NUMBER

# RESOLUTION OF THE INDUSTRIAL DEVELOPMENT BOARD FOR THE CITY OF OAK RIDGE

A RESOLUTION AUTHORIZING A $500,000 GRANT FROM THE INDUSTRIAL DEVELOPMENT BOARD FOR THE CITY OF OAK RIDGE, TENNESSEE, FOR PARTIAL FUNDING OF THE PUBLIC INFRASTRUCTURE IMPROVEMENT PROJECT IN SUPPORT OF THE DEVELOPMENT OF MAIN STREET OAK RIDGE (FORMERLY THE OAK RIDGE MALL) IN THE EVENT THE CITY IS UNSUCCESSFUL IN APPLYING FOR A GRANT FROM THE U.S. DEPARTMENT OF COMMERCE ECONOMIC DEVELOPMENT ADMINISTRATION (EDA) FOR THIS PROJECT.

WHEREAS, the Industrial Development Board for the City of Oak Ridge, Tennessee, (the “Board”) prepared the Economic Impact Plan for the Redevelopment of the Oak Ridge Mall Economic Development Area (the “Economic Impact Plan”) regarding the development of the Oak Ridge Mall area (the “Plan Area”); and

WHEREAS, the Board, City Council, and the Anderson County Commission approved the Economic Impact Plan in 2013; and

WHEREAS, the Economic Impact Plan included the pledge of future incremental property tax increases for the former mall property in the amount of $13,000,000 plus interest toward redevelopment, which plan was subsequently approved by the State of Tennessee in January 2014; and

WHEREAS, Crosland Southeast, the developer of the former mall property now known as Main Street Oak Ridge, has been working with local financial institutions in an effort to gain funding for the tax increment financing (TIF) portion of the redevelopment; and

WHEREAS, it is unknown at this time whether the local financial group will fund the project, however, the group has established a requirement necessary for their prospective participation which includes holding in reserve $2,000,000 of the tax increment financing loan; and

WHEREAS, the public infrastructure improvement project in support of the development of Main Street Oak Ridge, which project will include reconstruction of private streets (Main Street East, Main Street West, and Wilson Street) to public road standards, as well as relocation and placement of underground power and communication lines along Rutgers Avenue between Wal-Mart and Wilson Street; and

WHEREAS, this project is estimated at $2,000,000; and

WHEREAS, funding for the project is anticipated to come the Capital Project Fund in the amount of $1,000,000 ($800,000 from reserves and $200,000 from FY2015) and a $1,000,000 grant the City will apply for from the U.S. Department of Commerce Economic Development Administration (EDA); and

WHEREAS, in the event the City is not successful in applying for an EDA grant for this project, the IDB agrees to provide a grant in the amount of $500,000 toward this project, with the remaining $500,000 to come from TIF proceeds.

NOW, THEREFORE, be it resolved by the Industrial Development Board of the City of Oak Ridge, Tennessee:

In the event the City is unsuccessful in applying for a $1,000,000 grant from the U.S. Department of Commerce Economic Development Administration, the Oak Ridge Industrial Development Board of the City of Oak Ridge, Tennessee, hereby authorizes a $500,000 grant to the City for partial funding of the public infrastructure improvement project in support of development of Main Street Oak Ridge, with the remaining $500,000 to come from tax increment financing for the project.

Approved and adopted this the 29th day of September 2014.

APPROVED AS TO FORM AND LEGALITY:

Kenneth R. Krushenski, City Attorney David Wilson, Chairman

Chris Johnson, Secretary/Treasurer