CITY OF GATLINBURG

REDEVELOPMENT AND URBAN RENEWAL PLAN

EAST PARKWAY AT BASKINS CREEK BYPASS DISTRICT

Redevelopment Project Number 1

Adopted by the Gatlinburg Redevelopment and Housing Authority: March 3, 2016

Adopted by the Gatlinburg City Commission: March 8, 2016

GATLINBURG CITY GOVERNMENT

Mike Werner, Mayor

Mark McCown, Vice-Mayor

Jerry Hays, Commissioner

Mike Helton, Commissioner

Don Smith, Commissioner

GATLINBURG REDEVELOPMENT AND HOUSING AUTHORITY

Tom Norton, Chairman

Kirby Smith, Vice-Chairman

Jason Seavy, Secretary

Jackie Leatherwood, Member

Matt Zoder, Member

INTRODUCTION

The City of Gatlinburg (the "City") has identified the East Parkway at Baskins Creek Bypass District (the "District") as an ideal area for redevelopment. On August 4, 2015, the Gatlinburg City Commission created the Gatlinburg Redevelopment and Housing Authority (the "GRHA") to assist in the redevelopment of blighted areas located in the City of Gatlinburg. On October 13, 2015, the GRHA held its first meeting, which was advertised and open for public attendance. The meeting led to consensus by the GRHA Board to review potential redevelopment districts at its next meeting. On November 12, 2015, the GRHA Board convened at an advertised and publicly attended meeting to review three potential redevelopment districts: the Lower Ski Mountain Road Area, the East Parkway at Baskins Creek Bypass Area, and the East Parkway at Newman Road Area. A November 12, 2015 GRHA Workshop Report and Recommendations Report was presented and is available for public inspection and review. At the November 12, 2015 meeting, the GRHA Board reached consensus that one Redevelopment and Urban Renewal Plan should be drafted for the East Parkway at Baskins Creek Bypass Area, following a schedule for public review and adoption shown later in this report. Efforts to prepare draft plans for the remaining two potential redevelopment districts were postponed for consideration at a later date.

In response to the GRHA authorization to prepare a draft plan, the East Parkway at Baskins Creek Bypass Plan (the "Plan") has been submitted as both a redevelopment plan under §13-20-203(B) of the Tennessee Code Annotated and an urban renewal plan under § 13-20-211 of the Tennessee Code Annotated.

The schedule for public review and plan adoption has been set as follows:

East Parkway at Baskins Creek Bypass
Redevelopment and Urban Renewal Plan Schedule

Tues 2 Feb 2016	Draft Redevelopment Plan Available for Public Review
Tues 2 Feb 2016	Public Hearing Notice Advertisement #1
Fri 5 Feb 2016	Notice to Property Owners (via Certified Mail)
Tues 9 Feb 2016	Public Hearing Notice Advertisement #2
Tues 16 Feb 2016	Public Hearing Notice Advertisement #3
Thurs 25 Feb 2016	**DRAFT REDEVELOPMENT PLAN - FORMAL PUBLIC HEARING**
Thurs 3 March 2016	Gatlinburg Redevelopment & Housing Authority Consideration of Plan Approval
Tues 8 March 2016	Gatlinburg City Commission Consideration of Plan Approval

The schedule is subject to change pending actions taken by the Gatlinburg Redevelopment and Housing Authority or the Gatlinburg City Commission.

PROJECT AREA BOUNDARY AND EXISTING CONDITIONS

The proposed redevelopment and urban renewal area (the "Redevelopment Area") is generally bounded by the East Parkway on the north, Baskins Creek Bypass on the west, and nearly reaches Pine Street on the east (three parcels in the Pine Street / Cherry Street area are not included). The Redevelopment Area extends approximately 400 to 450 feet to the south from East Parkway, and is depicted on the Exhibit A map attached hereto and described on Exhibit B attached hereto. The Redevelopment Area includes 28 parcels identified by the Sevier County Geographic Information System (GIS) records, and encompasses approximately 10.4 acres of land. Topography of the Redevelopment Area includes gentle slopes along East Parkway, giving way to severe slopes along the southern boundary of the district. These boundaries are intended to encompass all potential areas identified for redevelopment and public improvement projects, and may include additional areas reasonably expected to benefit from redevelopment and/or new investment as a result of increased market demand stemming from the contemplated improvements.

This Redevelopment Area presently consists of primarily hotels or motels fronting East Parkway that are either closed and vacant, serving a storage use, or have been converted to extended stay housing. A few retail businesses, a church, a bank, and a few single family residences are currently located within the Area. The Redevelopment Area is located within convenient walking distance (1/4 mile) of Gatlinburg's Parkway, which is the main tourist activity corridor for the City. The Redevelopment Area is located within a commercial corridor with other developed properties that are urban in density.

This Redevelopment Area clearly contains significant components of blight, within in the meaning of Tennessee Code Annotated §13-20-201. While some parts of the Area are used productively, based upon visual inspections, a number of properties in the area are blighted. Because of these elements of blight, the Redevelopment Area is the proper subject of a redevelopment plan, and the improvements to be undertaken pursuant to this plan constitute an eligible redevelopment project under Tennessee Code Annotated § 13-20-201.

REDEVELOPMENT PLAN OBJECTIVES

This Redevelopment and Urban Renewal Plan sets forth the primary objectives to be accomplished through the redevelopment of the East Parkway / Baskins Creek Bypass Redevelopment Area. Without limiting the objectives eventually implemented by the City of Gatlinburg, this Plan is intended to identify major objectives and accomplish the following:

a. Assist the City in establishing standards and guidelines for the redevelopment and continued use of the area, which will assure adequate light, air, open-space, off-street parking, and the future stability of the entire area through adequate development.

b. Assist the City in eliminating conditions of blight and in beautifying the area.

c. Assist the City in encouraging effective and desirable uses of land.

d. Enable lot patterns and transportation access that promote desirable land uses and high quality redevelopment.

e. Assist the City in encouraging and stimulating investment in redevelopment of private property, recognizing the proximity of the Redevelopment Area to the City's downtown, and recognizing the potential of the Area to enhance the role of downtown Gatlinburg as a primary tourist destination.

f. Promote voluntary, market-driven reuse or redevelopment of privately owned properties, vacant parcels or blighted structures for a compatible mix of hotel, motel, retail, and residential uses.

g. Assist the City in developing a range of options to address potential substandard housing conditions for low or very low income households that reside in the Redevelopment Area.

h. Assist the City in maximizing the potential economic return to the City of Gatlinburg.

i. Provide proper assurances to neighboring property owners that blight will be addressed and will not negatively impact their property values or business operations.

RELATIONSHIP TO LOCAL OBJECTIVES

Appropriate Land Uses

All parcels located within the Redevelopment Area are zoned C-2, General Business District, as per Article VII, Section 707 of the City of Gatlinburg Municipal Zoning Ordinance. The C-2 zoning district permits a wide range of land uses, including any uses permitted in the C-1, Tourist Commercial District. Primary uses encouraged in the plan for the Redevelopment Area include hotels, motels, retail stores and shops, restaurants, and residential dwellings. Other uses normally permitted in the C-2 zoning district are discouraged within the Redevelopment Area, including auto sales, funeral homes, travel trailer parks, wholesale businesses, warehouses, storage yards and buildings, and auto repair garages. Given the level of effort required by the City of Gatlinburg to implement the Redevelopment Plan, single family dwellings should also be discouraged to maximize economic benefits and avoid inefficient land uses so close to the downtown area. The control of appropriate land uses within the Redevelopment Area will be accomplished through a development agreement (or similar instrument) between the City of Gatlinburg and a private redeveloper.

A change is existing C-2 zoning is not contemplated at this time. However, the City of Gatlinburg may exercise the option of creating a zoning overlay district that applies specifically to the Redevelopment Area, which may include both land use controls and design guidelines to accomplish the objectives of this plan.

Traffic and Public Transportation

East Parkway (Hwy 321) serves as the primary transportation access corridor to the Redevelopment Area. This arterial, which is in good condition, is a 5-lane facility with four travel lanes and a center left turn lane. Capacity and design speeds are appropriate for good levels of service for the Area. Baskins Creek Bypass is a 2-lane collector street that rises in elevation from its intersection with East Parkway, and serves in a limited capacity for access to parcels on the western end of the Redevelopment Area. On the eastern end of the Redevelopment Area, Pine Street rises to intersect with Cherry Street at an elevation at least 20 feet above East Parkway. Without extensive grading, Cherry Street is not available for access into the Area. East Parkway appears to be the most viable access corridor for the Redevelopment Area. One other public street, L. R. Reagan Way, provides access to several residences behind the Red Carpet Inn and Gatlinburg Village complexes. L.R. Reagan Way could provide access advantages for redevelopment based on its location near the midpoint of the district.

Public transit is currently provided for the Redevelopment Area. The Blue Trolley serves the free Gatlinburg Park-N-Ride lot located next to City Hall on East Parkway, and offers convenient access to shops, lodging, and attractions. The route begins at the Gatlinburg Mass Transit Center at traffic light #5 approximately every 45 minutes and runs along the Parkway to East Parkway, then to the Gatlinburg Community Center before it returns to the Mass Transit Center along the same route.

Public Utilities

The Redevelopment Area is served by all major public utilities that are considered adequate to serve development densities permitted by the C-2 zoning district. As part of the redevelopment process, some utility connections may need to be repaired or replaced, and utilities needed to serve specific developments will need to be installed. Increased utility capacity will likely not be needed.

Recreational and Community Facilities

Construction or improvement of recreational or community facilities is not envisioned for the Redevelopment Area. Special attention will be paid to safe and convenient pedestrian circulation and access to public transit.

REDEVELOPMENT PROCESS

Although the redevelopment area as a whole contains blighted areas, several buildings in the redevelopment area contain active businesses and sound structures. The intent of the Redevelopment Plan is to stimulate voluntary redevelopment, reuse, or improvement of private property on specific parcels. A map of the properties within the redevelopment area boundaries identified as redevelopment candidates has been completed and is part of this plan. This Redevelopment Plan recommends the involuntary public acquisition of private property for economic development purposes (transfer from one private owner to another private owner) if voluntary agreements for redevelopment of improvements cannot be reached with current property owners. Acquisition of private property for public improvements, both as a partial and/or total purchase, may be required but is not considered to be a primary objective of this plan.

Blighted properties include any properties that meet the definition of "blighted areas" within the meaning of Section 13-20-201 of the Tennessee Code Annotated. **"Blighted areas"** are areas (including slum areas) with

buildings or improvements which, by reason of dilapidation, obsolescence, overcrowding, faulty arrangement or design, lack of ventilation, light and sanitary facilities, excessive land coverage, deleterious land use, or obsolete layout, or any combination of these or other factors, are detrimental to the safety, health, morals, or welfare of the community. Section 13-20-201 specifically defines **"dilapidation"** as extreme deterioration and decay due to lack of repairs to and care of the area.

The Gatlinburg Redevelopment and Housing Authority (GRHA) will determine if a specific property is "blighted" within the Redevelopment Area, and may issue a written request for redevelopment proposals from the existing owner of that property. GRHA will request each existing owner of a blighted property to submit to GRHA a redevelopment proposal specifying the intentions of each owner for redevelopment of that owner's property. Each proposal should include, in detail, descriptions of the intended use of the property, the improvements to be made to the property, a proposed budget for the cost of improvements, and a timetable for construction. The GRHA may reject a redevelopment proposal for lack of sufficient information. In addition, each owner must demonstrate in its proposal its financial ability to complete any proposed redevelopment project, including evidence of the availability of funds to complete the project. The proposals from property owners must be submitted within 120 days from the date proposals are requested by the GRHA.

The GRHA will examine the proposals of owners of blighted properties. The GRHA will determine whether a proposal is consistent with this plan, whether the proposal is feasible, and whether the intended use of the blighted property is compatible with the land uses recommended in the Redevelopment Plan and applicable City development regulations. The GRHA may discuss a property owner's redevelopment proposal with the property owner in whatever fashion the GRHA deems appropriate, and the property owner may resubmit a revised redevelopment proposal to GRHA upon request by GRHA. However, the final action on any redevelopment proposal by a property owner will be made by GRHA.

If a property owner whose property has been identified as blighted by GRHA does not agree with GRHA's determination, that property owner may request in writing that GRHA reconsider whether the property is blighted. In such a case, GRHA will review and deny or accept the blight reconsideration request within 60 days from the date the request was received. If the blight reconsideration request is denied, the property owner will then have 120 days to submit a redevelopment proposal.

If an owner's proposal to renovate its property is approved by GRHA, GRHA and the owner will enter into

a development agreement under which the owner will agree to develop its property as described in its proposal as approved by GRHA. In the event that any such owner fails to renovate its property in accordance with its development agreement, GRHA may elect to acquire such property and make it available for redevelopment.

If an owner submits a redevelopment proposal and GRHA does not approve the redevelopment proposal, GRHA shall notify the owner in writing, specifying the reason or reasons why GRHA did not approve the redevelopment proposal. The owner shall have 90 days from receipt of the notification to submit a revised redevelopment proposal responding to the reasons specified in the notification.

If an owner of a blighted property fails to submit a redevelopment proposal, fails to receive approval of its redevelopment proposal or fails to redevelop its property in compliance with its proposal, GRHA may announce its intent to acquire such property and solicit proposals to redevelop such owner's property. Responses to such proposals shall be submitted to GRHA for its review and approval. The GRHA will enter into a development agreement with any person whose proposal is approved to ensure compliance with the redevelopment proposal. The GRHA reserves the option of acquisition of individual properties or the acquisition and aggregation of several properties for future redevelopment consistent with this plan. Any development agreements approved by the GRHA that include City of Gatlinburg funding shall be approved by the Gatlinburg City Commission.

Anyone who may be aggrieved by any final order or judgment of the Gatlinburg Redevelopment and Housing Authority may have such order or judgment reviewed by the courts as provided by law.

PROPOSED LAND USES AND BUILDING REQUIREMENTS

The primary land uses encouraged for the Redevelopment Area are set forth below, although other land uses may be approved by GRHA and the Gatlinburg City Commission as compatible to the primary land uses:

- Hotels and motels
- Retail stores and shops
- Restaurants
- Multi-Family Residential Dwellings

Any development permit applications for new construction or modifications to existing structures must comply with all applicable City of Gatlinburg codes, as is consistent for other properties within the City.

