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

Monday, November 17, 2025 @ 12:30 PM

1. Call to Order.

2. Confirmation of Meeting Advertisement and Quorum Present.

3. Approval of the Minutes for October 20, 2025, monthly meeting.

4. Recognition of Persons Wishing to Address the Board.

5. A resolution authorizing the Chair or Vice-Chair to execute an Agreement with Enterprise Community Partners, Inc., in substantially the form attached, in a matching grant amount of $500,000.00 to provide grants, training, and technical assistance to eight (8) faith-based organizations in order to increase the affordable housing stock in the City. **(HEB-2025-16)**

6. A resolution authorizing the Chair or Vice-Chair to execute an Agreement with Legal Aid of East Tennessee, in substantially the form attached, to administer an Eviction Prevention Program to help individuals and families at risk of homelessness to maintain existing housing, for an amount up to $500,000.00. **(HEB-2025-17)**

7. A resolution authorizing the Chair or Vice-Chair to execute a Slope Easement Agreement by and between Chattanooga Neighborhood Enterprise (CNE) as the Grantee, The Creator Group, LLC as the Grantor, and the Health, Educational, and Housing Facility Board of the City of Chattanooga (HEB) for property owned by the HEB and leased to CNE at the corner of S. Lyerly Street and E. 19th Street. **(HEB-2025-18)**

8. **<u>Other Business/Discussion</u>**

a. FYI – Notice of Non-Payment regarding CNE and contractor RLP Construction.

9. Adjournment.

HEALTH, EDUCATIONAL, AND HOUSING FACILITY BOARD
City of Chattanooga, Tennessee
MONTHLY MEETING MINUTES
John P. Franklin, Sr. Council Building
Assembly Room
1000 Lindsay Street
Chattanooga, TN 37402
for
Monday, October 20, 2025
12:30 PM

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

Also present were Harolda Bryson (Counsel to the Board); Andy Clark (National Healthcare); Gary O'Brien (LaBella); Taylor Brooks (Adams & Reese); Zain Mahmood (Paths Development); Janice Gooden (Riverside Area); Kirby Yost and Jeffrey Maddux (Chambliss); Valerie Malueg (Deputy City Attorney); Jay Moneyhun (Bass Berry & Sims); Ellen Gerst (Times-Free Press); Steve Barrett (Husch Blackwell); Deedra Burraghs (AAMCI); Hanneke van Deursen and Sandra Gober (Economic Development); and Frank Reese (Atlantic Companies).

Attorney Harolda Bryson introduced herself and is filling in for Attorney Phil Noblett today. Before we start the meeting, we have a bit of housekeeping to take care of. Neither the Chair nor the Vice-Chair of the Board are present today. Our Secretary of the Board, Mr. Hank Wells, will call the meeting to order, and the Board will proceed with electing a Chair Pro Tem who will preside just over today's meeting. Mr. Hank Wells called the meeting to order and said that we do not have a Chair and do have a quorum. Mr. Wells confirmed that the meeting was properly advertised and there is a quorum for conducting business.

Mr. Wells said that a Chair Pro Tem needs to be elected since the Chair and Vice-Chair are not present. Mr. Brian Erwin made a motion to elect Mr. Hank Wells (Secretary) as Chair Pro Tem, seconded by Mr. Jonathan Mason, and Mr. Hank Wells was elected as Chair Pro Tem for the meeting.

MINUTES APPROVAL FOR THE SEPTEMBER 15, 2025, MONTHLY MEETING

On motion of Mr. Malcolm Harris, seconded by Ms. Andrea Smith, the September 15, 2025, minutes for the monthly meeting were unanimously approved as written. The motion carried.

PUBLIC COMMENTS

Ms. Janice Gooden spoke and said that she has been following some of the proposals for housing, Overlook, and Eastwood Manor. Ms. Gooden is happy to see these come forward. One of the questions is about the PILOT program. What does compliance look like? There is a presentation, and I would like more information. Mr. Wells said that we will make sure her questions are answered at the time of the presentation.

RESOLUTIONS

The Overlook Apartments Bond Issuance - $15 million

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

A RESOLUTION AUTHORIZING AND APPROVING ALL DOCUMENTS, INSTRUMENTS, ACTIONS, AND MATTERS NECESSARY OR APPROPRIATE FOR, OR PERTAINING TO, THE ISSUANCE, SALE, AND DELIVERY BY THE HEALTH, EDUCATIONAL, AND HOUSING FACILITY BOARD OF THE CITY OF CHATTANOOGA, TENNESSEE, OF ITS MULTIFAMILY HOUSING REVENUE BONDS (THE OVERLOOK APARTMENTS), IN ONE OR MORE SERIES, IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED FIFTEEN MILLION DOLLARS ($15,000,000.00). (HEB-2025-11)

Mr. Zain Mahmood works at Paths Development LLC which is the affordable housing development with Naveen Real Estate. Mr. Mahmood has a presentation to give. Mr. Mahmood is here to talk about the Overlook Apts. Mr. Mahmood came in March 2025 to get the preliminary bond inducement for $15 million of tax-exempt bonds for the project.

The presentation is attached with details of the project. It is a 162-unit property located at 1201 Boynton Drive, Chattanooga, TN 37402. The property was previously owned by Millennia and left to a state of disrepair. Paths Development stepped in in October 2024 through the management company. After they received an inducement from this Board in March 2025, they started the repairs on the project. After that, they were able to get the LIHTC award from THDA in July 2025. We are contemplating closing the bond in November.

This project includes major renovation throughout the property. The scope is about $12 million. There are going to be large exterior repairs, interior repairs, and ESG Upgrades. The management company has already taken over. See the presentation for details. Pictures were shown of pre-habilitation and post-rehabilitation.

Ms. Smith asked about case management services. Ms. Jones asked how the tenants are notified about upgrading construction. Mr. Brian Erwin is impressed that they began improvements to the property and appreciates the project moving forward. Mr. Mahmood said that so far, they have spent $2.7 million just on the units that they have.

The motion carried as presented.

ADOPTED

Eastwood Manor Apartments Bond Issuance - $18 million

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

FINAL RESOLUTION AUTHORIZING THE APPROVING ALL DOCUMENTS, INSTRUMENTS, ACTIONS, AND MATTERS NECESSARY OR APPROPRIATE FOR, OR PERTAINING TO, THE ISSUANCE, SALE, AND DELIVERY BY THE HEALTH, EDUCATIONAL, AND HOUSING FACILITY BOARD OF THE CITY OF CHATTANOOGA, TENNESSEE OF ITS MULTIFAMILY NOTE AND ITS MULTIFAMILY HOUSING REVENUE BONDS, IN ONE OR MORE SERIES, IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED EIGHTEEN MILLION DOLLARS ($18,000,000.00), THE PROCEEDS OF WHICH WILL BE LOANED TO EASTWOOD MANOR II, LP TO FINANCE THE ACQUISITION, REHABILITATION AND EQUIPPING OF A MULTIFAMILY HOUSING FACILITY KNOWN AS EASTWOOD MANOR APARTMENTS IN THE CITY OF CHATTANOOGA, HAMILTON COUNTY, TENNESSEE. (HEB-2025-12)

Ms. Deedra Burraghs (AAMCI Development) spoke. They have a tax credit award through THDA to rehab Eastwood Manor Apts. This is an elderly community with 10% of the units set aside for disabled. It is 98 units. There are 30 efficiency units, 54 one-bedroom units, and 14 two-bedroom. The rehab will be $82,000 in hard costs per unit or a total of $8.1 million of rehab.

They are installing security systems, new roofs, and a gazebo, renovating the community building as well as the laundry facilities with some commercial facilities for the residents. They are installing new flooring throughout, new appliances, light and plumbing fixtures, toilets, and electrical panels because the property was built in 1979, and HVAC. The community room is going to have nice renovation there along with the laundry room right beside it. The residents really love this community room because of activities for an elderly community. The same rehab as the units. New concrete sidewalks, signage, asphalt, landscaping, and will have a freshened look from the outside. There are 14 buildings, one-story. The buildings are split, brick, and vinyl right now.

Mr. Jay Moneyhun (bond counsel) spoke at this point. The first resolution is for the approval of the bond issuance. We were here earlier this year and got the preliminary resolution approved by the Board and were able to go to THDA and get the bond and tax credit awards. We are back for the final approval of the bond issuance. Ms. Burraghs said that this project is also 100% Section 8. The address is 3831 Wilcox Blvd.

The motion carried.

ADOPTED

Eastwood Manor Apartments PILOT Agreement

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

A RESOLUTION OF THE HEALTH, EDUCATIONAL, AND HOUSING FACILITY BOARD OF THE CITY OF CHATTANOOGA, TENNESSEE, REGARDING A PAYMENT IN LIEU OF TAXES TRANSACTION WITH EASTWOOD MANOR II, LP. (HEB-2025-13)

Mr. Moneyhun said that Ms. Burraghs has been working with the City in the Affordable Housing PILOT Program. The amounts have been approved by the City and the Mayor.

Upkeep, affordability, and term were discussed by Mr. Moneyhun. Ms. Burraghs said the management company for the property is an affiliate group AAMCI Management who has managed Section 8 communities since 1972. Long track record for affordable housing management.

The motion carried.

ADOPTED

MF Joint Venture, LLC (an affiliate of The Atlantic Companies LLC)
PILOT Agreement

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

A RESOLUTION OF THE HEALTH, EDUCATIONAL, AND HOUSING FACILITY BOARD OF THE CITY OF CHATTANOOGA, TENNESSEE, REGARDING PAYMENT IN LIEU OF TAXES TRANSACTION WITH CHATTANOOGA MF JOINT VENTURE, LLC. (HEB-2025-14)

Ms. Hanneke van Deursen said this is the first mixed income PILOT. This is a mixed income approach to get affordable developments all around the City. The PILOT goals, public benefit, and public investment were discussed. See attached presentation for details.

The current tax bill on this property which has been vacant for a long time is $9,055. Because the developer has elected to do 42 affordable units, it qualifies for a partial tax abatement. The City will still see an increased tax revenue from this development and it will get the public benefit in the form of affordable units. The development has qualified for a 69% abatement of $416,123 and payment in lieu of taxes in the amount of $341,931.

Mr. Frank Reese is with the Atlantic Companies. They are a full-service real estate development company based out of Atlanta but also have offices in Charleston. They have development experience throughout the southeast in Alabama, Georgia, and North Carolina. We do development acquisitions, construction management, accounting, and leasing brokers. See attached presentation for details.

The project is located at 702 Manufacturers Road. This is in the Northshore area of Chattanooga. Nothing is active on the site today outlined in yellow. It is for 278 multifamily units. It will be five buildings that will run throughout the site. Paper Mill Road is a city street that will be redeveloped. They are hoping to break ground within the next 30 days. The project overview can be found in the presentation. There will be 42 affordable units. The 32 of the units will be at 60% AMI, and 10 units will be at 80% of AMI. Current tax bill is little over $9,000. With the development, the future property tax will be $341,931.

A traffic study was done and there is not a significant impact on Manufacturers Road. The rezoning will promote more development in the future. Traffic patterns were discussed.

Ms. van Deursen said that this project has been through rezoning, and the RPA has decided and received approval from City Council.

Affordability was discussed and advertised for the public. There will be a third-party management company that will advertise through various avenues online and through paper. We will advertise for everyone but certainly will think of different means that can target more affordable on prospects.

The motion carried as presented.

ADOPTED

Walnut Commons PILOT Agreement

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

A RESOLUTION AUTHORIZING THE CHAIR OR VICE-CHAIR TO EXECUTE A QUITCLAIM DEED, IN SUBSTANTIALLY THE FORM ATTACHED, TO CHERNER CHATTANOOGA, LLC, WITH REGARD TO THE WALNUT COMMONS PILOT TRANSACTION. (HEB-2025-15)

Ms. Valerie Malueg followed this transaction all the way from when it was being built. Ms. Malueg is not familiar with the PILOT but is familiar with the project. Basically, they obtained a PILOT in 2010, and the apartments were built in 2008 or 2009. They are apartments and not the townhomes. They have an option to purchase at the end of the PILOT term and have decided to exercise that option. Walnut Commons was the original Lessee under a lease with the Chattanooga Downtown Redevelopment Corporation which was assigned to the Cherner Group in the last several years. The PILOT does sunset at the end of this year December 31, 2025, the PILOT does end.

