and gave an overview. Chris McCullough with the County Auditor produced a report a few months ago and it was an audit of the Tax Increment Financing Agreement initiated by the City of Chattanooga and Hamilton County since 2013 conducted by Hamilton County Internal Audit. It was dated October 9, 2025, and it looked at TIFs from 2013. It concludes that the program is generally achieving its primary goals of encouraging economic development and maintaining adequate internal controls. It also identified some weaknesses that require some attention.

The findings reveal a lack of formal policies with Hamilton County's Industrial Development Board and consistent project oversight typically in monitoring compliance with the agreements in place. Some of the recommendations were to formalize policies and procedures, enforce the compliance, improve financial oversight, and clarify objectives. The TIF software that the Board has approved will help us manage the financial reporting and compliance aspects.

Ms. Charita Allen said that the auditor reviewed all the existing TIFs in place. He covered when they were put in place, the amount of the TIF, the amount of capital investment, and there is some recommendations that Mr. Brooks went over. We are currently providing an annual report to the IDB and the City Council. That has been typically more in a Power Point format where we basically say here is the development, the existing capital investment, the increment that is coming in, and moving forward we will touch on a few other items.

The auditor asked moving forward whether we will touch on a few other items. Auditor asked moving forward if we include in all our reports the purpose of the TIF, whether it meets its initial goal, why it was put in place and adding all those other items into it from there. He reviewed the process. The recommendations on policy were mainly for Hamilton County and the IDB for Hamilton County because they currently do not have TIF policies. The City of Chattanooga does as do the current IDB here. They will have some policies coming forward. These are our policies at some point there will be a recommendation to come forward to both the IDB and City Council to modify our policies. For transparency purposes, this is a multi-step process, and we are looking to eliminate some steps moving forward, but again we will make recommendations to the Board before making those changes.

It talks a little about the objectives of the report, auditor's opinions and findings. Of the six, we have five that are currently producing increment and recommendations, oversight, and moving forward. When we put together a report for this Board and typically we do it at the end of every fiscal year, the next report will be around June of 2026 and will bring forward and incorporate some of the things he asked for in this report.

This was sent to all the members. We are happy to answer any questions you have about policies and procedures and we will start implementation in January of the new economic development software that this Board approved. We look forward to bringing reports to the Board about that new software that we start in 2026. There is no action that needs to be taken today by the Board on this item.

Mr. Rodgers said on page eight of the second and third bullet points, is the proposal addressing those in the spring? Ms. Allen said they are currently working to address those now. We are currently aligned to all those things. Because it is a combined City and County report, there are places, because the County does not have policies and are not aligned. We do have policies and are aligned. Regarding the conflict that he mentioned with the Tennessee Code, is that not applicable to us? Ms. Allen said that is not applicable to us. We are fully compliant with all state laws as it relates to TIFs. Are we satisfactory from Ms. Allen's standpoint? We are. That is enforcing compliance with certifications from developers. We ask for developer qualifications when they are making an application and that is determined whether they can follow through on the TIF. With TIF projects, they are supposed to be shovel ready which means they get the incentive they should be ready to go forward. They should have the capacity and the qualifications to follow through on the project. Ms. Allen will need to find out the certification of developers' means. We do have developers that are applying for TIFs.

Mr. Rodgers said that on page seven, there are a couple of recommendations towards the bottom that basically seem to suggest we are deficient since we do not have a delegated individual that is ensuring compliance. That seems to be at the heart of what he is claiming. Ms. Allen will get back with the Board. It says to delegate an individual within the IDB Chattanooga to review each contract and review financial reports to ensure compliance with agreements.

We do work closely with our finance department. Historically, we worked with Pinnacle Bank when they were the financing arm of a project. We met with them on a regular basis to make sure all the documents are being held, all the invoices, and the draw downs are being reviewed, all those kinds of things. Historically, we have done that piece of the project within City staff and then working with finance.

Mr. Rodgers asked with other industrial development boards within the State of Tennessee, he thinks Nashville and Memphis, the IDBs both or IDB's equivalent have employees of the IDB, is that correct? Ms. Allen said that is correct. Is that something Ms. Allen can envision in her experience with Chattanooga IDB that we need to consider? Ms. Allen said she thinks the IDB should consider having a staffer to oversee projects. If not a staffer, then at the very least a project manager is assigned for either TIFs as a whole or project managers for each of the TIF projects. Currently, that role is being filled by either City Engineer or his team as it relates to the baseball stadium, and it is currently being filled with economic development as it relates to the Tubman project. It is currently being filled if there is anything housing related to our housing team monitoring housing projects falling within TIF districts. It is kind of scattered right now with everybody kind of overseeing it, recognizing the common thread is always our finance team.

Ms. Allen does not know if the Knoxville IDB has employees. Ms. Allen said Nashville and Memphis do have full-time staff. Mr. Goldberg said the City Engineer managed the Enterprise South project. Mr. Goldberg said the TCA comments are about the County and not necessarily us. It is kind of a confusing report. It is from the County and why would the County IDB -- Mr. Rodgers said that he thinks this is something we should consider going forward as having one person employed by the IDB that looks at all of these and takes the lead there. It is something to consider.

Attorney Noblett said you just need to have enough funding. Ms. Allen said currently under each of the TIFs, there is an administrative fee. That fee could fund a position that would oversee TIFs if the IDB wanted to look into that. This is to be determined. Ms. Allen would need to ask the City Attorney how that would work.

Attorney Noblett said that they are separate corporations involved here to be an employee of the corporation. But considering the number of PILOTs where the IDB is holding title to property under the PILOTs. The TIFs with the IDB is holding the funds for the TIF accounts that are set up with the IDB, and it is something worth considering moving forward. We could increase the admin fee to cover it. Attorney Noblett said yes, you could. The staff is going to make some recommendations in first quarter. Ms. Jones said that would be great. Mr. Rodgers said yes please.

Mr. Brooks wanted to provide a little bit of context around the statement about enforcement of annual compliance. That has a lot to do with going back and looking at the Development Agreement to make sure those agreements are being lived up to and if there are any penalties that need to be addressed because of something not being done, that would be a good time to enforce that.

We will add a discussion item for early 2026 information that will be forthcoming on recommendations. Ms. Allen asked to give the staff until February to come back with something that would give them time to look into how the other municipalities across the state are handling their staffing, what that staffer is doing, responsibilities, reporting, etc.

Attorney Noblett wanted to make sure on the page, does that mean that this Board does not owe as much money to the IDB Investor LLC now as you thought we did? Based upon TIF. It looks like a reduced amount at least the beginning balance was reduced and the amount that is outstanding as of 4/30/2024 on page nine. Ms. Allen said yes, the Economic Development team, City Finance team, and the County Auditor met to discuss what appeared to be a discrepancy that was related to that Black Creek TIF and that was resolved.

We do not owe them quite as much because they have already been paid. On page nine it says \$8,619,000 instead of \$9,089,000. Ms. Allen cannot answer that only because this comes from the County Auditor's report.

Mr. Weston Porter said that the calculation issue is slightly different from the County and the City. He thinks it was an issue on the County's calculation. That is another one of those where it is related to the County and not the City, but he will follow up and make sure but remembering meeting with the auditor that was specific to something within the County's calculation.

Attorney Noblett said \$8.6 million is less than \$9,089,000 is what he was wondering about. Does that mean we owe less money? Mr. Porter said we owe them less than we originally did because we paid some of it over the last 13 years. Yes, that will be important whenever this goes on and hopefully the TIF amount increases with more development than they have on top. That should pay off a quicker amount. Mr. Porter said they are working through it. Big houses cost more.

Ms. Jones said back on the employee – if she was to research Knoxville and Nashville, Memphis' IDB is called Edge. Ms. Kain asked how many TIFs do they tend to go through each year. Ms. Allen does not know off the top of her head. We do know there are 35 active TIFs that are in Knoxville. There is a larger number, but similar number in Nashville. Memphis also has seven different types of TIFs. Ours is only in infrastructure TIFs, Memphis has a grocery store TIF, different types of TIFs they have based upon what communities need, they are very specialized. They have the staff to do that. Ms. Allen is happy to provide that when she comes back, she will give an overview of the different IDBs across the state and types of tools they have, and the associated staffing based on those tools. Ms. Jones will do some research herself.

Quarterly Project Update No. 2 by Wastewater Dept. and Jacobs Engineering Group, Inc.
W-20-027-101 MBEC Class A POWER (Progressive Design Build)

Attorney Noblett said that the concern at Moccasin Bend is being able to make things into pellets with a high intensity heat and that the purpose of the PILOT understood for that area on here for us having some sort of ownership interest in that property while that goes forward. That is a new construction project that is ongoing. As far as the timing, Attorney Noblett is not sure how quickly they need that going there. We just have a document that is attached on here that shows it is part of the Consent Decree Program and usually if there are issues that must be done within a certain time, they would let us know. It looks like Phase 1 of the project is August 3, 2026, and substantial completion by July 3, 2029. We can go off one month.

There being no further business, the meeting adjourned at 11:30 AM.