RELOCATION OF RESIDENCES AND BUSINESSES

If any residents of the Redevelopment Area are temporarily or permanently displaced to permit redevelopment due to the acquisition of their property, GRHA will require assistance be provided to such residents with relocation benefits and payments and will make every effort to provide relocation options within the Redevelopment Area if so desired by the resident(s). In any case, GRHA will comply with City ordinances or the State and Federal Uniform Acts if applicable with respect to relocation. If any substandard dwellings determined to be blighted are acquired and cleared from the redevelopment area, GRHA, in its role as the City's housing authority, will strive to provide decent, safe and sanitary housing to any relocated persons at rents within the financial reach of the persons displaced from such substandard dwellings. If any properties are acquired for redevelopment, the private redeveloper will be required to comply with the same obligations as those of GRHA. Redevelopment of some portion of the district for affordable housing will be encouraged. At minimum, the policy of GRHA shall be to require: (1) a good faith showing of attempts taken to acquire property through voluntary acquisition; and (2) any residents displaced as the result of redevelopment activities shall be provided an opportunity to reside in the redevelopment area upon the conclusion of new construction or renovation of existing structures.

LAND ACQUISITION PLAN

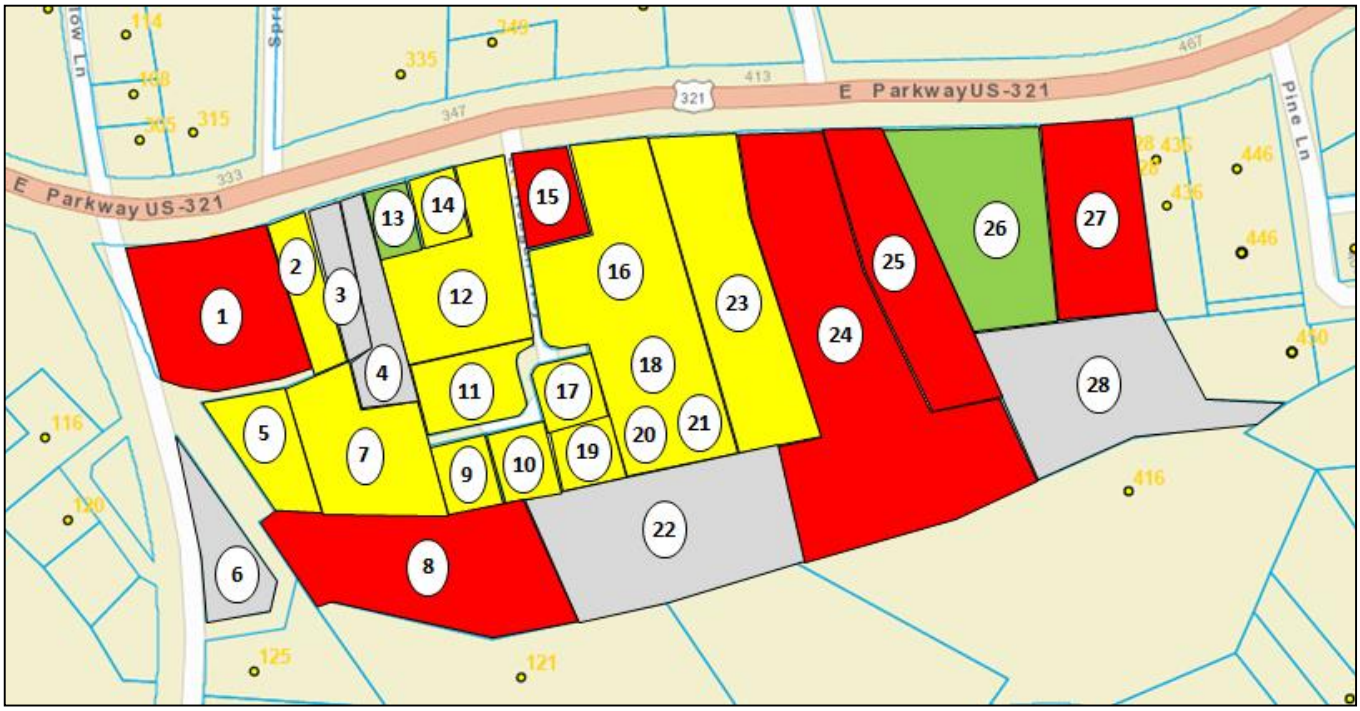
The only properties anticipated to be acquired under this plan are: (1) blighted properties identified for acquisition and redevelopment, and (2) properties that are purchased voluntarily. Such acquisitions are hereby authorized by this Plan in the manner permitted by applicable law.

Properties identified for acquisition will be obtained through negotiation if possible. Property in the Redevelopment Area will be acquired by eminent domain as an option of last resort, and eminent domain will be used only if efforts to reach agreement via voluntarily purchase are unsuccessful. Any condemnation of properties shall be in compliance with laws of the State of Tennessee, and the owners of any property acquired shall receive fair market value for their properties. Alternatives to condemnation will include, but not be limited to, (1) voluntary purchase, (2) purchase of right of first refusal, (3) purchase of easements rather than fee simple ownership if such purchase satisfies project needs, and (4) voluntary relocation to vacant and available publicly owned property.

Properties acquired by GRHA will be disposed of in accordance with state law and specifically Tennessee Code Annotated §§ 13-20-204 and 13-20-210 and other applicable provisions of law. As provided in those statutes, GRHA may dispose of any acquired property at such value as GRHA determines such property should be made available in order that it may be redeveloped for the purposes set forth in this Plan. Any such dispositions will be made subject to such restrictions and covenants as GRHA deems necessary to (a) ensure completion of the redevelopment project after the transfer, (b) maintain the quality of the Redevelopment Area, and (c) ensure the continued maintenance of the properties in the Redevelopment Area.

PROPERTY DESIGNATIONS

The East Parkway at Baskins Creek Bypass Redevelopment and Urban Renewal Plan recommends that GRHA consider the following designations for properties located within the Redevelopment Area:



Key:

- Blight Conditions Observed
- Average Condition / Partial or Full Acquisition Recommended
- Vacant Land / Acquisition Recommended
- Good Condition / Acquisition Not Recommended

The East Parkway at Baskins Creek Bypass District contains several older structures (12 out of 15 structures were built between 1940 and 1961) that now show signs of blight. Irregular subdivisions of land over time have created parcels with poor transportation access and limited redevelopment potential. Some structures are dilapidated, while other properties are excessive in land coverage, have obsolete layouts, have faulty arrangements or designs, and/or land uses that are harmful to the overall development pattern and economic health of the district.

The properties observed to have blight conditions exhibit similar characteristics. All of them are older structures with obsolescent design features, compounded by either deferred maintenance or neglect. What were originally constructed for motel / hotel use are now either vacant, used for storage, or have been converted to extended stay residential units. A few are for sale and should become acquisition priorities. Two of the properties have non-functional swimming pools and should be addressed as public safety hazards. At least one structure on Parcel 24 is in such poor condition that demolition should be pursued to eliminate a severe public safety hazard.

A block of properties located in the western part of the Redevelopment Area have been designated as being of "Average Condition / Potential Acquisition." Along with four vacant parcels, many of the improvements on these properties are obsolescent in design, showing signs of age, and are suspect in terms of renovation feasibility. Within this category are seven single family residential dwellings, some of which are in poor condition while others are in average condition. Given the location of this specific Redevelopment Area, single family dwellings are considered an inefficient use of land and an impediment to drawing higher density activity eastward from the downtown. Efforts to remove the dwellings and provide expanded opportunities for denser redevelopment are recommended.

Two properties, the Laurel Grove Baptist Church and the Tennessee State Bank are designated as in good condition. The church may be a historic resource, and the bank is of relatively new construction. The parcel owned by the bank directly to the south appears to be a limited value to bank operations and could be considered for potential redevelopment with access from Cherry Street or Pine Lane.

PROPERTY AND PROJECT MANAGEMENT

If adopted, the East Parkway at Baskins Creek Bypass Redevelopment and Urban Renewal Plan recommends that the City of Gatlinburg City Manager's administrative staff be responsible for follow-up and implementation of the Plan. The primary objectives of project management activities will be to facilitate private property investment and redevelopment, and to coordinate and manage contracts related to the construction of private improvements.

FINANCING PLAN EXCLUDING TAX INCREMENT FINANCING PROVISION

Property owners and developers of projects within the Redevelopment Area will be expected to demonstrate the financial ability to undertake and complete any private redevelopment project.

The GRHA and the City of Gatlinburg do not anticipate funding the cost of private redevelopment projects within the redevelopment district. Public assistance with particular projects that are essential to the implementation of the Redevelopment Plan may be considered on a case-by-case basis at some point in the future.

The GRHA and the City of Gatlinburg will **NOT** exercise its authority to adopt the East Parkway at Baskins Creek Bypass Urban Renewal and Redevelopment Plan with tax increment financing provisions. The Gatlinburg City Commission shall provide a written agreement to the Sevier County Commission, which is required as specified in § 13-20-203 (a)(2) of the Tennessee Code Annotated.

AMENDMENTS AND TERM

This Plan provides broad guidelines for the implementation of the redevelopment of the Redevelopment Area, and actions taken by GRHA in furtherance of the redevelopment objectives set forth in this Plan may be undertaken without further approval of the City, unless specified herein. GRHA shall not, however, change any of the basic objectives of this Plan or expand or contract the boundaries of the Redevelopment Area without receiving the approval of the Gatlinburg City Commission.

This Redevelopment Plan shall remain in effect until terminated by resolution of the Gatlinburg City Commission.

EXHIBIT A

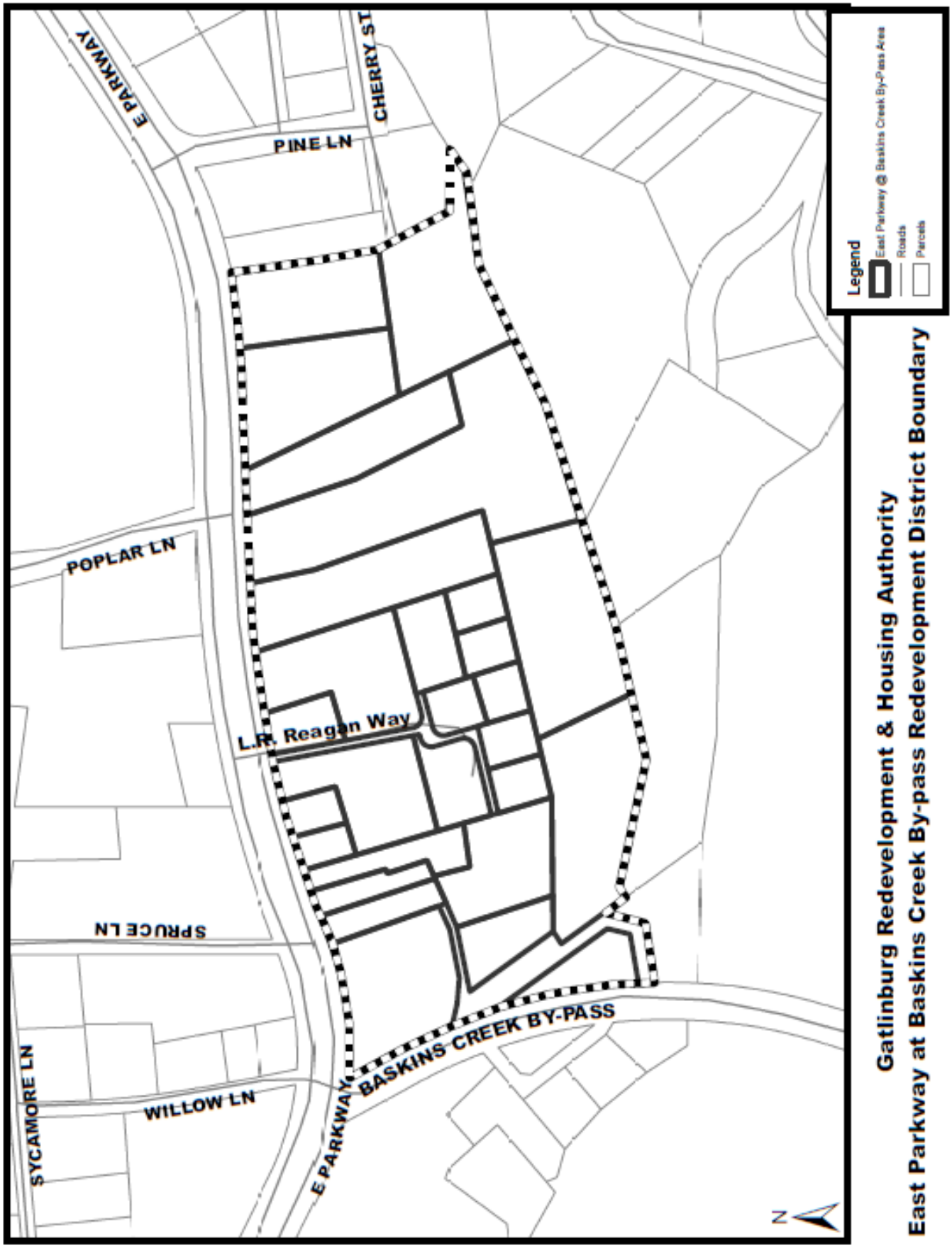

E PARKWAY
CHERRY ST
PINE LN
POPLAR LN
L.R. Reagan Way
SPRUCE LN
SYCAMORE LN
WILLOW LN
E PARKWAY
BASKINS CREEK BY-PASS
N
Legend
East Parkway @ Baskins Creek By-Pass Area
Roads
Parcels
Gatlinburg Redevelopment & Housing Authority
East Parkway at Baskins Creek By-pass Redevelopment District Boundary

EXHIBIT B

REDEVELOPMENT DISTRICT BOUNDARY DESCRIPTION

The following East Parkway at Baskins Creek Bypass Redevelopment District boundary description accompanies the map shown in **Exhibit A**. All boundary descriptions are approximate and are subject to survey verification during the redevelopment process.