The approval is for the QuitClaim Deed which is the transfer of the ownership from this Board to the new group that holds the Lessee, the Cherner Chattanooga, LLC. Mr. Erwin understands that the PILOT term expires at the end of the year, which this transfer of ownership quitclaiming does not amend any of those agreements. Ms. Malueg said the PILOT will end. This group and the Lease that was executed originally with the Chattanooga Downtown Redevelopment Corporation had a lease option to purchase. They are exercising and have sent notice to our office and to Phil Noblett City Attorney and attorney for this Board that they desire to exercise their option to purchase at the end of the term December 31, 2025.

This does not influence the residents. It will just change ownership. When the PILOT was granted, this Board assumed not ownership but the Lease that was currently held by Walnut Commons LLC. The property interest that this Board held was not a fee simple interest, it was a leasehold interest. Once the PILOT ends, it will be transferred over to the new group Cherner Chattanooga LLC based on its option to purchase the property that is contained in the original lease.

There was an assignability clause in the original lease which is common in most leases, and they exercised their right to assign all their interest in the original lease with the Chattanooga Downtown Redevelopment Corporation, and the Cherner Group was the one that was the Assignee. They assigned it over to this group for whatever reason and are not sure of the reason behind that.

The motion carried.

ADOPTED

<u>Presentation of PILOT and Affordable Housing Fund</u>
<u>Annual Report by Sandra Gober</u>

Board Members, Mr. Tom Hirsch and Malcolm Harris, introduced themselves as new board members. This annual report is done every year. It is very helpful and provides a lot of information about the PILOT agreements and other transactions that the Board takes care of.

Ms. Sandra Gober is Director of Housing and Community Investment Division in the Department of Economic Development. Ms. Janice Gooden had a desire for an annual report.

Since about 2002, the HEB has been granting approving PILOTs for housing and started out with the footprint downtown which is one of the projects that Ms. Malueg just spoke about. Over the years, there have been changes and amendments to the PILOT for housing. Initially, the footprint was for housing in the downtown area and in 2014 the footprint was expanded, and the requirements were at least 20% of the units and the development had to be available for low-income households. In 2016, there was an amendment to the resolution and at least 50% of the units had to be available as affordable units.

Ms. Gober gave an update on the projects that are under development where there is service. Regarding the layerings or recommendations associated with a developer receiving a PILOT, in addition to the developer receiving the payment in lieu of taxes, typically, the capital stack is layered with funding from other agencies like the Tennessee Housing Development Agency bond issuance. In addition, in some cases, it will have a PILOT and on top of that it could also have some funding from the City which will typically be this federal funding. The funding levels and capital stack themselves, each carry restrictions and requirements and with all of them it is ensuring that the project remains stable and in compliance regarding the number of units that are available to low-income tenants and the range of low income, and some have percentages. This report will show this is a listing of all the projects that are serviced currently and those that are under development. There are three that are under development. The spreadsheet provides details on several units that fall under each income category.

Ms. Gober went over the presentation which is attached to these minutes. The primary purpose of this report, also as the slide indicates, is we must ensure that the projects remain in compliance. Our office as well as THDA are assisting with the projects. They have requirements that the units are managed in a certain way and that the tenants are vetted properly to ensure that their income qualifies. The projects that have funding through THDA can accept their compliance reports. There are projects that do not have funding for THDA and those projects we do the compliance ourselves and request annual reports from the development. All the projects are complying with either through THDA or our staff going on site and receiving and reviewing the compliance rent rolls at the developments.

In addition to the PILOTs that are approved by this body, the HEB also approved the management and distribution of funding to projects under our Affordable Housing Fund. The program was initiated in 2017-18 and through that fund the HEB approved the funding for these projects. This is just an update on the status of those projects. Everything has been funded, the project and/or the activity are complete. The most recent last one at East M.L. King was the development by Chattanooga Neighborhood Enterprise and the project was completed recently and now in service.

Ms. Jones asked if this report was made available to the public. Ms. Gober said it is not public facing only the Board, but we do not have anything on our website. It is available on request. Ms. van Deursen said the County keeps records on their website and you can see the information. It is all PILOTs in the County.

Ms. Janice Gooden said that one of things she was trying to understand with the new PILOT program, it has ability, compliance, which was added the ability to go in and inspect some of the units that are approved. Is that separate from the previous program? Ms. Gooden wanted to get an understanding of how that works. Ms. van Duersen responded, however, it was inaudible.

OTHER BUSINESS-DISCUSSION

NHC Chattanooga Standifer Place – Discussion with National HealthCare Corporation representative Andrew Clark regarding the project and request for the Board's approval to proceed. Information has been provided.

Mr. Andy Clark spoke about supporting the project. On the past couple years, we have had discussion with the City Attorney's Office, Deacon Hicks Armor, about the potential to put a behavioral health hospital at Standifer Place which is currently under a Lease Agreement with the HEB. We have provided this group with a site plan, floor plan, and some renderings on what we propose to do for your consideration. There is a one-page summary that includes National Health Care's background which we are the ones involved with the Lease. The services provided by our tier model, all that information has been provided.

Some points of detail are that this is a 24 bed, behavioral health hospital, with both inpatient and outpatient services proposed. Approximately a $12 million total investment with $9 to $10 million of that with local trades and contractors for the actual physical construction. A couple of years ago, we did a CON needs study. Since that time the CON is no longer a part, however, in 2023, there was a need projected in the area for 32 behavioral health beds.

We have determined that the market will continue to grow, the need continues to increase, and 24 beds would be a great compliment to Standifer Place. It is a continuing care retirement community with skilled nursing, memory care, and now hopefully we can have this behavioral health component. After talking with the City Attorney's Office about the background of the Lease and circumstances, we do not request any changes to the Lease. The use for behavioral health is allowed now by both the City and the Lease, and we are looking to improve the demise premises which are also allowed by the Lease. We would appreciate your support, and, in that matter, we can go forward with the City as far as the documents.

We will have new staff, and it will be NHC operated. We will operate that internally. There would not be any monetary requirement on the City's part. The existing lease is in place until 2052. There are no changes to that. If all goes well, we will start construction as quickly as we can get the drawings done. Part of the current lease, it is Mr. Clark's understanding that we can improve the demise premises but as the HEB is the landowner, Mr. Clark did not feel it was appropriate to proceed without having some discussion with the Board.

After further discussion, Mr. Hirsch made a motion for this project to move forward with approval for NHC's work, seconded by Mr. Harris, and the motion unanimously passed.

After further discussion, a motion to adjourn the meeting was made by Mr. Mason, seconded by Mr. Hirsch, and the meeting adjourned at 1:35 PM.

Respectfully submitted,

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Hank Wells, *Secretary*

APPROVED:

____

Hicks Armor, *Chair*

RESOLUTION

A RESOLUTION AUTHORIZING THE CHAIR OR VICE-CHAIR TO EXECUTE AN AGREEMENT WITH ENTERPRISE COMMUNITY PARTNERS, INC., IN SUBSTANTIALLY THE FORM ATTACHED, IN A MATCHING GRANT AMOUNT OF FIVE HUNDRED THOUSAND DOLLARS ($500,000.00) TO PROVIDE GRANTS, TRAINING, AND TECHNICAL ASSISTANCE TO EIGHT (8) FAITH-BASED ORGANIZATIONS IN ORDER TO INCREASE THE AFFORDABLE HOUSING STOCK IN THE CITY.

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 execute an Agreement with Enterprise Community Partners, Inc., in substantially the form attached, in a matching grant amount of $500,000.00 to provide grants, training, and technical assistance to eight (8) faith-based organizations in order to increase the affordable housing stock in the City.

ADOPTED: November 17, 2025

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

____

Hicks Armor, *Chair*

ATTEST:

____

Hank Wells, *Secretary*

HEB-2025-16

CITY OF CHATTANOOGA, TENNESSEE
FAITH BASED DEVELOPMENT INITIATIVE PROGRAM SERVICES AGREEMENT

This Contract, which is effective_______________ 2025 ("Effective Date") is made by and between **THE HEALTH, EDUCATIONAL AND HOUSING FACILITY BOARD OF THE CITY OF CHATTANOOGA, TENNESSEE (the "Board")** and **ENTERPRISE COMMUNITY PARTNERS, INC.** ("**Contractor**" or "**Enterprise**"), a nonstock corporation organized and existing under the laws of Maryland and authorized to do business in the State of Tennessee, having a principal business address located at 11000 Broken Land Parkway, Columbia, Maryland 21044 (collectively referred to as the "**Parties**").

W I T N E S S E T H

WHEREAS The City of Chattanooga has determined the need to increase the supply of new affordable housing and is undertaking the planning and execution of activities to increase the supply of new affordable housing in the City of Chattanooga (the "City"); and

WHEREAS, pursuant to Resolution No. 32637, the Chattanooga City Council transferred the sum of FIVE HUNDRED THOUSAND AND NO/100 DOLLARS ($500,000) to the Board for the purpose of increasing the supply of new affordable housing; and

WHEREAS the Contractor operates Enterprise Faith-Based Development Initiative (**"FBDI"**) as a strategy to increase the supply of affordable housing and community facilities by providing training, technical assistance, consulting services, catalytic early pre-development grants and connections to development industry professionals to houses of worship engaged in community and affordable housing development; and

WHEREAS the Contractor provided the City with a plan to provide grants, training, and technical assistance to eight (8) faith-based organizations to support the advancement of development projects and development of underutilized real assets into affordable homes and other community facilities within the City of Chattanooga ("**Chattanooga FBDI Cohort Program**" or **"Program");** and

WHEREAS the Board has designated the Contractor to provide "a Faith-Based Development Initiative Cohort to develop strategies for increasing the supply of affordable housing and community facilities in the City of Chattanooga pursuant to Resolution No. 32637 and adopted by the Board on ________________, 2025; and

WHEREAS the Contractor represents that it has the experience and qualifications necessary to provide the services described in this Contract; and

WHEREAS the Chairperson is the duly authorized signatory of this instrument on behalf of the Board and is responsible for all contractual modifications on its behalf.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein the Parties agree as follows:

ARTICLE 1 – RECITALS

The foregoing recitals are hereby incorporated by reference.

ARTICLE 2 - DEFINITIONS

As used herein, the following terms shall have the meaning indicated:

- "**FBDI Cohort Participant**" means a faith-based organization or house of worship located within the City of Chattanooga and selected to participate in the City FBDI Cohort Program.

- "**Eligible Activities**" means a single activity, or combination of activities, associated with Eligible Projects that may be financed using the Board FBDI Cohort Program funds.

- “**Eligible Project**” is defined as for-sale or rental development including single family housing units and/or multi-family housing, owned by a faith-based institution or its affiliated entity, located entirely within the City of Chattanooga.
- **"Program Funds”** means the Board’s payments to the Contractor for Eligible Activities as described below in Article 3, Scope of Services.

ARTICLE 3 –SCOPE OF WORK AND PROPOSED BUDGET.

The Scope of Work is attached as Attachment A, and incorporated herein by reference. The Proposed Budget is attached as Exhibit B, and incorporated herein by reference.

ARTICLE 4 – COMPENSATION/INVOICES

The Contractor must deliver all the services required under Article 3, Scope of Work, of this Agreement for a total amount of $500,000. The allocation will be split into two payments, $245,285 in Q4 2025 and $254,715 in Q4 2026. Allocations are based on the outlined budget in Attachment B.

ARTICLE 5 - TERM / TERMINATION

This Contract is effective for three (3) years from the date of execution. Before the Contract term ends, the Chairperson of the Board, following approval by the Board, may (but is not required to) renew this Contract for additional one-year periods, if the Board determines that renewal is in the best interest of the Board.

The Board shall have the right to terminate this Contract upon thirty (30) days’ written notice to Contractor. The Board shall pay for Services rendered through the date of termination, and the Contractor agrees to return any unused portion of the funds allocated to Contractor in either quarter for which it has received payment as set forth in Article 3.

Termination for Cause. Without limiting any other termination rights set forth in this Contract, either party may terminate this Contract for default if the other party fails to cure a material breach within thirty (30) days after receipt of written notice that identifies the breach and the intent to terminate if not cured.

ARTICLE 6 – INSURANCE

Contractor shall purchase and maintain during the life of this Contract, insurance coverage which will satisfactorily insure Contractor against claims and liabilities which arise because of the execution of this Contract, with the minimum insurance coverage as follows:

a. Commercial General Liability Insurance, with a limit of $1,000,000 for each occurrence and $2,000,000 in the general aggregate.

b. Automobile Liability Insurance, with a limit of $1,000,000 for each accident, combined single limit for bodily injury and property damage.

c. Worker's Compensation Insurance and Employer's Liability Insurance, in accordance with statutory requirements, with a limit of $500,000 for each accident.

d. Professional Liability Insurance, with a limit of $1,000,000 for each claim and aggregate.

