



**INDUSTRIAL DEVELOPMENT BOARD  
MONTHLY MEETING MINUTES**

**John P. Franklin Sr. City Council Building  
Assembly Room**

**Chattanooga, Tennessee**

**for**

**Monday, June 2, 2025**

**11:00 AM**

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

Also Present were: Attorney for the Board, Phillip A. Noblett; Charita Allen (Economic Development); Elizabeth McCright and Mike Sabin (Chattanooga Housing Authority); Ellen Gent (Times-Free Press); Adam Myers (Chattanooga Chamber); Javaid Majid and Josh McCutcheon (Finance); Gail Hart (Real Property); Andrew Hudson; and John Wilson (The Chattanooga).

Vice-Chairwoman Althea Jones called the meeting to order, confirmed the meeting was duly advertised, and established that a quorum was present to conduct business. There were five (5) members present in the beginning, and Ms. Shekari arrived after the first item. The quorum was then six (6) members present.

**MONTHLY MEETING OF APRIL 7, 2025 – MINUTES APPROVAL**

On motion of Mr. Adkins, seconded by Mr. Parker, the minutes of the April 7, 2025, monthly meeting were unanimously approved as written.

**PUBLIC COMMENTS**

There was no one from the public who had comments.

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

**A RESOLUTION AUTHORIZING THE CHAIR OR VICE-CHAIR TO EXECUTE ALL DOCUMENTS RELATED TO THE DONATION OF REAL PROPERTY ALONG VOLKSWAGEN DRIVE TO TDOT TO BE USED AS RIGHT-OF-WAY AS PART OF THE FERDINAND PIECH WAY IMPROVEMENTS PROJECT (TDOT PIN 120361.00, FEDERAL PROJECT# HPP-9202(116)).**

Ms. Charita Allen said that this project is part of the ongoing infrastructure development that happens around Enterprise South Industrial Park. These improvements are pertinent to and benefit all of the projects. This is for the right-of-way along this area.

The motion carried.

**ADOPTED**

**Chattanooga Housing Authority Request for Project Funding**

**A RESOLUTION AUTHORIZING THE ALLOCATION OF ONE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$1,500,000.00) FROM THE INDUSTRIAL DEVELOPMENT BOARD IDB RENEWING CHATTANOOGA ACCOUNT NR17 TO THE CHATTANOOGA HOUSING AUTHORITY (CHA) FOR PHASE 1 RENOVATION AND EXPANSION OF THE JAMES A. HENRY HUB AT 1241 GROVE STREET, AS A PART OF THE CITY AND CHA'S SUCCESSFUL FIFTY MILLION DOLLAR (\$50,000,000.00) CHOICE NEIGHBORHOODS IMPLEMENTATION GRANT FOR THE ONE WESTSIDE TRANSFORMATION PLAN.**

Ms. Charita Allen said that staff are bringing this request, and the staff report provides an overview. The funding request would be allowed through this state statute that allows an IDB to control funds that come into a particular fund that is located under the economic development fee portion. This request aligns with the One Chattanooga Plan to grow household income for all Chattanoogaans through workforce development and skills training. It also helps to refine competitive advantages and clusters in the City. It also aligns with Chattanooga Climbs Higher Strategic Plan which is developing skills for the new economy and growing stronger businesses. It also falls under the background and history in 2018, where the IDB created a fund account that is NRI 7 called Renewing Chattanooga that allows the IDB to provide funding for eligible catalytic economy development projects in disadvantaged communities. The funds can also be used for economic development projects investing in or rehabilitation of blighted and vacant properties.

The Chattanooga Housing Authority will provide a presentation. This item will not be voted on today and will be presented at the July meeting. Today is just the presentation.

With regard to the fiscal impact, the current fund for which the funds would be withdrawn has a current balance of \$2,873,422. The fund request is for \$1.5 million. Approval of this request would leave a balance of \$1,373,422. It is worth noting that through the remainder of 2025 and through the spring of 2026, the IDB will have incoming funds of roughly \$1,348,037. Those funds would be coming from future economic development fees of existing PILOT projects which is \$459,037. Additional funds would be coming through Chattanooga Neighborhood Enterprise (CNE) Small Business Program reinvestment, funds that were sent to CNE in 2000 that were not expended for economic development activities with small businesses throughout the community. Those funds will be coming back to the City and IDB. It says in the program report that it is \$538,000 but is \$585,000.

We also have neighborhood reinvestment revolving loan fund payments. A few members of this board may remember that during COVID that the City stood out by a Revolving Loan Fund Program to help keep businesses afloat, it was roughly \$2 million, but \$500,000 came from the IDB, and those funds will come back to the IDB in 2029. To date, \$331,000 has been repaid. Those funds are currently sitting with Southeast Tennessee Development District that is administering that Revolving Loan Fund Program on behalf of the City and the IDB. We are asking for those funds to come back at this time. That would be \$331,000 coming back in.

The last incoming funds for 2025-2026 are related to the High Growth High Jobs Investment Program that was created in March at the IDB which is a matching program. We have an item on today's agenda that is related to that. That fund is a grant that goes to businesses that create verified jobs. The IDB pays half of those funds from economic development fees and the County provides a match. This \$20,000 that is coming is the number that the IDB will be invoicing the County for its portion of the High Growth High Jobs Grant. Roughly, \$1,348,037 will be coming back to the IDB this year in spring of 2026.

The letter in the packet of May 15, 2025, was the letter from Chattanooga Housing Authority to the Mayor asking for assistance in the funding gap on this particular project. The Mayor then has a letter dated May 20, 2025, where the Mayor is asking the Board to hear this item and consider funding in keeping in mind the Board is about to vote for this in July.

