



KNOXVILLE SOUTH WATERFRONT REDEVELOPMENT AND URBAN RENEWAL PLAN

September 2006



KNOXVILLE CITY GOVERNMENT

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City Council:

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Councilman – Joe Bailey

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CORPORATION**

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INTRODUCTION

The City of Knoxville (the "City") has identified the Knoxville South Waterfront (the "South Waterfront") as an ideal area for redevelopment. On April 25, 2006, and after considerable public input, the City Council of the City approved the South Waterfront Vision Plan (the "Vision Plan") as the guiding document for the redevelopment of the South Waterfront area. A copy of the Vision Plan is available on the City's website at www.cityofknoxville.org and the website of Knoxville's Community Development Corporation ("KCDC") at www.kcdc.org, and paper copies will be made available upon request at City's or KCDC's offices. The Vision Plan is incorporated by reference into this Plan.

While much of the public participation outlined in the Vision Plan will be performed by the City, KCDC, as the redevelopment authority of the City, has been asked by the City to assist with this redevelopment effort. On August 14, 2006, the City Council adopted a resolution requesting KCDC to develop a redevelopment and urban renewal plan for an area comprising the South Waterfront. Responding to that request, KCDC has prepared this plan (this "Plan") and has submitted it 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.

PROJECT AREA BOUNDARY AND EXISTING CONDITIONS

The proposed redevelopment and urban renewal area (the "Redevelopment Area") is generally bounded by the Island Home neighborhood on the east, the end of Scottish Pike on the west, Fort Dickerson Park on the south, angling gradually toward the Tennessee River to include the neighborhood on the ridge sides that face north and by the Tennessee River on the north and is depicted on Exhibit A attached hereto and described on Exhibit B attached hereto (the "Redevelopment Area"). These boundaries are intended to encompass all potential areas identified for redevelopment and public improvement projects in the next 20 years, and to include additional areas reasonably expected to experience redevelopment and/or new investment as a result of increased market demand stemming from the contemplated improvements.

This Redevelopment Area presently consists of a wide range of uses. The area is primarily a series of residential communities, with interspersed community and institutional uses. The area also includes, however, some heavy industrial uses as well as a small amount of retail use. The current uses of the Redevelopment Area are described in detail in the Vision Plan.

This Redevelopment Area clearly contains significant components of blight, within in the meaning of Tennessee Code Annotated §13-20-201. While many parts of the area are used productively, based upon the Vision Plan and visual inspections by KCDC, a number of properties in the area, including certain public improvements, are dilapidated. A number of property uses within the redevelopment area are also obsolete, as described in the Vision Plan, and the land uses of certain properties in the Redevelopment Area are deleterious to the growth of the City. 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

The Vision Plan sets forth primary objectives to be accomplished through the redevelopment of the South Waterfront. Without limiting the objectives set forth in the Vision Plan, this Plan is intended to support those 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 blighting influences, incompatible and inappropriate land uses, and in beautifying the area.
- c. Assist the City in encouraging effective and desirable uses of land in accordance with the Vision Plan.
- d. Provide for the design of new streets, pedestrianways, parking facilities and other public improvements as necessary to support the redevelopment of the area.
- e. Assist the City in mitigating natural and man-made restraints on development, including mitigation of industrial site contamination along the waterfront.
- f. Assist the City in financing projects necessary to link the South Waterfront District with Gay Street and other thriving downtown Knoxville areas.
- g. Assist the City in encouraging and stimulating investment in redevelopment of private property by implementing public improvements including the rehabilitation of existing streets, utility relocation and construction of parking structures, new streets, parks and open spaces, pedestrian and bicycle pathways and a River Walk.
- h. Assist the City in facilitating a combination of public and private investments intended to improve Knoxville's South Waterfront, recognizing the proximity of the district to downtown and the University of Tennessee, and recognizing the potential of the district to enhance the role of downtown Knoxville as a regional center and destination attraction.
- i. Promote voluntary, market-driven reuse or redevelopment of privately owned industrial properties, vacant parcels or blighted structures for a compatible mix of residential, office, retail, entertainment, civic and water-related uses.
- j. Assist the City in developing a range of options within existing neighborhoods that counteract gentrification pressures, provide home improvement assistance, and ensure that new homes and other development projects are compatible with existing homes in the Redevelopment Area.
- k. Assist the City in expanding the property tax yield and maximize the potential of other economic return to the City of Knoxville.