DISTRICT BOUNDARIES:

SITUATED in the Eleventh (11th) Civil District of Sevier County, Tennessee, and being more particularly described as follows:

BEGINNING at the point of intersection of E. Parkway and Baskins Creek By-pass, on the northwest corner of property owned by Farrah Inc. and also known as "Ogles Vacation Motel," and specifically being Tax Map 126L, Group C, Parcel 17;

Thence with the southeast line of E. Parkway, east 1097.3 feet, more or less, to a point located on the northeast corner of the property owned by Carl and Faye Ownby and specifically being Tax Map 126L, Group C, Parcel 38, and being a common corner with Tax Map 126L, Group C, Parcel 39;

Thence with the east boundary line of the Ownby property 192.39 feet, more or less, in a south direction to a point being the southeast corner of the Ownby property and a common corner with Tax Map 126L, Group C, Parcel 39 and property owned by Tennessee State Bank being more specifically described as Tax Map 126L, Group C, Parcel 42;

Thence leaving said common corner, south along the common line of Tennessee State Bank (Tax Map 126L, Group C, Parcel 42) and Tax Map 126L, Group C, Parcel 39, 13 feet, more or less, to a common point with Tennessee State Bank and Tax Map 126L, Group C, Parcel 41;

Thence with the common line of Tennessee State Bank and Tax Map 126L, Group C, Parcel 41 in a southeasterly direction for 92.12 feet, more or less, to a common point;

Thence continuing in a southeasterly direction with the common line of Tennessee State Bank and Tax Map 126L, Group C, Parcel 41, 32.21feet, more or less, to a point;

Thence continuing in a southeasterly direction with the common line, 64.52 feet, more or less, to a common point between Tennessee State Bank, Tax Map 126L, Group C, Parcel 41, and property owned by Lisa Hays and more specifically described as Tax Map 126L, Group D, Parcel 31.01;

Thence leaving said common point in a southwesterly direction along the common line of Tennessee State Bank and the Hays property, 56.67 feet, more or less, to a common point of Tennessee State Bank, Hays, and property owned by Great Smoky Mountains Association, being more specifically described as Tax Map 126L, Group C, Parcel 41.01;

Thence leaving said common point in a west direction, 237 feet, more or less, with the common property line of Tennessee State Bank and Great Smoky Mountains Association to a common point with Tennessee State Bank, Great Smoky Mountains Association, and the Maury Greenstein property being more specifically described as Tax Map 126L, Group C, Parcel 35;

Thence leaving said common point in a southwesterly direction, 94.86 feet, more or less, with the common line of Great Smoky Mountains Association and Maury Greenstein to a point;

Thence in an southwesterly direction 173feet, more or less, to a point being a common point with the City of Gatlinburg and property owned by Kenneth Leslie and more specifically described as Tax Map 126L, Group C,

Parcel 13;

Thence leaving said point along the common line of the City of Gatlinburg and Leslie, 150 feet, more or less, in an easterly direction, to a common point of the City of Gatlinburg, Leslie, and the Samuel K. Cox, Sr. property, being more specifically described as Tax Map 126L, Group C, Parcel 12;

Thence leaving common point in a southwesterly direction, 186 feet, more or less, to a point on the common line of Cox and the Edwin J. Bridges, Jr. property and more specifically described as Tax Map 126L, Group C, Parcel 14;

Thence with the common line of Cox and Bridges in a northwesterly direction, 174 feet, more or less, to a point;

Thence in a southwesterly direction, 17.6 feet, more or less, to a common point of Cox, Bridges, and the Michael McCroskey property being more specifically described as Tax Map 126L, Group C, Parcel 1;

Thence leaving said point in a northwesterly direction, along the common line of Bridges and McCroskey, 35 feet, more or less, to a common point of Bridges, McCroskey, and the edge of Hickory Lane Right-of-way;

Thence with said common line of McCroskey and Hickory Lane, 54 feet, more or less, in a southwesterly direction to a point;

Thence along the east boundary of Baskins Creek By-pass, and with the curvature of the right-of-way, in a northerly direction, 434 feet, more or less, to a point on the northwest corner of property owned by Farrah Inc. and also known as "Ogles Vacation Motel," and specifically being Tax Map 126L, Group C, Parcel 17, and being the POINT OF BEGINNING;

BEING known and designated as the East Parkway at Baskins Creek Bypass Redevelopment & Urban Renewal Plan Boundary, consisting of approximately 10.4 acres and including 28 parcels, located in the corporate limits of the City of Gatlinburg, Tennessee.

Note: This plan also includes appendices containing Sevier County Property Assessor's data, photographs of properties located inside the Redevelopment District, and public hearing minutes and written comments. The appendices are available for public inspection in the offices of the Gatlinburg City Manager and the Building and Planning Department.

LHP

East Parkway at Baskins Creek Bypass Redevelopment District

Development Proposal

REQUEST FOR LETTERS OF INTEREST

CITY OF GATLINBURG REDEVELOPMENT AND HOUSING AUTHORITY

JULY 15, 2016

LHP

July 15, 2016

Mr. David Ball
City of Gatlinburg
1230 East Parkway
Gatlinburg, TN 37738

Re: Request for Letters of Interest for the East Parkway at Baskins Creek Bypass Redevelopment District

Dear Mr. Ball:

On behalf of LHP Capital, Development & Management and our esteemed development and architectural partners Five Oaks Development Group, Bristol Development Group, McCarty Holsaple McCarty and Barber McMurry, I am pleased to present our response to your request for letters of interest for redevelopment in the East Parkway at Baskins Creek Bypass Redevelopment District.

This high-caliber team has been assembled for the express purpose of meeting the City of Gatlinburg's stated objectives. Together, we bring the experience, qualifications and resources that are critical to the success of the redevelopment:

- *Proven Success - Our team's total development projects number in the hundreds--a powerful amount of expertise at your disposal.*
- *Quality Work - Every team partner is known for excellence and a recognized leader in their field.*
- *Qualified Staff - Individually our core team members have an average of more than 25 years of experience in development, redevelopment, real estate management and financing.*
- *Local Experience - Our team which includes Sevier County's highly respected Five Oaks Development Group has extensive experience in Sevier and surrounding counties.*
- *Technical Expertise in Redevelopment - Our team's wide range of development projects - from affordable housing to high-end retail - assures technical competency in all areas of redevelopment.*

We are excited about the City of Gatlinburg's redevelopment initiative and the potential to assist in moving the city forward to greater success as both a top tourist attraction and a choice community in which to live and work.

With our team's collective expertise and experience, we are uniquely qualified to provide the solutions you seek. We very much want this opportunity to work with you to chart a new course for Gatlinburg East's business and residential corridor and appreciate your consideration. If you have any questions related to this proposal, please do not hesitate to contact me.

Sincerely,

Phillip O. Lawson

Phillip O. Lawson
Chairman

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1 IDENTIFICATION

LHP Capital, LLC, along with its operating companies—LHP Development, LLC, and LHP Management, LLC—(LHP) will serve as the primary developer for the redevelopment activities in the East Parkway at Baskins Creek Bypass Redevelopment District. LHP is a national leader in the affordable housing industry known for quality, integrity and a tradition of excellence.

LHP has decades of experience in real estate management, development, finance, public housing, affordable housing development and construction. We trace our beginnings to 1975 when Rodney Lawler and Pat Wood established Lawler Wood, a real estate firm headquartered in Knoxville, Tennessee. Lawler Wood Housing became a pioneer in the development of Section 8 properties and subsequently Low Income Housing Tax Credit (LIHTC) programs under the leadership of Phil Lawson, who serves as Chairman of LHP Capital.

To date LHP has developed more than 10,000 apartment units in 76 properties with the majority of those developments utilizing the LIHTC program as a source of investment capital. We actively pursue acquisition opportunities for properties that would benefit from the resources available under the LIHTC program as well as HUD's new Rental Assistance Demonstration (RAD) project.

Having completed more than $600 million of development activity across a dozen states, LHP is especially adept at structuring project financing for properties and developments that would benefit from the resources available from federal and state housing programs. At our core we've worked tirelessly to establish a prestigious reputation and earn the respect of our financial partners as well as the customers and residents we serve.

The LHP team consists of more than 350 dedicated employees who make valuable contributions to the success of our company and bring real value to our resident communities. LHP is proud of the tradition of excellence established by our founders, and we strive to maintain the reputation for quality and integrity they began as we work tirelessly to provide exemplary customer service to our residents, clients and the communities we serve.

LHP's primary contact for the project is:
Alvin Nance, Chief Executive Officer
LHP Development, LLC
900 South Gay Street
Suite 2000
Knoxville, TN 37902-1861
Office: 865-549-7457
Mobile: 865-361-6773
E-mail: anance@lhp.net

2 PROJECT TEAM

2 PROJECT TEAM

LHP is collaborating with the most experienced firms who share our commitment to providing the City of Gatlinburg Redevelopment and Housing Authority the highest level of professional services and dedication throughout the project. Our team members are Five Oaks Development Group, Bristol Development Group, Barber McMurry Architects and McCarty, Holsaple, McCarty Architects.

We believe the team's collective experience in design, retail development, affordable housing development and construction as well as experience working in Sevier County is unsurpassed. In addition, we are prepared to bring quality subcontractors and other firms to provide legal and other services to the project as appropriate.

Development Partners & Key Team Members

LHP

Phil Lawson, Chairman
LHP Capital, LLC

Alvin Nance, Chief Executive Officer
LHP Development, LLC
LHP Management, LLC

Carr Hagan, President
LHP Development, LLC

John Farner, Senior Vice President of Construction and Design
LHP Development, LLC

Jordana Nelson, General Counsel
LHP Capital, LLC

Five Oaks Development Group

David A. Ogle, Principal and President

Jacob "Jake" Ogle, Partner

Bristol Development Group

Charles Carlisle, Chief Executive Officer and Principal

Dan Daniel, Co-Founder and Principal

Ashlyn Hines, Co-Founder and Principal

Sam Yeager, Co-Founder and Principal

McCarty Holsaple McCarty [MHM]

Doug McCarty, CEO

Margaret Butler, Sr. Associate

Barber McMurry Architects [BMa]

Chuck Griffin, President

Kelly Headden, Senior Vice President

PROJECT TEAM

CITY OF GATLINBURG
Redevelopment and Housing Authority

LHP Capital, LLC
master developer
affordable housing

Phil Lawson, Chairman

Alvin Nance
Project Executive

Carr Hagan
Affordable Housing Developer

John Farner
Construction & Design

Jordana Nelson
General Counsel

Five Oaks Development Group
retail

David Ogle
Project Executive Retail

Bristol Development Group
market-rate housing

Charles Carlisle
Project Executive, Market-Rate Housing

McCarty Holsaple McCarty
coordinating architect
housing

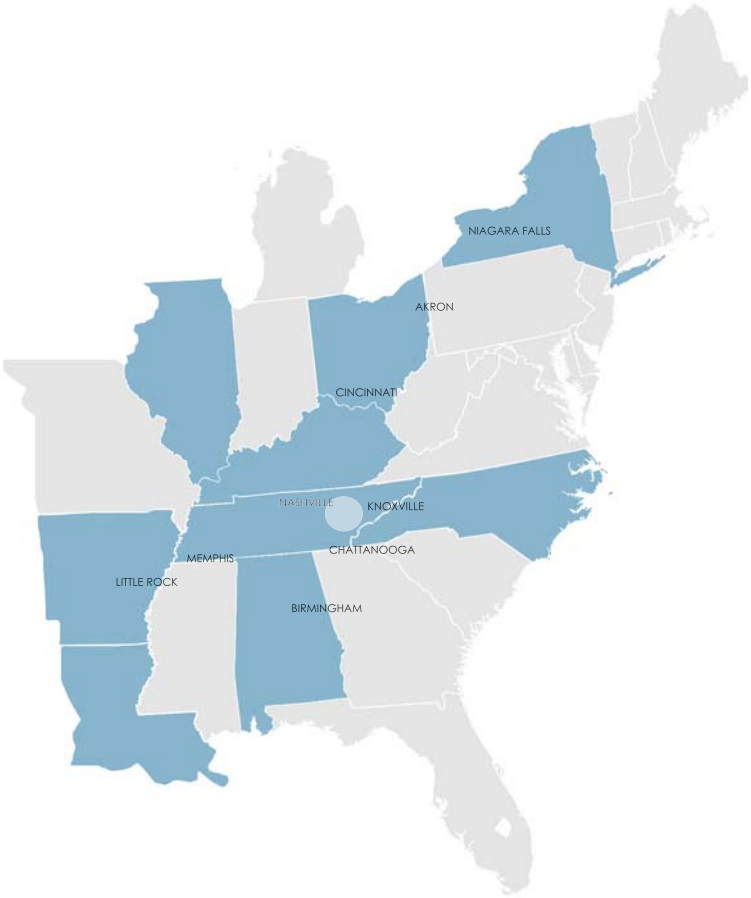
Doug McCarty, AIA, NCARB
Margaret Butler AIA, LEED AP

Barber McMurry Architects
retail

Chuck Griffin, AIA, NCARB
Kelly Headden, AIA, NCARB

LHP

LHP Capital, along with its operating companies—LHP Development and LHP Management—is a developer and manager of multi-family housing properties with a primary emphasis on affordable housing. Since 1998 the company formerly known as Lawler Wood Housing and rebranded LHP in 2015 has developed more than 10,000 apartment units in 12 states with the majority of those developments utilizing the Low Income Housing Tax Credit (LIHTC) program as a source of investment capital. Properties we developed and currently own and manage are listed here. LHP has 350 employees and is headquartered in Knoxville.