#### **Presentation by Chattanooga Housing Authority**

Ms. Elizabeth McCright from the Chattanooga Housing Authority (CHA) spoke and introduced her colleague, Mike Sabin, who is the Director of Real Estate Development at CHA, who oversees the budget, and real intricacies of the James A. Henry Reconstruction Project. This is the James A. Henry hub. The James A. Henry Building is owned by CHA currently. It is an integral part of the One Westside Project because it serves as a hub to serve all of the residents of the community. (The One Westside presentation is attached to these minutes). The front of the school (top/middle section) is the existing school construction, and in the second row on the far right side, you will see the billboard adding 2,400 square feet to the creation of a medical clinic.

The history is interesting. The building was originally built as an elementary school in 1937, closed in 1980 but continued to serve as a community resource in the late 1990s and early 2000s. It was named after the Principal James A. Henry, the first African American of Howard High School.

Phase 1 involves the renovation of the existing school in addition to the health center. Tricon began construction on August 5<sup>th</sup> and we intended to open the school by August 5<sup>th</sup> of 2025 in order to accommodate 117 Head Start students to start the school year there. Due to some construction delays, we are now looking at the final date of the end of 2025 and plans are that Head Start will move sometime during the first quarter of 2026.

The amenities include 117 Head Start seats, which is an additional 60 more than the original as last time. We have special playgrounds and kitchens. In the school itself, we are going to have incubator space, classrooms for programming, and Erlanger is running the health center.

During this process, the City and CHA are applying for a \$50 million HUD Choice Neighborhoods and Implementation Grant. We are very happy that we were the top ranking application in the nation. We received the grant last July 16<sup>th</sup> and embedded in the grant is about housing, neighborhood, and people. The people's plan involves addressing education, health, income, employment, and early learning. As part of the grant application, we were required to maximize the points in the grant to find \$20 million in leverage support. We were able to do that thanks to the generosity of non-profit partners in Chattanooga.

Some of the providers and what this funding will do is that Head Start will be there committing to \$8.5 million, The Boys & Girls Club of Chattanooga pledged \$3.3 million will be present in the after school plan, Chattanooga Area Food Bank has pledged over \$300,000 to provide food on a monthly basis to the families, and Erlanger had pledged almost \$2.7 million to provide a health clinic which will include dental services. This gives an idea of the various partners in the City who have come to the table. It has been a really great outpouring of support. (See presentation attached).

With regard to the project, the budget for Phase 1 for James A. Henry is almost \$19 million. When we started Phase 1, we had total sources of just about \$22 million, and unfortunately, as highlighted in yellow during this first prior to 2025, we began convinced that we would not see the Federal Earmark of \$5 million from Congressman Fleishmann's office. It seems the Department of Energy C-Site Grant that the City had applied for last year, the \$2.9 million, will not be forthcoming during this Phase 1 piece of the project.

What does that do to us? Roughly, the budget remains the same at \$19 million. Ms. McCright plugged in the generous offer of the City of Chattanooga to give us a total of \$6 million, which includes the \$1.5 million from the IDB. As you can see, just tracking through the unfunded net brings us to a total source of just over \$20 million. About \$1 million to get through Phase 1, and it will definitely help us to open the school and start delivering the services that we promised to the community.

With regard to Phase 2, the construction start dates were a little off. We had a good chunk of money prepared for Phase 2 that is not there right now, but we are still looking for it. Phase 2 would involve the creation of a gymnasium, multipurpose room, an IT center, kitchen, meeting spaces, and office space.

Phase 3 will involve the renovation of the Sheila Jennings Park that the City owns and that would start in Q1 2027, which is where residents wanted to include a community garden, multipurpose field and court, a splash pad was high on their list, and the last phase is infrastructure and parking behind the building.

Mr. Jimmy Rodgers asked if there are any environmental issues, including asbestos? The asbestos is removed but foundry sand. We spent just over \$2 million on discovery foundry sand, remediation, and removal of the foundry sand. We also had expenses with installing new elevator shaft and equipment. That \$2 million foundry sand also approves; in order to avoid it in a latter part of Phase 1, we put pylons in so we do not have to dig into the sand. We have helical piers. They are pylons that we do not have to dig up the foundry sand embedded in the sand but can build on top of it.

Mr. Marcus Cade-Johnson asked if there was a funding gap, you are asking for \$6 million, is there \$2 million that has already been taken off? Ms. McCright said that the \$7.9 million that was lost was actually a piece in the first, which gave us a total source of \$22 million, when in fact we needed about \$19 million. When we plug in \$6 million, we are now \$20 million, just about a million over what we need. Right now, we do not feel like we have a funding gap for Phase 1. We had a bigger buffer when we started. Now there is a little buffer. This is just a community hub. We started Phase 1 about a month ago, but with 230 units there, that is totally funded, and then we are in design on Phase 2 which is 144 units, and invariably, during these tough economic times, there are gaps. Keep knocking on doors and asking.

Mr. Gordon Parker asked if there is a chance this may come through or is this done for the year? Is there a chance that this will come through 30-60-90 days or out of budget? Ms. McCright said that what she understands is that it is the approval letters to request the \$5 million Earmark for the 2025 budget. That request, Ms. McCright believes, is going – at least we sent our support of that. Ms. McCright is not familiar with where we are with the Department of Energy grant. The last Ms. McCright knows which was on April 18<sup>th</sup>, the staffing had all taken kind of buy-out but that would be a City question.

