CITY OF
LAKELAND
TENNESSEE

Industrial Development Board
Regular Meeting Agenda Agenda
Thursday, May 25, 2023, 5:30 PM
City Hall, Lakeland, Tennessee 38002

I. CALL TO ORDER:

II. ROLL CALL:

III. APPROVAL OF MINUTES OF PREVIOUS MEETING:

1. Regular Meeting - March 23, 2023

IV. PUBLIC DISCUSSION:

V. REPORTS OF OFFICERS AND COMMITTEES:

VI. OLD BUSINESS:

VII. NEW BUSINESS:

1. **Resolution** - adopting a development agreement between the Industrial Development Board of the City of Lakeland, Tennessee, and the City of Lakeland, Tennessee, for development of the Lakeland Gateway.

VIII. ANNOUNCEMENTS:

IX. ADJOURNMENT:

INDUSTRIAL DEVELOPMENT BOARD
REGULAR MEETING MINUTES
THURSDAY, MARCH 23, 2023, 5:30 PM
CITY HALL, LAKELAND, TN.

DRAFT

I. CALL TO ORDER: The meeting was called to order by Chairman Alan Johnson at 5:30 p.m.

II. ROLL CALL BY RECORDER:

Shaun Brannen	Absent (excused)
Richard Gonzales	Present
Derek Johnston	Present
Richard Justin	Present
Joseph Laster	Present
Mayor Josh Roman *(BOC Liaison)*	Absent (Vice-Mayor Wright acting as the Mayor's designee absence was excused)
Brian Sullivan	Present
(C) Alan Johnson	Present

Others present:
Michael Walker, City Manager
Paul Luker, Planning Director
Al Bright Jr, Attorney *(IDB Counselor)*

III. APPROVAL OF MINUTES OF PREVIOUS MEETING:
Mr. Gonzales moved to approve the previous meeting minutes of January 26, 2023, and February 16, 2023, as written, seconded Mr. Laster.

Motion passed unanimously, voice vote, 6 in favor 0 against.

IV. PUBLIC DISCUSSION:

V. REPORTS OF OFFICERS AND COMMITTEES: N/A

VI. OLD BUSINESS: *None*

VII. NEW BUSINESS:

1. **<u>Resolution</u> – approving draw requests 19 and 20 in conjunction with the tax increment financing for Lakeland Commons, LP.**
   Mr. Gonzales moved to bring this item to the floor, seconded by Mr. Laster.

   Discussion ensued.

DRAFT

When the question was called the resolution passed as presented, roll call vote, 6 in favor 0 against. *(See Resolution R-40-2023 on file)*

Gonzales	Yea
Johnston	Yea
Justin	Yea
Laster	Yea
Sullivan	Yea
(C) Johnson	Yea

2. **<u>Discussion and Possible Action</u> – regarding the status of the Lake District TIF.**
   For the record: This item was discussed with no action taken.

   Comments were heard from the following:
   Yehuda Netanel – The Lake District LLC
   Al Bright, Jr. Attorney – IDB Counselor

VIII. ANNOUNCEMENTS:

IX. ADJOURNMENT:

There being no other business to consider, Mr. Laster moved to adjourn the meeting, seconded by Mr. Gonzales.

Motion passed unanimously, voice vote, 6 in favor 0 against.

The meeting was adjourned at 5:50 p.m. on Thursday, March 23, 2023.

____
Joseph Laster, *Secretary*

ATTEST:

____
Debra Murrell, *City Recorder*

These minutes were approved Thursday, May 25, 2023, and constitute an official public record of the City of Lakeland, duly recorded, and filed in the Minute Book of the City of Lakeland.

RESOLUTION R-71-2023

ADOPTING A DEVELOPMENT AGREEMENT BETWEEN
THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF LAKELAND, TENNESSEE, AND THE CITY OF LAKELAND, TENNESSEE, FOR DEVELOPMENT OF THE LAKELAND GATEWAY

WHEREAS, on February 16, 2023, the Industrial Development Board of the City of Lakeland, Tennessee (the "Lakeland IDB") approved an Economic Impact Plan to establish the Lakeland Gateway Tax Increment Financing ("TIF") project area through its resolution R-26-2023; and,

WHEREAS, the Lakeland IDB desires to enter into a development agreement with the City of Lakeland, Tennessee:

NOW, THEREFORE, BE IT RESOLVED by the Industrial Development Board of the City of Lakeland, Tennessee, that the Development Agreement included herein as Exhibit A is hereby adopted and is authorized for execution.

APPROVED AND ADOPTED by the Industrial Development Board of the City of Lakeland, Tennessee, this 25th day of May 2023, the public welfare requiring it.

____
Alan Johnson, *Chair*

ATTEST:

____
Steve Laster, *Secretary*

DEVELOPMENT AGREEMENT
(Lakeland Gateway)

THIS DEVELOPMENT AGREEMENT (this "Agreement") is made and entered into as of the _____ day of _________________, 2023 ("Effective Date"), by and between the **Industrial Development Board of the City of Lakeland, Tennessee**, a public nonprofit corporation organized under Tenn. Code Ann. §§ 7-53-101, *et. seq*. (the "Board"), and **The City of Lakeland, Tennessee**, a municipal corporation organized under the laws of the State of Tennessee (the "City").

W I T N E S S E T H:

WHEREAS, in 2017 the City retained a planning consultant and undertook a small area plan for an approximately 100-acre tract of land located in the northwest and northeast corners of Canada Road and the Interstate 40 Exchange, which is referred to as the "Lakeland Gateway"; and

WHEREAS, the City, on behalf of the owners of properties in the Lakeland Gateway, seeks to facilitate the development of the Lakeland Gateway; and

WHEREAS, Ashmont Developer, LLC, a Tennessee limited liability company ("Ashmont"), owns the largest tract of land in the Lakeland Gateway, which is municipally known as 9640 Davies Plantation, Lakeland, Tennessee 38002 (the "Property"); and

WHEREAS, the Board has approved an economic impact plan attached hereto as Exhibit A (the "Economic Impact Plan") regarding the development the Lakeland Gateway, as more particularly described in the Economic Impact Plan (the "Plan Area"); and

WHEREAS, Ashmont or any other permitted assignee thereof intends to develop the Plan Area pursuant to a planned development for a new mixed-use development on the Property that is expected to include approximately 48,400 square feet of retail space, two hotels, an independent senior living community with approximately 150 independent living units, two medical office buildings, and approximately 100 single-family residential units. The development will provide the City with an integrated, pedestrian-oriented community with concentrated commercial, office, hotel, and residential uses in direct proximity to one another. The mixed-use development described above, excluding the single-family residential units, is collectively referred to in this Agreement as the "Project." The Project is an eligible "project" within the meaning of Tenn. Code Ann. § 7-53-101(13). The Project is expected to serve as a catalyst for additional commercial development in the future in the other areas of the Lakeland Gateway in the Plan Area (the "Future Development"), and such future developments would also constitute eligible "projects" within the meaning of Tenn. Code Ann. § 7-53-101(13); and