If any of the above cited policies expire during the life of this Contract, it is the Contractor's responsibility to forward renewal Certificates within ten (10) days after the renewal date containing all the aforementioned insurance provisions. Certificates must specifically cite the following provisions:

i. The Health, Educational, and Housing Facility Board of the City of Chattanooga, and the City of Chattanooga, its agents, representatives, officers, directors, officials and employees must be named an Additional Insured under the following policies:

a) Commercial General Liability

b) Auto Liability

ii. Contractor's insurance must be primary insurance as respects performance of subject contract.

iii. All policies, except Professional Liability Insurance, if applicable, waives rights of recovery (subrogation) against the Board, its agents, representatives, officers, directors, officials and employees for any claims arising out of work or services performed by Contractor under this Contract.

ARTICLE 7 – INTELLECTUAL PROPERTY RIGHTS IN WORK PRODUCT

Contractor agrees that all work product it produces within the scope of this Contract shall be considered "works made for hire" under the federal copyright laws. Contractor hereby assigns, sells, transfers, grants, and conveys all right, title, and interest in such work product to the Board. During the course of this Contract, Contractor may further develop its knowledge, skills, and experience. Nothing in this Contract is intended to limit Contractor's use of any knowledge, skills, experience, ideas, concepts, know-how, and techniques developed prior to or during the course of this Contract, without limitation, in the development, manufacturing, and marketing of products and services for itself or for other clients. Contractor hereby acknowledges and agrees that any proprietary property of the Board provided by the Board to Contractor in conjunction with the services to be performed under this Contract shall remain the property of the Board. Notwithstanding the foregoing, the Board acknowledges that any intellectual property, materials, tools, or methodologies developed by Contractor independent of this Contract, including but not limited to content from Contractor's Faith-Based Development Initiative, shall remain the sole property of Contractor. The Board also acknowledges that no ownership rights are conferred to the Board in such pre-existing intellectual property or its derivatives.

ARTICLE 8 – CONFIDENTIALITY

The Board and Contractor recognize that in the course of the performance of this Contract, it may obtain confidential information or materials from the other. The party obtaining such information shall, at all times, both during the term of this Contract and thereafter, keep all of such confidential information in strictest confidence and trust. Each party agrees to return to the other any written, printed or other materials embodying such confidential information given to or acquired by such party in connection with this Contract. For these purposes, the term "confidential information" shall be deemed information specifically provided by one party which is designated in writing as "Confidential Information" by specific reference thereto, not general reference thereto. It shall further include any information which is clearly proprietary in nature or clearly constitutes a trade secret. In all events, the term "Confidential Information" shall not include any information (a) which is accessible to the party obtaining such information from sources other than the party providing such information, (b) that is in the public domain, or (c) becomes public information at any time in the future. In all events, the provisions of this section shall not prevent a party obtaining confidential information from disclosing the same in connection with legal process, including subpoena. Notwithstanding anything contained herein to the contrary, the Board is subject to the Tennessee Open Records Act, T.C.A. § 10-7-503, et seq. ("TORA"). This Contract is considered a public record under TORA and is therefore subject to inspection and copying by citizens of the State of Tennessee.

In the event that either party shall violate the terms of this Article, the other party shall be entitled to obtain injunctive relief to enforce this provision, it being agreed that damages alone will not constitute an adequate remedy.

ARTICLE 9 – PERFORMANCE BY CONTRACTOR

a. **Conduct on City's Premises** -- The Scope of Work shall be performed with the City and the Board's full cooperation, on the premises of City or remotely. Contractor agrees, while working on City's premises, to observe City's rules and policies relating to the security thereof, access to or use of all or part of the City's premises and any of City's property, including proprietary or confidential information. Contractor agrees that when it is working on City's premises, its personnel shall observe City's administrative and ethics codes relating to the security, access or use of all or part of City's premises and any of City's property, including proprietary or confidential information.

b. **Inquiries by the Board** – Contractor shall respond expeditiously to any inquiries pertaining to this Contract from the Board.

c. **Independence** – The Board retains Contractor as an independent contractor, not as an employee. Contractor shall not represent or hold himself out to be an employee of the City or the Board and is not eligible to receive any City issued health, medical, or wellness benefits.

d. **Coordination of Services** – Contractor shall schedule work hours as needed to coordinate services with City and Board staff and external parties.

ARTICLE 10 – AUDIT

The Board, through the City, may audit all financial and related records (including digital) associated with the terms of this Contract, including timesheets, reimbursable out of pocket expenses, materials, goods, and equipment claimed by Contractor. The Board may further audit any records associated with the terms of the Agreement to conduct performance audits (to identify waste and abuse or to determine efficiency and effectiveness of the expenditure of any funds appropriated by the Board) or to identify conflicts of interest. Contractor shall at all times during the term of the Agreement and for a period of seven (7) years after the expiration or earlier termination of this Contract, keep and maintain the foregoing records. Documents shall be maintained by Contractor necessary to clearly reflect all work done and actions taken. All such records shall be maintained in accordance with generally accepted accounting principles. Contractor shall, at its own expense, make such records available for inspection and audit (including copies and extracts of records as required) by the Board at all reasonable times and no less than a thirty (30) day prior notice. The obligations of this Article shall be explicitly included in any subcontracts or agreements formed between Contractor and any subcontractors or suppliers of goods or services to the extent that those subcontracts or agreements relate to fulfillment of the Contractor's obligations to the Board under this Contract. Costs of any audits conducted in accordance with this Article and not addressed elsewhere will be borne by City unless the audit identifies significant findings that benefit City. Contractor shall reimburse the Board for the actual and reasonable costs of an audit that identifies significant findings that benefit the Board. This Article shall not be construed to limit, revoke, or abridge any other rights, powers, or obligations relating to audit the Board may have by federal, state, or municipal law, whether those rights, powers, or obligations are express or implied.

ARTICLE 11– NON-DISCRIMINATION

The Contractor shall ensure that all programs, activities, and services funded under this Contract fully comply with all applicable federal anti-discrimination laws, including Title VI, Title IX, and the Equal Protection Clause. The Contractor certifies that it does not operate or fund any program or initiative, including those designated as "Diversity, Equity, and Inclusion" (DEI), that provides preferential treatment based on a protected characteristic (race, color, national origin, religion, sex, etc.) or uses protected characteristics as a proxy in hiring, promotion, contracting, or resource allocation decisions that is in violation of federal, state and local laws.

ARTICLE 12 – RESTRICTIONS ON FUNDS FOR UNLAWFUL DEI ACTIVITIES

The Contractor agrees that no funds provided under this Contract will be used for any initiative, training, or activity that promotes, advocates for, or advances concepts that are unlawful under federal or state anti-discrimination law. This includes, but is not limited to, training programs that demean, exclude, or stereotype individuals based on their protected characteristics. Furthermore, Contractor agrees that all funds provided will support secular services and not religious activities.

ARTICLE 13 – MONITORING AND COMPLIANCE WITH THIRD PARTIES

The Contractor agrees to monitor all subcontracted services and third-party agreements to ensure compliance with federal, state, and local anti-discrimination laws. The Contractor acknowledges that it may be held liable if it knowingly funds the unlawful practices of its subcontractors or their third-party partners. The Contractor must include these same anti-discrimination provisions in any of its subcontracts related to this Contract.

ARTICLE 14 – BREACH OF CONTRACT AND REMEDIES

A material breach of the anti-discrimination and compliance provisions of this Contract, as determined by the Board; may result in the immediate termination of this Contract and may require the Contractor to repay all or part of the CDBG funds disbursed. The Board reserves the right to pursue any other remedies available at law or in equity for such a breach.

ARTICLE 15 – WARRANTY

Contractor warrants that the Scope of Work will be performed in a professional, efficient, and diligent manner consistent with generally accepted industry standards, exercising reasonable care, skill and diligence in providing the Scope of Work.

ARTICLE 16 – REMEDIES AND LIABILITY.

Termination of this Contract shall not affect any right of action of either party arising from anything which was done or not done prior to the termination taking effect. The Board and Contractor recognize that circumstances may arise entitling the Board to damages for breach or other fault on the part of Contractor arising from this Contract. The Parties agree that in all such circumstances the Board's remedies and Contractor's liabilities will be limited as set forth here and that this provision will survive notwithstanding the termination or other discharge of the obligations of the Parties under this Contract. Neither party shall be liable for consequential, incidental, indirect, special or other damages of any kind, including but not limited to lost revenue, loss of data or loss of profits, even if such other party has been advised of the likelihood of the occurrence of such damages and notwithstanding any failure of essential purpose of any limited remedy.

ARTICLE 17 – INDEMNIFICATION. GENERAL INDEMNIFICATION.

Contractor shall defend, indemnify and hold harmless the Board and each of the Board's officers, employees and agents (each, a "Board Indemnitee") from and against all losses, penalties, damages, injuries, settlements, charges, professional fees, or other expenses of liabilities of every kind and character including reasonable attorney's fees and costs (Collectively, "Losses"), arising out of or resulting from any third party claim, suit, action or proceeding (each, an "Action"), to the extent that such Action arises out of or results from (i) Contractor's breach of any representation, warranty or covenant of Contractor under this Agreement; or (ii) the gross negligence in connection with the performance by Contractor of this Agreement. The Board shall promptly notify Contractor in writing of the Action. The Board shall have sole control of the defense and all related settlement negotiations. Contractor shall have no obligation to defend, indemnify or hold harmless any Board Indemnitee to the extent that such Action or losses were caused by the Board Indemnitee's gross negligence, or a breach of this Agreement by The Board.

ARTICLE 18 – MEDIATION.

The Parties agree to submit any claim, controversy or dispute arising out of or relating to this Contract or the relationship created by this Contract to nonbinding mediation before bringing a claim, controversy or dispute in a court or before any other tribunal. The mediation is to be conducted by either an individual mediator or a mediator appointed by mediation services mutually agreeable to the parties. The mediation shall take place at a time and location in Hamilton County, Tennessee which is also mutually agreeable; provided, however, in no event shall the mediation occur later than sixty (60) days after either party notifies the other of its desire to have a dispute be placed before a mediator. Such mediator shall be knowledgeable in services agreements. The costs and expenses of mediation, including compensation and expenses of the mediator (and except for the attorney's fees incurred by either party), is to be borne by the non-prevailing party. If the Parties are unable to resolve the claim, controversy or dispute within sixty (60) days after the date either party provides the other notice of mediation, then either party may bring and initiate a legal proceeding to resolve the claim, controversy or dispute unless the time period is extended by a written agreement of the Parties.

ARTICLE 19 – ADDRESSES FOR NOTICE.

Any notice required or permitted to be given to any party to this Contract shall be given in writing and shall be delivered personally, mailed by prepaid registered post or sent by e-mail to the address set forth below:

If to the Contractor:

Enterprise Community Partners, Inc.
11000 Broken Land Parkway, Ste 700
Columbia, MD 21044

ATTN: Kristen Risch, Vice President Operations Management
Email: krisch@enterprisecommunity.org

<u>If to the Board:</u>

The Health, Educational and Housing Facility Board
Of the City of Chattanooga, Tennessee
c/o Attorney Phillip A. Noblett
Office of the City Attorney
100 E. 11th Street, Suite 200
Chattanooga, TN 37402

And

Attorney Phillip A. Noblett
Office of the City Attorney
100 E. 11th Street, Suite 200
Chattanooga, TN 37402

Either party may change the address for notice, by issuing notice in the manner described in the Notice provisions of this Agreement.