Mr. Rodgers said that it sounds like you did a whole lot of background work and put a lot of effort and time into this, and it sounds like a great project. Mr. Rodgers would be surprised if any of us are opposed to the project itself. Mr. Rodgers' question in his mind is whether this is the proper body to be making up the deficit that is described to us. We are an Industrial Development Board and Mr. Rodgers understands that from the standpoint of our powers that decided, in this very helpful memo, is broad. But it does say that the statute that is cited in furtherance of the purposes for which this corporation was organized ... Mr. Rodgers does not know if this corporation was organized to help housing development and neighborhood development, that kind of project. Mr. Rodgers can say from his experience on the IDB, Mr. Rodgers does not know if he has encountered this kind of thing before. From that standpoint, as a member of this body, Mr.

Rodgers would like to have some kind of legal clarification or opinion in writing that says, yes, this is a permissible use of IDB funds. It is a great project, just questioning whether we are the proper body.

Ms. Allen said that we all have that same question. There was recent legislation at the state level that allows IDBs to now include housing projects as eligible projects under the IDB. When this first came to us, we were looking at the employment and income piece as being an eligible project because the proposal is for there to be what was then called an American Job Center, which previously was out at Eastgate Town Center. That is a hub and funded through the Department of Labor. It is an access point for residents, not just part of this particular complex, but residents in the City would be able to access employment opportunities and job training through that American Job Center that will be part of the James A. Henry Project. There is also a proposal for a future kitchen incubator sharing incubator space, again small business creation, all of that does fall under the purview of the IDB. The recent state statute that added housing projects is eligibility for IDBs that was within the last six weeks. Attorney Noblett said that multifamily has always been there. This is not single family housing.

Ms. Shekari had a question because she is familiar with most of these entities, and obviously, it is for the neighborhood. There are a lot of adjacent areas. Are there going to be restrictions? The restrictions are tailored to the neighborhood. Ms. McCright said that overall for a ten year period we will be putting 1,783 new mixed income units. It might be helpful for the Board to know that the average income for the people on the Westside is under \$15,000 a year. This hub is going to be life altering for the residents who are going to be able to use it. It is just not a one stop shop. We are going to be addressing all of the possible means to help the families increase their income and really help their families move forward. Part of the Choice Neighborhoods Implementation Grant includes the hiring of Urban Strategies, Inc. They will be with us for the entire eight year project and have dedicated \$10 million to these efforts. They have seven people working on the Westside and connecting people with jobs.

Mr. Rodgers asked Attorney Noblett if he was comfortable saying today that this is a permissible use of these funds. Attorney Noblett said yes. T.C.A. 7-53-318 gives the ability for industrial development corporations to help housing opportunity developments. That was effective May 9, 2024.

**A RESOLUTION AUTHORIZING THE TRANSFER OF ONE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$1,500,000.00) FROM THE INDUSTRIAL DEVELOPMENT BOARD IDB PILOTS FUND ACCOUNT NR14 TO THE IDB RENEWING CHATTANOOGA ACCOUNT NR17 WHICH WAS CREATED FOR ELIGIBLE CATALYTIC ECONOMIC DEVELOPMENT PROJECTS IN DISINVESTED COMMUNITIES AND FOR ECONOMIC DEVELOPMENT PROJECTS INVESTING IN OR REHABILITATION OF BLIGHTED, VACANT PROPERTIES.**

Ms. Allen said that this item would be for an accounting procedural item which will be moving monies from the Economic Development Fee Fund into the account that was created for this particular type of project. It is worth noting that moving forward, if the Board would like, we could at the end of each fiscal year fund those individual accounts. The account for instance which this would be pulled currently has a balance in it. That is where in previous years we would start July 1 of every year, look at the plan of projects we thought we would be doing, and then fund all of the accounts at the beginning of the year, and come back June 30<sup>th</sup> and report how much each of those funds are, how many grants we have in a particular fund account. We have not done that for the last four years.

It is worth having a conversation with the Board at a future education session as to how we would like those accounting funds to be set up, or we can continue to move as we are currently and additional items that we have on the agenda today. If the item is approved, then we take the monies out of the bank account and fund the fund account. Entirely up to the Board on how that works, but that is why this complimentary agenda item is on the agenda. This will be voted on at the next meeting with the companion item.

Ms. Shekari asked Attorney Noblett if we had proxy voting. Attorney Noblett said that it needed to be in person. Ms. Shekari may not be at the next meeting, and after further discussion, Ms. Shekari gave her input.

## **NEXT MEETING**

### **InterSign Innovation Grant**

On motion of Ms. Shekari, seconded by Mr. Johnson,

**A RESOLUTION AUTHORIZING AN INNOVATION GRANT PAYMENT OF TWENTY-TWO THOUSAND DOLLARS (\$22,000.00) TO INTERSIGN CORPORATION FOR THE CREATION OF TWENTY-TWO (22) NEW ELIGIBLE JOBS OVER THE PRECEDING EIGHTEEN (18) MONTHS, AS VERIFIED BY THE TENNESSEE DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT WAGE REPORT DATED DECEMBER 31, 2024; AND FOR THE IMPLEMENTATION OF INNOVATION AND INNOVATIVE EQUIPMENT SYSTEMS IN ACCORDANCE WITH CHATTANOOGA CITY CODE, PART II, CHAPTER 11, ARTICLE XVIII, SECTION 11, SUPPORTING LOCAL INNOVATION INITIATIVES TO DIVERSIFY THE CHATTANOOGA ECONOMY AND INCREASE WAGES; AND TO BE FUNDED FROM THE REMAINING CITY OF CHATTANOOGA ONE HUNDRED SEVENTY THOUSAND DOLLARS (\$170,000.00) ALLOCATION TO ACCOUNT NR18 INNOVATION Z00313.**

