



DESIGN REVIEW REQUEST

- DOWNTOWN DESIGN (DK)
- HISTORIC ZONING (H)
- INFILL HOUSING (IH)

Applicant

Date Filed

Meeting Date (if applicable)

File Number(s)

CORRESPONDENCE

All correspondence related to this application should be directed to the approved contact listed below.

- Owner Contractor Engineer Architect/Landscape Architect

Name

Company

Address

City

State

Zip

Phone

Email

CURRENT PROPERTY INFO

Owner Name (if different from applicant)

Owner Address

Owner Phone

Property Address

Parcel ID

Neighborhood

Zoning

AUTHORIZATION

Staff Signature

Please Print

Date

Applicant Signature

Please Print

Date

REQUEST

DOWNTOWN DESIGN

Level 1:

- Signs Alteration of an existing building/structure

Level 2:

- Addition to an existing building/structure

Level 3:

- Construction of new building/structure Site design, parking, plazas, landscape

See required Downtown Design attachment for more details.

Brief description of work: _____

HISTORIC ZONING

Level 1:

- Signs Routine repair of siding, windows, roof, or other features, in-kind; Installation of gutters, storm windows/doors

Level 2:

- Major repair, removal, or replacement of architectural elements or materials Additions and accessory structures

Level 3:

- Construction of a new primary building

Level 4:

- Relocation of a contributing structure Demolition of a contributing structure

See required Historic Zoning attachment for more details.

Brief description of work: _____

INFILL HOUSING

Level 1:

- Driveways, parking pads, access point, garages or similar facilities Subdivisions

Level 2:

- Additions visible from the primary street Changes to porches visible from the primary street

Level 3:

- New primary structure
 Site built Modular Multi-Sectional

See required Infill Housing attachment for more details.

Brief description of work: _____

STAFF USE ONLY

ATTACHMENTS

- Downtown Design Checklist
 Historic Zoning Design Checklist
 Infill Housing Design Checklist

ADDITIONAL REQUIREMENTS

- Property Owners / Option Holders

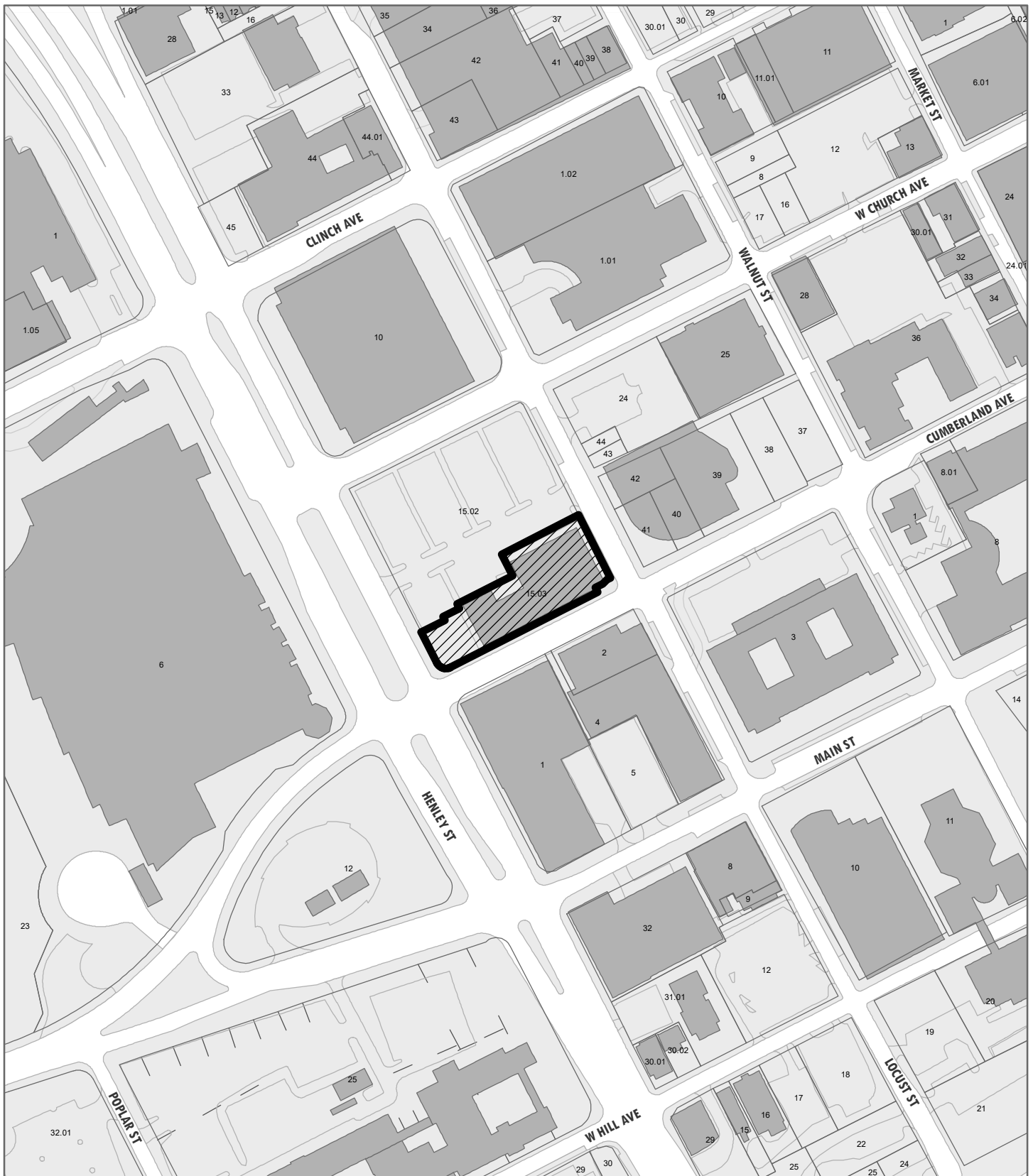
Level 1: \$50 • **Level 2:** \$100 • **Level 3:** \$250 • **Level 4:** \$500

FEE 1:

FEE 2:

FEE 3:

TOTAL:



5-B-20-DT

APPLICATION FOR CERTIFICATE OF APPROPRIATENESS

Petitioner: **Dover Signature Properties**

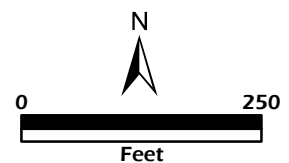
**DOWNTOWN
DESIGN
REVIEW
BOARD**



709 Locust St.

Level 2: Major alteration of an existing building/structure; Level 2: Addition to an

Original Print Date: 5/12/2020
 Revised:
 Knoxville/Knox County Planning · Downtown Design Review Board





15007SC

2020-05-20

DESIGN REVIEW SUBMITTAL
DOVER SIGNATURE PROPERTIES
SUPREME COURT RENOVATIONS

5-B-20-DT

5/1/2020

DIA

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PROJECT TEAM

Design Innovation Architects
S&ME
Hedstrom Landscape Architects
Facility Systems Consultants
Haines Structural Group

Project Name: **Supreme Court Renovation**
Project No: **15007SC** File No.: I01

Date / Time: 2020-05-01

To: Mike Reynolds, Knoxville-Knox County Planning
From: Jarrod Arellano, Design Innovation (DIA)

Design Review Submittal

PROJECT INFORMATION

Project location – 719 Locust Street (Previous Address)

Existing use – currently vacant, previously a state office building including a state supreme court use.

Proposed use – Apartment Dwelling Units within the existing shell of the building. Existing lobbies will be repurposed as resident entries and common areas for the residents. A new roof top deck will be added above the Tower portion of the property. Two new dwelling units in the upper portion of the existing courtroom will be installed and will require a new rooftop addition for access to the unit above the Supreme Court portion of the property. One window portion on the west elevation of the Tower portion will be installed to match the existing grid of windows on that elevation. Some small windows on the north side of the Tower portion will be infilled to accommodate the dwelling unit layouts and restrict view to the adjacent Church & Henley project to the north.

Per Downtown Knoxville Design Guidelines, the property is within the D-1 Overlay Boundary and is eligible to be on the National Register Historic Site. This project was submitted for a building permit in December 2018 and will therefore be reviewed under the 2012 IBC and is zoned C-2/D-1 according the permit application.

From Downtown Knoxville Design Guidelines

B. PRIVATE REALM

3. BUILDING MATERIALS

New building materials should relate to the scale, durability, color, and texture of the predominate building materials in the area.

GUIDELINES:

3a. Use complimentary materials and elements, especially next to historic buildings.

3b. Rehabilitate historic structures in accordance with the Secretary of Interior's Standards (see Appendix A)

Durable materials such as MCM (metal composite material) siding and metal panels will be used for new exterior walls. Colors will complement adjacent existing construction and be of a matte sheen, therefore not shiny. Existing windows will be cleaned and repainted. One new window on the in the brick wall of the west elevation will match the existing windows. New storefront framing will be anodized aluminum in a color to be determined. Exact signage locations have not been determined, but proposed locations have been noted in the building elevations.

4. ARCHITECTURAL CHARACTER

Buildings should be visually interesting to invite exploration by pedestrians. A building should express human scale through materials and forms that were seen traditionally. This is important because buildings are experienced at proximity by the pedestrian.

H:\PROJECTS\1515007SC Dover Supreme Court - SCIFiles\10615007SC I06 2019-11-18_ddrb workshop memo.docx Page 1 of 3

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GUIDELINES:

4b. Enhance pedestrian interest in commercial and office buildings by creating a largely transparent and consistent rhythm of entrances and windows.

Although the access from the street will be restricted to residences the existing public entry ways will be adapted as common areas for the residences to the public connection at the street level. However, the existing entry facing Cumberland will be relocated to the West elevation facing Henley. This relocation will create a better buffer for the ground floor units along Cumberland Avenue. The existing entry on Cumberland will be renovated to match the adjacent walls with the planter extending in front as well.

4f. Encourage the use of 'green roofs' and other sustainable practices, while minimizing the visual impact from the street.

Planters are being considered adjacent to the new roof deck and adjacent to private balconies for the new dwelling units over the existing courtroom

7. MECHANICAL EQUIPMENT AND SERVICE UTILITIES

Utilities can include telephone and electrical lines, ventilation systems, gas meters, air conditioners, fire protection, telecommunication and alarm systems. Adequate space for these utilities should be planned in a project from the outset and they should be designed such that their visual and noise impacts are minimized.

New equipment and utilities will be concealed within the building or screened to the greatest degree possible.

C. HISTORIC RESOURCES

1. ROOFLINES AND ADDITIONS

Alterations of the rooflines of historic buildings are not appropriate. A one-story rooftop addition, including railings, may be possible on taller buildings if it is inconspicuous from the public right-of-way. Additions should be set back from the primary elevation of the building, and should not damage character-defining features, including parapets and side walls. These walls are often topped by coping stones offering contrasting color or texture, or contain cornices, decorative grills, chimneys, corbelled brickwork and other architectural elements. Rooftop additions are almost never appropriate on buildings less than four stories in height.

1a. Preserve or restore historic roofline features, including parapet walls and cornices.

1b. Design rooftop additions to be complimentary to the historic building in terms of materials and color.

1c. Avoid construction that maintains only the historic facade.

1d. Do not alter, obscure or destroy significant features of historic resources when constructing additions.

1e. Design rooftop additions so that they are not seen from adjoining streets and sidewalks.

There will be no modifications to the Locust Street or Cumberland Avenue elevation. Most of the existing building will be refinished and refurbished as needed to preserve the unique finishes of the existing building. The new rooftop addition will be articulated as a "ribbon" that begins on the east elevation of the Tower and continue upward over the penthouse as a roof and continue vertically on the west elevation facing Henley Street. The intent is to augment the existing building with a complementary massing element. The decision to enhance the addition on the west and east facades of the tower is to take advantage of the its prominent location and to honor the Supreme Court proper. On the west side the addition will uplift the edifice and mark a significant corner of downtown that faces a major thoroughfare and faces the UTK Campus. On the east side the tower addition will balance the iconic elevation of the Supreme Court proper by creating a more pleasing backdrop to the existing lower courthouse mass. Smaller additions will be clad in the same metal material to distinguish new construction from existing.

C. HISTORIC RESOURCES

9. LIGHTING

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Storefront windows may be lit with interior fixtures, entrances may be lit with overhead fixtures, and gooseneck fixtures can be used to highlight signs. Illumination may also be used to wash the building in light, emphasizing its distinctive architectural finishes

No building lighting will be added along Locust or Cumberland. Lighting at the addition will be recessed can lights in new ceilings. Exterior lighting at exterior rooftop areas will complement the existing fixtures and aesthetic of the existing building. The intent is to maintain or refurbish existing light fixtures at the public common areas that are visible from the pedestrian view at the street level.

