

**AMENDED AGENDA  
MONTHLY MEETING OF  
THE HEALTH, EDUCATIONAL AND HOUSING FACILITY BOARD  
OF THE CITY OF CHATTANOOGA, TENNESSEE**

***Monday, April 20, 2026 @ 12:30 PM***

1. Call to Order.
2. Confirmation of Meeting Advertisement and Quorum Present.
3. Approval of the Minutes for February 16, 2026, monthly meeting.
4. Recognition of Persons Wishing to Address the Board.
5. A resolution ratifying the execution by the Chair of a Joinder for the Tennessee Housing Development Agency Rental Housing Declaration of Restrictive Covenants and Notice of Land Use Restrictions concerning the Chattanooga Neighborhood Enterprise (CNE) Lyerly PILOT transaction. **(HEB-2026-03)**
6. A resolution ratifying the execution by the Chair of the Notice of Land Use Restrictions and Inspection and Maintenance Agreement of Private Stormwater Management Facilities concerning the Chattanooga Neighborhood Enterprise (CNE) Bailey PILOT transaction. **(HEB-2026-04)**
7. A resolution authorizing the Chair or Vice-Chair to enter into a Memorandum of Understanding (MOU) with the Tennessee Housing Development Agency, in substantially the form attached, to administer a Downpayment Assistance Program, for an amount up to \$3 million, subject to approval by the City Attorney. **(HEB-2026-05)**
8. **Other Business/Discussion**  
  
FYI – Preliminary Summary of Bonds and Project – The Baylor School Project, Series 2026 - \$62 million.
9. Adjournment.



**HEALTH, EDUCATIONAL, AND HOUSING FACILITY BOARD**

**City of Chattanooga, Tennessee  
MONTHLY MEETING MINUTES**

**John P. Franklin, Sr. Council Building**

**J.B. Collins Conference Room**

**1000 Lindsay Street**

**Chattanooga, TN 37402**

**for**

**Monday, February 16, 2026**

**12:30 PM**

Present Board Members: Hicks Armor (Chair); Hank Wells (Secretary); Andrea Smith; Tom Hirsch; and Jonathan Mason. Absent were Richard Johnson (Vice-Chair); Brian Erwin; Malcolm Harris; and Kanika Wellington-Jones.

Also present were Phillip A. Noblett (Counsel to the Board); Megan Miles (Housing); Betsy McCright (Chattanooga Housing Authority); Alex Samber (Bass, Berry & Sims); Steve Barrett (Husch Blackwell); Jacki Madding; Richard Beeland (Economic Development); Jim Grauley (Columbia Residential); and Janice Gooden (Riverside Area).

Chairman Armor confirmed that the meeting was properly advertised, and there is a quorum present to conduct business.

**MINUTES APPROVAL FOR THE NOVEMBER 17, 2025,  
MONTHLY MEETING**

On motion of Mr. Hank Wells, seconded by Ms. Andrea Smith, the November 17, 2025, minutes for the monthly meeting were unanimously approved as written. The motion carried.

**PUBLIC COMMENTS**

Ms. Janice Gooden has some comments. The first is about the eviction prevention. This first came into play during COVID, but there is still a need. Ms. Gooden appreciates that funding is going to continue and is in support of that.

**RESOLUTIONS**

On motion of Mr. Mason, seconded by Mr. Hirsch,

**TEFRA HEARING – One Westside Phase 3B, LP Bond Issuance**

**A RESOLUTION OF THE HEALTH, EDUCATIONAL, AND HOUSING FACILITY BOARD OF THE CITY OF CHATTANOOGA, TENNESSEE RELATING TO THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS FOR AN AMOUNT NOT EXCEEDING \$12 MILLION TO PROVIDE FINANCING TO ONE WESTSIDE PHASE 3B, LP FOR THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF A MULTIFAMILY HOUSING FACILITY FOR LOW AND MODERATE-INCOME CITIZENS TO BE LOCATED AT 1301 BOYNTON DRIVE, CHATTANOOGA, TENNESSEE. (HEB-2026-01)**

Attorney Phil Noblett said that this is an opportunity for the public to be aware of what is going on with this particular project. A TEFRA hearing is required by the federal government any time that there is an issuance of multifamily and revenue housing bonds. In this case, it is up to \$12 million for the One Westside Phase. There is a minor change with the number. There is going to be 104 instead of 102 units. They will have the opportunity to be able to present what this multifamily housing unit will be like at Westside Phase 3B LP. This is only for low to moderate income citizens.

Mr. Jim Grauley spoke from Columbia Residential. We are the partners with the Chattanooga Housing Authority in the One Westside redevelopment. Also here is our counsel. Mr. Grauley wanted to thank the Board because they have been instrumental in prior phases in allowing this project to get started to get well underway. There is a lot of momentum. As you may recall perhaps there are a lot of phases and they come fairly fast. We are usually here requesting inducement a little more than a year ahead of when we actually plan to start construction but the inducement that we are requesting will allow us to apply to the Tennessee Housing Development Authority for tax-exempt bonds which will also provide low-income housing tax credits to allow the 104 units to get built.

There is contemplated with the Choice Neighborhoods Grant that Chattanooga received from HUD, there is a total of seven phases. We are about to embark on the third. One is under construction on West 12<sup>th</sup> Street. You can see it from Hwy. 27. Secondly, we actually closed the bonds late last year and we are working towards closing in a couple of weeks. It is up on the hill on Boynton Drive. This is the third phase. The first phase that will occur on the footprint of the College Hill Courts. After the folks have moved out, moving into the new housing or moved where they choose to move, we will work with the Housing Authority, demo the northern portion of College Hill Courts and that is where this will be constructed.

It is a little confusing because of the A's and the B's. The reason is that we are using a pretty unique structure that really is pioneered in Tennessee called twinning which actually has an A component and a B component so we can develop larger phases at once. That is why there is an A and B. The B is the portion that uses the tax-exempt bonds.

One thing you will note is that the amount of the bonds is a lot less than it was in the prior phases, which is the result of the federal legislation that passed in 2025 that changed the calculation of the amount of tax-exempt bonds that an Issuer had to do relative to the project size. It has to do with what is called the 50% test and eligible bases in making sure that the bonds pay at least 50% of the total project cost. The federal legislation changed that to be 25% so therefore those bonds go up further, we are asking for less. If this inducement is granted, we plan on applying to the State of Tennessee in March for the allocation.

We have a great relationship with THDA. They have actually made a set aside for Chattanooga to allow for tax credits and these allocations that are scarce and competitive to build this project. We are on track overall. We always get a lot of questions about relocation. This phase will not be built until people move out of the existing College Hill into new housing which would be finishing late this year and into early 2027. We anticipate that we would close this phase of housing in the second quarter of 2027. It is a ways off but this is the starting point. As with all of the phases, this housing provides about 40% of the units are for relocation for folks moving out of the old 1940 public housing into new housing. It also provides for workforce housing at 60% and 80% of AMI, rents restricted and also provides for market rate housing to get an economic mix and vitality. The City has been a great supporter of this in every step of the way. We are partnering with the City and Housing Authority to execute.

With regard to the twinning, Mr. Grauley said that there are two different sets which are called 9% tax credits which actually is a larger allocation of credits per dollar of expense, than there are with the bonds, there are 4% credits. Since 2020 in particular, costs went way up. As much as 75% higher today than they were in 2020. The allocation of credits stayed pretty fixed. It is based on the population. You have bigger and bigger costs and less and less resources to build it. What the twinning allows us to do is on this very ambitious project the City and the Housing Authority under-took, they were building 1,100 new homes in the West Side which allows us to build larger phases.

The twinning on the first one the Board issued \$35 million of bonds for the B part and that was 166 new homes out of 230. The second phase was 144, of which 90 were the bonds and this phase is 168, of which 104 are the bonds. What 20 does is allow you to kind of optimize the public dollars in the project. We are also combining it with private equity and private debt. Both the A and B side have units that are replacement units for College Hill and have units that are part of workforce housing and they have market units. It is a bit about how you optimize by twinning the two. You can optimize it and get more out of the dollar from the public dollar.

Chairman Armor said he thinks they segregate into the pots so that they can maximize the grants of where they need them for the lower to moderate priced rather than the market rate. Mr. Grauley said that if you live there, you have no idea that this is happening. It operates as a single project. From a legal standpoint, there are two separate limited partnerships with two separate sets

of loans and debt. The bonds are only applied on the B side. On the A side, they have conventional loans.

Attorney Noblett confirmed that the notification and TEFRA notice went out on last Monday which is seven (7) days in advance of this hearing. The TEFRA amount is on the not to exceed \$12 million. This is the pre-resolution that the Board will do for the issuance of the bonds.

The motion carried.

**ADOPTED**

On motion of Ms. Smith, seconded by Mr. Hirsch,

**Eviction Prevention Fund**

**A RESOLUTION AUTHORIZING THE CITY OF CHATTANOOGA TO EXECUTE AN INDEPENDENT CONTRACTOR SERVICES STANDARD FORM AGREEMENT WITH THE CHATTANOOGA REGIONAL HOMELESS COALITION, INC. (CRHC), IN SUBSTANTIALLY THE FORM ATTACHED, FOR THE ADMINISTRATION OF AN EVICTION PREVENTION FUND WHICH WAS ALLOCATED TO AND HELD BY THE HEALTH, EDUCATIONAL, AND HOUSING FACILITY BOARD THROUGH THE CITY OF CHATTANOOGA BUDGET AMENDMENT APPROVED IN OCTOBER 2025. (HEB-2026-02)**

This is a resolution authorizing the creation and administration of the fund. It is two-thirds correct.

Ms. Megan Miles said they are very excited about this new program that is in front of the Board today. As it mentions in the resolution, in October 2025, the Chattanooga City Council set aside \$1 million for the purposes of rental assistance which is being held by the HEB. What we have done over the last couple of months is work with our partners in the eviction prevention space to develop the program guidelines for this. This is in the context of federal and state eviction funding or rental assistance funding winding down. What we wanted to do was really learn from that experience and look at best practices for rental assistance.

One of the things that we have learned was that while we do have funding available for rehousing for people who are experiencing homelessness, but we did not have the funds specifically for the prevention of eviction. What we have created is a fund that is following through a shallow but flexible model so that we are intervening directly with households that are at risk of eviction. We are working very closely with some specific partners including Legal Aid of East Tennessee, the Office of Homelessness and Supportive Housing, and the Office of Family

Empowerment who do case management and provide additional stabilization services so that in addition to providing some funding to mitigate the eviction crisis, there are also additional services being offered to households to help them remain stably housed. This contract is with the Chattanooga Regional Homeless Coalition to administer the fund. They already administer our Housing Forward Fund and really do a fantastic job with that. They will be responsible for collecting applications, reviewing the applications, disbursing the funding, working with all of our partners, collecting, and reporting metrics.

The amount of the fund is \$1 million. It is important that you have the wrap-around services to help them because providing them the interim financial assistance is one thing but helping deal with the crisis that caused the money shortage is the important part.

Ms. Miles said that if we are able to approve the contract today, the Homeless Coalition is ready to administer funding. Chairman Armor said that he thinks that it would be good after the first six months, if Ms. Miles could provide the Board with a follow-up to show what activity there is and how it is working.

Attorney Noblett asked if this money is allocated to a fund to the HEB. How much more is remaining in that fund? The funding was \$1 million and all should be there. After further discussion, in the Agreement, Mr. Richard Beeland said it could be the HEB and then we can make sure it is covered for both HEB and the City. We need a different signature page. Mr. Beeland said this was on the agenda for the last meeting that got cancelled. We will change the term as March to February. This will be done subject to the approval of the attorney's office.

The motion carried.

**ADOPTED**

**OTHER BUSINESS-DISCUSSION**

- a) FYI – Site Plan for the NHC @ Standifer Place bond transaction – Attorney Noblett said they are moving things around on the property and may be constructing something there for National Health Care expansion. They are making sure they come back to the Board for any bond issuances.
- b) FYI – Report on Debt Obligation for One Westside Phase 2B Project, Series 2025, Multifamily Housing Revenue Bonds, \$20 million.
- c) FYI – Report on Debt Obligation for Eastwood Manor, Series 2025, Multifamily Housing Revenue Bond, \$2,946,000.
- d) FYI – Report on Debt Obligation for Eastwood Manor Project Multifamily Note, \$15,054,000.

These Reports on Debt Obligation have been reported to the State Comptroller's Office. Mr. Jay Moneyhun is on many of these documents as the preparer and that is the reason they have completed those documents.

Attorney Noblett said that he has attorneys e-mailing him about a number of items and does not know how quickly the time schedule. They have not told us they need it already. We have had some more stuff regarding CommonSpirit, Standifer Place, and Walk-2-Campus may be outstanding, and possibly Atlantic Companies PILOT. We will let the Board know if there is anything for March.



After further discussion, the meeting adjourned at 12:55 PM.

Respectfully submitted,

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**Hank Wells, *Secretary***

APPROVED:

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**Hicks Armor, *Chair***

RESOLUTION

A RESOLUTION RATIFYING THE EXECUTION BY THE CHAIR OF A JOINDER FOR THE TENNESSEE HOUSING DEVELOPMENT AGENCY RENTAL HOUSING DECLARATION OF RESTRICTIVE COVENANTS AND NOTICE OF LAND USE RESTRICTIONS CONCERNING THE CHATTANOOGA NEIGHBORHOOD ENTERPRISE (CNE) LYERLY PILOT TRANSACTION.

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NOW THEREFORE, BE IT RESOLVED BY THE HEALTH, EDUCATIONAL AND HOUSING FACILITY BOARD OF THE CITY OF CHATTANOOGA, That it is hereby ratifying the execution by the Chair of a Joinder for the Tennessee Housing Development Agency Rental Housing Declaration of Restrictive Covenants and Notice of Land Use Restrictions concerning the Chattanooga Neighborhood Enterprise (CNE) Lyerly PILOT transaction.

ADOPTED: April 20, 2026

THE HEALTH, EDUCATIONAL AND HOUSING  
FACILITY BOARD FOR THE CITY OF  
CHATTANOOGA, TENNESSEE

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Hicks Armor, *Chair*

ATTEST:

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Hank Wells, *Secretary*

**HEB-2026-03**

THIS INSTRUMENT PREPARED BY:  
ATTN: Legal Division  
Tennessee Housing Development Agency  
Andrew Jackson Building, 3<sup>rd</sup> Floor  
502 Deaderick Street  
Nashville, Tennessee 37243-0200

**TENNESSEE HOUSING DEVELOPMENT AGENCY  
RENTAL HOUSING DECLARATION OF RESTRICTIVE COVENANTS**

THIS DECLARATION OF RESTRICTIVE COVENANTS (the "Restrictive Covenants") is made and entered as of the date first signed below by and between Federation of Appalachian Housing Enterprises, Inc., a Kentucky nonprofit corporation, whose address is 319 Oak Street., Berea, Kentucky 40403 ("FAHE"); Chattanooga Neighborhood Enterprise, Inc., a Tennessee nonprofit corporation, its successors in interest, successors in title, and permitted assigns, whose address is 1500 Chestnut Street, Suite 102, Chattanooga, TN 37408 ("Subgrantee"); Bruce Balcom, Esq. and his successors and assigns (collectively, "Trustees"); and the Tennessee Housing Development Agency ("THDA"), a political subdivision and instrumentality of the State of Tennessee, whose address is Andrew Jackson Building, 3<sup>rd</sup> Floor, 502 Deaderick Street, Nashville, Tennessee 37243-0200.

