



**INDUSTRIAL DEVELOPMENT BOARD
MONTHLY MEETING MINUTES**

**John P. Franklin Sr. City Council Building
Assembly Room
Chattanooga, Tennessee**

**for
Monday, January 5, 2026
11:05 AM**

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

Also Present were: Attorney for the Board, Phillip A. Noblett; Justin Bolender (Jacobs Engineering); Janice Gooden (CALEB); Mark Smith (Miller & Martin); Richard Beeland, Charita Allen, and Kim Narramore (Economic Development); Gail Hart (Economic Development); Mark Heinzer and Kendra Yates (Wastewater); Eleanor Liu (Finance); Mark Mamantov (Bass Berry & Sims); and Hanneke van Deursen (Housing).

[Redacted]

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

[Redacted]

MONTHLY MEETING OF DECEMBER 1, 2025 – MINUTES APPROVAL

On motion of Mr. Floyd, seconded by Mr. Rodgers, the minutes of the December 1, 2025, monthly meeting were approved as submitted.

[Redacted]

PUBLIC COMMENTS

There was no one from the public with comments.

[Redacted]

QUARTERLY FINANCE REPORTS

Ms. Eleanor Liu gave the finance report. The VW grant report has no activity at all since last report. Regarding the Economic Development Program Summary, the two major changes are the Southeast Tennessee Development District in the amount of \$358,000 from the original given out with the pandemic. The City appropriated \$1.3 million to the Renewing Chattanooga Fund. Total on hand and available to spend is \$3.8 million.

The next report is the TIF. The only major change is that we collected \$8,000 for the Northgate Mall application. The available cash spent on all TIF funds is \$156,336.29.

The last report is the Wastewater Program Summary. In the two programs, we have \$1.3 million spent in December and we have not received full reimbursement. We will get that taken care of this month.



**QUARTERLY PROJECT UPDATE NO. 2 BY WASTEWATER DEPT. AND JACOBS
ENGINEERING GROUP, INC. W-20-027-101 MBEC CLASS A POWER
(PROGRESSIVE DESIGN BUILD)**

Mr. Mark Heinzer gave the quarterly report. We submitted a quarterly report for Class A Power Project, and this is funded through the IDB as a regional impact in capacity wise with the Wastewater treatment facility. Progress is going as expected. We have our Basis of Design Report due on January 30th. In less than a month, we will have a report to kick off into the full 30% and 60% design phases. The 60% design phase will be completed in August which is where we will get our cost estimate for construction. Since this is a design build project, construction can begin after that point. It is tracking well on those dates. We had hoped to get the Basis of Design Report completed in December but that got pushed one month for us. Otherwise, the project is moving along as expected.



RESOLUTIONS

Northgate Mall TIF Project

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

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

Ms. Charita Allen said that this item is a follow-up to the very last item that this Board approved that is related to the third-party review of the approved Northgate Mall TIF. There was a recommendation in it from the third-party reviewer that basically said a range for the TIF was anywhere between \$7.7 million and \$8.7 million. The original application reflected a request for \$9.2 million. This board, because of reviewing that third-party review, recommended that the \$9.2 million amount be reduced to \$8.7 million. That was approved and moved forward to City Council for approval and vote. The City Council amended the document and approved. This item is recognizing for the IDB to recognize that the City Council accepted the recommendation, amended the document, and approved it. It is a clerical acknowledgement that the IDB is approving this.

We do have in the packet a memo from our outside TIF counsel that was sent to staff. Ms. Allen read the memorandum wording for the general public which states as follows:

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

Mr. Jimmy Rodgers found an interesting read in Chattanooga.com where Mr. Wilson reported about two properties selling there for a combined amount of \$37 million just in the last few days. Mr. Rodgers thought it was interesting that the context of all that we are doing here from the standpoint of this resolution in front of us is not even finalized, and there is already multi-millions of dollars of property being sold right next door since we ensued Northgate Mall. Is that something as a we as a board should be concerned about?

Ms. Allen would say “no” to that. What typically happens is, this is an incentive for the improvement of the infrastructure to encourage future development. What happens is that once that infrastructure is in place and the discussion of having this infrastructure in place has led to more conversations around other retailers wanting to come into the property. Ms. Allen is not surprised that properties are starting to change hands because we have spent the last eight months having discussions about building a better Northgate Mall, building a better Hixson infrastructure. Ms. Allen is not surprised that we are starting to see transactions happening at all.