States with LHP affordable housing developments

Asbury Park Apartments	Little Rock	AR
Bankhead Towers	Birmingham	AL
Beechwood Villas	Cincinnati	OH
Beersheba Heights Tower	McMinnville	TN
Boynton Overlook Apartments	Chattanooga	TN
Buffington Towers	Little Rock	AR
Carbondale Towers	Carbondale	IL
Charles Seivers Towers	Clinton	TN
Cherry Creek Apts (Hiawassee II)	Knoxville	TN
Chippington Tower I	Madison	TN
Chippington Tower II	Madison	TN
Cloverdale Plaza Apartments	Bossier City	LA
Colony Square Apartments	Smyrna	TN
Dandridge Tower	Nashville	TN
East Gate Apartments	Tullahoma	TN
Henry Manor Apartments	Morristown	TN
Hickory Forest Apartments	Nashville	TN
Hickory Hollow Towers	Antioch	TN
Hillwood II Apartments	Akron	OH
Imperial Garden Apartments	Smyrna	TN
Indian Ridge Apartments	Shelbyville	KY
Kingwood Arms Apartments	Manchester	TN
Lake Road Apartments	High Point	NC
Lee Manor Apartments	Athens	TN
Lincoln Manor Apartments	Morristown	TN
LynnRidge Apartments	Elizabethton	TN
LynnWood Apartments	Elizabethton	TN
MacArthur Park Apartments	Loveland	OH
Madison Towers	Richmond	KY
Maple Oak Apartments	Kingsport	TN
Margaret Robertson Apartments	Hermitage	TN
Memphis Towers	Memphis	TN
Miller Village Apartments	Kingsport	TN
Model City Apartments	Kingsport	TN
Morningside Gardens Apartments	Knoxville	TN
Mountain View Apartments	Bristol	TN
Niagara Towers	Niagara Falls	NY
North Cleveland Towers	Cleveland	TN
North Park Apartments	Bossier City	LA
Oak Ridge Apartments	Little Rock	AR
Overlook Ridge	Nashville	TN
Park Place Apartments	Hot Springs	AR
Pinnacle Park Apartments	Knoxville	TN
Plaza Hills East Apartments	Tulsa	OK
Radnor Towers	Nashville	TN
Ramblewood Apartments	Clarksville	TN
Red Oak Villa	Minden	LA
Ridgebrook Apartments	Knoxville	TN
Southside Manor Apartments	South Fulton	TN
Southview Apartments	Marion	VA
Spanish Trace Apartments	Beaufort	SC
Stonewall I Apartments	Knoxville	TN
Stonewall II Apartments	Knoxville	TN
Summit Towers	Knoxville	TN
The Pines Apartments	Knoxville	TN
Tivoli Place Apartments	New Orleans	LA
Tonawanda Towers	Tonawanda	NY
Towers East Apartments	Greenville	SC
Townview Towers	Knoxville	TN
Twin City Manor Apartments	West Helena	AR
Urban Park Towers	Lockport	NY
Walker Courts North & South	Jonesboro	AR
Watauga Square Apartments	Johnson City	TN
Westview Towers	Knoxville	TN
Woodbend Apartments	Maumelle	AR

Affordable housing developed and managed by LHP

PHIL LAWSON, CHAIRMAN

LHP CAPITAL | MASTER DEVELOPER AFFORDABLE HOUSING

Phil is the founder of LHP Capital, Development and Management, an organization recognized nationally as one of the leaders in affordable housing. Prior to founding LHP and its predecessor, Lawler Wood Housing, Phil served more than 20 years as Chief Financial Officer of Lawler Wood, LLC and roughly 10 years practicing as an independent CPA, primarily representing real estate developers and syndicators. He began his career in the Atlanta office of Coopers & Lybrand.

Phil serves on the boards of Meridian Trust (a State of Tennessee chartered trust company), the Knoxville Americana Music Foundation and the Beck Cultural Exchange Center. Past community service includes memberships on the boards of Knoxville Habitat for Humanity, Wesley House Community Center, WDVX (a public radio station) and the Historic Tennessee Theatre Foundation. He is a co-founder of the Tennessee Developers Council. Phil earned a Bachelor's degree from the University of Tennessee and is a Certified Public Accountant.

ALVIN NANCE, CEO

LHP DEVELOPMENT
LHP MANAGEMENT | MASTER DEVELOPER AFFORDABLE HOUSING

Alvin Nance serves as CEO of the company's Development and Property Management divisions. Before joining LHP in April 2015, Alvin served a 14-year tenure as Executive Director and CEO of Knoxville's Community Development Corporation, the public housing and redevelopment authority for the City of Knoxville, during which he served on the staffs of Mayors Victor Ashe, Bill Haslam and Madeline Rogero. Prior to joining the housing authority, he spent 20 years in the banking industry. During his banking career he performed in various capacities such as branch manager, commercial lender, mortgage lender, credit analyst, and CRA officer.

Alvin is active in organizations representing public housing authorities in Tennessee and the Southeast. He served two terms on the Board of Directors and was Vice Chairman of the Tennessee Housing Development Agency and served on THDA's Tax Credit Committee. He also served as Chairman of the Tennessee Association of Housing and Redevelopment Authorities' legislative committee and in several leadership roles for the National Association of Housing and Redevelopment Officials, including posts on its community revitalization, development and legislative committees.

He is active in the business and philanthropic community, Alvin has served on the boards and in leadership capacities of the following: Federal Home Loan Bank of Cincinnati, First Tennessee Bank, Covenant Health Hospital System, Knoxville Area Urban League, Knox County Industrial Development Board, Project GRAD, Boy Scouts of America, Greater Knoxville First Tee Program, Knoxville Habitat for Humanity, Leadership Knoxville, Dogwood Arts Festival, Maryville College, YMCA and Emerald Charter School. He earned a Bachelor's degree from Maryville College.

Carr Hagan, President

LHP Development | Master Developer Affordable Housing

Carr is responsible for overseeing all acquisition and development related activities for the company. Carr joined the company in 2002 after beginning his career in the affordable housing field as a Vice President of First Tennessee Housing Corporation. Prior to taking over as President of LHP Development, he served as Senior Vice President and Director of Development for LHP's predecessor, Lawler Wood Housing Partners, LLC, playing a key role in the company's growth including development activities that accumulated 9,000+ units of multi-family holdings in eleven states with development costs totaling more than $600 million.

Carr is a member of the National Housing & Rehabilitation Association Board of Directors as well as the Tennessee Housing Development Agency Multi-Family Developers Advisory Board. He is a frequent speaker at NH&RA events and at other housing related forums. He served on the Board of Directors of Big Brothers Big Sisters of East Tennessee from 2006-2013, most recently as President from 2011-2013. Carr earned a Bachelor's degree from the University of Memphis.

Jordana Nelson, General Counsel

LHP Capital | Master Developer Affordable Housing

Jordana is responsible for acting as the company's counsel for daily operations and coordinating outside counsel. Prior to joining the company, she served as General Counsel and Vice President of Redevelopment for Knoxville's Community Development Corporation, the housing and redevelopment authority for the City of Knoxville. She was previously an Associate at Bass, Berry & Sims, PLC where she focused her practice on government incentives to promote economic development and representing financial institutions in lending matters.

Jordana currently serves on the Board of Directors for the Historic Tennessee Theatre Foundation and Center City Events. She is a member of the Leadership Knoxville Class of 2015, the Executive Women's Association and Nucleus Knoxville, and was a recipient of the Greater Knoxville Business Journal's "40 Under 40" designation in 2010. She received a Bachelor's degree from Western Carolina University and earned the Juris Doctorate degree from the University of Tennessee College of Law.

JOHN FARNER, SR.VP DESIGN AND CONSTRUCTION

LHP CAPITAL | MASTER DEVELOPER AFFORDABLE HOUSING

John is responsible for LHP's construction department and assuring all projects are planned, coordinated, executed, and completed consistent with company goals. Prior to joining LHP in 2015, John was Senior Project Manager for Blaine Construction of Knoxville where he was responsible for managing several multi-million dollar projects including the University of Tennessee Football program's state-of-the art Anderson Training Facility, Gatlinburg's 80-acre Rocky Top Sports Complex and the Phase III Neyland Stadium Gate 21 Renovations.

From 2003-2007 John served as Senior Project Manager for Denark Construction, overseeing several construction projects including the $50 million Sevierville Event Center. John is an active member of Two Rivers Church in Lenoir City where he leads a Bible study group and is involved in the men's ministries. He also does volunteer ministry work with Knoxville's Hope Central and Infusion. John is a graduate of the University of Tennessee where he received a Bachelor's degree in Civil Engineering.

Project Highlights

Kingwood Arms Apartments
Radnor Towers Apartments
Imperial Gardens Apartments
Rocky Top Sports World
Anderson Training Facility
Neyland Stadium Renovations
Pigeon Forge Community Center
Sevierville Event Center & Parking Garage
Sterchi Lofts Apartments
Opryland Hotel Delta Addition

bristol
development group

Bristol Development Group
Market Rate Housing

Bristol has been the lead developer in 32 projects in seven states, including more than 8,400 units of residential development that equates to over $1 billion in asset value. Bristol's current development pipeline is over $285 million. The following table summarizes the name, location, size, and cost of each project.

Bristol has assembled a highly professional and experienced team of development, marketing and operating professionals, led by Bristol's Principals and Executive Committee, whose biographies follow.

Properties Completed 1999 - 2016

Property	Type	Location	Year Completed	Units	Project Cost	Year Sold
Bristol Park at Riverchase	Apartments	Nashville, TN	2001	240	$16,500,000	2001
Bristol Park at Encino Commons	Apartments	San Antonio, TX	2002	324	$24,000,000	2003
Bristol Commons at Woodland Pointe	Apartments	Nashville, TN	2002	240	$18,000,000	2004
Bristol Park at Wolfchase	Apartments	Memphis, TN	2002	300	$21,500,000	2004
The Villas of Bristol Heights	Apartments	Austin, TX	2003	351	$28,500,000	2005
Bristol Village at Charter Colony	Apartments	Richmond, VA	2005	300	$28,000,000	2005
Reserve at Steele Crossing	Apartments	Fayetteville, AR	2004	272	$21,200,000	2006
The Bristol on Union	Apartments	Memphis, TN	2004	220	$20,500,000	2006
The Bristol on Broadway	Condominiums	Nashville, TN	2005	171	$29,000,000	2006
Heritage Lake at Westland	Apartments	Knoxville, TN	2001	262	$16,000,000	2006
The Bristol at Ghent	Apartments	Norfolk, VA	2006	268	$32,000,000	2007
Bristol Canyon at Encino Commons	Apartments	San Antonio, TX	2005	228	$17,500,000	2007
The Row at Ghent	Condominiums	Norfolk, VA	2006	84	$17,000,000	2008
Bristol Southside	Condominiums	Birmingham, AL	2006	156	$24,100,000	2008
Bristol West End	Condominiums	Nashville, TN	2007	161	$30,300,000	2008
Bristol Park at Governor's Square	Apartments	Clarksville, TN	2002	244	$14,000,000	2012
Bristol Park at Governor's Square - Phase II	Apartments	Clarksville, TN	2007	120	$9,500,000	2012
Bristol Park at Oak Ridge	Apartments	Oak Ridge, TN	2007	208	$15,500,000	2010
Two21 Armstrong	Apartments	Auburn, AL	2008	156	$25,800,000	n/a
ICON in the Gulch	Condominiums	Nashville, TN	2008	417	$117,400,000	2012
1700 Midtown	Apartments	Nashville, TN	2010	170	$26,900,000	2011
Velocity in the Gulch	Condominiums	Nashville, TN	2009	264	$53,700,000	2011
Vista Germantown	Apartments	Nashville, TN	2012	242	$33,850,000	2013
Bell Historic Franklin	Apartments	Franklin, TN	2013	218	$26,800,000	2014
Solara	Apartments	Orlando, FL	2013	272	$30,700,000	2015
Tapestry Brentwood Town Center	Apartments	Brentwood, TN	2014	393	$67,000,000	n/a
Twickenham Square	Apts / Retail	Huntsville, AL	2014	246	$44,000,000	n/a
Veranda Norton Commons	Apartments	Louisville, KY	2015	236	$34,000,000	2016
	Total Completed:			**7,059**	**$881,250,000**	

Properties Under Construction or Development

Property	Type	Location	Estimated Completion	Units	Estimated Project Cost
Park35 on Clairmont	Apartments	Birmingham, AL	2017	271	$62,000,000
Main & Clay at Historic Butchertown	Apartments	Louisville, KY	2017	269	$56,000,000
Bristol at Westwood	Apartments	Richmond, VA	2018	301	$53,000,000
West Creek	Apartments	Richmond, VA	2018	373	$74,000,000
Bristol Northshore	Apartments	Chattanooga, TN	2018	190	$40,000,000

Charles Carlisle, CEO and Principal

Bristol Development Group | Market Rate Housing

Charles Carlisle is Chief Executive Officer and Principal of Bristol. A veteran real estate executive, Charles was named CEO of Bristol in January 2008. Previously, Charles was Senior Vice President with Birmingham-based Daniel Corporation, a regional development, investment, and management company, where he was responsible for commercial and multifamily development in the southeastern U.S. He also was a regional partner with Taylor & Mathis, an Atlanta-based commercial real estate company, where he developed, marketed and managed numerous commercial and residential properties out of the company's Birmingham, Atlanta and Miami offices. Prior to joining Taylor & Mathis, he was president of Sequoyah Equities, a real estate financing firm in Knoxville, Tennessee and was co-founder and president of FIS Associates (now Decosimo/FIS), a financial consulting and investment advisory firm in Knoxville. Charles is a Certified Public Accountant. He received a bachelor's degree in accounting and an M.B.A. from the University of Tennessee in Knoxville.

Dan Daniel, Co-Founder and Principal

Bristol Development Group | Market Rate Housing

Dan Daniel is a co-founder and Principal of Bristol. Dan is an entrepreneur with more than 20 years of experience in the real estate industry. Prior to forming Bristol Development Group with Ashlyn Hines and Sam Yeager, he and Sam Yeager launched a number of successful businesses in the real estate sector, including skilled nursing homes, assisted living facilities, acute care hospitals, Burger King restaurants, and medical office buildings. A Certified Public Accountant, he began his career with Ernst & Ernst, the predecessor to Ernst & Young. Dan holds a bachelor's degree in accounting from Harding University in Searcy, Arkansas.

Ashlyn Hines, Co-Founder and Principal

Bristol Development Group | Market Rate Housing

Ashlyn Hines is a co-founder and Principal of Bristol Development Group. Ashlyn, a prominent real estate industry business leader with over 20 years of experience, specializes in understanding market, development and design trends and in applying that knowledge to Bristol's development pipeline. She is also extensively involved in asset and property management activities of Bristol. Ashlyn led the Nashville office of Davis Development from 1991 to 1998 before starting Bristol Development with Sam Yeager and Dan Daniel. During her tenure at Davis, Ashlyn oversaw the comprehensive development process—from initial designs to final construction—for a diverse group of properties throughout the Southeast. She received her bachelor's degree in history from Birmingham Southern College in Birmingham, Alabama.

