

RESOLUTION NO. 27337

A RESOLUTION TO MAKE CERTAIN FINDINGS RELATING TO THE UTC THREE, LLC PROJECT TO DELEGATE CERTAIN AUTHORITY TO THE HEALTH, EDUCATIONAL AND HOUSING FACILITY BOARD OF THE CITY OF CHATTANOOGA, TENNESSEE, AND TO AUTHORIZE THE MAYOR TO ENTER INTO AND EXECUTE AN AGREEMENT FOR PAYMENTS IN LIEU OF AD VALOREM TAXES.

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WHEREAS, pursuant to Tennessee Code Annotated, Section 48-101-312(b), the City of Chattanooga (the "City") is permitted to delegate to The Health, Educational and Housing Facility Board of the City of Chattanooga (the "Corporation") the authority to negotiate and accept payments in lieu of ad valorem taxes ("PILOTS") from lessees of the Corporation upon a finding by the City that such payments are deemed to be in furtherance of the Corporation's public purposes; and

WHEREAS, UTC THREE, LLC (the "Company") is contemplating the renovation and equipping or improvements to a multi-family rental housing facility in the City, and because of the substantial benefits to the City and Hamilton County resulting from the project, has asked the Corporation and the City Council to approve payments in lieu of ad valorem taxes; and

WHEREAS, the Council has determined that payments in lieu of ad valorem taxes from such a project would be in furtherance of the Corporation's public purposes as set forth within Chapter 101 of Title 48 of the Tennessee Code Annotated;

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHATTANOOGA:

1. That we do hereby find that the UTC THREE, LLC project referenced above is in the best interest of the City, and that payments in lieu of ad valorem taxes derived therefrom would be in furtherance of the Corporation's public purposes; and,

2. That, having made such a finding in this instance, we do hereby delegate to the Corporation the authority to negotiate and accept payments in lieu of ad valorem taxes from the Company, it being further noted that this delegation is for this purpose and this project only; and,

3. That the Mayor is hereby authorized to enter into an Agreement for Payments In Lieu of Ad Valorem Taxes in the form attached hereto, with such changes thereto as he shall approve; and,

ADOPTED: December 4, 2012.

/mms