WHEREAS, the Project and Future Development, however, are not feasible without significant investment in new and improved infrastructure and parking in the area, including site design and analysis, grading and drainage improvements, and construction of roads, sidewalks and pedestrian walkways, traffic signals, lighting, water lines, electrical line, gas lines, sewer lines, and parking areas. In order to make the Project financially feasible, the City and Shelby County

Tennessee (the "County"), have approved, as part of the Economic Impact Plan, a plan for tax increment financing through the Board pursuant to Title 7, Chapter 53 of Tennessee Code Annotated to provide funds to pay a portion of the costs of the improvements that are needed to permit the construction and operation of the Project and the Future Development. The proceeds of the tax increment financing are to be used to pay certain eligible costs, in accordance with Tenn. Code Ann. § 7-53-312 and Tenn. Code Ann. §§ 9-23-101 *et. seq*. (collectively, the "Tax Increment Act"), relating to the Project and the Future Development; and

WHEREAS, the incremental property tax revenues attributable to the Plan Area that are allocated to the Board pursuant to the Resolution (as herein defined) (the "Tax Increment Revenues") would be used to pay for Eligible Costs (as herein defined) or to repay the debt (principal and interest) or other financing of Eligible Costs, all as more particularly described in the Economic Impact Plan and this Agreement (the "Tax Increment Incentive"); and

WHEREAS, under Tenn. Code Ann. §§ 7-53-101, et seq., and the Economic Impact Plan, the Board is authorized to use the Tax Increment Revenues to pay for, among other things, the following "Eligible Costs": all costs that are (i) incurred in connection with the development of the Project, the Future Development, and public infrastructure in the Plan Area or the Tax Increment Incentive and (ii) permitted under the Tax Increment Act ("Eligible Improvements"). The term "Eligible Costs" includes, without limitation, (i) the costs of designing, constructing, and installing the Planned Improvements (as defined below), (ii) payments of principal, interest, and other finance charges under any Tax Increment Financing Loan(s), and (ii) the Transaction Costs (as defined below), but does not include the costs of developing any of the single-family units on the Property. Tenn. Code Ann. § 9-23-108 does not permit the application of incremental tax revenues pursuant to the Economic Impact Plan to pay certain costs relating to privately owned land without first receiving a written determination from the Comptroller of the State of Tennessee (the "State") and the Commissioner of Economic and Community Development of the State that the use of tax increment revenues for such purposes is in the best interest of the State. The Board will not apply any tax increment revenues to pay costs as to which a written determination is required by the Comptroller of the State and/or the Commissioner of Economic and Community Development of the State without first obtaining such written determination; and

WHEREAS, for the purpose of establishing the rights and obligations of the parties with respect to the development of the Plan Area and certain terms related to the Tax Increment Incentive, the parties have entered into this Agreement.

NOW, THEREFORE, in consideration of the terms, conditions and mutual agreements by and between the parties, as hereafter set forth in detail, the parties do hereby mutually agree as follows:

1. Definitions. In addition to the terms defined in the recitals above, the following terms have the following meanings when used in this Agreement:

   a. "Additional Developer" has the meaning set forth in Section 13 below.

   b. "Additional Development Agreement" has the meaning set forth in Section 13 below.

c. "Administrative Fee" means 5% of the excess of property taxes over the Total Base Tax Amount, as defined in the Economic Impact Plan, less the County Trustee Fee (defined below) shall be payable to the Board as a fee for administering the Tax Increment Incentive. Of the Administrative Fees received by the Board, the Board shall distribute 2% of the share of incremental tax revenue to the Project attributable to Shelby County property taxes to the Shelby County Trustee to administer the Shelby County Tax Increment Incentive.

d. "Affiliate" as to any specific person or entity, a person or entity that directly or indirectly controls, is controlled by, or is under common control with such person or entity.

e. "Allocation Group" has the meaning set forth in Section 2 below.

f. "Allocation Period" means, with respect to each tax parcel within the Plan Area, the 20 year period of time during which the Tax Increment Revenues from such tax parcel will be allocated to the Board for the Tax Increment Incentive, as more particularly set forth in the Economic Impact Plan.

g. "Ashmont Interests" means (i) a portion of the Tax Increment Revenues equal to 41.25% of the excess of property taxes over the Total Base Tax Amount generated by the Property, less the County Trustee Fee (defined below) applicable to the property taxes from the Property, (ii) all of the City's other right, title, and interest under this Agreement with respect to the Property other than the remaining Tax Increment Revenues not described in (i) above, and (iii) all obligations of the City under this Agreement with respect to the Property.

h. "Bonds" means any bonds or similar debt instruments issued by the Board that are secured by and/or payable with the Tax Increment Revenues.

i. "Bond Documents" means the Bonds and all other documents executed or issued by the Board or a Developer in connection with the issuance and offering of the Bonds, including, without limitation, any trust indenture, private placement memorandum, private placement agreement, tax compliance agreement, or similar document.

j. "Construction Consultant" shall mean any licensed engineer or architect located in the County designated by the Board from time to time and approved by the applicable Developer, such approval not to be unreasonably withheld, conditioned or delayed.

k. "County Trustee Fee" means an amount equal to 2% of all of Shelby County property taxes payable with respect to the Plan Area shall be payable to Shelby County Trustee as set forth in Tenn. Code Ann. § 8-11-110.

l. "Developer" means the City, Ashmont, and any Additional Developer engaged in the development of any portions of the Plan Area.

m. “Developer Representative” means a third-party construction manager, owner’s representative, or other third-party representative designated by a Developer from time to time.

n. “Financing Trustee”, if applicable, means the trustee designated in any Tax Increment Financing Loan.

o. “MLGW” means Memphis Light, Gas and Water.

p. “Payment Request” means a written request by a Developer for the payment of Eligible Costs substantially in the form attached hereto as Exhibit D.

q. “Planned Improvements” means the planned improvements for the Project described on Exhibit B attached hereto.

r. “Project Tax Increment Fund” means a separate and special fund established by the Board into which will be deposited all Tax Increment Revenues as received. The Project Tax Increment Fund shall, at the City’s request, be separated into separate sub-funds in connection with any Tax Increment Financing Loan obtained by Developer. For purposes of clarity, Developer and the Board each may pledge their respective rights to certain of such sub-funds as collateral for different Tax Increment Financing Loans and use other unpledged sub-funds for direct payment or reimbursement of Eligible Costs in accordance with this Agreement.

s. “Public Entities” means MLGW, the City of Lakeland, Shelby County, the State of Tennessee, and any political subdivision or agency of any of the foregoing, and “Public Entity” means any one of such Public Entities.

t. “Resolution” means, collectively, the Resolutions approved by the Board of Commissioners of the City of Lakeland, Tennessee and the County Commission of Shelby County, Tennessee approving the Economic Impact Plan.

u. “Tax Increment Financing Loan Documents” means any loan documents evidencing or securing any Tax Increment Financing Loan (including, without limitation, any Bond Documents), which loan documents must be acceptable to the Board in its sole but reasonable discretion.

v. “Tax Increment Financing Loan” means any loan(s) to, and/or Bonds issued by, the Board hereafter arranged by a Developer in connection with the Tax Increment Incentive, which must be acceptable to the Board in its reasonable discretion.

w. “Total Base Tax Amount” has the meaning set forth in the Economic Impact Plan.

x. “Transaction Costs” means those certain costs described on the attached Exhibit C together with all out-of-pocket costs incurred by a Developer or the Board in connection with closing any Tax Increment Financing Loan.

