**THE INDUSTRIAL DEVELOPMENT BOARD OF
THE COUNTY OF MONTGOMERY**

ECONOMIC IMPACT PLAN
FOR
VULCAN PLANT DEVELOPMENT AREA

I. Authority for Economic Impact Plan

Industrial development corporations ("IDBs") are authorized under Title 7, Chapter 53 of the Tennessee Code Annotated (the "IDB Act"), including 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 a project. Tennessee Code Annotated § 7-53-312 also authorizes cities and counties to allocate new incremental tax revenues, which arise from the area subject to the economic impact plan, to an IDB to promote economic development, to pay the cost of projects or to pay debt service on bonds or other obligations issued by the IDB to pay the costs of projects.

II. Overview and Project Identity

For a century and a half, the area that is the subject of this economic impact plan (this "Plan") served as the industrial center for the City of Clarksville. Among other sites, this area includes the Clarksville Foundry, which has been in continuous operation since 1847, the B.F. Goodrich plant, which began operations in 1939 and closed in 2019, and Frosty Morn, a sausage packing facility that began operations in 1948 and ceased operations in 1977. The B.F. Goodrich Plant, located at 1151 College Street, encompassed slightly more than 26 acres and at one point was the largest employer in the City of Clarksville (the "City"). That plant was subsequently acquired by Vulcan Corporation after nearly eighty years of operation. The Vulcan plant closed in 2019, and the primary buildings on the plant site have been demolished. The Frosty Morn plant closed in 1977 and has been vacant for decades.

The Vulcan plant anchored an industrial area in the City that is now located on a commercial corridor that serves as one of the primary entryways to the downtown center of the City. Along with the site of the Vulcan plant, a number of the commercial properties adjacent to or near the Vulcan plant site are underutilized or not fully developed. The Industrial Development Board of the County of Montgomery (the "Board") has determined to adopt (this "Plan") to promote and accelerate economic development of the Vulcan plant site as well as adjacent and nearby properties, notably the Frosty Morn site that is owned by the City, which will directly benefit from the redevelopment of the Vulcan plant site.

The Vulcan plant site was recently acquired by a developer who plans to redevelop the Vulcan plant site with retail and commercial establishments, apartments that will be available for persons of moderate income, and offices. These components of this mixed-used redevelopment of the Vulcan plant site will each constitute an eligible project within the meaning of Tenn. Code Ann. § 7-53-101(15). The City also intends to redevelop the Frosty Morn site as a public building, including a multi-cultural center, which will also constitute and eligible project. These projects are collectively referred to herein as the "Project." The Project shall constitute the "project" that is within the Plan Area identified herein for purposes of Tenn. Code Ann. § 7-53-312.

III. Boundaries of Plan Area

The area that would be subject to this Plan, and to the tax increment incentive provisions described below, includes only the property on which the Project will be located and surrounding properties that will be directly improved or benefited due to the undertaking of the Project. The map of the area that will be subject to this plan (the "Plan Area"), which consists of approximately 106.48 +/- acres, is shown on Exhibit A attached hereto. A list of the parcels included in the Plan Area and the property taxes for each parcel for 2021, which will be the bases taxes for each parcel, is attached hereto as Exhibit B. The Plan Area is hereby declared to be subject to this Plan.

IV. Financial Assistance

The Board will provide financial assistance to eligible projects within the meaning of the IDB Act that are undertaken in the Plan Area, including the Project, by applying the tax increment incentive in the manner described below to pay or reimburse property owners for the payment of all or a portion of certain eligible costs that will be incurred in connection with the development of the Plan Area. These costs are expected to primarily relate to the construction and installation of public infrastructure to be made in or adjacent to the Plan Area that is necessary to serve the Project and other development in the Plan Area but may also include other costs that are approved as provided below. For these purposes, public infrastructure shall have the meaning given to such term in Tenn. Code Ann. § 9-23-102(16), which includes roads, streets, publicly owned or privately owned parking lots, facilities or garages, traffic signals, sidewalks or other public improvements that are available for public use, utility improvements and storm water and drainage improvements, whether or not located on public property or a publicly dedicated easement.