Sam Yeager, Co-Founder and Principal

Bristol Development Group | Market Rate Housing

Sam Yeager is a co-founder and Principal of Bristol. Sam is an entrepreneur with more than 20 years of experience in the real estate industry. Prior to forming Bristol Development Group with Ashlyn Hines and Dan Daniel, he and Dan Daniel launched a number of successful businesses in the real estate sector, including skilled nursing homes, assisted living facilities, acute care hospitals, Burger King restaurants, and medical office buildings. He is a Certified Public Accountant and began his career with Arthur Andersen and Company. He earned his bachelor's degree in accounting from Harding University in Searcy, Arkansas.

DAVID AUSTIN OGLE, PRINCIPAL AND PRESIDENT

FIVE OAKS DEVELOPMENT GROUP | RETAIL

David is a Partner and Co-Founder of Five Oaks Development Group, Sevier County's largest real estate holding partnership. He is also Founder and sole stockholder in Five Oaks/Ogle, Inc., Co-Founder and Officer in Five Oaks Outlet Centers, Inc., and Co-Founder and President of Oaktenn, Inc. A licensed contractor and real estate broker, David develops and owns shopping centers and commercial properties, primarily in Sevier and Knox Counties. He has been recognized by Tennessee Business Magazine as a Top 100 Commercial Real Estate Developer multiple years and was named to the magazine's One Hundred Most Influential Tennesseans in 2008. He was appointed to the Tennessee Real Estate Commission from 1992-1997 and served as Chair from 1996-1997.

He is the Lead Independent Director and Co-Founder of SmartBank and currently serves as a director. Active in the community, David is past Chairman of the Board of Trustees of Carson Newman College, a former Sevier County Commissioner and served as a Director with the Gatlinburg Chamber of Commerce. He has held numerous leadership roles with community and nonprofit organizations including Leadership Sevier, the Knox Area Chamber Partnership, East Tennessee MS Society and East Tennessee State University Foundation. Among his many honors, in December 2010, the Trustees of Carson Newman College conferred an Honorary Doctorate of Business Administration to him. He earned his Bachelor's degree from East Tennessee State University and a Master's degree in Construction Science and Management from Clemson University. He completed additional studies at Cornell University in Hotel Development.

Project Highlights

Leasing & Development Projects

Longhorn Steakhouse
Red Lobster
Chick Fil-A
Ripley's Attractions in Sevier County
Cedar Bluff Shopping Center, Knoxville
LMU Satellite Campus Knoxville
McDonald's, Gatlinburg 321
Myrtle Beach Factory Stores
Tanger Outlet, Myrtle Beach
Damon's, Sevierville
Damon's, Gatlinburg
Baskins Square, Gatlinburg
Old Dad's, Gatlinburg
All Sauced Up, Gatlinburg
Star Cars, Gatlinburg
Aspen Dental
Verizon Wireless, Sevierville

Lodging Projects

River Place Inns and Cabins, Sevierville
Cherokee Lodge, Pigeon Forge
Bear Country, Pigeon Forge
Bearskin Lodge, Gatlinburg
Fairfield Inn and Suites, Sevierville
Fairfield Inn and Suites, Gatlinburg
Oak Tree Lodge, Sevierville
Old Creek Lodge, Gatlinburg

Retail Projects

Five Oaks, Pigeon Forge
Tanger Five Oaks, Pigeon Forge
Broadway Tazewell Center and Montvue Center, Knoxville
Nantahala Outdoor Center Great Outpost, Gatlinburg
Sugarland Cellars Winery, Gatlinburg

JACOB "JAKE" LONAS OGLE, PARTNER

Five Oaks Development Group | Retail

Jake is a partner with Five Oaks Development Group and Managing Partner at W. Boyd Lonas Limited Partnership in Knoxville. He is a licensed real estate affiliate broker and Former Tenant Representative at The Shopping Center Group, LLC, one of the leading retail commercial real estate brokerage firms in the United States.

Jake serves on the Board of Directors for Friends of the Smokies and Second Harvest Food Bank of East Tennessee. Active in the community, he has been a volunteer with Best Buddies Tennessee and basketball coach for the Sevier County Special Olympics from 2000-2006.

He earned a Bachelor's degree from Furman University where he served as President of the Inter-Fraternity Council and was named Greek Man of the Year. Jake has a Master of Business Administration degree from Mercer University.

Retail Project Highlights

Aspen Dental
Bed, Bath, & Beyond
BuyBuy Baby
Planet Fitness
Chipotle Mexican Grill
Ollie's Bargain Outlet
Men's Wearhouse
EZ Corp
Gigi's Cupcakes
Floor & Décor
Denny's
Harbor Freight Tools
JoAnn
Jimmy John's
Starbucks
Verizon Wireless
Blaze Pizza
Vision Works
Holston's Kitchen
No Way Jose's
Just Love Coffee
Dick's Last Resort
Insomnia Cookies
Dress Barn
Great Clips
Pie Five

McCarty Holsaple McCarty | Affordable Housing

McCarty Holsaple McCarty is a full service architectural, interior design and planning firm located in Knoxville, Tennessee. MHM has designed landmarks in East Tennessee for 50 years. Founded by renowned Knoxville architect, the late Bruce McCarty, the 28 person firm is a corporation headed by Doug McCarty, President and CEO; Jeff Johnson, Executive Vice President and CFO; David Collins, Vice President; Scott Webb, Director of Construction Administration; and Barbara Tallent, Director of Interior Design. Associate Principals include John Thurman, Nathan Honeycutt and Li Wang.

MHM's professional staff combine planning and design expertise with skills in project management and construction administration. This range of experience enables MHM to handle all phases of the design process, from the initial master planning and facility programming through construction administration. MHM is large enough to handle almost any design project, yet small enough to provide, personal, responsive service.

Design is a collaborative process. At MHM, we regard our clients and other professionals involved as partners in that process. To develop facilities that meet our client's needs, our design process emphasizes communication and regular client feedback, as well as research and design expertise.

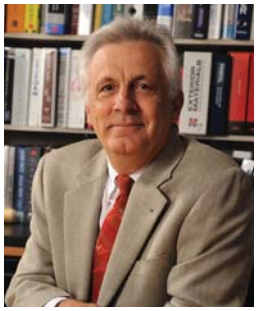
MHM recognizes that the design profession has a responsibility to protect the environment and natural resources. We strive to provide our clients with designs that meet programmatic and economic needs, while respecting the environment, occupant health, and material resources. MHM has 10 LEED Accredited Professionals who are a valuable resource for our project design teams.

MHM's emphasis on project management and careful cost controls, along with our dedication to client service and design excellence, has won the firm many repeat clients. MHM has established a reputation for designing functional and appealing master plans, buildings and interiors, and is known for completing projects on time and on budget.

MHM has a variety of market rate, affordable and institutional housing experience. Currently MHM is working with LHP as the design architect for a 97 unit affordable housing complex in Manchester, TN - Kingwood Arms Apartments (illustrated here.)

DOUG McCARTY, AIA, CEO

McCarty Holsaple McCarty | Housing



Doug is the President and Chief Executive Officer of McCarty Holsaple McCarty, Inc. In addition, Doug serves as MHM's Director of Design and oversees all design of projects. He has been involved with many of East Tennessee's major projects. Examples of major projects are The Tennessee Theatre Restoration, The Knoxville Convention Center, Clayton Center for the Performing Arts, multiple projects for the University of Tennessee and many others. Mr. McCarty has managed master plans for Maryville College, Emory and Henry University, East Tennessee State University and the Renovations of World's Fair Park. He has also been Principal in Charge for of a variety of housing projects for the University of Tennessee, Maryville College, Emory and Henry University and LHP Development.

Doug is active in both professional and community groups including the East Tennessee Chapter of the American Institute of Architects, the Community Design Center of East Tennessee, Knoxville Chamber Partnership, the University of Tennessee College of Architecture and Design, and is a 1990 graduate of Leadership Knoxville.

Project Highlights

LHP Kingwood Arms Apartments, Manchester, TN
Cherry Creek Apartments, Knoxville, TN
Programming for Ellington Hall, Melrose Academic Building, Apartment Residence Hall, Shelbourne Tower Replacement Housing, University of Tennessee - Knoxville, TN
ETSU Governor's Hall, Student Housing, Johnson City, TN
Multiple Student Housing projects - Maryville College, Maryville, TN

MARGARET BUTLER, AIA, LEED AP

McCarty Holsaple McCarty | Housing

Margaret has served as a principal, design director and project manager for most of her 30-year career. She has designed HUD, Rural Housing and THDA funded housing projects, including the Mechanicsville Commons HOPE VI for Knoxville's Community Development Corporation. She currently serves as project manager for two multifamily affordable housing projects being designed for LHP Capital, LLC. She will serve as the Architectural Project Manager of the project and lead designer for the affordable housing component.

Margaret is active in the community serving as past president of the Board for the YWCA and currently serves as the Board's Facility Chair. She has also served on the boards of The Cancer Support Community, AIA East TN, AIA TN, Legacy Parks Foundation, and has served as panel chair for the United Way.

Project Highlights

LHP Kingwood Arms Apartments, Manchester, TN
Cherry Creek Apartments, Knoxville, TN
KCDC Mechanicsville Commons, HOPE VI, Knoxville, TN
Willow Oaks HOPE VI, Greensboro, NC
KCDC Isabella Towers renovation, Knoxville, TN
KCDC Northgate Tower renovations, Knoxville, TN
KCDC Western Heights renovation, Knoxville, TN
The Village at Vanderbilt, Nashville TN
Multifamily Planning/Urban study, City of Kingsport, TN

Barber McMurry Architects | Retail

BarberMcMurry architects (BMa) is the oldest and largest architectural firm in East Tennessee. With that history and depth, BMa has a wealth of experience in both residential and retail projects and a seasoned team that stands ready to help you with your needs. This team is supported by a dedicated group of twenty-nine (29) design professionals and support staff who actively pursue innovative and thoughtful solutions to best meet all of your challenges. As good stewards of your resources, we approach each project with an energetic heart and a fiscally responsible mind.

These projects include HUD housing in Sevier County and one of the only LEED Platinum for Homes residential projects, Eastport Senior Residences, in East Tennessee. Our team is accustomed to working with both the Tanger and Five Oaks Development teams on retail projects throughout the Southeast. These projects include Tanger in Pigeon Forge, the most successful retail development in Sevier County and all of East Tennessee, and Farragut Center in Knox County.

Other project in Sevier County include the Smokies Stadium, King Family Library in Sevierville, and Rocky Top Sports World - a nationally recognized sports destination complex in Gatlinburg.

Chuck Griffin, AIA, President

Barber McMurry Architects | Retail

Chuck brings 33 years of experience serving as Partner-in-Charge since 1995. His expertise includes all phases of architectural delivery, including substantial master planning, facilities evaluation, design, and project management. Chuck has led complex projects, meeting critical budget and schedule requirements without compromising quality. He is a licensed architect in the states of Tennessee, North Carolina and Virginia. Chuck is registered with the National Council of Architectural Registration Board. He is a member of the American Institute of Architects.

Chuck is on the Pellissippi State Community College Foundation Board, a University of Tennessee Chancellor's Associates member of the Tennessee Society and United Way Tocqueville Society. He is a member of the Patricia Neal Golf Committee, NICU and Boy Scouts Fundraising Committees, and also the ULI Knoxville Steering Committee. He earned his Bachelor of Architecture from the University of Tennessee with honors.

Project Highlights
Tanger Five Oaks, Pigeon Forge
Tanger, Foley, Alabama
Tanger, Diania Beach, Florida
Tanger, Sanibel, Florida
Tanger, West Branch, Michigan
Harper Dealerships, Knoxville

- Acura
- Audi
- Fiat-Alfa Romeo
- Maserati
- Porsche & Jaguar
- Volkswagen

Kelly Headden, AIA, Vice President

Barber McMurry Architects | Retail

Kelly joined BMa in 1989 and has served in multiple roles including project manager, director of design and principal. Kelly has a successful record in retail, residential, and athletic facilities and experienced in virtually every type of architectural project. He served as a principal and designer for Gatlinburg's Rocky Top Sports World and all BMa projects in Sevier County. Kelly looks forward to focusing his 30 years of experience on options for your consideration and selecting, with you, solutions that best reflect your needs.

He is a licensed architect in the states of Tennessee and Georgia. Kelly is registered with the National Council of Architectural Registration Board. He is also a member of the American Institute of Architects and United States Green Building Council. Kelly is a member of the University of Tennessee's College of Architecture and Design Board of Advisors, and the Sevier County Economic Development Council. He earned his Bachelor of Architecture from the University of Tennessee. Kelly was a recipient of the Chancellor's Citation and Honors Graduate.

Project Highlights
Rocky Top Sports World
Sevier County Youth Athletic Complex
Tennessee Smokies Baseball Stadium
University of Tennessee Pratt Pavilion
Tanger Five Oaks, Pigeon Forge
The Center at Deane Hill, Knoxville

3 PROJECT EXPERIENCE

01

KNOXVILLE, TN

SCOPE
5.5 Acres
299 Apartment Units
175 Efficiency Units
124 One-bedroom Units
Completed 2015

SIZE
182,835 SF

SQUARE FOOTAGE COST
$110 per SF

TOTAL COST
$20,100,218

ARCHITECT
Allan Associates Architects, PLLC
Mark Allan
865-689-1302

CONTRACTOR
Empire Construction
Steve Hall
865-599-0195

Challenges

With downtown Knoxville experiencing a boon in high-end, luxury condo development, the provision of affordable housing in an area quickly becoming unaffordable to many households is critical. This 299-unit property located within walking distance of downtown Knoxville had great potential to address a variety of the city's housing needs. But the years had not been kind to Townview Towers and the property had deteriorated inside and out. The area around the apartments had developed a reputation as a high-crime area and unsafe despite the fact it was located across the street from Green Magnet Elementary School. Many reasons to save the affordable property existed but financing represented a huge hurdle.

