

EXHIBIT A

TAX INCREMENT INCENTIVE APPLICATION

Please return the completed application and supporting documentation to:

Industrial Development Board for the City of Chattanooga, Tennessee
100 East 11th Street, Suite 200
Chattanooga, Tennessee 37402
(423) 643-8250

Tax Increment Incentive Application Lead-In Statement and Justification

The Industrial Development Board of the City of Chattanooga, Tennessee ([the "IDB"](#)) views its core mission as the promotion of economic development and growth in the City of Chattanooga ([the "City"](#)), and in particular, commercial and industrial projects that involve a significant capital investment and the generation of new jobs with wages in excess of the annual average wage in the City. The [IDB's](#) Tax Increment Incentive ~~P~~program is designed for economic development projects that provide improvements to public infrastructure in blighted and under-utilized areas of the City ~~of Chattanooga~~ and in other properties designated by ~~Hamilton County Commission and~~ City Council. [This Application form is part of and hereby incorporates by references all terms contained in the Policies and Procedures Relating to Tax Increment Incentives \(the "Tax Increment Policies"\) approved by the IDB and the City.](#)

Please address the following factors as they relate to your Project:

Economic Development

Will the proposed Project involve significant capital investment and generation of new jobs with wages in excess of the annual average wage in the City of Chattanooga?

Yes ___ No ___ (If yes, please specify in detail, using additional sheets if necessary)

Blight Removal

Will the proposed Project remove blight?

Yes ___ No ___ (If yes, please specify in detail, using additional sheets if necessary)

Pursuit of Community Plan or Policy

Will the proposed Project further the pursuit of an existing community plan or policy?

Yes ___ No ___ (If yes, please specify in detail, using additional sheets if necessary)

Environmental Remediation

Will the proposed Project address environmental remediation?

Yes ___ No ___ (If yes, please specify in detail, using additional sheets if necessary)

Public Infrastructure Need

Will the proposed Project address current public infrastructure needs? Yes _____ No _____. [For purposes of this part, public infrastructure only includes public infrastructure that will not be located on private property.](#)

If yes:

- (1) Are the proposed public infrastructure improvements identified in the County’s or City’s current Capital Improvements Plan?

Yes ___ No ___ (If yes, please specify in detail, using additional sheets if necessary)

- (2) Are the proposed public infrastructure improvements identified in any County or City plans?

Yes ___ No ___ (If yes, please specify in detail, using additional sheets if necessary)

If the proposed public infrastructure improvements are not in the County’s or City’s Capital Improvements Plan or any other existing City or County plan, please describe in detail the public’s need for the public infrastructure and the basis for the priority or urgency for the public infrastructure, as requested by the Application.

Other: _____ (please specify)

I. Applicant Information

1. Name of Applicant: _____

2. Business Name and Address: _____

State of Organization (if an entity): _____

3. Contact Person: _____

Phone Number: _____

E-Mail Address: _____

4. Website of Applicant (if any): _____

5. Type of Business Entity: Sole Proprietorship Limited Partnership
 For-Profit Corporation General Partnership
 Limited Liability Company Nonprofit Corporation

6. Street addresses of the project site: _____

7. Please attach a legal description of the project site and a description of the leased premises, if applicable.

8. Does the Applicant currently own or lease the Project Site? (Check one)

Own Lease Neither (please explain)

9. At project completion, who will occupy and/or operate business on the site?

10. Evidence of Site Control:

A. If the Applicant owns the Project Site, attach a copy of the Applicant's deed. Also indicate:

Mortgage Holder(s): _____

Total annual mortgage payment (principal & interest) \$ _____

Total outstanding balance of existing mortgage(s): \$ _____

Name, address, and phone numbers of other persons or entities having an ownership interest in the property to be developed, if applicable: _____

- B. If the Applicant has a contract or option to purchase the Project Site, attach a copy of the agreement or option contract (confidential information such as price may be redacted).

Also indicate:

Date contract was signed: ___/___/___ Closing/expiration date: ___/___/___

- C. If the Applicant currently leases or will lease the Project Site, attach a copy of the lease or lease option contract (confidential financial information may be redacted).

Legal name of Owner as noted on the deed(s): _____

Name of person who signed lease for Tenant (lessee): _____

Landlord/Owner's name, address and phone number: _____

II. Project Description

11. Indicate the total amount of Tax Increment Incentive assistance requested (in current dollars), to be paid from Tax Increment Revenues: \$ _____

Also provide a breakdown of the capital costs and the financing costs, including an estimate of interest, to be paid by Tax Increment Revenues.