<u>ARTICLE 20 - MISCELLANEOUS.</u>

a. **Parties Bound**. This Contract shall be binding upon and inure to the benefit of the Parties hereto and each of their respective successors and assigns.

b. **Assignment; Binding Effect**. Neither party may assign or transfer its rights and obligations hereunder without the prior written consent of the other party. No permitted assignment shall relieve the assigning party of any liability hereunder unless agreed to in writing by the other party. This Contract shall be binding upon the Parties hereto and their respective successors and permitted assigns.

c. **Severability**. The provisions of this Contract are independent of and separable from each other, and no provisions shall be affected or rendered invalid or unenforceable by virtue of the fact that for any reason any other or others of them may be invalid or unenforceable in whole or in part.

e. **Governing Law**. This Contract and all questions relating to its validity, interpretation, performance and enforcement shall be governed by and construed in accordance with the laws of the State of Tennessee.

f. **Entire Contract**. This Contract sets forth the entire understanding of the Parties, and supersedes all other representations, agreements, and understandings, both oral and written, between the Parties with respect to the subject matter hereof.

g. **Survival**. Upon expiration or termination of this Contract, other than as provided herein, all rights and obligations of each party under this Contract, exclusive of the Scope of Work, shall survive.

h. **Amendment**. This Contract may only be amended or modified in writing signed by the parties hereto.

i. **Waiver**. Neither the failure nor any delay on the part of either party to exercise any right, remedy or power of privilege under this Contract shall operate as a waiver thereof. Any waiver by a party of a provision in this Contract must be in writing, signed by the waiving party. Nor shall any single or partial exercise of any right, remedy, power or privilege preclude any other or further exercise of the same or of any other right, remedy, power or privilege with respect to any other occurrence.

j. **Force Majeure.** Neither party shall be in default if failure to perform any obligation under this Contract is caused by supervening conditions beyond that party's control, including but not limited to acts of God, war, labor strikes, slowdowns or stoppages, fires, floods, explosions, civil commotion, pandemics or epidemics, and other causes beyond the control or fault of the party who has delayed in performing its obligations hereunder.

k. **Notices.** All notices, requests and demands required or permitted under this Contract shall be in writing and shall be deemed to have been duly given, made and received when sent by United States mail, postage prepaid or by nationally recognized overnight carrier, addressed to the party as set forth above. Either party may alter the address to which communications or copies are to be sent by giving notice, provided that notice of a change in address shall be effective only upon receipt of such change of address in conformity with the provisions of this paragraph for giving notice, provided that notice of a change in address shall be effective only upon receipt.

l. **Counterparts; Electronic Signatures**. This Contract may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall be deemed a completed document. Any signature page delivered by e-mail shall be valid and binding upon the parties to the same extent as an original signature page. Any party who delivers a signature page by e-mail hereby agrees to later deliver an original counterpart to any party requesting the same.

ARTICLE 21 – BINDING OBLIGATION.

Each of the parties hereto represents and warrants that it has full power and authority to execute, deliver and perform its obligations under this Contract, this Contract has been duly authorized, executed and delivered, and this Contract is a legal, valid and binding obligation, enforceable in accordance with its terms.

ARTICLE 22 – FURTHER ACTIONS.

Upon the reasonable request of any of the Parties hereto, the other parties will (a) furnish the requesting party and additional information (b) execute and deliver any other documents, and (c) take any other actions as the requesting party may reasonable require to more effectively carry out the intent of this Contract.

SIGNATURES APPEAR ON THE FOLLOWING PAGE

ENTERPRISE COMMUNITY PARTNERS, INC.
a Maryland nonstock corporation

By:______________________________

Its:_______________________________

Date:_____________________________

CITY of CHATTANOGA, TENNESSEE

By:___________________________________

Its: ___________________________________

Date: _________________________________

ATTACHMENT A
SCOPE OF WORK

Enterprise's FBDI aligns with goals articulated in the City of Chattanooga's *One Chattanooga Relief and Recovery*. Through FBDI, Enterprise provides real estate development assistance, resources, capital, and training to help organizations develop underutilized real estate assets into affordable homes and other community facilities. Enterprise's vision is that this underutilized land will be developed to meet their communities' needs so that more people have access to affordable homes and community amenities.

In support of this work, Enterprise's Impact and Evaluation team will build upon any preliminary parcel data analysis available from the City, conducting additional analysis of faith-based owned land in metro Chattanooga. This comprehensive analysis will inform targeted outreach to houses of worship in Chattanooga. Through this outreach, Enterprise will invite local houses of worship to a "Clarion Call" informational session to introduce faith leaders to FBDI and provide information on local affordable housing needs and program offerings. Interested organizations from all faith backgrounds will submit online applications, from which Enterprise will select 8 applicants to participate in the Chattanooga FBDI cohort.

Enterprise's proposed Chattanooga FBDI work plan includes the following program elements to support the selected cohort of houses of worship over a 36-month period:

- TRAINING: Training will help houses of worship understand and navigate the development process to advance their projects. Enterprise will provide participating houses of worship with approximately 20 hours of "classroom" instruction over 7-8 months, covering various aspects of the development process. Subject matter experts will provide instruction utilizing Enterprise's FBDI curriculum. Every effort will be made to utilize local expertise from the City of Chattanooga in inviting guest speakers on zoning, planning, and other relevant areas.

Throughout the training portion of the program, Enterprise offers regular office hours where participants can discuss specific questions about curriculum content or financial matters they prefer to address privately. This ~10 hours of training and assistance through office hours complements the 20 hours of formal instruction and ensures participants are staying on track with the curriculum, have the opportunity to address obstacles in their learning and can discuss questions specific to their situation/project vision.

Cohort participants will be expected to have the senior clergy member and one to two lay leaders committed to attending all training sessions. After the classroom instruction period concludes, participating houses of worship will present an initial development project concept plan to their peers in a "Five in Five" presentation where they share a five-slide summary of their planned project.

The training's objective is to assist participants in becoming comfortably conversant with key terms, concepts, timelines, and stakeholders in the real estate development process. This will be achieved through utilizing Enterprise's standardized FBDI curriculum, which will be customized to include Chattanooga-specific information. The curriculum is broken into five modules and includes, but is not limited to, the following topics:

- *Introduction to Real Estate Development:* The first of five modules provides an overview of affordable housing, the development process, and advice on building organizational capacity and strategies for development.
- *Development Decisions and Community Engagement:* This module focuses on site development planning, housing development models, team building and roles, strategies for community engagement, and creating a project mission.

- *Project Design and Construction:* key topics include market feasibility, the development and environmental review processes, the selection of a design team and concept, the creation of a predevelopment budget, and how to incorporate green building and resiliency.

- *Structuring the Deal:* addresses critical financing components, including identifying and securing gap funding sources, leveraging public and private financing tools, tax credit equity, and other capital stack elements, as well as development proforma creation, joint venture partnership structures, construction process management and timelines, marketing strategies, lease-up procedures, and legal considerations. Special emphasis is placed on navigating complex funding sources and creative financing solutions to ensure project viability.

- *Operations*: This section covers property and asset management, maintaining compliance, resident services, and the roles, obligations, and expectations of partners.

- GRANTS AND CAPITAL: Funding will help houses of worship in the FBDI cohort advance their projects along the development continuum from vision to completion, providing critical housing for low-to moderate-income people.

- *Market Study/Feasibility Analysis/Early Pre-Development Grants:* Each cohort member will be eligible for $50,000 in grant funds A portion of the grant fundswill be designated to cover market study/feasibility analysis studies. These studies will provide the house of worship with a sense of market demand for what they envision and the feasibility of acquiring zoning approvals and financing. The remaining grant funds will cover early development project-related needs (zoning, environmental, etc.), which the completed studies will determine.

- *Access to Enterprise Capital Products:* Faith-based organizations participating in FBDI will have access to Enterprise's capital team to discuss products that may be available. These can include Enterprise pre-development, acquisition and permanent debt capital, Low-Income

Housing Tax Credit, and New Market Tax Credit equity. However, there is no obligation to utilize Enterprise products, and our training does encourage participants to "shop around" for the best financing options for them/their projects.

- TECHNICAL ASSISTANCE*:* Cohort members will have access to technical assistance to help them connect to resources, address project-specific challenges, and navigate the development process.

- *Development Consultant****:*** Participating houses of worship will have access to 75 hours of development consultant support. Enterprise will identify a pool of qualified technical assistance providers and allow cohort members to interview qualified providers to find the best fit for their organization/project. During the training portion of the program, houses of worship will learn effective strategies for identifying, interviewing, and selecting development team partners. These strategies will help houses of worship to select their development consultant and other development partners.

These development consultants will assist the houses of worship create their development concept plan and assemble their development team, which will ultimately seek public and private financing for the projects. Development consultant support is in addition to pre-development grant funding (described above), and the development consultant is anticipated to help the house of worship interpret any studies commissioned with pre-development grant funding.

Cohort members will be eligible for $25,000 in grant funding, which will allow them to contract directly with the qualified provider they select as their development consultant (in addition to the $50,000 in pre-development grant funding).

- *Shepherding Technical Assistance*: Enterprise staff will also provide additional one-on-one technical assistance to houses of worship to help advance their projects through the development process.

- *Clergy Coaching*: Each house of worship in the cohort will have access to eight hours of clergy coaching. This service will be provided by clergy who have previously completed housing and/or community facilities development projects. These clergy members will provide a combination of education and inspiration as they provide practical suggestions on navigating the development process and progressing toward the cohort members' goals.

- INVENTORY OF EXPERTS: Enterprise maintains a list of development industry professionals to assist FBDI partners. Through our established networks of development partners, many of whom work effectively across multiple markets, we can provide cohort members access to qualified professionals as we build local connections in Chattanooga. Our network includes the following professions: architects and designers, real estate/land use lawyers, and real estate developers/development consultants. Houses of worship will be able to interview prospective partners to find the right fit for their project.

- PEER-TO-PEER LEARNING: Beyond the sharing that will take place during the classroom instruction, organized peer learning will support faith leaders engaged in community development to advance projects and expand the number of homes developed. Enterprise will offer peer-sharing sessions targeted to clergy leaders to share lessons learned as they go through the process. In these sessions, Enterprise will facilitate a learning community where houses of worship share updates on their development projects with each other. Conversation will focus on progress, barriers, resources, and lessons so that participants can learn from each other and share resources/ideas. We have found these peer exchanges to be very valuable in providing tangible tips to participants and encouragement from peers. In addition, participating houses of worship will have access to other peer learning sessions and Enterprise's annual Faith-Based Development Initiative Summit.

Three-Year Project Timeline

The following reflects Enterprise's anticipated timeline for the cohort. This timeline includes flexibility, particularly in the timing of using subgrant funds, delivering technical assistance by Enterprise staff, and delivering technical support from development consultants. This flexibility keeps the program on track while accommodating the varying paces at which each organization in the cohort might learn and advance its project vision.

Months 1-3:

- Conduct outreach to houses of worship.
- Review data on faith-based properties completed by the City of Chattanooga for houses of worship in the metro-Chattanooga region, including spatial data analysis.
- Analyze parcel data of land owned by faith-based organizations in the City of Chattanooga
- Plan and host a "Clarion Call" event to announce a cohort opportunity for interested houses of worship.

Months 4-6:

- Open application process for houses of worship interested in joining the cohort.
- Review applications, select participants, and notify selected houses of worship.
- Complete the intake process for cohort members and begin issuing formal grant agreements.
- Launch cohort training sessions.

Months 7-12:

- Continue cohort training sessions.
- Work with cohort members to establish their individual work plans.
- Host individual meetings with cohort members to ensure open communication.
- Assist cohort members in selecting the development consultants.
- Host a peer exchange session with "Five in Five" presentations from cohort members on their initial development project concepts following the completion of training sessions.

Months 13-24:

- Initiate development consultant and technical assistance.
- Begin one-on-one "shepherding" technical assistance check-ins with cohort members.
- Begin to disburse grants to cohort members based on their readiness.
- Collect regular project reporting updates from cohort members.
- Confirm that cohort members and their development consultant(s) have a financial model for their projects.
- Assist cohort members in understanding how to access and apply for relevant funding sources, including Low-Income Housing Tax Credits (LIHTC), Housing Trust Fund loans, grants, and other financing options.
- Facilitate a peer-learning- exchange.

Months 25-36:

- Continue regular (6-8 weeks) one-on-one technical assistance check-ins with all houses of worship, with staff remaining available for additional support as needed between scheduled check-ins.
- Focus efforts on helping houses of worship navigate specific technical assistance needs relevant to their progress, with particular emphasis on supporting those experiencing challenges or delays.
- Facilitate a peer exchange for cohort members to present updated development concept plans and share progress.

Outreach Plan

Enterprise will establish a network with faith-based organizations and houses of worship in Chattanooga, leveraging successful relationships from our Metro-Atlanta FBDI program. We will reach out to local public, private, and philanthropic partners for coordinated program and investment opportunities.

Enterprise will identify houses of worship throughout Chattanooga, prioritizing communities disproportionately affected by the Covid-19 pandemic and neighborhoods with higher volumes of vulnerable populations. This aligns with the City's Investment Framework Recommendation, which addresses systemic racism and inequitable policies. In addition to those houses of worship who have already expressed interest, Enterprise will use our faith-based data to target high-potential houses of worship to cultivate interest.

Outreach will include:

- Marketing via Enterprise's national communications channels (FBDI lists, Southeast newsletter, social media).
- Media outreach to cultivate interest.

- Hosting a "Clarion Call" information event to announce cohort opportunity to interested houses of worship, timed to promote applications to the FBDI program.

