

KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

AGENDA

Board Meeting of the Board of Commissioners

Thursday, March 26, 2026, 5 p.m.

901 N. Broadway Street

Knoxville, TN 37917

1. Call to Order.
2. Motion to add, delete or postpone agenda items.
3. Officer report and/or special presentations.
4. Approval is requested to execute the minutes for the *regular* meeting held on February 26, 2026. [\(Item 4 Attachment\)](#)

NEW BUSINESS

DEVELOPMENT (Jim Hatfield)

5. Resolution authorizing a PILOT agreement between KCDC and Beaman Lake II, LP to effectuate a PILOT to support the construction of a 90-unit affordable housing complex at 1213 Beaman Lake Road, Knoxville. [\(Item 5 Attachment\)](#)
6. Resolution authorizing the negotiations and execution of all documents required to effectuate the closing of western Heights CNI Phase 4, a 47-unit mixed income housing project for families, including the execution of all loan and tax credit documents, soft loans (CNI pass through), as well as the ground and PILOT lease. [\(Item 6 Attachment\)](#)
7. Approval is requested to enter into a Purchase and Sale Agreement with Battlefield Farms, or an affiliate thereof, to sell real property and improvements located at 2265 McCalla Avenue. [\(Item 7 Attachment\)](#)

HOUSING (Sabrina Draplin)

8. Approval is requested to award a bid for exterior stair tower replacement at Valley Oaks to Baine & Company LLC. [\(Item 8 Attachment\)](#)
9. Approval is requested to award a bid for roofing services at North Ridge Crossing to Jeff Woods Construction LLC. [\(Item 9 Attachment\)](#)

10. Resolution approving submission of the 2026 Public Housing Agency Plan which includes the estimated 2026 Capital Fund Program Grants(s), Grievance Procedure, PBRA Lease and House Rules, PBRA VAWA Lease Addendum, PBRA Tenant Selection and Assignment Plan, Section 8 Administrative Plan, Section 8 Family Self-Sufficiency Action Plan, the Section 8 Homeownership Program, and The Moving to work Supplemental Plan. [\(Item 10 Attachment\)](#)

Unfinished Business
Public Forum
Adjournment

Next month's agenda review meeting will be held
Thursday, April 23, 2026 @ 5 p.m.
Next month's board meeting will be held
Thursday, April 30, 2026 @ 5 p.m.

KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

BOARD MEETING MINUTES

The Board of Commissioners of the Knoxville's Community Development Corporation met on **February 26, 2026** at 901 N. Broadway, Knoxville, Tennessee.

The meeting was called to order and a quorum declared at 5:01 p.m. Those Commissioners present and absent were:

Present: Chair Becky Wade
Vice Chair Felix Harris
Commissioner Robert Whetsel
Commissioner Kimberly Henry

Absent: Treasurer Nadim Jubran
Commissioner Martha Tate
Commissioner Kelly Johnson

Approval to execute the minutes for the *regular* meeting held on January 29, 2026. Commissioner Harris made the motion to approve the minutes. Commissioner Henry seconded the motion and all other Commissioners present voted "Aye."

NEW BUSINESS

REDEVELOPMENT (Jim Hatfield)

Approval to award a contract for the demolition of buildings at Western Heights to TOA, LLC. Commissioner Henry made a motion to approve. Commissioner Harris seconded the motion and all other Commissioners present voted "Aye."

Approval release certain development covenants set forth in a Special Warranty Deed dated May 16, 2005. Commissioner Whetsel made a motion to approve. Commissioner Harris seconded the motion and all other Commissioners present voted "Aye."

Resolution authorizing certain guaranties in connection with the Five Points Phase 2, Five Points Phase 3 and Five Points Phase 4 developments. Commissioner Harris made a motion to approve. Commissioner Henry seconded the motion and all other Commissioners present voted "Aye." Resolution No. 2026-02 is attached.

To award a contract for replacement of HVAC units for the Eastport 2 property. Commissioner Whetsel made a motion to approve. Commissioner Harris seconded the motion and all other Commissioners present voted "Aye."

PUBLIC FORUM

None

With no further business to come before the Board, the meeting adjourned by consent at 5:13 p.m.

Becky Wade, Chair

Approved:

ATTEST:

Benjamin M. Bentley, Secretary

Approved:

DRAFT

KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

BOARD ACTION FORM - ITEM #5

| | |
|---|--|
| MEETING DATE | March 26, 2026 |
| AGENDA ITEM DESCRIPTION | Resolution authorizing a PILOT agreement between KCDC and Beaman Lake II, LP to effectuate a PILOT to support the construction of a 90-unit affordable housing complex at 1213 Beaman Lake Road, Knoxville. |
| SUBMITTED BY | Name, Title / Department: Jim Hatfield, CDO, Redevelopment |
| MEETING TYPE | <input checked="" type="checkbox"/> Regular <input type="checkbox"/> Special <input type="checkbox"/> Annual |
| CLASSIFICATION | <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Approval |
| BUDGET / FINANCIAL IMPACT | Budgeted: \$ <u>n/a</u> Expenditure: \$ <u>n/a</u> Source of Funds: |
| APPROVAL / REVIEWS | <input checked="" type="checkbox"/> Department Head /VP <input type="checkbox"/> Budget/Finance <input checked="" type="checkbox"/> Executive Director/CEO <input checked="" type="checkbox"/> Legal Counsel: <u>BBS</u> Other – Name/Title: _____ |
| <u>BACKGROUND</u> | |
| <p>1. What is the objective of this action? This resolution will provide for a 20-year PILOT to assist in the development a new 90 unit, senior affordable housing development located in East Knoxville. The \$29M project will feature 86 one-bedroom units and 4 two-bedroom units. The project will consist of a single, four-story elevator building. The project is being developed by LHP Capital of Knoxville. LHP successfully secured an allocation of 9% LIHTC credits from THDA in 2025.</p> | |
| <p>2. Why is the action needed now? The sponsor, LHP capital, intends to close and start construction in the 2Q of 2026 and a PILOT is needed in connection with the closing.</p> | |
| <p>3. Who are the parties involved and what are their roles (if appropriate)? KCDC as lessor under the PILOT lease. LHP Capital as sponsor of the project and will control the LP who will serve as lessee under the lease.</p> | |
| <p>4. What are the long-term and short-term exposures? This PILOT lease structure is customary and is typical for affordable housing developments in Knoxville.</p> | |
| HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where) | None. |
| ATTACHMENTS | Resolution, map and conceptual site plan |

RESOLUTION NO. 2026-___

**RESOLUTION OF THE BOARD OF COMMISSIONERS OF KNOXVILLE'S
COMMUNITY DEVELOPMENT CORPORATION REGARDING A PAYMENT
IN LIEU OF TAX TRANSACTION WITH BEAMAN LAKE II, L.P.**

WHEREAS, the Board of Commissioners of Knoxville's Community Development Corporation ("KCDC") has met pursuant to proper notice; and

WHEREAS, KCDC is the housing, redevelopment and urban renewal authority of the City of Knoxville, Tennessee (the "City") and is duly incorporated pursuant to Sections 13-20-101 et seq., Tennessee Code Annotated; and

WHEREAS, to induce Beaman Lake II, L.P., a Tennessee limited partnership (the "Applicant"), to construct a 90-unit housing development for low income citizens at approximately 1213 Beaman Lake Road in Knoxville, Tennessee (the "Project"), KCDC will acquire certain real and personal property related to the Project, and KCDC will lease said property to the Applicant on the terms and conditions set forth in the Lease referenced herein; and

WHEREAS, KCDC has received or expects to receive a letter from the Mayor of the City expressing her support for the Project pursuant to Tenn. Code Ann. § 48-101-312(b)(4)(C) (the "Mayor Support Letter"); and

WHEREAS, there has been submitted to KCDC a form of Lease (the "Lease"), between KCDC and the Applicant, which provides certain payments in lieu of tax as provided therein and which KCDC proposes to execute to carry out the transaction described above, a copy of which instrument shall be filed with the records of KCDC.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION:

1. It is hereby found and determined that the acquisition and ownership of the Project will promote industry, trade, commerce and housing in the State of Tennessee and will increase the availability of affordable housing and employment in the City.

2. The Chairman, Vice Chairman or Secretary of KCDC is hereby authorized and directed to execute, and/or any other officer of KCDC, acting alone or in combination with one another (individually and collectively the "Authorized Officers"), is (are) hereby authorized and empowered to execute the Lease and deliver the Lease to the Applicant.

3. KCDC is hereby authorized and directed to own the Project pursuant to the terms of the Lease.

4. The Lease shall be in substantially the form submitted, which is hereby approved, with such completions, omissions, insertions and changes as may be approved by the officer executing it, his or her execution to constitute conclusive

evidence of his or her approval of any such omissions, insertions and changes; provided, however, that the terms of each Lease shall be consistent with the terms set forth in the Mayor Support Letter.

5. The officers of KCDC are hereby authorized and directed to execute, deliver and file such other certificates and instruments and to take all such further action as they may consider necessary or desirable in connection with the consummation of the transactions described above, including, without limitation, executing such documents as any lender of the Applicant may request in connection with its liens on the Project.

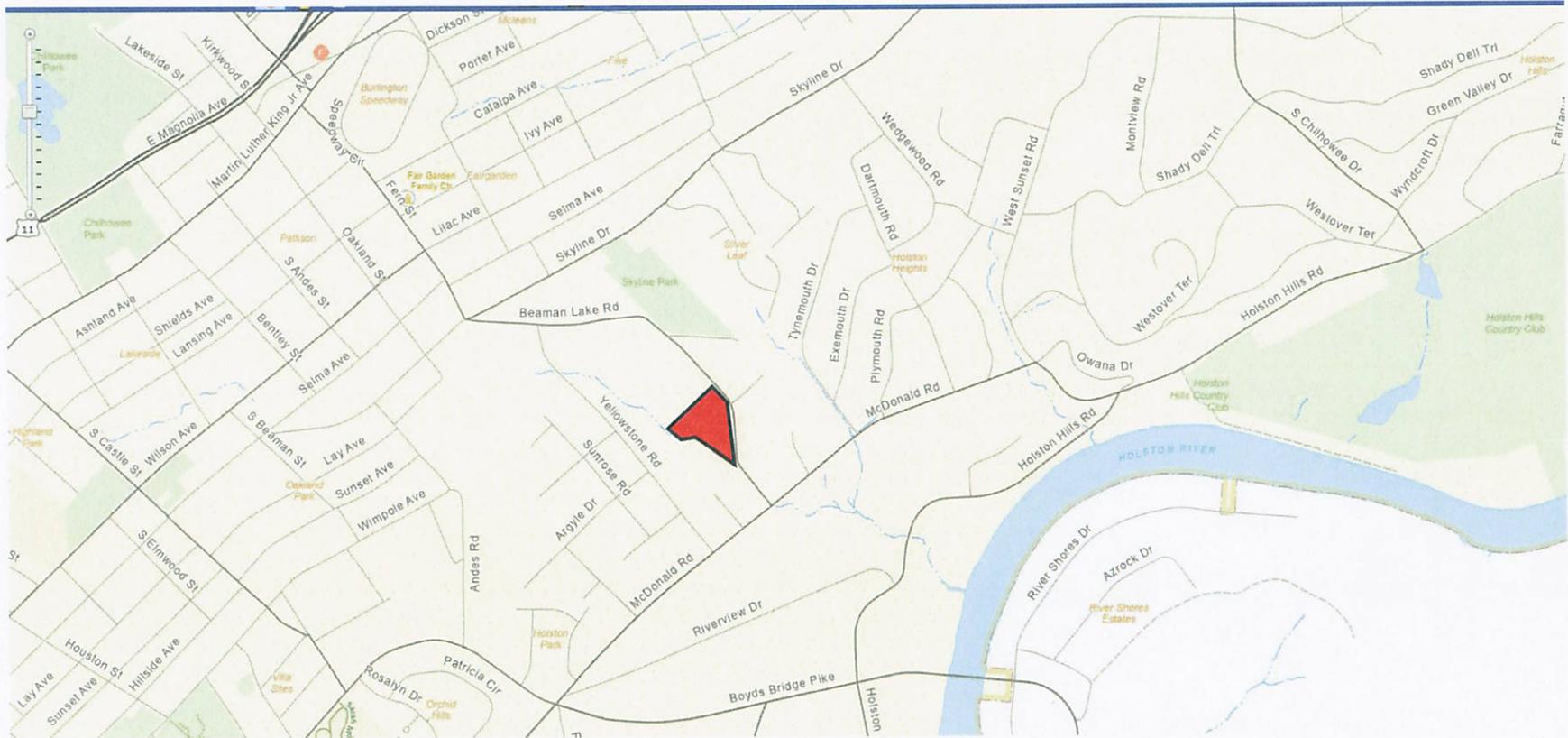
6. Any authorization herein to execute any document shall include authorization to record such document where appropriate.