Attorney Noblett asked if there is any concern for this body that the Council has another resolution on the agenda for tomorrow? Ms. Allen said that Attorney Noblett is referring to an item that is coming up before City Council tomorrow. It is a resolution that has been drafted by City Council Member Jeff Davis for Council District 3. This falls within his district. There is going to be a recommendation that the IDB consider what the public would like to see built on the site after the infrastructure goes into place and that the IDB encourages the developer to hold public

engagement/community engagement sessions to discuss the items that the public would like to see because of future development and not necessarily related to the infrastructure. What will happen is, City Council will review that resolution on the agenda currently on the website, they will vote on that, and the recommendation would then come to the IDB. Chances are that will come to the IDB in February; however, we will send that resolution to this board once it has been approved along with the proposed amendments to it, and we will take those recommendations and incorporate them into a draft Development Agreement. When we bring the draft Development Agreement to this board, we will have attempted to incorporate some of those requests as far as it is related to a paragraph around the developer to conduct public engagement to review the community's desires around certain items.

Attorney Noblett said that will be in the public hearing tomorrow in front of the Council before that is approved. The resolution just has a caption of "urging the IDB" to do certain things. We will have to see what happens and what is approved.

Mr. Rodgers asked if the resolution was to be approved, do we, the IDB, still have leverage to alter the documents to incorporate the language? Since what you are saying we do but want to confirm. Ms. Allen said typically what happens is that when a Development Agreement comes to the Board for approval, all those items have already been worked through.

Mr. Rodgers asked if there is anything at this point based on how if this resolution were to pass tomorrow, we can alter? Ms. Allen said that there are always opportunities to amend a document when it comes to the Board for voting.

Mr. Floyd asked if we would be able to return it to the City Council to make recommendations, is that basically what they are saying? Ms. Allen is going to ask our TIF counsel to weigh in on this one. Mr. Goldberg said but we won't see the document until February. Attorney Noblett said no – right - no. Mr. Goldberg said that it has already incorporated everything at the Staff level.

After further discussion, Attorney Mark Mamantov weighed in. Assuming the City Council resolution passes, they will immediately start working on the Development Agreement and share it obviously with Attorney Noblett, and the Board will get a draft well ahead of time and will have plenty of time to offer comments. What you are being asked to vote on today will not affect in any way what is going to come back – as Attorney Mamantov told Council and he thinks he told the Board, the hard part is now drafting the Development Agreement which is somewhat called an "inchoate" concept of what this is going to look like.

Attorney Mamantov is excited to get some guidance, and the Board is probably as well from the City Council as to what they are looking for, and we will be working hard on a Development Agreement. Attorney Mamantov hopes it will be ready for February, and this is going to be a hard one because there are a lot of moving parts in terms. It is unique in many ways, it is partially redevelopment, it is partially economic development and Attorney Mamantov is looking forward to working with the Council, Mark Smith is here if you have any questions.

What you are being asked to do today is truly clerical. It is in everybody's best interest that they lower the maximum amount because you are protecting the public by \$200,000 to \$500,000 by approving what is in front of you today. Once this resolution hopefully is passed by City Council and is sure that Ms. Allen will share it with the Board and we will dive into drafting a Development Agreement for the Board's consideration. The Board will have ample time to bring back in March we will begin working on it.

Ms. Melody Shekari asked a question on the process. Ms. Shekari knows that the City Council had to vote in the first place, yes, and it came back to the Board, on the Development Agreement.

Are you saying that the Board sees it first? Yes. Attorney Mamantov said that the City does not vote on a Development Agreement. As he has seen the draft resolution, they are not asking for a vote on it. They are providing input for the Board today and would like the Board to consider as you so incline. This is going to be an important role for the Board to play, reviewing this agreement, and seeing if it meets – you could always ask the City Council, City staff for further input as you consider it, but the vote on the Development Agreement is the Board's as you are a party to it with the developer, not the City.

The motion carried.

ADOPTED

North River Access Road TIF Project

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

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA AUTHORIZING THE EXECUTION OF CERTAIN DOCUMENTS TO AMEND THE DEVELOPMENT AGREEMENT AND TAX INCREMENT FINANCING DOCUMENTS RELATING TO THE NORTH RIVER COMMERCE CENTER INDUSTRIAL PARK.