JIM FLOYD, Secretary

APPROVED:

ALTHEA R. JONES, Chair

CITY OF CHATTANOOGA INDUSTRIAL DEVELOPMENT BOARD

ECD - VOLKSWAGEN INCENTIVE PROJECT

VW FUNDING PROGRESS SUMMARY

As of Dec 23, 2025

FIRST MOU	Final Grant Budget Amount	PJTD Expenditures As of Dec 23, 2025	Encumbrances As of Dec 23, 2025	Available Budget (Over Expenditures & Encumbrances)	% Spent, Encumbered & Contingencies	Grant Status
6.1 Site Preparation - State	92,919,998	92,919,998	-	-	100.00%	Ended 6/30/2015
6.2 Infrastructure - State	72,795,525	72,795,525	-	-	100.00%	Ended 6/30/2015
7.4 Training Facility - State	39,995,942	39,995,942	-	-	100.00%	Ended 6/30/2015
9.10 Marketing & Public Relations - State	1,965,905	1,965,905	-	-	100.00%	Ended 4/30/2017
TOTAL STATE FUNDING	207,677,370	207,677,370	-	-	100.00%	

6.2 Infrastructure - Local (Hamilton County & City of Chattanooga)	40,000,000	40,000,000	-	-	100.00%	Ended 2/26/2025
9.5 Welcome Center - Local (VW decided not to build it)	-	-	-	-	N/A	
TOTAL LOCAL FUNDING	40,000,000	40,000,000	-	-	100.00%	
TOTAL FUNDING	247,677,370	247,677,369	-	-	100.00%	

SECOND MOU	Final Grant Budget Amount	PJTD Expenditures As of Dec 23, 2025	Encumbrances As of Dec 23, 2025	Available Budget (Over Expenditures & Encumbrances)	% Spent, Encumbered & Contingencies	Grant Status
3.1 Facility Development - State	168,877,867	168,877,867	-	-	100.00%	Ended 3/6/2020
TOTAL STATE FUNDING	168,877,867	168,877,867	-	-	100.00%	

VW SUV - Local (Hamilton County & City of Chattanooga)	52,500,000	52,284,571	-	215,429	99.59%	Ongoing
TOTAL LOCAL FUNDING	52,500,000	52,284,571	-	215,429	99.59%	
TOTAL FUNDING	221,377,867	221,162,438	-	215,429	99.90%	

THIRD MOU & LETTER OF INTENT (LOI)	Final Grant Budget Amount	PJTD Expenditures As of Dec 23, 2025	Encumbrances As of Dec 23, 2025	Available Budget (Over Expenditures & Encumbrances)	% Spent, Encumbered & Contingencies	Grant Status
Electric Vehicle Expansion - State	50,000,000	50,000,000	-	-	100.0%	Ended 1/10/2024
TOTAL STATE FUNDING	50,000,000	50,000,000	-	-	100.0%	

Electric Vehicle Expansion (Hamilton County & City of Chattanooga)	5,000,000	-	-	5,000,000	0.00%	Ongoing
TOTAL LOCAL FUNDING	5,000,000	-	-	5,000,000	0.00%	
TOTAL FUNDING	55,000,000	50,000,000	-	5,000,000	90.91%	

FIRST MOU, SECOND MOU, THIRD MOU & LOI	Final Grant Budget Amount	PJTD Expenditures As of Dec 23, 2025	Encumbrances As of Dec 23, 2025	Available Budget (Over Expenditures & Encumbrances)	% Spent, Encumbered & Contingencies
TOTAL FUNDING	524,055,237	518,839,807	-	5,215,429	99.00%

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
VW FUNDING PROGRESS SUMMARY
As of Dec 23, 2025

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 Sep 25, 2025	Current Expenditures	PJTD Expenditures As of Dec 23, 2025	Encumbrances As of Dec 23, 2025	Available Budget (Over Expenditures & Encumbrances)	% Spent and Encumbered	% Spent, Encumbered & Contingencies
6.1 Site Preparation - State ¹	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 ¹	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 ¹	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	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 ²	40,000,000	-	40,000,000	N/A	40,000,000	39,999,999	-	40,000,000	-	-	100.00%	100.00%
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	39,999,999	-	40,000,000	-	-	100.00%	100.00%

TOTAL IDB FUNDING FOR FIRST MOU	237,581,064	13,200,250	250,781,314	(3,103,945)	247,677,370	247,677,369	-	247,677,369	-	-	100.00%	100.00%
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¹ 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.

² Total local infrastructure does not include 6.3 Public roads and 6.4 Railway Lines as they are not managed by the IDB.

⁵ Local grant ended on 2/26/2025

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 Sep 25, 2025	Current Expenditures	PJTD Expenditures As of Dec 23, 2025	Encumbrances As of Dec 23, 2025	Available Budget (Over Expenditures & Encumbrances)	% Spent and Encumbered	% Spent, Encumbered & Contingencies
3.1 Facility Development - State ³	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	52,284,571	-	52,284,571	-	215,429	99.59%	99.59%
TOTAL LOCAL FUNDING	52,500,000	-	52,500,000	N/A	52,500,000	52,284,571	-	52,284,571	-	215,429	99.59%	99.59%

TOTAL IDB FUNDING FOR SECOND MOU	218,278,000	3,099,867	221,377,867	N/A	221,377,867	221,162,438	-	221,162,438	-	215,429	99.90%	99.90%
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³ 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 Sep 25, 2025	Current Expenditures	PJTD Expenditures As of Dec 23, 2025	Encumbrances As of Dec 23, 2025	Available Budget (Over Expenditures & Encumbrances)	% Spent and Encumbered	% Spent, Encumbered & Contingencies
Electric Vehicle Expansion ⁴	50,000,000	-	50,000,000	N/A	50,000,000	50,000,000	-	50,000,000	-	-	100.0%	100.0%
TOTAL STATE FUNDING	50,000,000	-	50,000,000	N/A	50,000,000	50,000,000	-	50,000,000	-	-	100.0%	100.0%
Electric Vehicle Expansion	5,000,000	-	5,000,000	N/A	5,000,000	-	-	-	-	5,000,000	0.00%	0.00%
TOTAL LOCAL FUNDING	5,000,000	-	5,000,000	N/A	5,000,000	-	-	-	-	5,000,000	0.00%	0.00%
TOTAL IDB FUNDING FOR THIRD MOU	55,000,000	-	55,000,000	N/A	55,000,000	50,000,000	-	50,000,000	-	5,000,000	90.91%	90.91%

⁴ State grant ended on 1/10/2024

FIRST & SECOND & THIRD 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 Sep 25, 2025	Current Expenditures	PJTD Expenditures As of Dec 23, 2025	Encumbrances As of Dec 23, 2025	Available Budget (Over Expenditures & Encumbrances)	% Spent and Encumbered	% 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	518,839,807	-	518,839,807	-	5,215,429	99.00%	99.00%

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
STATE FUNDING PROGRESS REPORT - FIRST MOU
As of Dec 23, 2025

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 Sep 25, 2025	Current Expenditures	PJTD Expenditures As of Dec 23, 2025	Encumbrances As of Sep 25, 2025	Change in Encumbrances	Encumbrances As of Dec 23, 2025	Available Budget (Over Expenditures & Encumbrances)	% Spent and Encumbered	% Spent, Encumbered & Contingencies
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GRANT ENDED 6/30/2015

6.1 SITE PREPARATION

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

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 Dec 23, 2025

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 Sep 25, 2025	Current Expenditures	PJTD Expenditures As of Dec 23, 2025	Encumbrances As of Sep 25, 2025	Change in Encumbrances	Encumbrances As of Dec 23, 2025	Available Budget (Over Expenditures & Encumbrances)	% Spent and Encumbered	% Spent, Encumbered & Contingencies
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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%
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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 Dec 23, 2025

Description	Original Grant / Contract Budget	Grant / Contract Budget Adjustment	Final Grant Budget Amount	PJTD Expenditures As of Sep 25, 2025	Current Expenditures	PJTD Expenditures As of Dec 23, 2025	Encumbrances As of Sep 25, 2025	Change in Encumbrances	Encumbrances As of Dec 23, 2025	Available Budget (Over Expenditures & Encumbrances)	% Spent and Encumbered	% 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	7,665,648	-	7,665,648	-	-	-	-	100.00%	100.00%
TOTAL 6.2 INFRASTRUCTURE - LOCAL FUNDING	40,000,000	-	40,000,000	39,999,999	-	40,000,000	-	-	-	-	100.00%	100.00%

GRANT ENDED 2/26/2025

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	39,999,999	-	40,000,000	-	-	-	-	100.00%	100.00%

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 Dec 23, 2025		Expenditures		Encumbrances		Change			
		This Report	Last Report	This Report	Last Report	Expenditures	Encumbrances	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	-	-	-	-		
Z00702	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 Dec 23, 2025		Expenditures		Encumbrances		Change		
		This Report	Last Report	This Report	Last Report	Expenditures	Encumbrances	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	7,665,648	7,665,648	-	-	-	-	
TOTAL 6.2 INFRASTRUCT LOCAL FUNDING		40,000,000	39,999,999	-	-	-	-	
Z00801	Welcome Center	-	-	-	-	-	-	
TOTAL 9.5 WELCOME CTR LOCAL FUNDING		-	-	-	-	-	-	
TOTAL		247,677,369	247,677,369	-	-	-	-	