7. All other acts of the officers of KCDC which are in conformity with the purposes and intent of this resolution are hereby approved and confirmed.

Approved this 26th day of March, 2026

**KNOXVILLE'S COMMUNITY
DEVELOPMENT CORPORATION**

By: _____
Secretary





TRUE NORTH

KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

BOARD ACTION FORM - ITEM #6

| | |
|---|---|
| MEETING DATE | March 25, 2026 |
| AGENDA ITEM DESCRIPTION | Resolution authorizing the negotiation and execution of all documents required to effectuate the closing of Western Heights CNI Phase 4, a 47-unit mixed income housing project for families, including the execution of all loan and tax credit documents, soft loans (CNI pass through), as well as the ground and PILOT lease. |
| SUBMITTED BY | Name, Title / Department: Jim Hatfield, Chief Development Officer |
| MEETING TYPE | <input checked="" type="checkbox"/> Regular <input type="checkbox"/> Special <input type="checkbox"/> Annual |
| CLASSIFICATION | <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Approval |
| BUDGET / FINANCIAL IMPACT | Budgeted: \$ <u>n/a</u> Expenditure: \$ <u>n/a</u> Source of Funds: |
| APPROVAL / REVIEWS | <input checked="" type="checkbox"/> Department Head /VP <input type="checkbox"/> Budget/Finance <input checked="" type="checkbox"/> Executive Director/CEO <input checked="" type="checkbox"/> Legal Counsel: <u>BBS</u> Other – Name/Title: |
| <u>BACKGROUND</u> | |
| <p>1. What is the objective of this action? Approval to enter into various documents related to the financial closing of the Western Heights CNI Phase 4, including the execution of a ground and PILOT lease.</p> | |
| <p>2. Why is the action needed now? Board approval is needed before closing which is expected to be in April 2026.</p> | |
| <p>3. Who are the parties involved and what are their roles (if appropriate)? Brinshore as development partner w/t KCDC and primary guarantor on behalf of owner entity, JP Morgan Chase as construction lender, Legacy B&T as permanent lender, and The Richman Group as equity investor. Western Heights 4 GP Corporation, an instrumentality of KCDC, is general partner ("GP") of the owner entity, Western Heights 4 LP. GP will, however, be party to all documents as GP of the owner entity. KCDC will serve as lessor under the ground and PILOT lease.</p> | |
| <p>4. What are the long-term and short-term exposures? N/A</p> | |
| HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where) | KCDC was previously awarded 9% tax credits from THDA for this project and \$40M HUD CNI grant in 2022. |
| ATTACHMENTS | Resolution, Site Plan |

RESOLUTION NO. 2026-___

RESOLUTION OF THE BOARD OF COMMISSIONERS OF KNOXVILLE'S COMMUNITY
DEVELOPMENT CORPORATION REGARDING FINANCING FOR WESTERN HEIGHTS
PHASE 4 (THE ARBOR AT BEAUMONT)

WHEREAS, the Board of Commissioners (the "Board") of Knoxville's Community Development Corporation ("KCDC") has met pursuant to proper notice; and

WHEREAS, KCDC is the housing, redevelopment and urban renewal authority of the City of Knoxville, Tennessee (the "City") and is duly incorporated pursuant to Sections 13-20-101 et seq., Tennessee Code Annotated; and

WHEREAS, to further the construction and/or rehabilitation of 47 units of mixed-income housing (the "Project") on certain property located at approximately 1301 West Oldham Avenue, 1313 West Oak Hill Avenue, 1327 West Oak Hill Avenue, and 1355 West Oak Hill Avenue in Knoxville, Tennessee (the "Property"), KCDC (i) formed Western Heights 4 GP Corporation (the "Corporation"), a Tennessee nonprofit corporation, pursuant to Sections 13-20-101 et seq., Tennessee Code Annotated, as an instrumentality of KCDC and (ii) formed Western Heights 4 LP, a Tennessee limited partnership (the "Partnership"), of which the Corporation is the general partner, KTW Phase 4, LLC ("KTW") is the special limited partner and KCDC is the initial limited partner; and

WHEREAS, KCDC and the Partnership desire to enter into a Ground Lease pursuant to which KCDC will lease the Property to the Partnership (the "Ground Lease" and, together with such other documents as may be executed in connection with the Ground Lease, the "Ground Lease Documents"); and

WHEREAS, the Ground Lease also provides for a payment in lieu of taxes agreement between the Partnership and KCDC; and

WHEREAS, KCDC, the City of Knoxville, Tennessee (the "City") and the United States Department of Housing and Urban Development ("HUD") have entered into a FY 2021 Choice Neighborhoods Implementation Grant Agreement pursuant to which HUD has agreed to provide financing for the development of the Project through HUD's Choice Neighborhoods Implementation grant program (the "CNI Funds"), which CNI Funds will be contributed by HUD in the form of a grant to the Corporation; and

WHEREAS, KCDC desires to make a loan of CNI Funds to the Partnership to assist with the financing of the Project in an amount not to exceed \$4,000,000 (the "CNI Loan"), which loan will be evidenced by a promissory note and a loan agreement and will be secured by a deed of trust (together with such other documents, agreements and instruments referred to

therein and/or required to be executed in connection with the CNI Loan or KCDC's receipt and/or use of the CNI Funds, the "CNI Documents"; and

WHEREAS, KCDC desires to make an additional loan to the Partnership to finance an up-front rental payment owed by the Partnership to KCDC under the Ground Lease in an amount not to exceed \$800,000 (the "Seller Loan"), which loan will be evidenced by a promissory note and secured by a deed of trust (together with such other documents, agreements and instruments to be executed in connection with the Seller Loan, the "Seller Loan Documents"); and

WHEREAS, KCDC desires to make an additional loan to the Partnership to assist with the financing of the Project in an amount not to exceed \$1,500,000 (the "Sponsor Loan"), which loan will be evidenced by a promissory note and a loan agreement and will be secured by a deed of trust (together with such other documents, agreements and instruments referred to therein and/or required to be executed in connection with the Sponsor Loan, the "Sponsor Loan Documents"); and

WHEREAS, in order to move forward with the development of the Project and to utilize low-income housing tax credits available pursuant to Section 42 of the Internal Revenue Code of 1986, as amended, for said development, KCDC desires to:

- (i) transfer its limited partnership interest and to otherwise authorize the transactions contemplated pursuant to an Amended and Restated Agreement of Limited Partnership for the Partnership (the "Partnership Agreement") among the Corporation, as general partner, KTW, as Class B Limited Partner, USA Institutional Western Heights 4 LLC, as the investor limited partner, Richman Group Capital Corporation, as the special limited partner, and KCDC, as withdrawing limited partner;
- (ii) authorize the transactions contemplated pursuant to the Ground Lease and the execution and delivery thereof;
- (iii) authorize the CNI Loan to the Partnership and the execution and delivery of the CNI Documents; and
- (iv) authorize the Seller Loan to the Partnership and the execution and delivery of the Seller Loan Documents; and
- (v) authorize the Sponsor Loan to the Partnership and the execution and delivery of the Sponsor Loan Documents.

Copies of the Partnership Agreement, the Ground Lease Documents, the CNI Documents, the Seller Loan Documents, and the Sponsor Loan Documents shall be filed with the records of KCDC.

WHEREAS, the Board desires to authorize the officers of KCDC to execute such documents as they, individually or collectively, determine are necessary, desirable or appropriate to carry out the transactions contemplated herein, in the Partnership Agreement and agreements related thereto, the Ground Lease Documents, the CNI Documents, the Seller Loan Documents, and the Sponsor Loan Documents.

NOW, THEREFORE, BE, AND IT IS HEREBY, RESOLVED, that (i) the Chairman, the Vice Chairman and the Secretary of KCDC (each, an "Authorized Officer") is hereby authorized and directed to execute, and, if requested, the Secretary or Assistant Secretary is authorized to attest, and any such officer of KCDC is authorized to deliver to the other parties thereto the following documents: (a) the Partnership Agreement, (b) the Ground Lease Documents, (c) the CNI Documents, together with any other documents required to be executed by HUD in connection with the CNI Funds, (d) the Seller Loan Documents, (e) the Sponsor Loan Documents, and (f) any and all other instruments, documents and agreements deemed necessary or desirable by an Authorized Officer in connection with the documents and transactions described herein, including but not limited to any easement agreements and joinders in connection with the development and operation of the Property; all in the form approved by the Authorized Officer executing same, the execution of same by such Authorized Officer to constitute conclusive evidence of the approval of same, and (ii) such officers, together with all other officers and employees of KCDC, are hereby authorized to take all such further action as they may consider necessary or desirable in connection with the transactions described herein, including, without limitation, executing such documents as any lender to the Partnership may request in connection with its liens on the Project, and to take from time to time any actions deemed necessary or desirable by such officers and employees to effectuate and comply with the terms of such agreements as are executed on behalf of KCDC pursuant to the authorization contained herein; and, further

RESOLVED, that it is in the best interest of KCDC to undertake the transactions described herein; and, further