**RECITALS**

Subgrantee is receiving FIVE HUNDRED THOUSAND and 00/100 DOLLARS (\$500,000.00) in Coronavirus State and Local Fiscal Recovery Funds ("SLFRF"), which are under the United States Department of Treasury's purview ("Treasury"), in accordance with 31 C.F.R. 35, which implements sections 602 and 603 of the Social Security Act, as added by section 9901 of the American Rescue Plan Act (Subtitle M of Title IX of Pub. L. 117-2) and amended by section 102 of Division LL of the Consolidated Appropriations Act, 2023 (Pub. L. 117-328). Since Treasury will presume that any project that is eligible to be funded under certain federal housing programs is an eligible use of SLFRF funds as a response to the negative economic impacts of the pandemic, including the HOME Investment Partnership Program (the "HOME Program"), the SLFRF funds hereunder are subject to certain requirements of 24 C.F.R. 92, as amended (the "HOME Regulations"), the THDA HOME Program Description and Program Manual (the "THDA Requirements"), as outlined in that certain Subaward between Subgrantee and FAHE dated December 17, 2024 and amended February 19, 2025 (the "Subaward"), collectively, the "SLFRF Requirements"; and

THDA granted said SLFRF funds to FAHE and FAHE sub-awarded them to the Subgrantee under said Subaward; and

Subgrantee has agreed to use the SLFRF funds to develop affordable rental housing located at 1805 S. Lyerly Street, Chattanooga, TN 37404 as more fully described in Exhibit A, which is attached hereto and incorporated herein by this reference (the "Property"), with a certain amount of units set aside as SLFRF Units (as defined herein); and

NOW, THEREFORE, in consideration of the SLFRF funds and of the premises and the agreements contained in these Restrictive Covenants, Subgrantee agrees as follows:

1. Use. The SLFRF Units at the property described on Exhibit A attached hereto (the "Property") shall be leased only to HOME eligible tenants at HOME-permitted rents and for no other purpose throughout the Affordability Period (defined below), in accordance with all of the following: (a) the SLFRF Requirements, (b) these Restrictive Covenants, (c) the SLFRF Rental Housing Promissory Note (the "Note") and (d) the Leasehold Deed of Trust as defined within the Note (the "Deed of Trust"), both of even date herewith, and (e) the Subaward.
2. SLFRF Units. Subgrantee shall use the funds advanced hereunder to develop twenty-four (24) units of rental housing with three (3) of those units set aside for low-income households (the "SLFRF Units") as defined and in accordance with the SLFRF Requirements."

3. **Affordability Period.** Subgrantee shall maintain the Property in accordance with all of the SLFRF Requirements for twenty (20) years from the date of project completion, as defined in the HOME Program Requirements, which is upon completion of construction and before occupancy (the “Affordability Period”).
4. **Deadline to Lease-Up.** The SLFRF Units must be occupied by eligible tenants within 18 months after the date of project completion.
5. **Restrictions on Leasing and Transfers.** The SLFRF Units at the Property must be leased only to HOME Program eligible tenants at HOME Program permitted rents, all as defined in the HOME Regulations for the duration of the Affordability Period. The Property, in whole or in part, shall not be leased (except as specified herein), transferred, sold (including, without limitation, a foreclosure sale), or otherwise conveyed.
6. **SLFRF Restrictions.** For the duration of the Affordability Period, the following designations, preferences, and area median income (“AMI”) designations shall be maintained:
  - a. Subgrantee shall restrict three (3) SLFRF Units throughout the Affordability for eligible low-income households whose income does not exceed 80% of the Area Median Income (“AMI”) Period by determining income in accordance with 24 CFR 92.252(h) and (i).
  - b. The AMI is determined by the U.S. Department of Housing and Urban Development (“HUD”), with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than the applicable AMI on the basis of HUD findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes. An individual does not qualify as a low-income or very low-income family if the individual is a student who is not eligible to receive Section 8 assistance under 24 CFR 5.612.c.
  - c. The SLFRF Units must consist of the following unit sizes:

UNIT SIZE	80% AMI
0 BEDROOMS	0 Units
1 BEDROOM	2 Units
2 BEDROOMS	1 Units
3 BEDROOMS	0 Units
4 BEDROOMS	0 Units
<b>Total SLFRF Units</b>	<b>3 Units</b>

7. **No Liens.** No lien shall encumber the Property without the express written consent of THDA, except for the Deed of Trust, the Restrictive Covenants, and the matters listed on Exhibit B to the Deed of Trust.
8. **Treatment of the Property.** The Property shall be maintained in accordance with the SLFRF Requirements, these Restrictive Covenants, the Deed of Trust and the Subaward for the Affordability Period.

9. Obligation to Repay Note. Termination of the Affordability Period or these Restrictive Covenants shall not terminate Subgrantee's obligation to repay the SLFRF funds to THDA in accordance with the Note.
10. Covenant Running with the Land. These Restrictive Covenants shall (a) run with the land; (b) be binding upon the Property, Subgrantee and its respective successors, successors in interest, successors in title and permitted assigns; and (c) inure to the benefit of Subgrantee and its respective successors, successors in interest, successors in title and permitted assigns for the duration of the Affordability Period. All rights, duties and obligations of Subgrantee hereunder shall be binding on all subsequent purchasers of the Property for the duration of the Affordability Period.
11. Severability. The invalidity of any clause, part or provision of these Restrictive Covenants shall not affect the validity of the remaining portions hereof.
12. Notices. Unless otherwise set forth herein, all notices given pursuant to these Restrictive Covenants shall be deemed given to Subgrantee when mailed and to THDA when received. All notices hereunder shall be sent by certified or registered mail, postage prepaid, return receipt requested, to the parties at the addresses set forth above or to such different address or addresses as either party may notify the other from time to time in writing.
13. Amendment to SLFRF Documents. Subgrantee shall take all actions as deemed necessary by THDA to amend these Restrictive Covenants, the Subaward, the Note, the Deed of Trust, and any other SLFRF documents to comply with the Subaward, the SLFRF Requirements, and any and all applicable rules, regulations, policies, procedures, and rulings or other official statements pertaining to the HOME Program now or as may be amended.
14. Compliance with Applicable Laws. The Property shall be and remain in compliance with the following: (a) the Subaward, the SLFRF Requirements, these Restrictive Covenants, the Deed of Trust and any other requirements applicable to the SLFRF; and (b) all applicable federal, state or local laws, statutes, ordinances, codes, rules or regulations, as the same may be amended from time to time.
15. Governing Law. These Restrictive Covenants shall be governed by the laws of the State of Tennessee and, where applicable, laws of the United States of America.
16. Recovery of Attorney's Fees. In the event THDA incurs legal fees or other expenses in enforcing these Restrictive Covenants, THDA shall be reimbursed for all such fees and expenses within ten (10) days of receipt of written demand therefor. All fees and expenses not so paid shall become a lien upon the Property.
17. Assignment and Assumption. No obligations hereunder may be assigned or assumed without the express written consent of THDA, which consent may be withheld at THDA's sole discretion.
18. Definitions. All terms not otherwise defined herein shall have the meaning ascribed to them in the HOME Regulations and SLFRF Requirements, as applicable.
19. Cross Default. Any failure to keep and perform any of the covenants, conditions, obligations, and agreements under the Note, the Deed of Trust, the SLFRF Requirements, the Subaward, or these Restrictive Covenants, will constitute a default hereunder. Such default may be cured by a third party if the default is curable as outlined under the Deed of Trust.
20. Successors, Assigns, Gender, Number. The covenants contained herein shall bind and the benefits and advantages shall inure to the respective heirs, executors, administrators, successors and permitted assigns of the parties hereto. Whenever used, the singular number shall include the plural and the plural, the singular, and the use of any genders shall be applicable to all genders.

21. Headings. The headings herein are inserted only for convenience of reference and, in no way define, limit or describe the scope or intent of these Restrictive Covenants, or of any particular provision thereof, or the proper construction thereof.

IN WITNESS WHEREOF, the parties have caused these Restrictive Covenants to be signed by their respective duly authorized representatives, as of the date first written above.

FAHE:

FEDERATION OF APPALACHIAN HOUSING ENTERPRISES, INC.

Signed by:  
Pamela Johnson

BY: PAMELA JOHNSON  
ITS: Senior Vice President of Partnerships & Programs

STATE OF TENNESSEE )  
COUNTY OF DAVIDSON )

Before me, Nneka Onyirioha, a Notary Public of the state and county mentioned, personally appeared by audio-video communication Pamela Johnson, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged that s/he is the Senior Vice President of Partnerships & Programs of Fahe, the within named bargainer, and that s/he, as such Senior Vice President of Partnerships & Programs, executed the foregoing instrument for the purpose therein, by signing the name of bargainer by him/herself as its Senior Vice President of Partnerships & Programs.

Witness my hand and seal, at office, this 26 day of February, 2026.

DocuSigned by:  
Nneka Onyirioha  
Notary Public

My Commission Expires: 11/05/2029



[SUBGRANTEE SIGNATURE PAGE FOR FAHE SLFRF PROGRAM (BASED ON HOME)  
RENTAL HOUSING RESTRICTIVE COVENANTS]

SUBGRANTEE:

CHATTANOOGA NEIGHBORHOOD ENTERPRISE, INC.

BY: \_\_\_\_\_  
ITS: CHRIS THOMPSON  
CEO

STATE OF TENNESSEE        )  
COUNTY OF \_\_\_\_\_  )

Before me, \_\_\_\_\_, a Notary Public of the state and county mentioned, personally appeared Chris Thompson, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged that s/he is the CEO of Chattanooga Neighborhood Enterprise, Inc., the within named bargainer, and that s/he, as such CEO, executed the foregoing instrument for the purpose therein, by signing the name of bargainer by him/herself as its CEO.

Witness my hand and seal, at office, this \_\_\_\_\_ day of \_\_\_\_\_, 2026.

\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_

[THDA SIGNATURE PAGE FOR FAHE SLFRF PROGRAM (BASED ON HOME) RENTAL HOUSING RESTRICTIVE COVENANTS]

THDA:

TENNESSEE HOUSING DEVELOPMENT AGENCY

DocuSigned by: Bill Lord

BY: BILL LORD ITS: Director of Community Housing

STATE OF TENNESSEE ) COUNTY OF DAVIDSON )

Before me, Nneka Onyirioha, a Notary Public of the state and county mentioned, personally appeared by audio-video communication Bill Lord, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence, and who, upon oath, acknowledged that he is Director of Community Housing for the Tennessee Housing Development Agency, the within named bargainor, and that he, as such Director of Community Housing, executed the foregoing instrument for the purpose therein, by signing the name of the Tennessee Housing Development Agency by himself as such Director of Community Housing.

Witness my hand and seal, at office, on the 24 day of February, 2026.

DocuSigned by: Nneka Onyirioha Notary Public

My Commission Expires: 11/05/2029



## JOINDER OF THE HEB (LYERLY)

**THE HEALTH, EDUCATIONAL AND HOUSING FACILITY BOARD OF THE CITY OF CHATTANOOGA**, a Tennessee public nonprofit corporation (the "Lessor"), as the landlord under the PILOT Lease (as defined in the Deed of Trust), and as the fee simple owner of the Property, hereby joins in the execution of the Restrictive Covenants made by the Subgrantee for the benefit of FAHE and THDA to which this Joinder of Lessor is attached, at the request of Subgrantee solely for the purposes of (a) subjecting and encumbering all of Lessor's right, title and interest in and to the Property to these Restrictive Covenants; and (b) subordinating to these Restrictive Covenants all right, title and interest of Lessor in and to (i) the Property and (ii) the PILOT Lease. As an accommodation party herein for purposes of the City of Chattanooga payment in lieu of taxes ("PILOT") program, the Lessor, however, assumes none of the liability, financial or otherwise, of Subgrantee or any other person under these Restrictive Covenants by reason of this Joinder. Notwithstanding any provision contained in this Joinder or in these Restrictive Covenants, it is agreed that the execution of this Joinder shall impose no liability whatsoever upon the Lessor, or any officer, director or trustee thereof for any obligation of the Subgrantee under the Restrictive Covenants. Subgrantee and the FAHE and THDA acknowledge that Lessor is a governmental entity and is subject to the protection of the Tennessee Governmental Tort Liability Act, Tennessee Code Annotated § 29-20-101 through 29-20-408 (as amended from time to time), and nothing contained herein shall constitute a waiver or release of Lessor's rights and protections under said Act. Nothing contained herein shall be construed as impairing, reducing, altering or affecting in any manner any of FAHE's or THDA's rights or remedies against Subgrantee or against the Property or the PILOT Lease, all of which are expressly reserved and remain in full force and effect.

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**THE HEALTH, EDUCATIONAL AND HOUSING FACILITY BOARD OF THE CITY OF CHATTANOOGA, TENNESSEE**, a Tennessee public nonprofit corporation

BY: *Hicks Armor*  
HICKS ARMOR  
ITS: Chairman

STATE OF TENNESSEE )  
COUNTY OF HAMILTON )

Before me, Maria Manalla, a Notary Public of the state and county mentioned, personally appeared NAME with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged that he is the Chairman of **THE HEALTH, EDUCATIONAL AND HOUSING FACILITY BOARD OF THE CITY OF CHATTANOOGA, TENNESSEE**, a Tennessee public nonprofit corporation, the within named bargainor, and that he, as such Executive Director of **THE HEALTH, EDUCATIONAL AND HOUSING FACILITY BOARD OF THE CITY OF CHATTANOOGA, TENNESSEE**, executed the foregoing instrument for the purpose therein, by signing the name of **THE HEALTH, EDUCATIONAL AND HOUSING FACILITY BOARD OF THE CITY OF CHATTANOOGA, TENNESSEE**, himself as such Chairman.

Witness my hand and seal, at office, this 30<sup>th</sup> day of March, 2026.

*Maria Manalla*  
Notary Public

My Commission Expires: 4/28/26



**EXHIBIT A**

**PROPERTY DESCRIPTION**

**IN THE CITY OF CHATTANOOGA, HAMILTON COUNTY, TENNESSEE:**

Lot Thirty-four (34), Mill Town 2020, as shown by plat of record in Plat Book 127, Page 74, in the Register's Office of Hamilton County, Tennessee.

Being the same property conveyed to THE HEALTH, EDUCATIONAL AND HOUSING FACILITY BOARD OF THE CITY OF CHATTANOOGA, TENNESSEE by Chattanooga Neighborhood Enterprise, Inc., a Tennessee not-for-profit corporation, by Quitclaim Deed recorded on August 12, 2024 in Book 13675, Page 32, in the Register's Office of Hamilton County, Tennessee.

Book/Page: **GI 14241 / 18**

Instrument: 2026032700059

15 Page RESTRICTIONS  
Recorded by JMS on 3/27/2026 at 9:06 AM

This instrument prepared by:

J. Wayne Cropp  
Baker, Donelson, Bearman,  
Caldwell & Berkowitz, PC  
Suite 1900, Republic Centre  
633 Chestnut Street  
Chattanooga, TN 37450  
(423) 209-4158

Misc Recording Fee \$75.00  
Data Processing Fee \$2.00  
eFile Fee \$2.00

TOTAL FEES \$79.00

State of Tennessee Hamilton County  
Register of Deeds **Marc Gravitt**  
*Electronically Recorded by Simplifile*

**Grantor: The Health, Educational and Housing Facility Board of the City of Chattanooga**  
**Division of Remediation Site Number: 33-837**  
**County Parcel Identification No(s): 156G E 012, Mill Town Lot 34 with Parcel Address at 1805 S. Lyerly Street**

**NOTICE OF LAND USE RESTRICTIONS**

Notice is hereby given that pursuant to Tennessee Code Annotated section 68-212-225, the Commissioner of the Tennessee Department of Environment and Conservation (“TDEC”) has determined that this land use restriction is an appropriate remedial action at the below-described Property for the environmental conditions identified. The Register of Deeds shall record this Notice and index it in the grantor index under the name of the below-referenced Grantor. Tenn. Code Ann. § 68-212-225(d). The effective date of this Notice of Land Use Restrictions shall be the date upon which the Notice has been recorded with the Register of Deed’s Office of Hamilton County.