The Board, subject to the terms of one or more development agreements to be negotiated with property owners and/or developers of property in the Plan Area, will pay and/or reimburse all or a portion of the cost of such public infrastructure or other approved costs upon receipt of adequate documentation of such costs. The Board and each property owner and/or developer will enter into a development agreement with respect to the scope of the public improvements and the cost of the public improvements to be paid or reimbursed and/or the payment or reimbursement of any other approved costs.

Tenn. Code Ann. § 9-23-108 does not permit the application of incremental tax revenues to pay costs other than the costs of public infrastructure 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. It is not expected that the tax increment incentive authorized by this Plan would be used to pay for any costs other than public infrastructure, but the Board is authorized to pay for costs that do not constitute public infrastructure if the Board determines that the payment of such costs is necessary for the Project to be financially feasible. In such case, the Board may seek a written determination from the State as to the eligibility of costs other than the costs of public infrastructure. Public infrastructure together with any additional costs approved as described in this paragraph are referred to in this Plan as "Eligible Costs."

V. Expected Benefits to City and County

The undertaking of the Project and the accelerated development of the surrounding area would be a transformational project for the Plan Area in particular and the City and Montgomery County (the "County") as a whole. The redevelopment of the Plan Area will provide an enhanced gateway to the City that will improve the image of the City for visitors and residents.

The Project and other capital investment in the Plan Area is expected to exceed $300,000,000. Each $1,000,000 of capital investment in the Plan Area that occurs or is accelerated due to the development of the Project should create, using a conservative estimate, 500 construction jobs for the duration of the construction period relating to the capital investment.

Permanent jobs are also expected to be created as a result of the development of the Project. Significant retail and other commercial development are expected to occur in the Plan Area. A reasonable estimate of the commercial development initially expected to occur or be accelerated due to the construction of the Project is at least 875,000 square feet of development. The development of that amount of retail and multi-family space, which is a conservative estimate, should result in at least 350 new jobs, using a conservative standard of one job per 2,500 square feet of commercial space.

The County and the City are also expected to realize additional tax receipts as a result of the accelerated development of the Plan Area. With respect to property taxes, the County and the City will continue to receive existing property tax revenues from the Plan Area as base taxes pursuant to the IDB Act. To the extent property tax revenues are increased due to capital investment in the Plan Area, much of the incremental property tax revenue would be applied as provided herein to pay for costs of developing the Plan Area and/or debt service relating thereto. However, that portion of the additional property taxes that would be allocable to pay debt service on the County's and the City's debt would be retained by the County. If $300,000,000 in appraised value of additional commercial capital investment was made in the Plan Area and $1,000,000 in appraised value of additional residential development was also made, which are conservative estimates, the County and the City in the aggregate would realize approximately $1,360,629 in annual additional property tax revenue to pay debt service, using the current County and City tax rates of $2.99 and $1.09 respectively, and assuming approximate County and City debt service percentages of 28% and 27.14% respectively. The County and the City would also immediately receive all incremental personal property taxes collected within the Plan Area.

Furthermore, new retail establishments that are developed in the Plan Area will result in increased annual local sales tax revenues. If 87,500 square feet of retail space is constructed and such retail space results in additional annual retail sales of $8,750,000 (using a conservative estimate of $100 of annual sales per square foot), the County and the City would realize approximately $218,750 in additional local sales tax revenues annually from the development of the Plan Area that would be allocated to the County and the City.