Interested organizations will submit applications through our online platform, SlideRoom. Enterprise will review applications to select organizations for the FBDI cohort.

Program Impact

Enterprise will carefully monitor progress and track results over the course of the 36-month program. We anticipate this project will build the capacity of 8 houses of worship to work with development partners to create a pipeline of **400 units of affordable housing**. To achieve this impact, we anticipate engaging houses of worship through outreach and selecting eight houses of worship to participate based on their project readiness.

Metrics Enterprise will track to ensure we meet our goals and are addressing community needs, include:

- # of hours of TA provided (via staff and consultants)
- # of training sessions delivered
- # of houses of worship that complete organizational assessments
- # of units in the pipeline (including information on type, AMI, and population targets)
- # of houses of worship that release an RFP to select a development partner
- # of houses of worship that select a development partner
- # of houses of worship that apply for financing
- # of houses of worship that secure financing (including amount and source)
- $ projected total development costs
- $ value of land (if contributed by houses of worship)

Additionally, we will collect and analyze qualitative feedback from participating houses of worship at the end of the classroom session and at the end of the program period. We use this information to continually evaluate program impact and inform any needed program refinements.

ATTACHMENT B: PROPOSED BUDGET

Enterprise's proposed project budget, which totals $1,712,257 over a 36-month performance period, assumes a cohort size of 8 houses of worship. While the project design allows for some flexibility in cohort size, maintaining a minimum of 8 houses of worship ensures the necessary peer learning environment and program impact that make this model successful.

The budget below reflects expenses associated with all of the program elements outlined above. The grants line item includes $75,000 per cohort member with two key components: $50,000 in pre-development grant funding per house of worship to support market studies and early development needs, and $25,000 per organization to hire their selected development consultant for 75 hours of dedicated project support.

The consulting line covers the delivery of FBDI curriculum training and office hours and clergy coaching by experienced clergy members to help cohort members navigate complex development processes like RFP development and joint venture negotiations.

We have found that a full three years of cohort support is beneficial to houses of worship as they work to refine a project plan and secure development partners. With additional funding of $1 million, Enterprise could extend program support to a third year, increase development consultant technical assistance from 75 to 100 hours per organization, and increase the cohort size, which is currently open to 8 houses of worship.

Enterprise Community Partners, Inc.

Faith-Based Development Initiative Cohort

Presented to: The City of Chattanooga

Description	Budget Year 1	Budget Year 2	Budget Year 3	Total Budget
Expenses				
Salaries (Including Benefits)	$ 156,969	$ 161,377	$ 165,916	$ 484,262
Grants	$ 125,000	$ 300,000	$ 175,000	$ 600,000
Consultants	$ 55,000	$ 77,000	$ 55,000	$ 187,000
Travel	$ 3,200	$ 3,200	$ 1,600	$ 8,000
Marketing, Promotion and Events	$ 4,000	$ 4,000	$ 2,000	$ 10,000
Occupancy and Program Oversight	$ 70,840	$ 72,829	$ 74,878	$ 218,547
General and Administrative	$ 64,557	$ -	$ -	$ 64,557
				$ -
Total Expenses	**$ 479,566**	**$ 618,406**	**$ 474,394**	**$ 1,572,366**

RESOLUTION

A RESOLUTION AUTHORIZING THE CHAIR OR VICE-CHAIR TO EXECUTE AN AGREEMENT WITH LEGAL AID OF EAST TENNESSEE, IN SUBSTANTIALLY THE FORM ATTACHED, TO ADMINISTER AN EVICTION PREVENTION PROGRAM TO HELP INDIVIDUALS AND FAMILIES AT RISK OF HOMELESSNESS TO MAINTAIN EXISTING HOUSING, FOR AN AMOUNT UP TO FIVE HUNDRED THOUSAND DOLLARS ($500,000.00).

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 execute an Agreement with Legal Aid of East Tennessee, in substantially the form attached, to administer an Eviction Prevention Program to help individuals and families at risk of homelessness to maintain existing housing, for an amount up to $500,000.00.

ADOPTED: November 17, 2025

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

____

Hicks Armor, *Chair*

ATTEST:

____

Hank Wells, *Secretary*

HEB-2025-17

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

Contracted Services Agreement

This Contracted Services Agreement ("Agreement") is entered into as of ___________________, by and between the **Health, Educational, and Housing Facility Board of the City of Chattanooga ("HEB")**, located at 100 E. 11th Street, Suite 200, Chattanooga, TN 37402, and **Legal Aid of East Tennessee**, a Tennessee nonprofit corporation (hereafter "LAET"), located at 607 W Summit Hill Dr SW, Knoxville, TN 37902.

WHEREAS, the HEB supports LAET's work to prevent eviction and promote housing stability; and

WHEREAS, the HEB has allocated funds through the Fiscal Year 2026 Budget to support LAET's Eviction Prevention Initiative ("EPI"), a right-to-counsel program designed to stabilize households and strengthen Chattanooga's eviction prevention ecosystem; and

WHEREAS, pursuant to Resolution No. 32637, the Chattanooga City Council transferred the sum of $500,000.00 to HEB for the purpose of supporting EPI; and

WHEREAS, the HEB and LAET desire to set forth expectations, reporting, and operational requirements to ensure transparency, accountability, and effective use of HEB funds.

1. Purpose

The HEB is providing operating support for LAET's Eviction Prevention Initiative (EPI), which encompasses legal services, client intake and coordination, education, and data-driven program management. The Scope of Work (Exhibit A) defines the activities and deliverables supported under this Agreement. LAET's performance under the Scope of Work will govern the use and disbursement of HEB funds.

2. Funding

The HEB agrees to provide **Five Hundred Thousand Dollars ($500,000)** to LAET during the Term of this Agreement.

A. **Disbursement.** Funds shall be disbursed in four (4) quarterly installments, contingent upon (i) the HEB's receipt and approval of the quarterly report required under Section 4; and (ii) documented progress toward the deliverables outlined in Exhibit A, including timely reporting of program metrics.

B. **Allowable Uses.** HEB funds may be used for activities that further LAET's Eviction Prevention Initiative, as outlined in the proposed budget attached as Exhibit B and approved by both parties. LAET may adjust line items within the approved budget by up to ten percent (10%) without prior HEB approval, provided such adjustments do not alter the overall program scope.

3. Term

This Agreement shall commence on _____, 2025 and continue through June 30th, 2026, unless terminated earlier under Section 7.

4. Reporting

A. **Monthly Reports.** LAET shall submit to the HEB a written monthly report in the format specified in Attachment A (EPI Reporting Metrics) within fifteen (15) days after the end of each calendar month during the Term of this Agreement.

B. **Quarterly Reports.** LAET shall submit to the HEB a written quarterly report within thirty (30) days after the end of each calendar quarter during the Term of this Agreement. Each quarterly report shall include, at a minimum:

- **Financial Reporting**
  - Statement of revenues and expenses for the quarter, compared to budget.
  - Amount of HEB funds expended during the quarter and cumulatively to date.
  - Narrative explanation of any significant variances from the approved budget.

- **Narrative Reporting:** In addition to submitting required data, LAET shall provide a brief narrative summary each quarter to highlight progress, challenges, and observations from program implementation. Detailed reporting requirements are outlined in Attachment A.

C. **Annual Reporting.** In addition to quarterly reports, LAET shall provide the HEB with a copy of its audited financial statements and IRS Form 990 within ninety (90) days of completion each fiscal year.

D. **Additional Information.** The HEB may reasonably request additional information from LAET as necessary to ensure accountability for the use of HEB funds.

5. Compliance

LAET is an organization that is exempt from tax under section 501(c)(3) of the Internal Revenue Code (IRC) and whose status has been duly confirmed by one or more operative IRS rulings or determination letters, a copy of which LAET has filed with the HEB. LAET shall comply with all applicable federal, state, and local laws and regulations. LAET shall maintain its tax-exempt status under Section 501(c)(3) of the Internal Revenue Code during the Term. LAET shall inform the HEB immediately of any change in its IRS tax exempt status, proposed or actual.

6. Records & Audit Rights

A. All records relating in any manner whatsoever to this Agreement, or any designated portion thereof, which are in the possession of LAET, or any of the LAET's independent contractors, associates, and/or subcontractors, shall be made available for inspection and copying upon written request to the HEB. Additionally, said records shall be made available upon request by the HEB to any state, federal or other regulatory authorities and any such authority may review, inspect, and copy such records. Said records include, but are not limited to, all plans, specifications, submittals, correspondence, minutes, memoranda, tape recordings, videos, or other writings or things which document the scope of this Agreement. Said records expressly include those documents reflecting the time expended by LAET and its personnel to perform the obligations of this Agreement, and the records of expenses incurred by LAET in its performance under said Agreement. LAET shall maintain and protect these records for no less than **seven (7) years** after the completion of the Project, or for any longer period of time as may be required by applicable law, good professional practice, and upon notice during the pendency of any claims or litigation arising from the Project.

B. The HEB, or its assigns, may audit all financial and related records (including digital) associated with the terms of this Agreement, including timesheets, reimbursable out of pocket expenses, materials, goods, and equipment claimed by LAET. The HEB may further audit any of LAET's records to conduct performance audits (to identify waste and abuse or to determine efficiency and effectiveness of the contract or agreement), or to identify conflicts of interest.

C. LAET shall at all times during the term of the contract or agreement, and for a period of seven (7) years after the end of the contract, keep and maintain records of the work performed pursuant to this Agreement. This shall include proper records of quotations, contracts, correspondence, invoices, vouchers, timesheets, and other documents that support actions taken by the LAET. Documents shall be maintained by LAET, which are necessary to clearly reflect all work and actions taken. All such records shall be maintained in accordance with general accepted accounting principles. LAET shall, at its own expense, make such records available for inspection and audit (including copies and extracts of records as required) by the HEB at all reasonable times and without prior notice.

D. The obligations of this Section shall be explicitly included in any subcontracts or agreements formed between LAET and any subcontractors or suppliers of goods or non-professional services to the extent that those subcontracts or agreements relate to fulfillment of LAET's obligations to the HEB.

E. Costs of any audits conducted under the authority of this section and not addressed elsewhere will be borne by the HEB, unless the audit identifies significant findings that would benefit the HEB. LAET will reimburse the HEB for the total costs of an audit that identifies significant findings that would benefit the HEB.

F. This Section shall not be construed to limit, revoke, or abridge any other rights, powers, or obligations relating to audit which the HEB may have by Federal, State, or Municipal law, whether those rights, powers, or obligations are express or implied.

This section shall survive the expiration or termination of this Agreement.

7. Termination

The HEB may terminate this Agreement upon written notice to LAET under any of the following conditions:

1. LAET breaches this Agreement and fails to cure such breach within fifteen (15) days of receiving written notice;
2. LAET ceases to operate as a nonprofit organization or loses its tax-exempt status; or
3. This Agreement is subject to the appropriation and availability of HEB funds. In the event that the funds are unavailable, HEB reserves the right to terminate this Agreement upon written notice to LAET. Said termination shall not be deemed a breach of this Agreement by HEB. Upon receipt of the written notice of termination, LAET shall cease all work associated with this Agreement. Upon such termination, LAET shall have no right to recover from HEB any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

4. Termination for Convenience. HEB may terminate this Agreement for any reason upon thirty (30) days' written notice to LAET.

In the event of termination, LAET shall return to the HEB any unexpended funds provided under this Agreement, within fifteen (15) days of HEB's written notification to LAET

8. Indemnification

LAET shall defend, indemnify and hold harmless HEB and each of HEB's officers, employees and agents (each, a "HEB Indemnitee") from and against all losses, penalties, damages, injuries, settlements, charges, professional fees, or other expenses of liabilities of every kind and character including reasonable attorney's fees and costs (Collectively, "Losses"), arising out of or resulting from any third party claim, suit, action or proceeding (each, an "Action"), to the extent that such Action arises out of or results from (i) LAET's breach of any representation, warranty or covenant of LAET under this Agreement; or (ii) the gross negligence in connection with the performance by LAET of this Agreement. HEB shall promptly notify LAET in writing of the Action. HEB shall have sole control of the defense and all related settlement negotiations. LAET shall have no obligation to defend, indemnify or hold harmless any HEB Indemnitee to the extent that such Action or losses were caused by the HEB Indemnitee's gross negligence, or a breach of this Agreement by HEB. This provision shall survive the termination or expiration of this Agreement.

9. Insurance

A. LAET shall purchase and maintain during the life of this Agreement, insurance coverage which will satisfactorily insure LAET against claims and liabilities which arise because of the execution of this Agreement, with the minimum insurance coverage as follows:

B. Commercial General Liability Insurance, with a limit of $1,000,000 for each occurrence and

$2,000,000 in the general aggregate.