The property's renovation would not have been financially feasible without a Payment in Lieu of Tax (PILOT) agreement to mitigate the detrimental impact of a tax assessment on the Low Income Housing Tax Credits themselves. Knoxville's Community Development Corporation assisted in facilitating the PILOT and is also a joint venture development partner and co-owner of the property. LHP Development orchestrated the complex funding and ownership structure.

Accomplishments

The renovation involved major upgrades to modernize and completely overhaul the property's exterior and interior living spaces. To complete the property's transformation, the name was changed to The 1100 Studio Apartments. A bright and contemporary logo was created for marketing and branding. To engage the community, The City of Knoxville granted LHP's request to rename the street connected to the property in honor Dr. Lula Powell, an East Knoxville educator and businesswoman. Upon completion of the project, LHP engaged the community in a celebratory event. Today The 1100 Studio Apartments represent a thriving and diverse community that is helping Knoxville grow.

HENRY MANOR | LHP CAPITAL

MORRISTOWN, TENNESSEE

02

SCOPE
2.55 Acres
50 Apartment Units
All One-bedroom Units
Completed 2015

SQUARE FOOTAGE COST
$173 per SF

SIZE
39,551 SF

TOTAL COST
$6,826,217

ARCHITECT
Allan Associates Architects, PLLC
Mark Allan
865-689-1302

CONTRACTOR
Empire Construction
Steve Hall
865-599-0195

Challenges

The rehabilitation of Henry Manor represented an extremely competitive LITHC funding process. The year LHP pursued tax credits for Henry Manor, 85 applications were submitted to the State of Tennessee and only 23 were awarded. LHP pursued two tax credits that year—including one for Henry Manor—and was awarded both.

The property was in very poor condition. All major systems such as electrical, HVAC, and plumbing needed to be replaced or upgraded. Located within several blocks of the downtown area, the property was highly visible among community leaders and residents who were concerned about the property's disposition.

Accomplishments

Henry Manor received a $3.8 million face-lift. The extensive renovation involved major upgrades both inside and out. The apartments were completely transformed with new paint, vinyl plank flooring, energy efficient lighting, new doors with wood frames and lever hardware vinyl blinds.

Old appliances and cabinets were removed and each unit was upgraded with new kitchen cabinetry with quartz countertops, an Energy Star refrigerator and dishwasher and a new microwave. Improvements to the building's exterior included adding new brick and siding veneers, a new roof, improved site lighting and accessible sidewalks and parking spaces. The grounds were professionally landscaped and sod was installed. Renovations started in November 2014 and were completed in December of 2015.

*In March 2016, Henry Manor Apartments was recognized with the **Keep Morristown Hamblen Beautiful Community Improvement and Beautification Award.***

03

GATLINBURG, TN

DEVELOPER
Five Oaks for GO Partners, LLC

SIZE
18,000 SF

TOTAL COST
Landlord: $1,500,000
Tenant: $3,000,000

ARCHITECT
Tom Trotter
Trotter and Associates
865.436.9436

This former stone and timberframe structure once housed one of Gatlinburg's preeminent restaurants, The Open Hearth. After several other restaurants had occupied the site, the Developer secured the property as a closed restaurant. The Developer entered into and successfully completed lease negotiations with NOC, the nation's largest outdoor outfitter, to build an 18,000 square foot outdoor enthusiast store, the largest tourism retail store in the City of Gatlinburg. The stone and timberframe structure was completely renovated and opened to tremendous reviews. The development has won City of Gatlinburg Environmental Design Review Awards for both Building Renovation, Landscaping, and Signage. Additionally, the project was awarded Silver LEED certification by the U. S. Green Building Council. Unique building materials such as natural bark wood siding, authentic rusted tin, river rock and river stones, and hickory stair railings reflect the building's proximity to the Great Smoky Mountains National Park.

Challenges

There were many challenges on the site. Several successive failed businesses had occupied the site. The building was not pedestrian friendly prior to the renovation. The step entry road traversed the site and was an obstacle to pedestrian traffic. A wrap around porch was added to the building to both make the building more approachable and also to effectively bring the "floor" of the building closer to the street with several concealed stairs. A new entry was added to the south of the site to provide for street level access for handicapped patrons. Budget control was also a challenge because of hidden conditions in the remodel and the relative poor condition of the existing building.

Accomplishments

Five Years Later: *NOC's Great Outpost has become one of the* ***leading stores and tourism attractions in the City of Gatlinburg.*** *The store has had tremendous annual sales volumes and has become a must see stop for the millions of visitors to the National Park,* ***providing the City with millions of dollars in tax revenue and turning a closed restaurant facility into a vibrant attraction for its visitors.***

NOC
NANTAHALA OUTDOOR CENTER
THE NORTH FACE
THE GREAT OUTPOST

TAPESTRY BRENTWOOD TOWN CENTER

Brentwood, TN

04

SCOPE
6.91 Acres
393 Apartment Units
200 One-bedroom Units
193 Two-bedroom Units
Structured Parking with 700 Spaces
Completed 2015

SQUARE FOOTAGE COST
$133 per net rentable SF

SIZE
4,000 SF retail

TOTAL COST AND FINANCING
The total cost of the project was just over $67,000,000. The owner of the project is a large life insurance company who provided all financing.

ARCHITECT
Fugleberg Kock
Jimmy Kelley
407.622.0068

CONTRACTOR
Doster Construction Company
Tom Reynolds
205.443.3855

The site was bounded by a railroad track on one side, large commercial uses on two sides, and a heavily trafficked street on the other side.

There were two "blue line" creeks on the property making site configuration difficult with one running along the property line and the second cutting the site virtually in half. The creeks had a significant impact on the layout and access to the buildings. While the creeks impacted the access to the building, the landscape architect was able to turn two creeks that were essentially ditches into positive aesthetic amenities for the property and residents.

A major challenge was obtaining City of Brentwood approvals. The City had never previously permitted any rental multifamily uses.

TAPESTRY

bristol development group

ARTISAN AT TWICKENHAM SQUARE

HUNTSVILLE, AL

05

SCOPE
13 Acres
246 Apartment Units
185 One-bedroom units
61 Two-bedroom units
Publix grocery store and 20,000 SF of retail shopping space
960 car parking deck
Completed 2014

SQUARE FOOTAGE COST
$155 per net residential net rentable SF
$190 per SF for all retail

SIZE
26,000 SF retail shop space
110,000 SF office

TOTAL COST AND FINANCING
The total cost of the project was just over $42,825,000. The owner of the project is a large life insurance company who provided all financing.

ARCHITECT
Smith Gee Studios
Fleming Smith 615.739.5555

CONTRACTOR
Brasfield and Gorrie
Roddy McCrory 678.581.6390

Challenges

Construction a 13-acre mixed use development was completed through complex coordination of an office developer, hotel developer, City of Huntsville, a retail partner and Bristol to provide a Publix grocery, 26,000 sq ft of retail shop space, 246 apartments, a Homewood Suites hotel, and a 110,000 sq ft office building.

Bristol worked with City of Huntsville to structure city development incentives to meet requirements of state and local restrictions and meet the needs of all development components.

A 960-car parking deck is shared among office, hotel, Publix, retail and apartments. In addition, each component's needs were covered and an operating agreement to cover allocation of risks and operating expenses was put in place. Construction all components occurred simultaneously within 13 acres.

Financing

Total cost was approximately $42,825,000

Financing structure was:

Construction / Permanent Loan (Life Insurance Company) $27,000,000

Equity (Life Insurance Company and Developer) $15,825,000

Public Officials

Mayor Tommy Battle, Mayor of City of Huntsville

Peter Joffrion, City Attorney, City of Huntsville

Jeff Easter, Director of Public Works, City of Huntsville

4 PROPERTY ACQUISITION

4 PROPERTY ACQUISITION

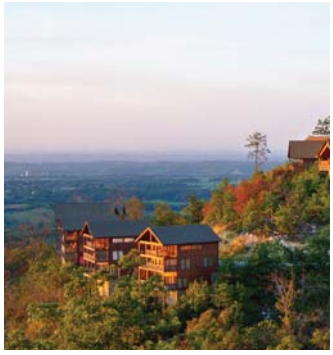
The development team will work closely with the City of Gatlinburg Redevelopment and Housing Authority to forge through a development and acquisition plan that is mutually acceptable and fair to all parties. The team that we have assembled has a broad range of expertise working through acquisition and business relocation, all of which will be key to making this project a success.

During the due diligence period the development team will work with the Authority to develop the property acquisition procedure and timeline. We believe it is essential to seek input and buy-in from everyone involved in the project to ensure that the acquisition process is fair and provides equitable treatment to all property owners.

Beginning with notes from the meetings already held with property owners, LHP will develop a preliminary plan to review with the Authority. The plan will be specific to each property stating the settlement plan to be offered and each team member's responsibility to move the acquisition and/or relocation through the process of acquiring the property. It is critical to the overall success that all of the property acquisitions be complete and the transactions closed per an agreed upon timeline in order to secure project financing.

The team is aware of the importance of taking into consideration the impact of the property acquisition on the Laurel Grove Baptist Church (Parcel #13) and the Tennessee State Bank (Parcel #26) which are not slated for acquisition. The designer's conceptual plans have been developed with their parking and other accommodations in mind as will future design plans which will also incorporate in detail the City of Gatlinburg's architectural guidelines and other design factors.

5 HOUSING



Gatlinburg Population:	**3382**	**100.00%**
Sex and Age		
Male	1667	49.29%
Female	1715	50.71%
Under 5 years	98	2.90%
5 to 9 years	127	3.76%
10 to 14 years	169	5%
15 to 19 years	180	5.32%
20 to 24 years	153	4.52%
25 to 34 years	366	10.82%
35 to 44 years	495	14.64%
45 to 54 years	654	19.34%
55 to 59 years	266	7.87%
60 to 64 years	189	5.59%
65 to 74 years	391	11.56%
75 to 84 years	226	6.68%
85 years and over	68	2.01%
Median age (years)	46.8	
18 years and over	2878	85.10%
Male	1390	41.10%
Female	1488	44%
21 years and over	2779	82.17%
62 years and over	795	23.51%
65 years and over	685	20.25%
Male	287	8.49%
Female	398	11.77%
Race		
One race	%	
White	3237	95.71%
Black or African American	5	0.15%
American Indian, Alaska Native	19	0.56%
Asian	58	1.71%
Asian indian	53	1.57%
Chinese	1	0.03%
Filipino	2	0.06%
Japanese	0	0%
Korean	2	0.06%
Vietnamese	0	0%
Other Asian	0	0%
Other Pacific Islander	1	0.03%
Native Hawaiian	1	0.03%
Guamanian or Chamorro	0	0%
Samoan	0	0%
Other Pacific Islander	0	0%
Some other race	29	0.86%
Two or more races	33	0.98%
Hispanic or Latino and race		
Total Population	3382	100.00%
Hispanic or Latino(of any race)	66	1.95%
Mexican	22	0.65%
Puerto Rican	6	0.18%
Cuban	5	0.15%
Other Hispanic or Latino	33	0.98%
Not Hispanic or Latino	3316	98.05%
White alone	3211	94.94%
Relationship		
Total Population	3382	100.00%
In households	3328	98.40%
Householder	1541	45.56%
Spouse	793	23.45%
Child	669	19.78%
Own child under 18 years	438	12.95%
Other relatives	159	4.70%
Under 18 years	53	1.57%
Nonrelatives	166	4.91%
Unmarried partner	65	1.92%
In group quarters	54	1.60%
Institutionalized population	0	0%
Non-Institutionalized population	54	1.60%
Households by Type		
Total Households	1541	100.00%
Family households (families)	991	64.31%
With own children under 18 years	274	17.78%
Married-couple family	793	51.46%
With own children under 18 years	%	
Female householder, no husband present	139	9.02%
With own children under 18 years	59	3.83%
Non Family households	550	35.69%
Householder living alone	457	29.66%
Householder 65 years and over	187	12.13%
Households with individuals under 18 years	316	20.51%
Households with individuals 65 years and over	507	32.90%
Average Household size	2.16	
Average family size	2.64	
Housing Occupancy		
Total housing units	3993	100.00%
Occupied housing units	1541	38.59%
Vacant housing units	2452	61.41%
For seasonal, recreational, or occasional use	2232	55.90%
Homeowner vacancy rate (percent)	3.3	
Rental vacancy rate (percent)	16.9	
Housing Tenure		
Occupied housing units	1541	100.00%
Owner-occupied housing units.	1055	68.46%
Renter-occupied housing units.	486	31.54%
Average household size of owner-occupied units	2.19	
Average household size of renter-occupied units	2.09	

The City of Gatlinburg and the Authority have identified affordable housing as the most critical need for the Redevelopment District. LHP's development proposal is designed to provide the ideal mix of retail and housing necessary to achieve a thriving community and successful venture.

Affordable housing is essential to building a healthy community. When housing is made affordable, families have more finances to help support life necessities such as food, clothing and education for their children. They can remain in the community becoming part of the social fabric promoting stability, community and engagement. Families and individuals who live and work in the community provide the labor that makes the economy grow which is why providing housing they can afford is so important.

LHP's development team members are experts in planning a property's unit make up to fit development demographics and the physical footprint. Types of housing to be considered for this development range from mid-rise apartment housing consisting of efficiency units up through two- and three-bedroom units.

As the pro forma is developed during the due diligence period considerations to the ratio of market rate housing verses workforce affordable housing will be evaluated. Factors in determining the housing options are based on the demographics of family size verses single occupied units, average income of potential occupants, and average age of the occupant. In addition, In addition, special consideration will be given to the type of housing to be constructed to achieve the optimum unit count while understanding site constraints and upholding the City of Gatlinburg's Architectural Guidelines,

A collaborative approach to the redevelopment will ensure that all of LHP's expertise and experienced staff are available to assist. LHP has more than forty years of experience developing and managing public and Section 8 housing, and more than ten years of experience developing and operating LIHTC projects. LHP has partnered with public housing authorities on numerous occasions, either as a fee developer, co-developer or as a purchaser of a PHA's Section 8 properties.

LHP has a tremendously high success rate for securing bond financing and 4% and 9% LIHTC tax credits. Since 2007, LHP has sought 22 nine percent LIHTC applications and has been 100 percent successful. In an industry environment where applications outpace awards by roughly a 3:1 margin, LHP's record speaks for itself.

