

KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

AGENDA

Board Meeting of the Board of Commissioners

Thursday, August 27, 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 June 25, 2026 (no July meeting held). [\(Item 4 Attachment\)](#)

NEW BUSINESS

DEVELOPMENT (Ben Bentley)

5. Resolution approving the North Waterfront Redevelopment Plan. [\(Item 5 Attachment\)](#)

Unfinished Business

Public Forum

Adjournment

Next month's agenda review meeting will be held

Thursday, September 17, 2026 @ 5 p.m.

Next month's board meeting will be held

Thursday, September 24, 2026 @ 5 p.m.

KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

BOARD MEETING MINUTES

The Board of Commissioners of Knoxville's Community Development Corporation met on **June 25, 2026** at 901 N. Broadway, Knoxville, Tennessee.

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

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 *annual* meeting held on May 28, 2026. Commissioner Henry moved to approve. Commissioner Harris seconded the motion. All other Commissioners present voted "Aye."

Approval to execute the minutes for the *regular* meeting held on May 28, 2026. Commissioner Whetsel moved to approve. Commissioner Harris seconded the motion. All other Commissioners present voted "Aye."

DEVELOPMENT (Ben Bentley)

Resolution authorizing the execution of documents required to effectuate the closing of the Western Heights Neighborhood Projects, including the execution of all loan and tax credit documents, leases, and related third party contracts. Commissioner Whetsel moved to approve. Commissioner Harris seconded the motion. All other Commissioners present voted "Aye." Resolution 2026-15 is attached.

Resolution authorizing the execution of a development agreement with Matco Affordable Housing, LLC with respect to the development of a project on Nora Road and authorizing the formation of Nora Road Affordable Housing GP Corporation and Nora Road Affordable Housing LP. Commissioner Harris moved to approve. Commissioner Henry seconded the motion. All other Commissioners present voted "Aye." Resolution 2026-16 is attached.

PUBLIC FORUM

None

UNFINISHED BUSINESS

None

ADJOURNMENT

With no further business to come before the Board, the meeting adjourned by consent at 5:20 p.m.

Becky Wade, Chair

Approved:

ATTEST:

Benjamin M. Bentley, Secretary

Approved:

DRAFT

KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

BOARD ACTION FORM

MEETING DATE	August 27, 2026
AGENDA ITEM DESCRIPTION	Resolution approving the North Waterfront Redevelopment Plan.
SUBMITTED BY	Name, Title / Department: Ben Bentley, Chief Executive Officer
MEETING TYPE	☒ Regular ☐ Special ☐ Annual
CLASSIFICATION	☒ Resolution ☐ Approval
BUDGET / FINANCIAL IMPACT	Budgeted: \$ <u>n/a</u> Expenditure: \$ <u>n/a</u> Source of Funds:
APPROVAL / REVIEWS	☐ Department Head /VP ☐ Budget/Finance ☒ Executive Director/CEO ☒ Legal Counsel: BBS Other – Name/Title:
<u>BACKGROUND</u>	
1. What is the objective of this action? This action seeks the board's approval of a new redevelopment plan that will cover the area particularly described in the North Waterfront Redevelopment Plan along Neyland Drive, extending to the intersection of Neyland Drive with Kingston Pike and extending along the river to the Henley Street Bridge overpass and also encompassing the area bordering Second Creek between Neyland Drive and Cumberland Avenue to include the Maplehurst area. The Plan is intended to guide redevelopment efforts within the area in a manner that is consistent with the City's long term planning goals and UT's 2023 Master Plan. 2. Why is the action needed now? Two public hearings for the plan were held on July 29th and August 7th. The plan went before City Council on August 18th and will go before County Commission on August 31st. 3. Who are the parties involved and what are their roles (if appropriate)? KCDC, as the redevelopment authority and manager of the redevelopment plan. 4. What are the long-term and short-term exposures? n/a	
HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where)	On July 7th, Knoxville City Council authorized KCDC to prepare a plan. KCDC held public hearings on the plan on July 29th and August 7th KCDC's offices.
ATTACHMENTS	Resolution and Redevelopment Plan

RESOLUTION NO. 2026-_____

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF
KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION
APPROVING THE NORTH WATERFRONT REDEVELOPMENT PLAN**

WHEREAS, Knoxville's Community Development Corporation ("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 facilitate the redevelopment of property located along Neyland Drive, extending to the intersection of Neyland Drive with Kingston Pike and extending along the river to the Henley Street Bridge overpass, and encompassing the area bordering Second Creek between Neyland Drive and Cumberland Avenue, including the Maplehurst area, KCDC's staff has prepared the North Waterfront Redevelopment Plan (the "Plan"), the form of which is attached hereto as Exhibit A hereto; and

WHEREAS, KCDC conducted public hearings on July 29, 2026 and August 7, 2026, as required by Section 13-20-205 of the Tennessee Code Annotated, as amended, and considered any comments received at such public hearing in connection with presenting the proposed Plan; and

WHEREAS, the form of the Plan has been presented to the Board of Commissioners of KCDC (the "Board") for consideration.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Knoxville's Community Development Corporation that the Board hereby approves the North Waterfront Redevelopment Plan in substantially the form attached hereto as Exhibit A.