C. Automobile Liability Insurance, with a limit of $1,000,000 for each accident, combined single limit for bodily injury and property damage.

D. Worker's Compensation Insurance and Employer's Liability Insurance, in accordance with statutory requirements, with a limit of $500,000 for each accident.

LAET shall not begin work under this Agreement until a Certificate of Insurance has been submitted to the HEB showing proof that LAET has obtained the necessary insurance coverage. If any of the above cited policies expire during the life of this Agreement, it is LAET's responsibility to forward renewal Certificates within ten (10) days after the renewal date containing all the aforementioned insurance provisions. Certificates must specifically cite the following provisions:

a. HEB of Chattanooga, its agents, representatives, officers, directors, officials and employees must be named an Additional Insured under the following policies:

    i. Commercial General Liability
    ii. Auto Liability

b. LAET's insurance must be primary insurance as respects performance of subject contract.

c. All policies, if applicable, waive rights of recovery (subrogation) against HEB of Chattanooga, its agents, representatives, officers, directors, officials, and employees for any claims arising out of work or services performed by LAET under this Agreement.

10. Notices

All notices under this Agreement shall be delivered to the following addresses (or such other address as a party may designate in writing):

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

Attention: Phillip A. Noblett
100 E. 11th Street, Suite 200
Chattanooga, TN 37402
Email: pnoblett@chattanooga.gov

LAET:

Debra House

Executive Director
607 W Summit Hill Dr SW, Knoxville, TN 37902

Email: dhouse@laet.org

11. Entire Agreement

1. **SEVERABILITY.** The invalidity, illegality, or unenforceability of any provision of this Agreement or the occurrence of any event rendering any portion or provision of this Agreement void shall in no way affect the validity or enforceability of any other portion or provision of this Agreement Any void provision shall be deemed severed from this Agreement, and the balance of this Agreement shall be construed and enforced as if this Agreement did not contain the particular portion or provision held to be void. The parties further agree to amend this Agreement to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision. The provisions of this Article shall not prevent this entire Agreement from being void should a provision which is of the essence of this Agreement be determined void.

2. **SUCCESSORS AND ASSIGNS.** HEB and LAET each binds itself and its directors, officers, partners, successors, executors, administrators, assigns, and legal representatives to the other party of this Agreement and to the directors, officers, partners, successors, executors, administrators, assigns, and legal representatives of such other party in respect to all provisions of this Agreement.

3. **ASSIGNMENT.** Neither HEB nor LAET shall assign any rights or duties under this Agreement without the prior written consent of the other party. Unless otherwise stated in the written consent to an assignment, no assignment will release or discharge the assignor from any obligation under this Agreement. Nothing contained in this Article shall prevent LAET from employing independent Contractors, associates, and subcontractors to assist in the performance of the Services; however, other agreements to the contrary notwithstanding, in the event LAET employs independent Contractors, associates, and subcontractors to assist in performance of the Services, LAET shall be solely responsible for the negligent performance of the independent Contractors, associates, and subcontractors so employed.

4. **THIRD PARTY RIGHTS.** Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than HEB and LAET.

5. **RELATIONSHIP OF PARTIES.** Nothing contained herein shall be construed to hold or to make the HEB a partner, joint venturer, or associate of LAET, nor shall either party be deemed the agent of the other, it being expressly understood and agreed that the relationship between the parties is and shall at all times remain contractual as provided by the terms and conditions of this Agreement.

6. **NON-DISCLOSURE.** LAET agrees not to disclose or to permit disclosure of any information designated by the HEB as confidential, except to the LAET's employees and independent Contractors, associates, and subcontractors who require such information to perform the services specified in this agreement.

7. **NON-DISCRIMINATION.** LAET agrees to comply with all federal, state, and local non- discrimination laws and regulations. LAET agrees not to discriminate against any participant in this Agreement on the basis of race, color, religion, sex, age or national

origin. LAET further agrees to comply with all federal, state and local laws regarding treatment and accommodations for individuals with disabilities.

8. **WAIVER.** A waiver by either HEB or LAET of any breach of this Agreement shall be in writing. HEB's failure to insist on performance of any of the terms or conditions of this purchase order or to exercise any right or privilege, or HEB's waiver of any breach does not waive any other terms, conditions, or privileges, whether of the same or similar type.

This Agreement constitutes the entire agreement between the parties and supersedes any prior understandings, whether written or oral.

12. Anti-Boycott

LAET certifies that it is not currently engaged in, and will not for the duration of the Contract engage in, a boycott of Israel as defined by Tenn. Code Ann. § 12-4-119. This provision shall not apply to contracts with a total value of less than two hundred fifty thousand dollars ($250,000) or to entities with less than ten (10) employees.

13. Governing Law

This Agreement shall be governed by the laws of the State of Tennessee and the Codes of the City of Chattanooga (“City”).

14. Compliance with Laws

1. The HEB has entered into this agreement with LAET relying on its knowledge and expertise to provide the services contracted for. As part of that reliance, LAET represents that they know and understand the relevant and applicable federal and state laws that apply to the services provided through this contract and agrees to comply with these relevant and applicable federal and state laws.

   LAET understands and acknowledges the applicability to it of the American with Disabilities Act, the Immigration Reform and Control Act of 1986, and the Drug Free Workplace Act of 1988.

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

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

Hicks Armor, Chair | Date

LEGAL AID OF EAST TENNESSEE:

Debra House, Executive Director | Date
Legal Aid of East Tennessee

Exhibit A: Scope of Work

Legal Aid of East Tennessee – Eviction Prevention Initiative (EPI)

1. Purpose and Overview

The HEB of Chattanooga ("HEB") is contracting with Legal Aid of East Tennessee ("LAET") to provide legal services and related support to prevent evictions and promote housing stability for low-income renters. The Eviction Prevention Initiative (EPI) is designed to stabilize households, promote housing retention, and strengthen Chattanooga's eviction prevention ecosystem through coordinated legal assistance, data-driven program management, and connection to housing navigation.

2. Goals and Objectives

- **Expand Access to Counsel**: Provide timely and effective legal assistance to tenants facing eviction to improve case outcomes and reduce the incidence of eviction judgments.
- **Prevent Avoidable Evictions:** Intervene early in the eviction process to prevent filings and displacements whenever possible through negotiation, mediation, and legal advocacy.
- **Promote Housing Stability:** Connect clients to appropriate supports, including rental assistance, case management, and mediation services.
- **Strengthen Coordination and Partnerships:** Improve coordination among legal service providers, housing organizations, courts, and social service agencies to create a more responsive and efficient eviction prevention system.
- **Advance Education and Awareness:** Increase community understanding of tenant rights, landlord obligations, and available housing stability resources to promote long-term housing security.
- **Enhance Data and Policy Insight:** Collect, analyze, and share data to better understand eviction trends, evaluate program impact, and inform local housing policy and resource allocation.

3. Key Activities and Deliverables

A. Intake and Case Management

- Implement a real-time intake system to reduce response delays and ensure warm referrals.
- Work with the HEB and partners to develop a standard referral process for housing navigation and case management support.

B. Legal Representation and Support

- Provide legal advice and representation for tenants facing eviction or housing loss.
- Coordinate with rental assistance and housing providers to stabilize households.
- When possible, prioritize early-stage cases to prevent filings and judgments.

C. Education and Outreach

- Develop and implement an education and awareness strategy in partnership with the HEB and EPI partners.
- Conduct regular education sessions for tenants, landlords, and service providers on topics including tenant rights, landlord obligations, and eviction prevention resources.
- Maintain updated, publicly accessible information on LAET's website.

D. Data Collection and Reporting

- Collect and report data according to the **EPI Metrics (Attachment A).**
- Work with the HEB to establish systems for data management and outcome tracking related to client outcomes, landlord behavior, and system-level trends to inform policy, evaluate impact, and improve service delivery.

E. Collaboration and System Coordination

- Participate in HEB-led eviction prevention convenings.
- Provide feedback and insight to inform HEB policy, program design, and funding strategies.
- Collaborate with partner organizations to strengthen the overall eviction prevention network.

4. Deliverables and Reporting Requirements

- **Monthly reports** using the standardized EPI Metrics template.
- **Quarterly narrative reports** summarizing outcomes, trends, and challenges.
- Participation in **quarterly coordination meetings** with the HEB and partners.
- Submission of required organizational and program documents:
    - Program policies and procedures, including referral requirements.
    - Process flow chart for intake, screening, attorney assignment, and referrals.

5. Term and Review

This Scope of Work will apply for the duration of the contract term. The HEB reserves the right to review and adjust program goals, metrics, or deliverables as necessary to align with evolving community needs and funding requirement

Attachment A: EPI Reporting Metrics

Monthly EPI Metrics

1. Volume of Services

- Total households served this month
- Call log this month
- Cases opened this month
- Cases closed this month
- Case acceptance rate (cases eligible for assistance vs. total inquiries)

2. Client Characteristics (aggregate only, no names or addresses)

- Income levels of households served:
  - ≤30% AMI
  - 31–50% AMI
  - 51–80% AMI
- Household type:
  - Families with children
  - Single adults
  - Seniors (62+)
  - Other
- Geographic distribution: Council districts served (with counts):
  - 1: ____ households
  - 2: ____ households
  - 3: ____ households
  - 4: ____ households
  - 5: ____ households
  - 6: ____ households
  - 7: ____ households
  - 8: ____ households
  - 9: ____ households

3. Case Types (Count)

- Eviction defense
- Rental repair/conditions
- Subsidy/voucher termination defense
- Other housing-related legal matters

4. Case Outcomes

- Number of evictions prevented (households able to remain in current housing)

- Number of evictions delayed or avoided through negotiated extensions or alternative arrangements
- Number of cases resolved without eviction judgment
- Median judgment amount
- Number of cases resolved through settlement/mediation
- Number of subsidies/vouchers preserved
- Number of repairs or accommodations obtained (by case count)
- Number of cases receiving rental assistance
    - Average amount of rental assistance
    - Sources of rental assistance
- Rent/fees waived or reduced: $________ total

5. System Impact

- Number of repeat/serial eviction filings identified (same household or same landlord)
- Number of referrals received from external partners / case managers
- Number of referrals made to housing navigators
- Number of education session or outreach events conducted
    - Number of attendees reached

6. Capacity & Efficiency

- Average days from intake to representation
- Average hours spent per case
- Number of hearings covered
- Number of households turned away due to capacity limits

7. Court-Level Data (All)

We understand that the following data may not be collected directly by LAET. Please work with the HEB to identify how this data may be collected.

- Evictions filed per month
- Property addresses
- Landlord name and addresses
- Cases by landlord/property management company (top five this month):
    - Landlord A: ____ cases
    - Landlord B: ____ cases
    - Landlord C: ____ cases
    - Landlord D: ____ cases
    - Landlord E: ____ cases
- Share of filings that result in a default judgment
- Median judgment amount (HEB-wide)

Quarterly Narrative Questions

In addition to submitting required data, LAET shall provide a brief narrative summary each quarter to highlight progress, challenges, and observations from program implementation. Responses should be concise but reflective (typically 1–2 paragraphs per question) and focus on key developments that inform program improvement, coordination, and policy guidance.

Narrative Questions:

1. **Program Performance and Outcomes**
   Please summarize key outcomes this quarter, including successes, challenges, and any notable trends in eviction prevention or client needs.

2. **System and Partnership Coordination**
   How has LAET collaborated with HEB staff, courts, or community partners this quarter to improve coordination or strengthen the eviction prevention system?

3. **Operational Improvements and Implementation**
   Please describe any progress on operational or program improvements (e.g., intake process, data systems, referral pathways). What changes have been implemented or are planned for the next quarter?

4. **Policy and Ecosystem Insights**
   Based on your work this quarter, what emerging issues, policy considerations, or systemic barriers should the HEB be aware of to improve eviction prevention outcomes?

RESOLUTION

A RESOLUTION AUTHORIZING THE CHAIR OR VICE-CHAIR TO EXECUTE A SLOPE EASEMENT AGREEMENT BY AND BETWEEN CHATTANOOGA NEIGHBORHOOD ENTERPRISE (CNE) AS THE GRANTEE, THE CREATOR GROUP, LLC AS THE GRANTOR, AND THE HEALTH, EDUCATIONAL, AND HOUSING FACILITY BOARD OF THE CITY OF CHATTANOOGA (HEB) FOR PROPERTY OWNED BY THE HEB AND LEASED TO CNE AT THE CORNER OF S. LYERLY STREET AND E. 19^{TH} STREET.