6 EXISTING BUSINESSES

6 EXISTING BUSINESSES

The District has experienced decline over the years and fated with continued deterioration and devaluation. Without strategic development of the district, current businesses have limited opportunities to prosper. As part of the due diligence period the development team will map out various scenarios for the potential relocation of existing businesses. Given the complexities of the various alternatives and because each business is unique and presents specific needs of review, the full extent of the business development needs cannot be determined this early in the process.

The team will work diligently to accommodate the business owner's needs and the community in which the business owner serves. Considerations will include the economic effect to the business owner as well as the community's local services. As addressed in Item #4 of this proposal, our team will work closely with the Authority to hammer out an acquisition and relocation strategy that best fits the needs of all stakeholders, including the homeowners, business owners and the City of Gatlinburg. Together LHP Development, Five Oaks Development Group and Bristol Development Group bring a unique combination of public and private sector redevelopment experience.

KCDC Mechanicsville Commons HOPE VI

Team members Alvin Nance and Jordana Nelson have extensive experience with community revitalization and prior to joining LHP, both worked at Knoxville's Community Development Corporation (KCDC.) Alvin served as Executive Director and CEO and Jordana as General Counsel. During his tenure at KCDC, Alvin was instrumental in the $46 million redevelopment of Knoxville's downtown Mechanicsville community. KCDC received a $22 million HOPE VI grant from HUD in 1997 to revitalize the College Homes area and surrounding Mechanicsville Neighborhood. Once a thriving neighborhood of African American businesses and working families, the area began to decline in the late twentieth century and had become a collection of vacant and blighted properties.

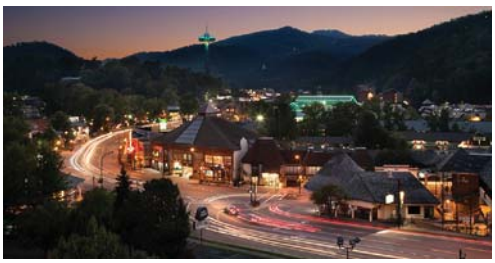
There were significant challenges to redevelopment, including the relocation of 320 families living in public housing units set for demolition and that had been constructed in 1938 in an African American community adjacent to a historic Black College. In addition, the project had to acquire, rebuild and relocate three African American churches. The neighborhood underwent a remarkable renaissance.

KCDC used a variety of fund sources to finance the project including Federal Home Loan Bank (Affordable Housing Program and Community Investment Program), LIHTC, Section 8 Family Self Sufficient Funds, Tax Increment Financing Note and HUD Mixed Finance Plan.

7 REDEVELOPMENT INTENT

7 REDEVELOPMENT INTENT

The redevelopment of the East Parkway at Baskins Creek Bypass is critical to spur the necessary tourism growth along the East Parkway US-321 corridor. Many people including members of this development team have a lifetime of Gatlinburg memories they cherish. Memories of family trips with our grandparents, our children and now even some with our grandchildren have a special place in our hearts. Generation after generation come to Gatlinburg, the gateway to the nation's most visited national park, to relive and make new memorable moments.



Unfortunately space limitations caused by the park entrance funnel tourism growth into the city's most populated street, The Parkway. Increased numbers of tourists along with families traveling to the Rocky Top Sports World have very limited retail, restaurants, and attractions along the East Parkway US-321 corridor. Without more viable accommodations to grow tourism, Gatlinburg will miss a vital opportunity for growth.

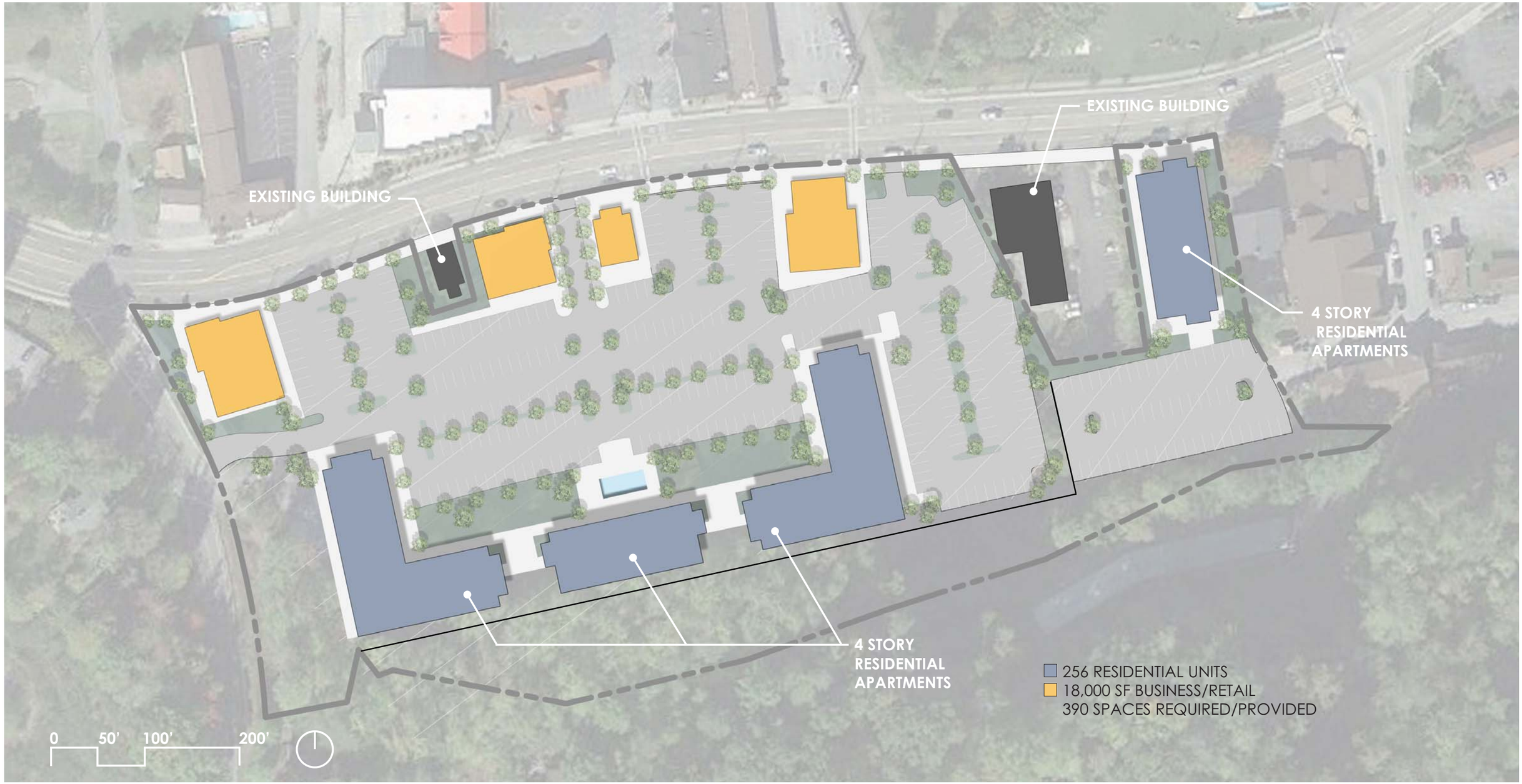
This creates the need for new businesses which in turn necessitates demand for additional workers. Affordable quality housing is the best asset to attract good, dependable workers.

Gatlinburg and all of Sevier County lack quality affordable workforce housing. The vision of LHP's development team will create multiple housing options for a diverse workforce. Consideration to all types of workforce housing will be investigated as well as market rate housing over urban retail along the 321 corridor. Additionally, the need for an anchor retail/grocery is evident to create a traffic pattern directed toward these new retail opportunities.

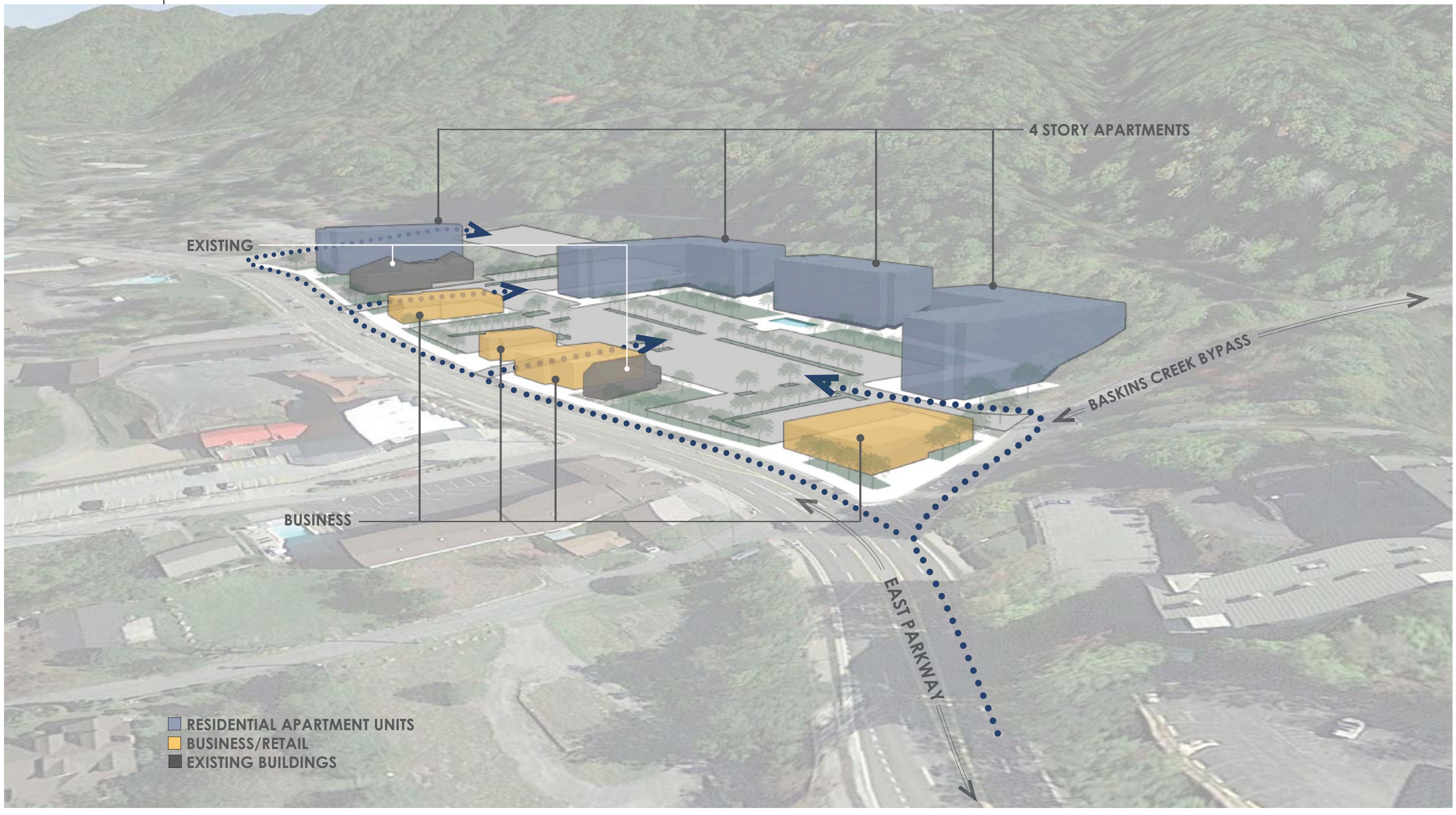
These designs will create an upscale feel to the streetscape, emphasizing pedestrian access and the mountain village aesthetic outlined in the Gatlinburg Architectural Guidelines. The mix of mountain modern building materials will be a welcome face-lift to the existing conditions.

As outlined in the Redevelopment Plan, types of developments encouraged as appropriate land uses in the East Parkway at Baskins Creek Bypass Redevelopment District include retail stores and shops, restaurants, and residential dwellings. The area is located within walking distance of the main tourist activity corridor for the City.