Ms. Allen said that again we have another memo that was sent to us from our legal counsel, Bass Berry & Sims. The memo states as follows:

“As you are aware, the City Council of the City of Chattanooga and the County Commission of Hamilton County recently approved an amendment to the economic impact plan for the Access Road development. Among other things, this amendment extended the period for commencing allocations of tax increment revenues from the plan area and broadened the permitted scope of the development. In order to implement the provisions of this amendment to the economic impact plan, corresponding amendments to the Development Agreement for the development are required. In connection with these

amendments, Access Road, LLC, as the developer and the lender for the tax increment financing, would also agree to restructure the tax increment financing that has been previously issued in order to align the debt service payments on the tax increment financing with the actual tax increment revenues that are being realized from the portion of the project that has been completed and to reflect the additional time that is being given to the developer to complete the project. The resolution submitted to the Industrial Development Board for consideration would approve execution of an amendment to the Development Agreement and the execution of the amending documents relating to the tax increment financing in order to effectuate these changes.”

Again, this is a successful project. Two buildings have already been built. The developer came to the table asking for a change of use to build a different type of development on those two remaining parcels. The public infrastructure, the public benefit as far as roads, signaling, lighting, all of that has been completed and successful. We are asking for these things that are outlined and have been amended into the attached agreement.

Mr. Rodgers asked as far as the project itself, Mr. Rodgers remembers the presentation went well and seeing the building is there, from the standpoint of broadening the scope, can you clarify a little bit more about what is envisioned versus what was presented to us before? Ms. Allen said that what was presented before was there was a requirement that four buildings be built that were all industrial warehouse buildings. Two of those buildings have been built, the market changed, the developer came back and asked to build other things. We did put into that expansion of what could be developed, there were restrictions such as there is no hospitality, there is no retail, there were some uses that they limited but other than that it allows for office, medical, and some non-industrial that can be on the site.

Mr. Parker said as a result they are going to delay their payments -- longer time? Ms. Allen said the TIF term is not extended. The term for development is. What happened is, typically, in Development Agreements, they are time certain you must have built something by a certain date. Ms. Allen is changing the allowable development types. What we are saying is that we are also allowing you a longer time to build these new things.

Attorney Noblett said the principal amounts of the TIF notes remain the same, correct? Ms. Allen said correct. Mr. Rodgers said that obviously from the Administration’s standpoint, you would not be here otherwise. Are you guys okay with the change? Ms. Allen said we are. We have spoken with the Chattanooga Chamber of Commerce which helps to approve companies. This was borne out of a particular company that wanted to build and was looking to build an office building on that space but because the use was so restricted to the industrial piece, the developer would not be able to entertain that kind of interest in the property. Again, we opened that up.

The motion carried.

ADOPTED

Wildflower Development

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

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

Ms. Hanneke van Deursen spoke about this matter. There has been a new state law that has created a housing tool which will hopefully be coming forward in the future to create industrial development districts.

Industrial development districts are a financing tool authorized under Tennessee law that allow developers to use long-term, tax-exempt bond payments in payment for an infrastructure that supports new housing without imposing costs on the City. Where this differs from a TIF is instead of paying off the bonds by future tax revenue, there is a special assessment, an extra tax on the district that homeowners and business owners are paying to pay off the bonds.

The advantage of this is that 30-year tax-exempt bond financing is a lot cheaper than conventional debt for building roads and sewer and so the overall purchase price of the home is lowered even though homeowners have a higher annual tax bill. It is a housing bill that has been used in Texas and Florida quite extensively to build new housing and one that Tennessee made possible in the Real Estate Infrastructure Act of 2025 which was a modification of the earlier Residential Infrastructure Development Act of 2024.