Ms. Allen said that the Innovation District Grant was created in 2016 and was originally created as a grant program to grow innovation in and around defined geographic areas which included the Edney Building, UTC, through downtown. At some point, roughly 2017, the boundaries were expanded to make it city wide. The goal of the program was to highlight local companies that were doing catalytic, innovative, disruptive technologies in their space. To date, we have only been awarded two of these grants. This would be the third one to come before the Board. We plan to sunset this program at the end of this year. We will have to go to City Council to sunset it because it was created by ordinance and the funds were moved over by ordinance through the City Council. That \$170,000, again, \$200,000 was moved over to start the program, we have only had a draw down of \$30,000 and moving forward we will go back to Council, ask them to sunset it, the funds will remain with the IDB, and we will come to the IDB with a new grant program to be determined as to how to use the remaining balance of \$170,000.

We do have representatives from InterSign here to give a quick presentation. Staff are recommending approval of this. As with all of our small business grant programs that come before the IDB, we verify all of the job creations, (inaudible), we verify the wage requirements on that by asking them to submit their Department of Labor wage report, and we go through those reports, confirm the jobs, and the grant amount is based on the number of jobs were eligible. In this case, the company applied for 22 positions that they felt were eligible, we confirmed those 22, and the request is for a \$22,000 grant for this particular project. The InterSign representatives were not present.

Ms. Allen said that this is a local company on Amnicola Hwy. Non-descript building, not many people know kind of what happens in this building but at the end of the day, this is a company that makes interior signage for lots of different companies that are well known. Hospitality, hotel, office space. What is important to note is that this is a company that has an exportable product or service. What they are making is they sell outside of our economy which brings new dollars into our economy.

These are the type of targeted industry companies that we like to see. While it may not look like large scale manufacturing, at the end of the day, it is manufacturing. They are making products and services and selling them outside of the City. They are an industry leader, well known, well respected, and have utilized digital technology and 3D printing to change the way that they do production which is new in this industry. Instead of going out and seeking parts from other manufacturers or parts out of the country, they are now manufacturing the small component parts in-house.

In the last 12 months alone, they have invested more than \$1 million in new digital equipment which includes training employees and moving forward they will add additional equipment as well. (See presentation attached from packet). In your packet you will see the Grant Agreement, verification of city and county license, and everything is in compliance and verified.

The motion carried

<b>ADOPTED</b>
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**AIS Systems Grant Payment for Verified Job Creation:**  
**High Growth High Jobs Investment Jobs**

On motion of Mr. Parker, seconded by Ms. Shekari,

**A RESOLUTION AUTHORIZING THE GRANT PAYMENT OF NINE THOUSAND THREE HUNDRED SEVENTY-FIVE DOLLARS (\$9,375.00) TO AIS ENCLOSURE SYSTEMS – CHATTANOOGA, LLC FOR CREATION OF TWENTY-TWO (22) FULL-TIME JOBS WITH AN AVERAGE ANNUAL WAGE OF FIFTY-NINE THOUSAND EIGHT HUNDRED THIRTY-SIX DOLLARS (\$59,836.00), AS VERIFIED BY THE TENNESSEE DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT WAGE REPORT DATED DECEMBER 31, 2024. THIS PAYMENT REPRESENTS THE FIRST OF FIVE GRANT PAYMENTS TOWARD A MAXIMUM TOTAL OF TWO HUNDRED FIVE THOUSAND DOLLARS (\$205,000.00) INCENTIVE IN ACCORDANCE WITH THE DECEMBER 2, 2024, INDUSTRIAL DEVELOPMENT BOARD (IDB) PROJECT GRANT AGREEMENT TO SUPPORT ELECTRICAL INFRASTRUCTURE GROWTH AND TALENT POOL DEVELOPMENT. THE HIGH GROWTH HIGH JOBS INVESTMENT JOBS GRANT IS PAID OUT OVER FIVE YEARS WITH VERIFICATION OF THE CREATION AND RETENTION OF JOBS EACH YEAR.**

Ms. Allen said that included in the packet is a staff report recommending approval of this item allowed under the Tennessee state statute. We are looking at 7-53-302(a)(8) which aligns with the One Chattanooga Economic Development Plan for building regional economy, attracting higher paying jobs, and targeted economic recruiting. It corresponds with the Chattanooga Climbs Higher Plan again creating more high quality jobs and developing skills.

This was as a result of the new High Growth High Jobs Program that was created at the IDB with the need to incentivize companies for retention and expansion here whether or not they are eligible for PILOTs. We anticipate having more of these come forward recognizing as we have less industrial space for development here in the City of Chattanooga and Hamilton County. Some of that being the conversion of industrial development land into land for housing. We have lost some of that. We are starting to see a shift in recruitment of smaller companies with smaller footprints but more jobs and higher wages.

As of December 31, 2024, the company is on track with job creation and capital investment. They have had \$1,062,330 capital investment completed and 18 new jobs with an average wage of \$59,836. The company has exceeded its 2024 commitments. This would be the first of five payments. This one is \$9,375; the County will pitch in and match the other half of that. We will come back in 2026 with an additional request asking for \$30,625. The way we set this up was to

come before the Board each year, typically in March or April. We verify the jobs. In the agreement it said that we would bring this to you in March. We have to verify the jobs and then confirm the retention and new creation jobs, and then we bring it forward. For future agreements, we will probably write into the agreement that we will submit the payment without coming back to the Board but provide the report to you. While this was eligible, we had to come to this board to ask for payment. Moving forward we will write into the agreement and staff will confirm the jobs, make payment, and then report to the Board.