Approved this 27th day of August, 2026.

**KNOXVILLE'S COMMUNITY
DEVELOPMENT CORPORATION**

By: _____
Secretary

EXHIBIT A

NORTH WATERFRONT REDEVELOPMENT PLAN

INTRODUCTION

The Tennessee riverfront area along Neyland Drive from its intersection with Kingston Pike to the Henley Street Bridge and adjacent areas represents a unique and transformative opportunity for redevelopment within the City of Knoxville (the “City”). Despite this area’s prominent location, much of the area is currently utilized as surface parking and transportation infrastructure or is underutilized land that is activated primarily during major athletic and special events. These conditions limit the area’s ability to contribute to the City’s economic vitality. The redevelopment of this corridor will require significant infrastructure investment throughout the area. Infrastructure improvements in this area will improve the physical connections between the University of Tennessee (“UT” or the “University”), the City’s riverfront, World’s Fair Park, and downtown Knoxville, while setting the stage for collaboration between UT and the private sector.

Recognizing the significant potential benefits to the City, Knox County (the “County”) and the region from the redevelopment of this area, the City Council of the City has requested Knoxville’s Community Development Corporation (“KCDC”), as the redevelopment authority of the City, to prepare this Redevelopment Plan (this “Plan”) pursuant to Tennessee Code Annotated §13-20-203(b) and other applicable laws. The purpose of this Plan is to establish a framework for the coordinated redevelopment of the Redevelopment Area (as defined below) into a mixed-use innovation district that supports economic development, enhances public infrastructure and connectivity, improves public access to the riverfront, and promotes the efficient use of land.

The Redevelopment Area covered by this Plan (the “Redevelopment Area” or “Area”) generally includes the land along Neyland Drive, extending to the intersection of Neyland Drive with Kingston Pike and extending along the river to the Henley Street Bridge overpass and also encompassing the area bordering Second Creek between Neyland Drive and Cumberland Avenue to include the Maplehurst area.

AREA HISTORY AND CONTEXT

The lands adjacent to Neyland Drive and the Tennessee River have historically functioned as a transition zone between the University of Tennessee campus and the industrial sites that once lined the riverfront. Over time, this Area has evolved into a predominantly institutional landscape, shaped largely by university-related uses including athletic facilities, parking areas, utility services and support infrastructure. Because of the nature of use of the University’s athletic facilities, including Neyland Stadium and Food City Center at Thompson-Boling Arena, the surrounding land uses have developed in a manner that prioritizes event-based activity over continuous, mixed-use development. As a result, large portions of the Redevelopment Area remain inactive outside of major events. Also, the riverfront portion of the Redevelopment Area has not been fully activated. In the 1990s, public improvements, including greenways, were made to the riverfront area and adjacent areas, and while these improvements were a significant step forward in opening the riverfront for public use, much of the riverfront area could benefit from further improvement.

Three significant developments make the need to undertake the redevelopment of the Redevelopment Area particularly timely. First as part of UT's Master Plan, UT has indicated its desire for a portion of the Redevelopment Area bordering Second Creek between the riverfront and Cumberland Avenue to be redeveloped as an innovation district. This district, which would be known as Maplehurst Innovation District, introduces a new opportunity to diversify land uses within the Redevelopment Area by incorporating research, technology, and entrepreneurial activity. This District would also substantially improve connectivity between downtown Knoxville, World's Fair Park, and UT.

Second, the University has also approved the development of an entertainment district adjacent to Neyland Stadium that would primarily be located in the Redevelopment Area. The entertainment, hospitality, and residential uses resulting from this development would create a vibrant, year-round destination that complements both the University and downtown Knoxville. This UT led project presents a rare opportunity to reinvest in pedestrian and bicycle infrastructure along Neyland Drive, furthering public safety and access to the North Waterfront.

Finally, another significant component influencing the future of the Redevelopment Area is the planned Knoxville South Waterfront Bicycle and Pedestrian Bridge. In 2025, this project was awarded approximately \$24.7 million in federal grant funding and, as of the date of adoption of this Plan, remains in the design phase. The proposed bridge will establish a direct connection between the University's campus and the City's South Waterfront. More specifically, the northern terminus of the bridge is anticipated to be located directly adjacent to the Food City Center at Thompson-Boling Arena. The implementation of this project is expected to have a transformative impact on the Redevelopment Area by significantly enhancing multimodal connectivity, improving access to the Tennessee River, and strengthening linkages between key destinations on both sides of the river. In doing so, the bridge will serve as a critical piece of infrastructure that supports increased redevelopment potential within the Redevelopment Area as well as along the South Waterfront, further advancing the City's long-term vision for a connected and activated riverfront corridor.