END OF MEMO

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EXISTING BUILDING _ NORTH ELEVATION FROM LOCUST ST



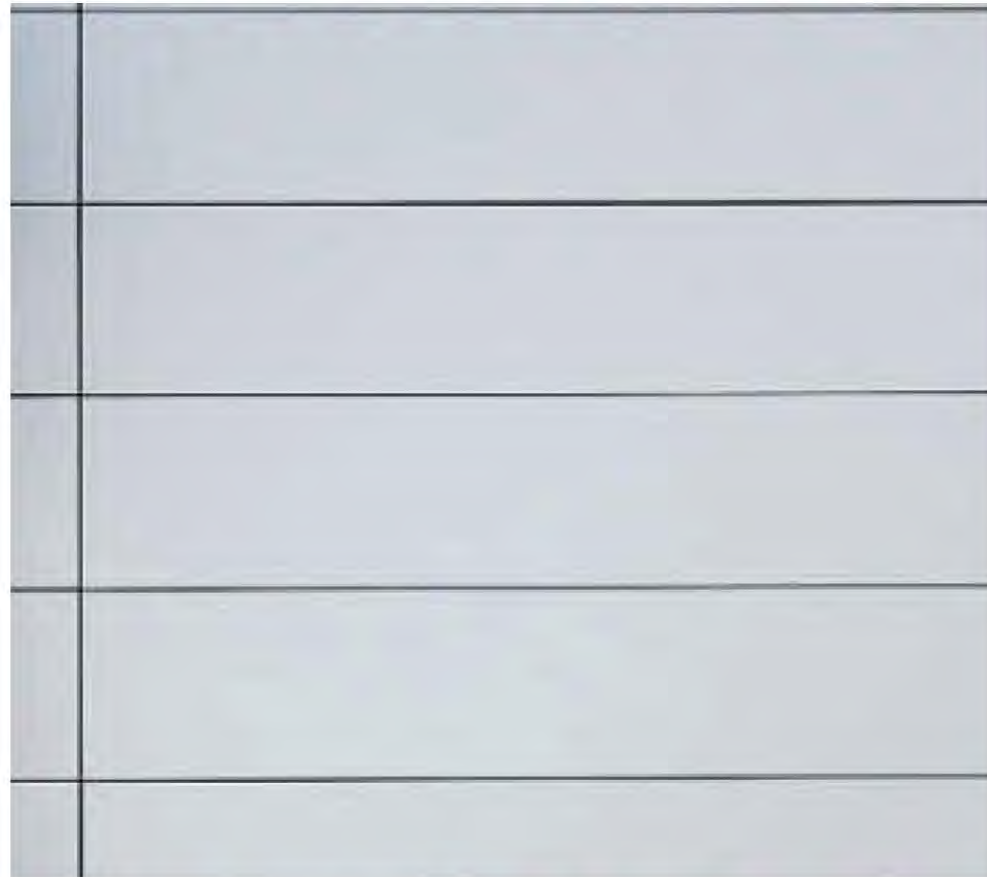
EXISTING BUILDING _ SOUTHWEST CORNER FROM CUMBERLAND AVE & HENLEY ST INTERSECTION



EXISTING BUILDING _ SOUTHEAST CORNER FROM CUMBERLAND AVE & LOCUST ST INTERSECTION



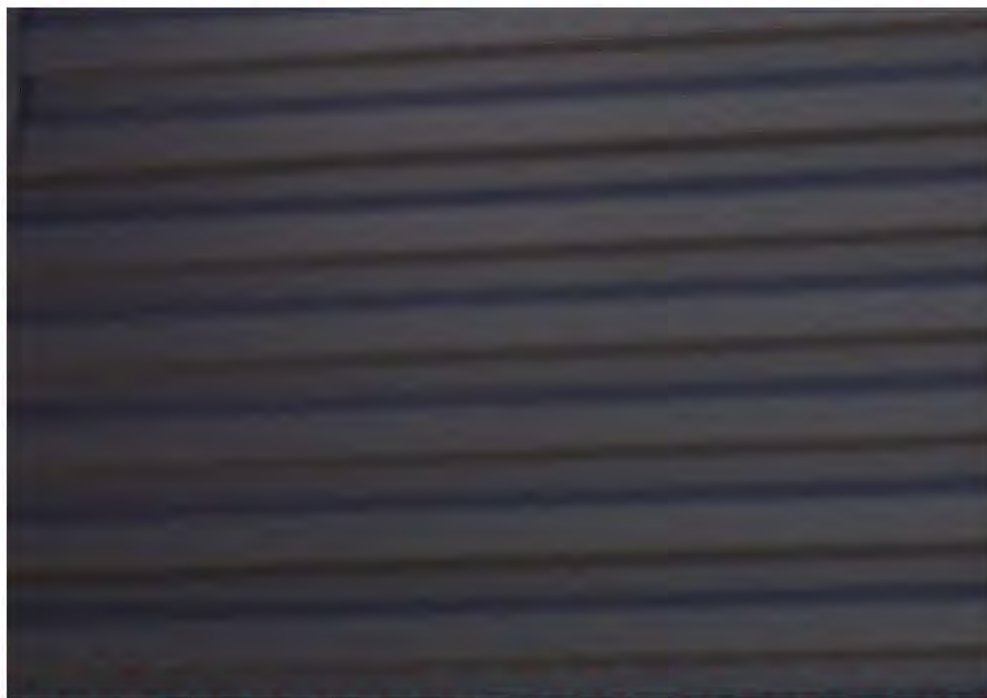
EXISTING BUILDING _ NORTHWEST CORNER FROM HENLEY ST



METAL CLAD 'RIBBON' MATERIAL
SIMILAR TO ALUCOBOND
METAL COMPOSITE MATERIAL WITH
CONCEALED FASTENER DETAIL
COLOR TO BE DETERMINED



CANOPY EXAMPLE OVER COURTHOUSE ROOF DECKS
DETAIL TO BE DETERMINED, LOW PROFILE TO COMPLEMENT
OVERHANG OF EXISTING COURTHOUSE PERIMETER.



**OTHER ADDITION CLADDING
AND ROOFTOP CANOPIES**
SIMILAR TO PAC-CLAD MANUFACTURER
CONCEALED FASTENER
CORRUGATED METAL PANELS
COLOR TO BE DETERMINED



15007SC

2020-05-20

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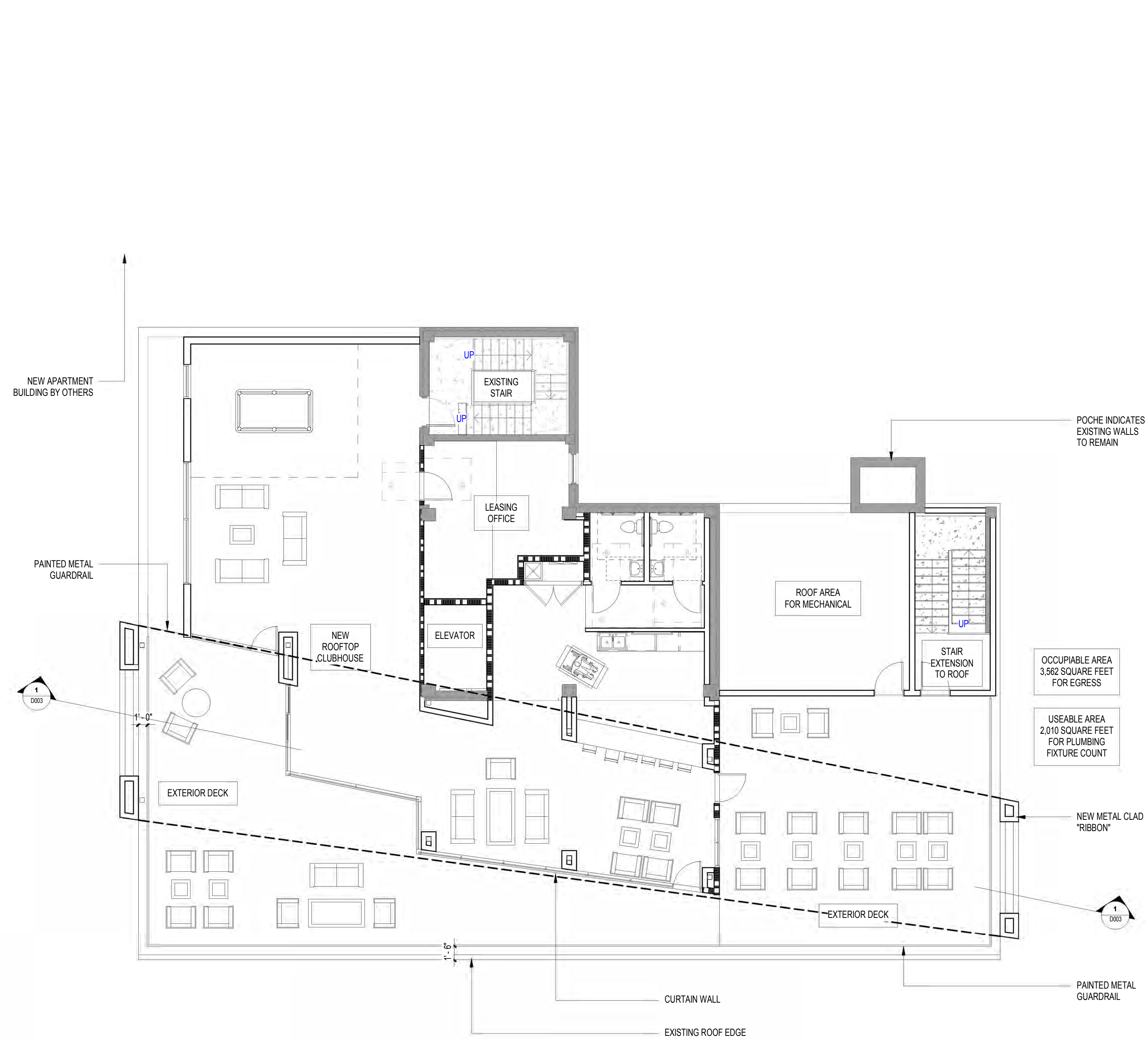
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2020-05-20

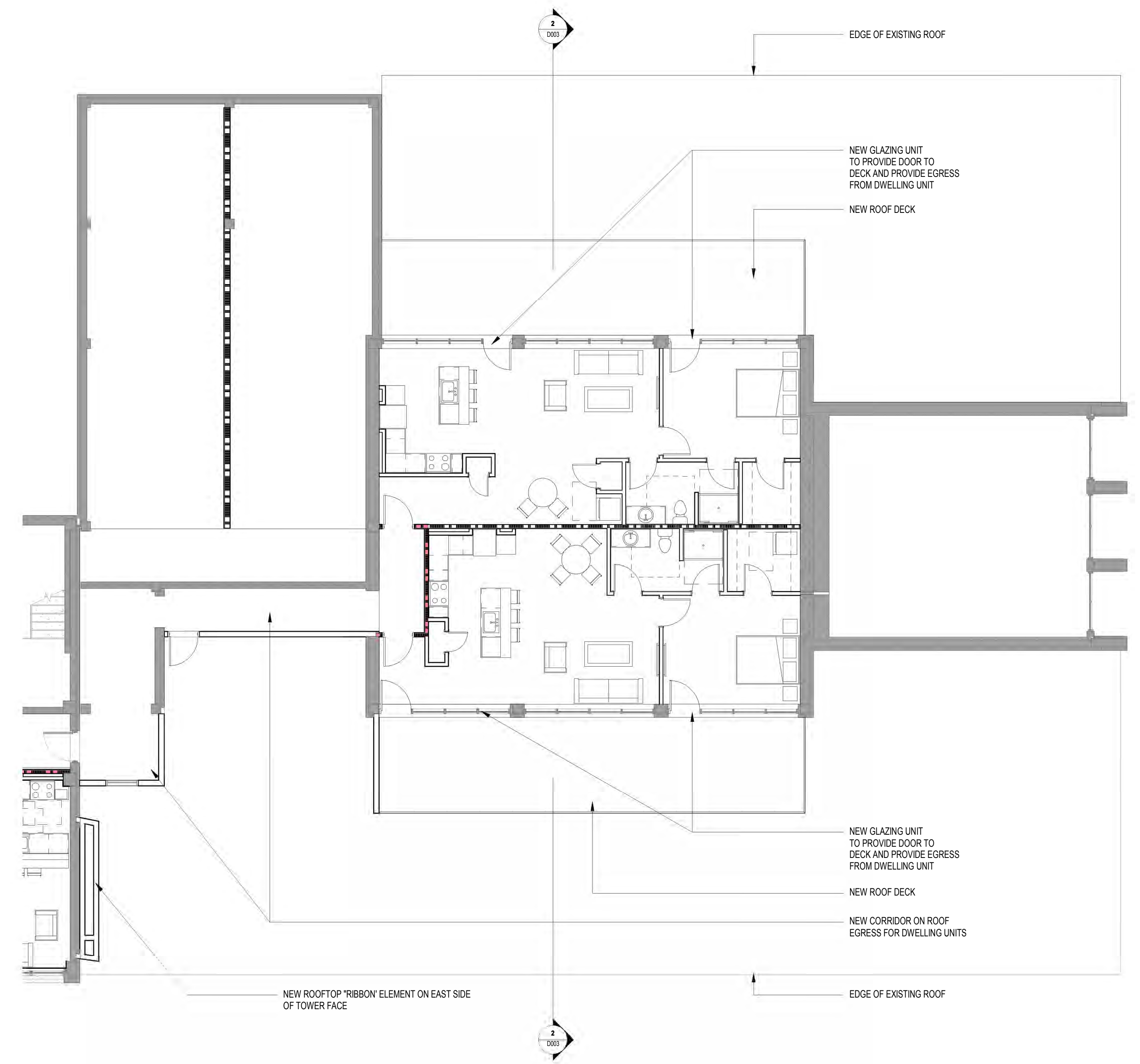
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1 ROOF DECK PLAN
1/8" = 1'-0"
TOWER SIDE