CITY OF CHATTANOOGA INDUSTRIAL DEVELOPMENT BOARD
ECD - VOLKSWAGEN INCENTIVE PROJECT
STATE FUNDING PROGRESS REPORT - SECOND MOU
As of Dec 23, 2025

Description	Original Grant / Contract Budget	Grant / Contract Budget Adjustment	Final Grant Budget Amount	PJTD Expenditures As of Sep 25,2025	Current Expenditures	PJTD Expenditures As of Dec 23, 2025	Encumbrances As of Sep 25, 2025	Change in Encumbrances	Encumbrances As of Dec 23, 2025	Available Budget (Over Expenditures & Encumbrances)	% Spent and Encumbered	% 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%	85.46%
Manufacturing Equipment	140,635,000	(677,937)	139,957,063	144,162,926	-	144,162,926	-	-	-	(4,205,863)	103.01%	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 Dec 23, 2025

Description	Original Grant / Contract Budget	Grant / Contract Budget Adjustment	Final Grant Budget Amount	PJTD Expenditures As of Sep 25, 2025	Current Expenditures	PJTD Expenditures As of Dec 23, 2025	Encumbrances As of Sep 25, 2025	Change in Encumbrances	Encumbrances As of Dec 23, 2025	Available Budget (Over Expenditures & Encumbrances)	% Spent and Encumbered	% 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%	99.64%
VW SUV B Planning Costs	7,425,329	578,553	8,003,882	7,863,634	-	7,863,634	-	-	-	140,248	98.25%	98.25%
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	347,658	-	347,658	-	-	-	55,822	86.16%	86.16%
TOTAL 6.1 VW SUV - LOCAL FUNDING	52,500,000	-	52,500,000	52,284,571	-	52,284,571	-	-	-	215,429	99.59%	99.59%
TOTAL LOCAL FUNDINGS (Managed by IDB)	52,500,000	-	52,500,000	52,284,571	-	52,284,571	-	-	-	215,429	99.59%	99.59%

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 Dec 23, 2025		Expenditures		Encumbrances		Change		
		This Report	Last Report	This Report	Last Report	Expenditures	Encumbrances	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								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	7,863,634.37	7,863,634.37	-	-	-	-	
Z00919	VW SUV B Contingency	-	-	-	-	-	-	
Z00920	VW SUV B Site Preparation	347,658.09	347,658.09	-	-	-	-	
TOTAL 1.1 VW SUV - LOCAL FUNDING								
Contingency								
		This Report	Last Report	Change	Comments			
Z00919	VW SUV B Contingency	-	-	-				
TOTAL		221,162,438	221,162,438	-	-	-	-	

CITY OF CHATTANOOGA INDUSTRIAL DEVELOPMENT BOARD
ECD - VOLKSWAGEN INCENTIVE PROJECT
STATE FUNDING PROGRESS REPORT - THIRD MOU
As of Dec 23, 2025

Description	Original Grant / Contract Budget	Grant / Contract Budget Adjustment	Final Grant Budget Amount	PJTD Expenditures As of Sep 25,2025	Current Expenditures	PJTD Expenditures As of Dec 23, 2025	Encumbrances As of Sep 25, 2025	Change in Encumbrances	Encumbrances As of Dec 23, 2025	Available Budget (Over Expenditures & Encumbrances)	% Spent and Encumbered	% Spent, Encumbered & Contingencies
State 3rd MOU Electric Vehicle Expansion	50,000,000	-	50,000,000	50,000,000	-	50,000,000	-	-	-	-	100.00%	100.00%
TOTAL STATE FUNDING	50,000,000	-	50,000,000	50,000,000	-	50,000,000	-	-	-	-	100.00%	100.00%

----- GRANT ENDED 1/10/2024 -----

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 Dec 23, 2025

Description	Original Grant / Contract Budget	Grant / Contract Budget Adjustment	Final Grant Budget Amount	PJTD Expenditures As of Sep 25, 2025	Current Expenditures	PJTD Expenditures As of Dec 23, 2025	Encumbrances As of Sep 25, 2025	Change in Encumbrances	Encumbrances As of Dec 23, 2025	Available Budget (Over Expenditures & Encumbrances)	% Spent and Encumbered	% Spent, Encumbered & Contingencies
Local 3rd MOU Electric Vehicle Expansion	5,000,000	-	5,000,000	-	-	-	-	-	-	5,000,000	0.0%	0.0%
TOTAL LOCAL FUNDING	5,000,000	-	5,000,000	-	-	-	-	-	-	5,000,000	0.00%	0.00%
TOTAL LOCAL FUNDINGS (Managed by IDB)	5,000,000	-	5,000,000	-	-	-	-	-	-	5,000,000	0.00%	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 Dec 23, 2025		Expenditures		Encumbrances		Change			
		This Report	Last Report	This Report	Last Report	Expenditures	Encumbrances	Comments	
Z11302	State 3rd MOU Electric Vehicle Expansion	50,000,000.00	50,000,000.00	-	-	-	-		
TOTAL STATE FUNDING		50,000,000	50,000,000	-	-	-	-	Grant ended 1/10/2024	
Z11301'	Local 3rd MOU Electric Vehicle Expansion	-	-	-	-	-	-		
TOTAL LOCAL FUNDING		-	-	-	-	-	-		

IDB - ECONOMIC DEVELOPMENT PROGRAMS SUMMARY

PTD EBS & CLOUD (Since inception)

As of 12/23/2025

Account	Activity	Description	NR11	NR13	NR14	NR14	NR14	NR15	NR16	NR17	NR18	TOTAL
			GROWING SMALL BUS. Z00303	TECH WORKFORCE Z00304	IDB-PILOTS Z00306	IDB-ADMIN *	IDB LOANS Z00315	MITIGATION Z00307	BUSINESS DEV. Z00308	RENEWING CHATT Z00312	INNOVATION Z00313	
ASSETS												
101101	Interfund Cash		92,256.02	185,000.00	-	1,991,761.38	-	11,000.00	15,000.00	1,370,000.00	148,000.00	3,813,017.40
124212'	NR COVID-19 Loans		-	-	-	-	135,917.12	-	-	-	-	135,917.12
124901	Allowance for Notes Receivable		-	-	-	-	(20,388.00)	-	-	-	-	(20,388.00)
172102	Restricted Cash with Agent		-	-	-	-	6,203.39	-	-	-	-	6,203.39
LIABILITY												
201132	AP Accruals		-	-	-	-	-	-	-	-	-	-
REVENUE												
513140 000000'	Economic Development PILOT Lease		-	-	-	-	-	-	-	-	-	-
513140 102601	IDB EDLP - VW		-	-	1,375,000.00	-	-	-	-	-	-	1,375,000.00
513140 102602	IDB EDLP - Southern Champion Tray *		-	-	180,914.58	-	-	-	-	-	-	180,914.58
513140 102603	IDB EDLP - Gastamp		-	-	1,412,755.39	-	-	-	-	-	-	1,412,755.39
513140 102604	IDB EDLP - YanFeng		-	-	99,715.33	-	-	-	-	-	-	99,715.33
513140 102605	IDB EDLP - Plastic Omnium Auto		-	-	373,464.77	-	-	-	-	-	-	373,464.77
513140 102606	IDB EDLP - Homeserve *		-	-	67,952.13	-	-	-	-	-	-	67,952.13
513140 102607	IDB EDLP - M & M Industries		-	-	133,742.03	-	-	-	-	-	-	133,742.03
513140 102608	IDB EDLP - Van De Wiele *		-	-	27,065.25	-	-	-	-	-	-	27,065.25
513140 102609	IDB EDLP - Coca-Cola		-	-	161,962.57	-	-	-	-	-	-	161,962.57
513140 102610	IDB EDLP - Puregraphite		-	-	16,889.09	-	-	-	-	-	-	16,889.09
513140 102611	IDB EDLP - Steam Logistics		-	-	20,306.21	-	-	-	-	-	-	20,306.21
524107	City of Chattanooga Appropriation		200,000.00	450,000.00	588,802.59	-	-	44,000.00	-	1,350,000.00	-	2,632,802.59
576101	Miscellaneous Revenue		-	-	5.00	6,686.47	120.51	-	-	-	-	6,811.98
801604	Transfer from Non Reported (NR) Funds		200,000.00	-	-	-	-	-	100,000.00	1,550,000.00	200,000.00	2,050,000.00
Bridge Loan related expenses - managed by SETDD												
538101	Bad Debt Expense						(20,388.00)					(20,388.00)
EXPENSE												
704213	Debris Removal & Cleanup		-	-	-	-	-	-	-	-	-	-
704602	Training Costs		-	25,000.00	-	-	-	-	-	-	-	25,000.00
784101	Appropriations		-	50,000.00	-	-	-	-	25,000.00	-	-	75,000.00
782201	Awards		-	-	56,000.00	-	-	-	-	-	-	56,000.00
782202	Donations		-	40,000.00	-	-	-	-	-	-	-	40,000.00
782207	Grant Award		307,743.98	150,000.00	51,000.02	-	-	33,000.00	60,000.00	1,530,000.00	52,000.00	2,183,744.00
811604	Transfer to Non Reported (NR) Funds		-	-	2,224,500.01	-	-	-	-	-	-	2,224,500.01
Operating income (loss)			92,256.02	185,000.00	2,127,074.91	6,686.47	(20,267.49)	11,000.00	15,000.00	1,370,000.00	148,000.00	3,934,749.91