2. Designation of Allocation Periods; Calculation of Tax Increment Revenues.

a. The City may designate, by written notice to the Board, that the allocation of Tax Increment Revenues from any tax parcel or group of tax parcels in the Plan Area begin in any tax year within the 7 tax years following the Effective Date (each such designation, an "Allocation Group").

b. The Board will combine the tax parcels within each Allocation Group into a single parcel for purposes of calculating and allocating the Tax Increment Revenues in accordance with the Economic Impact Plan; provided, however, that if any tax parcel in such an Allocation Group is owned or acquired by a tax-exempt entity, such tax parcel shall, to the extent permitted by applicable law, be excluded from such Allocation Group for purposes of allocating Tax Increment Revenues. Upon receipt of written designation of an Allocation Group from the City, the Board shall give notice of such grouping of tax parcels to the City and the County.

3. Pledge of Tax Increment Revenues to Secure Indebtedness. The Board shall pledge the Tax Increment Revenues generated during the Allocation Period to the payment of the Tax Increment Financing Loan(s), if obtained, incurred to finance Eligible Costs in accordance with the terms of the Tax Increment Financing Loan Documents, the Economic Impact Plan and this Agreement.

4. Disbursement of Tax Increment Revenues to Pay Eligible Costs Directly. The Board hereby agrees to commit the Tax Increment Revenues to the payment of Eligible Costs in accordance with the terms of this Agreement and the Economic Impact Plan. A Developer may from time-to-time request that the Board (or the Financing Trustee, as applicable) pay directly or reimburse such Developer for Eligible Costs from amounts on deposit in the Project Tax Increment Fund. A Developer must make such requests by submitting a Payment Request to the Board or the applicable Financing Trustee, with such Payment Request to be certified as true and correct in all material respects by the Construction Consultant and an authorized representative of such Developer, together with conditional lien waivers from all contractors and suppliers providing work or materials for the Eligible Improvements (or unconditional final lien waivers from the general contractor for the applicable Eligible Improvements) to be paid (or reimbursed) with the Payment Request. Notwithstanding the foregoing, with respect to any public infrastructure to be constructed by a Developer pursuant to contracts between the Developer and a Public Entity, no certificate from the Construction Consultant shall be required, and the Board will rely on the unrestricted acceptance of such public infrastructure by the applicable Public Entity as the requisite review and written approval. The Board or the Financing Trustee shall, to the extent of available funds then on deposit in the Project Tax Increment Fund, make payment to or at the direction of the Developer in accordance with such Payment Request within thirty (30) days of receiving a correct and complete Payment Request along with such lien waivers. The Board or the Financing Trustee shall not be required to fund Payment Requests more than once per month and in an amount less than $25,000.00 as to any single Payment Request (except for the final Payment Request for Eligible Costs for the Eligible Improvements then under construction). If the amount on deposit in the Project Tax Increment Fund and available to pay Eligible Costs (i.e., not pledged to pay any Tax Increment Financing Loan(s)) at the time of any Payment Request is not sufficient to pay all Eligible Costs for all Eligible Improvements then under construction by a Developer, the

Developer shall verify to the Board's or the applicable Financing Trustee's reasonable satisfaction that the Developer has sufficient additional funds (which may include loan proceeds) to pay all such Eligible Costs for all such Eligible Improvements then under construction by the Developer.

5. Disbursement of Tax Increment Revenues to pay Tax Increment Financing Loan. As of the date of this Agreement, no Developer has obtained a Tax Increment Financing Loan as part of the Tax Increment Incentive. However, a Developer may hereafter request that some or all of the Tax Increment Incentive be structured as Tax Increment Financing Loan(s), and the Board shall provide commercially reasonable cooperation to such Developer in closing any such Tax Increment Financing Loan(s) pursuant to Tax Increment Financing Loan Documents that are acceptable to the Board in its reasonable discretion. The Tax Increment Financing Loan Documents must provide that the Tax Increment Financing Loan is nonrecourse to the Board, the City, and the County. The Board shall not be obligated to incur any out-of-pocket cost or expense in connection therewith, and the Developer shall pay all such reasonable out-of-pocket costs or expenses incurred by the Board in connection with any Tax Increment Financing Loan arranged by Developer, including without limitation, reasonable fees for consultants and attorneys of the Board; provided, that such costs or expenses shall be included in Transaction Costs eligible for payment or reimbursement as Eligible Costs. At the request of either a Developer or the Board, the parties shall enter into any addendum to (or amended and restated version of) this Agreement or an Additional Development Agreement reasonably requested by either party to further evidence and memorialize the parties' rights and obligations with respect to any Tax Increment Financing Loan hereafter arranged by a Developer as set forth in this Section 5; provided, however, that such addendum, amended and restated agreement, or Additional Development Agreement must be acceptable to the Board in its reasonable discretion. The Board agrees to use the proceeds of any such Tax Increment Financing Loan to pay Eligible Costs in accordance with this Agreement, as amended, and the Tax Increment Financing Loan Documents for such Tax Increment Financing Loan.

6. Developer Obligations.

a. Each Developer shall cause to be prepared and, upon request, submit to the Board conceptual plans for all Eligible Improvements that such Developer elects to construct. Subject to the terms of this Agreement, a Developer may determine the sequencing and timing of construction of the Eligible Improvements in its sole discretion. Each Developer shall be responsible for obtaining any required approvals of such plans and specifications from the City, MLGW, or any other required approvals in connection with the Eligible Improvements such Developer elects to construct.

b. Each Developer shall cause the construction of the Eligible Improvements that it elects to construct to be in accordance with good construction industry practice, in a workmanlike manner, and cause such improvements to be safe for the general public.

c. Each Developer shall cause the Eligible Improvements that it elects to construct to be constructed in accordance with the applicable plans, specifications, contracts, and applicable law. The Developer shall obtain the appropriate building permits prior to the commencement of any construction for Eligible Improvements. Developer shall provide the Board with copies of all plans submitted for building permits for Eligible Improvements.

d. Until a Tax Increment Financing Loan is in place, each Developer shall cause the Eligible Improvements it elects to construct to be inspected by the Construction Consultant (or by a Public Entity, if applicable) in connection with the submission of Payment Requests to the Board. Until a Tax Increment Financing Loan is in place, such Developer shall provide the Construction Consultant with reasonable access to all plans, specifications and contracts for the Eligible Improvements then under construction.

e. Each Developer shall pay (or cause to be paid) any Eligible Costs incurred for the Eligible Improvements it constructs to the extent such Eligible Costs exceed the amount of Tax Increment Loan proceeds or Tax Increment Revenues then on deposit in Project Tax Increment Financing Fund or otherwise then available, subject to Developer's right to be subsequently reimbursed therefor when adequate Tax Increment Revenues or Tax Increment Financing Loan proceeds are otherwise available. No Developer shall have any obligation to construct (or cause to be constructed) any Eligible Improvements to the extent that the cost thereof would exceed any available Tax Increment Revenues or proceeds of a Tax Increment Financing Loan.

f. Developer may cause some or all of its obligations under this Agreement to be performed by the Developer Representative, and the reasonable compensation and costs due to the Developer Representative shall be included in Transaction Costs and Eligible Costs.

g. Developer shall provide updates to the Board on the status of the Project as reasonably requested by the Board.