PLAN OBJECTIVES

This Plan is intended to guide redevelopment efforts within the Area in a manner that is consistent with the City's long-term planning goals and the UT's 2023 Master Plan. This Redevelopment Plan establishes a cohesive framework for redevelopment that allows for the coordinated planning and implementation of multiple, interrelated projects within the Redevelopment Area. By addressing the Area as a unified district rather than a series of isolated projects, the Plan is designed to ensure that public and private investments are aligned, mutually supportive, and implemented in a manner that maximizes long-term economic and community benefit. Proactive and coordinated infrastructure planning will make growth in the area more manageable.

The primary objectives of the Plan include facilitating the redevelopment of underutilized land into a cohesive, mixed-use district, promoting economic development through the creation of a premier entertainment district, and supporting the establishment of the Maplehurst Innovation District as a center for research, technology, and entrepreneurship. In addition, the Plan provides a structure through which these major catalytic projects along

with the Knoxville South Waterfront Bicycle and Pedestrian Bridge, can be planned and advanced concurrently. This coordinated approach is intended to ensure that infrastructure improvements, land use decisions, and development timing are integrated in a manner that enhances the overall functionality and identity of the Area.

Additional objectives include improving connectivity between the UT campus, downtown Knoxville, and the Tennessee River through a comprehensive network of pedestrian, bicycle, and vehicular infrastructure; enhancing the public enjoyment of the Area through the creation of additional open spaces, riverfront amenities, and pedestrian-oriented design; prioritizing the preservation and adaptive reuse of unique historic structures where feasible; and supporting strategic public investment in infrastructure necessary to accommodate future growth. This Plan further seeks to provide the flexibility necessary to phase development over time while maintaining a consistent vision for the Redevelopment Area, thereby allowing multiple projects to proceed simultaneously or in sequence without compromising the overall cohesiveness of the district.

PROJECT AREA BOUNDARY AND EXISTING CONDITIONS

The Redevelopment Area is depicted on the map attached hereto as Exhibit A. A list of parcels included within the Redevelopment Area is attached as Exhibit B. The Redevelopment Area is hereby declared to be subject to this Plan.

The Redevelopment Area currently consists of a mix of institutional uses, surface parking, transportation and utility infrastructure, and limited open space. Much of the land is underutilized and lacks the intensity and diversity of uses necessary to support a vibrant urban environment.

Pursuant to applicable State law, particularly Tenn. Code Ann. § 13-20-202 and § 13-20-203, KCDC is authorized to undertake redevelopment projects and to establish a redevelopment area in which such projects are to be located. Under these statutes, redevelopment projects include installation and construction of public infrastructure necessary to redevelop the Area.

The underutilization of land in the Redevelopment Area and the prospect of high-level economic development make the Redevelopment Area appropriate for redevelopment under Tennessee law.

RELATIONSHIP TO LOCAL OBJECTIVES

Appropriate Land Uses

The Redevelopment Area is currently characterized by a range of zoning designations that reflect its historic and existing uses. Due to the significant presence of the University of Tennessee, much of the Redevelopment Area is zoned for institutional uses or is otherwise utilized in a manner consistent with UT operations. In addition, portions of the Redevelopment Area are zoned industrial, while other areas are designated as right-of-way or open space. The area identified for the proposed Maplehurst Innovation District includes parcels currently zoned RN-5 (General Residential Neighborhood) and DK-B (Downtown

Knoxville – Boulevard District), each of which permits varying intensities of residential and mixed-use development.

The diversity of existing zoning classifications within the Redevelopment Area reflects the incremental and function-specific development patterns that have occurred over time. However, these classifications do not fully contemplate the type of integrated, mixed-use environment envisioned under this Plan. Consistent with the City's broader planning objectives and prior redevelopment efforts, this Plan encourages the evolution of land uses toward a more cohesive, mixed-use district that supports entertainment, hospitality, residential, office, research, and recreational uses in a complementary and interconnected manner.

Widespread or wholesale rezoning of the Redevelopment Area is not contemplated. The existing zoning framework, in combination with the University's institutional presence, provides a degree of flexibility that can accommodate many of the uses envisioned by this Plan. However, targeted rezonings or the application of special zoning districts or overlays may be necessary to facilitate specific redevelopment projects, particularly those involving higher-density mixed-use development, structured parking, or the integration of public and private uses within a single development.

The City and the University are expected to coordinate closely with respect to land use and development within the Redevelopment Area, including consideration of the zoning flexibility afforded to UT under applicable state law. This coordination will be critical to ensuring that development within the Area is both consistent with the objectives of this Plan and responsive to the operational needs of the University.