RELATIONSHIP TO LOCAL OBJECTIVES

Appropriate Land Uses

In the Vision Plan, the City has described in detail the appropriate land uses for the South Waterfront area. These uses include substantial residential uses, significant office development, a retail presence, marinas, restaurant and entertainment facilities and potentially a hotel. The Vision Plan also outlines a development strategy for each of the three major areas within the Redevelopment Area, which are identified in the Vision Plan as the Down River, Mid River, and Upper River areas. The primary purpose of this Plan is to assist the City in achieving the proposed land uses outlined in the Vision Plan by making KCDC's redevelopment and urban renewal experience available to the City through the adoption of this Plan.

Improved Traffic and Public Transportation

As described in the Vision Plan, substantial improvements need to be made to the traffic circulation system in the Redevelopment Area to support the redevelopment and growth anticipated by the Plan. Through the use of tax increment financing and KCDC's experience with redevelopment, this plan will facilitate the implementation of these public improvements. The Vision Plan also contemplates significant pedestrian improvements in the area, and this plan would also support these efforts. Improved streets and roads will permit more efficient use of public transportation and will assist the City in making public transportation more widely available in the Redevelopment Area.

Public Utilities

While the Redevelopment Area is served by all major public utilities, some of these utilities are dated and are not designed to serve the development anticipated by the Vision Plan. Therefore, as part of the redevelopment process, certain utilities will need to be repaired or replaced, and utilities needed to serve specific developments will need to be installed.

Recreational and Community Facilities

The implementation of the plan will result in the development of a diverse group of recreational and community facilities to supplement those facilities that already exist in the Redevelopment Area. Additional greenways, including a river walk bordering the Tennessee River, are expected to be constructed, as well as a number of other recreational facilities as described in the Vision Plan.

REDEVELOPMENT PROCESS

Although the redevelopment area as a whole contains blighted areas, several buildings in the redevelopment area contain active businesses, and numerous sound residential structures comprise established neighborhoods that should be preserved. The intent of the Vision Plan is to stimulate the voluntary redevelopment, reuse, or improvement of private property in target areas through a highly defined series of public improvements. A map of the properties within the district boundaries identified as redevelopment candidates has already been completed and is part of the adopted Vision Plan, and does not currently include single family residential structures. The Vision Plan does not include or recommend the involuntary public acquisition of private property for economic development purposes (transfer from one private owner to another private owner). Acquisition of private property for public improvements, both as a partial and/or total purchase, is required and recommended in the Vision Plan, with the intent that such property will remain in public ownership with associated improvements made to benefit and be enjoyed by the general public. Single-family properties located in the Old Sevier and Scottish Pike neighborhoods are not identified for redevelopment, but acquisition for public ownership and improvement will likely affect several of these residential properties.

The Vision Plan's intent is to avoid public intervention with respect to any existing uses of South Waterfront properties that continue to comply with city regulations, and to achieve plan objectives related to land use change and property redevelopment over 20 years using public improvement incentives and a revised land development code. Therefore, this redevelopment plan does not contain any provisions or development requirements for properties that are defined as "blighted" but not "dilapidated." 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. "Blight areas" are areas with buildings or improvements, which by reason of dilapidation, obsolescence, overcrowding, lack of ventilation, light and sanitary facilities, deleterious land use, or any combination of these or

other factors, are detrimental to the safety, health, morals or welfare of the community. "Dilapidation" is a more narrowly defined subset of blight, and for purposes of this statute is defined as extreme deterioration and decay due to lack of repairs to and care of the area. Properties that are "dilapidated" may be required to undergo development requirements to achieve a level of maintenance and/or use that meets minimum city code standards.