* PILOT ended or fee payment ended

IDB - TAX INCREMENT FINANCING (TIF) SUMMARY

PJTD EBS & CLOUD (Since inception)

As of 12/23/2025

Account	Description	NR09	NR09	NR09	NR23	NR24		NR25	NR27	NR29	TOTAL
		Black Creek	MLK	TIF	East Chatt Rising	North River Com. Ctr.		Sports Authority	The Bend Area	CBL	
		Tax Payment Z00302	Tax Payment Z00311	Admin Z00362	Tax Payment Z00316	Tax Payment Z00319	Developer Z00320	Tax Payment Z00321	Tax Payment Z00322	Tax Payment Z00361	
ASSETS											
101101	Interfund Cash		135,274.08		1,537.55	2,417.19		1,107.47	8,000.00	8,000.00	156,336.29
LIABILITY			-		-	-		-	-	-	
201101	Accounts Payable										
REVENUE											
513143	TIF Application Fee	-	1,500.00	-	-	1,500.00	-	-	8,000.00	8,000.00	19,000.00
523109	¹ Ham Co TIF Payment	1,837,107.46	1,043,854.80	-	35,925.94	144,480.89	-	175,164.80	-	-	3,236,533.89
524106	¹ City TIF Payment	3,952,481.05	1,683,350.04	-	83,756.19	219,207.33	-	331,134.14	-	-	6,269,928.75
536122	² TIF Admin Fee (City)	-	133,774.05	-	1,537.55	917.19	-	1,107.47	-	-	137,336.26
536123	IDB TIF Developer Project Revenue	-	-	-	-	-	8,754,000.00	-	-	-	8,754,000.00
EXPENSE											
702227	IT Maintenance - Support Maintenance										
782211	³ Interest expense	-	-	-	98,973.31	-	-	-	-	-	98,973.31
782215	IDB TIF Developer Project Expense	-	-	-	-	-	8,754,000.00	-	-	-	8,754,000.00
782601	TIF Agency	5,180,952.96	2,483,210.02	-	14,768.04	363,688.22	-	506,298.94	-	-	8,548,918.18
782602	TIF Administrative Fee to Chattanooga	104,611.81	54,569.64	-	1,377.64	-	-	-	-	-	160,559.09
782604	TIF Debt Service Allocation to Chattanooga	301,856.08	157,265.97	-	(1,406.54)	-	-	-	-	-	457,715.51
782605	TIF Refuse Pickup to Chattanooga	137,667.18	-	-	5,144.19	-	-	-	-	-	142,811.37
782603	TIF Administrative Fee to Hamilton Co	46,071.73	22,970.88	-	589.64	-	-	-	-	-	69,632.25
782606	TIF Trustee Fee to Hamilton Co	18,428.70	9,188.35	-	235.85	-	-	-	-	-	27,852.90
Operating income (loss)		0.05	135,274.03	-	1,537.55	2,417.19	-	1,107.47	8,000.00	8,000.00	156,336.29
Hamilton County Payments City Payment Total Payments to developer		1,772,607.03	1,011,695.57		35,100.45	144,480.89		175,164.80	-	-	3,139,048.74
		3,408,345.98	1,471,514.43		78,640.90	219,207.33		331,134.14	-	-	5,508,842.78
		5,180,953.01	2,483,210.00		113,741.35	363,688.22	-	506,298.94	-	-	8,647,891.52

¹ Effective FY23 only record the net payments receive from County and City (no more grossing up)

² Effecting FY23 IDB receives City's 5% admin fees (excluding Black Creek TIF)

³ Initiated by the letter from the State Comptroller's Office, East Chattanooga TIF unpaid interest expenses \$313,557.05 is removed from the Finance Report

IDB - Wastewater Program Summary

NR26 Environmental and Economic Infrastructure Improvement (e2i2)

NR28 Solids Process Optimization Implementation (SPOI)

As of 12/23/2025

Account	Description	e2i2 Program	e2i2 Program	e2i2 Program	SPOI Program	SPOI Program	SPOI Program	Total
		Budget	Encumbrance	Actual 7/1/23-6/30/26	Budget	Encumbrance	Actual 7/1/24-6/30/26	
ASSETS								
101101	Interfund Cash			(107,360.39)			(1,164,636.81)	(1,271,997.20)
103103	Cash with Agents			3,410,235.48			-	3,410,235.48
125101	AR Accruals			-			-	-
141301	AR County			-			-	-
LIABILITY								
201101	Accounts Payable			-			-	-
201132	AP Accruals			-			-	-
251104	Retainage with Escrow Agent			(3,410,235.48)			-	(3,410,235.48)
REVENUE								
524201	Reimbursement from City of Chattanooga			31,273,231.92			1,952,375.55	33,225,607.47
523101	Ham Co Operations Funds			-			-	-
524107	City of Chattanooga Appropriation			-			-	-
576101	Miscellaneous Revenue			-			-	-
801604	Transfer from Non Reported (NR) Funds			-			-	-
EXPENSE								
761102	CIP Engineering Design & Supervision			30,649,083.66			3,117,012.36	33,766,096.02
761103	CIP Engineer's Easement Negotiations			115,032.25			-	115,032.25
761101	CIP Expense			509,116.01			-	509,116.01
761117	CIP Sanitary Sewer Construction	153,537,868.00	78,874,919.42	-	67,500,000.00	10,272,987.64	-	-
	Total Expenses			31,273,231.92			3,117,012.36	34,390,244.28
Operating income (loss)				-			(1,164,636.81)	(1,164,636.81)



**City of Chattanooga
Wastewater Department
Consent Decree Program
Program Management**

Project: W-20-027-101 MBEC Class A POWER (Progressive Design Build)

Date: October 22, 2025

To: City of Chattanooga Industrial Development Board

From: City of Chattanooga Wastewater Department & Jacobs Engineering Group, Inc.

Subject: Quarterly Project Update No. 02

Purpose

The purpose of this update to inform the Industrial Development Board (IDB) of project progress including:

- work-to-date,
- project schedule,
- risk & change management and,
- upcoming board action requests.

Project Background

City of Chattanooga Project Manager: Alan Ogle, Assistant Director of Engineering, Wastewater Department

Industrial Development Board Representative: Bill Payne

Design Build Team:

- Contractor/Lead: Archer Western
 - Design Team: Stantec, Barge Design Solutions, Derryberry Public Relations
- Owner's Advisor: Jacobs Engineering Group, Inc.

Documents executed through IDB:

- Design Build Request for Proposal – April 2024
 - Awarded to Archer Western Design Build Team
- Design Build Agreement – March 2025
- Design Build Phase 1 Notice To Proceed- April 4, 2025

Work-to-Date

The following are highlights of work performed to date:

- Previous update(s):
 - Kickoff Meeting held 1/22/2025.
 - NTP Issued 4/4/2025.

Jacobs

- Alternatives Evaluation Kickoff Workshop held April 7, 2025.
- Site reconnaissance including topographic surveying, 3D scans and review of various treatment plant systems
- Developing Alternatives Analysis Technical Memorandum to identify and select basis of design
- Current update:
 - Flow & Loads Technical Memo Draft Deliverable June 26, 2025
 - Alternatives Analysis Technical Memo Draft Deliverable July 21, 2025
 - Topographic Surveying and existing facility/building 3D Scans Completed September 2025
 - Continued development of buried utilities mapping at MBEC
 - Continued planning for subsurface geotechnical field work/exploration
 - Basis of Design Report Draft Deliverable is under way – due date anticipated in November 2025
 - Solution concept for liquids treatment & decommissioning of the existing pure oxygen system has been finalized.
 - Solution concept for solids treatment is still under consideration.
- Next milestones:
 - Basis of Design Report Deliverable, scheduled for completion December 2025
 - 30% design documents, schedule for completion in March 2026
 - 60% design documents scheduled for completion in June 2026
 - Guaranteed Maximum Price (GMP), based on 60% design documents, scheduled for completion in August 2026.

Change Management

No changes to date.

Design Builder's Project Schedule

The project notice to proceed was issued April 4, 2025. Phase 1 (through 60% Design and Guaranteed Maximum Price) is due NTP+16 Months. Phase 2 substantial completion is NTP+51 Months. Final completion of Phase 2 services (Substantial completion+1 Month).

Table 1 – Project Milestones

Milestone	Duration (Months)	Due Date
Phase 1 (60% Design + GMP)	16	8/3/2026
Phase 2 Substantial Completion	51	7/3/2029
Final Completion of Phase 2 Services	52	8/2/2029

Upcoming Board Action Requests

None planned at this time.