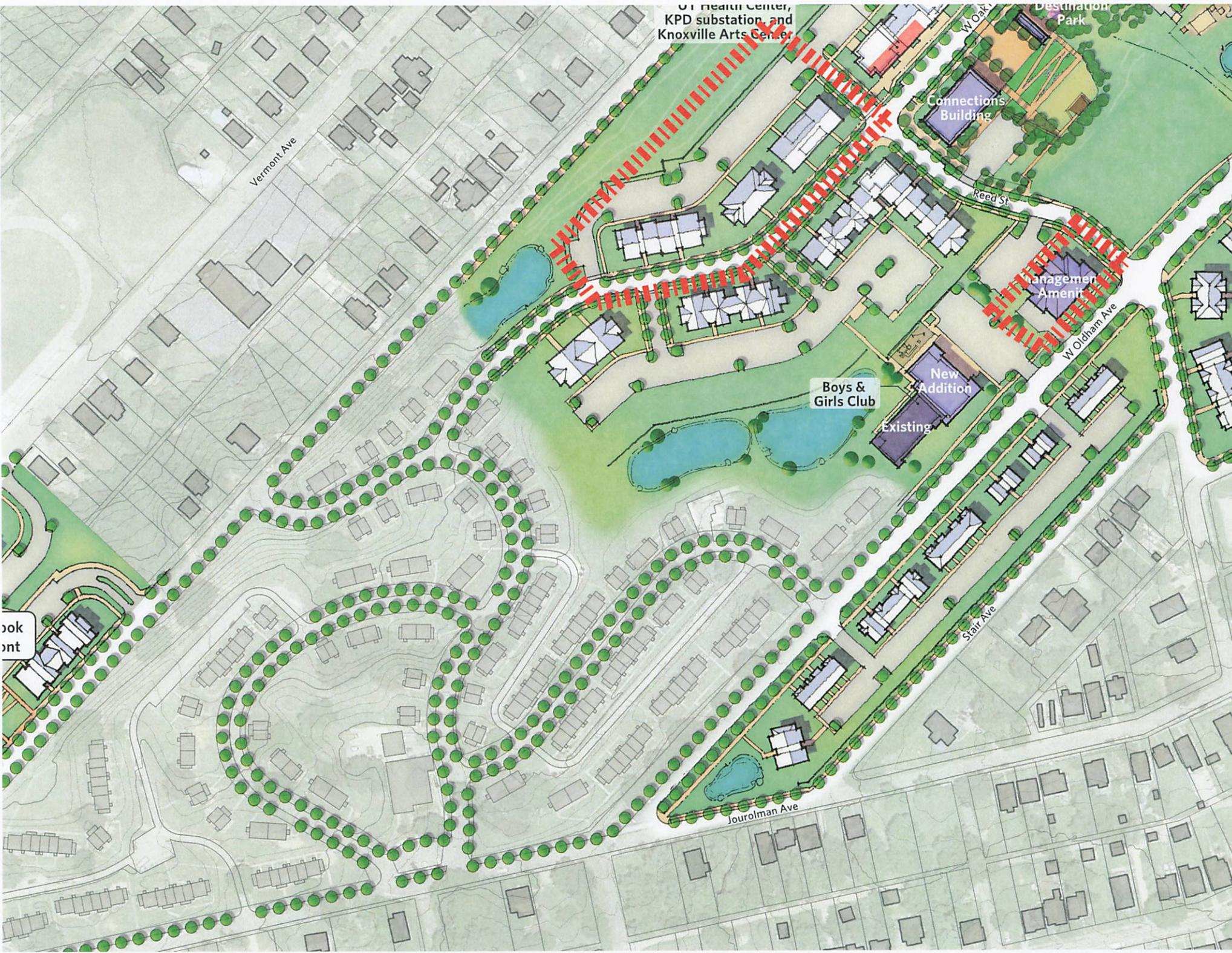
RESOLVED, that any and all other actions heretofore taken on behalf of KCDC by the officers of KCDC to execute and deliver any of the agreements, documents or instruments authorized by the foregoing resolutions, or to take any of the other actions authorized by the foregoing resolutions, and all acts of the officers of KCDC that are in conformity with the purposes and intent of these resolutions, are hereby approved, ratified and confirmed in all respects.

Approved at a meeting of the Board of Commissioners held this 26th day of
March, 2026.

**KNOXVILLE'S COMMUNITY
DEVELOPMENT CORPORATION**

By: _____

49484681.2



OT Health Center,
KPD substation, and
Knoxville Arts Center

Destination
Park

Connections
Building

Vermont Ave

Reed St

Management
Amenities

W Oldham Ave

Boys &
Girls Club

New Addition
Existing

Stair Ave

Jourolman Ave

book
ont



KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

BOARD ACTION FORM #7

| | |
|---|--|
| MEETING DATE | March 26, 2026 |
| AGENDA ITEM DESCRIPTION | Approval to enter into a Purchase and Sale Agreement with Battlefield Farms, or an affiliate thereof, to sell real property and improvements located at 2265 McCalla Avenue. |
| SUBMITTED BY | Name, Title / Department: Jim Hatfield, CDO, Redevelopment |
| MEETING TYPE | <input checked="" type="checkbox"/> Regular <input type="checkbox"/> Special <input type="checkbox"/> Annual |
| CLASSIFICATION | <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Approval |
| BUDGET / FINANCIAL IMPACT | Budgeted: \$ <u>n/a</u> Expenditure: \$ <u>n/a</u> Source of Funds: |
| APPROVAL / REVIEWS | <input checked="" type="checkbox"/> Department Head /VP <input type="checkbox"/> Budget/Finance <input checked="" type="checkbox"/> Executive Director/CEO <input checked="" type="checkbox"/> Legal Counsel: <u>BBS</u> Other – Name/Title: |
| <u>BACKGROUND</u> | |
| <p>1. What is the objective of this action? Approval is being sought to all for the negotiation and execute of a purchase and sale agreement (including all exhibits) between KCDC and Battlefield Farms (or its affiliate). This agreement would govern the sale of 2265 McCalla Avenue, 37915, that would be redeveloped into a neighborhood grocery store serving the east Knoxville community and specifically the residents of 37915.</p> | |
| <p>2. Why is the action needed now? The purchaser has completed a significant amount of diligence and is looking to secure site control in order to advance their diligence efforts and continue to invest pursuit capital.</p> | |
| <p>3. Who are the parties involved and what are their roles (if appropriate)? KCDC as current land owner and seller. Battlefield Farms and Gardens as purchaser and project sponsor.</p> | |
| <p>4. What are the long-term and short-term exposures? The purchase and sale agreement has several diligence milestones that must be met by the Purchaser in order for the transaction to continue to a closing. In addition, there will be a special warranty deed signed at closing that will contain on going restrictive covenants to ensure the project is completed and operated in a manor that is consistent with the purchasers proposal.</p> | |
| HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where) | KCDC has owned this site since the early 1990s. Since that time, the property was operated for a period of time as a Dollar General. Dollar General did not renew their lease in 2022 and since that time the building has remained vacant. + |
| ATTACHMENTS | Substantially complete draft purchase and sale with exhibits. |

REAL PROPERTY PURCHASE AND SALE AGREEMENT

THIS REAL PROPERTY PURCHASE AND SALE AGREEMENT (this "Agreement") is made as of the ____ day of _____, 2026 (the "Effective Date"), between **KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION**, a housing and redevelopment authority organized under the laws of the State of Tennessee ("Seller"), and **BATTLEFIELD FARM AND GARDENS**, a Tennessee nonprofit corporation ("Purchaser").

WHEREAS, Seller is the fee owner of certain real property located at approximately 2265 McCalla Avenue, Knoxville, Tennessee, comprising approximately 1.27 acres of land as shown on the diagram included as part of Exhibit A hereto and consisting of the parcel(s) identified on such Exhibit A, together with all improvements existing thereon (the "Property"); and

WHEREAS, Purchaser has proposed to acquire the Property from Seller for the purpose of developing a non-profit community grocery store on the Property (the "Project"); and

WHEREAS, Seller has agreed to sell the Property to Purchaser upon the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Property. Seller hereby agrees to sell to Purchaser and Purchaser hereby agrees to purchase from Seller the Property on the terms set forth herein.
2. Earnest Money. Within five (5) business days after the Effective Date, Purchaser shall deposit with a title insurance agency selected by Purchaser and reasonably acceptable to Seller (the "Escrow Agent") Two Thousand Five Hundred Dollars (\$2,500.00) in cash or certified or cashier's check as earnest money (said deposit, together with any interest thereon and any additions thereto, is collectively referred to herein as the "Earnest Money"). Said Earnest Money may be refundable to Purchaser in accordance with Section 4 hereof.
3. Purchase Price. The purchase price (the "Purchase Price") of the Property shall be an amount equal to Fifteen Thousand Dollars (\$15,000.00). At the Closing, all Earnest Money shall be applied to the Purchase Price, and the balance of the Purchase Price shall be paid in cash or certified or cashier's check.
4. Inspection Period; Refund of Earnest Money; Due Diligence Materials. Purchaser shall have a period of two hundred seventy (270) days from the Effective Date of this Agreement ("Inspection Period") to conduct such investigative diligence with respect to the Property as Purchaser deems appropriate and to elect to either continue or terminate this Agreement. Purchaser may terminate this Agreement, and receive a full refund of the Earnest Money, by delivering written termination notice to Seller at any time prior to expiration of the Inspection Period. If Purchaser does not so terminate this Agreement, the Earnest Money shall thereafter be nonrefundable (except as expressly otherwise set forth in this Agreement) and this Agreement shall remain in effect.

Purchaser acknowledges and agrees that, except as otherwise expressly set forth in Section 9 herein, Seller has not made and will not make any representations or warranties, express or implied, pertaining to the Property, its condition or any other matters whatsoever, and that Purchaser will be relying solely on its own inspections and investigations with respect to the Property, its condition and all other matters

whatsoever. In addition, Purchaser acknowledges and agrees that the Property is being purchased and will be conveyed "as is, where is," with all faults and defects, whether patent or latent, as of the date of Closing.

5. Costs and Prorations.

(a) Purchaser shall pay for all recording costs applicable to the deed of transfer, the costs of any title commitment and title insurance obtained by Purchaser and the costs of any due diligence obtained by Purchaser. Each party shall pay its own attorney's fees.

(b) Purchaser shall be responsible for paying all ad valorem property taxes assessed against the Property after Closing.

6. Conditions Precedent To Seller's Obligations. The parties acknowledge that as conditions precedent to the Seller's obligations hereunder to convey the Property to Purchaser, the following shall occur on or before the date(s) specified below (or, if no date is specified, on or before the Closing Date):

(a) Predevelopment Obligations. Purchaser shall have complied with each of the following predevelopment obligations:

(i) The parties acknowledge that Purchaser has submitted to Seller a proposal and preliminary concept design for the Project (the "Concept Design"), which is attached hereto as Exhibit B. Purchaser shall contract with a duly licensed architect, as reasonably approved by Seller (the "Architect"), to complete the design of the Project in accordance with the Concept Design.

(ii) Not later than 120 days after the Effective Date, Purchaser shall submit to Seller, for Seller's approval, the following documentation:

A. 100% Construction Documents prepared by the Architect;

B. Copies of the following third-party reports: (1) a Phase 1 Environmental assessment and any additional environmental reports; (2) an ALTA survey of the Property; (3) the Title Commitment (as defined in Section 8 hereof) and a pro forma owners title insurance policy to be issued at the Closing by the Title Company; and (4) all other third party reports and/or studies anticipated to be required in connection with the development and/or financing of the Project;

C. A current project budget setting forth all sources and uses for the Project; and

D. evidence reasonably satisfactory to Seller that Purchaser has raised funding for the Project in an amount not less than the greater of (i) \$180,000 or (ii) 30% of the current projected cost of the Project;

(iii) Not later than 210 days after the Effective Date, Purchaser shall submit to Seller evidence reasonably satisfactory to Seller that Purchaser has raised funding for the Project in an amount not less than the greater of (i) \$420,000 or (ii) 70% of the current projected cost of the Project, of which at least \$270,000 in cash is currently on deposit with Purchaser, in an account specifically designated to hold Project funding and segregated from Purchaser's other assets.

(iv) Not later than five (5) business days prior to the Closing Date, Purchaser shall have submitted to Seller, for Seller's approval, the following documentation:

A. Final 100% Construction Drawings which have been approved by Seller (the "Final Plans");

B. Copies of all permits required from the City of Knoxville for the construction of the Project, or, alternatively, customary "will issue" letters setting forth no conditions to the issuance of all required permits other than the payment of fees;

C. A final, signed construction contract between the Purchaser and a general contractor approved by Seller, together with a customary schedule of values broken out by each phase or division of work;

D. A final detailed project budget including 100% of the costs of development of the Project and the commencement of operations thereof, including both hard costs and soft costs, as well as initial capital expenditures required for operations (including but not limited to equipment, operating supplies, inventory, information technology costs, and similar costs);

E. Evidence reasonably satisfactory to the Seller that Seller has raised 100% of the funding required for the development of the Project, of which at least \$420,000 in cash is currently on deposit with Purchaser, in an account specifically designated for the Project funding and segregated from Purchaser's other funds, and the Seller has obtained firm commitments (e.g., executed grant agreements) for any remaining required funding; and

F. An initial operating budget and/or proforma for the Project for the initial three (3) years of operations in form and content reasonably satisfactory to the Seller.