VI. Distribution of Property Taxes and Tax Increment Incentive

a. Distribution of Taxes. Property taxes, excluding personal property taxes (which shall not be allocated pursuant to this Plan), imposed on the property located within the Plan Area shall be allocated and distributed as provided in this part. The taxes assessed by the County and the City on the real property within the Plan Area will be divided and distributed, subject to the elections and alternatives, permitted below, as follows in accordance with the IDB Act and Title 9, Chapter 23 of the Tennessee Code Annotated, being the Uniformity in Tax Increment Financing Act of 2012 (the "Tax Increment Act"):

i. The portion of the real property taxes payable with respect to the tax parcels in the Plan Area equal to the year prior to the date of approval of this Plan (the "Base Tax Amount") shall be allocated to and, as collected, paid to the County and the City as all other taxes levied by the County and the City 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 Base Tax Amount, there shall be allocated and paid to the County and the City only the taxes actually imposed.

ii. The excess of real property taxes over the Base Tax Amount (the "TIF Revenues") shall be allocated and, as collected, paid into a separate fund or funds of the Board, created to hold such payments until the tax proceeds in the funds are to be applied (A) to pay Eligible Costs relating to development within the Plan Area in order to promote economic development and/or (B) to pay debt service on the obligations expected to be issued by the Board to finance Eligible Costs (the "TIF Obligations") within the Plan Area.

This allocation is subject to the provisions of Tenn. Code Ann. §7-53-312(j) and the Tax Increment Act, which requires that taxes levied upon property within the Plan Area for the payment of debt service of the County and the City shall not be allocated to the Board and is further subject to the retention or payment of any applicable administrative expenses and fees of the Board, the City or the County consistent with any policies of any of such entities and/or to be paid under the development agreement to be entered into between any property owner and/or developer and the Board.

It is expected that existing tax parcels with the Plan Area will need to be subdivided and/or aggregated in order to facilitate the phased development of the Plan Area. The Base Tax Amount with respect to each tax parcel that is subdivided shall be allocated to each subdivided parcel on a pro-rated basis using the acreage of each subdivided parcel as a percentage of the total acreage of the original tax parcel. If tax parcels are aggregated, the Base Tax Amount for each such parcel shall also be aggregated.

The Board is authorized to make all calculations of TIF Revenues on the basis of each parcel within the Plan Area instead of on an aggregate basis as permitted by the Tax Increment Act. If the Board opts to have such calculations made based upon each parcel, the Board shall give notice to the County and the City that such methodology will be used prior to the first allocation date of any TIF Revenues.

As permitted by the Tax Increment Act, the Board is hereby authorized to separately group one or more parcels with the Plan Area for purposes of calculating and allocating the TIF Revenues, and in such case, the allocation of TIF Revenues shall be calculated and made based upon each such parcel or group of parcels, and not the entire Plan Area. The Board is specifically authorized to undertake such grouping of parcels at any time that this Plan is effective as of the beginning of any year (but not later than the tenth full year commencing after the execution of the initial development agreement relating to property in the Plan Area), and the Board may reserve the right in any development agreement to regroup one or more parcels for purposes of making the calculations of TIF Revenues hereunder. The Board shall give notice of any such grouping of parcels to the County and the City.

The Board is also authorized to designate, by notice to the County and the City, that the allocation of TIF Revenues from any parcel or group of parcels shall begin in different years in order to match TIF Revenues with the application of TIF Revenues for the purposes provided herein, subject to the maximum allocation period as to any parcel provided below, provided that allocation of TIF Revenues as to any parcel in the Plan Area must commence no later than the tenth full year after the execution of the initial development agreement relating to property in the Plan Area.

Allocations of TIF Revenues by the County and the City shall be made (i) as to TIF Revenues derived from non-delinquent taxes, within sixty (60) days of the date such taxes are due without penalty for each tax year and (ii) as to TIF Revenues derived from delinquent taxes, within sixty (60) days from when such taxes are collected by the County and the City.

b. TIF Obligations. In order to pay certain Eligible Costs, the Board expects to use all or a portion of the incremental tax revenues that it will receive as a result of the adoption of this Plan to pay debt service on obligations that may be issued to the Board to finance such costs. This tax increment financing or financings, if issued, would be structured as follows:

i. The Board may borrow funds through the issuance and sale of notes, bonds or other obligations of the Board. The Board shall pledge all or a portion of the TIF Revenues allocated to the Board 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 the obligations issued by the Board be considered a debt or obligation of the County or the City in any manner whatsoever, and the source of the funds to satisfy the Board's payment obligations thereunder shall be limited solely to the TIF Revenues and shall otherwise be non-recourse to the Board.