Jacobs

631 Broad St, Suite 300, Chattanooga, Tennessee 37402 USA

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA APPROVING AND ACKNOWLEDGING AN AMENDMENT TO THE ECONOMIC IMPACT PLAN FOR THE NORTHGATE MALL INFRASTRUCTURE PROJECT AS RECOMMENDED BY THE CITY OF CHATTANOOGA, TENNESSEE

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, on November 3, 2025, previously approved an economic impact plan (the “Economic Impact Plan”) regarding the development of an area generally located to the north of Highway 153 and to the east of Hixson Pike and south of Northgate Park Lane, within the corporate limits of the City (the “Plan Area”); and

WHEREAS, the City, on December 2, 2025, also approved the Economic Impact Plan, but amended Section 7 of the Economic Impact Plan to lower the maximum allocation amount of incremental property tax revenues to \$8,700,000 instead of \$9,200,000 (plus interest); and

WHEREAS, pursuant to Tenn. Code Ann. § 7-53-312(f), the Board is not required to conduct a public hearing prior to approval of an amendment to a previously approved Economic Impact Plan.

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

RESOLVED, that the amendment to the previously approved Economic Impact Plan, which change is shown in a redline format attached hereto as Exhibit A, is hereby acknowledged and approved by the Board as approved by the City; and further

RESOLVED, that any and all other actions heretofore taken on behalf of Board 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 action to carry out the terms of the Economic Impact Plan as amended and that a conformed copy of the Economic Impact Plan as amended be maintained in the records of the Board.

Adopted and approved this 5th day of January, 2026.

Althea R. Jones, Chairman

Jim Floyd, Secretary

EXHIBIT A

[Amendment to Economic Impact Plan]

7. **Limitation on Allocations.** The aggregate amount of Incremental Revenues allocated to the Board pursuant to this Plan shall not in any event exceed ~~\$9,200,000~~8,700,000 (which includes the projected Project cost and various closing costs) plus interest on any debt incurred by the Board payable from Incremental Revenues. The amount of interest that can be paid from tax increment allocations is not capped and is projected to be approximately \$6.2 million, but until debt is issued, that amount cannot be precisely known.

B A S S B E R R Y + S I M S_{PLC}

1700 Riverview Tower
900 S. Gay Street
Knoxville, TN 37902
(865) 521-6200

M E M O R A N D U M

TO: Charita Allen
Winston Brooks

FROM: Mark Mamantov

DATE: December 23, 2025

RE: Approval of Economic Impact Plan Amendment for Northgate Mall Redevelopment

As you are aware, the City Council of the City of Chattanooga approved the economic impact plan for the Northgate Mall redevelopment that was previously approved by the Industrial Development Board. When the City Council approved that plan, City Council amended the plan to reduce the amount of tax increment revenues that may be allocated pursuant to the plan to \$8,700,000 (plus interest) from \$9,200,000 (plus interest). This reduction was based on recommendation of a third-party review of the “but for” test related to the transaction. Pursuant to applicable State law, the Industrial Development Board must also approve the amendment. However, the Board is not required to hold another public hearing as to the amendment. The proposed resolution for the Board would approve the amendment.

49094452.1

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF
CHATTANOOGA AUTHORIZING THE EXECUTION OF CERTAIN
DOCUMENTS TO AMEND THE DEVELOPMENT AGREEMENT AND
TAX INCREMENT FINANCING DOCUMENTS 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 City Council (the “City Council”) of the City of Chattanooga, Tennessee (the “City”), and the County Commission (the “County Commission”) of Hamilton County, Tennessee (the “County”), previously approved the Economic Impact Plan for the Development of the North River Commerce Center Industrial Park and the Redevelopment of North Access Road (the “Plan”); and

WHEREAS, pursuant to the Plan, the Board and Access Road, LLC (“Access Road”), in its capacity as lender, entered into that certain Loan Agreement dated as of September 23, 2022 (the “Loan Agreement”), pursuant to which the Board issued a Tax Increment Revenue Note in the principal amount of \$9,900,000 (the “Original TIF Note”), the proceeds of which the Board agreed to reimburse Access Road, in its capacity as developer, for certain Eligible Costs (as defined in the Loan Agreement); and

WHEREAS, pursuant to the Plan, the Board and Access Road, in its capacity as developer, entered into that certain Development and Financing Agreement Relating to the North River Commerce Center Industrial Park and the North Access Road Economic Development Area, dated as of September 23, 2022 (the “Development Agreement”), setting forth the rights and obligations of the parties with respect to (i) the development of the Project (as defined in the Development Agreement) and certain infrastructure and related improvements of the Plan Area (as defined in the Plan) and (ii) the Board’s commitment to provide certain financial assistance for the development of the Public Infrastructure (as defined therein); and

WHEREAS, pursuant to the terms of the Development Agreement, Developer (i) has constructed two (2) industrial buildings, consisting of more than 380,000 square feet of “Class A” construction and constituting more than \$50,000,000 of investment in the Industrial Park and (ii) has made certified public infrastructure improvements to support the Industrial Park as contemplated by the Development Agreement (collectively, the “Completed Buildings and Infrastructure”); and

WHEREAS, in addition to the Completed Buildings and Infrastructure, Developer intends to complete additional development projects within the Industrial Park (collectively, the “Additional Development”); and

WHEREAS, at the request of Developer and after submission by the Board, the City Council and the County Commission most recently approved that certain Second Amendment to the Economic Impact Plan for the Development of the North River Commerce Center Industrial Park and the Redevelopment of North Access Road (the “Second Amended Plan”), which extends the deadline by which allocations of Tax Increment Revenues (as defined in the Loan Agreement) as to the remaining undeveloped Industrial Park Parcels must commence and revises the scope and general description of the Project to accommodate the Additional Development; and

WHEREAS, due to updated time of the development under the Development Agreement and a lower than expected Tax Increment Revenues derived from the Completed Buildings and Infrastructure Access Road and the Board desires to refinance the Original TIF Note; and

WHEREAS, in order to refinance the Original TIF Note, Access Road and the Board desire to amend and restate the Loan Agreement and evidence the refinancing of the indebtedness of the Original TIF Note into separate debt obligations; and

WHEREAS, in accordance with the Second Amended Plan and to implement the amendments to the Loan Agreement and the Original TIF Note, and forms of the following documents have been submitted to the Board (collectively, the “Amended Documents”) in order to carry out the transactions contemplated in the Second Amended Plan:

a. Amended and Restated Loan Agreement (the “Amended Loan Agreement”) between the Board and Access Road, in its capacity as lender;

b. The Board’s Tax Increment Revenue Notes evidencing the Board’s obligation to repay the loan originally incurred pursuant to the Original TIF Note and refinanced pursuant to the terms of the Amended Loan Agreement (collectively, the “Tax Increment Notes”);

c. Amended and Restated Assignment of Tax Increment Revenues (the “Amended Assignment”) from the Board for the benefit of Access Road, assigning tax increment revenues to secure the Tax Increment Notes; and

d. First Amendment to Development and Financing Agreement Relating to the North River Commerce Center Industrial Park and the North Access Road Economic Development Area (the “Amended Development Agreement”) between the Board and Access Road, in its capacity as developer.

WHEREAS, the Board has determined that the execution of the Amended Documents will further the public purposes of the Board by promoting development in the North River Commerce Center Industrial Park.

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 Additional Development related to 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 Amended Loan Agreement to Access Road.

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 Notes to Access Road.

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 Amended Assignment to Access Road.

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 Amended 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 Access Road in order to evidence and secure the Tax Increment Financing, as provided in the Amended Loan Agreement, properly in accordance with the requirements of Access Road, including without limitation security agreements, certificates, affidavits, and any other instruments of any kind or nature whatsoever, including such documentation as may be required or appropriate to assist with establishing the tax-exempt status of the Tax Increment Note.

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 requested by Access Road or recommended by counsel to the Board 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 Additional Development are hereby approved and confirmed.

ADOPTED: January 5, 2026

INDUSTRIAL DEVELOPMENT BOARD OF THE
CITY OF CHATTANOOGA

Althea R. Jones, Chair

ATTEST:

Jim Floyd, Secretary

B A S S B E R R Y + S I M S_{PLC}

1700 Riverview Tower
900 S. Gay Street
Knoxville, TN 37902
(865) 521-6200

M E M O R A N D U M

TO: Charita Allen
Winston Brooks

FROM: Mark Mamantov

DATE: December 26, 2025

RE: Approval of Amendment Documents for Access Road Development

As you are aware, the City Council of the City of Chattanooga and the County Commission of Hamilton County recently approved an amendment to the economic impact plan for the Access Road development. Among other things, this amendment extended the period for commencing allocations of tax increment revenues from the plan area and broadened the permitted scope of the development. In order to implement the provisions of this amendment to the economic impact plan, corresponding amendments to the Development Agreement for the development are required. In connection with these amendments, Access Road, LLC, as the developer and the lender for the tax increment financing, would also agree to restructure the tax increment financing that has been previously issued in order to align the debt service payments on the tax increment financing with the actual tax increment revenues that are being realized from the portion of the project that has been completed and to reflect the additional time that is being given to the developer to complete the project. The resolution submitted to the Industrial Development Board for consideration would approve execution of an amendment to the Development Agreement and the execution of the amending documents relating to the tax increment financing in order to effectuate these changes.