7. Board Obligations.

a. The Board shall create and maintain the Project Tax Increment Financing Fund during the term of the Tax Increment Financing, as set forth in the Resolution, to be kept separate and apart from all other funds of the Board, pursuant to the requirements of Tenn. Code Ann. § 7-53-312 and this Agreement. The Board shall deposit all Tax Increment Revenues into such Project Tax Increment Financing Fund and make disbursements therefrom to or at the direction of Developer in accordance with this Agreement.

b. The Board shall from time to time appoint a member of the Board staff, or other third-party representative designated by the Board from time to time, as the Board's authorized representative for all purposes under this Agreement or otherwise in connection with the Tax Increment Financing, subject to such periodic Board oversight as the Board may require.

c. The Board and the County Trustee will receive their respective portions of the Administrative Fee to compensate each for its administrative expenses in connection with administering the Tax Increment Incentive.

8. Future Pledges. The Board covenants and agrees not to pledge the Tax Increment Revenues (other than the Administrative Fee payable to the Board) to the payment of any indebtedness or to apply the Tax Increment Revenues (other than the Administrative Fee payable to the Board) for any purpose other than the payment of Eligible Costs in accordance with this Agreement.

9. Other Tax Increment Financing. The Board represents, warrants, and certifies to the City that the Board currently does not have outstanding any bonds, notes, or other obligations payable from or secured by Tax Increment Revenues derived from the Plan Area.

10. Waiver of Consequential Damages. In no event shall the parties have the right to recover any consequential, exemplary, incidental or punitive damages as a result of any breach or default under this Agreement.

11. Attorneys' Fees. In the event of any litigation brought by either party to enforce this Agreement, the prevailing party will be entitled to recover its attorney's fees and court costs from the other party, including pre-suit and appellate attorney's fees and costs.

12. Assignment. Except as otherwise set forth in Sections 13 and 14 below, the City may not assign or transfer this Agreement or any interest of the City hereunder without the prior written consent of the Board, which consent shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, the City may, without the Board's consent (but with notice to the Board), (i) pledge or collaterally assign this Agreement or all or any portion of the City's rights under this Agreement as collateral for any Tax Increment Financing Loan(s) and (ii) freely assign this Agreement or all or any portion of the City's rights under this Agreement to Ashmont. The Board may not assign or transfer this Agreement or any interest of the Board hereunder without the prior written consent of the City.

13. Partial Assignment to Developers. The Board agrees that the City may partially assign its rights under this Agreement (including, without limitation, portions of the Tax Increment Revenues) and delegate its duties under this Agreement to Ashmont and any other developers engaged by the City for the purpose of separately developing, financing, constructing, owning, or operating components of the Project and the Future Development (each, an "Additional Developer"). If the City intends to partially assign its rights under this Agreement as set forth above, and such assignment will result in an Additional Developer incurring Eligible Costs, upon request from the City, the Board and the City will work with the Additional Developer in good faith to approve a development and financing agreement between the Board and the Additional Developer for the portion of the Eligible Costs for which the Additional Developer shall be responsible (an "Additional Development Agreement"), such Additional Development Agreement to be in a form and substance reasonably satisfactory to the Board and the Additional Developer. An Additional Development Agreement may provide for Tax Increment Financing Loan(s) that will be secured by the portion of the Tax Increment Revenues assigned to the Additional Developer under the Additional Development Agreement. The Board and the City acknowledge and agree that no default under an Additional Development Agreement will constitute a default under this Agreement, and a default under this Agreement will not constitute a default under any Additional Development Agreement.

14. Partial Assignment to Ashmont. By execution of this Agreement, the City hereby assigns, transfers, and delegates (as applicable) the Ashmont Interests to Ashmont. The Board hereby consents to the foregoing assignment of the Ashmont Interests to Ashmont. As soon as Ashmont has arranged a Tax Increment Financing Loan for the Project, the Board and Ashmont shall execute an Additional Development Agreement to set forth Ashmont's rights and obligations with respect to the Ashmont Interests. Ashmont is a third-party beneficiary of this section and the other provisions of this Agreement related to the Property.

15. Successors and Assigns. Subject to Sections 12, 13, and 14 above, this Agreement shall inure to the benefit of and be binding upon the parties hereto and the permitted successors and assigns of the parties.

16. Notices. Any notice, request, demand, tender or other communication under this Agreement shall be in writing, and shall be deemed to have been duly given at the time and on the date when personally delivered, or upon the business day following delivery to a nationally recognized commercial courier for next day delivery, to the address for each party set forth below, or upon the third business day after being deposited in the United States Mail, Certified Mail, Return Receipt Requested, with all postage prepaid, or immediately when delivered via electronic mail sent during normal business hours, or immediately when delivered via electronic mail sent during normal business hours, in each case to the address for each party set forth below.

If to Developer to:

The City of Lakeland, Tennessee
c/o Michael Walker, City Manager
10001 Highway 70
Lakeland, Tennessee 38002

With a copy to:

Patterson Bray PLLC
8001 Centerview Parkway, Suite 103
Memphis, TN 38018
Attention: Will Patterson
E-mail: wpatterson@pattersonbray.com

If to the Board to:

The Industrial Development Board of the
City of Lakeland, Tennessee
c/o President
10001 Highway 70
Lakeland, Tennessee 38002

With a copy to:

Bass Berry & Sims PLC

100 Peabody Place, Suite 1300
Memphis, TN 38103
Attention: Al Bright, Jr.
E-mail: al.bright@bassberry.com

Rejection or other refusal to accept or inability to deliver because of changed address of which no notice was given shall be deemed to be receipt of such communication. By giving prior notice to all other parties, any party may designate a different address for receiving notices. Notwithstanding the foregoing, Payment Requests may be submitted to the Board via email at the email address above.

17. Applicable Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Tennessee. Venue for any action arising out of this Agreement shall be exclusively in Shelby County, Tennessee.

18. Further Assurances**.** The parties hereby covenant and agree to perform such other acts and to execute, acknowledge, and deliver such additional documents as may be necessary to effect the provisions of this Agreement in its entirety.

19. Entire Agreement. This Agreement supersedes all prior discussions and agreements between the Board and the City with respect to the Tax Increment Incentive. This Agreement contains the sole and entire agreement between the Board and the City with respect to the transactions contemplated by this Agreement.

20. Amendment. This Agreement may not be modified or amended in any respect except by written agreement executed by the parties to this Agreement in the same manner as this Agreement is executed.

21. Severability. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

22. Captions. All captions, headings and section and paragraph numbers and letters and other reference numbers or letters are solely for the purpose of facilitating reference to this Agreement and shall not supplement, limit or otherwise vary in any respect the text of this Agreement. All references to particular sections, paragraphs or subparagraphs by number refer to the particular section, paragraph or subparagraph so numbered in this Agreement unless reference to another document or instrument is specifically made.