It is an exciting tool, it is a new tool, and we are not coming for it today, but it is a project proposal. What we are coming for is this intent to reimburse resolution. The memo prepared by our legal counsel for the record states:

“As we have discussed, the City of Chattanooga has been contacted regarding the proposed use of special assessment financing to assist with the cost of public infrastructure for the Wildflower development located off Goodwin Road in the City at the former Cigna location. This potential financing is at a preliminary stage. Before such financing can be undertaken, the City would need to receive a petition to impose special assessments with respect to the development, and City Council would need to agree to impose such special assessments. As you are aware, City Council has asked to be briefed on special assessment financing at a meeting in January. If City Council receives an appropriate petition, which is expected, and chooses to impose such special assessments, the Industrial Development Board could undertake a special assessment financing secured by those assessments. Because the developer for the Wildflower development has already commenced work on the public infrastructure and is prepared to dedicate a portion of that infrastructure to

the City, the developer's representative asked the Industrial Development Board to adopt a resolution known as an "intent to reimburse" resolution that meets the requirements of federal tax law and essentially states that if the special assessment financing is issued, the Industrial Development Board expects to reimburse the developer for public infrastructure costs that have been incurred. The adoption of this resolution in no way commits the City to approve the imposition of special assessments or commits the Industrial Development Board to issue special assessment debt. This resolution just preserves options for the City, [in negotiations moving forward] [Industrial Development Board and the developer while the project is evaluated (omitted)]. As bond counsel to the City, we have been asked to draft the proposed resolution, which accompanies this memorandum. Please let us know if you have any questions."

Really what this resolution is doing is putting a stake in the ground for tax law purposes so that if we choose to move forward with this project (which again we have one meeting that we are in early stages) we are able to reimburse the developer for the infrastructure that is being built right now and we can lower the home prices on those houses that are going to be constructed. It in no way commits us to moving forward with this development but should make change moving forward and take it before Council. It will allow the current phase to be included in that district and provide greater public benefit because of this district. The way the special assessment is calculated is based on the volume of the bonds issued. It is basically what would need to be paid on an annual basis to pay off the size of the debt.

After further discussion, there are disclosure requirements. No one would be purchasing a house without being aware of what that assessment is. Ms. Shekari asked how much this is obligating us to. What are we talking about? It depends on the development size, so even just a max, what would be the max that we are committing ourselves? Ms. van Deursen said that we are obligating ourselves to nothing. This resolution is simply that if the Board chooses to move forward, we have an option to include the first phase in the development. The volume would be clearly contingent on future initiatives. It is also important to recognize that the City and the IDB are not obligated by the debt and it is fully secured by the special assessment.

Mr. Goldberg said that it looks like the resolution states \$10 million maximum principal. Ms. Shekari said for the debt to be issued, that is not the cost. What would the infrastructure be? Ms. van Deursen said we do not pay for the infrastructure.

Mr. Rodgers said that his concern is that why are we, if this is, and it sounds somewhat speculative, and why are we saying we expect to be reimbursed as opposed to we may reimburse or we will consider reimbursement because Mr. Rodgers is bothered by the legality of saying the developer relying on us expecting to reimburse and if we do not come through, where that leaves us and like Ms. Shekari is saying we do not even have a cap on it? What Mr. Rodgers is hearing you saying as well is that some of the work has already started. Mr. Rodgers is going back to the "but for" test, it has already started in being implemented, why do we need to jump on now?

Ms. van Deursen said the intent to reimburse is in the resolution conditioned upon issuance. That is what is all hung on. If we do not issue the special assessment, (inaudible) this does not commit us in any way. The reason we would want to jump on something that is already underway is because we have the potential to negotiate public benefit into the phase. By using the tax-exempt debt in infrastructure instead of conventional financing, the purchase price of the homes could be lowered. Even those homes that are already being built right now, you can bring to market a more affordable price and if we were not to take – we could still in the later phase do that because there is an opportunity to expand for the public benefit going through this process. That is why we are interested in preserving the option in the future to do it but does not commit us.

Mr. Rodgers asked who is the developer on this project? Mr. Parker asked Wildflower Development, which is a private enterprise residential developer? Ms. van Deursen said uh-huh.

Chairwoman Jones said there are homes being built on that property by Wildflower Development. After further discussion about Wildflower Development, it is owned by EAH Acquisitions, LLC. The name of the development is Wildflower Development being undertaken by EAH Acquisitions, LLC. Mr. Rodgers asked if Ms. van Deursen knows who is behind EAH Acquisitions, LLC? Ms. van Deursen said they did preliminary with the development team, and this is the very early stages of negotiation. It is because of the timing of involvement that we are coming forward now. The City Council will have to approve this, they will need a petition filed, there is a whole process that must happen to do this. What this resolution before you today is about is giving us the opportunity to include this first phase in that tax-exempt status for federal tax purposes.