We are asking for approval of this. We have a return on investment, and the grants funded from the Economic Development Fee Account. That is the account that has the \$2.8 million in it. We are asking for \$9,375.

Mr. Parker asked how did AIS come to know about this? Did we seek them out if the funds were available or did they know about it and applied for it? Is this the first we have seen of AIS? Ms. Allen said that this is a discretionary grant with the Chamber. If the Chamber would like to speak to how.

Mr. Adam Myers said how this project came to be working very closely with both the City and the County; this was a competitive project that came through the Chamber's (inaudible) consultant where a company was looking at corporations that were looking to expand. Knowing that this project is not eligible for a typical PILOT, we were looking at the creation of how we leverage new tools with what is available out there. We work in hand with Ms. Allen and the staff at the City to create this program specialized for this project. As we see more projects, we would like to be able to use this program in the future. The offer letter came from both mayors.

Mr. Parker asked if AIS is a corporation with multiple offices scattered around for when they decided to expand here because of this. Mr. Myers said that is correct.

Mr. Rodgers asked is this a limited liability company in good standing with Delaware and the State of Tennessee? Mr. Myers said that they are in good standing with the State of Tennessee with their corporation. A lot of companies do tend to incorporate in Delaware but does not mean they have any presence necessarily in Delaware. Mr. Myers believes that this company has presences in Texas who we were competing with the project. Originally, this agreement had come before the Board in December.

The motion carried.

<b>ADOPTED</b>
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**Chattanooga Chamber of Commerce Funding Request  
to Support a Competitive Analysis for Chattanooga**

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

**A RESOLUTION AUTHORIZING UP TO SEVENTY THOUSAND DOLLARS (\$70,000.00) TO PROVIDE MATCHING FUNDS WITH THE CITY OF CHATTANOOGA FOR A SITE SELECTOR-LED COMPETITIVE ANALYSIS FOR CHATTANOOGA'S KEY TRADED INDUSTRY TARGET SECTORS AS IDENTIFIED IN THE CHATTANOOGA CHAMBER OF COMMERCE'S CLIMBS HIGHER STRATEGIC PLAN, WITH FUNDING FROM NR16 Z00308 FOR BUSINESS DEVELOPMENT ACTIVITIES.**

Ms. Allen said that staff is recommending approval of this item and aligns with the economic development plan for both the City, One Chattanooga Plan, and the Chamber's Chattanooga Climbs Plan. It outlines the need for additional studies as our economy starts to shift. We want to do that research and we will have the Chamber come in as to why this will happen. With regard to the fiscal impact, there will be an accompanying resolution to fund the account. There is \$25,000 from the Business Development Account, which was an account that was created by the IDB in 2016, which was for business development. Moving forward, it can be used for consultant fees, studies, research. If the Board wants to visit a particular project, all of those things come under business development.

An additional \$50,000 would be transferred from the IDB Economic Development Fee Account from NR14 to NR16 for business development to fund this request. This request is for up to \$75,000. The County has been asked to participate as well. Depending on how much the County puts in, the IDB would then come in and fund up to that particular match.

Mr. Myers spoke about the research. One of things as they worked with Mayor Kelly and the team, is identifying in the One Chattanooga Plan there is a section that talks about the age in the original economy and one of the priorities is redefining our competitive edge with our trade industry clusters. Those trade industry clusters are clusters that where their sales are not based from here and are sold outside of the market, typically, the target industries that we are either trying to recruit here or help growth and expand. We would like to use the study to have an actual site selection consultant, which are groups of people and firms that are in charge of helping corporations make location decisions -- able to review our overall competitive advantages with regards to our targeted industry sectors where they will look at us and see how we score compared to pure markets on things like workforce, infrastructure, on our key assets in the region to show where we are going to be strong at, where we are going to be weak at, and that way as we look to the creation of potential future programs like the PILOT funds, they have sat there for a long time without really any activity. With this type of study we would be able to use to enhance what could those funds be going towards which would help to make us more regionally economic competitive.

The City of Chattanooga has already committed through their budgeting process for additional support for the project. With the IDB, we are asking for an up to amount is because we are looking at the overall cost, vetting out the project right now, and also asking Hamilton County for additional support. At the end of the day, we expect this process to take about six to eight months. It will not only review our traded industry clusters with how competitive we are, but also review our overall incentive policies throughout the community to see how we are competitive and how we compare pure market wise.

Lastly, Mr. Myers would say that we are not looking to putting this in a vacuum. We will likely establish a committee where a member from each organization, government body, City of Chattanooga, Industrial Development Board, and Hamilton County would all be sitting on this in terms of going through the study and purpose. Our goal would then be to bring this study back to the Board and highlight and show how competitive we are and start taking action from there.

Mr. Rodgers asks how this request for this funding does – why is this necessary – with all of the PILOT policies that we discussed for a good while, if Mr. Rodgers would call and had the matrix and, in that document, we collectively identify a target industry, and yet now this appears to be somewhat related to industry target sectors. How does this differ and why is it necessary? Mr. Myers said that this is going to take a look at the same target industries that are in those PILOT policies and go beyond just the overall what type of incentives we need but overall from a marketing standpoint from either a focus standpoint where are we missing gaps to be able to recruit and support these types of companies.