ii. The proceeds of the notes, bonds or obligations shall be used to pay Eligible Costs, costs of issuances relating to notes, bonds or obligations and capitalized interest on the notes, bonds or other obligations to the extent permitted by the IDB Act.

iii. Any tax increment financing may be refinanced by the Board at any time as permitted by the IDB Act, and upon such refinancing, available tax increment revenues shall be applied to the payment of such refinancing debt to the extent such tax increment revenues were to be used to pay the debt that is being refinanced.

c. Direct Payment. Notwithstanding any provision herein to the contrary, the Board may apply TIF Revenues directly to pay or reimburse Eligible Costs without the necessity of issuing any notes, bonds or other obligations pursuant to any development agreement entered into between the Board and any property owner and/or developer in the Plan Area.

d. Maximum Amount. The aggregate principal amount of notes, bonds and obligations issued by the Board as described in subsection (b) above together with the maximum amount of Eligible Costs that the Board agrees to pay as described in subsection (c) above shall not in any event exceed $35,000,000.

e. Time Period. Taxes on the real property within the Plan Area will be divided and distributed as provided in this Plan for a period, as to each parcel in the Plan Area, not in excess of twenty (20) tax 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 payable with respect to such parcel. The Board may approve an allocation period that is less than twenty (20) years as to any parcel if the Board determines that a shorter allocation period will provide sufficient incentive to promote the development of that parcel. Until an allocation of TIF Revenues as to any parcel commences as described in subsection (a) above, no TIF Revenues shall be allocated to the Board as to such parcel.

f. Finding of Economic Benefit. The Board, by submission of this Plan, and the County and the City, 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 the County and the City.

VII. Approval Process

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

a. The Board holds a public hearing relating to this Plan after publishing notice of such hearing in a newspaper of general circulation in the 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 Board may submit this Plan to the County and City for their approval.

b. The governing bodies of the County and the City must approve this Plan for such plan to be effective as to both the County and the City. This Plan may be approved by resolution of the County Commission or City Council, whether or not the local charter provisions of the County or City provide otherwise. If either the County or City make any changes to this Plan in connection with their approval hereof, such changes must be approved by the Board following a public hearing related thereto, and such changes must also be approved by the County or City, as applicable.

c. Once the governing body of the County and the City has approved this Plan, the Plan shall be filed with the local taxing officials and the Comptroller of the State as required by the Tax Increment Act and annual statements of incremental tax revenues allocated to the Board shall be filed with the State Board of Equalization as required by the Tax Increment Act. The Board will also comply with all other procedural requirements of the Tax Increment Act and other applicable laws.

VIII. Policies and Procedures

Pursuant to Tenn. Code Ann. § 9-23-107 of the Tax Increment Act, the Board, the County and, if applicable, the City shall approve policies and procedures relating to the implementation of this Plan prior to any allocation of TIF Revenues hereunder.

EXHIBIT A
(to Economic Impact Plan)