12. Number of years Tax Increment Incentive assistance is requested: _____
(See [IDB Tax Increment Policyies](#) for maximum years permitted.)

13. Has any other government assistance (funds, tax incentives, or other economic benefits) been provided to the Applicant or the property? Yes _____ No _____

If yes, describe the type, source, and amount of assistance provided: _____

14. Provide a list of all properties comprising the plan area by (CLT), along with the most recent tax bill for each parcel. Copies of tax bills can be obtained from the City of Chattanooga, Office of the Treasurer, 101 East 11th Street, Suite 100, Chattanooga, Tennessee 37402, phone (423) 643-7262; and Hamilton County Assessor's Office, 6135 Heritage Park Drive, Chattanooga, Tennessee 37416, phone (423) 209-7300.

CLT # (Parcel Identification #):	Assessed Value:	Taxes:
_____	_____	_____
_____	_____	_____

If any of the parcels listed above will not be owned by the Applicant at the time the Tax Increment Incentive closes, please provide a list of such owners and provide an explanation why the Applicant is requesting such parcels to be included in the plan area. If any of the parcels listed above is not part of the project, please list such parcels and provide an explanation why the Applicant is requesting such parcels to be included in the plan area.

15. Project Narrative: Write a brief description of the project. Be as specific as possible about timing, scope of work, type of construction, and financing. Attach additional sheets if necessary. Provide interior and exterior photographs.

16. Land Area of Project Area (in square feet or acres): _____

Zoning Classification of Project Area (by parcel): _____

Land Area of Plan Area (in square feet or acres): _____

Zoning Classification of Plan Area (by parcel): _____

17. Use of Funds (Entire Project): Amount Percent

Land Acquisition	\$ _____	_____ %
Site Development	\$ _____	_____ %
Public Improvements	\$ _____	_____ %
Building Costs (Hard)	\$ _____	_____ %
Soft Costs	\$ _____	_____ %

TOTAL: \$ _____ 100%

Sources of Funds: Amount Percent

Owner's Equity	\$ _____	_____ %
Construction Loan	\$ _____	_____ %
Mezzanine	\$ _____	_____ %
Seller Financing	\$ _____	_____ %
Tax Increment	\$ _____	_____ %
Other	\$ _____	_____ %

TOTAL: \$ _____ 100%

Total Estimated Project Cost: \$ _____

18. When will construction start (Month/Year)? ____/____

19. When will construction be completed (Month/Year)? ____/____

20. Please list what public ~~improvement(s)~~ are infrastructure (as defined in the Tax Increment Policies) is eligible for payment from a Tax Increment Incentive and an estimated cost:

<u>Category A</u>	<u>Quantity</u>	<u>Estimated Cost</u>
Site Work/Grading		\$
Storm Sewers:		
Pipes		\$
Structures		\$
Stormwater Facilities		\$
Flood Control		\$
Retaining Walls/Tunnels		\$
Sanitary Sewer Lines:		
Pipes		\$
Structures		\$
Water Lines		\$
Paving/Driveways		\$
Street, curbs, gutters		\$
Ramps, roads, bridges		\$
Off-street parking structures		\$
Sidewalks		\$
Landscaping/fencing		\$
Artificial lighting		\$
Greenways/walking trails		\$
Mass/public transit facilities		\$
Traffic signals		\$
Signage		\$

TOTAL CATEGORY A \$ _____

<u>Category B</u>	<u>Quantity</u>	<u>Estimated Cost</u>
Electrical services		\$
Utility infrastructure		\$
Utility under-grounding		\$
Telecom services		\$
Utility relocation		\$
Other items		\$

TOTAL CATEGORY B \$ _____

Other public ~~improvements~~ infrastructure (provide a description and breakdown of costs in sufficient detail for an engineering review of cost estimates): _____

21. Development Team

Please list the business name, contact person, address, work and fax phone numbers, and email address for the following members of the Development Team:

Contractor: _____

Architect/Engineers: _____

Accountant: _____

Project Manager: _____

Construction Manager: _____

Development Consultant: _____

III. Applicant History

Please provide the following information about the Applicant:

22. Is the Applicant or any principal of the Applicant currently engaged in any civil or criminal proceeding? Yes _____ No _____

If yes, describe the type of proceeding, name the parties involved, list the relief requested or the charges alleged, and give the case name and details: _____

23. Has the Applicant or any principal of the Applicant ever been charged or convicted of any felony or currently under indictment? Yes _____ No _____

