



**AGENDA ACTION FORM**

**Consideration of a Resolution Rescinding Resolution Number 2025-105 and Amending an Economic Development Contribution Agreement to the Industrial Development Board of Kingsport and Authorizing One or More Agreements Pertaining to the Same**

To: Board of Mayor and Aldermen  
From: Chris McCartt, City Manager *CM*

Action Form No.: AF-347-2024  
Work Session: December 16, 2024  
First Reading: N/A  
Final Adoption: December 17, 2024  
Staff Work By: Steven Bower  
Presentation By: Chris McCartt

**Recommendation:**  
Approve the Resolution.

**Executive Summary:**  
In December of 2013 the Industrial Development Board of Kingsport (Kingsport Economic Development Board or KEDB) purchased a portion of the property owned by General Shale. During that same time the Kingsport BMA approved a resolution authorizing a contribution agreement, should it be needed, in the amount of \$4.0 million which was the amount of the loan/line of credit issued to KEDB. In addition to the purchase of the property, which was \$2,770,000, additional funding was used to demolish the structures located on the site in order to prepare it for future development.

At various times this board has approved extensions of the loan, most recently at its December 5<sup>th</sup>, 2023 meeting through the adoption of Resolution No.: 2024-124 which extended the loan through December 20, 2024 at a fixed interest rate of 7.5%.

At the December 3<sup>rd</sup>, 2024 meeting the board voted again to extend the loan however, there were certain errors within the resolution which require correction. In actuality, the remainder of the existing loan in the amount of \$2,620,000 will be refinanced at a fixed interest rate of 4.09% for 72 months with Bank of Tennessee. To correct these errors and thereby eliminate any uncertainty or confusion this resolution rescinds Resolution No. 2025-105 adopted at the December 3<sup>rd</sup>, 2024 meeting with the accompanying resolution reciting the correct lender. As with the prior actions of the board, the resolution approves a contribution agreement which provides for the city to make the necessary payments should KEDB prove unable to make the necessary payments.

**Attachments:**

- 1. Resolution
- 2. Property Map

	<u>Y</u>	<u>N</u>	<u>O</u>
Baker	—	—	—
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Mayes	—	—	—
Phillips	—	—	—
Montgomery	—	—	—