Ms. Shekari said this is a new tool and has questions. Special assessment would be included, where does that portion of the funds go? Ms. van Deursen said the special assessment is used to pay off the bonds. It comes in on the property tax bill. It sits junior to property taxes but senior to mortgage debt. That is what pays off the bonds. In the way that a TIF is paid off with future tax revenue, the Special Assessment District is not committing the City's future tax revenue, instead the owners of parcels in this district are paying extra tax or assessment to pay off the bonds for development. In a way, it is a tool to allow growth to pay bonds off because it is the new residents that are paying for the infrastructure in their neighborhood. Ms. Shekari said that we are kicking in extra for the infrastructure is what you are saying. Ms. van Deursen said we do not pay for it. The extra tax the homeowners pay are what (inaudible). They pay off. Ms. Shekari asked if they are just passing through the IDB. Why are we considering it in the first place? Does it come into an account for us that we set aside and it just pays off? Mr. Goldberg said because we issued the debt, right? Attorney Noblett said yes.

Mr. Goldberg said that the Board is just being asked to vote on whether we have an intent to reimburse but really what we are approving is a maximum debt of \$10 million? Attorney Mamantov said that this is sort of the magic language that the federal tax code requires. That is what they look for. The 4th or 5th paragraph is what he wrote. Despite what we said in the other paragraph, we don't (inaudible) anything. They filed the plat to dedicate the first portion about 45 days ago, and they just realized that this tool is available. The guy that contacted Attorney Mamantov and reached out is like the guru in Florida and Texas, and he is really working the state letting developers know there are tools out here.

We are meeting with the City Council and Ms. Allen next week, the 13th, to provide an overview of the special assessments and if the Board wants to set aside some time through that meeting to go through the Board's role in these things. Of course, it is non-recourse. It is much like a conduit bond issue, but the unique thing is that it is closely analogous to a TIF. It is basically an allocation of revenues that the City collects to the Board to pay off the debt. The City can do it itself. But we recommend as bond counsel to the City and the Board, it is better to isolate this debt from the City because if there is ever a default on it you don't want – the IDB, the people understand, is a conduit.

If the City of Chattanooga defaults from the Special Assessment Debt because of non-payment, then it looks like a blemish on the City. That is why you use for both TIFs and these sorts of things, this is all new in Tennessee, but generally, a but-for analysis – this is not an incentive. We are not giving any public funds at all. Usually, you extract things from the developer. If we agree to cooperate with you under special assessment, then you will do such and such. And that is usually in a Development Agreement, much like a TIF, but we are not giving them any public funds. We are just cooperating with the collection of this special assessment. It is a very complicated process. This came up quickly.

After further discussion, the T.C.A. time period they have for leaving their options open to expire if you want to adopt this today, this is just again to preserve options, Attorney Mamantov said this will be a three- or four-month process. The City considers whether they want to be involved and he echoes what Ms. van Deursen says, this can help with housing. It is work. You are lucky you have very confident staff on the Housing side here in Chattanooga and the Finance team is strong. After further information, the City of Franklin was discussed. This is a complicated issue. Today we are just trying to check the box on a tax issue and hopefully if you are comfortable with it, it does not bind you. It is worded that way to be the magic language.

After further discussion, Attorney Noblett confirmed with Attorney Mamantov that this is a new law because it just came in 2024 and was most recently amended in 2025. It was not available for the Board to be able to consider. After further discussion, Mr. Mamantov gave the history of the law, and it will be provided to City Council. This is a tough tax issue. They will file a petition, and the Council must vote on it per state law per the developer within thirty (30) days. They cannot delay it. They will be talking about cooperation. It is a mandatory 30-day vote once the initiator petitions to do the assessment or not. Every property owner must agree to join. If they sold any lots already, every lot owner must join in the petition for the assessment.