If yes, describe the type of charge, indictment, or conviction, and provide details: _____

24. Has the Applicant or any principal of the Applicant ever filed for bankruptcy? Yes ____ No ____

If yes, please give details and provide the case name:

IV. Supplemental Information

Please attach to this Application the following:

Exhibit A – Tax Increment Application Affidavit ([which is Exhibit B to the Tax Increment Policies](#))

Exhibit B – History of the Development Entity

Exhibit C – Site Plan and Rendering (identify public ~~improvements~~[infrastructure](#) eligible for Tax Increment Incentive)

Exhibit D – List and Breakdown of Sources and Uses of Funds to undertake project

Checklist

Exhibit A – Tax Increment Application Affidavit (*submitted for preliminary qualification*):

- Applicant will pay [the](#) IDB [the](#) Application Fee of \$ _____ [required by the Tax Increment Policies](#).
- Applicant will list and specify all ~~E~~ligible ~~Tax Increment Incentive~~[public infrastructure](#) ~~C~~costs in detail Applicant will acknowledge the maximum tax incentive available for the Project (See ~~IDB~~[Tax Increment Policies Sections 4.1 through 4.3](#) for guidance)
- Applicant and/or the lead financing entity will sign an affidavit that the project would not be financially feasible if it were not for the Tax Increment Incentive.

Exhibit B – Declaration of Development Team and Disclosure of Principals and Entity, including:

- History of the Development Entity
- Resumes of all principals and key individuals
- Organizational structure of the development entity

Exhibit C – Description and Narrative of the Development Project, including:

- Copies of Project Contracts and/or Memoranda of Understanding
- Detailed Performance/Construction Schedule
- Site Plan and Rendering w/qualifying public ~~improvements~~infrastructure identified
- Copies of Deeds, Leases, and Option Contracts
- FIRMette from FEMA issued Flood Insurance Rate Maps (FIRMs) www.msc.fema.gov
- Photographs of Property
- Tax Bills
- Survey
- Maps of the Plan Area and the Project Area

Exhibit D – Project Funding and Financial Information, including:

- List and breakdown of Sources and Uses of Funds to undertake Project
- Detailed projections of Tax Increment Revenues by parcel for the term of the requested Tax Increment Incentive and narrative describing the basis and assumptions for the projections
- Pro-forma financial statement for five (5) years (if multiple entities are involved, the pro forma statements should be prepared on an entity basis and on a consolidated basis)
- Current financial statements (2 yrs.); P & L (2 yrs.); and Balance Sheet (2 yrs.) (if newly formed, a copy of a balance sheet as of the most recent month-end)
- Current banking relationships
- Evidence of bonding capacity or letter of credit

V. Representations of Applicant

By executing this Application, Applicant hereby represents, certifies and agrees as follows:

(a) The Project would not result in a reasonable rate of return on investment to the Applicant without the requested Tax Increment Incentive, and the Applicant would not undertake the Project as described in this Application unless the Tax Increment Incentive is available.

(b) The undersigned Applicant hereby agrees that the Applicant shall meet with a designated representative of the County, the City and/or the Board, upon request, to answer any questions that may arise in connection with the County's, the City's and/or the Board's review of this Application and that Applicant shall provide to the County, the City and/or the Board, upon request, any supplemental information requested in connection with the County's, the City's and/or Board's review of the Application, including, without limitation, such financial information as the County, the City and/or Board may request in order to determine that the Project would not be undertaken without the Tax Increment Incentive requested.

(c) The Applicant shall pay all expenses required by Section 6 of the Policies and Procedures of the Board relating to the Tax Increment Incentive and shall otherwise comply with such Policies and Procedures.

(d) The Applicant shall indemnify and hold harmless the Board, its employees, officers, directors, attorneys and consultants against all losses, costs, damages, expenses (including reasonable attorney's fees), and liabilities of any nature directly or indirectly resulting from, arising out of or

relating to the acceptance, consideration, approval or disapproval of this Application for Tax Increment Incentives.

VI. Signature

I, the undersigned, affirm that the project descriptions, numerical and financial estimates, and all other information I have provided in this Application are true and complete to the best of my knowledge. I have read and understood the requirements described in this Application, including the Tax Incentive Financing Program of the Industrial Development Board of the City of Chattanooga, Tennessee. Furthermore, I certify that I am authorized to initiate the Tax Increment Incentive application process on behalf of the Applicant and the Project described.

