

AGENDA
INDUSTRIAL DEVELOPMENT BOARD

October 13, 2021 Meeting

Sevierville Fire Headquarters – Training Room

2:00 P.M.



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INDUSTRIAL DEVELOPMENT BOARD
October 13, 2021 Meeting
Sevierville Fire Headquarters – Training Room
2:00 P.M.

A. CALL TO ORDER

B. ROLL CALL

C. MINUTES – June 18, 2021

D. REPORTS

E. OLD BUSINESS

F. NEW BUSINESS

1. Annual meeting and Election of Officers
2. Consider approval of **Resolution IDB-R-2021-002** – A Resolution to amend the Kyker Ferry lease and property description – *Dustin Smith*

G. OTHER BUSINESS

H. ADJOURNMENT

**INDUSTRIAL DEVELOPMENT BOARD of the
CITY OF SEVIERVILLE, TENNESSEE**

June 18, 2021

A called meeting of the Industrial Development Board of the City of Sevierville, Tennessee, was held at the Sevierville Fire Department, 1162 Dolly Parton Parkway, Sevierville, Tennessee, on June 18, 2021 at 1:00 PM.

There were present and participating at the meeting:

Brenda McCroskey, Secretary/Treasurer
Howard Murrell, Director
Jessica Ratcliff, Director
Mike Sutton, Director
Rodney Tarwater, Vice-Chairman
Andrew Temple, Chairman

Absent:

George Seaton, Director

Senior Staff Present:

Matt Henderson, Fire Chief
Lynn McClurg, CFO/City Recorder
Ed Owens, City Attorney
Dustin Smith, Development Director
Russell Treadway, City Administrator

Chairman Temple chaired the meeting with Lisa K. Taylor as secretary of the meeting. A motion was made by Vice-Chairman Tarwater and seconded by Director McCroskey to approve the minutes of the February 22, 2021 meeting and to dispense with the reading. Motion carried.

REPORTS

Chairman Temple recognized Russell Treadway, who updated the Board on upcoming projects at Exit 407 Phase I gas station/convenience store and a 125-unit hotel. Treadway stated a PILOT (payment in-lieu-of tax) agreement could be request for this development.

NEW BUSINESS

Chairman Temple recognized Russell Treadway, who requested approval of Resolution IDB-R-2021-001 - "A RESOLUTION RELATING TO PAYMENT IN LIEU TAX TRANSACTION BETWEEN THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF SEVIERVILLE, TENNESSEE AND WILDERNESS DEVELOPMENT CORPORATION." Those voting Yes: McCroskey, Murrell, Ratcliff, Sutton, Tarwater, Temple.

There being no further business to discuss, the meeting adjourned at 1:13 PM.

Chairman Temple re-opened the meeting at 1:18 PM for a motion to be made for the Resolution. A motion was made by Director Ratcliff and seconded by Vice-Chairman Tarwater to approval the Resolution as presented. Those voting Yes: McCroskey, Murrell, Ratcliff, Sutton, Tarwater, Temple. Motion passed.

There being no further business to discuss, the meeting adjourned at 1:20 PM.

Approved: _____

Andrew Temple, Chairman

Attest: _____

Lisa K. Taylor, Recorder



IDB Board Memorandum

Date: October 8, 2021

Agenda Item: Consider approval of **Resolution IDB-R-2021-002** – A Resolution to amend the Kyker Ferry lease and property description

Presentation: This is a proposed amendment to the lease agreement for The Villas at Kyker Ferry. The proposed amendment revises the legal description to include an additional 2,280 square feet of property excluded from the original lease. Additionally, the amendment assigns the existing PILOT documents from The Villas at Kyker Ferry, LLC, a Tennessee limited liability company, to The Villas at Kyker Ferry SPE, LLC, a Delaware limited liability company.

Requested Action: Approval of Resolution IDB-R-2021-002

RESOLUTION – IDB-R-2021-002

**A RESOLUTION RELATING TO THE SECOND AMENDMENT TO
PILOT DOCUMENTS AMONG THE INDUSTRIAL DEVELOPMENT
BOARD OF THE CITY OF SEVIERVILLE, TENNESSEE AND THE
VILLAS AT KYKER FERRY, LLC AND THE VILLAS AT KYKER
FERRY SPE, LLC**

WHEREAS, the Board of Directors of The Industrial Development Board of the City of Sevierville, Tennessee (the “Board”) has met pursuant to proper notice; and