**Witnesseth:**

WHEREAS, the Grantor, The Health, Educational and Housing Facility Board of the City of Chattanooga, Tennessee is the owner of real property located at 1805 S. Lyerly Street, Chattanooga, Hamilton County (Mill Town Lot 34), State of Tennessee, the same being more particularly described in a Quitclaim Deed at Deed Book GI 13675, Page 32 or Instrument No. 2024081200200 in the Register of Deed’s Office of Hamilton County; however, the Quitclaim Deed incorrectly identified the Plat Map & Parcel number. The correct Plat Map & Parcel No. is 156G-E-012, which is more particularly described in Exhibit A, referred to herein as the “Property,” and

WHEREAS, the Property is shown on a survey drawn by Mario G. Forte (Tennessee LS# 1959), Beginning Point Surveys, Inc., dated November 14, 2022, attached hereto as Exhibit B and incorporated herein by reference; and

WHEREAS, the Property was accepted into the Division of Remediation’s Voluntary Oversight and Assistance Program on May 10, 2024; and

Notice of Land Use Restrictions for:  
Site # 33-837  
1805 S. Lyerly Street, Chattanooga, Tennessee

WHEREAS, environmental site assessment activities have sufficiently characterized environmental conditions at the Property; and

WHEREAS, these land use restrictions support the issuance of a letter of No Additional Action and protect against exposure to the hazardous substances in soil and ground water; and

WHEREAS, the purpose of these land use restrictions is to ensure protection of human health and the environment by instituting certain land use restrictions on the Property; and

WHEREAS, Chattanooga Neighborhood Enterprise, Inc. (“CNE”) has remediated the Property, intrusive activities are complete and engineered controls are in place and functioning as intended, as provided in the document “Close-Out Report,” LaBella Associates, September 25, 2025, and addressed the real or perceived threat of the presence of hazardous substances, solid waste, or other pollutants that do or may remain at the Property; and

WHEREAS, CNE (i) transferred the Property by quitclaim deed to the Grantor in connection with the payment in lieu of taxes (“PILOT”) program and (ii) now leases the Property from the Grantor pursuant to that certain Lease dated as of July 30, 2024 (the “Lease”), the same being more particularly described in a Memorandum of Lease at Deed Book GI 13675, Page 36 or Instrument No. 2024081200201 in the Register of Deed’s Office of Hamilton County; and

WHEREAS, the Grantor, for itself and its successors and/or assigns, including without limitation any agents, representatives, contractors, subcontractors, or employees thereof, has agreed to impose certain land use restrictions on the Property as set forth hereinafter and has agreed to comply with, preserve, and maintain these restrictions in perpetuity as described herein. Any person who owns or leases a property subject to land use restrictions under Tennessee Code Annotated section 68-212-225 shall abide by the restrictions.

NOW, THEREFORE, in consideration of the foregoing, the Grantor hereby declares that the Property should be held, sold, and conveyed subject to the following land use restrictions:

### **I. LOCATION OF CONTAMINATION**

The Property was formerly designated as located at 1805 & 1807 S. Lyerly Street and 2215 E. 19th Street, Chattanooga, Hamilton County, Tennessee 37404, and Parcels 156G E 012, 153G E 013, 153G E 014, and 153G E 015. These parcels have been combined to form Mill Town Lot 34 and is now known as the 1805 S. Lyerly Multi-Family Development site.

A Phase I Environmental Site Assessment for 1805 – 1811 S. Lyerly Street was conducted in December 2022 which identified the Property as being located within the area encompassed by the Southside Chattanooga Lead Superfund National Priority List site due to the potential presence of onsite foundry derived waste utilized as fill material on the Site.

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Subsequently, in 2021, two shallow trenches were excavated along the western and eastern boundaries of the Property. Foundry sand was found to extend to a depth of approximately two feet below ground surface with an average thickness of 1.5 feet. Additionally, two soil gas samples were collected at the Property in October 2021. Sample SG-1001 was collected from the southern portion of the Property, and SG-1002 was collected from the northern portion of the Property. Two compounds (1,3-butadiene (9.51 micrograms per cubic meter (“ug/m<sup>3</sup>”)) and chloroform (8.76 ug/m<sup>3</sup>)) were identified in excess of United States Environmental Protection Agency (“EPA”) Target Soil Gas Concentrations for residential use (using a vapor intrusion carcinogenic risk of 1x10<sup>-6</sup> and a vapor intrusion hazard quotient of 0.01). Consequently, the EPA Vapor Intrusion Screening Level Calculator (“VISL”) was used to model or predict corresponding risk associated with detected concentrations. The results of the VISL model did not indicate resulting risk at or above concentrations which TDEC requires mitigation.

Compound	Detected Concentration (ug/m <sup>3</sup> )	Target Csg (ug/m <sup>3</sup> )	Predicted Risk	Predicted Hazard Quotient	Mitigation Required
1,3-butadiene	9.51	3.12	3.05E-06	0.137	No
chloroform	8.76	4.07	2.15E-06	0.129	No
TDEC Threshold Requiring Mitigation			1E-05	1.0	

During construction, soil impacted by foundry sand was placed as structural fill beneath the Multi-Family Development site of the Property. Utility trenches were backfilled with clean soil or gravel. Foundry sand and soil commingled with foundry sand was either covered by two feet of clean soil or an impervious surface (either building or pavement).

**II. RESTRICTIONS**

The purpose of these land use restrictions is to ensure the protection of human health and the environment by preventing certain uses or activities that could result in exposure to contamination present at the Site through direct contact, ingestion, or inhalation.

These restrictions shall run with the land and bind the Grantor, successors, and assigns, including without limitation any agents, representatives, contractors, subcontractors, or employees thereof. The Grantor agrees that the use of Property will be restricted as follows:

**Land Use Controls**

For purposes of this land use restriction, the following definition applies:

“Residential land use” means land on which a person resides. Types of dwellings associated with residential land use can include but are not limited to: single family homes; duplexes; multifamily homes such as apartments or condominiums; manufactured homes; mobile homes; group homes;

Notice of Land Use Restrictions for:  
Site # 33-837  
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jails or prisons; retirement homes; boarding houses; or dormitories. Schools, day-use senior or child-care centers, and churches are also considered residential land use even though people do not typically live there.

Uses of the Property are restricted as follows:

Residential Land Use Permitted Contingent Upon the Following Restrictions:

Based on the information provided to TDEC, the Property currently meets commercial and industrial standards for non-residential uses and for certain residential uses with activity restrictions. Therefore, contaminants of concern remaining at the Property do not pose a significant current or future risk to human health or the environment so long as the restrictions below remain in place. The Property shall not be used for residential purposes as the term is defined above except multifamily homes such as apartments or condominiums; group homes; or dormitories.

#### **Activity Controls**

Activities on the Property are prohibited as follows:

Contamination remains under the existing structures (buildings, parking structures, lots, or other) on the Property. The Grantor, its successors, or assigns shall not demolish any part of the existing structures in a way that involves disturbing contaminated soil without notifying TDEC in advance and demonstrating to the satisfaction of TDEC that (1) any such proposed demolition, removal, or burial of wastes or soil will not pose a danger to public health, safety, or the environment, and (2) that any such removed soil or wastes will be managed in accordance with applicable regulations to protect public health, safety, and the environment. Any approval granted by TDEC for such demolition, removal, or burial shall be in writing, must contain a reference to this instrument, and be retained by the Property owner and TDEC.

The Grantor, its successors, or assigns shall not remove any soil, groundwater, or buried waste material underlying the Property without notifying TDEC in advance and demonstrating to the satisfaction of TDEC that (1) any such proposed removal will not pose a danger to public health, safety, or the environment, and (2) that any such removed soil, groundwater, or wastes will be managed in accordance with applicable local, state, or federal regulations. Any approval granted by TDEC for such removals shall be in writing and must contain a reference to this instrument.

The Grantor, its successors, or assigns shall not conduct any invasive activity on the Property, including soil borings or groundwater wells, without notifying TDEC in advance and demonstrating to the satisfaction of TDEC, through sampling and analysis approved by TDEC, that any invasive activity will not pose a danger to public health, safety, or the environment. Any approval granted by TDEC for the restricted uses shall be in writing and must contain a reference to this instrument.

Notice of Land Use Restrictions for:  
 Site # 33-837  
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The groundwater beneath the Property will not be used, accessed, or otherwise disturbed unless required by a Government agency of competent jurisdiction or otherwise approved by TDEC. This Land Use Restriction prohibits the installation of groundwater wells for any purpose other than environmental monitoring. This Land Use Restriction prohibits, without limitation, the installation of groundwater wells for intended use as a potable water source.

Gardening of produce for human consumption in on-site soil is prohibited. This restriction does not prohibit gardening in raised beds with clean soil imported from off-site as long as the root systems for any such produce have no contact with on-site soil.

### **Operation and Maintenance Controls**

A remedial activity has been implemented at the Property. As a result, actions which may result in an undesirable human or natural resource exposure or in the release of a contaminant that was contained or mitigated as part of the remedial action related to this Notice of Land Use Restrictions are prohibited as follows:

The Grantor, its successors, or assigns shall not conduct any invasive, construction, or development activities on the Property unless it is in accordance with an approved Site/Soil Management Plan, including any reporting requirement contained therein. The Grantor shall notify TDEC prior to initiating construction and development activities. This restriction does not include standard maintenance activities that do not fully penetrate the 24-inch clean soil cover, hardscape such as parking lot, other impervious surfaces, lawn, or drain maintenance, or temporary alterations to maintain or repair any engineered barriers installed on the Property or utility work beneath such engineered barriers (provided that the engineered barriers are promptly replaced or restored). Engineered barriers must be maintained as long as contamination remains at the covered location(s).

### **Invasive Activity Notice**

- Soil or other media at the Property shall not be excavated or otherwise disturbed in any manner:
  - 1) without the prior written approval of TDEC. Based on the potential hazards associated with the soil disturbance activities, TDEC may deny the request to disturb the soils or may require specific protective or remedial actions before allowing such soil disturbance activities to occur; or,
  - 2) except in accordance with the TDEC-approved Site Redevelopment and Soil Management Plan, dated May 14, 2024, or any TDEC-approved amendment thereto on file with the Department.

Any and all excavated soil or other media shall be managed, transported, and disposed of in compliance with all applicable federal, state, and local laws, regulations, and ordinances

Notice of Land Use Restrictions for:  
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including without limitation those pertaining to environmental protection and occupational safety. Any approval granted by TDEC shall be in writing and must contain a reference to this instrument.

The Grantor, its successors, or assigns seeking such approval shall not conduct these activities without accepting responsibility for costs incurred by TDEC in the review and oversight of work or associated with the review of any work plan or other associated documents.

- The Grantor, its successors, or assigns shall not conduct any demolition or modification beneath the gravel below the concrete slab floor without notifying TDEC in advance and receiving written approval. To receive written approval, the Grantor, its successors, or assigns must demonstrate to the satisfaction of TDEC through sampling and analysis or other methods approved by TDEC that the exposed media will not pose a danger to public health, safety, or the environment. The requirements of this paragraph do not apply if it can be demonstrated to the satisfaction of TDEC that removal of structures present at the site does not damage or otherwise materially compromise the integrity of the foundations and footers underlying the existing structures that are providing an effective cover or cap. Any approval granted by TDEC shall be in writing and must contain a reference to this instrument.

### **Engineered Control(s)**

All soils contaminated above residential screening levels remaining on the Property are contained within an engineered cap or cover. This area shall remain covered by a minimum of 24 inches of clean soil or by an impervious surface (concrete, asphalt, or pavement). The area may be landscaped with trees or shrubs that are under the management of the homeowners association (“HOA”). If any trees are removed, destroyed, or uprooted so that the root ball is exposed, TDEC shall be notified in accordance with an approved Soil Management Plan, including any reporting requirement contained therein and the Grantor, its successors, or assigns must demonstrate to the satisfaction of TDEC through sampling and analysis or other methods approved by TDEC that the exposed media will not pose a danger to public health, safety, or the environment. Any approval granted by TDEC for the restricted uses shall be in writing and must contain a reference to this instrument.

### **Emergency Contingencies**

The Grantor, its successors, and/or assigns may undertake invasive activities or some other disturbance of media that is or may be contaminated to complete emergency repairs to utility lines or other infrastructure on the Property or to respond to other types of emergencies (e.g., utility line break, fires, floods). Under such circumstances, Grantor, its successors, and/or assigns shall:

- i. notify TDEC within two business days of obtaining knowledge of such emergency conditions to provide TDEC with the opportunity to oversee this work;

Notice of Land Use Restrictions for:  
Site # 33-837  
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- ii. assure that the persons carrying out the excavation limit the disturbance of the soil or other media to the minimum reasonably necessary to adequately respond to the emergency;
- iii. assure that the persons carrying out the excavation prepare and implement such measures necessary to prevent actual, potential, present, or future risk to human health or the environment with TDEC's concurrence, including to undertake precautions to minimize exposure to workers responding to the emergency (e.g., provide appropriate types of protective clothing for workers conducting the excavation or other invasive activities and establish procedures for minimizing the dispersal of dust); and
- iv. assure that any excavated contaminated soil is managed or disposed of in compliance with all applicable federal, state, and local laws, rules, regulations, and ordinances including, without limitation, those pertaining to environmental protection and occupational safety.

### **III. GENERAL PROVISIONS**

#### **1. Access by the Department**

The Property meets the definition of a hazardous substance site or brownfield project as they are defined in Tennessee Code Annotated section 68-212-202(a). In addition to any rights already possessed by the Department for access, this Notice of Land Use Restriction grants TDEC a right of reasonable access of the Property in connection with implementation or enforcement of this Notice of Land Use Restriction.

#### **2. Compliance Enforcement**

Any owner of the Property or any unit of local government having jurisdiction over any part of the Property may enforce this Notice of Land Use Restrictions by means of a civil action. The Commissioner of TDEC may enforce this Notice of Land Use Restrictions through the issuance of an Administrative Order or by means of a civil action, including one to obtain an injunction against present or threatened violations of the restriction. Any person who fails, neglects, or refuses to comply with a land use restriction commits a Class B misdemeanor and is subject to the assessment of a civil penalty of up to ten thousand dollars (\$10,000) per day. Tenn. Code Ann. § 68-212-213. Nothing in this Notice of Land Use Restrictions shall restrict the Commissioner of TDEC from exercising any authority under applicable law.

Notice of Land Use Restrictions for:  
Site # 33-837  
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3. Notice of Limitations in Future Conveyances

Each instrument hereafter conveying any interest in the Property subject to this Notice of Land Use Restriction shall contain a notice of the activity and use limitations set forth herein and shall provide the recorded location of this Notice of Land Use Restriction in the records of the Register of Deed’s Office specified above.

4. Notice to Lessees

The Grantor, its successors, or assigns agrees to incorporate either in full or by reference the restrictions of this Notice of Land Use Restrictions in any leases, licenses, or other instruments granting a right to use the Property.

This notice shall not be required for individual conveyances if there is a management company or HOA that is responsible for complying with this Notice of Land Use Restriction.

5. Written Notice of the Presence of Contamination

The Grantor, its successors, or assigns agrees to include in any instrument conveying any interest in the Property or any portion thereof, including but not limited to deeds, leases, and subleases (excluding mortgages, liens, similar financing interests, and other non-possessory encumbrances), the following notice provision (with blanks to be filled in):

NOTICE: THE INTEREST CONVEYED HEREBY IS SUBJECT TO A NOTICE OF LAND USE RESTRICTIONS RECORDED IN THE REGISTERS OFFICE OF HAMILTON COUNTY ON \_\_\_\_\_, 20\_\_, INSTRUMENT NUMBER \_\_\_\_\_.