The undersigned, furthermore, agrees to provide such additional information and documentation, from time to time, as the Board may consider necessary or convenient to determine the advisability of providing Tax Increment Incentive to the Applicant.

The undersigned agrees to pay or reimburse the Board for all costs, fees and expenses, including attorneys' fees, incurred by the Board in considering, evaluating, and enforcing the provisions of the Application and the Policies and Procedures of the Tax Increment Incentive Program. In certain instances, the Board may require that principals of the Applicant guarantee the payment of the above costs and supply the Board with financial statements of such principals.

Applicant: _____

Signed: _____ Date: _____, 20_____

Legal Disclaimer

COMPLETION OF THIS APPLICATION DOES NOT ENTITLE THE APPLICANT TO FINANCIAL ASSISTANCE. ANY SUCH ASSISTANCE MUST BE APPROVED BY THE CITY COUNCIL OF THE CITY OF CHATTANOOGA, TENNESSEE OR THE HAMILTON COUNTY COMMISSION.

EXHIBIT B

**AFFIDAVIT TO ACCOMPANY
TAX INCREMENT INCENTIVE APPLICATION**

I, _____, being first duly sworn, depose and state under penalty of perjury as follows:

1. I am a corporate officer, managing member, general partner or sole proprietor of _____ (“Applicant”), a company duly organized in the State of _____ as a (Corporation/LLC/Sole Proprietorship/General Partnership/Limited Partnership). Applicant submits ~~this~~the accompanying Application requesting a tax increment incentive for the project located at _____ (“Site”). The Applicant represents (i) that this Application and all information furnished in support of the Application for the purpose of obtaining financial assistance under the Policies and Procedures for Tax Increment Incentives (the “Tax Increment Policies”) adopted by The Industrial Development Board of the City of Chattanooga, Tennessee Policies and Procedures for Tax Increment Incentive (the “Policies”) (the “IDB”) and the City of Chattanooga are true and complete to the best of Applicant’s knowledge and belief and (i) that this Affidavit, including defined terms, shall be construed consistent with such Tax Increment Policies.
2. Applicant hereby acknowledges and declares that it will comply with the following submittal requirements for Tax Increment Incentive assistance from ~~The Industrial Development Board of the City of Chattanooga (the “the IDB”):~~
 - (i) Applicant will list and specify all costs of ~~qualified improvements to~~ public ~~infrastructure~~ eligible for a Tax Increment Incentive;
 - (ii) Applicant will acknowledge the maximum tax increment reimbursement available for the Project;
 - (iii) Applicant will pay a Tax Increment Incentive application fee ~~of \$ _____ to~~ consistent with the IDB ~~at the time of application~~ Policies; and
 - (iv) Applicant will be required to pay the IDB an administration fee ~~equal to _____, which will be deducted annually out of the Tax Increment Revenues~~ consistent with the IDB Policies.
5. Applicant acknowledges and declares that no other reasonable means of financing the public ~~improvements~~ infrastructure proposed to be financed with Tax Increment Incentive are available, because of one or more of the following reason(s) as checked by Applicant:

____(i) The Project, including the public ~~improvements~~infrastructure, if financed by Applicant through cash on hand or through debt financing from a private lender, would not result in a reasonable rate of return to the Applicant; or

____(ii) Applicant would not undertake the ~~full set of improvements~~public infrastructure contemplated in the Application through resources reasonably available to the Applicant.

6. Applicant hereby agrees that Applicant shall at all times indemnify and hold harmless the IDB, its employees, officers, directors, counsel, and consultants against all losses, costs, damages, expenses (including reasonable attorney fees), and liabilities of any nature directly or indirectly resulting from, arising out of or relating to the acceptance, consideration, approval, or disapproval of ~~this~~the Application for Tax Increment Incentive assistance.

[signature page follows]

DATED this ____ day of _____, 20 ____

Signature

Title

Signed and sworn to before me this ____day of _____, 20__.

Notary Public: _____

My commission Expires: _____

| ~~34012825.2~~[34012825.3](#)

Summary report:	
Litera® Change-Pro for Word 10.10.0.103 Document comparison done on 10/21/2022 3:02:14 PM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original DMS: iw://BBSLIBRARY/BBS/34012825/3	
Modified DMS: iw://BBSLIBRARY/BBS/34012825/4	
Changes:	
<u>Add</u>	49
Delete	35
<u>Move From</u>	1
<u>Move To</u>	1
<u>Table Insert</u>	0
Table Delete	0
<u>Table moves to</u>	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	86