(b) Seller's Board of Commissioners shall have voted on and approved this Agreement at a regularly scheduled meeting.

(c) A title insurer shall be irrevocably committed to issue upon Closing an 1970/Revised 1984 Form ALTA Owner's Policy of Title Insurance, or such other form reasonably acceptable to Purchaser (the "Title Policy"), insuring Purchaser or their permitted designees as owners of fee simple title to the Property, subject only to Permitted Exceptions (defined below), in the amount of the Purchase Price.

(d) Each and every representation and warranty of Seller set forth in Section 9 shall be true and correct in all material respects, and Seller shall not be in default under any of its obligations under this Agreement, as of Closing.

7. Closing. Subject to satisfaction of all preconditions set forth herein, including but not limited to the conditions set forth in Section 6 hereof, the closing or settlement ("Closing") of the transaction contemplated hereby, unless terminated in accordance with Section 4 or as otherwise agreed upon by Purchaser and Seller, shall be on or before the date that is sixty (60) days after the conclusion of the Inspection Period, or such other time as the parties may agree (such date shall be referred to herein as the "Closing Date").

At Closing, Seller shall convey to Purchaser good, marketable and insurable title to the Property by special warranty deed in the form attached as Exhibit C (the "Deed"), subject to (i) standard exceptions for real property taxes not yet due and payable, (ii) any other matters which are waived by, or acceptable

to, Purchaser pursuant to Section 8 (the "Permitted Exceptions"), and (iii) the covenants and restrictions further described in the Deed.

8. Title. During the Inspection Period, Purchaser shall procure a title insurance commitment in the amount of the Purchase Price covering the Property issued by a title insurance company selected by Purchaser and approved by Seller (the "Title Commitment"). Purchaser shall have until the expiration of the Inspection Period to object to any matters shown on the Title Commitment or any survey obtained by Purchaser by written notice to Seller ("Title Objection Notice"). Within twenty-one (21) days after receipt of Purchaser's Title Objection Notice, Seller shall either (i) deliver written notice to Purchaser of any title or survey objections which Seller elects not to cure, or (ii) cure or satisfy such objections (or commence to cure or satisfy such objections as long as Seller reasonably believes such objections may be cured or satisfied at least five (5) business days prior to Closing). Seller's failure to deliver such written response within twenty-one (21) days shall not be a default but shall be deemed as Seller's refusal to cure the matters contained in the Title Objection Notice. Within three (3) days after receipt of Seller's written notification that Seller elects not to cure a title or survey objection (or Seller's failure to respond upon the expiration of the foregoing twenty-one (21) day period for Seller's response), Purchaser may terminate this Agreement and receive a full refund of the Earnest Money by delivering written notice thereof to Seller. If Purchaser does not so terminate this Agreement, then any such title or survey objection which Seller elects not to cure shall be deemed waived by Purchaser and shall be an additional Permitted Exception. If any objection which Seller elects to cure is not satisfied by Seller at least five (5) business days before the scheduled date of Closing, Seller may elect to extend the Closing date by up to thirty (30) additional days to cure any such objections. If Seller is still unable to cure said objections after the additional thirty (30) day period, then Purchaser shall have the right to terminate this Agreement, in which case the Earnest Money shall be returned to Purchaser and neither party shall have any further rights, obligations or duties under this Agreement. If Seller does cure or satisfy the objections at least five (5) business days prior to Closing, then this Agreement shall continue in effect. Any exception to or defect in title which Purchaser shall elect to waive, or which is otherwise acceptable to Purchaser, shall be deemed an additional Permitted Exception to title at Closing.

9. Seller's Representations and Warranties. Seller represents, warrants and covenants to Purchaser that:

(a) Seller is duly organized and is validly existing under the laws of the State of Tennessee. Seller has the full right and authority to enter into this Agreement and to transfer all of the Property to be conveyed by Seller pursuant hereto and to consummate or cause to be consummated the transactions contemplated herein to be made by Seller. This Agreement constitutes, and all agreements and documents contemplated hereby (when executed and delivered pursuant hereto) will constitute, the valid and legally binding obligations of Seller, enforceable in accordance with their respective terms.

(b) Seller has not entered into any agreement to dispose of its interest in the Property or any part thereof, except for this Agreement.

(c) Seller is (i) not a party to any litigation which is still pending, and (ii) knows of no threatened litigation, affecting or relating to the Property.

10. Broker and Broker's Commission. Seller and Purchaser represent and warrant that neither has dealt with any broker in connection with this transaction. If any claim is made or brought by any other broker in connection with this transaction, the party whose agreement gave rise to such claim shall indemnify the other for any damage or expenses sustained in connection therewith, including, without limitation, reasonable attorney's fees. This Section shall survive the Closing of this transaction.

11. Survey and Inspection. Purchaser and Purchaser's agents, employees and independent contractors shall have the right and privilege to enter upon the Property during the Inspection Period to survey and inspect the Property and to conduct soil borings, environmental assessment and toxic waste studies and other geological, engineering or landscaping tests or studies, all at Purchaser's sole cost and expense. Purchaser hereby covenant and agree to indemnify and hold harmless Seller from any and all loss, liability, cost, claim, demand, damage, action, cause of action and suit arising out of or in any manner related to the exercise by Purchaser of Purchaser's rights under this section (but not the existence of any condition discovered in the course of Purchaser's inspections and testing) and to repair any damage to the Property resulting from the exercise of Purchaser's rights hereunder. In the event Purchaser elects not to purchase the Property in accordance with its rights hereunder, the foregoing indemnity will survive and Purchaser will provide Seller with copies of all tests, studies, borings and surveys obtained by Purchaser as consideration for entering into this Agreement.

12. Property Damage. If, after the Effective Date and prior to Closing, the Property shall suffer damage as the result of fire or other casualty, Seller shall promptly notify Purchaser in writing.

In the event any casualty results in material damage of the improvements situated on the Property that Purchaser intends to renovate and not demolish, Purchaser shall have the right to elect within fifteen (15) days from and after such notice, by written notice, one of the following: (a) not to close the transaction contemplated hereby, in which event all Earnest Money shall be refunded to Purchaser and this Agreement shall be void and of no further force and effect; or (b) to close the purchase of the Property contemplated hereby in accordance with its terms but subject to such damage, in which event the Purchase Price shall remain the same. If Purchaser does not make such election within the aforesaid time period, Purchaser shall be deemed to have elected to close the transactions contemplated hereby in accordance with clause (b) above.

13. Seller's Covenants. Between the Effective Date and Closing, Seller shall (i) give to Purchaser immediate written notice of the institution of or receipt of notice of any litigation or threatened litigation affecting the Property which would in any way constitute or have the effect of presently or in the future creating a lien, claim or obligation of any kind against the Property; (ii) give Purchaser immediate notice upon the occurrence of any event, or receipt of any notice, which constitutes a breach by Seller of any of its representations or warranties set forth herein, (iii) not, without the prior written consent of Purchaser, impose, nor permit to be imposed upon the Property, any new or additional encumbrances to title; and (iv) not, without the prior written consent of Purchaser, enter into any agreement or instrument or take any action that would encumber the Property after Closing or that would bind Purchaser or the Property after Closing.

14. Development Covenants. Notwithstanding anything else to the contrary set forth herein, Purchaser agrees to comply with each of the following development covenants with respect to the Project (the "Development Covenants"), each of which shall survive the Closing Date:

(a) Purchaser shall commence substantial construction (e.g. demolition, mechanical upgrades, roofing repairs, etc.) of the Project not later than forty-five (45) days after the Closing Date.

(b) Completion of construction of the Project in accordance with the Final Plans (“Completion of Construction”) shall occur not later than twelve (12) months after the Closing Date. For purposes of this Section 14(b), Completion of Construction shall be evidenced by a certificate of occupancy for the Project issued by the City of Knoxville Plans Review & Inspections Department.

(c) Not later than thirteen (13) months after the Closing Date, the Project shall be open for business to the public.

(d) Once opened to the public, the Project shall remain open for business at least three (3) days per week and at least twenty (20) hours per week; however, Purchaser may dedicate up to 12 days per year that it would otherwise be open to meet the requirement of this section toward the training of Property staff and volunteers. In addition, Purchaser shall not be required to open on days (otherwise scheduled to be open) when there is inclement weather such as flooding rains, severe weather alerts or snow/ice, which is documented by Purchaser.

(e) The Property shall be utilized only as a community grocery store operated by Purchaser. There shall be no change in the use of the Property or in the Project operator without written consent of the Seller, which consent may be withheld for any reason in the Seller’s sole discretion.

(f) Not more than five percent (5%) of the total annual revenues of the Project shall be derived from sales of alcohol and tobacco products. Purchaser shall deliver to Seller annual audited financial statements not later than March 31 of each year, which audited financial statements shall break out revenue from sales of alcohol and tobacco products as a separate line item of revenues. [SECTION TO BE FURTHER DISCUSSED BETWEEN PURCHASER AND SELLER]

(g) Purchaser shall not sell, transfer or convey the Property or the Project, or any interest therein, prior to Completion of Construction.

At Closing, the Property shall be conveyed to Purchaser subject to the foregoing Development Covenants, which shall be set forth in the Deed as covenants running with the land.

In addition to the foregoing, following rights in the Property shall be reserved to Seller, which shall be set forth in the Deed: (i) a right of first refusal in favor of Seller, which shall be applicable with respect to any offer received for the Project or for Purchaser’s interest therein and which shall allow the Seller to acquire the Project for the same offer price received from a bona fide third party; and (ii) an option belonging to Seller to acquire the Project for the Depreciated Value Price at any time after any failure to comply with the Development Covenants set forth in Section 14(d), 14(e) or 14(f) hereof.

For purposes of the foregoing, the term “Depreciated Value Price” shall be calculated as (i) the \$15,000 in land cost paid by the Purchaser; plus (ii) the total “hard” construction costs incurred by the Purchaser prior to Completion of Construction for the physical components of the Project, such as roofing, mechanical, electrical, plumbing, paint, flooring and lighting (but specifically excluding soft costs and costs relating to inventory, architectural and engineering fees, third party inspections, information technology, operating supplies and equipment such as freezers and display shelves, signage, permits and fees, and other similar soft costs and any other costs not incurred for construction of the Project) (the “Depreciable Cost”), depreciated based on a 20-year straight line depreciation assuming the commencement of such depreciation as of the date of the issuance of the initial Certificate of Occupancy upon Completion of Construction. The Depreciable Cost shall be established within 120 days from the Completion of Construction by written agreement of Seller and Purchaser. In the event that the Seller and Purchaser do not agree upon the amount of the Depreciable Cost as contemplated herein, the Depreciable Cost shall be assumed to be \$310,000.

15. **Indemnification.** Purchaser agrees to protect, indemnify and hold harmless Seller from and against any and all loss, liability expense, damage, charge and costs (including court costs and counsel fees) suffered or alleged to have been suffered as a result of any act or omission on the part of Purchaser or others whose services are engaged by Purchaser or any party directly or indirectly employed or controlled by either of them in the course of Purchaser's development or operation of the Property and the Project.

16. **Insurance.** Purchaser shall maintain, at the Purchaser's sole expense, on a primary and non-contributory basis, at all times, insurance coverages, limits, and endorsements described herein with respect to the Property. All insurance must be underwritten by insurers with an A.M. Best rating of A-:VI or better. Upon execution of this Agreement, Purchaser shall provide Certificate(s) of Insurance to Seller evidencing said insurance coverages.