This notice shall not be required for individual conveyances if there is a management company or HOA that is responsible for complying with this Notice of Land Use Restrictions.

6. Subdivision

The Grantor, its successors, or assigns shall ensure that the restrictions established by this Notice of Land Use Restrictions remain on any subdivided property.

The notice provision in Section III.5. above shall be noted on the master deed of any planned development for the Property and noted, or referenced thereafter, on each individual deed of property subdivided from the Property and subject to the Notice.

Notice of Land Use Restrictions for:  
Site # 33-837  
1805 S. Lyerly Street, Chattanooga, Tennessee

#### 7. Written Notice of Conveyance of Property

The Grantor, its successor, or assigns agrees to provide notice to TDEC of any conveyance (voluntary or involuntary) of any ownership interest or any conveyance of any leasehold interest in the Property (excluding mortgages, liens, similar financing interests, and other non-possessory encumbrances). The Grantor, its successor, or assigns must provide TDEC with the notice within 30 days of the conveyance and include the name and business address of the transferee. The term "Transferee", as used in this Notice of Land Use Restrictions, shall mean any future owner of any possessory interest in the Property or any portion thereof, including, but not limited to, owners of an interest in fee simple, easement holders, or lessees. This notice shall not be required for individual conveyances if there is a management company or HOA that is responsible for complying with this Notice of Land Use Restrictions.

By taking title to an interest in or occupancy of the Property, any subsequent owner, lessee, or other party is required to comply with all the restrictions set forth in this Notice of Land Use Restrictions, Tenn. Code Ann. § 68-212-225(f), unless otherwise exempted by applicable law.

#### 8. Term

This Notice of Land Use Restrictions shall run with and bind the Property and shall be binding upon all parties having right, title, or interest in the Property or any part thereof, their heirs, successors, assigns, grantees, and lessees unless this Notice of Land Use Restrictions is made less stringent or canceled as set forth under the paragraph entitled "Amendment and Termination."

#### 9. Compliance Reporting

After written request by TDEC following TDEC's approval of this Notice of Land Use Restriction, the then-current owner of the Property shall submit, to TDEC, written documentation stating whether or not the activity and use limitations in this Notice of Land Use Restriction are being abided by. In addition, within one month after any of the following events, the then-current owner of the Property shall submit to TDEC and the original Grantor written documentation: (1) noncompliance with the activity and use limitations in this Notice of Land Use Restriction; (2) transfer of the Property; (3) changes in use of the Property; or (4) filing of applications for building permits for the Property and any proposals for any site work, if the building or proposed site work will affect the contamination on the Property subject to this Notice of Land Use Restriction.

#### 10. Amendment and Termination

After public notice and an opportunity for public input as provided in Tennessee Code Annotated section 68-212-225(e), this Notice of Land Use Restrictions may be made less

Notice of Land Use Restrictions for:  
Site # 33-837  
1805 S. Lyerly Street, Chattanooga, Tennessee

stringent or canceled by the Commissioner of TDEC where the risk has been eliminated or reduced so that less restrictive land use controls are protective of human health and the environment.

The Grantor, its successors, or assigns may request that TDEC approve a modification or termination of the Notice of Land Use Restrictions. The request shall contain information demonstrating the proposed modification or termination shall, if implemented, protect human health and the environment. TDEC shall review any submitted information and may request additional information. Information to support a request for modification or termination may include one or more of the following:

- a) a proposal to perform additional remedial work;
- b) new information regarding the risks posed by the residual contamination;
- c) information demonstrating that contamination identified in the Notice of Land Use Restrictions has diminished;
- d) information demonstrating that an engineered feature or structure is no longer necessary;
- e) information demonstrating that the proposed modification would not adversely impact the remedy and is protective of human health and the environment; or
- f) other appropriate supporting information.

The Grantor, its successors, or assigns seeking approval of other land uses or to cancel or make a Land Use Restriction less stringent shall be responsible for any costs incurred by TDEC in the review and oversight of work associated with the restriction modification.

## 11. Severability

Invalidation of any of these covenants or restrictions by judgement or court order shall in no way affect any other provisions, which shall remain in full force and effect.

The administrative record for the Property referenced in this Notice of Land Use Restrictions is maintained by the Tennessee Department of Environment and Conservation, Division of Remediation. For further information concerning the Property refer to site number 33-837.

*[TDEC approval and Grantor signature pages follow]*

Notice of Land Use Restrictions for:  
Site # 33-837  
1805 S. Lyerly Street, Chattanooga, Tennessee

Real property described in a Deed of record with the Hamilton County, Tennessee, Register of Deeds as GI 13675, Page 32, and identified as Plat Map & Parcel No. 156G-E-012.

This Notice of Land Use Restrictions has been reviewed and approved by the Tennessee Department of Environment and Conservation, Division of Remediation.

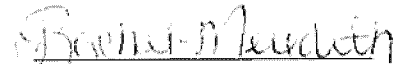


Name: James S. Sanders  
Title: Director

STATE OF TENNESSEE)  
COUNTY OF DAVIDSON)

Personally appeared before me, the undersigned, Notary Public having authority within the aforesaid State, James S. Sanders, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained, and who further acknowledged that he is the Director of the Division of Remediation and is authorized to execute this instrument on behalf of the Department.

WITNESS my hand, at office, this 24th day of March, 2026.



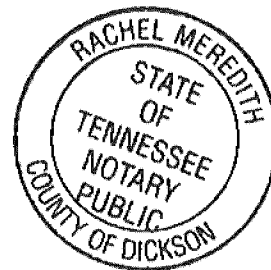
Notary Public

My Commission Expires: April 23, 2029  
Name: Rachel Meredith

Approved as to form and legality:



Payton Bradford  
Office of General Counsel  
Department of Environment and Conservation



Notice of Land Use Restrictions for:  
Site # 33-837  
1805 S. Lyerly Street, Chattanooga, Tennessee

IN WITNESS WHEREOF, the undersigned has executed this instrument this 17th day  
of March 2026.

**Grantor**

The Health, Educational and Housing  
Facility Board of the City of Chattanooga

By: Hicks Armor

Name: Hicks Armor

Title: Chair

STATE OF TENNESSEE )  
COUNTY OF HAMILTON )

Personally appeared before me, the undersigned Notary Public having authority within the aforesaid State, Hicks Armor, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged such person to be the Chairman of The Health, Educational and Housing Facility Board of the City of Chattanooga, Tennessee, the within named Grantor, and that such person executed this instrument for the purposes herein contained.

WITNESS, this 17th day of March, 2026.

Maria Manalla  
Notary Public

4/28/2026  
Commission Expiration

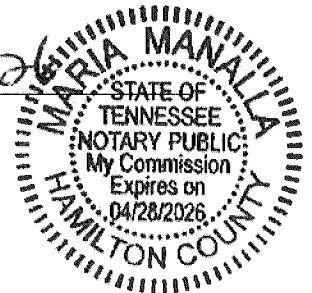


EXHIBIT A  
LEGAL DESCRIPTION

IN THE CITY OF CHATTANOOGA, HAMILTON COUNTY, TENNESSEE:

Lot Thirty-four (34), MILL TOWN 2020 as recorded in Plat Book 6, Page 38 REV Plat Book 127, Page 74 in the Register's Office for Hamilton County, Tennessee.

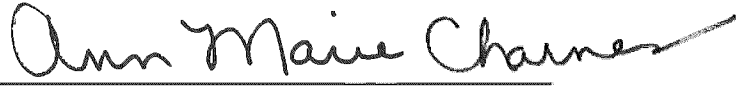
Notice of Land Use Restrictions for:  
Site # 33-837  
1805 S. Lyerly Street, Chattanooga, Tennessee

Being the same property conveyed to The Health, Educational and Housing Facility Board of the City of Chattanooga, Tennessee by Quitclaim Deed from Chattanooga Neighborhood Enterprise, Inc., a Tennessee public benefit corporation executed on July 30, 2024 and recorded on August 12, 2024 in Book 13675, Page 32, in the Register's Office of Hamilton County, Tennessee.



**CERTIFICATION OF AUTHENTICITY  
OF ELECTRONIC DOCUMENT**

I, Ann Marie Charnes, do hereby make oath that I am a licensed attorney and/or the custodian of the original version of the electronic document tendered for registration herewith and that this electronic document is a true and exact copy of the original document dated, executed, and authenticated according to law dated on March 24, 2026.

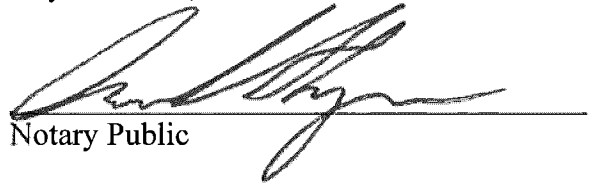


Ann Marie Charnes  
Baker, Donelson, Bearman, Caldwell & Berkowitz, PC

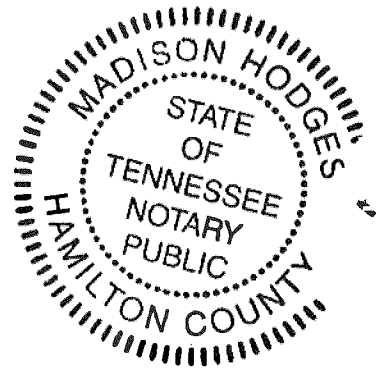
Date: March 27, 2026

STATE OF TENNESSEE  
COUNTY OF HAMILTON

Sworn to and subscribed before me this 27<sup>TH</sup> day of March, 2026.

  
Notary Public

My Commission Expires: NOV. 5, 2029



RESOLUTION

A RESOLUTION RATIFYING THE EXECUTION BY THE CHAIR OF THE NOTICE OF LAND USE RESTRICTIONS AND INSPECTION AND MAINTENANCE AGREEMENT OF PRIVATE STORMWATER MANAGEMENT FACILITIES CONCERNING THE CHATTANOOGA NEIGHBORHOOD ENTERPRISE (CNE) BAILEY PILOT TRANSACTION.

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NOW THEREFORE, BE IT RESOLVED BY THE HEALTH, EDUCATIONAL AND HOUSING FACILITY BOARD OF THE CITY OF CHATTANOOGA, That it is hereby ratifying the execution by the Chair of the Notice of Land Use Restrictions and Inspection and Maintenance Agreement of Private Stormwater Management Facilities concerning the Chattanooga Neighborhood Enterprise (CNE) Bailey PILOT transaction.

ADOPTED: April 20, 2026

THE HEALTH, EDUCATIONAL AND HOUSING  
FACILITY BOARD FOR THE CITY OF  
CHATTANOOGA, TENNESSEE

---

Hicks Armor, *Chair*

ATTEST:

---

Hank Wells, *Secretary*

**HEB-2026-04**

This instrument prepared by:

J. Wayne Cropp  
**Baker, Donelson, Bearman,  
Caldwell & Berkowitz, PC**  
Suite 1900, Republic Centre  
633 Chestnut Street  
Chattanooga, TN., 37450  
**(423) 209-4158**

Book/Page: **GI 14241 / 1**

Instrument: 2026032700058

17 Page RESTRICTIONS

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TOTAL FEES \$89.00

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Register of Deeds  
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**Marc Gravitt**

**Grantor: The Health, Educational and Housing Facility Board of the City of  
Chattanooga  
Division of Remediation Site Number: 33-836  
County Parcel Identification No(s): 146K-R-029**

### NOTICE OF LAND USE RESTRICTIONS

Notice is hereby given that pursuant to Tennessee Code Annotated §68-212-225, the Commissioner of the Tennessee Department of Environment and Conservation (“TDEC”) has determined that this land use restriction is an appropriate remedial action at the below-described Property for the environmental conditions identified. The Register of Deeds shall record this Notice and index it in the grantor index under the name of the below-referenced Grantor, Tenn. Code Ann. § 68-212-225(d). The effective date of this Notice of Land Use Restrictions shall be the date upon which the Notice has been recorded with the Register of Deed’s Office of Hamilton County.

#### Witnesseth:

WHEREAS, the Grantor, The Health, Educational and Housing Facility Board of the City of Chattanooga, Tennessee is the owner of real property located at 2003 Bailey Avenue, Chattanooga, Hamilton County, TN, 37404, State of Tennessee, and as referred to as the Bailey Park Multi-Family Development site, the same being more particularly described in a Quitclaim Deed at Deed Book GI 13578, Page 47 or Instrument No. 2024043000212 in the Register of Deed’s Office of Hamilton County, identified as Plat Map & Parcel No. 146K-R-029, which is more particularly described in Exhibit A, referred to herein as the “Property,” and,

WHEREAS, the Property is shown on a survey drawn by Mario G. Forte (Tennessee LS# 1959), Beginning Point Surveys, Inc., dated August 22, 2022, attached hereto as Exhibit B and incorporated herein by reference; and

Notice of Land Use Restrictions for:  
Site # 33-836  
2003 Bailey Avenue, Chattanooga, TN.

WHEREAS, the Property was accepted into the Division of Remediation’s Voluntary Oversight and Assistance Program on March 12, 2024; and

WHEREAS, these land use restrictions support the issuance of a letter of No Additional Action and protect against exposure to the hazardous substances in soil and ground water; and

WHEREAS, Chattanooga Neighborhood Enterprise, Inc. (i) transferred the Property (by quitclaim deed) to the Grantor in connection with The Health, Educational and Housing Facility Board of the City of Chattanooga, Tennessee and Hamilton County payment in lieu of ad valorem tax program (property taxes) and (ii) now leases the Property from the Grantor pursuant to that certain Lease dated as of April 29, 2024 (the “Lease”); and

WHEREAS, the purpose of these land use restrictions is to ensure protection of human health and the environment by instituting certain land use restrictions on the property; and

WHEREAS, the Grantor, for itself and its successors and/or assigns, including without limitation any agents, representatives, contractors, subcontractors, or employees thereof, has agreed to impose certain land use restrictions on the Property as set forth hereinafter and has agreed to comply with, preserve, and maintain these restrictions in perpetuity as described herein. Any person who owns or leases a property subject to land use restrictions under Tennessee Code Annotated § 68-212-225 shall abide by the restrictions.

NOW, THEREFORE, in consideration of the foregoing, the Grantor hereby declares that the Property should be held, sold, and conveyed subject to the following land use restrictions:

**I. LOCATION OF CONTAMINATION**

The Property is located at 2003 Bailey Avenue, Chattanooga, Hamilton County, Tennessee, 37404 and is also known as the Bailey Park Multi-Family Development site and is located within the general area of the Southside Chattanooga Lead Superfund NPL site (NPL site).

The investigation of the site identified contaminated conditions on the property which may present an unreasonable risk to public health and the environment if certain activities occur on the property.

On April 21, 2021, the US Environmental Protection Agency (USEPA) obtained four soil samples from depths between zero and four-inches below ground surface (bgs) from the Subject Property. The soil samples were collected from four different areas known as Area A through Area D and were tested using incremental sampling with X-ray fluorescence (XRF), in accordance with the

Notice of Land Use Restrictions for:  
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USEPA's sampling plan. Based on the results of the sampling activities, Area A had a lead level of 630.1 parts per million (ppm), Area B had a lead level of 369.6 ppm, Area C had a lead level of 431.2 ppm, and Area D had a lead level of 342.6 ppm. Based on comparison to the USEPA action level for lead in soils at that time of 360 ppm for residential properties, it was determined that Areas A, B, and C of the Subject Property (eastern three-quarters of the Subject Property) would need remediation activities. It is noted that, although the USEPA records have the Subject Property as addressing 2003 Bailey Avenue only, the site plan from the USEPA shows that the sampling included the entire Subject Property. Further, Ms. Jasmin Jefferies, USEPA Remedial Project Manager for the NPL site, confirmed that the sampling activities included all four historical parcels associated with the Subject Property (2003, 2005, 2007, and 2009 Bailey Avenue).