2 FOURTH FLOOR PLAN
1/8" = 1'-0"
COURT SIDE

DESIGN REVIEW BOARD SUBMISSION - RELEVANT FLOOR PLANS

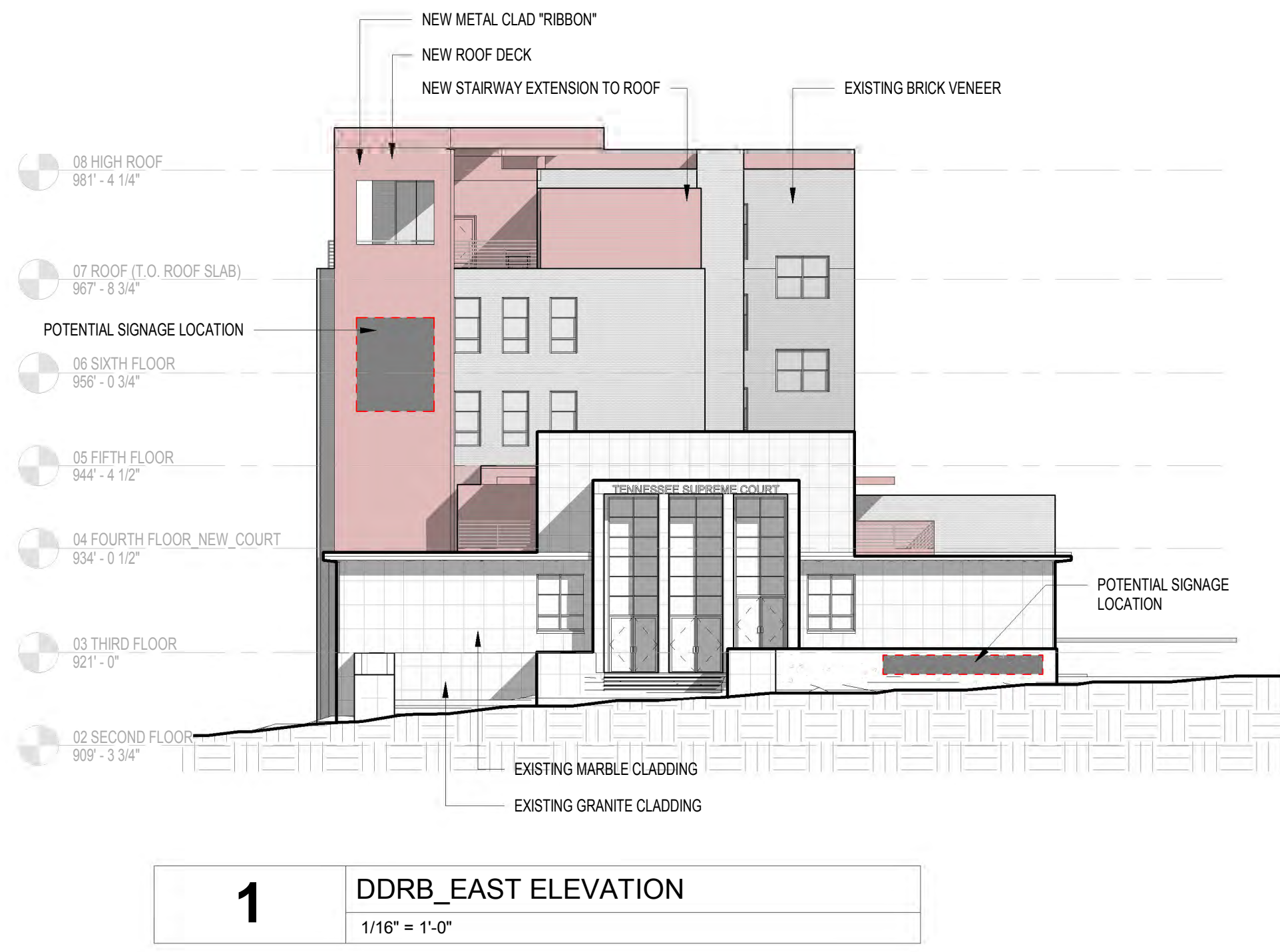
TENNESSEE STATE SUPREME COURT

719 LOCUST STREET, KNOXVILLE, TN 37902

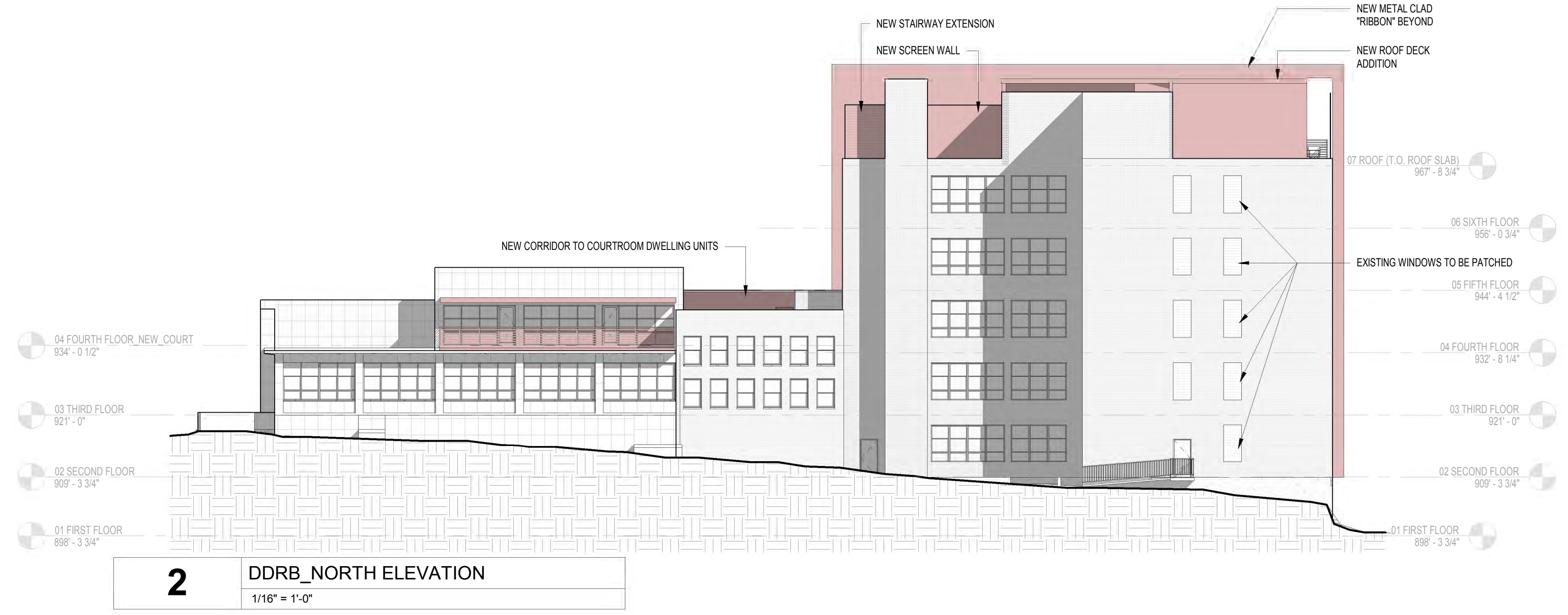
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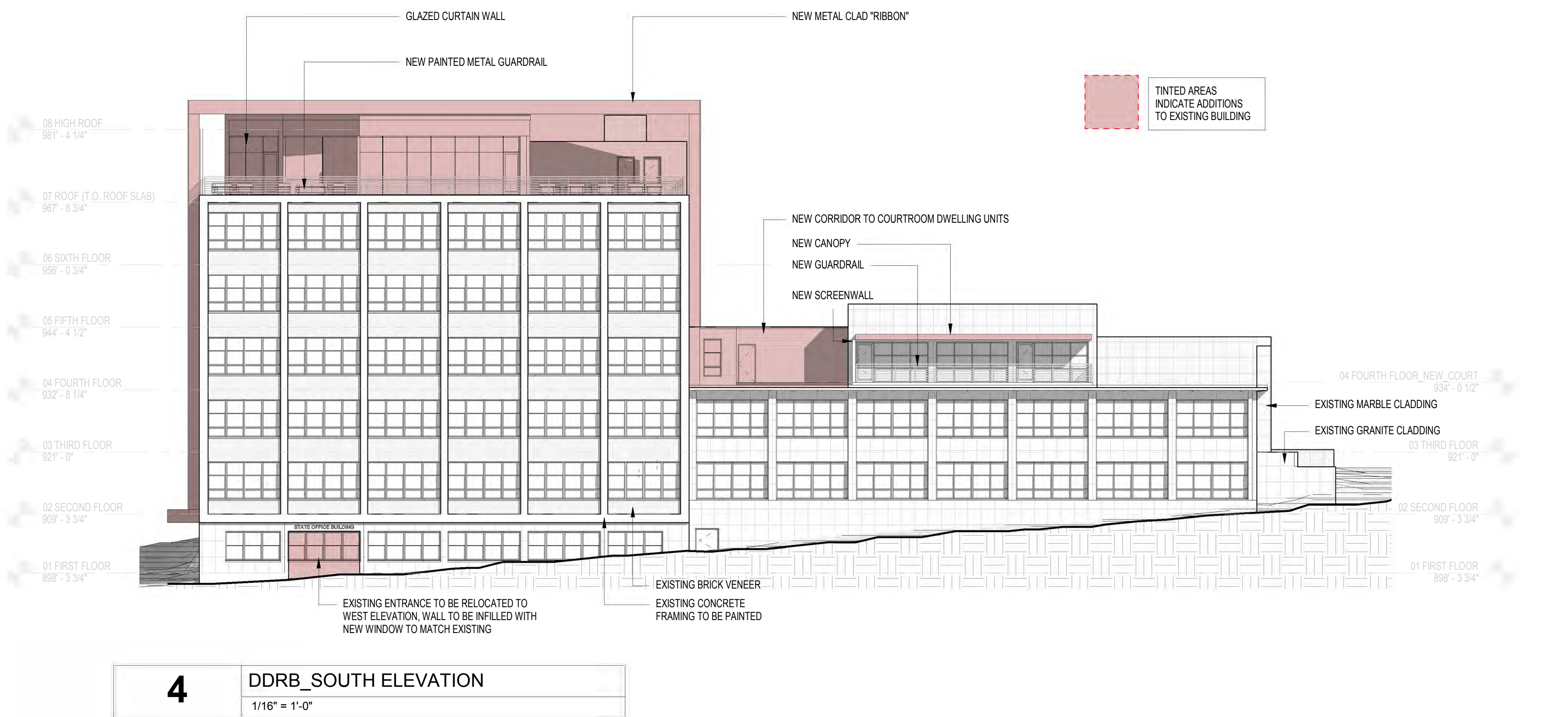
1 DDRB_EAST ELEVATION
1/16" = 1'-0"



