

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION APPROVING A FINANCIAL CONTRIBUTION, IF NEEDED, TO THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF KINGSPORT, TENNESSEE FOR ECONOMIC OR INDUSTRIAL DEVELOPMENT PURPOSES RELATIVE TO THE KINGSPORT PAVILION REDEVELOPMENT AND IMPROVEMENTS, AUTHORIZING SUCH AGREEMENTS AS MAY BE NEEDED TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION; EXPRESSING THE INTENT OF THE BOARD OF MAYOR AND ALDERMEN TO ESTABLISH ONE OR MORE PROJECT ACCOUNTS IN AN ORDINANCE APPROPRIATING FUNDS TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION, IF NEEDED; AND TO FIX THE EFFECTIVE DATE OF THIS RESOLUTION

WHEREAS, the board has previously authorized the incorporation of the Industrial Development Board of the City of Kingsport, Tennessee (a/k/a KEDB) as an industrial development board duly organized and existing under the provisions of Title 7, Chapter 53 of the Tenn. Code Ann. (Act); and

WHEREAS, KEDB has negotiated an incentive package for Dry Creek Capital Partners, the current owners of the Kingsport Pavilion property; and

WHEREAS, this project is vital to the continued growth of the area and will serve as a regional draw; and

WHEREAS, the proposed incentive facilitates the renovation of the former Dicks Sporting Goods space for a new anchor tenant which is expected to facilitate future growth and improvements at the property; and

WHEREAS, KEDB seeks city's agreement to contribute financially to this project so it can secure a loan in an amount not to exceed \$1,250,000.00; and

WHEREAS, it is anticipated that the loan will not be secured until sometime during the 2025 fiscal year; and

WHEREAS, city is authorized by Tenn. Code Ann. § 6-54-118 to make contributions to an eligible industrial development corporation for economic or industrial development; and

WHEREAS, KEDB is an eligible industrial development corporation.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That the board incorporates herein by reference and adopts the findings set forth above.

SECTION II. That the board authorizes, if necessary, a contribution to KEDB in an amount not to exceed \$1,250,000.00, which contribution, if needed, could be used to secure a

loan for an incentive package with the Dry Creek Capital Partners, the current owners of the Kingsport Pavilion redevelopment and improvements.

SECTION III. That an agreement with KEDB is approved to provide a contribution in an amount not to exceed \$1,250,000.00 , which contribution, if needed, could be used to secure a loan for an incentive package for Dry Creek Capital Partners, the current owners of the Kingsport Pavilion property, for redevelopment and improvements to the property and the mayor or in his absence, incapacity or failure to act the vice mayor is authorized to sign the same upon approval as to form by the city attorney.

SECTION IV. That the board recognizes that other agreements with KEDB may be needed to effectuate the purpose of this resolution and, accordingly, approves such agreements, as needed, to effectuate the purpose of this resolution, as determined by the mayor in consultation with the city attorney, and authorizes and directs the mayor to execute such agreement.

SECTION V. That the board finds that the expenditure of any funds pursuant to this resolution is for the public purpose of economic development or industrial development, is in the public interest, and will promote the health, comfort, and prosperity of the citizens of the city.

SECTION VI. That to carry out the intent of this resolution, the board will establish, by Ordinance, as needed, one or more project accounts and to fund such project account(s) in the upcoming budgets, and the city manager is directed to authorize and establish such project account(s), when and as needed.

SECTION VII. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 16th day of January, 2024.

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PATRICK W. SHULL, MAYOR

ATTEST:

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ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

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RODNEY B. ROWLETT, III, CITY ATTORNEY