23. Counterparts. This Agreement may be executed in one or more counterparts, each of which constitutes an original and all of which together constitute one and the same Agreement. Delivery of executed copies of signature pages to and/or signatures to this Agreement transmitted by Electronic Transmission (as defined herein) shall have the same effect as physical delivery of the paper document bearing the original signature. As used in this Agreement, the term "Electronic Transmission" means and refers to any form of communication not directly involving the physical transmission of paper that creates a record that may be retained, retrieved, and reviewed by a

recipient of the communication and that may be directly reproduced in paper form by such a recipient through an automated process.

24. Inspection Rights. Upon reasonable prior notice, the Board may inspect the Eligible Improvements to assure that the terms of this Development Agreement are being satisfied by a Developer.

25. Term. This Agreement shall be effective as of the date hereof and shall remain in effect until the earlier to occur of (i) the date that is six (6) months after the expiration of the final Allocation Period or (ii) completion of all Eligible Improvements and final payment of all Eligible Costs in connection therewith and, if applicable, final repayment of any outstanding Tax Increment Financing Loan(s).

26. No Government Limitation. This Agreement between the City and the Board shall not be construed to bind any other agency or instrumentality of federal, state, or local government in the enforcement of any regulation, code, or law under its jurisdiction.

27. Time of the Essence. Time shall be of the essence in the performance of the terms and conditions of this Agreement.

[Signatures to follow on next page]

IN WITNESS WHEREOF, the Board and the City have caused this Agreement to be duly executed as of the date first above written.

Industrial Development Board of the City of Lakeland, Tennessee, a public nonprofit corporation organized under Tenn. Code Ann. §§ 7-53-101, *et. seq*.

By:____
Name:______________________________________
Title:_______________________________________

ATTEST:

____
Secretary

The City of Lakeland, Tennessee, a municipal corporation organized under the laws of the State of Tennessee

By:____
Name:______________________________________
Title:_______________________________________

EXHIBIT A

Economic Impact Plan

[See attached]

EXHIBIT A

CITY OF LAKELAND TENNESSEE

THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF LAKELAND, TENNESSEE

ECONOMIC IMPACT PLAN FOR LAKELAND GATEWAY

I. Introduction

In 2017, the City of Lakeland, Tennessee ("Lakeland") retained a planning consultant, Looney Ricks Kiss, and undertook a small area plan for an approximately 100-acre tract of land located in the northwest and northeast corners of Canada Road and the Interstate 40 Exchange, which is referred to as the "Lakeland Gateway". This is the recognized gateway to Lakeland and is in need of significant new development. The Lakeland Gateway property includes one large vacant parcel, numerous smaller vacant parcels with good development potential, and a number of underutilized parcels. Lakeland has requested assistance from The Industrial Development Board of the City of Lakeland, Tennessee, a public nonprofit corporation organized under Tenn. Code Ann. §§ 7-53-101, *et. seq*. (the "Lakeland IDB"), in connection with a project to be developed in the Lakeland Gateway, as more particularly described below.

What follows is an economic impact plan for the development of the Lakeland Gateway (the "Plan"). First, the Plan explains the statutory authority for financial assistance from the Lakeland IDB (Section II). Second, the Plan describes the project, the area subject to this Plan, and the requested financial assistance from the Lakeland IDB in the form of tax increment financing (Sections III, IV, and V). Third, the Plan discusses the expected benefits to Lakeland and Shelby County, Tennessee ("Shelby County") from the project (Section VI). Finally, the Plan explains the mechanics of the requested tax increment financing and the public approval process for the Plan (Sections VII and VIII).

II. Authority for Economic Impact Plan

The Lakeland IDB is an "industrial development corporation" under Tenn. Code Ann. § 7-53-101 *et. seq.* (an "IDB"). An IDB is authorized under Tenn. Code Ann. §§ 7-53-312 to prepare and submit to cities and counties an economic impact plan with respect to an area that includes a project within the meaning of Tenn. Code Ann. § 7-53-101 and such other properties that the IDB determines will be directly improved or benefited due to the undertaking of such project. Tennessee Code Annotated § 7-53-312 also authorizes cities and counties to apply and pledge new incremental tax revenues that arise from the area subject to the economic impact plan to the IDB to promote economic development, to pay the cost of projects, or to pay debt service on bonds, notes, or other obligations issued by the IDB to pay the costs of projects.

III. The Project

Lakeland, on behalf of the owners of properties in the Lakeland Gateway, seeks to facilitate the development of the Lakeland Gateway. Ashmont Developer, LLC, a Tennessee limited liability company ("Ashmont"), owns the largest tract of land in the Lakeland Gateway, which is municipally known as 9640 Davies Plantation, Lakeland, Tennessee 38002 (the "Property"). Ashmont or one or more affiliates thereof ("Developer") has proposed to construct a mixed-use development on the Property that is expected to include approximately 48,400 square feet of retail space, two hotels, an independent senior living community with approximately 150 independent living units, two medical office buildings, and approximately 100 single-family residential units. The development will provide Lakeland with an integrated, pedestrian-oriented community with concentrated commercial, office, hotel, and residential uses in direct proximity to one another. The mixed-use development described above, excluding the single-family residential units, is collectively referred to in this Plan as the "Project." The Project is an eligible "project" within the meaning of Tenn. Code Ann. § 7-53-101(13). The Project is expected to serve as a catalyst for additional commercial development in the future in the other areas of the Lakeland Gateway in the Plan Area, as defined below (the "Future Development"), and such future developments would also constitute eligible "projects" within the meaning of Tenn. Code Ann. § 7-53-101(13).

The Project and Future Development, however, are not feasible without significant investment in new and improved infrastructure and parking in the area, including site design and analysis, grading and drainage improvements, and construction of roads, sidewalks and pedestrian walkways, traffic signals, lighting, water lines, electrical line, gas lines, sewer lines, and parking areas. In order to make the Project financially feasible, Developer has requested that Lakeland and Shelby County approve, as part of this Plan, a plan for tax increment financing through the Lakeland IDB pursuant to Title 7, Chapter 53 of Tennessee Code Annotated to provide funds to pay a portion of the eligible costs of the improvements that are needed to permit the construction and operation of the Project, as more particularly described in Section V below. The proceeds of the tax increment financing would be used to pay certain eligible costs, in accordance with Tenn. Code Ann. § 7-53-312 and Tenn. Code Ann. §§ 9-23-101 *et. seq.* (collectively, the "Tax Increment Act"), relating to the Project (the "Tax Increment Incentive").

IV. Boundaries of Plan Area

The area that would be subject to this Plan and the Tax Increment Incentive includes the Property together with adjacent areas of the Lakeland Gateway that will directly benefit from the Project and the Future Development. The area that will be subject to this Plan and to the Tax Increment Incentive (the "Plan Area") is shown on the attached Exhibit A, and a list of the existing tax parcels that are included in the Plan Area is attached hereto as Exhibit B. The Plan Area is hereby declared to be subject to this Plan, and the Project is hereby identified as the project that will be located within the Plan Area.