Ultimately, the land use framework established by this Plan is intended to provide sufficient flexibility to accommodate a range of development opportunities while promoting a unified and intentional pattern of growth. Through this approach, the Redevelopment Area can transition from its current condition into a vibrant, mixed-use district that supports both institutional and private development and contributes to the long-term vitality of the City and the Tennessee Riverfront.

Improved Traffic and Public Transportation

The Redevelopment Area is served by a primary transportation corridor, Neyland Drive, as well as other thoroughfares that provide connectivity throughout the UT campus. The Plan supports improvements to traffic circulation, pedestrian infrastructure, and multimodal transportation options to enhance accessibility and safety. This Plan will prioritize investments that build on and improve the City's existing connectivity network.

Public Utilities

The Redevelopment Area is currently served by public utilities; however, improvements and capacity upgrades may be necessary to support future development. These improvements may include enhancements to water, sewer, stormwater, fiber, and electrical systems as well as the potential relocation of existing utility facilities to enhance the land-use potential within the Area. Furthermore, the Area also includes several critical utility infrastructure facilities owned and operated by the Knoxville Utilities Board ("KUB"). Continued close

collaboration with KUB will be important during the implementation of this plan to ensure the objectives of this Plan are being met while also allowing KUB to continue to operate and provide the ongoing utility services to the Area and surrounding neighborhoods.

Historic Preservation and Adaptive Reuse

The Redevelopment Area includes a small number of historic structures, most of which are located within the footprint of the future Maplehurst Innovation District. This Redevelopment Plan prioritizes adaptive reuse of historic structures. A future master planning process for the Maplehurst area will create an inventory of historic structures, prioritizing their preservation and adaptive reuse based on a number of factors including history of the structure, architectural significance, structural integrity, and financial feasibility.

Recreation and Community Facilities

The proximity of the Redevelopment Area to the Tennessee River provides opportunities for the development of additional recreational amenities, including parks, greenways, and public gathering spaces. These improvements are intended to enhance quality of life and support the overall redevelopment of the Area.

LAND USE PLAN

As articulated in the previous section, the land use plan for the Redevelopment Area envisions a mixed-use district comprising entertainment, hospitality, residential, office, research, and recreational uses. Development within the Area may include structured parking, ground-floor retail, upper-story residential and office uses, and public open spaces.

The area near Neyland Stadium is anticipated to develop as an entertainment district, while the Maplehurst area is expected to support innovation-oriented uses along with mixed use residential. The riverfront is intended to serve as a focal point for public space and recreational activity. This Plan encourages coordinated infrastructure investments that extend beyond any single project, taking a district-wide approach to planning and development of public infrastructure.

RELOCATION OF RESIDENCES AND BUSINESSES

It is not anticipated that any residences or businesses will be required to relocate as a result of this Plan. However, if relocation becomes necessary, KCDC will provide assistance in accordance with applicable policies and regulations and will make reasonable efforts to minimize disruption.

LAND ACQUISITION AND DISPOSITION PLAN

KCDC may acquire property within the Redevelopment Area as necessary to facilitate redevelopment, and any acquisition would occur only upon compliance with applicable law. In no event will KCDC use eminent domain to acquire any property that is not blighted

property or that is used for owner-occupied residential purposes, including residential condominium developments like the property located at 1004 Game Day Way.

Properties acquired by KCDC will be disposed of in accordance with Tennessee Code Annotated § 13-20-204. Disposition may include the transfer of property to private developers subject to redevelopment agreements that ensure the completion of projects and the maintenance of quality standards.

To facilitate and support public and private redevelopment projects within the Area requiring investment in public infrastructure, the City is hereby authorized by this Plan to transfer City-owned property or City rights-of-way to KCDC within the Redevelopment Area. The terms and conditions of each property transfer to KCDC shall be determined by the City's Director of Engineering on a case-by-case basis.

PROPERTY MANAGEMENT

In accordance with the relocation and acquisition policies set forth in this Plan, it is anticipated that certain properties may be under management by KCDC or its assigns at various times in the Redevelopment Area. The primary objectives of the property management activity will be to minimize the length of occupancy of property after acquisition and to relocate occupants as quickly and efficiently as possible into appropriate accommodations in accordance with the resident and business relocation provisions of this Plan. KCDC will attempt to stage acquisition, relocation and demolition activities in a manner determined most beneficial to the redevelopment project and as needed in accordance with redevelopment schedules. It is expected that only such maintenance as may be required for the health and safety of persons lawfully remaining in occupancy of any property will be undertaken.

AUTHORITY TO IMPLEMENT PLAN

Tenn. Code Ann. § 13-20-202(a)(4)(G) authorizes KCDC to take all necessary actions designed to further the goals and local objectives articulated in this Redevelopment Plan. Pursuant to this authority, and without limiting any other actions that KCDC may undertake pursuant to such authority, KCDC is authorized to assist the City, the University and other parties undertaking projects within the Redevelopment Area as KCDC deems appropriate, including providing consulting and development services such as serving a project manager or owner's representative in connection with any such project.