If KCDC identifies a specific property as "dilapidated" within the Redevelopment Area, KCDC anticipates issuing a request for redevelopment proposals from the existing owner of that property within 60 days from the date the determination has been made. KCDC will request each existing owner of a dilapidated property to submit to KCDC 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. 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 90 days from the date proposals are requested.

KCDC will establish an advisory board to be comprised of persons representing, to the extent practicable, the interests described in Section 13-20-208 of the Tennessee Code Annotated. The advisory board will examine the proposals of owners of dilapidated properties. The advisory board will advise KCDC in determining whether a proposal is consistent with this plan, whether the proposal is feasible and whether the intended use of the dilapidated property is compatible with the land uses recommended in the Vision Plan and applicable City development regulations. The advisory board may discuss a property owner's redevelopment proposal with the property owner in whatever fashion the advisory board deems appropriate, and the property owner may resubmit a redevelopment proposal to KCDC based on such discussions. However, the final action on any redevelopment proposal by a property owner will be by KCDC.

If a property owner whose property has been identified as dilapidated by KCDC does not agree with such determination, that property owner may ask the advisory board to consider whether the property is dilapidated. In such a case, the advisory board will be asked to make a recommendation to the KCDC Board of Commissioners as to whether a particular property is dilapidated. The KCDC Board of Commissioners will then make a final

determination as to whether a particular property is dilapidated, and the property owner will have 90 days from such determination to submit a proposal if such property owner's property is determined to be dilapidated.

If an owner's proposal to renovate its property is approved by KCDC, KCDC 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 KCDC. In the event that any such owner fails to renovate its property in accordance with its development agreement, KCDC may elect to acquire such property and make it available for redevelopment.

If an owner submits a redevelopment proposal, and KCDC does not approve the redevelopment proposal, KCDC shall notify the owner in writing, specifying the reason or reasons why KCDC did not approve the redevelopment proposal. The owner shall have 60 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 dilapidated 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, KCDC intends to solicit proposals to redevelop such owner's property. Responses to such proposals shall also be submitted to the advisory board for its review and will be submitted to KCDC for approval. KCDC will enter into a development agreement with any person whose proposal is approved by KCDC to ensure compliance with the redevelopment proposal.

PROPOSED LAND USES AND BUILDING REQUIREMENTS

The proposed land uses for the Redevelopment Area are set forth in detail in the Vision Plan, and these proposed land uses are hereby incorporated by reference as the proposed land uses for the Redevelopment Area. Buildings constructed in the area, as well as existing buildings, shall be required to comply with all applicable City building requirements and any design guidelines for the area approved by the City.

RELOCATION OF RESIDENCES AND BUSINESSES

It is not anticipated that any residences or businesses will need to be involuntarily relocated as a result of the implementation of this plan. However, if any residents are temporarily or permanently displaced to permit redevelopment of the South Waterfront due to the acquisition of their property, KCDC will assist such residents with relocation benefits and payments. In any case, KCDC will comply with its own relocation policies, City ordinances or the Federal Uniform Act if applicable with respect to relocation. If any substandard dwellings determined to be dilapidated are acquired and cleared from the redevelopment area, KCDC, in its role as the City's housing authority, will strive to provide decent, safe and sanitary housing, in a manner consistent with KCDC's policies, to any relocated persons at rents within the financial reach of the persons displaced from such substandard dwellings.

LAND ACQUISITION PLAN

The only properties anticipated to be acquired under this plan are: (1) dilapidated properties for which the owners have elected not to submit proposals in accordance with this plan, (2) properties that are purchased voluntarily, or (3) properties required for public ownership and construction of public improvements. 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 on a 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 KCDC 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, KCDC may dispose of any acquired property at such value (unless acquired by eminent domain) as KCDC

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 KCDC 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 AND PROJECT MANAGEMENT

The draft South Waterfront Action Plan, a companion document to the adopted Vision Plan, recommends that the City of Knoxville Mayor's administration dedicate at least two full-time positions for plan implementation until such time that a decision is reached regarding the creation of a formal South Waterfront organization.