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 execute a Slope Easement Agreement by and between Chattanooga Neighborhood Enterprise (CNE) as the Grantee, The Creator Group, LLC as the Grantor, and the Health, Educational, and Housing Facility Board of the City of Chattanooga (HEB) for property owned by the HEB and leased to CNE at the corner of S. Lyerly Street and E. 19^{th} Street.

ADOPTED: November 17, 2025

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

____
Hicks Armor, *Chair*

ATTEST:

____
Hank Wells, *Secretary*

HEB-2025-18

PREPARED BY:
Grant, Konvalinka & Harrison, P.C.
633 Chestnut Street, Suite 900
Chattanooga, TN 37450

Name and Address of Owner:	Map-Parcel Numbers:	Send Tax Bills To:
The Creator Group, LLC 832 Georgia Ave., Ste. 501 Chattanooga, TN 37402	156G E 009.02	Same
Health Educational and Housing Facility Board of the City of Chattanooga 100 E 11th St., Ste. 200 Chattanooga, TN 37402	156G E 012	Same

SLOPE EASEMENT AGREEMENT

THIS SLOPE EASEMENT AGREEMENT (this "**Agreement**") is made effective as of ___________, 2025 (the "**Effective Date**"), by and among **THE CREATOR GROUP, LLC** ("**Grantor**"), and **THE HEALTH EDUCATIONAL AND HOUSING FACILITY BOARD OF THE CITY OF CHATTANOOGA** ("**Board**"), and **CHATTANOOGA NEIGHBORHOOD ENTERPRISE, INC.,** ("**CNE**" and with Board, collectively, "**Grantee**").

RECITALS:

WHEREAS, Grantor is the owner of that certain tract or parcel of land located in Hamilton County, Tennessee having tax parcel number 156G E 009.02 (the "**Grantor Lot**");

WHEREAS, Board is the owner of that certain tract or parcel of land located in Hamilton County, Tennessee having tax parcel number 156G E 012 (the "**Grantee Lot**"; together with the Grantor Lot, the "**Lots**"), which Grantee Lot is leased by Board to CNE; and

WHEREAS, the parties desire to create and establish a slope easement for the benefit of the Grantee Lot.

AGREEMENT:

NOW, THEREFORE, for valuable consideration and the mutual covenants herein contained, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

1. <u>Definitions</u>. In addition to terms otherwise defined in this Agreement, the following words when used in this Agreement shall have the following meanings:

(a) "**Mortgage**" means a mortgage, a deed of trust, deed to secure debt, a security deed or any other form of security instrument affecting title to any Lot (which instrument secures the repayment of a debt).

(b) "**Owner**" means one (1) or more Persons who hold the record title to any Lot, excluding in all cases: (i) any party holding an interest merely as security for the performance of an obligation; and (ii) any tenant or licensee of any Owner. If a Lot is owned by more than one (1) Person, (x) all such Persons shall be jointly and severally obligated to perform the responsibilities of such Owner, but (y) such Persons shall designate one Person who is authorized to bind such Owner with respect to all matters hereunder. An Owner may delegate any of its rights or obligations hereunder to a tenant or licensee of such Owner; provided, however, that such Owner shall remain liable for all of its obligations hereunder.

(c) "**Person**" means an individual, firm, corporation, partnership, limited liability company, association, trust or other legal entity or any combination thereof.

2. Slope Easement; Term. Subject to Grantor's Options contained in Section 3 below, Grantor does hereby grant, establish, convey and confirm unto Grantee, for the benefit of the Grantee Lot, the right, title and privilege of a perpetual, non-exclusive easement in, from, upon, over and across the portion of the Grantor Lot shown in crosshatching on the survey attached hereto as Exhibit A (the "**Survey**") and bordering the ten-foot alley between the Lots (the "**Slope Easement Area**") for the construction and maintenance of a slope and grade easement to such elevation and at such rate of slope as the Grantee may determine (the "**Slope Easement**"). The Slope Easement herein conveyed includes all necessary rights of unobstructed access, ingress and egress in, from, upon, over and across the Slope Easement Area for the purpose of constructing, maintaining, and repairing said Slope Easement Area and for placement and compaction of soil backfill, including, but not limited to, final stabilization with topsoil and sod. Grantee, or its designated assigns, shall be responsible for construction in connection with the Slope Easement; provided, however, Grantor shall be responsible for the maintenance and repair of the Slope Easement Area after construction until such time as Grantee or its successors or assigns removes the shared ten-foot alley or the driveway on the Grantee Lot constructed in connection with the Slope Easement, at which time the Slope Easement shall terminate. No Owner of the Grantor Lot shall, nor shall such Owner permit any other Person to, (i) modify or alter the Slope Easement Area without the prior written consent of the Grantee, which consent shall not be unreasonably withheld, conditioned or delayed, or (ii) use the Slope Easement Area in any manner inconsistent with the Slope Easement granted herein.

3. Options. Subject to Grantee's Slope Easement and for so long as the Slope Easement is in effect, Grantee hereby grants and conveys to Grantor, its successors and assigns, the following exclusive options (each an "**Option**" and collectively, the "**Options**"), which shall not be assignable or transferable by Grantor:

(a) Fence Option. The right, upon written notice to the Board and CNE, to install a fence and/or landscaping in the Slope Easement Area in the future; provided, however, such fence and landscaping (i) shall be installed and maintained at Grantor's sole cost and expense; (ii) shall not interfere with or restrict Grantee's use of the Slope Easement; and (iii) shall not encroach into the ten-foot alley between the Lots or the Grantee Lot;. After completion of any work done with respect to the fence and landscaping, Grantor shall restore the Slope Easement Area, as near as practical, to the condition which existed prior to the commencement of such work.

(b) Wall Option. The right, upon written notice to the Board, to replace the slope in the Slope Easement Area with a retaining wall sufficient to accommodate Grantee's use and needs, at Grantor's cost and expense. The wall (i) shall be installed and maintained at Grantor's sole cost and expense; and (ii) shall be subject to CNE's prior written approval as to design and location, which approval shall not be unreasonably withheld, conditioned, or delayed. Upon exercise of this Option by Grantor, Grantor shall provide drawings for approval by CNE, and CNE shall have the option to hire an engineer to review and approve the site conditions and drawings before the slope is removed and the wall is installed. After and subject to Grantor's receipt of Grantee's written approval of the wall location and design, Grantor shall complete construction of the retaining wall as expediently as possible so as to not interfere with Grantee's use of the Slope Easement during construction.

4. Self-Help. If, in the reasonable opinion of an Owner, or CNE with respect to the Grantee Lot, any other Owner fails to perform any of its obligations hereunder, then such Owner (the "**Notifying Owner**") may give written notice thereof to such other Owner (the "**Violating Owner**"). Except in the case of an Emergency, the Violating Owner shall have thirty (30) days from and after delivery of such notice to cure such violation, or to commence to cure and thereafter diligently pursue said cure to completion if the violation cannot be cured within said thirty (30) day period, provided that the cure period shall not exceed a total of ninety (90) days. In the event that (i) the Violating Owner fails to so cure said violation within the cure period to the reasonable satisfaction of the Notifying Owner or (ii) an Emergency exists, the Notifying Owner shall have the right, and a nonexclusive easement, to enter upon the Violating Owner's Lot, with or without process of law and without liability or trespass therefor, to perform such obligations in such a manner as the Notifying Owner shall deem sufficient, and the cost thereof shall be paid by the Violating Owner within ten (10) days after demand. The term, "**Emergency**", means a situation where access to a Lot is adversely impacted or inhibited in any way or prompt action is needed to prevent death, injury or property damage.

5. Miscellaneous.

(a) The provisions of this Agreement, including, without limitation, all easements declared, created, granted and conveyed pursuant to this Agreement, are not personal, but shall run with the land and shall be binding upon and inure to the benefit of the Owners and their successors and assigns, in perpetuity. No breach of this Agreement or default by any Owner shall entitle any other Owner to terminate or cancel this Agreement.

(b) Each Owner having rights with respect to an easement granted hereunder shall indemnify and hold the Owner whose Lot is subject to the easement harmless from and against all claims, liabilities and expenses (including reasonable attorneys' fees) relating to accidents, injuries, loss, or damage of or to any person or property arising from the negligent, intentional or willful acts or omissions of such Owner, its contractors, employees, agents, or others acting on behalf of such Owner.

(c) Any Owner may encumber its Lot with a Mortgage; provided, however, that any Mortgage or lease with respect to any Lot shall be subordinate and subject to this Agreement.

(d) This Agreement concerns real property located in the State of Tennessee and shall be governed by and interpreted in accordance with the laws of the State of Tennessee.

(e) All notices, approvals or other communications required or permitted to be given under this Agreement shall be in writing and shall be considered as properly given or made if addressed as set forth below: (i) on the third (3rd) day after being mailed from within the United States by certified mail, return receipt requested, postage prepaid; (ii) the next business day if sent by nationally recognized overnight delivery service; (iii) when sent by electronic mail; or (iv) when actually received by the person to whom it is addressed if given in any other manner. Such notices, approval or other communications may be sent by counsel and the initial addressees of the parties are as follows:

If to Grantor:

The Creator Group, LLC
832 Georgia Ave., Ste. 501
Chattanooga, TN 37402

If to Grantee: Health Educational and Housing Facility Board of the City of Chattanooga
100 E 11th St., Ste. 200
Chattanooga, TN 37402

Chattanooga Neighborhood Enterprise Inc.
1500 Chestnut St., Ste. 102
Chattanooga, TN 37408

(f) This Agreement may be executed in multiple counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same document.

(g) Every one of the provisions of this Agreement is hereby declared to be independent of, and severable from the rest of the provisions and of and from every combination of the provisions. Invalidation by any court of any provision in this Agreement shall in no way affect any of the other provisions, which shall remain in full force and effect.

(h) Amendments to this Agreement shall be valid only if executed in writing by all of the Owners. Such amendments shall be effective as to all Lots. Any amendment shall be effective immediately upon the filing thereof in the Register's Office of Hamilton County, Tennessee, or in such other place of recording as may be appropriate at the time of the execution of such instrument, regardless of whether actual notice thereof has been given to any person or entity having an interest in a Lot or any portion thereof.

(i) No provision of this Agreement shall be construed against or interpreted to the disadvantage of any Owner by any court or other governmental or judicial authority by reason of such Owner having or being deemed to have structured or dictated such provision. The headings in this Agreement and the usage herein of defined terms are for convenience of reference only, and shall not be construed as amplifying, limiting or otherwise affecting the substantive provisions hereof. The words "hereof," "herein" and "hereunder" and words of similar import, when used in this Agreement, refer to this Agreement as a whole and not to any particular provision of this Agreement. When used herein, (i) the singular shall include the plural, and vice versa, and the use of the masculine, feminine or neuter gender shall include all other genders, as appropriate, (ii) "include," "includes" and "including" shall be deemed to be followed by "without limitation" regardless of whether such words or words of like import in fact follow same, and (iii) unless the context clearly indicates otherwise, the disjunctive "or" shall include the conjunctive "and." All references to statutes shall include all amendments of same and implementing regulations any amendments of same and any successor statutes and regulations; to any agreement, instrument or other document shall include any and all modifications and supplements thereto and any and all restatements, extensions or renewals thereof to the extent such modifications, supplements, restatements, extensions or renewals of any such documents are permitted by the terms thereof; and to any Person shall mean and include the successors and permitted assigns of such Person.

(j) In the event any Owner shall be delayed or hindered in or prevented from the performance of any act required to be performed by such party by reason of acts of God, strikes, lockouts, unavailability of materials, failure of power, prohibitive governmental laws or regulations, riots, insurrections, the act or failure to act of another Person, adverse weather conditions preventing the performance of work, epidemic or pandemic, war or other reason beyond such Owner's reasonable control, then the time for performance of such act shall be extended for a period equivalent to the period of such delay. Lack of adequate funds or financial inability to perform shall not be deemed to be a cause beyond the reasonable control of such Owner. Notwithstanding the foregoing, an Owner shall not be entitled to relief under this subsection by reason of any event unless such Owner shall have given the other Owners notice of such event, the nature thereof and the delay reasonably expected to be caused thereby in writing within thirty (30) days after the occurrence of such event.

(k) No consent or waiver, express or implied, by any Owner to or of any breach or default by any other Owner in the performance by such other Owner of the obligations thereof under this Agreement shall be deemed or construed to be a consent or waiver to or of any other breach or default in the performance by such other Owner of the same or any other obligations of such other Owner under this Agreement. Failure on the part of any Owner to complain of any act or failure to act of any other Owner or to declare such other Owner in default, irrespective of how long such failure continues, shall not constitute a waiver of such Owner of the rights thereof under this Agreement. No waiver shall be effective unless made in writing by the party against whom enforcement of the waiver is sought.