TAX INCREMENT FINANCING

KCDC and the City anticipate using tax increment financing to support the development of public improvements and other redevelopment projects within the Redevelopment Area and to encourage projects that will redevelop vacant or underutilized parcels, preserve historic structures or otherwise meet the City's redevelopment goals and priorities in the Redevelopment Area. Therefore, this Plan contains the following provisions to permit the use of tax increment financing in the Redevelopment Area. To the extent tax increment financing assists a particular private project, both property owners and developers of such projects within the Redevelopment Area will be expected to demonstrate the financial ability to

undertake and complete any private redevelopment project. Public assistance through tax increment financing for private redevelopment projects will only be provided based on consistency with the Redevelopment Plan, resource availability, and the extent to which the assistance will stimulate private redevelopment. No private party shall have a vested right to receive any public assistance through tax increment financing.

After the date this Redevelopment Plan is approved by the City and the County and subject to the limitations herein, property taxes levied upon real property located in the Redevelopment Area shall be divided and allocated in accordance with applicable laws as set forth in this section.

1) Distribution of Taxes. In accordance with and subject to Tenn. Code Ann. § 13-20-205 and Tenn. Code Ann. § 9-23-101 et seq. (collectively, the "Tax Increment Act"), real property taxes (but not including personal property taxes, which shall not be subject to allocation to KCDC) imposed on real property located within the Redevelopment Area shall be allocated and distributed as provided in this subsection. The property taxes assessed by the City and the County on each tax parcel of real property within the Redevelopment Area will be divided and distributed as follows (subject to the commencement of allocation as to each parcel as permitted below):

- a. The portion of the real property taxes, if any, that were payable with respect to each tax parcel for the year prior to the date of approval of this Redevelopment Plan (the "Base Tax Amount") shall be allocated to and, as collected, paid to the City and the County as all other taxes levied by the jurisdictions on all other properties; provided, however, that in any year in which the taxes on the property within the applicable portion of the Redevelopment Area are less than the Base Tax Amount, there shall be allocated and paid to the City and the County only the taxes actually imposed. The Base Tax Amounts for each tax parcel within the Redevelopment Area are shown on Exhibit B attached hereto.
- b. The portion of real property taxes payable with respect to each tax parcel that constitutes Dedicated Taxes (as defined below) and is not included in the Base Tax Amount shall be retained by the City and the County. "Dedicated Taxes" are defined in Tenn. Code Ann. § 9-23-102 of the Tax Increment Act, as "that portion of property taxes, if any, designated by a taxing agency to pay debt service on the taxing agency's debt." "Taxing agency" is defined in the Tax Increment Act as "any county, city, town, metropolitan government or other public entity that levies property taxes on property within a plan area and that has approved the plan," which would include both the City and the County. To the extent that the amount of Dedicated Taxes is not determined by resolution of the governing body of either the City or the County, the amount of Dedicated Taxes may be determined by a certificate of the chief financial officer of the City or County or in such reasonable manner as either the City or the County shall select.
- c. As to each parcel, and subject to any limitations in applicable law, the excess of real property taxes over the Base Tax Amount, less the Dedicated Taxes (such remainder being the "Tax Increment Revenues"), shall be, as collected,

paid into a separate fund or funds of KCDC, created to hold such payments, for the purpose of paying principal of and interest on bonds, loans or other indebtedness incurred or to be incurred by KCDC to finance or refinance, in whole or in part, one or more redevelopment projects contemplated by this Redevelopment Plan or as otherwise provided in applicable law or reserved for purposes permitted by applicable law, provided (i) a portion of the Tax Increment Revenues may be allocated for administrative purposes of KCDC, the City and the County as provided by applicable law and by the policies of the respective governmental entities, and (ii) Tax Increment Revenues beyond amounts necessary to pay debt service on tax increment financing, to fund reserves therefor or in anticipation of the issuance of tax increment financing or to pay administrative expenses shall revert to the City and County as provided by applicable law..

- 2) General Allocation Provisions. KCDC is authorized to make all calculations related to the allocation of Tax Increment Revenues on the basis of each parcel within the Redevelopment Area instead of on an aggregate basis. As permitted by the Tax Increment Act, KCDC is also authorized to separately group one (1) or more parcels within the Redevelopment Area for purposes of calculating and allocating the Tax Increment Revenues, and in such cases, the allocation of Tax Increment Revenues shall be calculated and made based upon each such parcel or group of parcels, and not the entire Redevelopment Area. KCDC shall give notice of any such grouping of parcels to the City and the County.

The allocations of Tax Increment Revenues are further subject to the retention or payment of any applicable administrative expenses and fees of KCDC, the City or the County that are permitted by applicable law or applicable policies. Pursuant to applicable law and this Redevelopment Plan, up to five percent (5%) of Tax Increment Revenues may be set aside for administrative purposes.