Mr. Rodgers asked who the recipient of the funds from the IDB is, if this passes. Mr. Myers said the Chattanooga Chamber Foundation because the City has been able to contract with them for one time funding for this study's purpose. Mayor Kelly was the one who specifically is asking for the study. Typically, because economies are looked at on a more regional scale and so us being able to partner with Hamilton County, the City, and even the private sector.

Mr. Myers said that Hamilton County has expressed interest in funding this but not an exact dollar amount, which is why for this request we put an up to amount. They are hoping for the amount to be split in three ways. We anticipate the study could cost anywhere from about \$140,000 potentially or a little more.

Attorney Noblett asked if Hamilton County is one of the housing opportunity counties under state law that can utilize the ability to have this type of funding? Mr. Myers is not sure he knows the answer to that with regard to the housing. There is a statute under T.C.A. Section 7-53-318 that refers to the housing opportunity of counties. Mr. Myers would have to look into that section. He is not aware of that section. Attorney Noblett said that we will be looking for that at the next meeting.

Mr. Parker asked if that would prohibit the county from participating in this. Attorney Noblett said no, it will allow the City to be able to provide those grant funds in connection with the housing opportunity county. Attorney Noblett addressed Ms. Shekari's question.

The motion carried.

**ADOPTED**

**Transfer Funds PILOT Funds to Business Development Account**

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

**A RESOLUTION AUTHORIZING THE TRANSFER OF FIFTY THOUSAND DOLLARS (\$50,000.00) FROM THE INDUSTRIAL DEVELOPMENT BOARD (IDB) PILOTS FUND ACCOUNT NR14 Z00306 TO THE IDB BUSINESS DEVELOPMENT ACCOUNT NR16. THE BUSINESS DEVELOPMENT ACCOUNT WAS CREATED BY THE IDB TO COVER ECONOMIC DEVELOPMENT-RELATED SERVICES AND FEES NECESSARY FOR ADMINISTERING PROGRAMS AND INCENTIVES.**

Ms. Allen said that this is an administrative item that is regarding the accounting of funds to make sure the Board is always aware of its voting items from which funding account items are being withdrawn and where those are being sent, and how those are being spent. Again, moving forward, Ms. Allen is working closely with Eleanor Liu who is the Financial Analyst for the IDB to make sure she reviews all of these items to say where are you getting this money and where is it going, and how do we want to track it, to make sure we are very consistent moving forward on how the monies are spent, and from which funds they are being pulled. This is an administrative item.

Mr. Parker asked where does this dollar figure come from? Is it a one time payment or a reoccurring annual payment? Ms. Allen said it is currently a one time thing. This is where in 2016 the IDB awarded at that time, funded all of the accounts once a year and this account had balance in it but not enough to cover this particular request because we are moving monies over to be able to fund this request.

Mr. Parker asked if this has been funded historically. Has the Board presented any funds to do exactly what you are asking for development related services and fees? Mr. Parker has been here four or five years and this is the first he has ever seen. Was this ever funded in the past and why today? Ms. Allen said it is not. In 2016, the IDB awarded at the time created this business development account. Put \$50,000 into it thinking we might need it for a foundry sand assessment or application for a grant for Brownfield remediation, but it was never used. It is sitting in this account. When we talk about for instance there being \$2.8 million in economic development fees, we also have funds in these other accounts that were allocated in previous years that have not been drawn down. This had an existing \$25,000 in it from 2016 that has never been spent and now we are adding \$50,000 to it in order to meet this \$75,000 request.

Mr. Rodgers asked why it is necessary for us as a board to have these multiple accounts as opposed to just one? Ms. Allen said that would be a finance – Ms. Allen will have finance weigh in on that but historically, the way it was used in 2016 through 2018, it was July 1, the staff would bring to the Board an overview of existing programs and staff would say under small business programs we anticipate 15 small business grants this year, the average small business grant is \$10,000, and as a result we want to fund that account with \$150,000 to be able to facilitate all of those projects. We would anticipate for instance because of the activity that was happening in the innovation district, we are asking the City to move over \$200,000 because of the grants we anticipate coming in.

That was how it worked then, which was an annual plan of business and a corresponding budget that was put together for those different accounts and programs. That would leave a balance, which is why you have a balance with some of those accounts. We do not have to do it that way moving forward. It also provided buckets that were clearly defined so when an item came in like the item for Renew Chattanooga that we heard the presentation earlier from the Housing Authority, there was an account that was created called Renew Chattanooga that would allow us to do things in disadvantaged communities, blighted projects, or vacant lots. We created sort of verticals and then funded them. We have not operated that way, the Board has not operated that way since 2018, 2019, around COVID things changed and it has been as a request comes up, we sort of entertain the request, the agenda item, we figure out the funding, and finance the request.

Mr. Parker asked to clarify if this \$50,000 in line number 10, the \$50,000 is funding the \$70,000 voted on or not, is that correct, or are these two different? Ms. Allen said that \$50,000 is funding up to \$70,000. It was mentioned for the \$75,000 so there is about \$25,000 in the current balance. Ms. Allen said correct. This \$50,000 will top it off to be enough to cover. Ms. Allen said correct.

Mr. Johnson asked if the Board has an annual financial report. Ms. Allen said at the previous board meeting, the Board had an accounting quarterly. The Board quarterly receives a status for all of the funds and then on July 1 of every year once everything is reconciled June 30<sup>th</sup>, July 1 of every year there is a presentation that goes over all of the accounts. Attorney Noblett said it has to be given to the state. Ms. Allen said correct.