According to the USEPA signed Pre-Remedial Agreement of May 11, 2021, the USEPA would remove up to two-feet of contaminated soil from Areas A, B, and C. However, it is noted that a separate letter from the USEPA to the Subject Property owner, dated July 8, 2021 discusses the findings of the soil sampling activities, the USEPA "has agreed to remove or otherwise address soil where sampling indicates the presence of lead greater than or equal to 360 ppm in the upper four inches of soil on a property." If contamination remained beneath the excavated area (between four-inches and two-feet bgs), a marker material would be installed to alert anyone digging on the property in the future. The USEPA reported that all debris and excavated soil would be loaded into dump trucks or roll off boxes and disposed of offsite. After the excavation was complete, clean backfill would be brought in and placed in the excavated area.

Following the remediation activities, the USEPA issued a letter, dated June 29, 2021, that states the following: "No further cleanup or Superfund response action is planned at your property."

CNE's redevelopment included the construction of three multi-family residential structures and a total of 32 units. Redevelopment activities, including the onsite relocation and consolidation of foundry sand and soil commingled with foundry sand, occurred between May 2024 and December 2025. Final site conditions consist of hardscape or in landscape areas, two feet of clean soil or six inches of stone underlain by geofabric (approved by TDEC via email April 11, 2025). Utilities were backfilled with imported clean fill or stone. Between October 30, 2024, and November 10, 2025, approximately 1,596.65 tons of soil commingled with foundry sand was transported to Rhea County Landfill under Special Waste Approval.

On December 17, 2025, LaBella Associates, P.C. issued a Close-Out Report for the Bailey Park Multi-Family Development (DoR Site 33-836) documenting implementation of the Site Development and Soil Management Plan (SMP). The Close-Out Report was approved by DoR (Troy Keith) on December 19, 2025.

Notice of Land Use Restrictions for:  
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## II. RESTRICTIONS

The purpose of these land use restrictions is to ensure the protection of human health and the environment by preventing certain uses or activities that could result in exposure to contamination present at the Site through direct contact, ingestion, or inhalation.

The Grantor, its successors, or assigns shall operate and maintain these land use restrictions to protect the functional integrity of the remedy in accordance with the SMP. Unless otherwise specified, the following restrictions apply to the entire Property.

These restrictions shall run with the land and bind the Grantor, successors, and assigns, including without limitation any agents, representatives, contractors, subcontractors, or employees thereof. The Grantor agrees that the use of Property will be restricted as follows:

### **Land Use Controls**

For purposes of this land use restriction, the following definition applies:

“Residential land use” means land on which a person resides. Types of dwellings associated with residential land use can include but are not limited to: single family homes; duplexes; multifamily homes such as apartments or condominiums; manufactured homes; mobile homes; group homes; jails or prisons; retirement homes; boarding houses; or dormitories. Schools, day-use senior or child-care centers, and churches are also considered residential land use even though people do not typically live there.

Uses of the Property are restricted as follows:

Residential Land Use Permitted Contingent Upon the Following Restrictions:

Based on the information provided to TDEC, the Property currently meets commercial and industrial standards for non-residential uses and for certain residential uses with activity restrictions. Therefore, contaminants of concern remaining at the Property do not pose a significant current or future risk to human health or the environment so long as the restrictions below remain in place. The Property shall not be used for residential purposes as the term is defined above except for multifamily homes such as apartments or condominiums; group homes; or dormitories.

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### **Activity Controls**

Activities on the Property are prohibited as follows:

The Grantor, its successors, or assigns shall not conduct any invasive activity on the Property, including soil borings or groundwater wells, without notifying TDEC in advance and demonstrating to the satisfaction of TDEC, through sampling and analysis approved by TDEC, that any invasive activity will not pose a danger to public health, safety, or the environment. Any approval granted by TDEC for the restricted uses shall be in writing and must contain a reference to this instrument.

The groundwater beneath the Property will not be used, accessed, or otherwise disturbed unless required by a Government agency of competent jurisdiction or otherwise approved by TDEC. This Land Use Restriction prohibits the installation of groundwater wells for any purpose other than environmental monitoring. This Land Use Restriction prohibits: (1) the installation of groundwater wells for any purpose other than environmental monitoring; and, (2) instillation of groundwater wells intended use as a potable water source.

Gardening of produce for human consumption in on-site soil is prohibited. This restriction does not prohibit gardening in raised beds with clean soil imported from off-site as long as the root systems for any such produce have no contact with on-site soil.

### **Operation and Maintenance Controls**

A remedial activity has been implemented at the Property. As a result, actions which may result in an undesirable human or natural resource exposure or in the release of a contaminant that was contained or mitigated as part of the remedial action related to this Notice of Land Use Restrictions are prohibited as follows:

The Grantor, its successors, or assigns shall not conduct any invasive, construction, or development activities on the Property unless it is in accordance with an approved Site/Soil Management Plan, including any reporting requirement contained therein. The Grantor shall notify TDEC prior to initiating construction and development activities. This restriction does not include standard maintenance activities that do not fully penetrate the 24-inch clean cover such as parking lot, lawn, or drain maintenance, or temporary alterations to maintain or repair any engineered barriers installed on the Property or utility work beneath such engineered barriers (provided that the engineered barriers are promptly replaced or restored). Engineered barriers must be maintained as long as contamination remains at the covered location(s).

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### **Invasive Activity Notice**

Soil or other media at the Property shall not be excavated or otherwise disturbed in any manner:

- 1) without the prior written approval of TDEC. Based on the potential hazards associated with the soil disturbance activities, TDEC may deny the request to disturb the soils or may require specific protective or remedial actions before allowing such soil disturbance activities to occur; or,
- 2) except in accordance with the TDEC-approved Site Redevelopment and Soil Management Plan, Revision 1, April 9, 2024.

Any and all excavated soil or other media shall be managed, transported, and disposed of in compliance with all applicable federal, state, and local laws, regulations, and ordinances including without limitation those pertaining to environmental protection and occupational safety. Any approval granted by TDEC shall be in writing and must contain a reference to this instrument.

The Grantor, its successors, or assigns seeking such approval shall not conduct these activities without accepting responsibility for costs incurred by TDEC in the review and oversight of work or associated with the review of any work plan or other associated documents.

The Grantor, its successors, or assigns shall not conduct any demolition or modification of the concrete slab floor without notifying TDEC in advance and receiving written approval. To receive written approval, the Grantor, its successors, or assigns must demonstrate to the satisfaction of TDEC through sampling and analysis or other methods approved by TDEC that the exposed media will not pose a danger to public health, safety, or the environment. The requirements of this paragraph do not apply if it can be demonstrated to the satisfaction of TDEC that removal of structures present at the site does not damage or otherwise materially compromise the integrity of the foundations and footers underlying the existing structures that are providing an effective cover or cap. Any approval granted by TDEC shall be in writing and must contain a reference to this instrument.

### **Vapor Mitigation System**

The Grantor, its successors, or assigns shall not begin construction of any new building(s) or expand the footprint of any existing buildings at the Property after December 19, 2025, without evaluating whether environmental conditions pose a threat of vapor intrusion into the new building(s) or expansion, sharing its findings with TDEC, and receiving TDEC's written approval.

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If a vapor mitigation system is determined by TDEC to be warranted based upon the data evaluation in order to safely allow occupancy of such impacted buildings or expansions, construction or expansion of any impacted building(s) is prohibited until such structures are equipped with an appropriate passive or active mitigation system as proposed by the Property owner and approved by TDEC. Such system, either passive or active, shall have associated with it an appropriate period of verification sampling and Operation and Maintenance performance and reporting, with specific requirements determined by TDEC. No one shall disturb, modify, damage, or remove any vapor mitigation features at any structure at the Property unless approved in advance by TDEC and pursuant to a TDEC-approved work plan. Any approval granted by TDEC shall be in writing and must contain a reference to this instrument.

### **Engineered Control(s)**

All soils contaminated above residential screening levels remaining on the Property are contained within an engineered cap or cover. This area shall remain covered by a minimum of 24 inches of clean soil or by an impervious surface (concrete, asphalt, or pavement). The growing of trees and other invasive activities on this area(s) is prohibited. Any approval granted by TDEC for the restricted uses shall be in writing and must contain a reference to this instrument.

### **Emergency Contingencies**

The Grantor, its successors, and/or assigns may undertake invasive activities or some other disturbance of media that is or may be contaminated to complete emergency repairs to utility lines or other infrastructure on the Property or to respond to other types of emergencies (e.g., utility line break, fires, floods). Under such circumstances, Grantor, its successors, and/or assigns shall:

- i. notify TDEC within two (2) business days of obtaining knowledge of such emergency conditions to provide TDEC with the opportunity to oversee this work;
- ii. assure that the persons carrying out the excavation limit the disturbance of the soil or other media to the minimum reasonably necessary to adequately respond to the emergency;
- iii. assure that the persons carrying out the excavation prepare and implement such measures necessary to prevent actual, potential, present, or future risk to human health or the environment with TDEC's concurrence, including to undertake precautions to minimize exposure to workers responding to the emergency (e.g., provide appropriate types of protective clothing for workers conducting the

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excavation or other invasive activities and establish procedures for minimizing the dispersal of dust); and

- iv. assure that any excavated contaminated soil is managed or disposed of in compliance with all applicable federal, state, and local laws, rules, regulations, and ordinances including, without limitation, those pertaining to environmental protection and occupational safety.

### **III. GENERAL PROVISIONS**

#### 1. Access by the Department

The Property meets the definition of a hazardous substance site or brownfield project as they are defined in Tennessee Code Annotated §68-212-202(a). In addition to any rights already possessed by the Department for access, this Notice of Land Use Restriction grants TDEC a right of reasonable access of the Property in connection with implementation or enforcement of this Notice of Land Use Restriction.

#### 2. Compliance Enforcement

Any owner of the Property or any unit of local government having jurisdiction over any part of the Property may enforce this Notice of Land Use Restrictions by means of a civil action. The Commissioner of TDEC may enforce this Notice of Land Use Restrictions through the issuance of an Administrative Order or by means of a civil action, including one to obtain an injunction against present or threatened violations of the restriction. Any person who fails, neglects, or refuses to comply with a land use restriction commits a Class B misdemeanor and is subject to the assessment of a civil penalty of up to ten thousand dollars (\$10,000) per day. Tenn. Code Ann. § 68-212-213. Nothing in this Notice of Land Use Restrictions shall restrict the Commissioner of TDEC from exercising any authority under applicable law.

#### 3. Notice of Limitations in Future Conveyances

Each instrument hereafter conveying any interest in the Property subject to this Notice of Land Use Restriction shall contain a notice of the activity and use limitations set forth herein and shall provide the recorded location of this Notice of Land Use Restriction in the records of the Register of Deed's Office specified above.

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4. Notice to Lessees

The Grantor, its successors, or assigns agrees to incorporate either in full or by reference the restrictions of this Notice of Land Use Restrictions in any leases, licenses, or other instruments granting a right to use the Property.

This notice shall not be required for individual conveyances if there is a management company or homeowners association (HOA) that is responsible for complying with this Notice of Land Use Restriction.

5. Written Notice of the Presence of Contamination

The Grantor, its successors, or assigns agrees to include in any instrument conveying any interest in the Property or any portion thereof, including but not limited to deeds, leases, and subleases (excluding mortgages, liens, similar financing interests, and other non-possessory encumbrances), the following notice provision (with blanks to be filled in):

NOTICE: THE INTEREST CONVEYED HEREBY IS SUBJECT TO A NOTICE OF LAND USE RESTRICTIONS RECORDED IN THE REGISTERS OFFICE OF HAMILTON COUNTY ON \_\_\_\_\_, 20\_\_, INSTRUMENT NUMBER \_\_\_\_\_.

This notice shall not be required for individual conveyances if there is a management company or homeowners association (HOA) that is responsible for complying with this Notice of Land Use Restrictions.

6. Subdivision

The Grantor, its successors, or assigns shall ensure that the restrictions established by this Notice of Land Use Restrictions remain on any subdivided property.

The notice provision in Section III.5. above shall be noted on the master deed of any planned development for the Property and noted, or referenced thereafter, on each individual deed of property subdivided from the Property and subject to the Notice.

7. Written Notice of Conveyance of Property

Notice of Land Use Restrictions for:  
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The Grantor, its successor, or assigns agrees to provide notice to TDEC of any conveyance (voluntary or involuntary) of any ownership interest or any conveyance of any leasehold interest in the Property (excluding mortgages, liens, similar financing interests, and other non-possessory encumbrances). The Grantor, its successor, or assigns must provide TDEC with the notice within 30 days of the conveyance and include the name and business address of the transferee. The term "Transferee", as used in this Notice of Land Use Restrictions, shall mean any future owner of any possessory interest in the Property or any portion thereof, including, but not limited to, owners of an interest in fee simple, easement holders, or lessees. This notice shall not be required for individual conveyances if there is a management company or homeowners association (HOA) that is responsible for complying with this Notice of Land Use Restrictions.

By taking title to an interest in or occupancy of the Property, any subsequent owner, lessee, or other party is required to comply with all the restrictions set forth in this Notice of Land Use Restrictions, Tenn. Code Ann. §68-212-225(f), unless otherwise exempted by applicable law.

#### 8. Term

This Notice of Land Use Restrictions shall run with and bind the Property and shall be binding upon all parties having right, title, or interest in the Property or any part thereof, their heirs, successors, assigns, grantees, and lessees unless this Notice of Land Use Restrictions is made less stringent or canceled as set forth under the paragraph entitled "Amendment and Termination."

#### 9. Compliance Reporting

After written request by TDEC or by the end of every third June following the TDEC's approval of this Notice of Land Use Restriction, the then current owner of the Property shall submit to TDEC written documentation stating whether or not the activity and use limitations in this Notice of Land Use Restriction are being abided by. In addition, within 1 month after any of the following events, the then-current owner of the Property shall submit to the TDEC and the original Grantor written documentation: (1) noncompliance with the activity and use limitations in this Notice of Land Use Restriction; (2) transfer of the Property; (3) changes in use of the Property; or (4) filing of applications for building permits for the Property and any proposals for any site work, if the building or proposed site work will affect the contamination on the Property subject to this Notice of Land Use Restriction.

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## 10. Amendment and Termination

After public notice and an opportunity for public input as provided in Tennessee Code Annotated §68-212-225(e), this Notice of Land Use Restrictions may be made less stringent or canceled by the Commissioner of TDEC where the risk has been eliminated or reduced so that less restrictive land use controls are protective of human health and the environment.

The Grantor, its successors, or assigns may request that TDEC approve a modification or termination of the Notice of Land Use Restrictions. The request shall contain information demonstrating the proposed modification or termination shall, if implemented, protect human health and the environment. TDEC shall review any submitted information and may requested additional information. Information to support a request for modification or termination may include one or more of the following:

- a) a proposal to perform additional remedial work;
- b) new information regarding the risks posed by the residual contamination;
- c) information demonstrating that contamination identified in the Notice of Land Use Restrictions has diminished;
- d) information demonstrating that an engineered feature or structure is no longer necessary;
- e) information demonstrating that the proposed modification would not adversely impact the remedy and is protective of human health and the environment; or
- f) other appropriate supporting information.