The Base Tax Amount will be separately established for each parcel, and KCDC will make calculations and allocations of Tax Increment Revenues for each parcel separately (or with respect to groups of parcels as provided above). The parcels within the Redevelopment Area may be subdivided after this Plan is approved, in which case such parcels, as subdivided, will be treated separately, and the Base Tax Amount with respect to each tax parcel that is subdivided shall be allocated to each subdivided parcel on a pro-rated basis using either the acreage of each subdivided parcel as a percentage of the total acreage of the original tax parcel or using the relative values of the subdivided parcels in such manner as KCDC may determine.

KCDC is also authorized to designate, by notice to the City and the County, that the allocation of Tax Increment Revenues for each parcel or group of parcels within the Redevelopment Area may begin in different years from the allocations of Tax Increment Revenues for other parcels or groups of parcels within the Redevelopment Area. This approach allows KCDC to match Tax Increment Revenues from the development of each of the parcels with the purposes for which such revenues will be applied as determined by KCDC.

Allocations of Tax Increment Revenues shall be made (i) as to revenues derived from non-delinquent taxes, within sixty (60) days of the date such taxes are due without penalty for each tax year and (ii) as to revenues derived from delinquent taxes, within sixty (60) days from when such taxes are collected by the City and the County.

- 3) **Tax Increment Debt Obligations.** In order to finance the costs of redevelopment projects in the Redevelopment Area, KCDC expects to use all or a portion of the Tax Increment Revenues that it will receive as a result of the adoption of this Plan (other than amounts to be paid to the City and/or the County as provided above or to pay administrative expenses or establish reserves) to pay debt service on debt obligations that may be incurred to finance such costs. These tax increment financings would be structured as follows:

- a. KCDC may borrow funds through the issuance and sale of notes, bonds or other obligations of KCDC in one or more emissions. KCDC shall pledge all or a portion of the Tax Increment Revenues allocated to KCDC pursuant to this Plan to the payment of such notes, bonds or other obligations, including, without limitation, principal and interest thereon. In no event will the obligations issued by KCDC be considered a debt or obligation of the County or the City in any manner whatsoever, and the source of the funds to satisfy KCDC's payment obligations thereunder shall be payable from the Tax Increment Revenues and such other payment sources, such as developer guaranties, that may be provided therefor.
- b. The proceeds of the notes, bonds or obligations shall be used to pay costs of redevelopment projects, costs of issuances relating to notes, bonds or obligations and capitalized interest on the notes, bonds or other obligations to the extent permitted by the Act.
- c. Any tax increment financing may be refinanced by KCDC at any time as permitted by the Act, and upon such refinancing, available Tax Increment Revenues shall be applied to the payment of such refinancing debt to the extent such Tax Increment Revenues were to be used to pay the debt that is being refinanced.

- 4) **Limitations on Allocations.**

- a. **Maximum Amount and Final Maturity.** The aggregate principal amount of notes, bonds and obligations issued by the KCDC as described in subsection (3) (the "Tax Increment Financing") above shall not in any event exceed \$80,000,000 (the "Maximum Amount"). The final maturity of any Tax Increment Financing shall be no later than thirty (30) years after the year in which the last allocation of Tax Increment Revenues as to the parcel(s) from which such Tax Increment Financing will be paid commences.
- b. **Maximum Time Period.** Taxes on the real property within the Redevelopment Area will be divided and distributed as provided in this Section of the Plan for a period, as to each parcel in the Redevelopment Area, not in excess of thirty (30) tax years as to any parcel, but, in any event, such allocations shall cease

when there are no outstanding or anticipated tax increment financings to be paid from the Tax Increment Revenues. KCDC may approve an allocation period that is less than thirty (30) years as to any parcel if KCDC determines that a shorter allocation period will provide sufficient incentive to promote the development of that parcel.

- 5) Additional Information Related to Tax Increment Financing. State law requires that certain additional information be set forth in a redevelopment plan with respect to any plan that includes tax increment financing provisions. In particular, this plan is required to include the estimated cost of the redevelopment project. "Redevelopment project" is defined in Tenn. Code Ann. § 13-20-202 to include many different types of improvements that can be undertaken in the area subject to this plan for redevelopment. Given the tremendous opportunities for redevelopment in this area, the estimated cost of the redevelopment project is in excess of \$250 million, which does not include the actual cost of the buildings that are expected to be developed in the Redevelopment Area. The sources of revenue to pay such costs will include equity from investors (as to private projects), loans, grants and, in certain cases, the proceeds of Tax Increment Financing. The estimated tax increment that will be applied to pay the principal of Tax Increment Financing for these purposes is the Maximum Amount of \$80,000,000 referenced above plus interest related thereto, which is estimated based upon current interest rates to be approximately \$75,000,000. The expected impact of the use of Tax Increment Financing in the Redevelopment Area will vary based upon the times that the various emissions of Tax Increment Financing are issued but, generally, such impact is expected not to exceed approximately \$3,000,000 per year with respect to either the City or the County, but this amount will vary based upon interest rates and other financial market conditions.