2 DDRB_NORTH ELEVATION
1/16" = 1'-0"



3 DDRB_WEST ELEVATION
1/16" = 1'-0"



4 DDRB_SOUTH ELEVATION
1/16" = 1'-0"

TINTED AREAS INDICATE ADDITIONS TO EXISTING BUILDING

DESIGN REVIEW BOARD SUBMISSION - EXTERIOR ELEVATIONS

TENNESSEE STATE SUPREME COURT

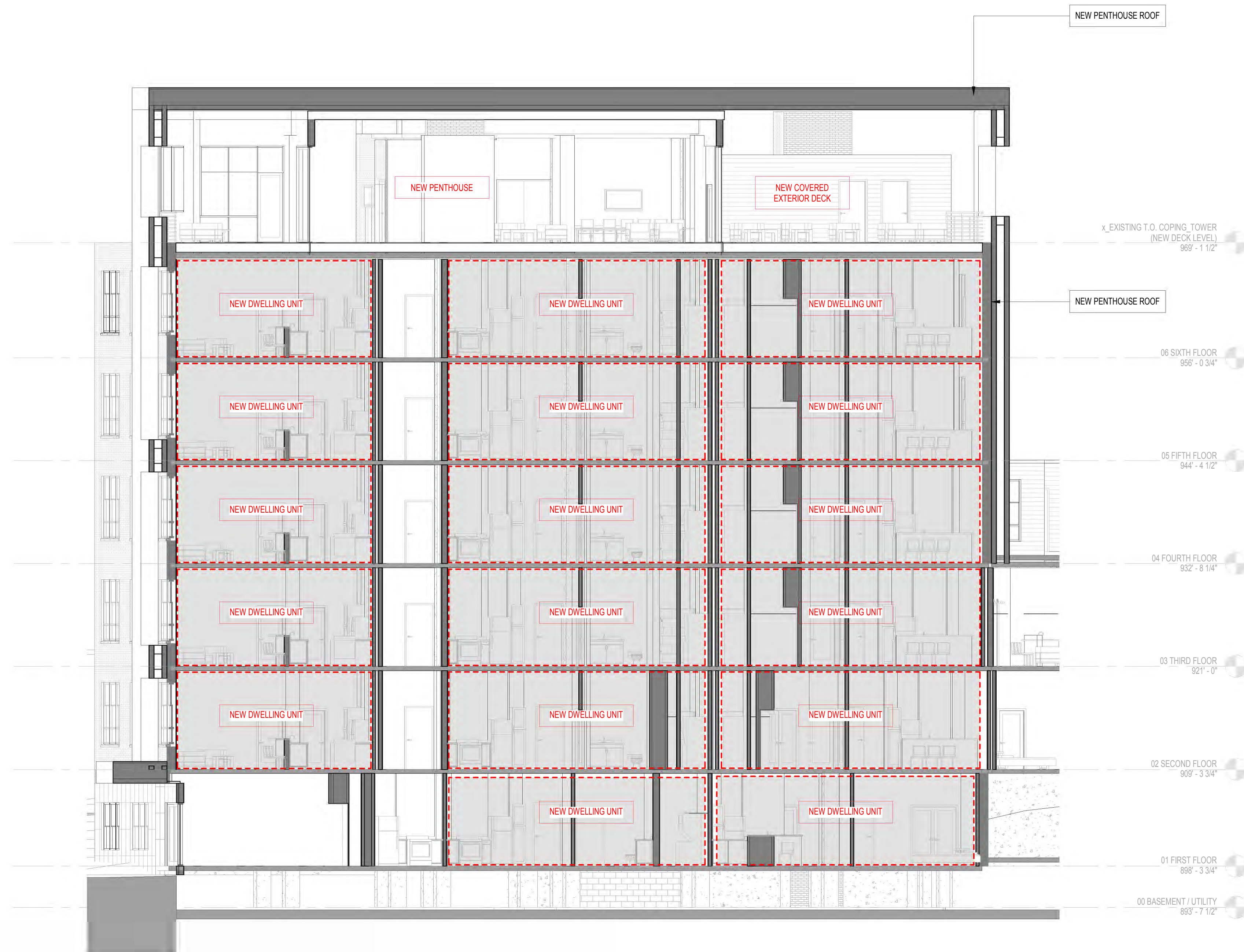
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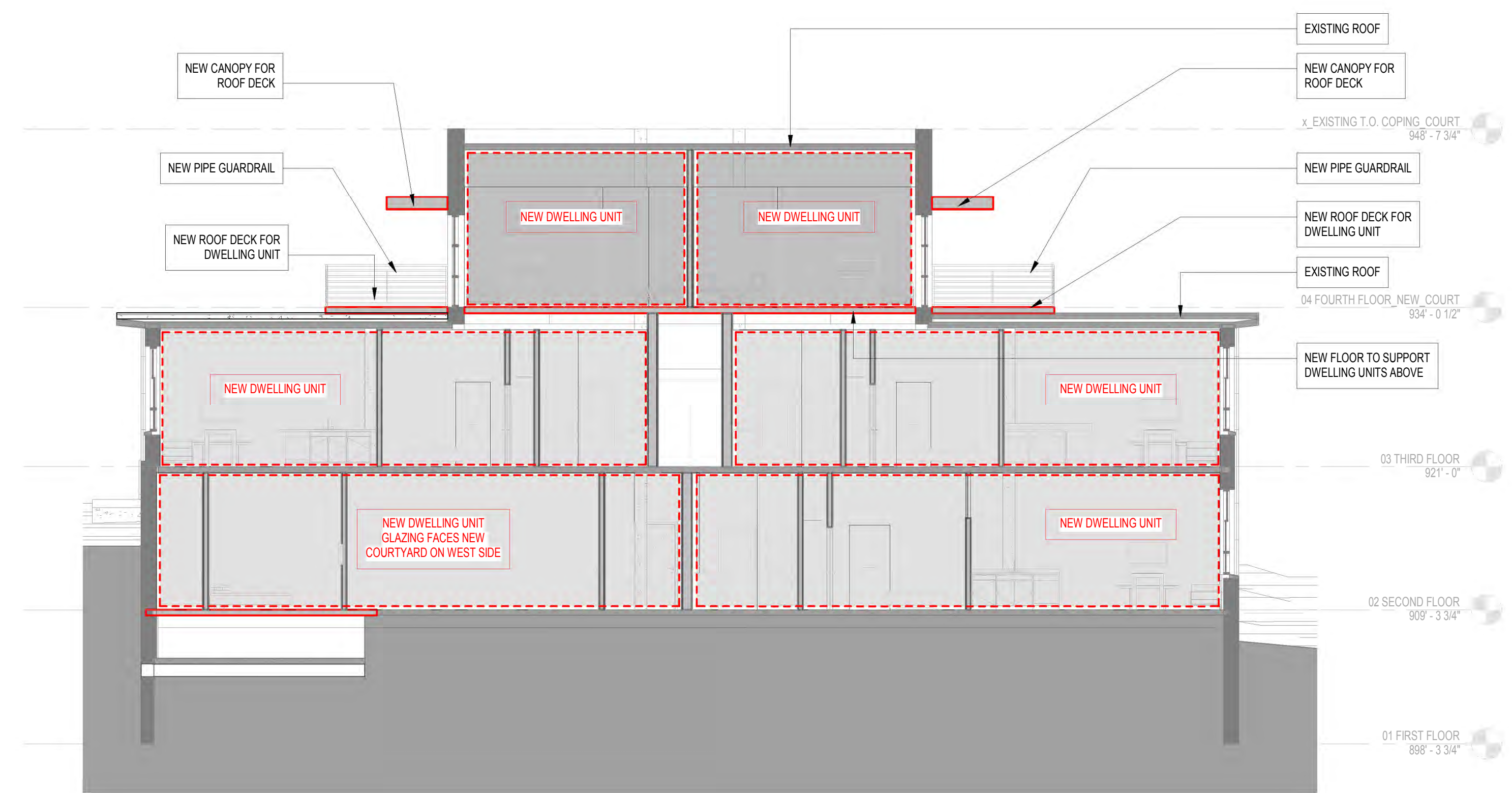
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1 DDRB - TOWER SECTION THROUGH 'RIBBON'
1/8" = 1'-0" TOWER SIDE



2 DDRB - COURTHOUSE CROSS SECTION
1/8" = 1'-0" COURT SIDE

DESIGN REVIEW BOARD SUBMISSION - SECTIONS

TENNESSEE STATE SUPREME COURT

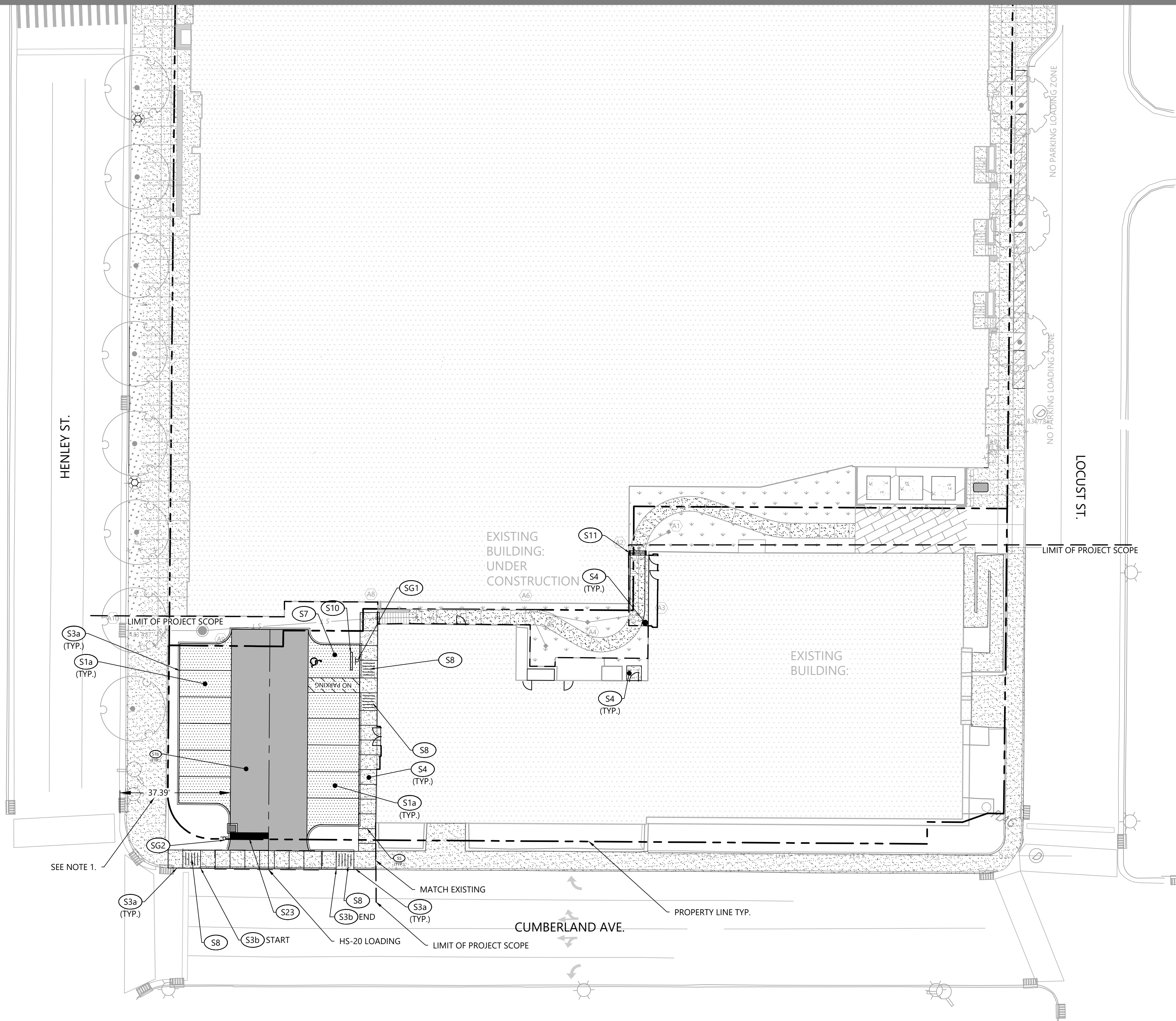
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SITE LAYOUT KEYNOTES	
CODE	DESCRIPTION
S1a	ASPHALT PAVEMENT - LIGHT DUTY
S1b	ASPHALT PAVEMENT - HEAVY DUTY
S1c	ASPHALT PAVEMENT - OVERLAY
S2	CONCRETE PAVEMENT
S3a	CONCRETE POST CURB
S3b	CONCRETE LOWERED CURB
S4	CONCRETE SIDEWALK
S5	SIDEWALK JOINTS
S6	ACCESSIBLE SYMBOL
S7	ACCESSIBLE PARKING SPACE
S8	ACCESSIBLE RAMP
S9	TACTILE WARNING SURFACE
S10	CONCRETE WHEELSTOP
S11	CONCRETE STAIRS WITH HANDRAIL
S14	BOLLARD
S15	UTILITY PAD
S23	PAINTED STOP BAR (2')

SITE SIGNAGE KEYNOTES	
CODE	DESCRIPTION
SG1	ACCESSIBLE PARKING SIGN
SG2	"STOP" SIGN

NOTES:
 1. A VARIANCE OF 36' WAS APPROVED BY THE BOARD OF ZONING APPEALS MAY 16, 2019 AS PART OF APPEAL 05-B-19-VA.