The Grantor, its successors, or assigns seeking approval of other land uses or to cancel or make a Land Use Restriction less stringent shall be responsible for any costs incurred by TDEC in the review and oversight of work associated with the restriction modification.

## 11. Severability

Invalidation of any of these covenants or restrictions by judgement or court order shall in no way affect any other provisions, which shall remain in full force and effect.

The administrative record for the Property referenced in this Notice of Land Use Restrictions is maintained by the Tennessee Department of Environment and Conservation, Division of Remediation. For further information concerning the Property refer to site number TDEC Division of Remediation 33-837.

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*[TDEC approval and Grantor signature pages follow]*

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Real property described in a Deed of record with the Hamilton County, Tennessee, Register of Deeds as GI 13578, page 47 and identified as Plat Map & Parcel No. 146K-R-029.

This Notice of Land Use Restrictions has been reviewed and approved by the Tennessee Department of Environment and Conservation, Division of Remediation



Name: James S. (Steve) Sanders  
Title: Director

STATE OF TENNESSEE)  
COUNTY OF DAVIDSON)

Personally appeared before me, the undersigned, Notary Public having authority within the aforesaid State, James S. Sanders, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained, and who further acknowledged that he is the Director of the Division of Remediation and is authorized to execute this instrument on behalf of the Department.

WITNESS my hand, at office, this 24th day of March, 2026.

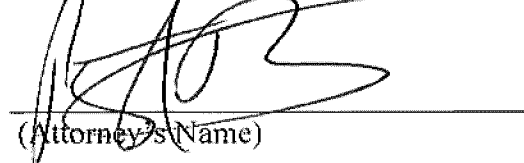
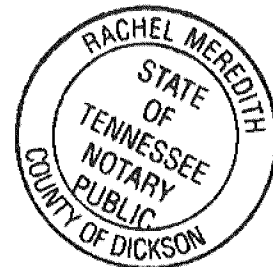


Notary Public

My Commission Expires: April 23, 2029

Name: Rachel Meredith

Approved as to form and legality:  
TDEC Office of General Counsel

  
(Attorney's Name)

Notice of Land Use Restrictions for:  
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IN WITNESS WHEREOF, the undersigned has executed this instrument this 17<sup>th</sup> day of March 2026.

Grantor

The Health, Educational and Housing  
Facility Board of the City of Chattanooga

By: Hicks Armor

Name: Hicks Armor

Title: Chair

STATE OF TENNESSEE)  
COUNTY OF HAMILTON)

Personally appeared before me, the undersigned Notary Public having authority within the aforesaid State, Hicks Armor, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged such person to be the Chairman of The Health, Educational and Housing Facility Board of the City of Chattanooga, Tennessee, the within named Grantor, and that such person executed this instrument for the purposes herein contained.

WITNESS, this 17<sup>th</sup> day of March, 2026.

Maria Manalla  
Notary Public

4/28/2026  
Commission Expiration



EXHIBIT A  
LEGAL DESCRIPTION

IN THE CITY OF CHATTANOOGA, HAMILTON COUNTY, TENNESSEE:

Lot Fifteen (15), Block Thirty-one (31), Revised Plat, Montagues Highland Park Addition No. Two (2), as shown by plat of record in Plat Book 125, Page 54, in the Register's Office of Hamilton County, Tennessee.

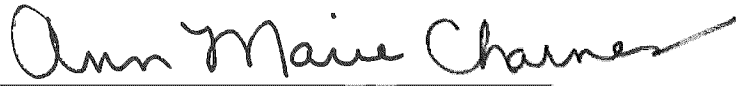
Notice of Land Use Restrictions for:  
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Being the same property conveyed to Grantor by that certain Quitclaim Deed from Chattanooga Neighborhood Enterprise, Inc., a Tennessee public benefit corporation, dated April 29, 2024 and recorded on April 30, 2024 at Book GI 13578, Page 47 (Instrument No. 2024043000212) in the Register's Office of Hamilton County, Tennessee.



**CERTIFICATION OF AUTHENTICITY  
OF ELECTRONIC DOCUMENT**

I, Ann Marie Charnes, do hereby make oath that I am a licensed attorney and/or the custodian of the original version of the electronic document tendered for registration herewith and that this electronic document is a true and exact copy of the original document dated, executed, and authenticated according to law dated on March 24, 2026.



Ann Marie Charnes  
Baker, Donelson, Bearman, Caldwell & Berkowitz, PC

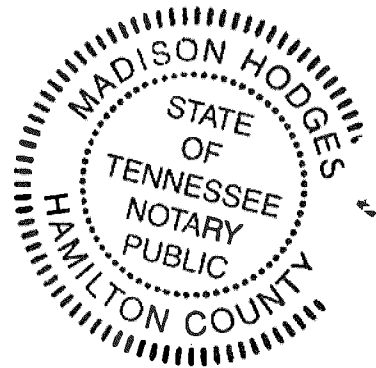
Date: March 27, 2026

STATE OF TENNESSEE  
COUNTY OF HAMILTON

Sworn to and subscribed before me this 27<sup>TH</sup> day of March, 2026.

  
Notary Public

My Commission Expires: NOV. 5, 2029





Book/Page: **GI 14198 / 380**  
 Instrument: 2026021800073  
 16 Page AGREEMENT  
 Recorded by JMS on 2/18/2026 at 9:14 AM  
 MISC RECORDING FEE 80.00  
 DATA PROCESSING FEE 2.00  
 TOTAL FEES **\$82.00**  
 State of Tennessee Hamilton County  
 Register of Deeds **MARC GRAVITT**

PREPARED BY:  
 CITY OF CHATTANOOGA  
 LAND DEVELOPMENT OFFICE  
 1250 MARKET STREET, SUITE 1000

Mail original to:  
 CNE c/o Robert Prichard  
 1500 Chestnut St, Suite 102  
 Chattanooga, TN 37408

CHATTANOOGA, TN 37402

Grading Permit No.: L-22-624

\* HEALTH EDUCATIONAL AND HOUSING FACILITY  
BOARD OF THE CITY OF CHATTANOOGA

**INSPECTION AND MAINTENANCE AGREEMENT OF PRIVATE STORMWATER  
 MANAGEMENT FACILITIES**

THIS AGREEMENT, made this 17th day of February, 2026, by and  
 between \* SEE ABOVE, hereinafter referred  
 to as the "Owner" of the property described on **Exhibit "A"**  
 LT 15, BLK 31 MONTAGUES HIGHLAND PARK ADDN NO 2, PB 1 PG 35, REV PB 125 PG 54 32 UNITS (the "Property"),  
 and City of Chattanooga, Tennessee, hereinafter referred to as the "City",

**WITNESSETH:**

The Owner, with full authority to execute deeds, mortgages, other covenants, all rights,  
 titles, and interests in the Property, does hereby covenant with the City and agrees as follows:

1. The Owner acknowledges the existence of storm water management facility or facilities (hereinafter referred to as the Facility) for the Property.
2. The Owner covenants and agrees to provide for an adequate long term maintenance of storm water control measures to ensure that the Facility is and remains in proper working condition in accordance with approved design and maintenance standards, rules and regulations, and applicable laws for the life of any storm water management facility/best management practice that exists on the Property. This Agreement requires maintenance of best management practices by the Owner, but it does not require updating to new standards unless there is a change in the amount of impervious area initiated by the Owner or unless required by state or federal law.
3. The Owner should reference activities outlined in the City's *Stormwater Best Management Practices Maintenance Manual* (hereinafter referred to as the "Manual") incorporated herein by reference, along with necessary landscaping (grass cutting, etc.) and trash

removal as part of regular maintenance of the Facility. The Manual provides recommendations for frequency of inspections and maintenance and/or repair activities of the Facility. The Owner shall develop and execute a Long Term Maintenance Plan (hereinafter referred to as the "Plan") that is specific for the referenced site (**Exhibit "B"**). The Plan shall include **frequency of inspections, schedule of inspection and maintenance activities performed and record keeping of related documentation.**

4. The Owner shall include **Exhibit "C"** which is a map showing location(s) and identification of all post-construction (permanent) stormwater/water quality control measures including infiltration practices, protected areas, vegetative roofs, and rain water harvesting and reuse system.

5. The Owner shall submit to the City an **Annual Report** (hereinafter referred to as the "Report") by **June 30th of each year**. The Report will include the Plan that documents inspection schedule, times of inspection, maintenance activities performed or remedial actions taken to repair, modify or reconstruct the system.

6. The Owner shall conduct a **comprehensive inspection** of all stormwater management facilities and practices once every **five years**, at a minimum, by either a professional engineer or landscape architect. This shall include the following:

- Facility type,
- Inspection date,
- Latitude and longitude and nearest street address,
- BMP owner information (e.g., name, address, phone number, fax, and email),
- A description of BMP condition including: vegetation and soils; inlet and outlet channels and structures; embankments, slopes, and safety benches; spillways, weirs, and other control structures; and any sediment and debris accumulation,
- Photographic documentation of BMPs, and
- Specific maintenance items or violations that need to be corrected by the BMP owner along with deadlines and reinspection dates.

Owner shall document this and submit the inspection as an Annual Report (see section 5 above).

7. All parcels served by the Facility are shown in Plat Book 125, Page 54 and the Owner is responsible for all costs associated with maintaining the Facility.

8. The Owner hereby grants, bargains and conveys to the City, its duly authorized agents, contractors, employees and assigns an easement over the Property for access from public rights-of-way, abutting private roadways, and/or private driveways, to the Facility for the purpose of inspecting, operating, installing, constructing, reconstructing, maintaining, repairing or replacing the Facility to the extent that Owner fails to do so and as necessary to ensure the proper working condition of the Facility (in accordance with the Manual).

9. In the event the Owner fails to inspect, report, or properly maintain or initiate repairs with the Facility within thirty (30) days after written notice by the City of such deficiencies, the City

may enter upon the Property without any additional notice to Owner and take whatever steps it deems necessary to maintain or repair the Facility and bill the owner for such maintenance cost plus any enforcement action costs set forth in the Chattanooga City Code. It is expressly understood and agreed that the City is under no obligation to maintain or repair the Facility, and in no event shall this Agreement be considered to impose any such obligation on the City.

10. In the event of an emergency or a violation of the City's NPDES MS4 Permit involving the Facility; the City, its officers, agents, and employees may enter immediately upon the Property and take whatever reasonable steps it deems necessary to meet the emergency or violation. The City shall notify the Owner of such emergency or violation and entry as soon as possible but in no event later than twenty-four (24) hours after such entry.

11. If the City performs work or expends any funds reasonably necessary for the maintenance or repair of the Facility, including labor, equipment, supplies and materials, the Owner agrees to reimburse the City for such maintenance or repair costs plus any enforcement action costs according to the Chattanooga City Code. Owner's failure to pay within thirty (30) days from the date of the invoice shall result in City pursuing all legal remedies available.

12. The Owner shall have the right to appeal the City's assessment of any costs associated with enforcement action to the Stormwater Regulations Board in accordance with the provisions set forth in Chattanooga City Code Sec. 31-365.

13. The Owner shall indemnify and save harmless City, its officers, agents, and employees from any and all claims for damages to persons or property arising from the inspection, construction, maintenance, and use of the Facility unless due solely to the negligence or willful misconduct of City.

14. The responsibilities of the Owner under this Agreement shall constitute a covenant running with the land and shall be binding upon all present and subsequent owners, their administrators, executors, assigns, heirs, and any other successors in interest as long as they own an interest in the Property or any portion thereof served by the Facility.

15. Nothing herein shall be construed to prohibit a transfer of the Property by Owner to subsequent owners and assigns. Nothing in this agreement prevents the Owner from modifying the Facility according to Chattanooga City Code.

16. The Owner shall record this Agreement in the office of the Register of Deeds for Hamilton County, Tennessee within thirty (30) days following approval by the City of the Plan or storm water credit applied for by Owner. When the Plan is part of a new Facility, the Owner shall record this Agreement in the Office of the Register of Deeds for Hamilton County, Tennessee, prior to completion of construction. A copy of the recorded plat and a recorded copy of this Agreement shall be filed with the City Water Quality Program Office prior to the sale, transfer, or conveyance of any lots.

OWNER:

By: Hicks Armor

Its Chair

Hicks Armor  
PRINT NAME

100 E 11th Street, Suite 200  
STREET ADDRESS

Chattanooga, TN 37402  
CITY, STATE, ZIP CODE

CITY

By: Gregory J Bates

Its LAND DEVELOPMENT  
STORM WATER CIVIL ENGINEER

GREGORY J BATES  
PRINT NAME

STATE OF Tennessee

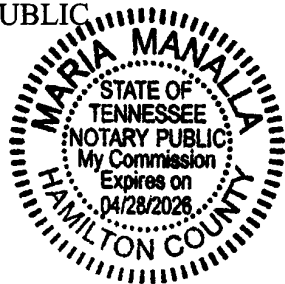
COUNTY OF Hamilton

Before me, a Notary Public, personally appeared Hicks Armor, with whom I am personally acquainted, and who, upon oath, acknowledged that he/she is the Chair of the Health Educational Housing Facility Board, the within-named bargainer, and that he/she as such Chair, being authorized so to do, executed the foregoing instrument for the purpose therein contained by signing the name of the corporation as Chair.

WITNESS, my Hand and Seal at Chattanooga, Hamilton County, Tennessee, this 16th day of February, 2026.

Maria Manalla  
NOTARY PUBLIC

My commission expires: 4/28/26



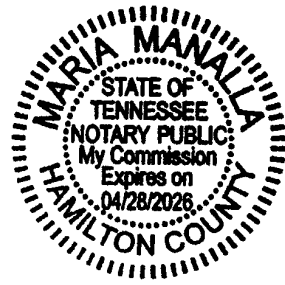
STATE OF TENNESSEE  
COUNTY OF HAMILTON

Before me, a Notary Public, personally appeared Gregory Bates with whom I am personally acquainted, and who, upon oath, acknowledged that he/she is the LDO Stormwater Engineer of the City of Chattanooga, the within-named bargainer, a municipal corporation, and that he/she as such Engineer, being authorized so to do, executed the foregoing instrument for the purpose therein contained by signing the name of the corporation as LDO Stormwater Engineer.

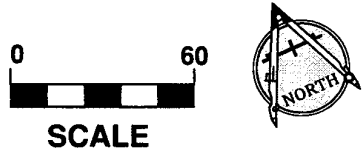
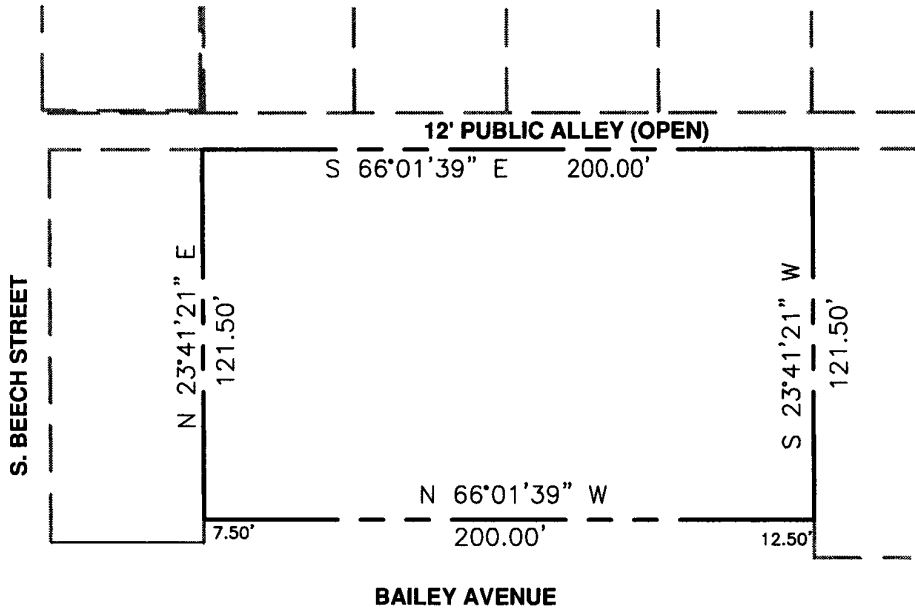
WITNESS, my Hand and Seal at Chattanooga, Hamilton County, Tennessee, this 17th day of February, 2026.