Notwithstanding anything to the contrary in this section, taxes levied by or for the benefit of the State of Tennessee, shall not be subject to allocation as provided in subsection (a), but shall be levied against such property and, when collected, paid to such taxing agency as taxes levied by such taxing agency on all other property are paid and collected.

PROCEDURE FOR PLAN AMENDMENTS AND TERMINATION

During implementation of this Plan, amendments may be warranted. Any amendments to this plan will only be adopted by City Council after a public hearing is conducted in the same manner as the hearing conducted prior to the adoption of this Plan and, where applicable, in compliance with the requirements of applicable law. Notice of any proposed amendments will be given to all property owners within the Redevelopment Area pursuant to the requirements of state law. If the County's approval of any amendment is required by state law, such approval will also be requested.

This Redevelopment Plan shall remain in effect until terminated by resolution of the City Council of the City. No such termination shall affect any tax increment indebtedness issued pursuant to this Plan, and the pledge of any tax increment revenues to secure tax increment indebtedness shall remain in full force and effect notwithstanding.

SEVERABILITY

The invalidation of any provision of this Redevelopment Plan by judgment of any court of competent jurisdiction shall not in any way affect the validity of any other provisions of this Plan, and the same shall remain in full force and effect.

TERMINATION OF ANY EXISTING PLANS

Upon approval of this Plan, this Plan shall supersede any existing redevelopment plans or urban renewal plans that cover all or a portion of the Redevelopment Area, provided, however, that any agreement entered into pursuant to any such existing plan shall remain in full force and effect until terminated pursuant to its terms.

EXHIBIT A – MAP OF REDEVELOPMENT AREA

(See Map on Following Page)