SITE DATA

COUNCIL DISTRICT: 6
 COUNCIL MEMBER: GWEN MCKENZIE
 PARCEL ID: 094MC01503
 WARD: 6
 CITY BLOCK: 04043
 SITE ADDRESS: 709 LOCUST ST. KNOXVILLE, TENNESSEE, 37902
 SITE ACREAGE: 15.03 AC. (654,706.8 FT²)

PARKING PROVIDED:
 STANDARD 11 SPACES
 ACCESSIBLE (VAN) 1 SPACE
 TOTAL: 12 SPACES PROVIDED

LEGEND

- BUILDING [Pattern]
- CONCRETE PAVEMENT [Pattern]
- CONCRETE SIDEWALK [Pattern]
- HEAVY DUTY PAVEMENT [Pattern]
- LIGHT DUTY PAVEMENT [Pattern]
- TACTILE WARNING [Pattern]
- PAINTED STRIPE [Pattern]
- CONCRETE CURB [Pattern]
- CENTERLINE [Pattern]



15007SC

05/01/20

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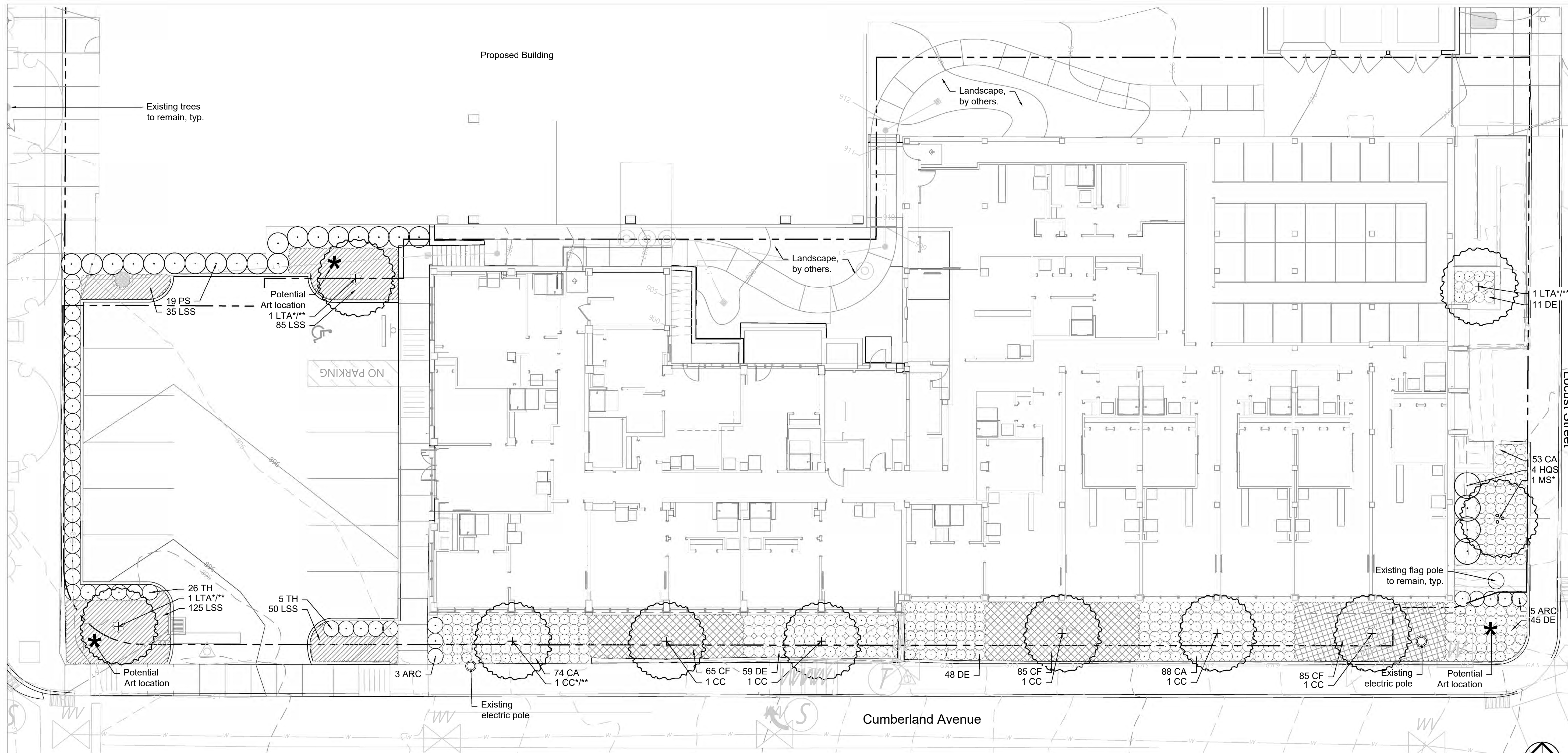
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This drawing is the property of Hedstrom Design, LLC and is not to be reproduced or copied in whole or in part without the authorization from Hedstrom Design, LLC. It is to be used for the project specifically identified herein and is not to be used on any other project. The Contractor is responsible for verifying all field measurements, quantities, dimensions, and related field construction criteria.

Any discrepancies, inconsistencies or ambiguities found between the drawings, specifications, and site conditions shall be immediately reported to the Landscape Architect in writing. The Landscape Architect will promptly correct the same in writing. Work done by the Contractor after discovery of such discrepancies, inconsistencies, or ambiguities shall be done at the Contractor's risk.

Supreme Court Renovation
Knoxville, Tennessee



Landscape Requirements per City of Knoxville

Tree Preservation
Where trees cannot be retained pursuant to this article, or do not exist on the site, they shall be provided, within twelve (12) months of construction completion, at the rate of eight (8) trees per acre, with at least one-half of the required number being species capable of attaining a height of fifty (50) feet or more at maturity. Such trees shall have a minimum trunk diameter of two (2) inches at six (6) inches above ground at planting, unless of an ornamental variety, which shall have a minimum trunk diameter of one and one-fourth (1 1/4) inches at six (6) inches above ground at planting.

Total property acreage: .58 acre
Required Trees: 5
Trees Provided: 5 trees (marked on plan with *)

Parking Lot Perimeter Landscape Requirement
Between Parking Lots and Rights-of-Way: A perimeter screening area at least ten (10.0) feet wide, measured from the edge of the parking lot to the right-of-way, shall be provided between the parking area and the right-of-way of all adjoining streets. Such perimeter screening area shall be planted with a minimum of three (3) deciduous and/or evergreen trees and ten (10) shrubs for every one hundred (100.0) linear feet. A minimum of fifty (50) percent of the shrubs shall be evergreen. For parking lots, including vehicular use areas, or less than twenty thousand (20,000) square feet, the width of the perimeter screening area may be reduced to six (6) feet.

Linear feet of parking lot: 115 lf
Trees Required: 4
Trees Provided: 4 trees (marked on plan with **)
Shrubs Required: 12
Shrubs Provided: 32
Square feet of parking lot: 3,985 sf

Landscape Requirements per City of Knoxville

Key	Quantity	Botanical Name	Common Name	Size	Notes
SHADE TREES					
LTA	3	<i>Liriodendron tulipifera</i> 'Arnold'	Arnold Tulip Poplar	3" cal.	6' CT, CL, full and well branched, fastigiate form
ORNAMENTAL TREES					
CC	6	<i>Cercis canadensis</i> 'Appalachian Red'	Appalachian Red Redbud	2" cal.	4' CT, CL, full and well branched, pink flowers
MS	1	<i>Magnolia stellata</i> 'Royal Star'	Royal Star Magnolia	10' hgt. min.	MT, 3 cane min., full and well branched, white flowers
SHRUBS					
ARC	8	<i>Abelia x grandifolia</i> 'Rose Creek'	Rose Creek Abelia	3 gal. - 18" min. hgt.	3' o.c., full and dense, pink/white flowers
HQS	4	<i>Hydrangea quercifolia</i> 'Snow Queen'	Snow Queen Oak Leaf Hydrangea	3 gal. - 24" min. hgt.	5' o.c., full and dense, white flowers
PS	19	<i>Prunus laurocerasus</i> 'Schipkaensis'	Schip Laurel	3 gal. - 24" min. hgt.	4' o.c., full and dense, pruned to 6' height
TH	31	<i>Taxus x media</i> 'Hicksii'	Hicks Yew	3 gal. - 24" min. hgt.	3' o.c., full and dense, pruned to 4' height
GROUNDCOVERS & PERENNIALS					
CA	215	<i>Carex elata</i> 'Aurea'	Bowles Golden Sedge	1 gal.	2' o.c., full and dense
CF	235	<i>Carex flacca</i> 'Blue Zinger'	Blue Zinger Sedge	1 gal.	2' o.c., full and dense
DE	163	<i>Dryopteris erythrosora</i> 'Brilliance'	Brilliance Autumn Fern	1 gal.	2' o.c., full and dense
LSS	295	<i>Liriope spicata</i>	Spreading Liriope	1 gal.	18" o.c., full and dense



(DE) *Dryopteris erythrosora* 'Brilliance'
Brilliance Autumn Fern
2-2.5' W x 1.5-2' T



(CF) *Carex flacca* 'Blue Zinger'
Blue Zinger Sedge
1.5-2' W x 1.5-2' T



(LSS) *Liriope spicata*
Spreading Liriope
1-1.5' W x 1-1.5' T



(LTA) *Liriodendron tulipifera* 'Arnold'
Arnold Tulip Poplar
10-15' W x 45-55' T



(CC) *Cercis canadensis* 'Appalachian Red'
Appalachian Red Redbud
20-25' W x 20-25' T



(MS) *Magnolia stellata* 'Royal Star'
Royal Star Magnolia
10-15' W x 10-15' T



(ARC) *Abelia x grandifolia* 'Rose Creek'
Rose Creek Abelia
2.5-3' W x 2-3' T



(HQS) *Hydrangea quercifolia* 'Snow Queen'
Snow Queen Oakleaf Hydrangea
4-5' W x 5-6' T



(PS) *Prunus laurocerasus* 'Schipkaensis'
Schip Laurel
5-6' W x 5-6' T



(TH) *Taxus x media* 'Hicksii'
Hicks Yew
3-4' W x 5-8' T



(CA) *Carex elata* 'Aurea'
Bowles Golden Sedge
2' W x 2' T

Not for Construction

Date: 05.01.2020
Job Number: 20-038
Drawn By: LGG CK'd By: SHP

Rev	Description	Date

Sheet Name:

Landscape Plan

Sheet Number:

L100

**DEVELOPMENT AGREEMENT
(FORMER STATE SUPREME COURT SITE)**

THIS DEVELOPMENT AGREEMENT (this "Agreement") is made and entered into as of the ____ day of _____, 2018, by and between THE CITY OF KNOXVILLE, a municipal corporation organized and existing pursuant to the laws of the State of Tennessee (the "City"), and KNOXVILLE SUPREME COURT, LLC, a Tennessee limited liability company ("Developer").

W I T N E S S E T H:

WHEREAS, the City issued a Request for Proposals on June 12, 2016 (as supplemented by addenda, the "RFP") to purchase and develop certain property known as the former State Supreme Court site and generally located at 719 Locust Avenue, Knoxville, Tennessee, comprising approximately 1.97 acres of land as shown on the diagram included as part of Exhibit A hereto and consisting of the parcel(s) identified on such Exhibit A, together with all improvements existing thereon (the "Property"); and

WHEREAS, Developer submitted a proposal dated October 10, 2016 (the "Proposal") in response to the RFP, which Proposal included the development of apartments, a hotel, retail facilities and parking facilities (the "Project"), and Developer's Proposal was determined by the evaluation committee to be the most responsive to the RFP; and

WHEREAS, the City and Developer entered into a Real Property Purchase and Sale Agreement dated as of May 10, 2017, as amended by that certain First Amendment to Real Property Purchase and Sale Agreement dated as of June 14, 2018 and as amended by that certain Second Amendment to Real Property Purchase and Sale Agreement dated as of _____, 2018 (as amended, the "Purchase and Sale Agreement") relating to the sale of the Property to Developer, a copy of which is attached hereto as Exhibit B; and

WHEREAS, it is anticipated that Developer will acquire the Property from the City pursuant to the Purchase and Sale Agreement and pursuant to a Special Warranty Deed (the "Deed"), the form of which is attached hereto as Exhibit C; and

WHEREAS, pursuant to the Purchase and Sale Agreement, Developer and the City desire to enter into this Agreement to memorialize agreements intended to facilitate the orderly development of the Property in accordance with the Proposal; and

WHEREAS, for the purpose of establishing the rights and obligations of the parties with respect to the matters described above and related matters, the parties have entered into this Agreement.

NOW, THEREFORE, in consideration of the terms, conditions and mutual agreements by and between the parties, as hereafter set forth in detail, the parties do hereby mutually agree as follows:

1. Purpose of Agreement. Developer acknowledges that the appropriate redevelopment of the Property is essential to the overall redevelopment of downtown Knoxville and the sale of the Property to Developer by the City is contingent upon Developer entering into this Agreement and agreeing to its terms. Developer acknowledges that the City has relied on the covenants of Developer contained herein in agreeing to convey the Property to Developer.