WHEREAS, to induce The Villas at Kyker Ferry, LLC, a Tennessee limited liability company (the "Company"), to cause the acquisition of certain real property and construction thereon of an approximately 268-unit multi-family housing facility (the "Project"), the Board and the Company entered into a (i) Lease dated as of March 9, 2020 (as previously amended, the “Lease”), and (iii) Memorandum of Lease, dated March 9, 2020, recorded at Book 5499, Page 343 in the office of the Sevier County Register of Deeds (as previously amended, the “Memorandum” and together with the Lease, the “Existing PILOT Documents”); and

WHEREAS, the Board and the Company desire to amend the Existing PILOT Documents to revise the legal description of the Leased Land (as defined in the Lease) to include an additional 2,280 square feet necessary for the Project and to assign the Existing PILOT Documents from the Company to The Villas at Kyker Ferry SPE, LLC, a Delaware limited liability company and affiliate of the Company (the "Assignee"); and

WHEREAS, to accomplish the foregoing, the Company has requested that the Board execute the Second Amendment to PILOT Documents attached hereto (the “Second Amendment”):

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF SEVIERVILLE, TENNESSEE:

1. The Chairman or Vice Chairman of the Board is hereby authorized and directed to execute, and its Secretary or Assistant Secretary is authorized to attest the Second Amendment, and either is authorized and directed to deliver the Second Amendment to the Company.
2. The Second Amendment shall be substantially in the form submitted, which is hereby approved, with such completions, omissions, insertions and changes as may be approved by the officer executing it, his or her execution to constitute conclusive evidence of his or her approval of any such omissions, insertions and changes.
3. The officers of the Board are hereby authorized and directed to execute, deliver and file such other certificates and instruments and to take all such further action as they may consider necessary or desirable in connection with the consummation of the transactions described above.

4. All other acts of the officers of the Board which are in conformity with the purposes and intent of this resolution and in furtherance of the amendments described above are hereby approved and confirmed.

I hereby certify that attached hereto is a resolution of The Industrial Development Board of the City of Sevierville, Tennessee, duly and lawfully adopted by its Board of Directors on _____, 2021 at a meeting at which a quorum was acting throughout, and I furthermore certify that such resolution has not been amended or modified in any respect.

THE INDUSTRIAL DEVELOPMENT BOARD OF
THE CITY OF SEVIERVILLE, TENNESSEE

Secretary

31587758.1

RECORDED AT THE REQUEST OF
AND AFTER RECORDING RETURN TO:

Bass, Berry & Sims, PLC
900 South Gay Street, Suite 1700
Knoxville, Tennessee 37902
Attn: G. Mark Mamantov

*This amends the documents recorded at
Book 5499, Page 343 in the office of the
Sevier County Register of Deeds and Book
5558, Page 61 in the office of the Sevier
County Register of Deeds.*

SECOND AMENDMENT TO PILOT DOCUMENTS

THIS SECOND AMENDMENT TO PILOT DOCUMENTS is made and entered into this ____ day of _____, 2021, by and among THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF SEVIERVILLE, TENNESSEE, a public nonprofit corporation organized and existing under the laws of the State of Tennessee ("Lessor"), THE VILLAS AT KYKER FERRY, LLC, a Tennessee limited liability company ("Lessee" or "Assignor"), and THE VILLAS AT KYKER FERRY SPE, LLC, a Delaware limited liability company ("Assignee").

WITNESSETH:

WHEREAS, a certain Lease was executed on March 9, 2020 by and between Lessor and Lessee, as previously amended by that certain Amendment to PILOT Documents (the "First Amendment"), dated June 12, 2020, recorded at Book 5558, Page 61 in the office of the Sevier County Register of Deeds (as amended, the "Lease"), whereby the Leased Property (as defined in the Lease) was demised unto Lessee; and

WHEREAS, notice of the Lease was previously given by recording that certain Memorandum of Lease, dated March 9, 2020, recorded at Book 5499, Page 343 in the office of the Sevier County Register of Deeds, as previously amended by the First Amendment (as amended, the "Memorandum"); and

WHEREAS, the parties desire to enter into this Second Amendment to PILOT Documents to substitute the legal description set forth in "Revised Exhibit A" to the Lease and the Memorandum (collectively referred to herein as the "PILOT Documents") with the legal description attached hereto as "Revised Exhibit A-1"; and

WHEREAS, the Lessee desires to assign the PILOT Documents to the Assignee; and

NOW THEREFORE, for good and valuable consideration, receipt and legal sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. The parties hereby agree to and confirm that the existing "Revised Exhibit A" of the PILOT Documents is hereby deleted and replaced with the "Revised Exhibit A-1" attached hereto.
2. Assignor hereby transfers, conveys, sets over, and assigns to Assignee all of Assignor's right, title, and interest in and to the PILOT Documents.
3. Assignee hereby accepts said assignment and agrees to assume and perform all obligations of Assignor under the PILOT Documents, including any obligation that may have accrued prior to the date hereof.