Maria Manalla  
NOTARY PUBLIC

My commission expires: 4/28/26



LEGAL DESCRIPTION: LT 15, BLOCK 31 MONTAGUES  
HIGHLAND PARK ADDITION NO 2 PB 1 PG 35, REV 125/54



**BAILEY PARK MULTI-FAMILY DEVELOPMENT**

Lot 15, Block 31 Montagues Highland Park Addition No 2  
PB 125 PG 54  
2003 BAILEY AVE  
CHATTANOOGA, TENNESSEE

**APPENDIX A**

LONG TERM MAINTENANCE AGREEMENT  
9/26/22

**APPENDIX B**

**Long Term Maintenance Plan**

**System Description:**

The site stormwater conveyances for the Bailey Park Multi-Family Development Plan project consist of a 36" underground detention pipe and oil baffle. The location of each conveyance is shown on Drawings C3.0 & C3.1, Grading & Drainage Plan of the construction drawing set prepared by A.D. Engineering. The property owner will be responsible for inspection and maintenance of the stormwater conveyances for this facility.

**Schedules for Inspections:**

The site stormwater conveyances shall be inspected per the "Permanent Maintenance Tasks and Schedule Chart" below.

PERMANENT MAINTENANCE TASKS AND SCHEDULE CHART			
Tasks	Underground Detention Pipe	Oil Baffle	Schedule
Inspect for sediment accumulation	X	X	Quarterly
Removal of sediment accumulation	X	X	Every 2 years as needed
Inspect and cleaning for floatables and debris	X	X	Quarterly
Annual Wet Weather Inspection	X	X	Yearly
Make adjustments as determined by annual wet weather inspection	X	X	As needed

**Tasks of Regular Maintenance:**

**Inspection and Maintenance Activities for the Underground Detention Pipe:**

Inspect the inlet and outlet structures at least quarterly or after a large rain event for clogging. Clean out or repair as necessary. The facility should be free of accumulated debris. Remove sediment from the structure when accumulation reduces the volume by half or if re-suspension

is observed or probable. Some sediment may contain contaminants of which the Tennessee Department of Environment and Conservation (TDEC) requires special disposal procedure. If there is any uncertainty about what the sediment contains or it is known to contain contaminants, then TDEC should be consulted and their disposal recommendations followed. The TDEC Division of Water Pollution Control should be contacted at (423) 634.5743. Generally, special attention or sampling should be given to sediment accumulated in facilities serving industrial, manufacturing or heavy commercial sites, fueling centers or automotive maintenance areas, large parking areas, or other areas where pollutants (other than clean soil) are suspected to accumulate and be conveyed by stormwater runoff. Some sediment collected may be innocuous (free of pollutants) and can be used as fill material, cover or land spreading. It is important that this material not be placed in any way that will promote or allow re-suspension in storm runoff. Check for possible mosquitoes breeding opportunities (blockage, clogging, poor drainage, trash, etc.) and take proper corrective actions.

**Inspection and Maintenance Activities for Oil Baffles and On-Site Storm Pipes:**

The on-site storm pipes should be inspected at least quarterly or after a large rain event for sediment accumulation. Accumulated sediment in the storm system should be removed every 2 years or as needed to restore the hydraulic capacity of the system. The inlet to the pond outfall structure should be inspected at least quarterly or after a large rain event for floatable materials and debris. Remove any floatable materials or debris from the catch basin inlet as needed to restore intended flow capacity.

**Inspection and Maintenance Agreement:**

A copy of the "Inspection and Maintenance Agreement of Private Stormwater Management Facilities" that has been completed, notarized and recorded in the Land Records of the County of Hamilton, Tennessee is included in this report and will be kept on site with this document. The owner intends to use the Inspection/Maintenance Form for Stormwater BMPs available through the City of Chattanooga to log their annual inspection and maintenance activities for the private stormwater control structures at this site.

**Reporting Requirements:**

1. Color pictures should be taken at each inspection and maintenance report to clearly show the status of the SCMs.
2. Inspection and maintenance should be conducted at least quarterly on all SCMs. Complete the attached Inspection and Maintenance Form for each SCM. The Quarterly Reports shall be emailed to the City yearly, with pictures by June 30<sup>th</sup> to [ChattanoogaWQ@Chattanooga.gov](mailto:ChattanoogaWQ@Chattanooga.gov) or mailed to:

City of Chattanooga Water Quality Program  
Development Resource Center  
1250 Market Street, Suite 2100  
Chattanooga, TN 37402



For Official Use:	Submit this Form to: (Attention: Maria Price)	Land Development Office 1250 Market Street, Suite 1000 Chattanooga, TN 37402 Ph (423)643-5800 Fax (423)643-5848 mprice@chattanooga.gov
Permit # <u>L-22-624</u>	Date _____	

## SCM/BMP Inventory Tracking for New Construction and Redevelopment

### I. PROJECT INFORMATION

Project Name: BAILEY PARK MULTI-FAMILY DEVELOPMENT PLAN  
 Site Address: 2003 Bailey Ave  
 Contact Name: \_\_\_\_\_ Phone: \_\_\_\_\_  
 Email \_\_\_\_\_

1. Short Description of each stormwater SCM/BMP: type, number, design or performance specs
2. Latitude and longitude coordinates of each SCM/BMP

**SCM/BMP Description:** 36" Underground Detention Pipe

SCM/BMP Performance Specification: Provide peak runoff attenuation for the 1, 2, 5, 10, and 25-year, 24-hour storm events

Coordinates (Lat & Long): 35.032909, -85.273654  
 SCM/BMP Maintenance Frequency: As needed based on inspection

SCM/BMP Inspection Frequency: As specified in long term maintenance plan

**SCM/BMP Description:** Oil Baffle and sump in Structure #4

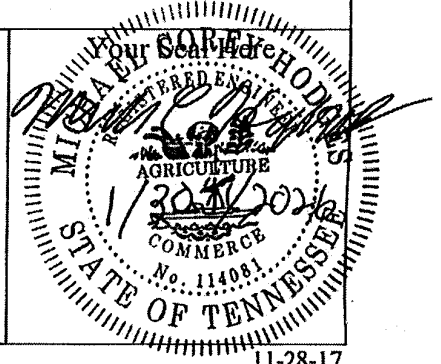
SCM/BMP Performance Specification: Prevent Sediment Oil and Debris From Entering the Underground Detention

Coordinates (Lat & Long): 35.032881, -85.273579  
 SCM/BMP Maintenance Frequency: As needed based on inspection

SCM/BMP Inspection Frequency: As specified in long term maintenance plan

**Additional Information:**

Inspection and Maintenance Agreement (<http://chattanooga.gov/resourcerain>) is required along with SCM/BMP Maintenance Plan before Certificate of Occupancy will be issued.  
 Property owner is required to submit annual SCM/BMP Inspection and Maintenance records (<http://www.chattanooga.gov/public-works/water-quality-program>) by June 30 every year to the City Water Quality Program.





## ANNUAL INSPECTION & MAINTENANCE REPORTS FOR SCMS SUBMITTAL GUIDELINES

### SUBMITTAL DEADLINE

Stormwater Control Measure (SCM) inspections are performed quarterly, at a minimum, or more frequently if stated in the long term maintenance plan. A completed annual **report** shall include the inspection **forms** from each inspection that year. The annual report shall be turned in once a year by **June 30<sup>th</sup>**. Forms submitted after June 30<sup>th</sup> will result in the suspension or forfeiture of any Water Quality Fee discounts (see City Code Section 356.1.4).

### SUBMITTAL FORMAT

All reports must be delivered via email in PDF format. If emails have attachments larger than 25 MB, then the submittal may be divided with emails labeled systematically (1 of x, 2 of x, 3 of x, etc.). The report package shall include:

1. Cover Sheet – includes your contact information & the total number of SCMs on site
2. Inspection Forms – a separate inspection form for each SCM on site
3. Color Photographs – label photographs to match the SCM name on the inspection form
4. Copy of the long term maintenance plan used to guide your inspection and maintenance
5. Copies of any invoices incurred from maintenance (if applicable)

### FILE NAMING

The following guidelines shall be used for naming your annual report PDF file. This will ensure that reports are properly filed, accounted for & easily discoverable.

File name: date of submittal (YYYY-MM-DD)\_property address\_annual report.pdf

For example, an annual report submitted on 3/15/2019 for 1234 City Rd would be named:

2019-03-15\_1234 City Rd\_annual report.pdf

### REPORT SUBMISSION

Email annual reports to the Water Quality Program at: [ChattanoogaWQ@chattanooga.gov](mailto:ChattanoogaWQ@chattanooga.gov)

\*Please copy the property owner in the email if submitting on their behalf

### QUESTIONS

Definitions and associated maintenance checklists for SCMs can be found in the City's Rainwater Management Guide and City Code. For questions regarding inspections and/or reporting, please contact the City Water Quality Program at [ChattanoogaWQ@Chattanooga.gov](mailto:ChattanoogaWQ@Chattanooga.gov).



**Inspection and Maintenance Form for Stormwater Control Measures (SCMs)**

**COVER SHEET**

Quarterly reports must be submitted by **June 30th** of each year. Forms submitted after June 30th will result in the suspension or forfeiture of any fee discounts (see City Code Section 356.1.4). Submit to [ChattanoogaWQ@Chattanooga.gov](mailto:ChattanoogaWQ@Chattanooga.gov) with color photographs.

Does this site have an approved water quality fee discount?      YES      NO

Property Address _____	Parcel ID _____
Owner Name _____	Phone _____
Owner E-mail _____	
Contact Person _____	Phone _____
Contact E-mail _____	
Inspection Company _____	
Company Address _____	
Company Contact _____	Phone _____
Company E-mail _____	

SCM	#	SCM	#
Detention Pond (dry pond)		Constructed Wetland	
Retention Pond (wet pond)		Sand Filter	
Underground Detention		Stream Buffer (square footage)	
Bio-Retention Pond		Street Sweeping (square footage)	
Bio-Retention Swale		Disconnected Impervious Area	
Vegetated Swale		Stormwater Planter Box	
Pervious Pavement		Naturalized Basin	
Green Roof		Naturalized Swale	
Water Reuse (i.e. cistern)		Oil Skimmer/Baffle	
Infiltration Bed		Proprietary Device (i.e. water quality unit)	
Infiltration Trench		Other:	
Infiltration Berm		Other:	



**Inspection and Maintenance Form for Stormwater Control Measures (SCMs)**

SCM Name: \_\_\_\_\_  
 (Submit color photographs of this SCM and label them with this SCM name)

Date of This Inspection:	0: Poor condition (Major Maintenance Needed)
Date of Last Inspection:	1: Needs improvement (Moderate Maintenance Needed)
Date of Last Rainfall Event:	2: Acceptable condition (Minimal Maintenance Needed)
Date of Installation:	3: Excellent condition (No Maintenance Needed)
Is there a recorded IM Agreement?    Y    N	SCM status (use numerical rank above):

Describe the maintenance/repair activities performed **since the last inspection date**:  
 (e.g., picked up trash around pond and mowed it weekly; cleaned the surface trash out of the oil skimmer weekly; had the water quality unit cleaned with a vacuum truck on May 8; etc.):

Describe the current condition and any maintenance/repair activities performed **at the time of this inspection**:

Describe the maintenance activities, if any, that need to be performed **before the next inspection**:  
 (e.g., filters need to be replaced in the water reuse system; animal burrows need to be filled in on the retention pond berm; the pervious concrete needs to be swept; the green roof needs to be weeded; etc.)

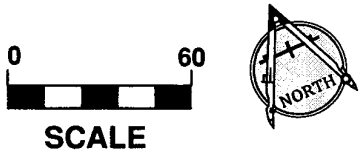
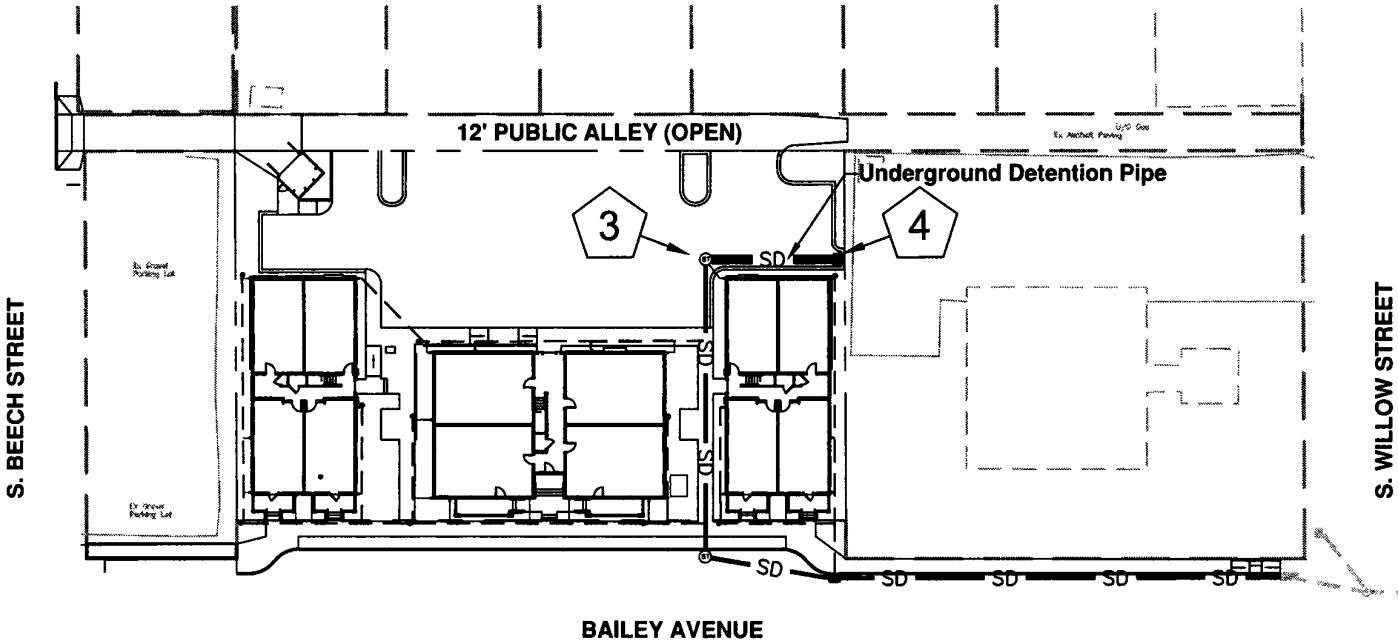
Inspector Name	
Certification Type & Number	
Signature	
Date	

SCMs

- Structure 3 - Outlet control structure
- Structure 4 - Catch basin with back hood and Oil Baffle and Sump

**OPERATIONS AND MAINTENANCE:**  
 All properly designed and installed subsurface infiltration beds will require annual maintenance, although they require less maintenance than other BMPs.

- Inspect and clean all inlets and catch basins biannually.
- Confirm that standing water does not remain in the bed after more than 96 hours without precipitation.
- Clean any pipes or connections that contain debris using a vacuum system. Do not wash material and debris into the bed.