2. Approved Plans and Specifications. Pursuant to Section 5 of the Purchase and Sale Agreement, Developer is required to submit to the City, prior to the effective date of this Agreement set forth below, for the City's review and approval, schematic designs for the Project (the "Schematic

Designs"). Developer agrees not to make any subsequent changes to the Schematic Designs that change in a material way any of the following: (a) the anticipated uses of the Property described in Section 4 below, (b) heights or exterior architectural characteristics of any of the buildings to be constructed on the Property, or (c) the improvements to be made by Developer to adjoining public infrastructure to the Property, including sidewalks, street lights, and landscaping of any public property. If Developer desires to make any change to the Schematic Designs otherwise prohibited by the prior sentence, Developer shall submit such proposed change to the City for review and approval, which approval shall not be unreasonably withheld, or delayed. The parties acknowledge that the Schematic Designs for the Apartments (as defined below) attached hereto as Exhibit H have been approved by the City pursuant to this Section 2, but the parties also recognize that all aspects of such Schematic Designs attached as Exhibit H that reference the Hotel have not been approved. Developer agrees to submit separate Schematic Designs for the Hotel.

3. Effective Date. After execution this Agreement shall become effective upon the earlier of: (i) the Closing Date (as such term is defined in Section 8 of the Purchase and Sale Agreement) or, (ii) that date upon which Developer provides written notice to the City declaring the Agreement to be in effect.

4. Subdivision Plat. Developer intends to develop the Project for the following two distinct uses: (i) the development of a hotel or condo-hotel containing a minimum of 45 rooms, and related commercial and retail uses (the "Hotel"); and (ii) the development of approximately 230 apartments (the "Apartments"). The portion of the Property upon which the Hotel will be located is referred to herein as the "Hotel Parcel;" and the portion of the Property on which the Apartments will be located is referred to herein as the "Apartment Parcel". The approximate locations of the Hotel Parcel and the Apartment Parcel are shown on the diagram attached hereto as Exhibit F. Prior to commencement of construction of the Project, the City will cause to be prepared, approved and recorded a subdivision plat (the "Subdivision Plat") restoring the footprint of the Property to that which existed at the time of submission of Proposal and subdividing the Property into the Hotel Parcel and the Apartment Parcel. Developer shall at its cost provide the draft plat to the City for filing with the Metropolitan Planning Commission in form consistent in all material respects with Exhibit F.

5. Development Obligations. Developer shall undertake and complete the following development activities relating to the Project in the manner set forth below (the "Development Activities"):

a. Developer shall obtain and file all necessary planning and administrative approvals as required to construct and operate the Project under applicable law and consistent with the Schematic Designs.

b. Developer shall be responsible for overseeing the compliance of the Projects' design and development with all applicable permits, laws, regulations, codes and periodic inspections of all governmental and quasi-governmental local, state and federal agencies and authorities having jurisdiction over the Project. Developer shall not violate any law, ordinance, rule or regulation of any local, state or federal governmental or quasi-governmental authority, in the performance of its duties under this Agreement. Upon Developer gaining actual knowledge of any such violation, Developer shall notify the City of such violation, and shall immediately undertake any and all necessary corrective action.

c. Developer shall construct the Apartments in accordance with the 2012 National Green Building Standard (NGBS), ICC 700.

d. Prior to commencement of construction of the Hotel, Developer shall provide the following items to the City: (a) a budget for the development of the Hotel, with such supporting information as the City may reasonably request; (b) evidence to the reasonable satisfaction of the City that Developer has sufficient funds committed from lenders and other sources sufficient to pay the budgeted cost of the

development of the Hotel and (c) evidence that Developer has obtained appropriate guaranties as to the completion of the Hotel from its primary contractors such as payment and performance bonds or other security approved by the City, which approval would not be unreasonably withheld provided such security is acceptable to Developer's third-party lenders.

e. Prior to commencement of construction of the Apartments, Developer shall provide the following items to the City: (a) a budget for the development of the Apartments, with such supporting information as the City may reasonably request; (b) evidence to the reasonable satisfaction of the City that Developer has sufficient funds committed from lenders and other sources sufficient to pay the budgeted cost of the development of the Apartments and (c) evidence that Developer has obtained appropriate guaranties as to the completion of the Apartments from its primary contractors such as payment and performance bonds or other security approved by the City, which approval would not be unreasonably withheld provided such security is acceptable to Developer's third-party lenders.

f. Developer shall construct the Project in a manner consistent with the Schematic Designs.

6. Commencement of Construction. Developer shall commence construction of the Hotel and the Apartments no later than eighteen (18) months after the date on which Developer acquires the Property from the City. Commencement of construction of the Hotel shall be evidenced by (i) a copy of the executed construction contract(s) for the construction of the Hotel; (ii) a copy of the notice to commence construction to the contractor(s) under such contract(s); and (iii) physical commencement of construction by the contractor(s) under such construction contract(s). Commencement of construction of the Apartments shall be evidenced by (i) a copy of the executed construction contract(s) for the construction of the Apartments; (ii) a copy of the notice to commence construction to the contractor(s) under such contract(s); and (iii) physical commencement of construction by the contractor(s) under such construction contract(s).

7. Completion of Development Activities. Developer shall diligently pursue and complete the construction of the Project within thirty-six (36) months of the date on which construction is commenced with respect to each Parcel pursuant to Section 6 hereof; provided, however, such deadline may be reasonably adjusted with respect to each Parcel from time to time with the consent of the City, which consent, provided Developer is proceeding in good faith with the completion of the Project, shall not be unreasonably withheld, conditioned or delayed. Such adjustments shall include, without limitation, extensions of not more than one hundred eighty (180) days for Excusable Delay (as defined herein), as long as Developer notifies the City in writing in each case promptly after the occurrence of an Excusable Delay and specifies the nature and the specific duration in days of the Excusable Delay. Developer shall provide notice to the City in writing every thirty (30) days during the continuance of an Excusable Delay outlining the status of such Excusable Delay and measures being taken to resolve such Excusable Delay. As used in this Agreement, "Excusable Delay" shall mean any unanticipated delay in commencement or completion of construction due to strikes, lockouts or other labor or industrial disturbance, civil disturbance, future order of any government, court or regulatory body claiming jurisdiction, act of the public enemy, war, riot, sabotage, blockage, embargo, lightning, earthquake, fire, hurricane, tornado, flood washout, explosion, unusually inclement weather, or any other cause whatsoever beyond the reasonable control of Developer (excluding financial inability to perform or any lack of diligence by Developer or any contractor or subcontractor of Developer). Completion of construction shall be deemed to have occurred with respect to the Hotel Parcel when a certificate of occupancy is issued for the Hotel and with respect to the Apartments Parcel when a certificate of occupancy is issued for the Apartments.

8. Hotel. The Hotel shall initially operate under the brand license presented in the Proposal or one of the brands listed on Exhibit G attached hereto unless the City approves another brand at the request of Developer.

9. Parking. Developer agrees that each of the Hotel and the Apartments shall contain sufficient parking spaces to serve the Hotel and the Apartment respectively without reliance on parking spaces located on the other portion of the Project. The Schematic Designs for each of the Hotel and the Apartments shall demonstrate that sufficient parking is contained in the Hotel and the Apartments respectively.

10. Transfer of Property Interests and Assignment. Until termination of this Agreement pursuant to its terms, Developer may not assign any or all of its rights or obligations under this Agreement or sell or otherwise transfer all or a portion of the Property, except with the prior written consent of the City or as is otherwise permitted below, and any such attempted assignment or transfer without the prior written consent of the City shall be wholly void and of no effect. Notwithstanding the foregoing, Developer may (a) transfer all or a portion of the Property provided that the transferee is a Permitted Transferee, as defined below, or (b) assign its interest in this Agreement in whole or in part to a Permitted Transferee. For purposes of this Section 10, a "Permitted Transferee" shall mean any partnership, limited partnership or limited liability company the managing member or managing partner of which is one of the following: (i) Rick Dover, as identified in the Proposal, (ii) any person or persons who now own a majority of the equity interests in Bristol Development Group, LLC ("Bristol") or (iii) any entity controlled by the persons described in (i) or (ii). For purposes of this Section 10, "control" shall mean the possession of the power to direct or cause the direction of the management and policies of the entity in question. A change in the ownership interests in Developer, transferee or assignee permitted under this Section shall be deemed to be a transfer or assignment prohibited by this Section unless after such change in ownership interests the entity in question would otherwise be a permitted transferee or assignee under this Section 10. Developer shall provide such documentation as the City may reasonably request from time to time to demonstrate compliance with this Section 10.

Upon the transfer of the Hotel Parcel and/or the Apartment Parcel to another entity to the extent permitted by this Section 10, such transferee shall enter into an agreement for the benefit of City agreeing to perform all obligations of Developer under this Agreement with respect to the development of the Hotel Parcel or the Apartment Parcel as the case may be. The execution and delivery of such an agreement, in a form reasonably satisfactory to the City, shall be a condition precedent to the permitted transfer of the Hotel Parcel or the Apartment Parcel pursuant to this Section 10. Upon the execution and delivery of such an agreement with respect to the Hotel Parcel or the Apartment Parcel, Developer shall remain obligated to perform and liable for the nonperformance of all covenants and agreements in this Agreement, but the transferee shall only be obligated to perform and shall only be liable for the nonperformance of covenants and obligations relating to the development of the parcel, being the Hotel Parcel or the Apartment Parcel, acquired by such transferee. In exercising its rights and remedies under Section 13 and Section 14 hereof, the City shall only exercise such rights and remedies with respect to the transferee with respect to which the nonperformance of obligations under this Agreement resulted in an Event of Default (in addition to Developer), provided, however, if liquidated damages are required to be paid pursuant to the second paragraph of Section 14 hereof, such liquidated damages shall be payable, jointly and severally, by (i) Developer and all transferees of the Hotel Parcel and the Apartment Parcel if neither the Hotel nor the Apartments have been completed as required by Section 7 hereof or (ii) the Developer and the applicable transferee of the Hotel Parcel or the Apartment Parcel, as the case may be, if only one of the Hotel or the Apartments has been completed as required by Section 7 hereof.

11. Representations and Warranties of Developer. Developer represents and warrants for the benefit of the City as follows:

a. Developer is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Tennessee, and will maintain such valid existence throughout the term of this Agreement, is in compliance with the laws of the State of Tennessee, and has the power

and authority to own its properties and assets and to carry on its business in the State of Tennessee as now being conducted and as hereby contemplated.

b. Developer has the power and authority to enter into this Agreement and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered by Developer.

c. This Agreement is a legal, valid and binding obligation of Developer enforceable against Developer in accordance with its terms, subject to applicable insolvency laws and equitable principles.

d. No litigation at law or in equity or proceeding before any governmental agency involving Developer is pending or, to the knowledge of Developer, threatened, in which any liability of Developer is not adequately covered by insurance or in which any judgment or order would have a material adverse effect upon the business or assets of Developer or the performance of its obligations hereunder.

e. Developer is not in default under or in violation of, and the execution, delivery and compliance by Developer with the terms and conditions of this Agreement will not conflict with or constitute or result in a default under or violation of, (i) any material agreement or other instrument to which Developer is a party or by which it is bound, or (ii) any constitutional or statutory provisions or order, rule, regulation, decree or ordinance of any court, government or governmental authority having jurisdiction over Developer or its property, and no event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute or result in such a default or violation.

12. Default by Developer. An Event of Default shall be deemed to have occurred hereunder if:

a. Developer shall breach any agreement, covenant or condition made in this Agreement (and Developer shall fail to cure the same within forty-five (45) days written notice thereof by the City; provided that if the breach concerns a covenant (other than a covenant relating to the timing of the completion of the Project) that cannot reasonably be cured within the forty-five (45) day period and Developer commences the cure and continues to diligently and timely cure such breach, then no breach shall be deemed to occur so long as the breach is cured within a ninety (90) day period after the City's notice; or

b. Developer shall be liquidated, dissolved, partitioned or terminated; or

c. Developer (a) shall generally not pay or shall be generally unable to pay its debts as such debts become due; or (b) shall make an assignment for the benefit of creditors or petition or apply to any tribunal for the appointment of a custodian, receiver or trustee for it or a substantial part of its assets; or (c) shall commence any proceeding under any bankruptcy, reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction, whether now or hereafter in effect; or (d) shall have had any such petition or application filed or any such proceeding commenced against it in which an order for relief is entered or an adjudication or appointment is made; or (e) except to the extent requested by the City, shall consent to, approve of or acquiescence in any such petition, application, proceeding or order for relief or the appointment of a custodian, receiver or trustee for it or a substantial part of its assets; or (f) shall suffer any such custodianship, receivership or trusteeship to continue undischarged for a period of sixty (60) days or more; or

d. Developer shall fail to maintain insurance as required by Section 35 hereof after receiving notice of such failure from the City and not curing such failure within five (5) Business Days of receipt of such notice; or

e. Any material representation, warranty, certification or other statement made or deemed made by Developer in this Agreement or in any statement or certificate at any time given by Developer in writing pursuant hereto or thereto or in connection herewith or therewith shall be false in any material respect as of the date made.