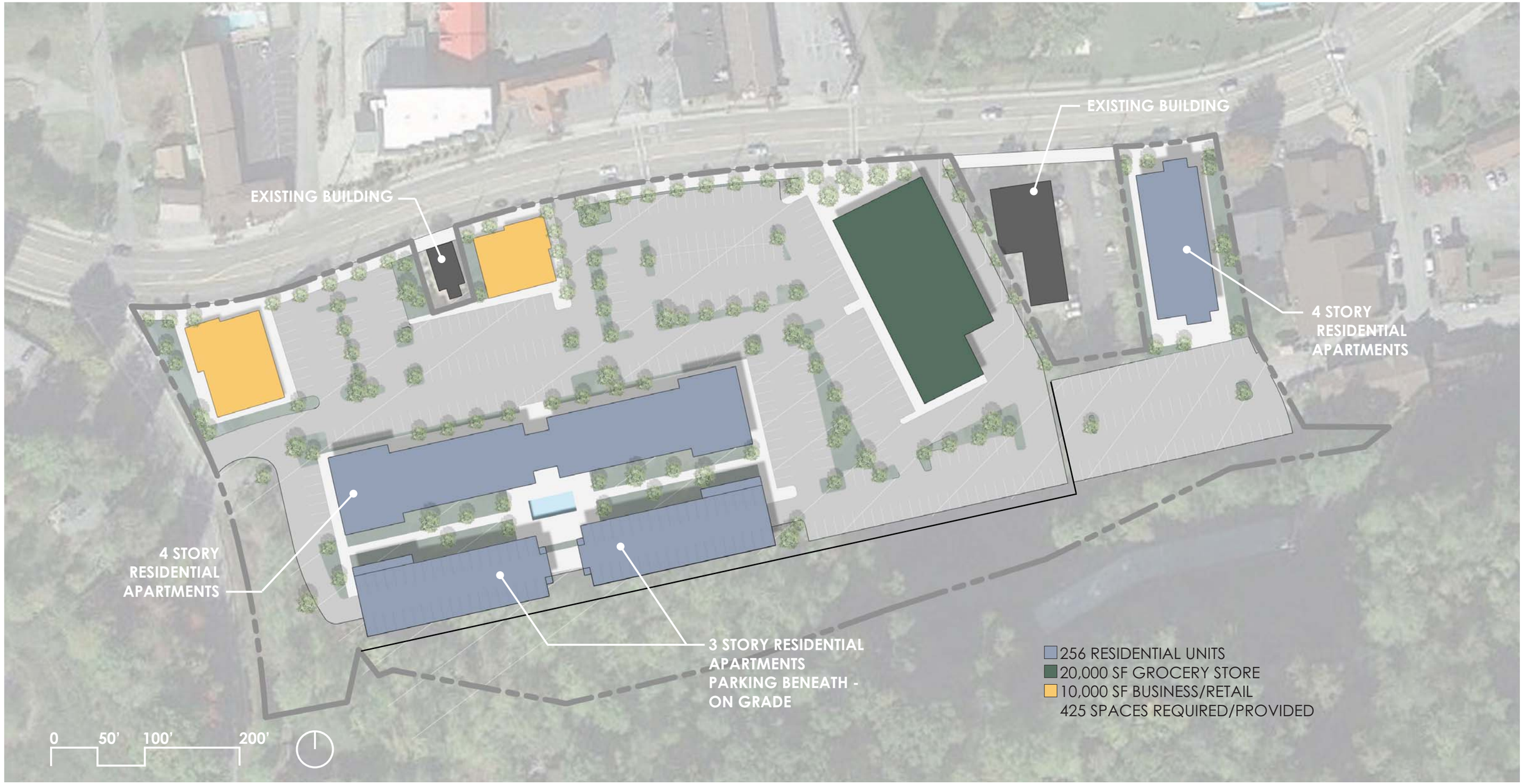
SCHEME A - SITE PLAN



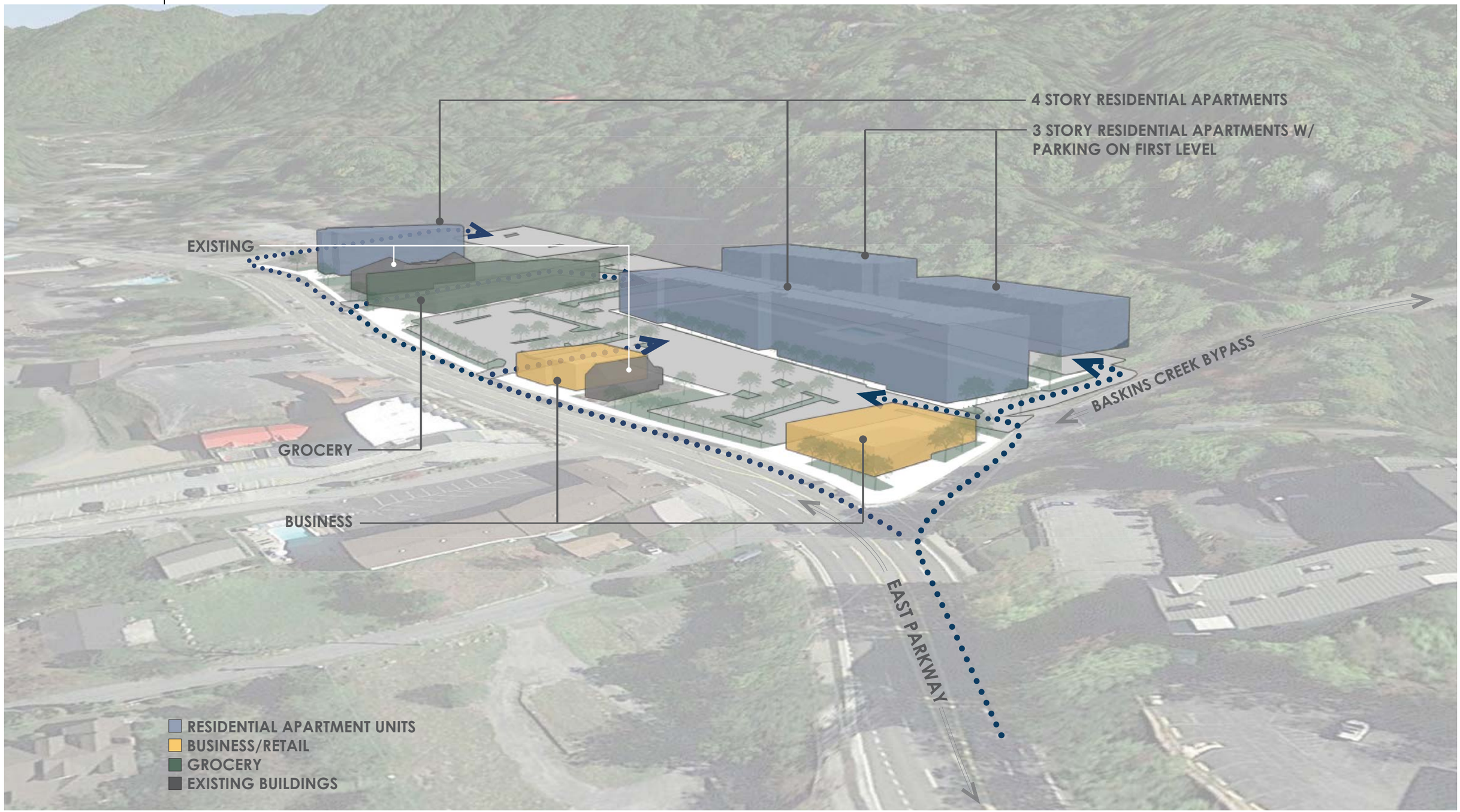
SCHEME A - MASSING



SCHEME B - SITE PLAN



SCHEME B - MASSING



8 SCHEDULE

8 SCHEDULE

Schedule management is one of the single-most critical components to coordinate the sequence needed for a successful development. It is the one tool that can capture the impact of all the moving parts and pieces necessary to navigate the project to completion.

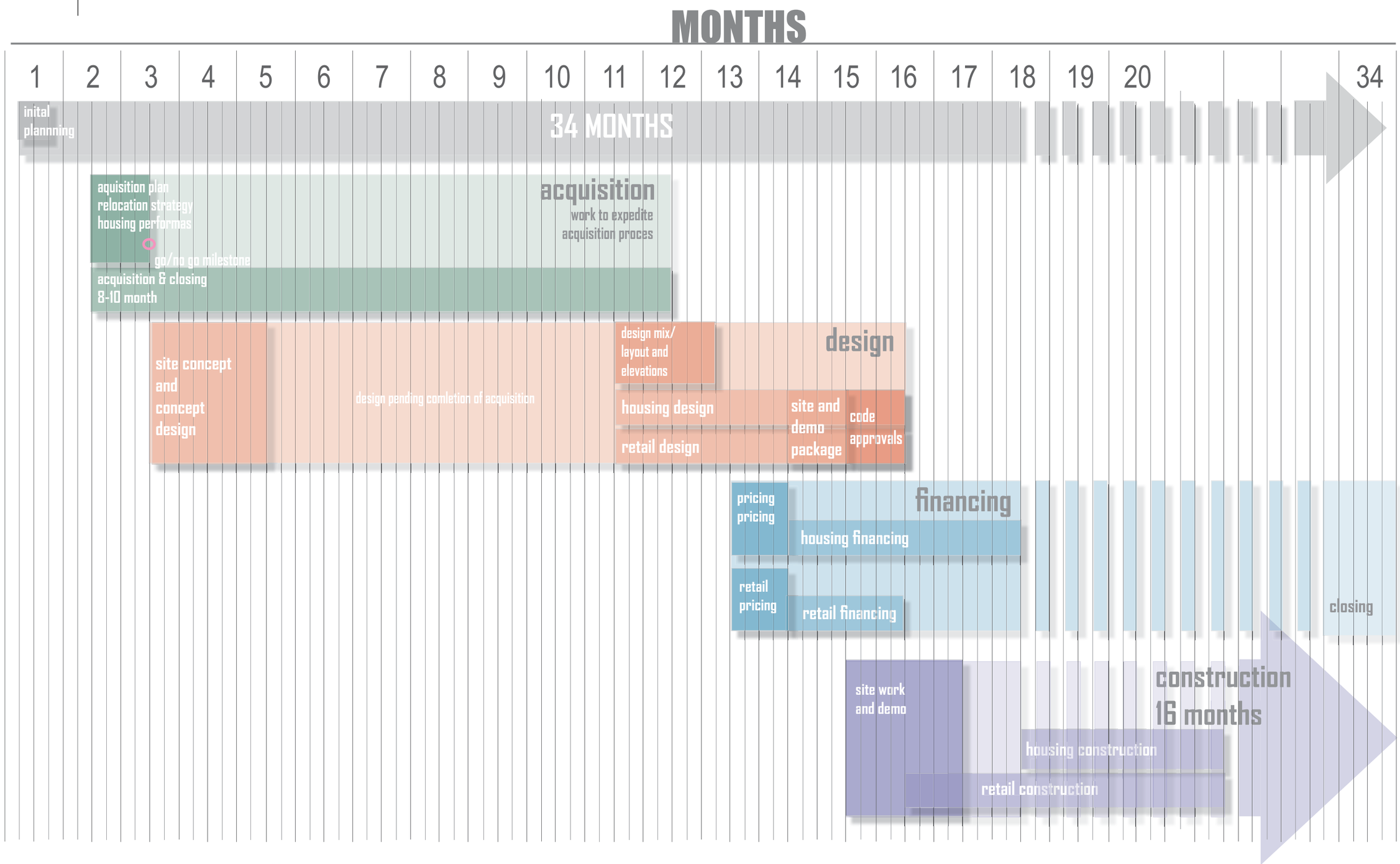
LHP as the lead Developer along our Master Architectural Partner, MHM will stress Project Management with strong emphasis on effective and consistent management of the project schedule. At the very beginning of project, the schedule will begin to be roughed out with Key Milestone dates being established.

AS the project develops, the level of detail will also develop. The schedule will include all major project phases, all major milestone dates, critical review periods, meetings and approvals, regulatory reviews, by-phase pricing/estimating and reconciliation/Value Engineering periods and other project specific information.

The schedule is distributed to the project team and is used as the basis for all progress reviews with consultants, Construction Manager/General Contractor and the Owner. Once a General Contractor is selected for the project, the actual construction schedule will be fit into the Master Project Schedule. The project schedule is closely monitored and is regularly revised to address and reflect schedule impact issues as they are identified and quantified.

Listed below are examples of items to be noted in the Project Schedule:

- Duration to establish and approve the Acquisition Plan
- Confirm any necessary relocations
- Confirm and access needs of the 2 tenants to remain (Laurel Grove Baptist Church and the Tennessee State Bank)
- Milestone Dates for items such as:
    - Site concept drawing approval
    - Confirm number and types of units
    - Approval Schematic Design
    - Approval of Schematic Design Budgets
    - Completion of Acquisition Plan
    - Design Completion
    - Codes Submittal
    - Budget Updates and Pricing
    - Finance Applications
    - Authority Approvals and City Approvals
    - Bid Packages and Contractor Selections
    - Site Packages
    - Construction Start
    - Substantial Completion
    - Finance Completion
    - Project Closeout


MONTHS
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inital plannning
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relocation strategy
housing performes
go/no go milestone
acquisition & closing
8-10 month
acquisition
work to expedite
acquisition proces
site concept
and
concept
design
design pending comletion of acquisition
design mix/
layout and
elevations
housing design
retail design
site and
demo
package
code
approvals
design
pricing
pricing
retail
pricing
financing
housing financing
retail financing
closing
site work
and demo
construction
16 months
housing construction
retail construction

9 SIGNIFICANT FACTORS

9 SIGNIFICANT FACTORS

Although plans for the East Parkway at Baskins Creek Bypass Redevelopment District may be complicated due to some significant existing constraints, our team has the required skills and comprehensive experience to meet the challenges presented. Site-specific issues, mixed use design and financing needs, as well as political considerations present complex tasks for which our team will produce mutually beneficial solutions.

The redevelopment area has natural design constraints due to the contours of the site. In addition, the current situation of multiple owners as well as two businesses on the site which are not included in the redevelopment may present challenges for land acquisition and increased cost. As well, the preferred design concept to blend different types of housing along with retail using multiple financing options represents a more demanding plan that will require all the resources and skills of our talented, creative team.

It is also worth noting that this being the first development of this kind, the Authority and the elected officials of the City of Gatlinburg may be under greater scrutiny to produce a successful redevelopment, serving as a model for future projects. The potential for increased examination of the project *underscores the importance of selecting a trusted, experienced group of individuals and companies whose collective character and past performance demonstrates dedication to excellence and service to the community.*

Our design team collaborates with many firms that provide design, construction, legal, financial, and other services for affordable and market rate housing, as well as retail and other commercial projects. Members of our team have repeatedly shown a particular commitment to produce excellent products, working with our clients to understand needs and to provide outstanding solutions.

In developing our proposal, our team has come to the conclusion, and at end of the selection period we believe the City of Gatlinburg Redevelopment and Housing Authority will also reach the same conclusion: *our team is uniquely qualified to provide services for this redevelopment project for the following reasons:*

Affordable housing experts

LHP has over 40 years of experience in design and construction of affordable housing - constructing or rehabilitating over 10,000 units.

Team leadership is provided by Phil Lawson, who started with the company in 1986.

Local retail development expertise - David Ogle has operated Five Oaks/Ogle, Inc., producing numerous successful retail developments since 1990.

Market rate housing experts

Bristol Development Group has experts with up to 30 years of experience in research, design, marketing, and management of mixed use and multifamily projects.

Housing authority experts

Alvin Nance has comprehensive experience working with housing authorities and property owners to transform communities and urban neighborhoods.

Finance experts

Carr Hagan has extensive knowledge of financing using creative methods to meet the needs of clients.

Design experts

Architects MHM and BMa have completed some of the region's most significant and complex projects.

Both MHM, BMa and their consultants have extensive experience working with municipalities and governmental agencies - particularly responding to design guidelines and the unique setting of each project.

Construction experts

John Farner has completed numerous projects over 30 years; particularly providing excellent construction management of projects in Sevier County.

This team not only has the knowledge, experience and character required to perform, but also the necessary good intentions toward our clients to make this project successful to serve the needs of residents and business owners. ***In consideration of all contained in this proposal, we ask the City of Gatlinburg Redevelopment and Housing Authority to favorably award this project to the LHP Development team.***