Mr. Rodgers said he appreciates Attorney Mamantov's memos. Please keep them coming. Thank you to Attorney Mamantov and Ms. van Deursen for their patience today. It is at least new to Mr. Rodgers. Attorney Noblett about six months ago did make the Board aware of this law in connection with a different issue. Mr. Rodgers asked our Chairwoman if at some point in the next few months if we can have a short version of a presentation about what exactly this law means and our role, that would be helpful. Chairwoman Jones does not personally know anything about this and would benefit with some more education on this type of thing especially if you feel it is going to come up more often.

Chairwoman Jones asked for clarification of what this resolution does today or if this holds up anything in the future. Attorney Mamantov said they filed plat about 45 days ago for the first phase of the development. If you look at quadrants of the development, and the first quadrant they platted and recorded plat which results in the dedication of the infrastructure to the City of Chattanooga. Once it has been dedicated, basically the IRS is going to say going back, you never counted on this. They have been talking behind the scenes and really don't understand what they are doing. Attorney Mamantov has been getting fielders about this project through the grapevine for several months. They did not know what to ask for. When they got him involved and said we are about to record this first phase to preserve our options, could we ask the IDB to adopt what this is called the intent to reimburse resolution so that if we were ever successful in issuing a special assessment that we would preserve the ability to get paid back from that special assessment and from what we dedicated about 45 days ago. Otherwise, they are going to have to keep that financing tied up while probably with a high-cost bank loan which will delay them in being able to proceed with additional phases of the development of the project which is what everyone wants to see. This would allow them to free up financing for the first phase if we are able to do this successfully and move on to the next phase.

Ms. van Deursen said that it increases the value of going through this whole process for the project and give us more grounds to negotiate public benefit into the project so more housing can be built, which is our targeted public benefit for this project. This does not include this phase of infrastructure in the Special Assessment District, and we lose out on the benefit to the project which we use to negotiate additional affordability into the project from that phase. Just the benefit gets lower.

Mr. Marcus Cade-Johnson asked if there is a certain dollar amount that you would want. Ms. van Deursen said yes, all that needs to be negotiated. We have had that one meeting and spoke with the developers and would like to see affordability as a public benefit if we are to consider this moving forward, but we have not yet talked about specific prices. You lose the leverage.

Mr. Parker said that this to him sounds like a "sell" game if he understands that you are basically asking the homeowners of this new development to pay for infrastructure for 30 years on a separate tax line item annually, and hopefully, that the developer will lower his selling price of the development, is that correct? Ms. van Deursen said almost. Yes, the homeowner is paying for the infrastructure over a 30-year term. Otherwise, they would be paying for the infrastructure in the higher purchase price. This is part of the negotiation we would want to see. We would not be going through this process if we did not see lower purchases on the other end, but that is something that the next few months we will come forward. We know that by using tax-exempt debt to pay for the infrastructure, the cost of the development to the developer is lower so we have room to push for those lower purchase prices, and it does benefit the homeowners.

Mr. Goldberg said that this essentially allows the developer to add tax-exempt financing to the capital setting which decreases their cost which decreases the purchase price. Correct. Which personally, Mr. Goldberg thinks these are tax tools we need to use all throughout the City and the County because that is why we do not have affordable housing. We do not use the tools that are available.

Mr. Rodgers made a motion that we approve this resolution given what Mr. Mamantov has said and Ms. van Deursen, what they said as far as it is not committing us. Down the road it is simply allowing us some leverage and flexibility going forward for the next few months. In the meantime, we can see how those discussions go, we can see what the City Council does and hopefully we can get any presentation of some kind ourselves, to educate ourselves, and then we can decide at that point whether we want to approve it or not from what he is hearing. Mr. Rodgers made a motion to approve the resolution, seconded by Mr. Goldberg, and resolution passes.

Chairwoman Jones requested an education for this Board in the next couple of months so we can better understand this process.

ADOPTED

OTHER BUSINESS/DISCUSSION ITEMS

Ms. Shekari had a couple of things that came up over the last month that she wants to make the Board aware because it has to do with our performance and transparency. We have had some questions about staffing and how we feel about that. Ms. Shekari was contacted by two individuals in Chattanooga that were not very happy with the way that we have been doing things. The presentations are not available for the public, and they cannot access them, they have FOIA requests, they cannot see the Power Point presentations we have. They can see our agendas but there is really important information in the Power Point presentation, and she does not think we are releasing those in a way that is accessible to folks. It is not people who oppose or support a project. Mostly, other property owners want to know how a project might impact them, but they cannot get the information other than sitting and listening and cannot read the presentation because of the way the cameras are angled and where the presentation is on the screen makes it hard.