13. Right of Reversion upon Event of Default.

a. Generally. If an Event of Default occurs hereunder prior to the commencement of the construction of the Hotel, then the Hotel Parcel shall revert to the City as provided in the Deed. If an Event of Default occurs hereunder prior to the commencement of the construction of the Apartments, then the Apartments Parcel shall revert to the City as provided in the Deed.

b. Hotel Parcel. If (i) an Event of Default occurs hereunder after construction of the Hotel has commenced and such Event of Default relates to the Development Activities related to the Hotel or otherwise relates to a default by the owner at such time of the Hotel Parcel and (ii) the expenditure by Developer of the lesser of (a) \$5,000,000.00 or (b) twenty percent (20%) of the budgeted amount for the development of the Hotel has not yet occurred, then the Hotel Parcel shall revert to the City as provided in the Deed. Upon satisfaction of the expenditure requirement set forth in clause (ii) of the prior sentence and if no Event of Default has occurred and is continuing, the City shall release its right of reversion with respect to the Hotel Parcel by delivering a release in recordable form to Developer.

c. Apartment Parcel. If (i) an Event of Default occurs hereunder after construction of the Apartments has commenced and such Event of Default relates to the Development Activities related to the Apartments or otherwise relates to a default by the owner at such time of the Apartment Parcel and (ii) the expenditure by Developer of the lesser of (a) \$5,000,000.00 or (b) twenty percent (20%) of the budgeted amount for the development of the Apartments has not yet occurred, then the Apartment Parcel shall revert to the City as provided in the Deed. Upon satisfaction of the expenditure requirement set forth in clause (ii) of the prior sentence and if no Event of Default has occurred and is continuing, the City shall release its right of reversion with respect to the Apartment Parcel by delivering a release in recordable form to Developer.

d. Expenditure Reports. Upon commencement of the construction of each of the Hotel and the Apartments and until the expenditure requirements have been met in subsections b. and c. such that the reversion of the Hotel Parcel and the Apartment Parcel can no longer occur under such subsections of this Section 13, Developer shall file a report with the City on or before the fifth Business Day of each month showing the expenditures made as of the end of the prior month with respect to the cost of the development of each of the Hotel and the Apartments with such supporting evidence at the City may reasonably request.

e. Subordination of Liens; Assignment of Design Documents. Developer shall cause any lien or encumbrance that Developer creates with respect to any portion of the Property to be expressly subordinate to the City's rights of reversion as set forth in this Section 13. Upon the reversion of the Hotel Parcel or the Apartment Parcel pursuant to this Section 13, Developer shall assign to the City or its designee all rights to any architectural drawings and other design documents relating to the development of the Hotel Parcel or the Apartment Parcel and any permits, licenses or other governmental approvals that have been obtained by Developer as of such date as to the applicable parcel, subject to any liens on the same created in favor of any construction lenders.

14. Other Remedies of the City upon Event of Default. In addition to the City's rights under Section 13 hereof, the City and Developer hereby agree that upon occurrence of an Event of Default, other than an Event of Default described in the next paragraph, the City shall also be entitled to seek injunctive

relief to compel Developer to perform its obligations hereunder, it being acknowledged that damages at law alone would be an inadequate remedy.

In the event (i) Developer does not complete the development of the entire Project as required by Section 7 hereof and an Event of Default occurs hereunder as a result thereof and (ii) the Property has not reverted to the City as provided in Section 13 hereof, Developer agrees to pay, upon the written request of the City, a payment in the amount of \$500,000 as the City's total damage recovery against Developer for Developer's breach of Section 7 of this Agreement. The parties agree that it is impracticable and extremely difficult to ascertain the actual damages suffered by the City as a result of Developer's failure to complete fully the development of the Property in accordance with Section 7 hereof, and that under the circumstances existing as of the date of this Agreement, the liquidated damages provided for in this paragraph represent a reasonable estimate of the damages which the City will incur as a result of such failure. The parties acknowledge that the payment of such liquidated damages is not intended as a forfeiture or penalty, but is intended to constitute liquidated damages to the City. Developer shall secure the payment of such liquidated damages prior to commencement of construction of the Project in a manner satisfactory to the City through the delivery of a letter of credit from a financial institution acceptable to the City or other surety acceptable to the City.

15. Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns of the parties, provided, however, that this Agreement may be assigned by Developer only as permitted by Section 11 hereof.

16. Notices. Any notice, request, demand, tender or other communication under this Agreement shall be in writing, and shall be deemed to have been duly given and received at the time and on the date when personally delivered, or on the Business Day following delivery to a nationally recognized commercial courier for next day delivery, to the address for each party set forth below, or upon the third Business Day after being deposited in the United States Mail, Certified Mail, Return Receipt Requested, with all postage prepaid, to the address for each party set forth below.

If to Developer to:

Knoxville Supreme Court, LLC
4921 Homberg Drive, Suite B-2
Knoxville, TN 37919

Bristol Development Group
Attn: Chief Executive Officer
381 Mallory Station Road, Suite 204
Franklin, TN 37067

With a copy to:

Wise & Reeves, P.C.
Attn: Steve Wise
525 South Gay Street, Ste. 160
Knoxville, TN 37902

If to the City to:

The City of Knoxville
Attn: Law Director
P. O. Box 1631
Knoxville, TN 37902

Rejection or other refusal to accept or inability to deliver because of changed address of which no notice was given shall be deemed to be receipt of such communication. By giving prior notice to all other parties, any party may designate a different address for receiving notices. No such notice, demand, tender or other communication under this Agreement shall be valid unless Lenders receive a copy thereof as provided above.

17. Applicable Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Tennessee. Venue for any action arising out of this Agreement shall be exclusively in Knox County, Tennessee.

18. Entire Agreement. This Agreement supersedes all prior discussions and agreements between the City and Developer with respect to the Project other than the Purchase and Sale Agreement. This Agreement contains the sole and entire understanding between the City and Developer with respect to the transactions contemplated by this Agreement, and all promises, inducements, offers, solicitations, agreements, representations and warranties heretofore made between the parties other than the Purchase and Sale Agreement. In the event of a conflict between this Agreement and the Purchase and Sale Agreement, this Agreement shall control.

19. Amendment. This Agreement shall not be modified or amended in any respect except by written agreement executed by or on behalf of the parties to this Agreement in the same manner as this Agreement is executed.

20. Severability. If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

21. Captions. All captions, headings and section and paragraph numbers and letters and other reference numbers or letters are solely for the purpose of facilitating reference to this Agreement and shall not supplement, limit or otherwise vary in any respect the text of this Agreement. All references to particular sections, paragraphs or subparagraphs by number refer to the particular section, paragraph or subparagraph so numbered in this Agreement unless reference to another document or instrument is specifically made.

22. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all such counterparts together shall constitute one and the same Agreement.

23. Term. Unless terminated earlier as provided herein, this Agreement shall become effective as provided herein and shall remain in effect until the Project is fully operational or until terminated upon

default or by mutual agreement of the parties or their permitted successors and assigns. The expiration date of this Agreement may be extended by written mutual consent of the parties hereto. Notwithstanding anything herein to the contrary, upon issuance of certificates of occupancy covering the entire Project, this Agreement and any terms of the Purchase and Sale Agreement which survive closing shall terminate in all respects.

24. No Government Limitation. This Agreement between Developer and the City shall not be construed to bind any other agency or instrumentality of federal, state or local government in the enforcement of any regulation, code or law under its jurisdiction.

25. Enforcement. The prevailing party in any action commenced due to a breach of this Agreement shall be entitled to receive from the other party reasonable attorneys' fees and court costs incurred in such action.

26. Time of the Essence. Time shall be of the essence in the performance of the terms and conditions of this Agreement.

27. Inspection Rights. The City and the City's agents, employees and independent contractors shall have the right and privilege to enter upon the Property during the term of this Agreement to monitor Developer's compliance with the terms of this Agreement upon reasonable notice to Developer.

28. Approvals by the City. Unless otherwise specifically provided herein, any approval to be given hereunder by the City may be given by the Mayor or any Deputy Mayor of the City.

29. Business Days. For purposes of this Agreement, "Business Day" shall mean any day other than a Saturday or Sunday or a day on which banking institutions in Knoxville, Tennessee are authorized or obligated by law or executive order to close. If any date on which performance or notice is due under this Agreement is not a Business Day, performance or notice shall not be due until the next Business Day.

30. Limitation on City Liability, No Personal Liability. UNDER NO CIRCUMSTANCES SHALL EITHER PARTY BE LIABLE FOR ANY SPECIAL OR CONSEQUENTIAL DAMAGES, AS A RESULT OF A BREACH OF THIS AGREEMENT, ALL OF WHICH ARE HEREBY WAIVED BY THE PARTIES. NO RECOURSE SHALL BE HAD FOR ANY CLAIM BASED UPON ANY OBLIGATION, COVENANT OR AGREEMENT IN THIS AGREEMENT OR ANY TRANSACTION OR MATTER RELATING HERETO AGAINST ANY PAST, PRESENT OR FUTURE DIRECTOR, OFFICER, MEMBER, EMPLOYEE, COUNSEL, OR AGENT OF EITHER PARTY, WHETHER DIRECTLY OR INDIRECTLY, AND ALL SUCH LIABILITY OF ANY SUCH INDIVIDUAL AS SUCH IS EXPRESSLY WAIVED AND RELEASED AS A CONDITION OF AND IN CONSIDERATION FOR THE PARTIES ENTERING INTO THIS AGREEMENT.

31. Independent Contractor. Developer shall perform all obligations under this Agreement as an independent contractor; neither it nor its employees shall be considered employees, partners or agents of the City, nor shall it or its employees be entitled to any benefits, insurance, pension, or workers' compensation as an employee of the City.

32. Federal, State and Local Requirements. Developer is responsible for full compliance with all applicable federal, state, and local laws, rules and regulations.

33. Non-Reliance of Parties. The parties hereto explicitly agree that they have **not** relied upon any earlier or outside representations other than what has been included in this Agreement. Furthermore,

neither party has been induced to enter into this Agreement by anything other than the specific written terms set forth herein.

34. EEO/AA. The City is an EEO/AA/Title VI/Section 504/ ADA/ADEA Employer.

35. Insurance. Developer shall maintain insurance in accordance with the terms contained on Exhibit D attached hereto and incorporated herein by reference.

36. Ethical Standards. Developer shall comply with the Ethical Standards, required on Exhibit E attached hereto and incorporated herein by reference.

37. Request for Proposals. Developer shall use best efforts to (i) substantially comply with the terms of the RFP and (ii) construct the Project in accordance with the Proposal. Notwithstanding the foregoing, to the extent that any of the terms hereof conflict with the terms of the RFP and/or the Proposal, the terms of this Agreement shall control.

38. Distinction from Regulatory Authority of the City. The parties understand and agree that this Agreement does not and shall not be construed to indicate or imply that the City, acting as a regulatory or permitting authority, has hereby granted or is obligated to grant any approval or permit required by law for the development of the Property.

39. Waiver. No waiver by any party of any term or condition of this Agreement shall be deemed or construed to constitute a waiver of any term or condition or of any subsequent breach, whether or not it is the same or different provision.

40. Sovereign Immunity. The City does not waive its sovereign immunity by entering into this Agreement and fully retains all immunities and defenses provided by law with respect to any action based on or occurring as a result of this Agreement.

[Signatures appear on following page.]

[Signature Page to Development and Financing Agreement]

IN WITNESS WHEREOF, the City and Developer have caused this Agreement to be duly executed as of the date first above written.

APPROVED AS TO FORM:

CITY OF KNOXVILLE

CHARLES W. SWANSON
LAW DIRECTOR

BY: _____
MADLINE ROGERO
MAYOR

FUNDS CERTIFIED:

KNOXVILLE SUPREME COURT, LLC

JAMES YORK
FINANCE DIRECTOR

BY: _____
TITLE: _____

Exhibit A

Description of the Property

Exhibit B

Copy of Purchase and Sale Agreement

Exhibit C

Form of Special Warranty Deed

This instrument prepared by:
Bass, Berry & Sims PLC (GMM)
900 South Gay Street, Suite 1700
Knoxville, Tennessee 37902

SPECIAL WARRANTY DEED WITH POSSIBILITY OF REVERTER

This indenture is made this ____ day of _____, 2017, between the **CITY OF KNOXVILLE**, a municipal corporation organized and existing under the laws of the State of Tennessee ("**GRANTOR**"), and **KNOXVILLE SUPREME COURT, LLC**, a Tennessee limited liability company located at 4921 Homberg Drive, Suite B-2, Knoxville, Tennessee 37919 ("**GRANTEE**").