(Remainder of page intentionally blank.
Signatures on following pages.)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective as of the Effective Date.

GRANTOR:

The Creator Group, LLC

By: ______________________
Name: Todd Womack
Title: Member

STATE OF TENNESSEE)
)
COUNTY OF HAMILTON)

Before me, a Notary Public of the State and County aforesaid, personally appeared Todd Womack, 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 Member of THE CREATOR GROUP, LLC, the within named bargainor, and that such person as such officer executed the foregoing instrument for the purposes therein contained by signing the name of THE CREATOR GROUP, LLC by such person as such officer.

____
Notary Public

STACEY GILBREATH
STATE OF TENNESSEE
NOTARY PUBLIC
HAMILTON COUNTY
MY COMMISSION EXPIRES FEBRUARY 14, 2027

My commission expires:
2/14/2027

GRANTEE:

Health Educational and Housing Facility Board of the City of Chattanooga

By: ______________________
Name: ______________________
Title: ______________________

STATE OF TENNESSEE)
)
COUNTY OF HAMILTON)

Before me, a Notary Public of the State and County aforesaid, personally appeared ______________________, 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 ______________________ of HEALTH EDUCATIONAL AND HOUSING FACILITY BOARD OF THE CITY OF CHATTANOOGA, the within named bargainor, and that such person as such officer executed the foregoing instrument for the purposes therein contained by signing the name of HEALTH EDUCATIONAL AND HOUSING FACILITY BOARD OF THE CITY OF CHATTANOOGA by such person as such officer.

____
Notary Public

My commission expires:

____

GRANTEE:

Chattanooga Neighborhood Enterprise, Inc.

By: __________________________
Name: __________________________
Title: __________________________

STATE OF TENNESSEE)
)
COUNTY OF HAMILTON)

Before me, a Notary Public of the State and County aforesaid, personally appeared ____________________________, 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 ____________________________ of CHATTANOOGA NEIGHBORHOOD ENTERPRISE, INC., the within named bargainor, and that such person as such officer executed the foregoing instrument for the purposes therein contained by signing the name of CHATTANOOGA NEIGHBORHOOD ENTERPRISE, INC. by such person as such officer.

____
Notary Public

My commission expires:

____

OATH OF VALUE

STATE OF TENNESSEE

COUNTY OF HAMILTON

I hereby swear or affirm that the actual consideration for this transfer or value of the property transferred, whichever is greater, is $0.00.

____

Agent for Grantee/Affiant

Subscribed and sworn to before me on this the _____________ day of _______________, 20__.

____

Notary Public

My Commission Expires:________________________

SEAL

CONSENT AND JOINDER OF LENDER

The undersigned lender ("**Lender**") does hereby join in and consent to the granting of this Slope Easement Agreement, affecting the lands herein described, and agrees that the following shall be subordinated to this Slope Easement Agreement: (i) the Assignment of Leases and Rents granted to the undersigned Lender by Grantor and recorded in Book 13885, Page 314, in the Register's Office of Hamilton County, Tennessee; and (ii) the Deed of Trust granted to the undersigned lender by Grantor, recorded in Book 13885, Page 303, in the Register's Office of Hamilton County, Tennessee (the "**Security Documents**"). Lender, in its limited capacity as holder of the Security Documents, hereby consents to and joins in the execution and recording of the Slope Easement Agreement. It is the intent and agreement of the Lender, and the effect of this instrument, that the Slope Easement Agreement not be affected by a subsequent judicial or non-judicial foreclosure under the Security Documents, but rather that the Slope Easement Agreement shall remain in full force and effect after any such foreclosure.

IN WITNESS WHEREOF, the undersigned has hereunto set its hand and affixed its seal as of the 3rd day of November, 2025.

ANDREW JOHNSON BANK

By: Richard G. Burnette
SVP

STATE OF TENNESSEE)
)
COUNTY OF HAMILTON)

Before me, a Notary Public of the State and County aforesaid, personally appeared RICHARD G. BURNETTE, 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 SENIOR VICE PRESIDENT of ANDREW JOHNSON BANK, the within named bargainor, and that such person as such officer executed the foregoing instrument for the purposes therein contained by signing the name of ANDREW JOHNSON BANK by such person as such officer.

WITNESS my hand and seal this 3rd day of NOVEMBER, 2025.

Diannia Melton
Notary Public

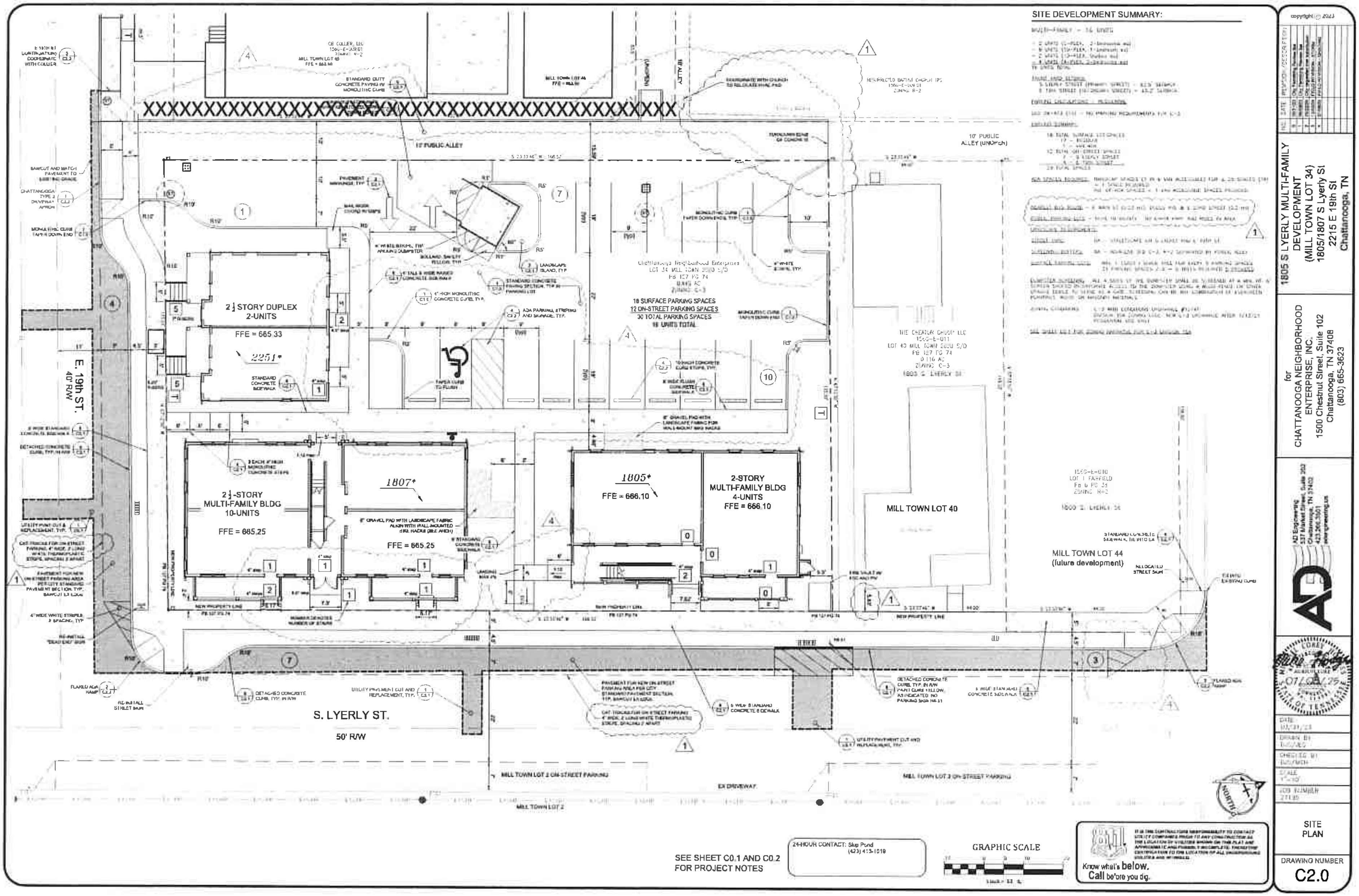
My commission expires:
2/8/2028

DIANNIA MELTON
STATE OF TENNESSEE NOTARY PUBLIC
BRADLEY COUNTY

EXHIBIT A

Survey

Exhibit A


SITE DEVELOPMENT SUMMARY:
E. 19th ST.
40' R/W
S. LYERLY ST.
50' R/W
2½ STORY DUPLEX
2-UNITS
FFE = 665.33
2251±
2½-STORY
MULTI-FAMILY BLDG
10-UNITS
FFE = 665.25
1807±
FFE = 665.25
1805±
FFE = 666.10
2-STORY
MULTI-FAMILY BLDG
4-UNITS
FFE = 666.10
18 SURFACE PARKING SPACES
12 ON-STREET PARKING SPACES
30 TOTAL PARKING SPACES
16 UNITS TOTAL
10' PUBLIC ALLEY
10' PUBLIC
ALLEY (UNOPEN)
MILL TOWN LOT 40
MILL TOWN LOT 44
(future development)
MILL TOWN LOT 2 ON-STREET PARKING
MILL TOWN LOT 3 ON-STREET PARKING
EX DRIVEWAY
SEE SHEET C0.1 AND C0.2
FOR PROJECT NOTES
GRAPHIC SCALE
Know what's below.
Call before you dig.
copyright © 2023
1805 S LYERLY MULTI-FAMILY
DEVELOPMENT
(MILL TOWN LOT 34)
1805/1807 S Lyerly St
2215 E 19th St
Chattanooga, TN
for
CHATTANOOGA NEIGHBORHOOD
ENTERPRISE, INC.
1500 Chestnut Street, Suite 102
Chattanooga, TN 37408
(803) 665-3623
AD Engineering
537 Market Street, Suite 202
Chattanooga, TN 37402
423.266.3501
adengineering.us
SITE
PLAN
DRAWING NUMBER
C2.0

Project Name:
RLP CONSTRUCTION LLC-

Project Number:
01072442595

Date:
2025-10-17

NOTICE OF NON-PAYMENT

(Tenn. Code § 66-11-145)

To:

Owner:
CHATTANOOGA NEIGHBORHOOD ENTERPRISE, INC.
1500 Chestnut Street Suite 102 Chattanooga, TN 37408

Prime Contractor:
RLP CONSTRUCTION LLC
PO BOX 11461 CHATTANOOGA, TN 37401

CC Owner, Heath Educational And Housing Facility Board Of The City, 100 East 11th Street, Ste 200, Chattanooga, TN 37402, US

Pursuant to Tennessee Code Annotated, § 66-11-145, notice is hereby given that the undersigned Lienor, identified as:
Empower Rental Group
124 1st Avenue Southeast Rochester, MN 55904

has not been paid for certain labor, materials, services, equipment or machinery generally described as:
Rental Equipment and Services

The undersigned supplied the above-described labor, materials, services, equipment, or machinery pursuant to a contract or agreement with the following party:
RLP CONSTRUCTION LLC
PO BOX 11461 CHATTANOOGA, TN 37401

The labor, materials, services, equipment, or machinery was supplied to the following work of improvement of real property known as and located at:
RLP CONSTRUCTION LLC-
2003 BAILEY AVE CHATTANOOGA, TN 37404 APN: 146K-R-029

The amount presently due and owning to the undersigned Lienor for the labor, materials, services, equipment or machinery supplied to improve the real property is 16,470.44. The month(s) where labor, materials, services, equipment or machinery was supplied and remains unpaid are as follows:
2025-07, 2025-08

A project statement indicating the approximate dates and amounts due for such dates is included on the next page for your convenience. The last or most recent date labor, materials, services, equipment or machinery were provided in connection with the improvements to the real property was 2025-10-02. You may send any communications regarding this matter to the company name and address indicated in the below signature block.

Sincerely,

Gail Morgan

Gail Morgan, an Authorized Agent of
Empower Rental Group
628-250-5150

Lienor Name and Address

Empower Rental Group
124 1st Avenue Southeast
Rochester, MN 55904

PROJECT STATEMENT

RLP CONSTRUCTION LLC- - 01072442595

Invoice Date	Invoice Num	Balance	Total
7/10/2025	511526-6	$8,235.22	$8,235.22
8/7/2025	511526-7	$8,235.22	$8,235.22
TOTALS		$16,470.44	$16,470.44