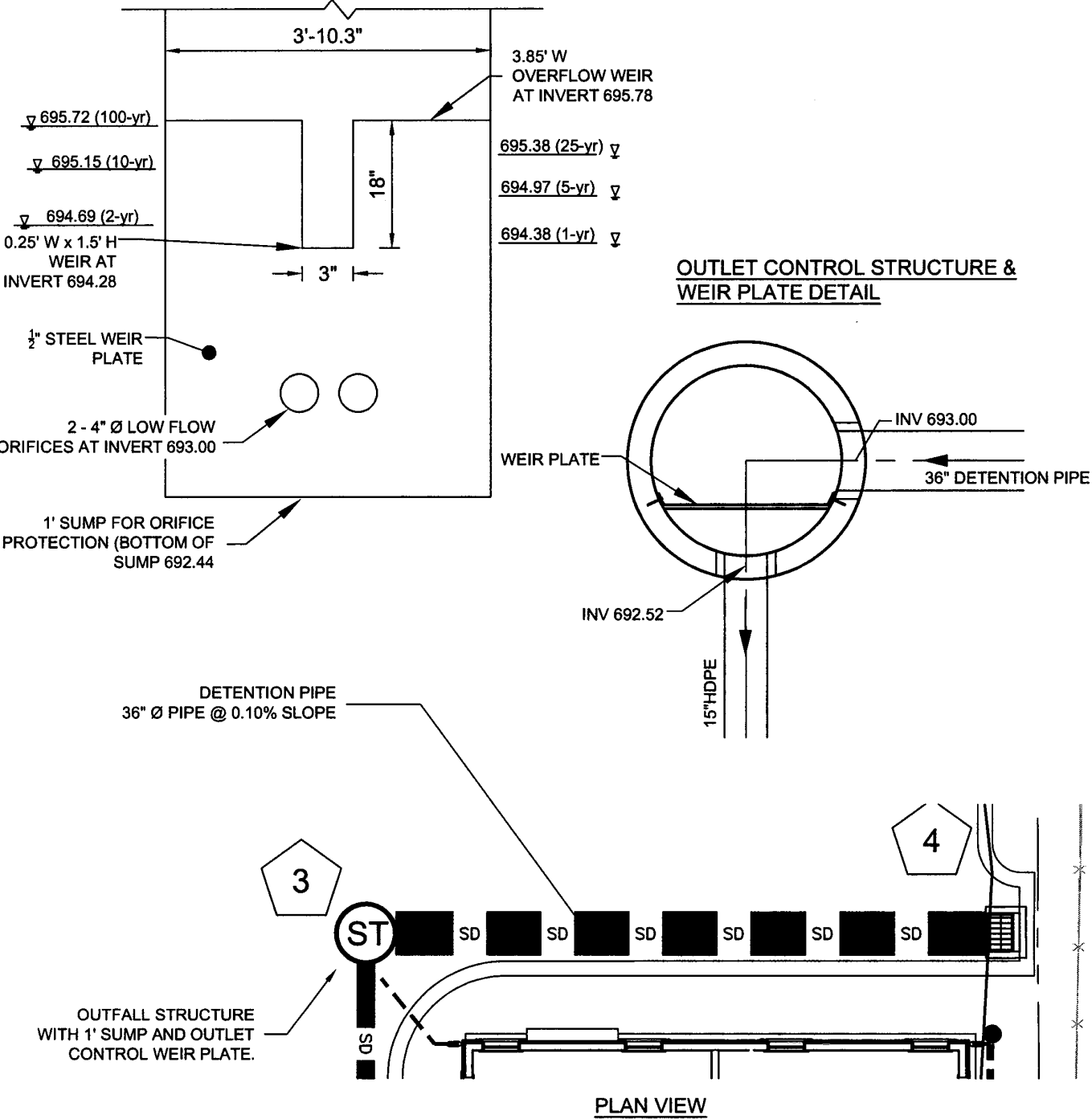
**BAILEY PARK MULTI-FAMILY DEVELOPMENT**

Lot 15, Block 31 Montagues Highland Park Addition No 2  
 PB 125 PG 54  
 2003 BAILEY AVE  
 CHATTANOOGA, TENNESSEE

**APPENDIX C**

LONG TERM MAINTENANCE AGREEMENT  
 9/26/22

**INSPECTION AND MAINTENANCE:**  
 REMOVAL OF TRASH, DEBRIS AND SEDIMENT BUILDUP IN THE STORAGE PIPE AND STRUCTURAL REPAIRS TO INLET AND OUTLETS SHOULD BE CONDUCTED ON A REGULAR BASIS. EASY ACCESS SHOULD BE PROVIDED TO CONDUCT ROUTINE INSPECTION AND MAINTENANCE REQUIREMENTS.



**BAILEY PARK MULTI-FAMILY DEVELOPMENT**

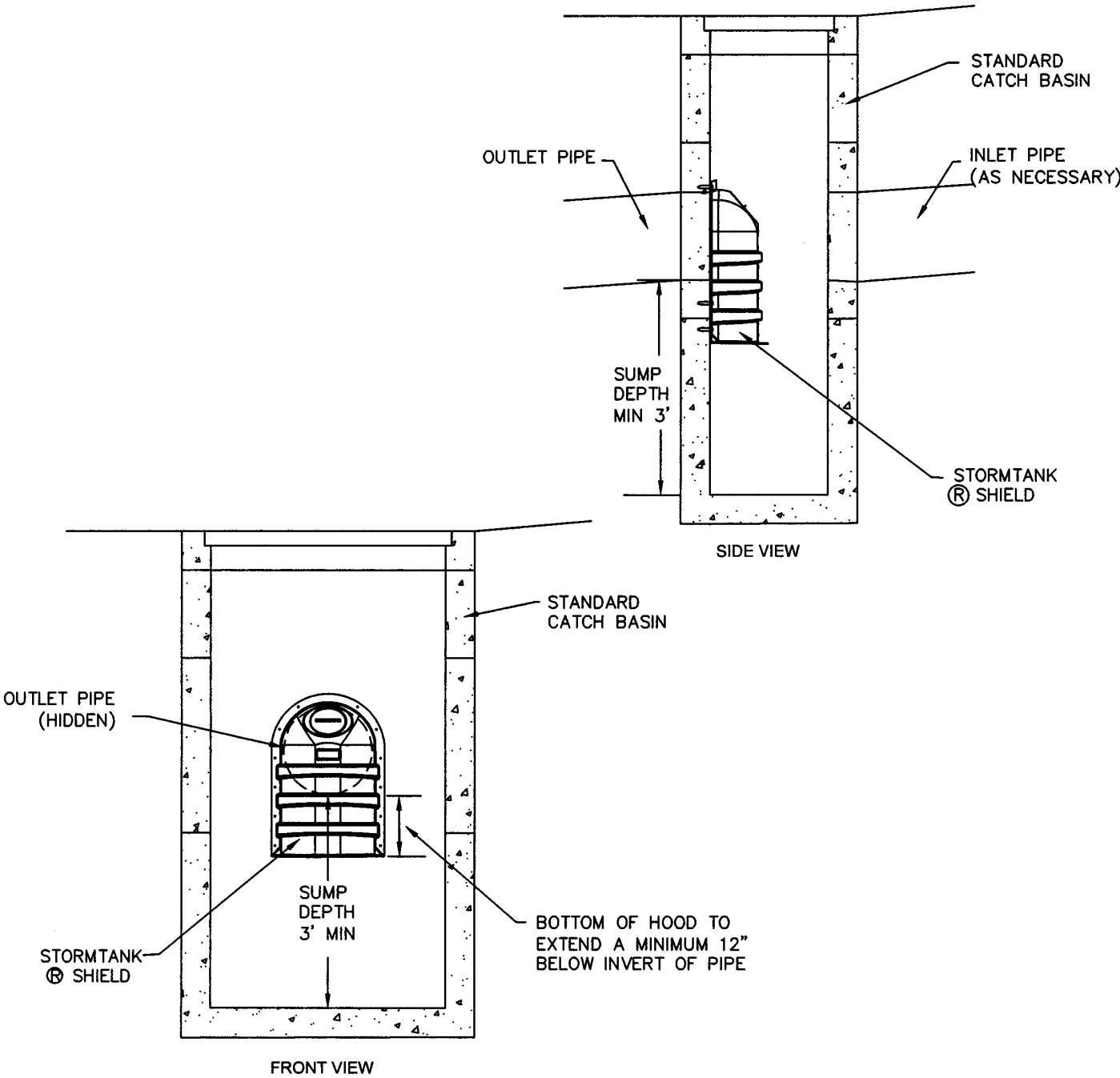
Lot 15, Block 31 Montagues Highland Park Addition No 2  
 PB 125 PG 54  
 2003 BAILEY AVE  
 CHATTANOOGA, TENNESSEE

**APPENDIX C**

LONG TERM MAINTENANCE AGREEMENT  
 02/04/2026

SCMs

Structure 4 - Catch basin with back hood and Oil Baffle and Sump



OIL BAFFLE AND SUMP DETAIL

BAILEY PARK MULTI-FAMILY DEVELOPMENT

Lot 15, Block 31 Montagues Highland Park Addition No 2  
PB 125 PG 54  
2003 BAILEY AVE  
CHATTANOOGA, TENNESSEE

APPENDIX C

LONG TERM MAINTENANCE AGREEMENT  
9/26/22

City of Chattanooga  
1250 Market Street, Suite 1000  
Chattanooga, Tennessee 37402

February 10, 2026

**RE: Inspection and Maintenance Contract  
Bailey Park Apartments  
2003 Bailey Avenue, 37404**

Land Development Office:

The purpose of this letter is to provide acknowledgement of an approved two-year agreement between **CNE Inc.** and **Don Green** for quarterly site visits, inspection reports, reporting, and identification of SCM maintenance needs. The inspections will be performed by either a City of Chattanooga recognized SCM inspector or a licensed professional engineer.

Please call me at **423.756.6201** with any questions or comments.

Sincerely,

**Jake Toner**

J. Toner Don Green  
Printed Name/Title

[Signature]  
Signature

2-10-26  
Date

RESOLUTION

A RESOLUTION AUTHORIZING THE CHAIR OR VICE-CHAIR TO ENTER INTO A MEMORANDUM OF UNDERSTANDING (MOU) WITH THE TENNESSEE HOUSING DEVELOPMENT AGENCY, IN SUBSTANTIALLY THE FORM ATTACHED, TO ADMINISTER A DOWNPAYMENT ASSISTANCE PROGRAM, FOR AN AMOUNT UP TO THREE MILLION DOLLARS (\$3,000,000.00), SUBJECT TO APPROVAL BY THE CITY ATTORNEY.

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NOW THEREFORE, BE IT RESOLVED BY THE HEALTH, EDUCATIONAL AND HOUSING FACILITY BOARD OF THE CITY OF CHATTANOOGA, That it is hereby authorizing the Chair or Vice-Chair to enter into a Memorandum of Understanding (MOU) with the Tennessee Housing Development Agency, in substantially the form attached, to administer a Downpayment Assistance Program, for an amount up to \$3 million, subject to approval by the City Attorney.

ADOPTED: April 20, 2026

THE HEALTH, EDUCATIONAL AND HOUSING  
FACILITY BOARD FOR THE CITY OF  
CHATTANOOGA, TENNESSEE

---

Hicks Armor, *Chair*

ATTEST:

---

Hank Wells, *Secretary*

**HEB-2026-05**

## MEMORANDUM OF UNDERSTANDING

The Health, Educational, and Housing Facility Board of the City of Chattanooga, Tennessee (“HEB”) and the Tennessee Housing Development Agency (“THDA”) hereby enter into this Memorandum of Understanding to provide downpayment assistance (“DPA”) payment processing for qualified borrowers under the HEB’s DPA program (“Program”), for a program amount up to Three Million Dollars (\$3,000,000.00).

**WHEREAS**, HEB and THDA mutually recognize, affirm, and seek to promote equal housing opportunities for all Tennesseans and HEB is implementing the DPA Program.

**THEREFORE**, the parties agree that THDA shall (i) with any participating third-party lenders (“Lenders”), administer the intake, underwriting, approval, closing, disbursement, and post-closing processes solely for qualified borrowers (as defined by HEB’s terms and conditions, and the Lenders’ attestation) under the Program also receiving THDA loans; (ii) maintain systems, records, and internal controls sufficient to segregate, track, and report on the commitment and disbursement of HEB DPA funds; (iii) ensure Lenders are informed of HEB-specific requirements and compliance obligations applicable to HEB DPA funds, and require such Lenders to enter into agreements with the HEB if consistent with THDA practices regarding DPA funds; (iv) adhere to HEB’s requirements for the DPA Program; and (v) provide reports of all loans advanced with HEB DPA funds to HEB with the monthly invoices described herein. This Memorandum shall be for the duration of HEB’s Program, provided that this Memorandum shall not require HEB to advance Program funds only to borrowers receiving THDA loans.

Lenders who serve as originating agents shall require borrowers to complete an attestation form provided by the HEB regarding the Borrower’s eligibility for the Program. THDA is not responsible for verifying the information provided on the attestation and will not be responsible to HEB for any errors or omissions contained therein; provided, however, THDA will (i) instruct Lenders to require completion of the attestation form by borrowers; (ii) provide a copy of all completed attestation forms to HEB with its monthly reports; and (iii) conduct quality control reviews of awards, including file audits and Lender compliance monitoring.

Program loans will be subordinate to any THDA loans on the same property. THDA will invoice HEB by the 15<sup>th</sup> of the month for the preceding month’s Program loans. HEB will reimburse THDA for the invoiced loans by the end of the month in which the invoice is received.

HEB will provide THDA ninety (90) days’ notice prior to the expected end date of the Program or when funds for the Program are expected to be exhausted. HEB will not be responsible for reimbursing any Program loans made after the notice period expires.

Signed:

THE HEALTH, EDUCATIONAL,  
AND HOUSING FACILITY BOARD  
OF THE CITY OF CHATTANOOGA,  
TENNESSEE

TENNESSEE HOUSING DEVELOPMENT  
AGENCY

By: \_\_\_\_\_  
Name: Hicks Armor  
Its: Chair  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_

**The Health, Educational and Housing Facility Board of the City of Chattanooga, Tennessee**  
**Educational Facilities Revenue Bonds**  
**(The Baylor School Project) Series 2026 - \$62 Million**

**Preliminary Summary of Bonds and Project**

Board: The Health, Educational and Housing Facility Board of the City of Chattanooga, Tennessee  
Borrower: The Baylor School

The Baylor School is a nonprofit private school founded in 1893 and located at 171 Baylor School Road, Chattanooga, Tennessee 37405 (the “Campus”). Approximately 1,000 students in 6<sup>th</sup> through 12<sup>th</sup> grade attend Baylor each year, of which approximately 240 are boarding students from 24 states and 18 countries. Approximately half of Baylor’s students are male and half are female.

The proposed financing consists of two components: (i) refinancing the Board’s Educational Facilities Revenue Bond, Series 2017A, the proceeds of which were loaned to Baylor to finance or refinance various facilities on the Campus and (ii) financing the construction and equipping of a new student housing facility, a central energy plant and fiber system upgrades, all on the Campus.

Pinnacle Bank will purchase the bonds and will hold the bonds as a loan on its books. The bonds are not being sold to the public market. The refinancing bonds will mature approximately 16 years after closing and the new money bonds will mature approximately 30 years after closing. We plan to close the bond deal in May of this year.

Consistent with other bonds that the Board has issued, the proposed bonds will be tax-exempt and issued under a conduit bond structure. The bonds will be limited obligations of the Board and will be solely payable from the limited revenues and collateral provided by Baylor. Furthermore, Baylor will be required to indemnify the Board for any liability related to the projects or the bonds. Neither the City of Chattanooga nor any other governmental entity will have any liability with respect to the projects or the bonds.