The motion carried.

<b>ADOPTED</b>
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### OTHER BUSINESS

Ms. Allen introduced Mr. Andrew Hudson. The City of Chattanooga has hired our new Director of Workforce Development Strategy, Mr. Andrew Hudson, who joins us. Mr. Hudson will be working with us moving forward on verification of jobs related to PILOTs. He will also be working on PILOT reporting moving forward so if there is a PILOT that is creating jobs what does the associated reporting look like so that we know when the agreement is signed, what that company is going to be held to as far as the job creation, wages, and pathways related to those. He will also be working on apprentice incentives and looking at other incentives that are related to job creation following the current Small Business Incentive Grant Program.

Mr. Hudson said he was here last year working in the capacity as a non-profit and has been working for the last two years in Workforce Development in Chattanooga. Previously with Chattanooga 2.0 and is happy to continue working in this space and is excited to make sure that our economic development is tying closely with those jobs that are being created and making sure that more Chattanoogaans get access to those jobs and also making sure that we are getting the most out of those. Mr. Hudson is very excited to be here and looks forward to having many conversations with the Board.

There being no further business, a motion was made by Mr. Johnson, seconded by Mr. Parker, and the meeting adjourned at 12:00 noon.

  
\_\_\_\_\_  
*Gordon Parker, Secretary*

APPROVED:

  
\_\_\_\_\_  
*Kerry Hayes, Chair*



# One Westside

## Westside Community Evolves

Past. Present. Future.

Cover image by local artist Charlie Newman | Westside, Oregon







# James A. Henry Hub





## History & Background

- The **James A. Henry building**, located on Grove Street, has long been a central feature of the Westside neighborhood.
- It was originally built as an elementary school in **1937**, closed in 1980 but continued to serve as a **community resource** in the late 1990s and early 2000s.
- It was named after the Principal James A. Henry, the first African American of **Howard High School** in Chattanooga.





# James A. Henry Hub Phase 1

**Renovation of Existing School and Addition of Health Center**

**Tricon Construction Engaged:** May 2024  
**Groundbreaking:** July 16, 2024  
**Construction Start Date:** August 5, 2024  
**Construction Duration:** 12 months

**Amenities include:** 117 Head Start Seats, Head Start playground, industrial kitchen, incubator space, classrooms for programming (educational, social recreational), Erlanger health center





## Choice Neighborhoods Grant- People Component



**Phase 1 renovations enabled us to attract over \$20M in leveraged support from HUD in connection with CNI**

**Approach to breaking cycles of generational poverty:**

- ☐ Education
- ☐ Health
- ☐ Income and Employment
- ☐ Early Learning

# Providers at James A. Henry starting Phase 1



## City of Chattanooga Headstart



Chattanooga Head Start committed **\$8,589,916.00** to:

- Open a new Head Start Center, and increasing access to high-quality early childhood education for College Hill Courts families.
- Provide comprehensive early learning programs for infants, toddlers, and preschoolers, ensuring children receive strong educational foundations, nutritious meals, and social-emotional support.
- Provide more than double the number of Head Start seats in the community, providing valuable resources for early childhood development, health, and family well-being

The Boys & Girls Club of Chattanooga (BGCC)  
committed **\$3,313,348.00** to:

- Establish a new Clubhouse at the James A. Henry.
- Provide youth ages 6-18 with outcome-based programming focused on academic success, leadership development, and healthy lifestyles.
- Provide After-school activities such as tutoring, STEM learning, and college prep, along with job readiness training and wellness education.

## Boys and Girls Clubs of Chattanooga





# Providers at James A. Henry starting Phase 1



## Chattanooga Area Food Bank



The Chattanooga Area Food Bank (CAFB) committed **\$360,000.00** to:

- Address food insecurity by establishing a new food pantry, serving 150 families each year.
- Distribute fresh produce, pantry staples, and prepared meals, while supporting a community garden initiative at Sheila Jennings Park to promote nutrition education and sustainable food access.
- Offer food safety training to CHA staff and volunteers, ensuring the continued well-being of residents throughout the 8-year grant period.

Erlanger Community Health Centers (EHC) committed **\$2,694,774.00** to:

- Open a new health clinic services at the James A. Henry Hub.
- Provides a full range of services, including primary care, pediatrics, counseling, and dentistry with with an advance Family Nurse Practitioner and Medical Assistants.
- Offer primary care visits, case management, and dental screenings to residents, ensuring access to quality healthcare services, regardless of insurance or ability to pay.

## Erlanger Community Health Center





Education



Income &  
Employment



Early  
Learning



Health &  
Wellness



# James A. Henry Phase 1 Budget \$16,675,000

**Phase 1 Budget: \$14.5M with \$2,175,000 Contingency**

## Sources of Funding

2022 Federal Earmark	\$3M
2024 Federal Earmark	\$5M
DOE C-Site Grant	\$2.9M
Choice Grant	\$2.3M
Hamilton County ARPA	\$2M
City ARPA	\$2M
City Affordable Housing Fund	\$1M
City FY 2024 Capital Fund	\$1.5M
Journey Health Foundation	\$1.2M
Robert F. Stone Foundation	\$750,000
MacLellan Foundation	<u>\$100,000</u>
<b><u>Total Sources</u></b>	<b><u>\$21,175,000</u></b>





## Future Plans for the HUB

### Phase 2

James A. Henry Expansion

**Budget Estimate:** \$10,848,750

**Construction Start Date:** Q3 2025  
(pending funding availability)

**Construction Duration:** 12 Months

**Amenities include:** Gymnasium, multipurpose room, IT center, Boys & Girls Clubhouse, catering kitchen, meeting spaces, office space