Purchaser agrees the insurance requirements herein as well as Seller's review or acknowledgement, is not intended to and shall not in any manner limit or qualify the liabilities and obligations assumed by Purchaser under this Agreement. Purchaser shall maintain occurrence version commercial general liability insurance with a limit of not less than \$1,000,000 each occurrence for bodily injury, personal injury, property damage, and products and completed operations. If such insurance contains a general aggregate limit, it shall apply separately to the work/location in this Agreement or be no less than \$2,000,000. Such insurance shall contain or be endorsed to contain a provision that includes Seller, its officials, officers, employees, and volunteers as additional insureds with respect to liability arising out of work or operations performed by or on behalf of Purchaser including materials, parts, or equipment furnished in connection with such work or operations. The coverage shall contain no special limitations on the scope of its protection afforded to the above-listed insureds. The Additional Insured shall read "Knoxville's Community Development Corporation (KCDC)".

If necessary, umbrella/excess liability insurance can be used in conjunction with the general liability insurance to meet these requirements. Unless the umbrella/excess liability insurance provides coverage on a pure/true follow-form basis, or Seller is automatically defined as an additional insured, Purchaser shall add by endorsement, Seller, its officials, officers, employees, and volunteers as an additional insured.

17. **Notice.** Each notice required or permitted to be given hereunder shall be sent by hand delivery, or by certified mail with return receipt requested and adequate postage prepaid, addressed to the appropriate party (and marked to a particular individual's attention) as hereinafter provided and shall be deemed effective upon such delivery or, in the case of notice sent by the mails, upon deposit in the U.S. mail, correctly addressed, with adequate prepaid postage affixed thereto. Rejection or other refusal by the addressee to accept shall be deemed to be receipt of the notice sent. The addresses of the parties to which notices are to be sent shall be those set forth on the signature page of this Agreement. Any party shall have the right from time to time to change the address to which notices to it shall be sent and to specify two additional addresses to which copies of notices to it shall be mailed by giving to the other party at least seven (7) days' prior notice of the changed address or additional addresses.

18. **Remedies.** If this transaction fails to close by reason of Purchaser's wrongful failure to perform its obligations under this Agreement, the Earnest Money shall be retained by Seller as liquidated damages the parties hereby acknowledging that Seller's actual damages in such circumstances would be difficult, if not impossible, to determine. Seller expressly acknowledges and agrees that retention of the Earnest Money as provided for herein shall be Seller's sole and exclusive remedy in the event of Purchaser's failure to perform its obligations hereunder. If this transaction fails to close for any reason other than Purchaser's wrongful failure to perform its obligations hereunder, the Earnest Money shall promptly be refunded to Purchaser. In the event Seller fails or refuses to convey the Property in accordance with the terms hereof or otherwise fails to perform its obligations hereunder, Purchaser shall have the right to a

refund of all Earnest Money. In the event that Purchaser violates any of the Development Covenants set forth in Section 14 hereof or any other post-closing obligations of the Purchaser hereunder, Seller shall have the right to pursue any and all available remedies at law or in equity, including but not limited to specific performance.

19. Time of Essence. Time is of the essence of this Agreement.

20. Closing Documents. At or prior to Closing, each party shall deliver to the other party appropriate evidence to establish the authority of such party to enter into and close the transaction contemplated hereby. Seller also shall execute and deliver to Purchaser at Closing (i) a special warranty deed in the form attached hereto as Exhibit C; (ii) a certificate with respect to Section 1445 of the Internal Revenue Code stating, among other things, that Seller is not a foreign corporation as defined in the Internal Revenue Code and I.R.S. Regulations; and (iii) such other documents reasonably necessary or appropriate to complete and evidence the transaction contemplated hereby, including without limitation a standard title company owner's affidavit. The parties shall also execute, deliver and record as applicable such documents as are reasonably required to implement the transaction contemplated herein.

21. Entire Agreement. This Agreement constitutes the entire agreement of the parties and may not be amended except by written instrument executed by Purchaser and Seller.

22. Headings. The section headings are inserted for convenience only and are in no way intended to describe, interpret, define or limit the scope or content of this Agreement or any provision hereof.

23. Possession. Seller shall deliver actual possession of the Property at Closing.

24. Successors. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors and permitted assigns.

25. Surviving Clauses. The provisions of this Agreement relating to Purchaser's indemnification obligations in Section 10, Section 11 and Section 15, the obligations of Seller pursuant to Section 14, Seller's insurance obligations in Section 16, and Seller's representations and warranties in Section 9 shall survive any Closing pursuant to this Agreement. Except as set forth in the preceding sentence or as otherwise expressly set forth herein, no other provision of this Agreement shall survive the Closing of this transaction.

26. Third Party Beneficiaries. The parties to this Agreement do not intend to create in any other individual or entity the status of a third party beneficiary, and this Agreement shall not be construed so as to create such status.

27. Disclosure of Confidential Information. The parties acknowledge that Seller is subject to the Tennessee Open Records Act ("Act"). The Act generally provides that written documents retained by Seller are subject to disclosure upon the request of any third party except for specific limited exceptions provided for in the Act. Purchaser may designate as "Confidential" any information which Purchaser provide to Seller which the Purchaser desire to keep confidential. If a request for disclosure of any information designated as "Confidential" by Purchaser is made under the Act, Seller agrees to notify Purchaser of the request and Purchaser may seek protection from disclosure by a court of competent jurisdiction. It will be Purchaser's sole responsibility to seek such protection from a court.

26. Assignment. Purchaser may not transfer or assign any or all of its rights or obligations under this Agreement except with the prior written consent of Seller, which consent shall not be

unreasonably withheld, and any such attempted assignment without the prior written consent of Seller shall be wholly void and of no effect.

27. Waiver. No waiver by any party of any term or condition of this Agreement shall be deemed or construed to constitute a waiver of any term or condition or of any subsequent breach, whether or not it is the same or different provision.

28. Applicability of Law. This Agreement is and shall be construed as being executed and delivered within the State of Tennessee, and it is mutually understood and agreed by each party hereto that all agreements and statements of work shall be governed by the laws of the State of Tennessee, both as to interpretation and performance. The parties agree that the venue for enforcement of any provisions shall be the courts of Knox County.

29. Sovereign Immunity. Seller does not waive its sovereign immunity by entering into this Agreement, and fully retains all immunities and defenses provided by law with respect to any action based on or occurring as a result of this Agreement.

30. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, this Agreement has been duly executed on the day and year first above written.

Seller:

KNOXVILLE'S COMMUNITY
DEVELOPMENT CORPORATION

By: _____
Benjamin M. Bentley, Secretary

Purchaser:

BATTLEFIELD FARM AND GARDENS

By: _____

Name: _____

Title: _____

EXHIBIT A

DEPICTION OF PROPERTY



Tax Parcel ID: 082OM017

EXHIBIT B

PROJECT PROPOSAL AND PRELIMINARY DESIGN CONCEPT

EXHIBIT C

Special Warranty Deed

| |
|---|
| This instrument prepared by: Knoxville's Community Development Corporation 901 Broadway Knoxville, Tennessee 37917 |
|---|

SPECIAL WARRANTY DEED

KNOW ALL MEN BY THESE PRESENTS, THAT

WHEREAS, Knoxville's Community Development Corporation is the record owner of certain real property located at 2265 McCalla Avenue with a Tax Identification Number of #082OM017; and

WHEREAS, the Five Points Redevelopment Plan (as amended, "Redevelopment Plan") was adopted by the Board of Commissioners of Knoxville's Community Development Corporation and has been approved by the City Council of the City of Knoxville; and

WHEREAS, pursuant to the Redevelopment Plan and Sections 13-20-201, 13-20-204, 13-20-209, and 13-20-210 of the Tennessee Code Annotated, Knoxville's Community Development Corporation is authorized to sell real property interests in a redevelopment area.

NOW THEREFORE, this Special Warranty Deed is made this ___ day of _____, 202_, by and between **KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION** (the "**Grantor**"), a public corporation organized and existing under the laws of the State of Tennessee, with its offices located in Knoxville, Knox County, Tennessee, and **BATTLEFIELD FARM AND GARDENS**, a Tennessee nonprofit corporation (the "**Grantee**").

WITNESSETH, that for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Grantor does, by this Special Warranty Deed, grant and convey unto the Grantee, the real property described in Exhibit A attached hereto and incorporated herein by reference (the "Property"), together with all and singular, the hereditaments and appurtenances hereunto belonging or in any way appertaining thereto.

THIS CONVEYANCE is also made subject to the following (i) Development Covenants and Conditions, (ii) Option and Right of First Refusal in favor of Grantor; and (iii) Permanent Restrictions:

DEVELOPMENT COVENANTS AND CONDITIONS

1. **DEVELOPMENT COVENANTS.** The conveyance evidenced by this Special Warranty Deed has been made pursuant to a Real Property Purchase and Sale Agreement between Grantor and Grantee dated as of _____, 2026 (as amended, the "Purchase Agreement"). The Purchase Agreement contains certain covenants made by Grantee relating to the development of a not-for-profit community grocery store on the Property. The Grantor agreed to convey the Property to the Grantee pursuant to the terms of the Purchase Agreement.

2. **EFFECT OF DEVELOPMENT COVENANTS AND CONDITIONS.** This Deed is made and executed upon and is subject to the Development Covenants and Conditions, as defined below, that relate to the development of the Property in substantial accordance with the Purchase Agreement (the "Development Covenants and Conditions"). The Development Covenants and Conditions are a part of the consideration for the Property hereby conveyed, and are to be taken and construed as running with the land.

3. **NOTICE OF MORTGAGEES.** If the Grantee encumbers its interest in the Property or any part thereof with a deed of trust or other security instrument (a "Mortgage") and if the mortgagee or other secured party (a "Mortgagee") thereunder registers with the Grantor by giving the Grantor its address and by delivering to the Grantor a copy of its Mortgage, then: (a) upon delivering a copy of any notice hereunder to the Grantee, the Grantor shall simultaneously deliver a copy of such notice to the Mortgagee at the address which has been given; and (b) the Mortgagee shall have the right during the cure period provided to remedy or cause to be remedied the breach of the Development Covenants and Conditions.

4. **RELEASE OF PROPERTY FROM DEVELOPMENT COVENANTS AND CONDITIONS.** In accordance with the Purchase Agreement and the covenants and conditions contained herein, the Property will be developed into a community grocery store, as further set forth in the Purchase Agreement (the "Project"). Upon Completion of Construction of the Project (as defined in the Purchase Agreement) by the Grantee and operation of the Project in compliance with the terms of the Development Covenants and Conditions for a period of [15 years], Grantor shall deliver to Grantee in recordable form a release of the Development Covenants and Conditions.

5. **DEVELOPMENT COVENANTS AND CONDITIONS.** By accepting this deed, the Grantee hereby binds itself and its successors, assigns, grantees, and lessees, to the following covenants and conditions (the "Development Covenants and Conditions"):

COVENANT A: The Grantee shall devote the Property only to the uses specified in the Purchase Agreement, specifically, the development of the Project on the Property in accordance with the Final Plans (as defined in the Purchase Agreement) and the operation of the Project in accordance with the Purchase Agreement and these Development Covenants and Conditions, unless the KCDC Board takes action to approve a different design and/or use.

COVENANT B: The Grantee shall commence substantial construction (e.g. demolition, mechanical upgrades, roofing repairs, etc.) of the Project on the Property in accordance with the Final Plans not later than forty-five (45) days after the date hereof. The Grantee shall prosecute diligently the construction of the Project and shall cause Completion of Construction (as such term is defined in the Purchase Agreement) to occur not later than twelve (12) months after the date hereof. Not later than thirteen (13) months after the date hereof, the Project shall be open for business to the public.