North Waterfront Redevelopment Plan

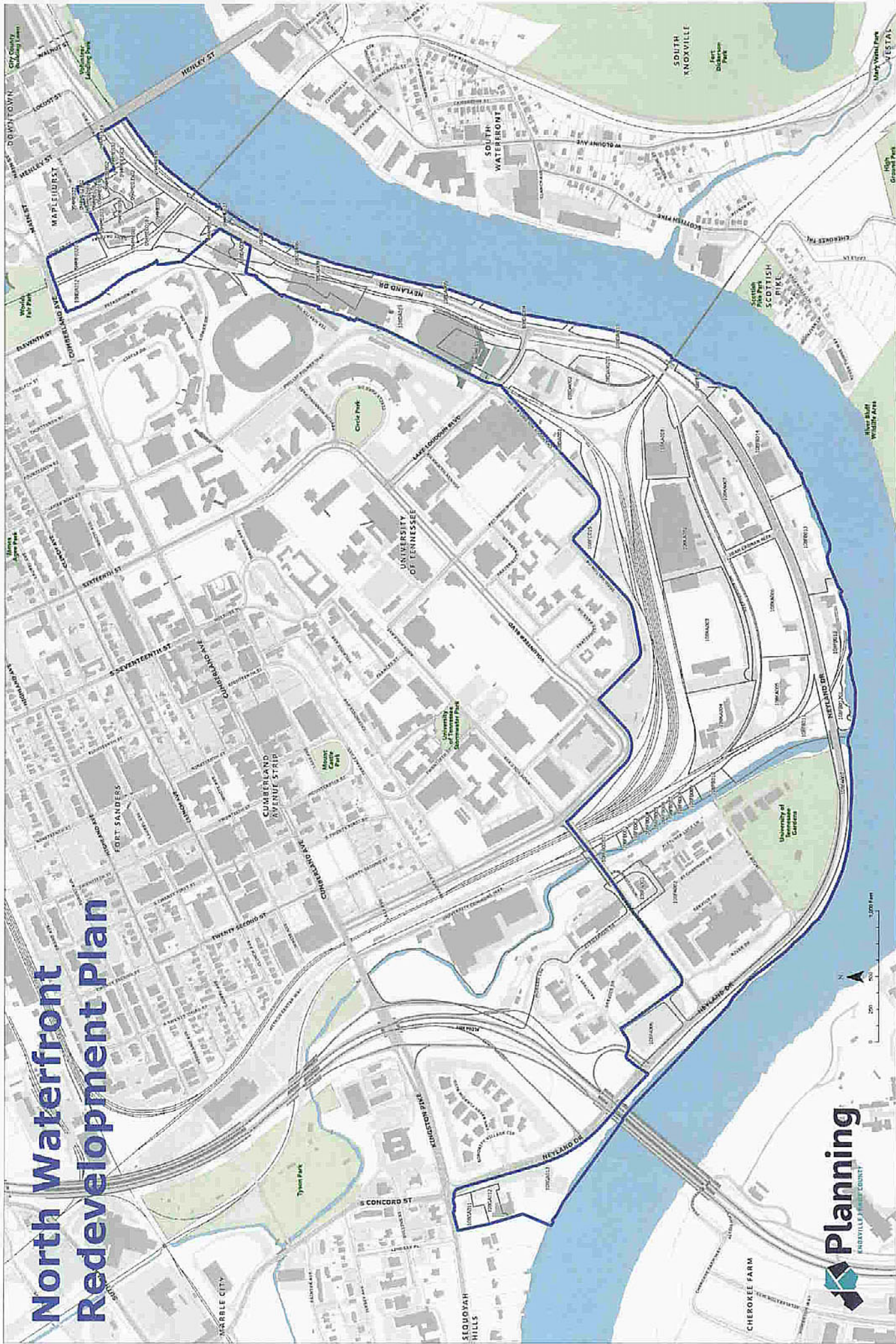


EXHIBIT B – PARCELS INCLUDED IN REDEVELOPMENT AREA

Parcel	Base Tax (2025) - City	Base Tax (2025) - County
108DA001	\$ -	\$ -
108DA009	\$ -	\$ -
094ME03501	\$ 6.90	\$ 5.00
094ME020	\$ 3,321.35	\$ 2,394.00
108KA007	\$ -	\$ -
108DA007	\$ -	\$ -
108KA004	\$ -	\$ -
108FB008	\$ 62.08	\$ 45.00
094ME001	\$ -	\$ -
094ME003	\$ 17,128.40	\$ 12,348.00
094ME02102	\$ 3,274.36	\$ 2,361.00
108FB009	\$ 62.08	\$ 45.00
108FB01201	\$ -	\$ -
108FB010	\$ 11.21	\$ 8.00
108FB006	\$ 62.08	\$ 45.00
108DA002	\$ -	\$ -
108KA001	\$ -	\$ -
108FC015	\$ -	\$ -
108DA005	\$ -	\$ -
108KA003	\$ -	\$ -
108DA004	\$ -	\$ -
094ME019	\$ 9,662.26	\$ 6,966.00
108DA005	\$ -	\$ -
094ME032	\$ 9,154.40	\$ 6,600.00
094ME033	\$ 219.01	\$ 158.00
108KA002	\$ -	\$ -
108FB014	\$ -	\$ -
094ME036	\$ -	\$ -
108FB013	\$ 19,038.26	\$ 13,725.00
108DA00201	\$ -	\$ -
094MF03201	\$ -	\$ -
094ME009	\$ 2,960.07	\$ 2,134.00
094ME022	\$ 8,887.11	\$ 6,407.00
108KA005	\$ -	\$ -
108DA003	\$ -	\$ -
108FB011	\$ -	\$ -
108FB005	\$ 1.72	\$ 1.00
094ME038	\$ -	\$ -
108FB007	\$ 62.08	\$ 45.00
094ME037	\$ -	\$ -
108FB012	\$ 12,968.95	\$ 9,349.00
108DA008	\$ -	\$ -
108FB015	\$ -	\$ -
094ME02101	\$ 4,708.37	\$ 3,394.00
108KA006	\$ -	\$ -
094ME01802	\$ 4,481.06	\$ 3,230.00
108DA010	\$ -	\$ -
108DA012	\$ -	\$ -
108DA013	\$ -	\$ -
094ME03502	\$ 39,821.69	\$ 28,708.00
094ME00100A	\$ 883.26	\$ 637.00
094ME00100B	\$ 625.66	\$ 451.00
094ME00100C	\$ 700.03	\$ 505.00
094ME00100D	\$ 700.03	\$ 505.00
094ME00100E	\$ 753.92	\$ 544.00
094ME00100F	\$ 1,116.06	\$ 805.00
094ME00100G	\$ 700.03	\$ 505.00
094ME00100H	\$ 700.03	\$ 505.00
094ME00100J	\$ 753.92	\$ 544.00
094ME00100K	\$ 1,116.06	\$ 817.08
094ME00100L	\$ 700.03	\$ 505.00
094ME00100M	\$ 700.03	\$ 505.00
094ME00100N	\$ 753.92	\$ 544.00
094ME00100P	\$ 1,116.06	\$ 805.00
094ME00100Q	\$ 700.03	\$ 505.00
094ME00100R	\$ 700.03	\$ 505.00
094ME00100S	\$ 753.92	\$ 544.00
094ME00101	\$ 2,416.86	\$ 1,742.00
094ME002	\$ 64,699.90	\$ 46,643.00
108FB004	\$ 62.08	\$ 45.00
108FB003	\$ 2.59	\$ 2.00
108FB002	\$ 2.59	\$ 2.00
108FB00101	\$ -	\$ -
108FA002	\$ -	\$ -
108FA007	\$ -	\$ -
108FA006	\$ -	\$ -
108GA013	\$ -	\$ -
108GA012	\$ -	\$ -
108GA011	\$ -	\$ -