<u>Map of Plan Area</u>

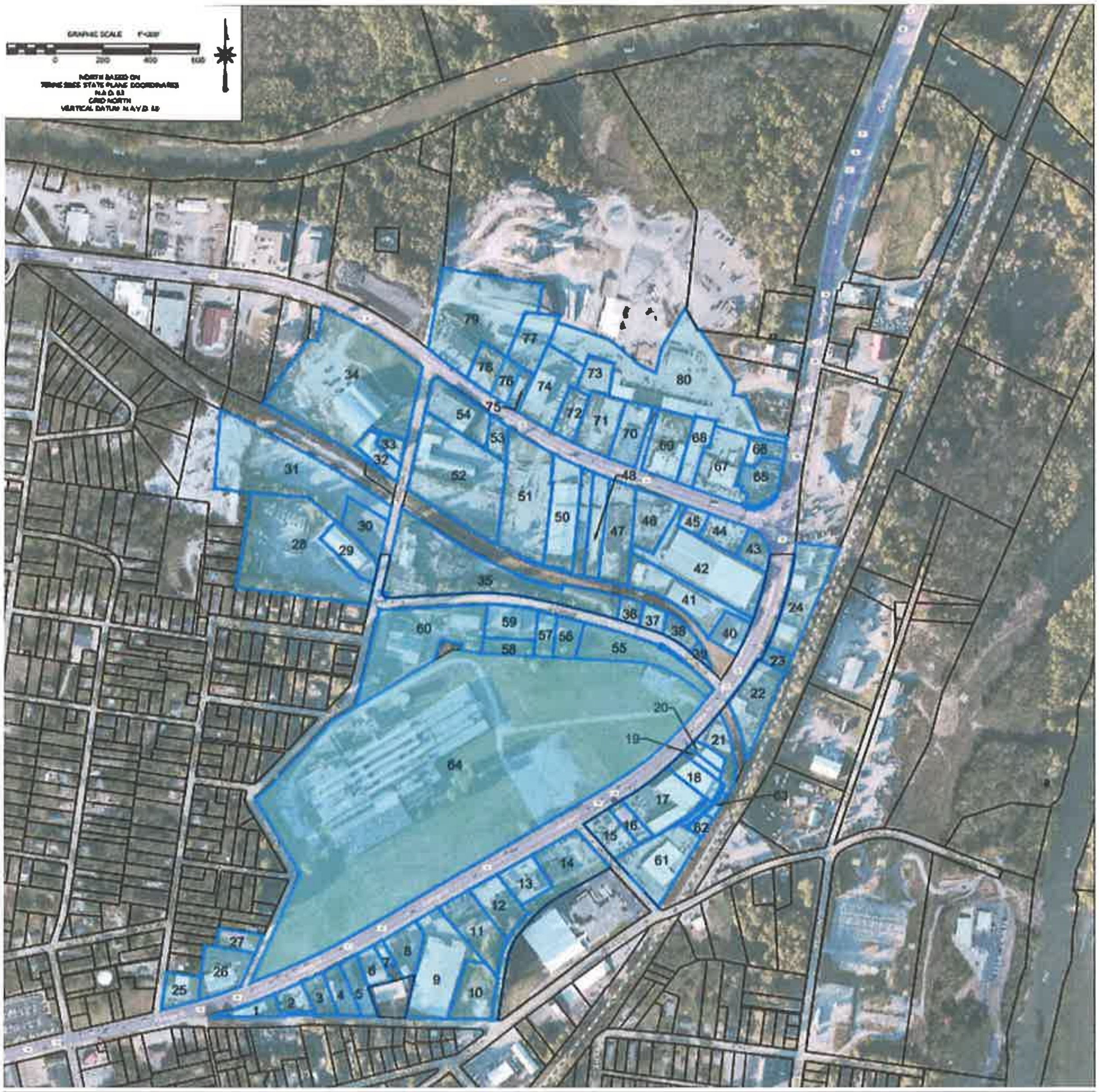

EXHIBIT B
(to Economic Impact Plan)

List of Parcels Comprising the Plan Area and Base Taxes for Each Parcel

Parcel ID	2021 Est. Base Tax County	2021 Est. Base Tax City	Total Est. County and City 2021 Base Tax Amount
066D C 01300 000	$3,452	$1,420	$4,872
066D C 01100 000	$0	$0	$0
055M B 00901 000	$4,223	$1,737	$5,960
066D A 00100 000	$0	$0	$0
055N D 01301 000	$4,804	$1,976	$6,780
055N D 01300 000	$2,231	$918	$3,149
066D A 00200 000	$1,116	$459	$1,575
066D A 00300 000	$2,270	$934	$3,204
066D A 00400 000	$2,403	$988	$3,391
066D A 00500 000	$156	$64	$220
055M B 01800 000	$1,615	$664	$2,279
055M B 01900 000	$865	$356	$1,221
055M B 00701 000	$4,637	$1,908	$6,545
055N D 01200 000	$891	$367	$1,258
055N D 01202 000	$1,060	$436	$1,496
055M B 00702 000	$199	$82	$281
055M B 00802 000	$1,052	$433	$1,485
055M B 00801 000	$2,257	$928	$3,185
055M B 00900 000	$4,737	$1,949	$6,686
055M B 01100 000	$2,582	$1,062	$3,644
055M B 01200 000	$958	$394	$1,352
055M B 01300 000	$4,650	$1,913	$6,563
055M B 01500 000	$1,612	$663	$2,275
055M B 01501 000	$1,823	$750	$2,573
055M B 01600 000	$2,386	$982	$3,368
055M B 01700 000	$1,043	$429	$1,472
055M B 02000 000	$1,642	$676	$2,318
055M B 02100 000	$3,712	$1,527	$5,239
055M B 02101 000	$6,693	$2,753	$9,446
055M B 02300 000	$2,227	$916	$3,143
055M C 00600 000	$2,611	$1,074	$3,685
055M C 00800 000	$1,499	$616	$2,115
055M C 00900 000	$3,297	$1,356	$4,653