Typical tasks of a formal South Waterfront organization could eventually include:

1. Hire staff and contract with consultants.
2. Create plans; propose zoning changes and other ordinance or regulatory changes.
3. Coordination of utility and infrastructure assessment, upgrade and relocation.
4. Design review assistance as a whole or on a project-by-project basis.
5. Vision Plan updating every 5 years.
6. Project spokesperson, information clearinghouse and public relations.
7. Fundraising and hold private funds.
8. Creation and management of homeowner incentive programs.
9. Securing necessary regulatory approvals (TVA, USACE, etc.)
10. Acquire, swap, maintain, insure or sell real estate.
11. Develop real estate.
12. Negotiate for and hold property easements.
13. Make loans and grants for public and private improvement.
14. Operate a business improvement district.
15. Contract for and manage public improvements.
16. Act as a limited liability partner.
17. Provide relocate assistance to businesses and residents.
18. Adopt PILOT agreements.
19. Perform and enforce design review guidelines.
20. Issue tax-exempt bonds.
21. Negotiate and grant TIF agreements.

It is anticipated that certain properties may be under management by KCDC and/or the City of Knoxville at various times during plan implementation. The primary objectives of property and project management activity will be to facilitate private property investment and redevelopment, and to coordinate and manage contracts related to the construction of public improvements.

FINANCING PLAN INCLUDING TAX INCREMENT FINANCING PROVISION

Neither KCDC nor the City anticipate funding the cost of private redevelopment projects within the redevelopment district, although public assistance with particular projects that are essential to the implementation of the Vision Plan may be considered on a limited basis at some point in the future. Both 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. Although neither KCDC nor the City expects to pay the direct cost of private redevelopment projects, plan implementation is strongly vested in the strategy of funding public improvements to support private redevelopment.

Public improvement assistance will be provided based on consistency with the South Waterfront Vision Plan, resource availability, and the extent to which the assistance will trigger private redevelopment. Until such time as formal public improvement agreements or contracts are executed, KCDC and the City retain the right and flexibility to shift project priorities and funding allocations based on development needs. A more detailed description of the public improvement projects and estimated costs is provided in the Vision Plan

The assistance provided by KCDC and/or the City is not limited to public improvements assistance. Other services or resources may be provided, including but not limited to, assistance with the development review and permitting process, assistance with other regulatory agencies such as the Tennessee Valley Authority (TVA) or the U.S. Army Corps of Engineers (USACE), development of homeowner retention programs, purchase of land for voluntary relocation agreements, or business relocation assistance.

The Vision Plan and the South Waterfront Action Plan that is being prepared by the City contains a financial strategy that depends in large part on the use of tax increment financing within the Redevelopment Area to finance public improvements. KCDC and the City anticipate using tax increment financing to hasten the development of the public improvements that are needed to implement the Vision Plan. Therefore, this Plan contains the following provisions to permit the use of tax increment financing in the Redevelopment Area.

Subject to the limitations herein, taxes, if any, levied each year upon real property located in the Redevelopment Area shall after the date this Redevelopment Plan is approved by the City Council of the City of Knoxville and the County Commission of Knox County, Tennessee shall be divided as follows:

(1) That portion of taxes which would be produced by the rate at which the tax is levied each year by each taxing agency, upon the assessed value of such property as shown upon the assessment roll of the appropriate assessor, as of the date of the most recently determined valuation prior to the date on which the Redevelopment Plan was approved by the applicable municipality or municipalities pursuant to Tennessee Code Annotated § 13-20-203 (the assessed value being herein called the "base assessment") shall be allocated to, and when collected, shall be paid to, the respective taxing agencies as taxes levied by such taxing agencies on all other property are paid; provided, that in any year in which the actual assessment of the area comprising a redevelopment project is less than the base assessment, there shall be allocated and paid to the respective taxing agencies only those taxes actually produced by the application of the current tax rates against such actual assessment;