Ms. Shekari did help them get access. It should not be something that any individual person should contact a board member for it, and we need to make sure all our agendas are on-line, all our presentations are posted after. Ms. Shekari does not believe we get all of them ahead of time. It might be after the meeting that they showed presentations from outside entities so that business leaders and people in the community can see what is presented to the Board because it is public information.

Chairwoman Jones said that when someone is watching the meeting the presentation isn't – Ms. Shekari thinks it is in a little box on the side but sometimes the person standing here will block that and so they can't see it or it might be small. It might just be very small. Ms. Shekari has watched it before and noticed it is not very clear. It does not become what they see. They just get a view of that person speaking from the Board.

The second one had to do with a vote that we voted in November. Ms. Shekari does not believe the e-mail that she was planning to send to staff has got to them yet. She found it in her drafts. We approved of a contract and there were questions about whether an RFP was put out, what the assessment was, and it was for the software that we are using. There are other businesses in Chattanooga that may have been interested in putting a proposal and made interested in being a vendor and we did not have a chance to consider it and for us it is not having software before and

familiarity with what we should be looking for and there is a lot of frustration with the process. We have been talking about a meeting and then we got it presented in a meeting we passed it. We had discussion and that was it. Ms. Shekari is making sure our processes are public, transparent, so that the folks in the community do know that we are looking for contractors and things like that. Ms. Shekari believes there are interested people that work nationwide but were not considered for whatever reason and want to make sure our board makes sure that we are making this process available for everybody and being fair in how we do things.

Mr. Rodgers would also like to follow up to make sure that all our presentations are at least accessible to the public through our website for at least a year or so. In this instance, we have the North River Commerce Center and there might be some folks in the public that would say what was that presentation, it was very helpful, where you get it, and was this what the Board was presented today and impact what we saw before. Maybe not to have it for five years but at least for a year or so so people can go back.

The other thing Mr. Rodgers is going to ask of Ms. Allen as far as if we are still wanting to look at the February agenda for a possible IDB employee. That was discussed a few months ago. Ms. Allen said that we are currently reviewing the staffing of all the IDBs like the size of Chattanooga and pulling all that research together to present in February. The IDB is a City Economic Development Department. If the Department staffs the IDB, are they a department of ten or three. What does that look like. If they are an IDB or they a department, do they have a staff of seven or do they have no staff and are staffed by the City through a City of ten. We are pulling all that research together for presentation.

Mr. Goldberg said for the software to clarify for the record, Mr. Goldberg assumes, and you can confirm that all City procurement rules were followed? Ms. Allen said they were, and we have a follow-up with the Purchasing Department because that vendor also reached out to our Purchasing team. Just so this board is aware, typically the way the purchase of software happens this day in age, we meet with the IT team, they ask us what we are looking for, and they take it from us and do research. They come back to us with recommended vendors. It is not like we could say this is what we want to use, figure out how to make it happen, and they sort of take it from us – are they going to bring us something they like ... has this been properly vetted. We did go through the process, and we are happy to be present at the next meeting. In the meantime, Ms. Allen does have a call later with Purchasing to go through and did reach out to that vendor in a conversation. Those original conversations happened. The vendor reached out because they had seen an October agenda item that said the IDB had funded it. That is how it all started. Ms. Allen is happy to follow-up and close the loop on that when we meet again in February.

Chairwoman Jones said that she had that we were going to be talking about the staff member in February and we will be sure to do that. In terms of the ability to see presentations when someone is watching, is that something we can easily shift through our IT folks? Ms. Allen is working on that.

The other piece that is part of the Economic Development software is to have a public-facing interface so that when there are items that are related to Economic Development, instead of the general public having to figure out do I go to City Council, YouTube, IDB page, where am I going, they go to the Economic Development page click, and a live screen will be there, the agendas will be there, but the agendas with the attachments will also be there.

That is something they are working with IT because IT wants to control what is put on the website and who has access to that. Our future public interface will help us to do that. That was part of the platform that we are looking at.



There being no further business, the meeting adjourned at 11:50 AM.



JIM FLOYD, Secretary

APPROVED:



ALTHEA R. JONES, Chair