COVENANT C: The Grantee agrees not to materially alter, revise or modify the Final Plans as submitted to Grantor, except with the prior written consent of the Grantor. Such approval by the Grantor

shall in no way be construed as approval of compliance with local codes and regulations, and will not relieve the Grantee of the responsibility of securing proper approvals and permits from appropriate public agencies.

COVENANT D: The Property shall be utilized only as a not-for-profit community grocery store operated by the Grantee. The obligations of Grantee hereunder are not assignable without the advance written consent of Grantor, which may be withheld in Grantor's sole discretion. There shall be no change in the operator of the Project without the advance written consent of Grantor in its sole discretion.

COVENANT E: Once open to the public, the Project shall remain open for business at least three (3) days per week and at least twenty (20) hours per week; however, Purchaser may dedicate up to 12 days per year that it would otherwise be open to meet the requirement of this section toward the training of Property staff and volunteers. In addition, Purchaser shall not be required to open on days (otherwise scheduled to be open) when there is inclement weather such as flooding rains, severe weather alerts or snow/ice, which is documented by Purchaser.

COVENANT F: No more than five percent (5%) of the total annual revenues of the Project shall be derived from the sale of alcohol and tobacco products in the aggregate. Grantee shall deliver to Grantor annual audited financial statements not later than March 31 of each year, which audited financial statements shall break out revenue from sales of alcohol and tobacco products as a separate line item of Project revenues. [TO BE DISCUSSED FURTHER BETWEEN KCDC AND PURCHASER]

COVENANT G: Until a certificate of occupancy is issued for the Project, the Grantee shall have no power to convey the Property or the Project herein described, or any part thereof, or any interest therein, without the prior written consent of the Grantor.

RIGHT OF FIRST REFUSAL AND PURCHASE OPTION IN FAVOR OF GRANTOR

This conveyance is made subject to the following Right of First Refusal and Purchase Option in Favor of Grantor, which are expressly reserved to the Seller and which shall run with the land and shall be binding upon the Grantee and its successors and assigns:

(I) GRANTOR'S RIGHT OF FIRST REFUSAL. For a period of fifteen (15) years after the date hereof, Grantor shall have a right of first refusal with respect to any offer received for purchase of the Project or Grantee's interest therein. In the event that Grantee receives any offer for purchase of the Project (or Grantee's interest therein) from an unrelated third party which Grantee desires to accept, Grantee shall deliver, not later than thirty (30) days after the receipt of such offer, a written notice to Grantor containing the terms of the offer and the date of the proposed closing. In no event shall any closing occur before the date that is sixty (60) days after delivery of Grantee's notice to Grantor. At any time prior to the closing date, Grantor may exercise its right of first refusal by delivering written notice of such exercise to Grantee. Pursuant to its right of first refusal, Grantor shall have the right to acquire the Property and the Project (or Grantee's interest therein, as applicable) for the offer price set forth in the notice. Grantor's notice of exercise shall include Grantor's calculation of the amount of the purchase price to be paid to Grantee and a closing date for Grantor's acquisition of the Project or interest, which closing date shall be not later than sixty (60) days after the date of Grantor's notice of exercise. In the event that Grantor delivers a notice of exercise of its right of first refusal, Grantee shall convey the Project to Grantor, free and clear of any and all monetary liens and encumbrances on the specified closing date.

(II) GRANTOR'S PURCHASE OPTION. At any time following a violation of Development Covenant D, Development Covenant E, or Development Covenant F set forth above, Grantor shall have an option to acquire the Project for the Depreciated Value Price (as defined below). Grantor may exercise

such option by delivering a written notice of exercise to Grantee, which notice shall set forth the purchase price to be paid and the closing date of the purchase, which shall be not later than sixty (60) days after the date of the notice. Upon receipt of such written notice, Grantee shall convey the Project to Grantor, free and clear of any and all monetary liens and encumbrances, in exchange for the Depreciated Value Price on the specified closing date. The "Depreciated Value Price" shall be calculated as the sum of (i) \$15,000 for the cost of the land; plus (ii) the total "hard" construction costs incurred by the Grantee prior to Completion of Construction for the physical components of the Project, such as roofing, mechanical, electrical, plumbing, paint, flooring and lighting (but specifically excluding soft costs and costs relating to inventory, architectural and engineering fees, third party inspections, information technology, operating supplies and equipment such as freezers and display shelves, signage, permits and fees, and other similar soft costs and any other costs not incurred for construction of the Project) (the "Depreciable Cost"), depreciated based on a 20-year straight line depreciation assuming the commencement of such depreciation as of the date of the issuance of the initial Certificate of Occupancy upon Completion of Construction. The Depreciable Cost shall be established within 120 days from the Completion of Construction by written agreement of Grantor and Grantee. In the event that Grantor and Grantee do not agree upon the amount of the Depreciable Cost, the Depreciable Cost (prior to considering the effect of any depreciation) shall be presumed to be \$310,000.

PERMANENT RESTRICTIONS

This conveyance is made subject to the following permanent restrictions which shall run with the land and shall be binding upon the Grantee and its successors and assigns:

The Grantee agrees, for itself and any successor in interest, not to discriminate on the basis of race, creed, color or national origin in the sale, lease or rental, or in the use of occupancy of the Property herein conveyed, or any part thereof, or of any improvements erected, or to be erected thereon, or any part thereof.

The Grantor or any party benefited by the foregoing Permanent Restriction shall be entitled to enforce the foregoing Permanent Restriction by an action for injunctive relief and in the event any such action is required to enforce the Permanent Restriction, the person bringing such enforcement action shall be entitled to recover the reasonable cost and expense of such action, including reasonable attorney fees.

The Grantor certifies that all conditions precedent to the valid execution and delivery of this Special Warranty Deed on its part have been complied with, and that all things necessary to constitute this Special Warranty Deed a valid, binding, and legal agreement on the terms and conditions and for the purposes set forth herein have been done and performed and have happened, and that the execution and delivery of this Special Warranty Deed on its part have been and are in all respects authorized in accordance with law.

TO HAVE AND TO HOLD said Property described in Exhibit A to the Grantee, its successors and assigns, in fee simple forever subject to all restrictions, easements and other applicable matters of record.

The Grantor will specially warrant and forever defend the right and title thereof in the Grantee against the claims of all persons claiming by, through or under Grantor, but not otherwise.

IN WITNESS WHEREOF, the Grantor has executed this instrument on the day and year first above written.

KNOXVILLE'S COMMUNITY

DEVELOPMENT CORPORATION

By: _____
Benjamin M. Bentley, Executive Director/CEO

STATE OF TENNESSEE)
)
COUNTY OF KNOX)

Before me, the undersigned authority, a notary public, of the state and county aforesaid, personally appeared Benjamin M. Bentley, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the Executive Director/CEO of KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION, the within named bargainor, a public corporation, and the he, as such Executive Director/CEO, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the public corporation by himself as Executive Director/CEO.

WITNESS my hand and seal, at office in Knoxville, Tennessee, this ____ day of _____, 2026.

Expiration of Commission

Notary Public

I, or we, hereby swear and affirm that the actual consideration of this transfer or value of the property transferred, whichever is greater, is FIFTEEN THOUSAND AND NO/100 DOLLARS (\$15,000.00), which amount is equal to or greater than the amount which the property transferred would command at a fair and voluntary sale.

Affiant

WITNESS my hand and seal, at office in Knoxville, Tennessee, this ____ day of _____, 2026.

Expiration of Commission

Notary Public

PROPERTY TAX PAYER:

PROPERTY OWNER:

**Exhibit A
to Special Warranty Deed**

KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

BOARD ACTION FORM - ITEM #8

| | |
|--|---|
| MEETING DATE | March 16, 2026 |
| AGENDA ITEM DESCRIPTION | Approval is requested to award a bid for exterior stair tower replacement at Valley Oaks to Baine & Company LLC. |
| SUBMITTED BY | Name, Title / Department: Sabrina Draplin, Chief Housing Officer, Housing |
| MEETING TYPE | <input checked="" type="checkbox"/> Regular <input type="checkbox"/> Special <input type="checkbox"/> Annual |
| CLASSIFICATION | <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Approval |
| BUDGET / FINANCIAL IMPACT | Budgeted: \$ _____ Expenditure: \$ 140,920.00 Source of Funds: Replacement Reserves |
| APPROVAL / REVIEWS | <input checked="" type="checkbox"/> Department Head /VP <input checked="" type="checkbox"/> Budget/Finance <input checked="" type="checkbox"/> Executive Director/CEO <input type="checkbox"/> Legal Counsel: _____ Other – Name/Title: Terry McKee/Procurement Director |
| <u>BACKGROUND</u> | |
| <p>1. What is the objective of this action? By approving the award of KCDC's solicitation for Exterior Stair Tower Replacement at Valley Oaks 0000000023 to Baine & Company LLC, the lowest priced bidder, KCDC can begin the process of replacing the unusable stairs.</p> | |
| <p>2. Why is the action needed now? One of the eight stairwells at our Valley Oaks Property has deteriorated and is now inaccessible to residents. This resulted in us relocating the six units nearest the affected stairwell. This repair is required for occupancy.</p> | |
| <p>3. Who are the parties involved and what are their roles (if appropriate)? The vendor will work with KCDC's Maintenance Director and site staff to provide these services.</p> | |
| <p>4. What are the long-term and short-term exposures? The short term exposure is getting the work done, paying the vendor and ensuring the stairwell is operational and functioning as intended. There are no longterm ongoing costs.</p> | |
| HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where) | KCDC proposes to engage the vendor to replace the stairwell at this property in order to make the whole property functional and ready to rent again. |
| ATTACHMENTS | Bid Tabulation Form |



Benjamin M. Bentley, Executive Director/CEO

901 N. Broadway • Knoxville, TN 37917
 865.403.1100 • Fax 865.403.1117
 800.848.0298 (Tennessee Relay Center)
 www.kcdc.org

TO: The KCDC Board

FROM: Benjamin M. Bentley, Secretary

DATE: March 16, 2026

SUBJECT: Approval of staff awarding the bid for exterior stair tower replacement at Valley Oaks 0000000023 to Baine & Company LLC.