Parcel ID	2021 Est. Base Tax County	2021 Est. Base Tax City	Total Est. County and City 2021 Base Tax Amount
055M C 00901 000	$1,607	$661	$2,268
055M C 01000 000	$1,006	$414	$1,420
055M C 01100 000	$3,050	$1,255	$4,305
055M C 01200 000	$6,206	$2,553	$8,759
055M C 01300 000	$2,629	$1,081	$3,710
055M C 01400 000	$3,271	$1,346	$4,617
055M C 03300 000	$15	$6	$21
055M C 03200 000	$22	$9	$31
055M C 03100 000	$5,780	$2,378	$8,158
055M C 03000 000	$11,031	$4,538	$15,569
055M C 01500 000	$2,579	$1,061	$3,640
055M C 01501 000	$2,284	$940	$3,224
055M C 01600 000	$2,186	$899	$3,085
055M C 01700 000	$1,729	$711	$2,440
055M C 02900 000	$1,074	$442	$1,516
055M C 01800 000	$3,281	$1,350	$4,631
055M C 01900 000	$2,512	$1,033	$3,545
055M C 02100 000	$709	$292	$1,001
055M C 02200 000	$3,361	$1,383	$4,744
055M C 02301 000	$2,683	$1,104	$3,787
055M C 02302 000	$4,941	$2,032	$6,973
055M C 02400 000	$1,496	$615	$2,111
055M C 02500 000	$1,148	$472	$1,620
055M C 02600 000	$2,252	$926	$3,178
066D C 01400 000	$4,662	$1,918	$6,580
066D A 00800 000	$6,838	$2,813	$9,651
066D A 00801 000	$364	$150	$514
066D A 00604 000	$2,903	$1,194	$4,097
066D A 00605 000	$1,615	$664	$2,279
066D A 00802 000	$547	$225	$772
055M C 00601 00012055M	$1,141	$469	$1,610
055M A 00800 000	$3,702	$1,523	$5,225
055M A 00801 000	$1,558	$641	$2,199

Parcel ID	2021 EST COUNTY TAX	2021 EST CITY TAX	Total Est. County and City 2021 Base Tax Amount
055M A 01000 000	$5,759	$2,369	$8,128
055M A 01100 000	$3,383	$1,392	$4,775
055M A 01200 000	$1,373	$565	$1,938
055M A 01400 000	$3,604	$1,482	$5,086
055M A 01500 000	$5,231	$2,152	$7,383
055M A 01601 000	$2,350	$967	$3,317
055M A 01603 000	$5,984	$2,461	$8,445
055M A 01701 000	$1,966	$809	$2,775
055M A 01702 000	$1,579	$649	$2,228
055M A 01800 000	$1,148	$472	$1,620
055M A 01900 000	$2,002	$824	$2,826
055M A 01700 000	$744	$306	$1,050
055M A 01501 000	$3,492	$1,437	$4,929
055M A 00700 000	$6,047	$2,488	$8,535
066D A 00700 000	$6,568	$2,702	$9,270
Religious Parcels			
066D A 00603 000	$0	$0	$0

TOTALS	**$216,115**	**$88,903**	**$305,018**