49094753.1

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

THIS FIRST AMENDMENT TO DEVELOPMENT AND FINANCING AGREEMENT RELATING TO THE NORTH RIVER COMMERCE CENTER INDUSTRIAL PARK AND THE NORTH ACCESS ROAD ECONOMIC DEVELOPMENT AREA (this "Amendment") is made and entered into as of _____, 2026, by and between the INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA, a public nonprofit corporation (the "IDB") and ACCESS ROAD, LLC, a Tennessee limited liability company ("Developer").

WITNESSETH:

WHEREAS, the City Council (the "City Council") of the City of Chattanooga, Tennessee (the "City"), and the County Commission (the "County Commission") of Hamilton County, Tennessee (the "County"), previously approved an Economic Impact Plan for the Development of the North River Commerce Center Industrial Park and the Redevelopment of North Access Road (the "Plan"); and

WHEREAS, Developer owned or still owns the Industrial Park Parcels (as defined in the Plan), which are located in the North River Commerce Center Industrial Park (the "Industrial Park"); and

WHEREAS, the IDB and Developer previously entered into that certain Development and Financing Agreement Relating to the North River Commerce Center Industrial Park and the North Access Road Economic Development Area, dated as of September 23, 2022 (the "Agreement"), setting forth the rights and obligations of the parties with respect to (i) the development of the Project (as defined in the Agreement) and certain infrastructure and related improvements of the Plan Area (as defined in the Plan) and (ii) the IDB's commitment to provide certain financial assistance for the development of the Public Infrastructure (as defined in the Agreement); and

WHEREAS, pursuant to the terms of the Agreement, Developer (i) has constructed two (2) industrial buildings, consisting of more than 380,000 square feet of "Class A" construction and constituting more than \$50 million of investment in the Industrial Park and (ii) has completed the Public Infrastructure as described in the Agreement (collectively, the "Completed Buildings and Infrastructure"); and

WHEREAS, in addition to the Completed Buildings and Infrastructure, Developer intends to complete additional development projects within the Industrial Park as further detailed herein (collectively, the "Additional Development"); and

WHEREAS, at the request of Developer, the City Council and the County Commission most recently approved that certain Second Amendment to the Economic Impact Plan for the Development of the North River Commerce Center Industrial Park and the Redevelopment of North Access Road (the "Second Amendment"), which reflects Developer and the IDB's expectations regarding the Additional Development; and

WHEREAS, the parties now desire to amend the Agreement in order to (i) revise the scope and general description of the Project, (ii) revise Developer's obligations with regard to the Project and Additional Development, (iii) provide for a revised calculation of the reduction or prepayment of TIF Financing (as defined in the Agreement); and (iv) make certain other revisions, as more particularly set forth herein.

NOW, THEREFORE, in consideration of the premises hereof and other good and valuable

consideration, the receipt and sufficiency are hereby acknowledged, the parties hereby agree as follows:

1. Defined Terms. Capitalized terms used in this Amendment and not otherwise defined have the respective meanings set forth in the Agreement.

2. Project; Developer Obligations. The definition of the “Project” and Developer’s obligations related thereto are hereby amended as follows:

a. The fourth paragraph in the Recitals wherein the defined term, “Project,” is described is hereby deleted in its entirety and replaced with the following:

WHEREAS, Developer proposes to develop the Industrial Park Parcels by constructing industrial, commercial, governmental, and/or office buildings, constituting “Class A” construction and consisting of either (i) 800,000 square feet of new space in the aggregate or (ii) a total investment in real property and real property improvements of at least One Hundred Million Dollars (\$100,000,000.00) (collectively, the “Project”); and

b. Section 3(c) of the Agreement is hereby deleted in its entirety and replaced with the following:

(c) Developer confirms that, as of December 31, 2025, the Developer has caused the completion of the Public Infrastructure. Developer shall diligently pursue and complete construction of the Project not later than December 31, 2031 (the “Completion Deadline”). The Project shall consist of a development consisting of industrial, commercial, governmental, or office buildings, constituting “Class A” construction (or such other improvements as are approved by the IDB) and consisting of either (i) 800,000 square feet of new space in the aggregate or (ii) a total investment in real property and real property improvements of at least One Hundred Million Dollars (\$100,000,000.00), provided, that no portion of the Project shall include retail establishments, restaurants, hotels and hospitality venues, entertainment venues or residential projects. The foregoing requirement to complete the Project 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.

3. Site Plans. The Approved Plans, attached as Exhibit C to the Agreement, are hereby deleted in their entirety.

4. Status of TIF Financing. Section 2(e) of the Agreement is hereby deleted in its entirety and replaced with the following:

(e) (i) Developer acknowledges that the IDB has issued a tax increment revenue note (the "Original TIF Note") in the maximum amount authorized by the Economic Impact Plan ("TIF Financing") to Developer as lender. Developer acknowledges that the maximum amount that may be advanced pursuant to the Original TIF Note to pay costs of the Public Infrastructure, being \$8,754,000, has been advanced and is outstanding under the Original TIF Note. Developer and the IDB agree to cause the refinancing of the Original TIF Note pursuant to the terms of an Amended and Restated Loan Agreement dated as of January __, 2026 (the "Amended Loan Agreement"). Developer hereby represents and confirms that all proceeds that have been advanced pursuant to the Original TIF Note have been applied to pay costs of Public Infrastructure.

(ii) 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.

(iii) IDB will apply the incremental tax revenues paid to IDB accordance with the Economic Impact Plan, the Amended Loan Agreement and this Agreement, less an administrative fee of one-fourth of one percent (0.25%) for the IDB, to make debt service payments in accordance with the Amended Loan Agreement..

(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.

5. Refinancing of TIF Financing. Section 4 of the Agreement is hereby deleted in its entirety and replaced with the following:

4. Cooperation in Refinancing of TIF Financing. Developer or Lender may hereafter request that some or all of the TIF Financing, as issued pursuant to the Amended Loan Agreement, 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 and provided further that Developer demonstrates to the satisfaction that any tax increment revenue note issued pursuant to such a refinancing that bears interest is expected to be payable from available tax increment revenues allocated to IDB. 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. In connection with the issuance of any refinancing described in this Section, Developer shall be permitted to cause that portion of the tax increment financing that was authorized by the Plan to be utilized to pay fees, expenses and reserve funds incurred in connection with the issuance of tax increment financing by IDB, being \$1,146,000, to be used in whole or part to pay such costs in connection with a refinancing provided the other provisions of this Section are satisfied.

6. Reduction or Prepayment. Section 7 of the Agreement is hereby deleted in its entirety and replaced with the following:

7. Reduction or Prepayment of TIF Financing. If Developer fails to complete the Project by the Completion Deadline, the maximum principal amount of the TIF Financing shall automatically be reduced in proportion to the obligation Developer failed to meet by the Completion Deadline, as calculated herein. When calculating the reduction of the TIF Financing available to Developer, the IDB shall determine (a) Developer's completion percentage of the total square footage of all the buildings completed by the Completion Date as part of the Project, divided by 800,000 square feet (the "Completion Percentage") or (b) the total investment in real property and real property improvements completed by the Completion Date as part of the Project, divided by One Hundred Million Dollars (\$100,000,000.00) (the "Investment Percentage"). Thereafter, the IDB shall subtract the larger of the Completion Percentage or the Investment Percentage from 100% (the "Deficit Percentage"), and the maximum principal amount of the TIF Financing shall be reduced by the Deficit Percentage (the "Reduced TIF Financing").

For example, if, by the Completion Deadline, Developer has only completed 600,000 square feet of new buildings ($600,000/800,000=75\%$) and invested an aggregate of \$9,000,000 ($\$90,000,000/\$100,000,000 = 90\%$) as part of the Project, then the Investment Percentage shall be used in determining the Deficit Percentage for a reduction in the maximum principal amount of the TIF Financing of 10%.

If the principal amount of the TIF Financing that has been advanced as of the Completion Date exceeds the Reduced TIF Financing, Developer shall cause the prepayment or cancellation of a portion of the TIF Financing within thirty (30) days of the Completion Date, and any accrued interest relating to the amount so prepaid or cancelled shall also be deemed paid and cancelled. 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 in accordance with the requirements set forth in Section 3(c).

7. Other Developer Commitments. In consideration of the IDB entering into this Amendment, Developer also agrees to the following:

- (a) Prior to the commencement of construction on the 300 Building Site, as defined below, Developer will allow, from time to time upon reasonable advance notice from the IDB, the City or a designee of either and subject to reasonable site and traffic control requirements as determined by Developer, members of the public to use the 300 Building Site as overflow parking for events held at the current and future recreational facilities immediately across Access Road from the 300 Building Site. The 300 Building Site shall mean Tax Parcel _____.
- (b) Developer agrees to enter into an amendment to the Greenway Easement (as defined in the

Agreement), which is of record as Instrument No. _____ in the Register's Officer of Hamilton County, Tennessee, in order to extend the deadline within the Greenway Easement for the completion of the greenway extension referenced therein until December 31, 2031.

8. Miscellaneous. Except as expressly modified by this Amendment, the Agreement is in full force and effect in accordance with its original terms and conditions. In the event any terms of this Amendment conflict with terms of the Agreement, the terms of this Amendment control. This Amendment constitutes the entire agreement of the parties regarding the subject matter hereof. Any previous agreements between the parties related to the subject matter of this Amendment are hereby replaced by this Amendment. This Amendment may be modified or changed only by a written instrument signed by both parties. This Amendment may be executed in one or more counterparts and may be delivered by facsimile or electronic mail, each of which is considered an original and all of which together constitute one and the same instrument.