V. Financial Assistance to Project

The Lakeland IDB will provide financial assistance to the Project and Future Development by applying the proceeds of the tax increment financing described herein to pay for the following (the "Eligible Costs"): all costs that are (i) incurred in connection with the development of the Project and the Tax Increment Incentive and (ii) permitted under the Tax Increment Act, including, without limitation, the costs of designing, constructing, and installing the improvements listed on the attached Exhibit C (the "Planned Improvements"). A final description of Planned Improvements, together with the costs and expenses of such improvements and fees to be reimbursed with the Tax Increment Incentive, will be set forth in one or more development agreements to be executed by the Lakeland IDB, Lakeland, and the Developer (and any future developers designated by Lakeland) in connection with the Tax Increment Incentive and consistent with this Plan (collectively, the "Development Agreement"), as the same may be amended from time to time by the Lakeland IDB, Lakeland and the Developer so long as such amendments are consistent with this Plan. The Lakeland IDB is hereby authorized to issue and sell bonds, notes, or other obligations for purposes of paying the Eligible Costs, subject to the terms and conditions set forth in Section VII.b. below.

Tenn. Code Ann. § 9-23-108 does not permit the application of incremental tax revenues pursuant to this Plan to pay certain costs relating to privately owned land without first receiving a written determination from the Comptroller of the State of Tennessee (the "State") and the Commissioner of Economic and Community Development of the State that the use of tax increment revenues for such purposes is in the best interest of the State. The Lakeland IDB will not apply any tax increment revenues to pay costs as to which such a written determination is required without first obtaining such written determination.

VI. Expected Benefits to Lakeland and Shelby County

There are numerous expected benefits to Lakeland and Shelby County from implementation of the Project. A primary benefit of the Project and related redevelopment of the Plan Area will be to create a vibrant, mixed-use center to serve as the Lakeland Gateway. Implementation of the Project will also serve to stimulate additional development on parcels within the Plan Area surrounding the Property. The Project is also expected to preserve and create jobs within Lakeland and Shelby County. The Project is expected to support approximately 1,482 temporary construction-related jobs and approximately 906 permanent jobs in the area.

In addition to the benefits realized from the Project and Future Development, and expanding the job base, Lakeland and Shelby County are also expected to receive substantial additional taxes as a result of the Project. Since significant portions of the property in the Plan Area are currently vacant or underutilized, the current ad valorem taxes generated in the Plan Area amount to only $297,000 per year. The total Project investment is estimated at approximately $216 million. The total additional property taxes to be generated by the Project during the term of the Tax Increment Incentive (after the payment of certain fees to the Shelby County Trustee and the Lakeland IDB as set forth in Section VII.a. below) are estimated at approximately $14,754,663 for Lakeland and $48,094,524 million for Shelby County, based on current tax rates. Of these additional property taxes, Lakeland will receive approximately $9,360,362, and Shelby County will receive approximately $15,775,016. A portion of the new property taxes generated in the Plan Area would be available to pay for Eligible Costs and administrative expenses of the Tax Increment Incentive, as more particularly described below.

Following the expiration of the Tax Increment Incentive, Lakeland and Shelby County will benefit from the entire increase in the property taxes estimated to be, per year, approximately $2,590,638 million for Shelby County and $794,768 for Lakeland.

In addition to the new property taxes discussed above, the Project is also expected to generate additional local sales tax of approximately $39.2 million for the term of the Tax Increment Incentive, as well as additional hotel/motel taxes. These tax revenue projections are based on current tax rates.

A further benefit to Lakeland and Shelby County is that the investments in public infrastructure contemplated by this Plan and enabled by the Project will defray the cost of essential upgrades and replacement that would otherwise have been made by the public sector. The private sector investments and new taxes will be long lasting well beyond the twenty-year term of the Tax Increment Incentive.

VII. Distribution of Property Taxes and Tax Increment Financing

a. Distribution of Taxes. Subject to the provisions of this Plan, property taxes imposed on real property and personal property located within the Plan Area will be allocated and distributed as provided in this subsection. The taxes assessed by Lakeland and Shelby County on such property within the Plan Area will be divided and distributed as follows in accordance with the Tax Increment Act:

i. First, two percent (2%) of all of Shelby County property taxes payable with respect to the Plan Area shall be payable to Shelby County Trustee as set forth in Tenn. Code Ann. § 8-11-110 ("Shelby County Trustee Fee").

ii. Second, an amount equal to (x) the portion of the property taxes payable with respect to the Plan Area for the year prior to the date of approval of this Plan (other than any portion of such taxes that that constitutes Dedicated Taxes, as defined below) (the "Base Taxes"), plus (y) that portion of property taxes levied upon property within the Plan Area for the payment of debt service of Lakeland and Shelby County (the "Dedicated Taxes" and together with the Base Taxes, the "Total Base Tax Amount"), less the County Trustee Fee, will, pursuant to Tenn. Code Ann. § 9-23-103, be allocated to and, as collected, paid to Lakeland and Shelby County as all other taxes levied by the Lakeland and Shelby County on all other properties; provided, however, that in any year in which the taxes on the property within the Plan Area are less than the Total Base Tax Amount, only the taxes actually imposed will be allocated and paid to Lakeland and Shelby County.

iii. Third, seventy-five percent (75%) of the excess of property taxes over the Total Base Tax Amount less the Shelby County Trustee Fee as set forth above (the "TIF Revenues") will be allocated and, as collected, paid into a separate fund of the Lakeland IDB created to hold such payments until the tax proceeds in the fund are to be applied to pay the Eligible Costs as described above.

iv. Fourth, five percent (5%) of the excess of property taxes over the Total Base Tax Amount less the Shelby County Trustee Fee shall be payable to the Lakeland IDB, as an administrative fee for administering the Tax Increment Incentive. Of the fees received by the Lakeland IDB, the Lakeland IDB shall distribute two percent (2%) of the excess of property taxes over the Total Base Tax Amount to the Shelby County Trustee as an administrative fee for administering the Tax Increment Incentive.

v. Fifth, the remaining of the excess of property taxes over the Total Base Tax Amount less the Shelby County Trustee Fee as set forth above will be allocated to and, as collected, paid to Lakeland and Shelby County as all other taxes levied by the City and County on all other properties.

[Continued on next page]

A table setting out the distribution process is set forth below:

Lakeland TIF Calculation		Shelby County TIF Calculation	
	Current Year Taxes Paid to City		Current Year Taxes Paid to County
-	2% Shelby County Trustee's Fee	-	2% Shelby County Trustee's Fee
-	Base Year Taxes Paid to Lakeland	-	Base Year Taxes Paid to Shelby County
=	Excess of Current Over Base Year	=	Excess of Current Over Base Year
-	Current Year Millage Dedicated to Debt Service to Lakeland	-	Current Year Millage Dedicated to Debt Service to Shelby County
=	Incremental Tax Revenue	=	Incremental Tax Revenue
-	75% Share of Incremental Tax Revenue to Project	-	75% Share of Incremental Tax Revenue to Project
-	2% Share of Incremental Tax Revenue to Shelby County Trustee	-	2% Share of Incremental Tax Revenue to Shelby County Trustee
-	3% Share of Incremental Tax Revenue to the Lakeland IDB	-	3% Share of Incremental Tax Revenue to the Lakeland IDB
=	20% Share of Incremental Tax Revenue to Lakeland	=	20% Share of Incremental Tax Revenue to Shelby County

The Plan Area may hereafter the divided into separate tax parcels to allow for phased development. The Lakeland IDB is authorized to make all calculations of TIF Revenues on the basis of each parcel within in the Plan Area instead of on an aggregate basis as permitted by the Tax Increment Act. If the Lakeland IDB opts to have such calculations made based upon each parcel, the Lakeland IDB shall give notice to Lakeland and Shelby County that such methodology will be used prior to the first allocation date of any TIF Revenues.