### Phase 3

Sheila Jennings Park Renovation

**Budget Estimate:** \$4,634,468

**Construction Start Date:** Q1 2027

**Construction Duration:** 12 Months

Amenities include: Community garden, multipurpose field, multipurpose court, walking trail, performance area, splash pad

### Phase 4

Parking and Infrastructure

**Budget Estimate:** \$2,365,000

**Construction Start Date:** Q4 2027

**Construction Duration:** 12 Months



# Thank You!

Should you have questions, please feel free to contact:

Betsy McCright, Executive Director  
Chattanooga Housing Authority  
801 North Holtzclaw Avenue  
Chattanooga, TN 37404

(423) 322-5133 or [bmccright@chahousing.org](mailto:bmccright@chahousing.org)







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# Company Overview



Founded in 1987, we are a Chattanooga-based manufacturing company proudly rooted in the community.

Privately held by Hank McMahon and Jim Roides, our company has grown to employ approximately **207 full-time team members** as of May 15, 2025. We do not employ part-time staff, which reflects our commitment to stable, long-term employment.

We specialize in serving the **hospitality and healthcare markets**, providing custom manufacturing solutions to **hundreds of domestic and international clients**. Our annual revenues exceed **\$25 million**.

Our client portfolio includes industry leaders such as **Hilton, Marriott, IHG, FedEx, and Direct Supply**.

Locally, we have maintained a strong partnership with **Vision Hospitality Group**, contributing to notable Chattanooga projects such as **The Edwin Hotel, The Kinley Hotel**, and the **new Embassy Suites currently under construction downtown**—all of which feature our custom interior signage solutions.

Hilton®



IHG HOTELS & RESORTS



VISION  
HOSPITALITY GROUP





# Digital Print Modernization

We have made **substantial investments in advanced digital printing technology** to enhance quality, efficiency, and production capacity.

- In the past **12 months alone**, we have invested **over \$1 million** in new digital equipment.
- Over the last **three years**, we have fully modernized our digital print operations, replacing all legacy equipment with **six new state-of-the-art flatbed and roll-to-roll printers**, representing a total capital investment exceeding **\$2 million**.

These upgrades position us to better serve our growing customer base, support increased demand, and expand our capabilities in both the hospitality and healthcare sectors. They're not only transforming our production capabilities—they're **strengthening our workforce**. By adopting cutting-edge digital systems, we're:

- **Creating opportunities for employee upskilling and cross-training**
- **Improving job retention** by moving team members into higher-skill, future-ready roles
- **Positioning our company for sustainable growth**, which directly supports employment stability and expansion in the Chattanooga area



# Digital Print: Today vs. Tomorrow

Our investment in digital technology is more than an upgrade—it's a transformation.

Today, digital printing supports high-quality, 2D production that meets the needs of our core markets. But tomorrow, we're pushing boundaries.

We are actively transitioning from traditional 2D printing to **layered and 3D print capabilities**, opening new avenues for **tactile, dimensional, and multi-surface applications**.

This shift is not only **changing how we manufacture**—it's revolutionizing what we can offer. We're entering new markets, developing innovative products, and evolving our processes to stay at the forefront of industry trends.



2D Printing



3D Printing



Completed Sign



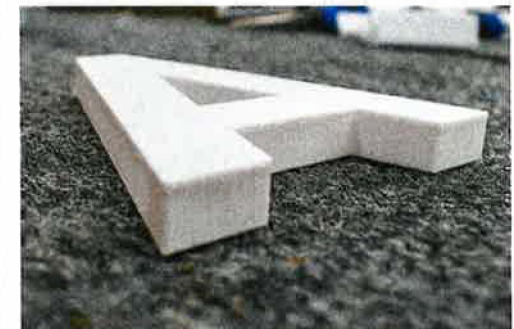
# Scaling Up: 3D Print Integration

We are actively pursuing advancements in **3D digital printing and scanning technologies** to revolutionize our production capabilities and stay ahead of industry trends.

- Over the past **18 months**, we have invested in **24 new 3D print devices**, representing a capital investment of more than **\$100,000**.
- These devices are enabling a shift from **traditional manufacturing methods** to **cutting-edge 3D production**, opening the door to greater design flexibility, improved efficiency, and innovative product development.
- We continue to **aggressively research and integrate** 3D technology to remain competitive and to support emerging needs across hospitality, healthcare, and beyond.

This investment is laying the groundwork for new services, expanded market reach, and **future workforce development** in high-tech, skilled roles.

*“Investing in 3D printing means investing in the future of signage—and the future of our workforce.”*



# 3D Printing In Action



April Watson  
2025-05-21 18:30:23

This is great!! Pics looks great as well.  
Thank you both!! @colin cady @Brandi  
Morris I'll circle back with any changes.

Our investment in 3D technology is reshaping how we serve our customers—enhancing both the **scope** and **speed** of our manufacturing capabilities.

We are now leveraging 3D printing to produce:

- Signage hardware and mounting systems
- Dimensional letters and raised text
- MRO (Maintenance, Repair, and Operations) components
- Peripheral and specialty signage elements

This technology has introduced an entirely **new dimension of customization and efficiency** to our production process. By transitioning away from traditional fabrication methods, we are achieving:

- Shorter lead times
- Higher product quality
- Greater design flexibility

As demand continues to grow, we anticipate **accelerated adoption** of 3D printing across our operations—supporting innovation, job growth, and enhanced service for both local and global clients.