[Signatures on the following page.]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first-above written.

IDB:

INDUSTRIAL DEVELOPMENT BOARD OF
THE CITY OF CHATTANOOGA

By: _____

Title: _____

DEVELOPER:

ACCESS ROAD, LLC

By: _____

Title: _____

49010530.2

AMENDED AND RESTATED ASSIGNMENT OF TAX INCREMENT REVENUES

THIS AMENDED AND RESTATED ASSIGNMENT OF TAX INCREMENT REVENUES (the "Assignment") is entered into as of [DATE, 2026], 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 an Amended and Restated Loan Agreement, dated as of the date hereof (the "Amended Loan Agreement"). Any capitalized terms not otherwise defined hereunder shall have the meanings given them in the Amended Loan Agreement.

B. One condition to the Lender's agreement to extend credit under the Amended 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 Amended 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 the Amended 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 Amended 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 Amended 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 Amended 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 Amended 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 Amended Loan Agreement, and the effectiveness of each such notice shall be determined as provided in the Amended 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 Amended and Restated 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 (the “Amended Loan Agreement”), including all payment obligations thereunder; and
2. Each Tax Increment Revenue Note, dated as of the date hereof, issued by the Industrial Development Board of the City of Chattanooga, Tennessee, pursuant to the Amended Loan Agreement, as such Notes may be amended, modified, extended, or renewed from time to time.

49081938.2

AMENDED AND RESTATED 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 January __, 2026

AMENDED AND RESTATED LOAN AGREEMENT

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Exhibit A - TIF Notes Form

Exhibit B - Parcels within Tax Increment Area

AMENDED AND RESTATED LOAN AGREEMENT

THIS AMENDED AND RESTATED LOAN AGREEMENT (this "Loan Agreement") is made and entered into as of January __, 2026, 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 City Council (the "City Council") of the City of Chattanooga, Tennessee (the "City"), and the County Commission (the "County Commission") of Hamilton County, Tennessee (the "County"), previously approved the Economic Impact Plan for the Development of the North River Commerce Center Industrial Park and the Redevelopment of North Access Road (the "Plan") for the area identified therein (the "Plan Area").

B. The Board and the Lender, in its capacity as the developer of an industrial park within the Plan Area (the "Developer"), previously entered into that certain Development and Financing Agreement Relating to the North River Commerce Center Industrial Park and the North Access Road Economic Development Area, dated as of September 23, 2022 (the "Original Development Agreement"), setting forth the rights and obligations of the parties with respect to (i) the development of the Project (as defined in the Original Development Agreement) and certain infrastructure and related improvements of the Plan Area and (ii) the Board's commitment to provide certain financial assistance for the development of the Public Infrastructure (as defined therein).

C. The Board and the Lender previously entered into that certain Loan Agreement, dated as of September 23, 2022 (the "Original Loan Agreement"), pursuant to which the Board issued a TIF Note in the maximum principal amount of \$9,900,000 (the "Original TIF Note"), \$8,754,000 of which has been disbursed pursuant to the Original Loan Agreement to reimburse the Developer for certain Eligible Costs (as defined in the Original Loan Agreement).

D. Pursuant to the Original Loan Agreement, the Board executed and delivered that certain Assignment of Tax Increment Revenues (the "Original Assignment"), under which the Board assigned and pledged to the Lender all Tax Increment Revenues (as defined in the Original Loan Agreement).

E. Pursuant to the terms of the Original Development Agreement, the Developer (i) has constructed two (2) industrial buildings, consisting of more than 380,000 square feet of "Class A" construction and constituting more than \$50,000,000 of investment in the Industrial Park (the "Completed Buildings") and (ii) has made certified public infrastructure improvements to support the Industrial Park as required by the Original Development Agreement (the "Public Infrastructure").

F. In addition to the Completed Buildings and Public Infrastructure, the Developer intends to complete additional development projects within the Industrial Park (collectively, the "Additional Development").

G. At the request of the Developer and after submission by the Board, the City Council and the County Commission most recently approved that certain Second Amendment to the Economic Impact Plan for the Development of the North River Commerce Center Industrial Park and the Redevelopment of North Access Road (the "Second Amendment to Plan" and together with the Plan, the "Plan"), which, among other things, extends the deadline by which allocations of Tax Increment Revenues (as defined

herein) as to the remaining undeveloped Industrial Park Parcels must commence and revises the scope and general description of the Project to accommodate the Additional Development.

H. Pursuant to the Second Amendment to Plan, the Developer and the Board intend to enter into that certain First Amendment to Development and Financing Agreement Relating to the North River Commerce Center Industrial Park and the North Access Road Economic Development Area in order to revise the scope and general description of the Project, revise the Developer's obligations with regard to the Project and the Additional Development, and make certain other revisions, as more particularly set forth therein (the "Amendment to Development Agreement" and together with the Original Development Agreement, the "Development Agreement").

I. As a condition to entering into the Amendment to Development Agreement, the Board has required the Developer, in its capacity as lender under the Original Loan Agreement, to refinance the Original TIF Note as provided herein to align the payment of the indebtedness represented by the Original TIF Note with the current projected Tax Increment Revenues and to reflect the amendments to the .

J. The parties now desire to amend the Loan Agreement in order to (i) revise the Maturity Date to reflect the Second Amendment to Plan, (ii) restructure and refinance the Original TIF Note as provided herein, and (iii) make certain other revisions, as more particularly set forth herein.

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 6.2 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 Plan and applicable law.

"Assignment" means the Amended and Restated 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, which amends and restates the Original Assignment.

"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 Notes are 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 Recital I of this Agreement.

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

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

“Loan Documents” mean, collectively, the TIF Notes, 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, 2052.

“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.

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

ARTICLE II THE TIF NOTES

Section 2.1 Designation. The TIF Notes are being issued to refund the outstanding principal balance of the Original TIF Note. The TIF Notes shall be designated as follows: “Industrial Development Board of the City of Chattanooga Tax Increment Revenue Note (North Access Road Plan Area) Refunding Note 1” (“TIF Note 1”); Industrial Development Board of the City of Chattanooga Tax Increment Revenue Note (North Access Road Plan Area) “Refunding Note 2” (“TIF Note 2”); and Industrial Development Board of the City of Chattanooga Tax Increment Revenue Note (North Access Road Plan Area) “Refunding Note 3” (“TIF Note 3”).

Section 2.2 Principal Amount. TIF Note 1 shall be in the original principal amount of \$3,500,000. TIF Note 2 shall be in the original principal amount of \$1,314,700. TIF Note 3 shall be in the original principal amount of \$3,939,000.

Section 2.3 Interest Rate. Only TIF Note 1 shall bear interest, and the interest rate on TIF Note 1 shall be 5% per annum. TIF Note 2 and TIF Note 3 shall not bear interest. Interest on TIF Note 1 shall accrue from the date hereof for each year and shall be payable on May 1st of each year commencing May 1, 2026. Interest shall not accrue on any interest that has accrued but is not paid on any such payment date. Interest on TIF Note 1 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 Notes shall mature on the Maturity Date, unless prepaid earlier as provided herein or in the TIF Notes. 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 and Accrued Interest on Original TIF Note. 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 of 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 TIF Note 1, 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 TIF Note 1, 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 any 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. The accrued interest on the Original TIF Note, which as of the date of this Loan Agreement, is \$_____, shall not be forgiven as a result of the funding of the Original TIF Note, and the parties hereto acknowledge and agree that such accrued interest shall remain payable (but only from the sources provided herein and subject to Section 2.9 hereof) after payment if full of the TIF Notes and any accrued interest thereon. If no Tax Increment Revenues are available to pay just accrued interest after all Tax Increment Revenues are received after the last Allocation Period, such accrued interest shall not be paid.

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 TIF Note 1 and the Administrative Fee payable to the Board pursuant to Section 6.2, such excess shall be paid by the Board to the Lender to be applied to pay principal on the TIF Notes on each such Note Payment Date, with each such payment being applied first to TIF Note 1, then TIF Note 2 and then TIF Note 3, with all unpaid principal coming due on the Maturity Date. The Lender acknowledges that the principal of and interest on the TIF Notes 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 the TIF Notes on the Maturity Date, the remaining principal balance of the TIF Notes 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 Notes, 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 (subject to Section 2.9 hereof), including any amounts provided by the Developer, without premium or penalty, at any time upon three (3) Business Days' notice to the Lender. Unless otherwise agreed upon by the Board and the Lender, any prepayments shall be applied first to TIF Note 3, then TIF Note 2 and then TIF Note 1.

Section 2.8 Delivery of the TIF Notes. In connection with the delivery of the TIF Notes, 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 Notes and the execution, delivery and performance of this Loan Agreement and the TIF Notes;
- (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 Notes and the pledge of the Tax Increment Revenues and, if requested by Lender, as to the tax-exempt status of the TIF Note 1; and
- (g) the TIF Notes, duly executed and issued by the Board, as provided herein.

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 Notes 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 Notes, 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 Notes 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 Notes 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 Notes 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 Notes.