The Board is also authorized to designate, by notice to Lakeland and Shelby County, that the allocation of TIF Revenues from any parcel or group of parcels in the Plan Area shall begin in any tax year within the next seven tax years in order to match TIF Revenues with the application of TIF Revenues for the purposes provided herein, subject to the time limitation on allocations provided below.

TIF Revenues shall be paid to the Lakeland IDB, to the extent received by Lakeland or Shelby County, within ninety (90) days after the respective dates that taxes would be delinquent to Lakeland and Shelby County for such tax year. TIF Revenues received by Lakeland and Shelby County as delinquent taxes shall be paid to the Lakeland IDB by Lakeland and Shelby County within thirty (30) days of receipt.

b. TIF Obligations. In order to pay for Eligible Costs of the Project, the Lakeland IDB intends to use the incremental tax revenues that it would receive as a result of the adoption of this Plan to pay debt service on obligations incurred to finance such costs (or to reimburse Lakeland or the Developer directly for Eligible Cost). This tax increment financing will be structured as follows:

i. The Lakeland IDB will borrow the amount necessary to pay for the Planned Improvements, the cost of financing the Planned Improvements, and related Eligible Costs through the issuance and sale of notes, bonds, or other obligations of the Lakeland IDB. Such amount will be applied to pay the costs relating to the Project after payment of costs incurred in connection with the issuance of the Tax Increment Financing. The Lakeland IDB may pledge the TIF Revenues allocated to the Lakeland IDB 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 any such obligations issued by the Lakeland IDB be considered a debt or obligation of Lakeland or Shelby County in any manner whatsoever, and the source of the funds to satisfy the Lakeland IDB's payment obligations thereunder shall be limited solely to the TIF Revenues, and such obligations shall otherwise be non-recourse to the Lakeland IDB, Lakeland and Shelby County.

ii. The proceeds of the notes, bonds, or obligations may be used to pay Eligible Costs as described above, the costs of issuances relating to notes, bonds or obligations described above, and interest on such notes, bonds, or other obligations.

c. Time Period. Taxes on the real and personal property within the Plan Area will be divided and distributed as provided in this Plan for a period, as to each parcel of property in the Plan Area, not in excess of twenty (20) years as to any parcel but, in any event, such allocations shall cease when there are not Eligible Costs, including debt service, to be paid from the TIF Revenues.

d. Qualified Use. The Lakeland IDB, Lakeland, and Shelby County, by the adoption of this Plan, find that the use of the TIF Revenues as described herein is in furtherance of promoting economic development in Lakeland and Shelby County and that costs and expenses to be financed as described herein are costs of the Project.

VIII. Approval Process

Pursuant to Tenn. Code Ann. § 7-53-312, the process for the approval of this Plan is as follows:

a. The Lakeland IDB holds a public hearing relating to the proposed Plan after publishing notice of such hearing in a newspaper of general circulation in Lakeland and Shelby County at least two (2) weeks prior to the date of the public hearing. The notice must include the time, place and purpose of the hearing as well as notice of how a map of the subject area may be viewed by the public. Following such public hearing, the Lakeland IDB must approve the Plan, and after approval of the Plan by the Lakeland IDB, the Lakeland IDB will submit the Plan to Lakeland and Shelby County for their approval.

b. The governing bodies of Lakeland and Shelby County must approve the Plan to be effective as to both Lakeland and Shelby County. The Plan may be approved by resolutions of the Board of Commissioners of Lakeland and County Commission of Shelby County, whether or not the local charter provisions of the governing bodies provide otherwise. If the governing body of Lakeland approves this Plan but the governing body of Shelby County does not approve this Plan, at Lakeland's option, this Plan shall still be effective as to Lakeland, and all references to allocating TIF Revenues of Shelby County shall be deemed deleted. If the governing body of Shelby County approves this Plan but the governing body of Lakeland does not approve this Plan, at Lakeland's option, this Plan shall still be effective as to Shelby County, and all references to allocating TIF Revenues of Lakeland shall be deemed deleted.

c. Once this Plan has been approved by the governing bodies of Lakeland and Shelby County, the clerk or other recording official of the governing bodies shall transmit the following to the appropriate tax assessor and taxing agency affected: (a) a copy of the description of the property within the Plan Area, and (b) a copy of the resolutions approving the Plan. A copy of the Plan and the resolutions approving the Plan shall be filed with the Comptroller of the State and annual statements of incremental tax revenues allocated to the Lakeland IDB shall be filed with the State Board of Equalization as required by the Tax Increment Act. The Lakeland IDB will also comply with all other procedural requirements of the Tax Increment Act and other applicable laws.

d. Once this Plan has been approved by the governing bodies of Lakeland and Shelby County, the Lakeland IDB, Lakeland and the Developer shall execute the Development Agreement.