4. As of the date of this Assignment, the PILOT Documents are hereby modified and amended in all respects necessary to provide that the addresses for notices to the Lessee under the PILOT Documents as follows:

If to Lessee:
The Villas at Kyker Ferry SPE, LLC
2304 Silverdale Drive, Suite 300
Johnson City, TN 37601
Attn: Shane Abraham

5. Assignee agrees to pay all costs and expenses of Lessor, including the reasonable fees and expenses of Lessor's attorneys, in connection with this Second Amendment to PILOT Documents and any other documentation necessary for Assignee to obtain financing related to the construction of the affordable rental housing on the Leased Property.

6. By signing below through its duly authorized representative, Lessor acknowledges and accepts this assignment and agrees that its obligations and rights under the PILOT Documents occurring on or after the date hereof are now due to and owing from Assignee.

7. This document may be executed in any number of identical counterparts, each of which constitutes an original, and all of which shall be taken together as one and the same instrument, for the same effect as if all parties hereto had signed the same signature page.

Except as amended hereby, the PILOT Documents remain in full force and effect and enforceable by their terms.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF SEVIERVILLE, TENNESSEE, a public nonprofit corporation organized and existing under the laws of the State of Tennessee

By: _____
Chairman

STATE OF TENNESSEE)

)

COUNTY OF SEVIER)

Before me, the undersigned authority, a Notary Public with and for the State and County aforesaid, personally appeared _____, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who upon his oath acknowledged himself to be the Chairman of THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF SEVIERVILLE, TENNESSEE, the within named bargainor, a public not-for-profit corporation, and that he, as such Chairman, executed the foregoing instrument for the purposes therein contained by signing the name of said corporation as Chairman.

WITNESS my hand and official seal at office in _____, Tennessee, this ____ day of _____, 2021.

Notary Public

My Commission Expires:

THE VILLAS AT KYKER FERRY, LLC, a Tennessee
limited liability company

By: _____
Its: _____

STATE OF TENNESSEE
COUNTY OF _____

Before me, the undersigned authority, a Notary Public with and for the State and County aforesaid, personally appeared _____, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who upon his oath acknowledged himself to be the _____ of THE VILLAS AT KYKER FERRY, LLC, the within named bargainor, a Tennessee limited liability company, and that he, as such officer, executed the foregoing instrument for the purposes therein contained by signing the name of said company as such officer.

Witness my hand, at office, this ____ day of _____, 2021.

Notary Public

My Commission Expires: _____

THE VILLAS AT KYKER FERRY SPE, LLC, a
Delaware limited liability company

By: _____
Its: _____

STATE OF _____
COUNTY OF _____

Before me, the undersigned authority, a Notary Public with and for the State and County aforesaid, personally appeared _____, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who upon his oath acknowledged himself to be the _____ of THE VILLAS AT KYKER FERRY SPE, LLC, the within named bargainor, a Delaware limited liability company, and that he, as such officer, executed the foregoing instrument for the purposes therein contained by signing the name of said company as such officer.

Witness my hand, at office, this ____ day of _____, 2021.

Notary Public

My Commission Expires: _____

REVISED EXHIBIT A-1

Situate, lying and being in the 8th Civil District of Sevier County, Tennessee, and more particularly described as follows:

BEING all of Lot 3R of Subdivision Plat of The Villas at Kyker Ferry, as shown by map or plat of such Subdivision of record in Plat Book 43, Page 315, in the office of the Register of Deeds for Sevier County, Tennessee, to which reference is here made for a full and complete description of said lot.

TOGETHER WITH an Easement for access over and across Lee Greenwood Way as described in Declaration of Easement and Maintenance Agreement dated September 15, 2005, recorded in Book 2344, Page 561; as amended in Amended Declaration of Easement and Maintenance Agreement dated February 19, 2008, and recorded in Book 3027, Page 756.

AND BEING the same property conveyed to The Industrial Development Board of the City of Sevierville, Tennessee, from The Villas at Kyker Ferry, LLC, a Tennessee limited liability company by: 1) Quitclaim Deed dated March 9, 2020, and recorded in Book 5499, Page 338; 2) Correction Deed dated June 15, 2020, recorded in Book 5558, Page 57; and 3) Quitclaim Deed dated October __, 2021 recorded in Book _____, Page _____.

AND BEING part of the same property described in that Lease dated March 9, 2020, by and between The Industrial Development Board of the City of Sevierville, Tennessee (Lessor), and The Villas at Kyker Ferry, LLC, a Tennessee limited liability company (Lessee); a Memorandum of which is recorded in Book 5499, Page 343, and as amended by Amendment to PILOT Documents dated June 12, 2020, recorded in Book 5558, Page 61.

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