KCDC's Procurement Policy requires written formal solicitations (publicly advertised and opened) for services that may exceed \$50,000. Staff requests Board approval of the following recommendation.

| | |
|---------------------------|--|
| Scope of Work | Replacement of the existing three-story exterior stair tower at KCDC's property Valley Oaks. |
| Funding Source | Replacement Reserves |
| Total Award Amount | \$140,920.00 |
| Review Committee | Tim Hatmaker, Maintenance Director Terry McKee, Procurement Director |
| Solicitation Type | Invitation for Bids |
| Vendor for Award | Baine & Company LLC |

| Company | Proposed Total Cost | Recommended for Approval |
|---|---------------------|--------------------------|
| Baine & Company LLC | \$140,920.00 | Yes |
| Buckeye Construction & Restoration, LTD | \$338,365.00 | No |
| First Place Finish, Inc. | \$182,910.00 | No |
| Hidden Ridge LLC | \$196,973.09 | No |



| |
|---|
| Notice of this solicitation was distributed through the following KCDC centric methods to achieve the widest possible dissemination of the opportunity: |
| Registered Vendors. Vendors who have registered on-line with KCDC and indicated an interest in providing these goods or services receive an automated email with a link to the solicitation document. |
| KCDC Webpage. The solicitation document and all related documents are posted to KCDC's Web Page for all interested parties to have access to whether they have ever registered with KCDC. |
| KCDC Bulletin Boards. KCDC property offices receive a copy of each solicitation to post on their bulletin boards for residents to consider should they own, work for or otherwise know of businesses that may be interested in the work. |

| |
|--|
| This solicitation was distributed through the following "distribution" groups for possible distribution to their members and/or contacts. This is part of our outreach to the widest possible marketplace as well as our outreach to small, minority, woman and veteran owned businesses: |
| Black Contractors Association+ |
| Centro Hispano de East Tennessee+ |
| Dodge Data & Analytics |
| Go-Bid (TN) |
| Knox County's Supplier Diversity Office*+ |
| Knoxville Area Urban League+ |
| Knoxville Chamber Partnership |
| Knoxville's DBAC Office*+ |
| Knoxville Equity Partners+ |
| SCORE |
| SERC |
| Small Business Administration |
| Tennessee Minority Supplier Development Council+ |
| Tennessee Small Business Development Center |
| Tennessee Valley Authority Diversity Outreach*+ |
| U.S. Department of Commerce Minority Business Development Agency+ |
| WJBE Radio+ |

* Denotes an organization promoting/assisting Woman Owned Businesses
+ Denotes an organization promoting/assisting Minority Owned Businesses

KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

BOARD ACTION FORM - ITEM #9

| | |
|---|--|
| MEETING DATE | March 16, 2026 |
| AGENDA ITEM DESCRIPTION | Approval is requested to award a bid for roofing services at North Ridge Crossing to Jeff Woods Construction LLC. |
| SUBMITTED BY | Name, Title / Department: Sabrina Draplin, Chief Housing Officer, Housing |
| MEETING TYPE | <input checked="" type="checkbox"/> Regular <input type="checkbox"/> Special <input type="checkbox"/> Annual |
| CLASSIFICATION | <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Approval |
| BUDGET / FINANCIAL IMPACT | Budgeted: \$ <u>\$115,398.54</u> Expenditure: \$ <u>115,398.54</u> Source of Funds: HUD Replacement Reserves |
| APPROVAL / REVIEWS | <input checked="" type="checkbox"/> Department Head /VP <input type="checkbox"/> Budget/Finance <input checked="" type="checkbox"/> Executive Director/CEO <input type="checkbox"/> Legal Counsel: _____ Other – Name/Title: Terry McKee/Procurement Director |
| <u>BACKGROUND</u> | |
| <p>1. What is the objective of this action? This action allows KCDC to continue the re-roofing of buildings, as replacement reserve funds allow, by approving the award of KCDC's solicitation for Roofing Services at North Ridge Crossing 0000000016 to Jeff Woods Construction LLC, the lowest compliant bidder. While other bids were received, they all failed to include bid bonds as required by state and federal regulations.</p> <p>2. Why is the action needed now? The roofs on these buildings (as well as all other remaining buildings at the property which have not been recently re-roofed) need replaced to prevent water penetration and structural damage.</p> <p>3. Who are the parties involved and what are their roles (if appropriate)? The vendor will work with KCDC's Maintenance Director and site staff to provide these services.</p> <p>4. What are the long-term and short-term exposures? The short term exposure is getting the work done, paying the vendor and ensuring roofing systems are operational and functioning as intended. There are no longterm ongoing costs.</p> | |
| HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where) | This is a routine roofing replacement project that is necessary as existing roofs have reached the end of their useful life. KCDC proposes to engage a vendor to install new roofs on seven buildings at this property. |
| ATTACHMENTS | Bid Tabulation Form |



Benjamin M. Bentley, Executive Director/CEO

901 N. Broadway • Knoxville, TN 37917
 865.403.1100 • Fax 865.403.1117
 800.848.0298 (Tennessee Relay Center)
 www.kcdc.org

TO: The KCDC Board

FROM: Benjamin M. Bentley, Secretary

DATE: March 16, 2026

SUBJECT: Approval of staff awarding the bid for Roofing Services at North Ridge Crossing 0000000016 to Jeff Woods Construction, LLC.

KCDC's Procurement Policy requires written formal solicitations (publicly advertised and opened) for services that may exceed \$50,000. Staff requests Board approval of the following recommendation.

| | |
|---------------------------|---|
| Scope of Work | Re-roofing of seven buildings at North Ridge Crossing |
| Funding Source | Replacement reserves |
| Total Award Amount | \$115,398.54 |
| Review Committee | Tim Hatmaker, Maintenance Director James Pruitt, Property Manager Terry McKee, Procurement Director |
| Solicitation Type | Invitation for Bids |
| Vendor for Award | Jeff Woods Construction, LLC |

| Company | Proposed Total Cost | Recommended for Approval |
|--------------------------------------|---------------------|--------------------------|
| Jeff Woods Construction LLC | \$115,398.54 | Yes |
| Baine & Company LLC | \$123,624.00 | No-bid bond not provided |
| Cagle Development, LLC | \$148,714.61 | No-bid bond not provided |
| Lafayette Construction & Development | \$115,140.00 | No-bid bond not provided |



Notice of this solicitation was distributed through the following KCDC centric methods to achieve the widest possible dissemination of the opportunity:

Registered Vendors. Vendors who have registered on-line with KCDC and indicated an interest in providing these goods or services receive an automated email with a link to the solicitation document.

KCDC Webpage. The solicitation document and all related documents are posted to KCDC's Web Page for all interested parties to have access to whether they have ever registered with KCDC.

KCDC Bulletin Boards. KCDC property offices receive a copy of each solicitation to post on their bulletin boards for residents to consider should they own, work for or otherwise know of businesses that may be interested in the work.

This solicitation was distributed through the following "distribution" groups for possible distribution to their members and/or contacts. This is part of our outreach to the widest possible marketplace as well as our outreach to small, minority, woman and veteran owned businesses:

Black Contractors Association+

Centro Hispano de East Tennessee+

Dodge Data & Analytics

Go-Bid (TN)

Knox County's Supplier Diversity Office*+

Knoxville Area Urban League+

Knoxville Chamber Partnership

Knoxville's DBAC Office*+

Knoxville Equity Partners+

SCORE

SERC

Small Business Administration

Tennessee Minority Supplier Development Council+

Tennessee Small Business Development Center

Tennessee Valley Authority Diversity Outreach*+

U.S. Department of Commerce Minority Business Development Agency+

WJBE Radio+

* Denotes an organization promoting/assisting Woman Owned Businesses

+ Denotes an organization promoting/assisting Minority Owned Businesses

KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

BOARD ACTION FORM - ITEM #10

| | |
|---|---|
| MEETING DATE | March 26, 2026 |
| AGENDA ITEM DESCRIPTION | Resolution approving submission of the 2026 Public Housing Agency Plan which includes the estimated 2026 Capital Fund Program Grants(s), Grievance Procedure, PBRA Lease and House Rules, PBRA VAWA Lease Addendum, PBRA Tenant Selection and Assignment Plan, Section 8 Administrative Plan, Section 8 Family Self-Sufficiency Action Plan, the Section 8 Homeownership Program, and The Moving to work Supplemental Plan. |
| SUBMITTED BY | Name, Title / Department: Sabrina Draplin, Chief Housing Officer, Housing |
| MEETING TYPE | <input checked="" type="checkbox"/> Regular <input type="checkbox"/> Special <input type="checkbox"/> Annual |
| CLASSIFICATION | <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Approval |
| BUDGET / FINANCIAL IMPACT | Budgeted: \$ _____ Expenditure: \$ _____ Source of Funds: |
| APPROVAL / REVIEWS | <input checked="" type="checkbox"/> Department Head /VP <input type="checkbox"/> Budget/Finance <input type="checkbox"/> Executive Director/CEO <input type="checkbox"/> Legal Counsel: _____ Other – Name/Title: |
| <u>BACKGROUND</u> | |
| <p>1. What is the objective of this action? Approval of 2026 Public Housing Agency Annual Plan, 2025 Actual Capital Fund Program, Grievance Procedure, PBRA Lease, VAWA Addendum, House Rules, Tenant Selection & Assignment Plan, Section 8 Administrative, FSS & Homeownership Policies.</p> | |
| <p>2. Why is the action needed now? The Agency Plan is a HUD required document that must be submitted each year at this time. We have completed all required forms and a Public Hearing was held on March 26, 2026.</p> | |
| <p>3. Who are the parties involved and what are their roles (if appropriate)? KCDC annually updates its Agency Plan and submits the Plan and required attachments to the US Department of Housing and Urban Development.</p> | |
| <p>4. What are the long-term and short-term exposures? If the plan is not submitted properly and on time, we could jeopardize access to Public Housing Capital Funds as well as the possibility of Audit related findings.</p> | |
| HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where) | KCDC historically presents the Annual Plan for approval in March of each year to meet the April submission due date. |
| ATTACHMENTS | Resolution and 2026 Public Housing Agency Annual Plan with required attachments |

RESOLUTION NO. 2026-___

**RESOLUTION OF THE BOARD OF COMMISSIONERS OF
KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION (KCDC)
APPROVING SUBMISSION OF KCDC'S 2026 PUBLIC HOUSING AGENCY PLAN (PHA) PLAN
WHICH INCLUDES THE ESTIMATED 2026 CAPITAL FUND PROGRAM GRANT(S),
GRIEVANCE PROCEDURE, PBRA LEASE AND HOUSE RULES, PBRA VAWA LEASE
ADDENDUM, PBRA TENANT SELECTION AND ASSIGNMENT PLAN, SECTION 8
ADMINISTRATIVE PLAN, SECTION 8 FAMILY SELF-SUFFICIENCY ACTION PLAN, THE
SECTION 8 HOMEOWNERSHIP PROGRAM, AND THE MOVING TO WORK SUPPLEMENTAL
PLAN.**

WHEREAS, Knoxville's Community Development Corporation (KCDC) has fulfilled all requirements set forth in 24 CFR Part 903 for developing the Public Housing Agency (PHA) Plan that includes supporting documents for KCDC's fiscal year beginning July 1, 2026, and estimated 2026 Capital Fund Program (CFP); and

WHEREAS, KCDC established a resident advisory board representative of residents assisted by KCDC and consulted with the resident advisory board in developing the Plan and considered recommendations of the resident advisory board; and

WHEREAS, KCDC presented the Plan with supporting documents, the estimated 2026 Capital Fund Program (CFP), for public inspection for at least 45 days prior to a public hearing, published a notice of the date, time, and location of the public hearing, and conducted the public hearing on March 26, 2026, to discuss the Plan, estimated 2026 Capital Fund Program (CFP) and invite public comment.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Knoxville's Community Development Corporation (KCDC) that, effective March 26, 2026, KCDC's 2026 Public Housing Agency Annual Plan, including the Grievance Procedure, HUD Project-Based Rental Assistance (PBRA) Lease, HUD VAWA Lease Addendum, PBRA Tenant Selection and Assignment Plan, Rental Assistance Demonstration (RAD) Community House Rules, revised Administrative Plan for the Section 8 Program, revised Administrative Plan for Section 8 Homeownership Program, and revised Family Self-Sufficiency Action Plan, and the estimated 2026 Capital Fund Program (CFP) grant, be adopted effective July 1, 2026.