EXHIBIT A

Map of Plan Area

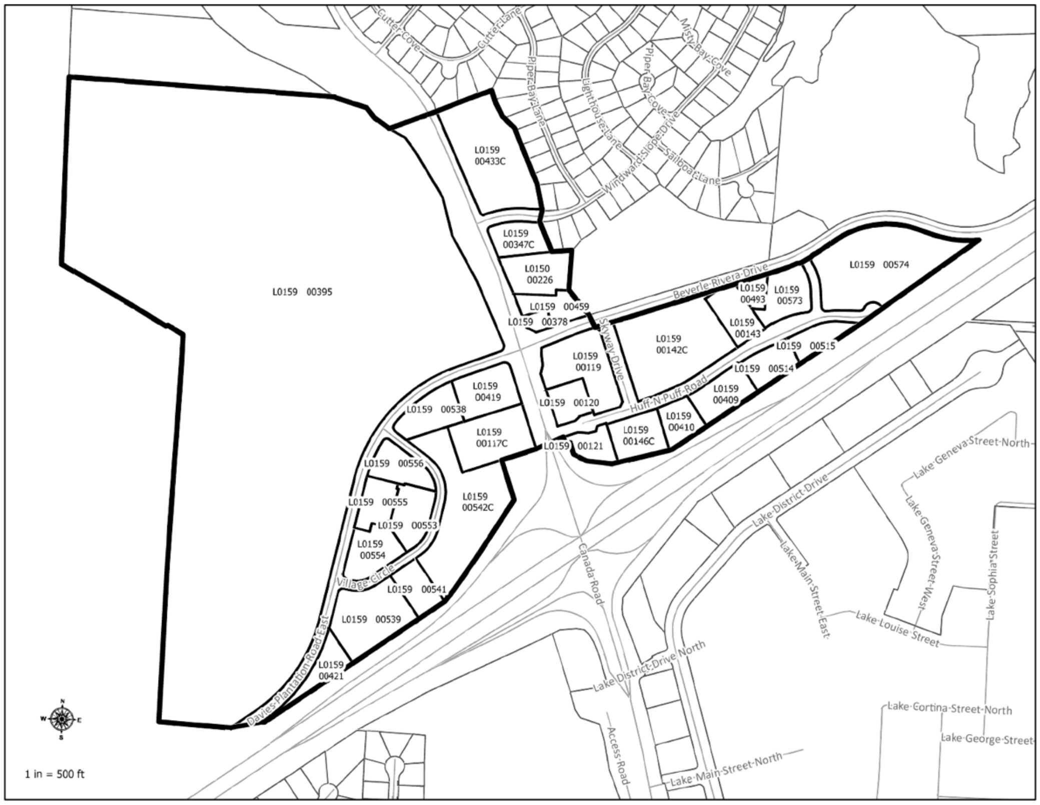

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EXHIBIT B

Parcel Identification Numbers of Parcels in Plan Area

L0159 00395
L0159 00421
L0159 00539
L0159 00541
L0159 00542C
L0159 00554
L0159 00553
L0159 00556
L0159 00555
L0159 00117C
L0159 00538
L0159 00419
L0159 00378
L0159 00459
L0159 00226
L0159 00347C
L0159 00433C
L0159 00119
L0159 00120
L0159 00121
L0159 00146C
L0159 00410
L0159 00409
L0159 00514
L0159 00515
L0159 00142C
L0159 00143
L0159 00493
L0159 00573
L0159 00574

EXHIBIT C

Planned Improvements

The following improvements in the Plan Area:

a) Clearing, excavation, and erosion control
b) Existing infrastructure demo and construction or reconstruction of public infrastructure
c) Storm water drainage and flood control
d) Water system infrastructure
e) Water features
f) Public sewer infrastructure and improvements
g) Electrical system
h) Utility relocation, installation, replacement and placement
i) Natural gas
j) Public roadways, curbs, grates, gutters, medians, speed bumps and traffic calming devices
k) Pedestrian crosswalks, sidewalks and pedestrian safety features
l) Bike lanes and bike racks
m) Landscaping, irrigation, fencing, and street furnishings
n) Traffic signals, street signs, wayfinding, district branding signs and transit stops
o) Street lights and other safety lighting
p) Street signs
q) Street trees and site preparation
r) Public parking lots
s) Public park area amenities
t) Walking and running trails
u) Public common areas
v) Acquisition of land
w) Security enhancements
x) Clearing, grading, excavating, retaining walls and site work
y) Permits, legal, insurance, consulting, construction management fees and architectural, civil engineering, traffic engineering, landscape architecture consulting fees for specific planning, design and construction services reasonably required to accomplish any of the foregoing.

As used above, "public infrastructure" has the meaning given to such term in Tenn. Code Ann. § 9-23-102.

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EXHIBIT B

Planned Improvements

The following improvements in the Plan Area:

a) Clearing, excavation, and erosion control
b) Existing infrastructure demo and construction or reconstruction of public infrastructure
c) Storm water drainage and flood control
d) Water system infrastructure
e) Water features
f) Public sewer infrastructure and improvements
g) Electrical system
h) Utility relocation, installation, replacement and placement
i) Natural gas
j) Public roadways, curbs, grates, gutters, medians, speed bumps and traffic calming devices
k) Pedestrian crosswalks, sidewalks and pedestrian safety features
l) Bike lanes and bike racks
m) Landscaping, irrigation, fencing, and street furnishings
n) Traffic signals, street signs, wayfinding, district branding signs and transit stops
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v) Acquisition of land
w) Security enhancements
x) Clearing, grading, excavating, retaining walls and site work
y) Permits, legal, insurance, consulting, construction management fees and architectural, civil engineering, traffic engineering, landscape architecture consulting fees for specific planning, design and construction services reasonably required to accomplish any of the foregoing.

As used above, "public infrastructure" has the meaning given to such term in Tenn. Code Ann. § 9-23-102.

EXHIBIT C

Transaction Costs

1. All attorney's fees and expenses incurred by the Board and each Developer related to the negotiation and delivery of the Development Agreement, the Economic Impact Plan, any Additional Development Agreement, or any Tax Increment Financing Loan.

2. Subject to the limit on the Administrative Fee set forth in the Development Agreement, all other attorney's fees and expenses incurred by the Board and related to the Tax Increment Incentive.

3. Subject to the limit on the Administrative Fee set forth in the Development Agreement, all fees and expenses incurred by the Board associated with providing information required by the City and the County to identify and transfer the Tax Increment Revenues.

4. All out-of-pocket fees and expenses for attorneys, accountants, appraisers, surveyors, environmental consultants, engineers, and other professional advisors incurred by Developer in connection with the Tax Increment Incentive and the negotiation and execution of this Agreement.

EXHIBIT D

Form of Payment Request

PAYMENT REQUEST

To: Industrial Development Board of the City of Lakeland, Tennessee
c/o Chairman
10001 Highway 70
Lakeland, Tennessee 38002

Re: Development [and Financing] Agreement dated ______________, 2023, between ____________________________ ("Developer"), and the Industrial Development Board of the City of Lakeland, Tennessee, a public nonprofit corporation organized under Tenn. Code Ann. §§ 7-53-101, *et. seq*. (the "Board")

Pursuant to Section [4] of the Development Agreement, please disburse the sum of $_____________ from the Project Tax Increment Fund. In connection with such disbursement, the undersigned hereby certifies as follows:

(a) All amounts disbursed will be applied to the payment of or the reimbursement to Developer for Eligible Costs (including, without limitation, Transaction Costs), and the Eligible Improvements to which such Eligible Costs relate (if applicable) have been completed in material compliance with the plans and specifications previously provided to the Board or its Construction Consultant, to the extent applicable under the Development Agreement. The Construction Consultant has inspected and approved the Eligible Improvements, to the extent its approval is required under the Development Agreement.

(b) With the delivery of this Payment Request, all requirements for this disbursement under Section [4] of the Development Agreement have been satisfied.

(c) Developer or the Developer Representative has entered into all development agreements with the City of Lakeland or an agency thereof necessary for the construction of the Eligible Improvements to which this Payment Request relates. As of the date of this Payment Request, there are no defaults on the part of Developer or the Developer Representative under any such development agreements.

Please disburse all such amounts to the parties in the manner described on Exhibit A attached hereto.

All capitalized terms used herein and not otherwise defined have the respective meanings given to such terms in the Development Agreement.

Dated as of ______________, 202__.

Signatures on the following page.

DEVELOPER:

____

By:____
Name:____
Title:____

Payment Request reviewed and reimbursement of Eligible Cost recommended **if required under Development Agreement**:

[CONSTRUCTION CONSULTANT]

By:___________________________________
Title:_________________________________
Date: _________________________________

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