Section 2.10 Form of TIF Notes. The TIF Notes are 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, including the provisions of this Article II establishing the principal amount, interest rate (if any) and Maturity Date of each TIF Note, with such changes being conclusively approved by execution of the TIF Notes by the Board and acceptance of the TIF Notes by the Lender.

ARTICLE III COLLATERAL SECURING THE TIF NOTES

Section 3.1 Assignment of Tax Increment Revenues. As a source of and security for the payment of the TIF Notes 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 6.2).

Section 3.2 Pledge of the Tax Increment Fund. To the extent of any interest of the Board therein, all moneys in the Tax Increment Fund, including, without limitation, any earnings thereon and proceeds thereof (except the Administrative Fee payable to the Board pursuant to Section 6.2), are hereby pledged to the payment of the principal of and interest on the TIF Notes, 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 NOTES BEFORE MATURITY

Section 4.1 Extraordinary Prepayment. The TIF Notes are 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 Notes 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.

Notwithstanding any provision herein to the contrary, any such prepayment shall first be applied to TIF Note 3 and, if applicable, to TIF Note 2 and then TIF Note 1.

Section 4.2 Payment Due. The payment due to the Lender as a result of any prepayment of the TIF Notes 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 Notes 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 Notes 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 Notes, the Board has complied with all provisions of the Act and Sections 8-44-104, *et seq.*, of Tennessee Code Annotated.

(h) Other than the Original TIF Note, as amended and replaced by the TIF Notes, 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 Notes for any purpose other than to secure the TIF Notes under this Loan Agreement. The Original TIF Note, as amended and replaced by the TIF Notes, constitutes the only obligations of the Board in any manner payable from the revenues to be derived from the Tax Increment Revenues.

(i) Other than the Original TIF Note, as amended and replaced by the TIF Notes, 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 Notes.

(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 Notes to the extent required by Section 4 of the Development Agreement.

(d) So long as the TIF Notes 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 Notes 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 TAX INCREMENT FUND

Section 6.1 Establishment of Tax Increment Fund. There is hereby established by the Board a special fund to be held in an account with the 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 Notes, including any amounts payable by Developer under Section 7 of the Development Agreement.

Section 6.2 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 Notes 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 Notes 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 Notes and accrued interest relating to the portion of the principal prepaid.

ARTICLE VII DEFAULTS AND REMEDIES

Section 7.1 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 Notes 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 Notes (except as described in Sections 7.1(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 7.1.

Section 7.2 Acceleration. Upon the occurrence of any Default hereunder, Lender may declare the principal of the TIF Notes and all accrued and unpaid interest thereunder to be immediately due and payable.

Section 7.3 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 Notes 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 Notes, shall extend to or shall affect any subsequent Default or shall impair any rights or remedies consequent thereon.

Section 7.4 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 Notes 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 8.2 hereof, the Lender shall have the right to waive any breach of any promise made in the TIF Notes, or any Default under Section 7.1 hereof, or any default under any of the Loan Documents or other documents relating to, securing or otherwise executed in connection with the TIF Notes, 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 7.5 Application of Moneys. All moneys received by the Lender pursuant to any right given or action taken under the provisions of this Article VII 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 on TIF Note 1, then to principal due on the TIF Notes and then to accrued interest on the Original TIF Note, as provided in Article II hereof.

ARTICLE VIII MISCELLANEOUS

Section 8.1 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 Notes and the fees and expenses of the Lender relating to any of the Loan Documents shall have been fully paid.

Section 8.2 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.
City Attorney for the City of Chattanooga
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 8.3 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 8.4 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 8.5 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 8.6 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 8.7 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 8.8 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 8.9 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 8.10 No Liability of Officers. No recourse under or upon any obligation, covenant or agreement herein, in the TIF Notes, 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 Notes, of any sum that may be due and unpaid by the Board upon the TIF Notes 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 Notes, of any sum that may remain due and unpaid upon the TIF Notes 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 Notes.

Section 8.11 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 Notes 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 8.11 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 8.12 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 Notes 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 Notes require 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 Agreement 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 [1][2][3] (North Access Road Plan Area)

\$ _____ .00

January __, 2026

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 _____ MILLION, _____ THOUSAND AND NO/100 DOLLARS (\$_____,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 the rate of 5% per annum. 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.

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 6.2 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 Amended and Restated 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 6.2 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 _____, 2026.

INDUSTRIAL DEVELOPMENT BOARD OF THE
CITY OF CHATTANOOGA

By: _____
Chairman

Attest:

Secretary

EXHIBIT B

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

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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.

**A RESOLUTION DECLARING THE INTENT OF THE
INDUSTRIAL DEVELOPMENT BOARD OF THE CITY
OF CHATTANOOGA STATING ITS INTENT TO
REIMBURSE PUBLIC INFRASTRUCTURE COSTS
RELATING TO PROPOSED WILDFLOWER
DEVELOPMENT CONDITIONED UPON THE ISSUANCE
OF SPECIAL ASSESSMENT INDEBTEDNESS**

WHEREAS, The Industrial Development Board of the City of Chattanooga (the "Board") is an industrial development corporation created by the City of Chattanooga under Title 53, Chapter 7 of the Tennessee Code Annotated; and

WHEREAS, the Board is authorized to issue debt secured by special assessments and use the proceeds of such debt to pay the costs of public infrastructure, including costs incurred by developers in connection with the acquisition and construction of such public infrastructure; and

WHEREAS, the Board expects to be requested to issue such debt (the "Special Assessment Debt") to pay for all or a portion of the costs associated with the acquisition and construction of public infrastructure and related costs incurred in connection with a primarily residential development known as the Wildflower Development (the "Development") being undertaken by EAH Acquisitions, L.L.C. or affiliated entities (the "Developer"), which Development is located adjacent to Goodwin Road in the City of Chattanooga; and

WHEREAS, any such Special Assessment Debt would not be a general obligation of the Board of the City of Chattanooga and would be payable solely from special assessments levied with respect to parcels in the Development; and

WHEREAS, it is anticipated by the Board that it has been necessary or will be necessary for the Developer to make expenditures in payment of said project costs prior to the issuance of the Special Assessment Debt; and

WHEREAS, the Board wishes to state its intentions with respect to reimbursements for said expenditures in accordance with the requirements of the regulations applicable thereto promulgated by the United States Department of the Treasury.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATANOOGA:

SECTION 1: It is reasonably expected that the Board will reimburse the Developer for certain expenditures for public infrastructure costs and related costs in connection with the Development as

described hereinabove. The Board further reasonably expects to reimburse all such expenditures with the proceeds of the Special Assessment Debt.

SECTION 2: The maximum principal amount of the Special Assessment Debt expected to be issued to finance the project is Ten Million and No/100 Dollars (\$10,000,000.00).

SECTION 3: This resolution shall be placed in the minutes of the Board and shall be made available for inspection by the general public at the principal office of the Board.

SECTION 4: This resolution shall not constitute, and shall not be construed as, a commitment of the Board to issue the Special Assessment Debt, as such Special Assessment Debt can only be issued upon the imposition of special assessments by the City Council of the City of Chattanooga and upon approval by the Board of all necessary documentation relating to the issuance of such Special Assessment Debt.

SECTION 5. This resolution constitutes a declaration of official intent under Treas. Reg. §1.150-2.

SECTION 6. All other resolutions and orders, or parts thereof in conflict herewith, are, to the extent of such conflict, hereby repealed, and this resolution shall be in immediate effect from and after its adoption.

Adopted and approved this 5th day of January, 2026.

Althea R. Jones, Chairman

Jim Floyd, Secretary

B A S S B E R R Y + S I M S_{PLC}

1700 Riverview Tower
900 S. Gay Street
Knoxville, TN 37902
(865) 521-6200

M E M O R A N D U M

TO: Hanneke van Deursen
FROM: Mark Mamantov
DATE: December 23, 2025
RE: Reimbursement Resolution regarding Wildflower Development

As we have discussed, the City of Chattanooga has been contacted regarding the proposed use of special assessment financing to assist with the cost of public infrastructure for the Wildflower development located off Goodwin Road in the City at the former Cigna location. This potential financing is at a preliminary stage. Before such financing can be undertaken, the City would need to receive a petition to impose special assessments with respect to the development, and City Council would need to agree to impose such special assessments. As you are aware, City Council has asked to be briefed on special assessment financing at a meeting in January. If City Council receives an appropriate petition, which is expected, and chooses to impose such special assessments, the Industrial Development Board could undertake a special assessment financing secured by those assessments. Because the developer for the Wildflower development has already commenced work on the public infrastructure and is prepared to dedicate a portion of that infrastructure to the City, the developer's representative asked the Industrial Development Board to adopt a resolution known as an "intent to reimburse" resolution that meets the requirements of federal tax law and essentially states that if the special assessment financing is issued, the Industrial Development Board expects to reimburse the developer for public infrastructure costs that have been incurred. The adoption of this resolution in no way commits the City to approve the imposition of special assessments or commits the Industrial Development Board to issue special assessment debt. This resolution just preserves options for the City, Industrial Development Board and the developer while the project is evaluated. As bond counsel to the City, we have been asked to draft the proposed resolution, which accompanies this memorandum. Please let us know if you have any questions.

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