**KNOXVILLE'S COMMUNITY
DEVELOPMENT CORPORATION**

By: _____

Secretary

Civil Rights Certification
(Qualified PHAs)

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB Approval No. 2577-0226
Expires: 09/30/2027

Civil Rights Certification

Annual Certification and Board Resolution

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairperson or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the 5-Year PHA Plan, hereinafter referred to as "the Plan," of which this document is a part, and make the following certification and agreements with the Department of Housing and Urban Development (HUD) for the fiscal year beginning _____, in which the PHA receives assistance under 42 U.S.C. 1437f and/or 1437g in connection with the submission of the Plan and implementation thereof:

The PHA certifies that it will carry out the public housing program of the agency in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d—4), the Fair Housing Act (42 U.S.C. 3601-19), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), Title II of the Americans with Disabilities Act (42 U.S.C. 12101 *et seq.*), the Violence Against Women Act (34 U.S.C. § 12291 *et seq.*), and other applicable civil rights requirements, and that it will affirmatively further fair housing in the administration of all HUD programs. In addition, if it administers a Housing Choice Voucher Program, the PHA certifies that it will administer the program in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act, the Violence Against Women Act, and other applicable civil rights requirements, and that it will affirmatively further fair housing in the administration of all HUD programs. The PHA will affirmatively further fair housing in compliance with the Fair Housing Act, 24 CFR § 5.150 *et seq.*, 24 CFR § 903.7(o), and 24 CFR § 903.15, which means that it will take meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially or ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws (24 CFR § 5.151). Pursuant to 24 CFR § 903.15(c)(2), a PHA's policies are designed to reduce the concentration of tenants and other assisted persons by race, national origin, and disability. PHA policies include affirmative steps stated in 24 CFR § 903.15(c)(2)(i) and 24 CFR § 903.15(c)(2)(ii). Furthermore, under 24 CFR § 903.7(o), a PHA must submit a civil rights certification with its Annual and 5-year PHA Plans, except for qualified PHAs who submit the Form HUD-50077-CR as a standalone document. The PHA certifies that it will take no action that is materially inconsistent with its obligation to affirmatively further fair housing.

PHA Name

PHA Number/HA Code

I/We, the undersigned, certify under penalty of perjury that the information provided above is true and correct. WARNING: Anyone who knowingly submits a false claim or makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines, and civil and administrative penalties. (18 U.S.C. §§ 287, 1001, 1010, 1012, 1014; 31 U.S.C. §3729, 3802)

| | | | |
|-----------------------------|-------|----------------------------|-------|
| Name of Executive Director: | | Name of Board Chairperson: | |
| <input type="text"/> | | <input type="text"/> | |
| Signature: | Date: | Signature: | Date: |

The information is collected to ensure that PHAs carry out applicable civil rights requirements.

Public reporting burden for this information collection is estimated to average 0.16 hours per response, including the time for reviewing instructions, searching existing data sources, gathering, and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions to reduce this burden, to the Reports Management Officer, REE, Department of Housing and Urban Development, 451 7th Street, SW, Room 4176, Washington, DC 20410-5000. When providing comments, please refer to OMB Approval No. 2577-0226. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Notice. The United States Department of Housing and Urban Development is authorized to collect the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 *et seq.*, and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality.

**Certifications of Compliance with
PHA Plan and Related Regulations
(Standard, Troubled, HCV-Only, and
High Performer PHAs)**

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires: 09/30/2027

**PHA Certifications of Compliance with PHA Plan, Civil Rights, and Related Laws and Regulations
including PHA Plan Elements that Have Changed**

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below as its Chairperson or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the 5-Year and/or Annual PHA Plan, hereinafter referred to as "the Plan," of which this document is a part, and make the following certification and agreements with the Department of Housing and Urban Development (HUD) for the PHA fiscal year beginning ^{07/01/2026}, in which the PHA receives assistance under 42 U.S.C. 1437f and/or 1437g in connection with the submission of the Plan and implementation thereof:

1. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located (24 CFR § 91.2).
2. The Plan contains a signed certification by the appropriate State or local official (form HUD-50077-SL) that the Plan is consistent with the applicable Consolidated Plan, which includes any applicable fair housing goals or strategies, for the PHA's jurisdiction and a description of the way the PHA Plan is consistent with the applicable Consolidated Plan (24 CFR §§ 91.2, 91.225, 91.325, and 91.425).
3. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, consulted with this Resident Advisory Board or Boards in developing the Plan, including any changes or revisions to the policies and programs identified in the Plan before they were implemented, and considered the recommendations of the Resident Advisory Board (24 CFR 903.13). The PHA has included in the Plan submission a copy of the recommendations made by the Resident Advisory Board or Boards and a description of the way the Plan addresses these recommendations.
4. The PHA provides assurance as part of this certification that:
 - i. The Resident Advisory Board had an opportunity to review and comment on the changes to the policies and programs before implementation by the PHA;
 - ii. The changes were duly approved by the PHA Board of Directors (or similar governing body); and
 - iii. The revised policies and programs are available for review and inspection, at the principal office of the PHA during normal business hours. Where possible, PHAs should make documents available electronically, for public inspection upon request.
5. The PHA made the proposed Plan and all information relevant to the public hearing available for public inspection at least 45 days before the hearing, published a notice that a hearing would be held and conducted a hearing to discuss the Plan and invited public comment. The PHA ensured all notices and meetings provided effective communication with persons with disabilities and further provided meaningful language access for persons with Limited English Proficiency (LEP).
6. The PHA certifies that it will carry out the public housing program of the agency in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d—4), the Fair Housing Act (42 U.S.C. 3601-19), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), Title II of the Americans with Disabilities Act (42 U.S.C. 12101 et seq.), the Violence Against Women Act (34 U.S.C. § 12291 et seq.), and other applicable civil rights requirements, and that it will affirmatively further fair housing in the administration of all HUD programs. In addition, if it administers a Housing Choice Voucher Program, the PHA certifies that it will administer the program in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act, the Violence Against Women Act, and other applicable civil rights requirements, and that it will affirmatively further fair housing in the administration of all HUD programs.
7. The PHA will affirmatively further fair housing, in compliance with the Fair Housing Act, 24 CFR § 5.150 et seq., 24 CFR § 903.7(o), and 24 CFR § 903.15, which means that it will take meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering

fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially or ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws (24 CFR § 5.151). Pursuant to 24 CFR § 903.15(c)(2), a PHA's policies should be designed to reduce the concentration of tenants and other assisted persons by race, national origin, and disability. PHA policies should include affirmative steps stated in 24 CFR § 903.15(c)(2)(i) and 24 CFR § 903.15(c)(2)(ii). Furthermore, under 24 CFR § 903.7(o), a PHA must submit a civil rights certification with its Annual and 5-year PHA Plans, except for qualified PHAs who submit the Form HUD-50077-CR as a standalone document. The PHA certifies that it will take no action that is materially inconsistent with its obligation to affirmatively further fair housing.

8. For PHA Plans that include a policy for site-based waiting lists:
 - The PHA regularly submits required data to HUD's 50058 PIC/IMS Module and/or its successor system: the Housing Information Portal (HIP) in an accurate, complete and timely manner (as specified in PIH Notice 2011-65);
 - The system of site-based waiting lists provides for full disclosure to each applicant in the selection of the development in which to reside, including basic information about available sites; and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types at each site;
 - Adoption of a site-based waiting list would not violate any court order or settlement agreement or be inconsistent with a pending complaint brought by HUD;
 - The PHA shall take reasonable measures to assure that such a waiting list is consistent with affirmatively furthering fair housing; and
 - The PHA provides for review of its site-based waiting list policy to determine if it is consistent with civil rights laws and certifications, as specified in 24 CFR 903.7(o)(1).
9. The PHA will comply with the prohibitions against discrimination based on age pursuant to the Age Discrimination Act of 1975.
10. In accordance with the Fair Housing Act, the PHA will not base a determination of eligibility for housing on actual or perceived sexual orientation, or marital status and will not otherwise discriminate because of sex (including sexual orientation).
11. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, 'Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped' for people with physical disabilities.
12. The PHA will comply with the requirements of Section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
13. The PHA will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implement the regulations at 49 CFR Part 24 as applicable.
14. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
15. The PHA will provide the responsible entity or HUD any documentation that the responsible entity or HUD needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58 or Part 50, respectively.
16. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under Section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
17. The PHA will keep records in accordance with 2 CFR 200.302 and facilitate an effective audit to determine compliance with program requirements.
18. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act, the Residential Lead-Based Paint Hazard Reduction Act of 1992, and 24 CFR Part 35.
19. The PHA will comply with the policies, guidelines, and requirements of 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Financial Assistance, including but not limited to submitting the assurances required under 24 CFR §§ 1.5, 3.115, 8.50, and 107.25 by submitting an SF-424, including the required assurances in SF-424B or D, as applicable.

20. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the regulations and included in its Plan.
21. All attachments to the Plan have been and will continue to always be available at all locations that the PHA Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its PHA Plan and will continue to be made available at least at the primary business office of the PHA and, where possible, should be made available for public inspection in an electronic format.
22. The PHA certifies that it is following all applicable Federal statutory and regulatory requirements, including the Declaration of Trust(s).

Knoxville's Community Development Corporation

TN003

PHA Name

PHA Number/HA Code



Annual PHA Plan for Fiscal Year 2026



5-Year PHA Plan for Fiscal Years 20____ - 20____

I/We, the undersigned, certify under penalty of perjury that the information provided above is true and correct. WARNING: Anyone who knowingly submits a false claim or makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines, and civil and administrative penalties. (18 U.S.C. §§ 287, 1001, 1010, 1012, 1014; 31 U.S.C. §3729, 3802)

| | |
|--|------------------------------|
| Name of Executive Director: Benjamin M. Bentley | Name Board Chairman: |
| Signature: _____ Date: _____ | Signature: _____ Date: _____ |

This information is collected to ensure compliance with PHA Plan, Civil Rights, and related laws and regulations including PHA plan elements that have changed.

Public reporting burden for this information collection is estimated to average 0.16 hours per year per response, including the time for reviewing instructions, searching existing data sources, gathering, and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions to reduce this burden, to the Reports Management Officer, REE, Department of Housing and Urban Development, 451 7th Street, SW, Room 4176, Washington, DC 20410-5000. When providing comments, please refer to OMB Approval No. 2577-0226. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Notice. The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality.

Knoxville's Community Development Corporation Certification of Public Hearing

KCDC posted the Public Hearing notice on Monday, February 9, 2026, advising the 2026 Public Housing Agency Annual Plan was available for review at the KCDC Main Office (located at 901 N. Broadway, Knoxville, TN 37917), all KCDC property offices, KCDC's Rental Assistance Office (located at 400 Harriet Tubman Street, Knoxville, TN 37915) and on KCDC's website at www.kcdc.org, until Wednesday, March 25, 2026, for the required 45-day review and comment period.

KCDC held a public hearing on Thursday, March 26, 2025, at 4:30 pm regarding the proposed Annual PHA Plan where public had an opportunity to comment. No outside attendees were present for the Public Hearing.

KCDC has not received any written comments from the public related to the proposed Annual Plan or Five-Year Plan.

24 CFR Part 905

(3) Conduct of public hearing and Resident Advisory Board Consultation. A PHA must annually conduct a public hearing and consult with the Resident Advisory Board (RAB) of the PHA to discuss the Capital Fund submission. The PHA may elect to conduct a separate annual public hearing in order to solicit public comments or to hold the annual public hearing at the same time as the hearing for the Annual PHA Plan, the 5-Year Plan, or the required annual hearing for qualified public housing authorities. The hearing must be conducted at a location that is convenient to the residents served by the PHA.

- (i) Not later than 45 days before the public hearing is to take place, the PHA must:
 - A. Make the Capital Fund submission along with the material required under this paragraph (b) available to the residents and the RAB; and
 - B. Publish a notice informing the public that the information is available for review and inspection; that a public hearing will take place on the plan; and of the date, time, and location of the hearing.
 - C. PHAs shall conduct reasonable outreach activities to encourage broad public participation in the review of the Capital Fund submission.

(4) Public and RAB comments. The PHA must consider the comments from the residents, the public, and the RAB on the Capital Fund submission, or any significant modification thereto. In submitting the final CFP 5-Year Action Plan to HUD for approval, or any significant amendment or modification to the 5-Year Action Plan to HUD for approval, the PHA must include a copy of the recommendations made by the RAB(s) and a description of the manner in which the PHA addressed these recommendations.

Benjamin M. Bentley, CEO/Executive Director

Date