WHEREAS, Grantor is the record title owner of real property located at 719 Locust Avenue, Knoxville, Tennessee, all as more particularly described on Exhibit A attached hereto and incorporated herein by reference (the "Property"); and

WHEREAS, the Purchasing Agent for Grantor requested proposals for the renovation and reuse of the Property; and

WHEREAS, Grantee submitted a proposal to acquire and redevelop the Property; and

WHEREAS, Grantor and Grantee have entered into that certain Development Agreement (Former State Supreme Court Site) of even date herewith (the "Development Agreement"), a copy of which is attached hereto as Exhibit B, which more particularly describes the redevelopment of the Property (the "Project"); and

WHEREAS, Grantor wishes to convey the Property to Grantee for the development and use of the Project.

WITNESSETH:

FOR AND IN CONSIDERATION OF the sum of Two Million Six Hundred Thousand Dollars and No/100ths (\$2,600,000.00) cash and other good and valuable considerations in hand paid by Grantee, the receipt and sufficiency of which is hereby acknowledged, Grantor does, by this Special Warranty Deed, grant and convey unto Grantee, to have and to hold the fee simple title, together with all and singular, the hereditaments and appurtenances hereunto belonging or in any way appertaining, in and to the Property.

DEVELOPMENT COVENANT AND REVERTER

By accepting this deed, Grantee hereby binds itself and its successors, assigns, grantees, and lessees, to cause the development of the Project in accordance with the Development Agreement attached hereto as Exhibit A (the "Development Covenant") and acknowledges and agrees that title to the Property, or certain portions thereof, shall revert to Grantor upon the terms and conditions set forth in the Development Agreement. If the conditions occur under the Development Agreement such that title to the Property or a portion thereof shall revert to the Grantor, upon the recordation by Grantor of an affidavit certifying that such conditions have occurred, the estate in real property conveyed herein on that portion as

is set forth in such affidavit shall automatically revert to Grantor without the necessity of further action by either party.

Grantor certifies that all conditions precedent to the valid execution and delivery of this Special Warranty Deed on its part have been complied with, and that all things necessary to constitute this Special Warranty Deed a valid, binding, and legal agreement on the terms and conditions and for the purposes set forth herein have been done and performed and have happened, and that the execution and delivery of this Special Warranty Deed on its part have been and are in all respects authorized in accordance with law.

TO HAVE AND TO HOLD said Property described in Exhibit A to Grantee, its successors and assigns, in fee simple forever.

Grantor will specially warrant and forever defend the right and title thereof in Grantee against the claims of all persons claiming by, through or under it, but not otherwise, provided that Grantor makes no warranty with respect to claims resulting from the following exceptions:

- (a) all exceptions, easements and other encumbrances of record; and
- (b) any matters that would be disclosed by a current survey.

In no event shall any part of the Property be used at any time for a pawn shop, flea market or an adult book and/or entertainment facility, regardless of whether any of the foregoing enumerated uses are considered permissible commercial purposes pursuant to any applicable zoning ordinances or otherwise.

IN WITNESS WHEREOF, Grantor has hereunto set its hand the day and year first above written.

APPROVED AS TO FORM:

CITY OF KNOXVILLE

CHARLES W. SWANSON
LAW DIRECTOR

BY: _____
MADELINE ROGERO
MAYOR

STATE OF TENNESSEE)
COUNTY OF KNOX)

Before me, _____, a Notary Public in and for the County and State aforesaid, personally appeared **Madeline Rogero**, with whom I am personally acquainted, and who, upon oath, acknowledged herself to be the Mayor of the City of Knoxville, the within named bargainor, a municipal corporation, and that she as such Mayor, being authorized so to do, executed the foregoing instrument for the purpose therein contained, by signing the name of the municipal corporation by herself as Mayor.

WITNESS my hand and official seal this ____ day of _____, 2018.

NOTARY PUBLIC

My Commission Expires: _____

Responsible taxpayer/owner(s): Knoxville Supreme Court, LLC
4921 Homberg Drive, Suite B-2
Knoxville, TN 37919

I HEREBY swear or affirm that the actual consideration or true value of this transfer, whichever is greater, is \$_____.

GRANTEE:

By: _____

Affiant: _____

SUBSCRIBED to and sworn to before me this ____ day of _____, 2018.

Notary Public

My Commission Expires: _____

Exhibit D

INSURANCE

Developer shall at its sole expense obtain and maintain in full force and effect for the duration of this Agreement and any extension hereof at least the following types and amounts of insurance for claims which may arise from or in connection with this Agreement. All insurance must be underwritten by insurers with an A.M. Best rating of A-VIII or better.

1. ***Commercial General and Umbrella Liability Insurance***; occurrence version commercial general liability insurance, and if necessary umbrella liability insurance, with a limit of not less than \$2,000,000 each occurrence for bodily injury, personal injury, property damage, and products and completed operations. If such insurance contains a general aggregate limit, it shall apply separately to the work/location in this Agreement or be no less than \$3,000,000.

Such insurance shall:

- a. Contain or be endorsed to contain a provision that includes the City, its officials, officers, employees, and agents as additional insureds with respect to liability arising out of work or operations performed by or on behalf of Developer including materials, parts, or equipment furnished in connection with such work or operations. The coverage shall contain no special limitations on the scope of its protection afforded to the above-listed insureds. Proof of additional insured status up to and including copies of endorsements and/or policy wording will be required.
 - b. For any claims related to this project, Developer's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance programs covering the City, its officials, officers, employees, and volunteers shall be excess of Developer's insurance and shall not contribute with it.
 - c. At the sole discretion of the City, dedicated limits of liability for this specific project may be required.
2. ***Automobile Liability Insurance***; including vehicles owned, hired, and non-owned, with a combined single limit of not less than \$1,000,000 each accident. Such insurance shall include coverage for loading and unloading hazards. Insurance shall contain or be endorsed to contain a provision that includes the City, its officials, officers, employees, and volunteers as additional insureds with respect to liability arising out of automobiles owned, leased, hired, or borrowed by or on behalf of Contractor.
 3. ***Workers' Compensation Insurance***. Developer shall maintain workers' compensation insurance with statutory limits as required by the State of Tennessee or other applicable laws and employers' liability insurance with limits of not less than \$500,000. Developer shall require each of its subcontractors to provide Workers' Compensation for all of the latter's employees to be engaged in such work unless such employees are covered by Developer's workers' compensation insurance coverage.
 4. ***Other Insurance Requirements***. Developer shall:
 - a. Prior to commencement of the performance of this Agreement, furnish the City with original certificates and amendatory endorsements effecting coverage required by this

section and provide that such insurance shall not be cancelled, allowed to expire, or be materially reduced in coverage except on 30 days' prior written notice to the City Attorney of Knoxville, P.O. Box 1631, Knoxville, Tennessee 37901. Proof of policy provisions regarding notice of cancellation will be required.

- b. Upon the City's request, provide certified copies of endorsements and policies in lieu of or in addition to certificates of insurance. Copies of policies will only be requested when contracts are deemed to be extremely or uniquely hazardous, or the coverage(s) may not follow standard insurance forms. A policy will only be requested after the City's Risk Manager has reviewed the contract and proof of coverage has been provided. Should the certificate of insurance refer to specific coverage wording or endorsement(s), proof of such policy wording or endorsement(s) will be required.
- c. Replace certificates, policies, and endorsements for any such insurance expiring prior to completion of services.
- d. Maintain such insurance from the time performance under this Agreement commences until such performance is completed.
- e. If Developer cannot procure insurance through an insurer having an A.M. Best rating of A-VIII, Developer may, in the alternative, place such insurance with insurer licensed to do business in Tennessee and having A.M. Best Company ratings of no less than A. Modification of this standard may be considered upon appeal to the City Law Director.
- f. Require all subcontractors to maintain during the term of the Agreement Commercial General Liability insurance, Business Automobile Liability insurance, and Workers' Compensation/Employer's Liability insurance to the extent any such subcontractor has any employees (unless subcontractor's employees are covered by Developer's insurance) in the same manner as specified for Developer. Developer shall furnish subcontractors' certificates of insurance to the City without expense immediately upon request.

Large Deductibles; Self-Insured Retentions. Any deductibles and/or self-insured retentions greater than \$50,000 must be disclosed to and approved by the City of Knoxville prior to the commencement of services. Use of large deductibles and/or self-insured retentions will require proof of financial ability as determined by the City.

Waiver of Subrogation Required. The insurer shall agree to waive all rights of subrogation against the City, its officers, officials, and employees for losses arising from work performed by Developer under this Agreement. Proof of waiver of subrogation up to and including copies of endorsements and/or policy wording will be required.

Occurrence Basis Requirement. All general liability policies must be written on an occurrence basis unless the Risk Manager determines that a claims made basis is reasonable in the specific circumstance. Use of policies written on a claims made basis must be approved by the Risk Manager and retroactive dates and/or continuation dates must be provided to the City prior to commencement of any work performed. Professional Liability and Environmental Liability (Pollution Coverage) are most commonly written on a claims made basis and are generally acceptable in that form.

Exhibit E

ETHICAL STANDARDS

Developer hereby takes notice of and affirms that it is not in violation of, or has not participated, and will not participate, in the violation of any of the following ethical standards prescribed by the Knoxville City Code:

(A) Sec. 2-1048. Conflict of Interest.

It shall be unlawful for any employee of the city to participate, directly or indirectly, through decision, approval, disapproval, recommendation, preparation of any part of a purchase request, influencing the content of any specification or purchase standard, rendering advice, investigation, auditing or otherwise, in any proceeding or application, request for ruling or other determination, claim or controversy or other matter pertaining to any contract or subcontract and any solicitation or proposal therefor, where to the employee's knowledge there is a financial interest possessed by:

- (1) The employee or the employee's immediate family;
- (2) A business other than a public agency in which the employee or a member of the employee's immediate family serves as an officer, director, trustee, partner or employee; or
- (3) Any other person or business with whom the employee or a member of the employee's immediate family is negotiating or has an arrangement concerning prospective employment.

(B) Sec. 2-1049. Receipt of Benefits from City Contracts by Councilmembers, Employees and Officers of the City.

It shall be unlawful for any member of council, member of the board of education, officer or employee of the city to have or hold any interest in the profits or emoluments of any contract, job, work or service, either by himself or by another, directly or indirectly. Any such contract for a job, work or service for the city in which any member of council, member of the board of education, officer or employee has or holds any such interest is void.

(C) Sec. 2-1050. Gratuities and Kickbacks Prohibited.

Gratuities. It is unlawful for any person to offer, give or agree to give to any person, while a city employee, or for any person, while a city employee, to solicit, demand, accept or agree to accept from another person, anything of a pecuniary value for or because of:

- (1) An official action taken, or to be taken, or which could be taken;
- (2) A legal duty performed, or to be performed, or which could be performed; or
- (3) A legal duty violated, or to be violated, or which could be violated by such person while a city employee.

Anything of nominal value shall be presumed not to constitute a gratuity under this section.

Kickbacks. It is unlawful for any payment, gratuity or benefit to be made by or on behalf of a subcontractor or any person associated therewith as an inducement for the award of a subcontract or order.

(D) Sec. 2-1051. Covenant Relating to Contingent Fees.

(a) *Representation of Developer.* Every person, before being awarded a contract in excess of ten thousand dollars (\$10,000.00) with the city, shall represent that no other person has been retained to solicit or secure the contract with the city upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except for bona fide employees or bona fide established commercial, selling agencies maintained by the person so representing for the purpose of securing business.

(b) *Intentional violation unlawful.* The intentional violation of the representation specified in subsection (a) of this section is unlawful.

(E) Sec. 2-1052. Restrictions on Employment of Present and Former City Employees.

Contemporaneous employment prohibited. It shall be unlawful for any city employee to become or be, while such employee, an employee of any party contracting with the particular department or agency in which the person is employed.

For violations of the ethical standards outlined in the Knoxville City Code, the City has the following remedies:

- (1) Oral or written warnings or reprimands;
- (2) Cancellation of transactions; and
- (3) Suspension or debarment from being a Contractor or subcontractor under city or city-funded contracts.

The value of anything transferred in violation of these ethical standards shall be recoverable by the City from such person. All procedures under this section shall be in accord with due process requirements, included but not limited to a right to notice and hearing prior to imposition of any cancellation, suspension or debarment from being a Contractor or subcontractor under a city contract.

Exhibit F

Projected Subdivision Plan

Exhibit G

Acceptable brands for the Hotel include any brand presently being licensed by Marriot, Hilton, Hyatt, IHG, as well as the Cambria Hotel brand being licensed by Choice Hotels. Developer shall also be permitted to operate the Hotel without a national brand through overnight rentals through Airbnb or other nationally recognized internet booking company subject to compliance with all applicable ordinances and regulations of the City and any other applicable governmental entities.

Exhibit H

Schematic Designs for Apartments

See Attached