(2) All the taxes levied in each year in excess of the amount provided for in subdivision (1) shall be allocated to and, when collected, shall be paid into a special fund or funds of KCDC to pay the principal of and interest on bonds, loan or other indebtedness incurred or to be incurred by KCDC to finance or refinance, in whole or in part, the redevelopment projects contemplated by the Redevelopment Plan. If any portion of the taxes received by KCDC pursuant to this provision are not needed within the next six-month period to pay scheduled debt service payments, such excess shall either be used to prepay such indebtedness or to reimburse any guarantor of such indebtedness for payments made by such guarantor with respect to such indebtedness;

(3) Upon the retirement of all bonds, loans or other indebtedness incurred by KCDC and payable from such special fund or funds or at such time as moneys on deposit in such special fund or funds are sufficient for such purpose, all the taxes referred to in subdivision (2) shall, when collected, be paid to the respective taxing agencies as taxes levied by such taxing agencies on all other property are paid, and KCDC shall give notice to the City and Knox County of such retirement. Any incremental taxes received by KCDC during the last tax year that the indebtedness is outstanding that is in excess of the amount needed to pay the remaining debt service on such indebtedness may be used to reimburse any guarantor of such indebtedness for payments made by such guarantor with respect to such indebtedness. Thereafter, all incremental tax revenues shall be retained by the appropriate taxing agency; and

(4) Taxes shall be levied and collected over all or any part of the area comprising a redevelopment project in the manner provided by the law with the following exceptions:

(A) The appropriate assessor shall, in each year during the period in which taxes are to be allocated to KCDC pursuant to subdivision (2), compute and certify the net amount, if any, by which the current assessed value of all taxable property located within the Redevelopment Area which is subject to taxation by the particular taxing agency exceeds the base assessment. The net amount of any such increase is referred to in this subdivision (4) as the incremental value for that particular year;

(B) In any year in which taxes are to be allocated to KCDC pursuant to subdivision (2) in which there is an incremental value, the appropriate assessor shall exclude it from the assessed value upon which the appropriate assessor computes the tax rates for taxes levied that year by the taxing agency. However, the appropriate assessor shall extend the aggregate tax rate of such taxes against the base assessment and the incremental value and shall apply the taxes collected therefrom, subject to any other provisions of this amendment or any other legal limitations, as provided above; and

(C) For purposes of this section, if in any year property comprising a portion of a particular redevelopment project shall be removed from the tax rolls of a taxing agency, the base assessment for the area of such redevelopment project shall be reduced by the amount of the base assessment allocable to the property so removed for each subsequent year in which taxes are to be allocated to a particular authority pursuant to the above provisions.

The estimated cost of the public improvements for which the tax increment financing will be available is approximately \$139,000,000. The City and KCDC do not anticipate, however, the amount of tax increment financing that can be issued and sold based upon current projections during the next twenty years would exceed \$60,000,000. The sources that are expected to be used to pay the costs of the public improvement projects are private donations, state grants, federal grants, capital funds of the City and the tax increment financing. The maximum maturity of any tax increment financing will be not later than forty (40) years from the date the financing is issued. The expected impact of the use of tax increment financing in the Redevelopment Area is expected not to exceed approximately \$4,000,000 per year with respect to either the City or Knox County.

Notwithstanding anything to the contrary in this section, taxes levied upon property subject to tax increment financing provisions by any taxing agency for the payment of principal of and interest on all bonds, loans or other

indebtedness of such taxing agency, and taxes levied by or for the benefit of the State of Tennessee, shall not be subject to allocation as provided in subsection (a), but shall be levied against such property and, when collected, paid to such taxing agency as taxes levied by such taxing agency on all other property are paid and collected.

AMENDMENTS AND TERM

This Plan provides broad guidelines for the implementation of the redevelopment of the Redevelopment Area, and actions taken by KCDC in furtherance of the redevelopment objectives set forth in this Plan may be undertaken without further approval of the City, unless specified herein. KCDC 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 Board of Commissioners of KCDC and City Council.

This Redevelopment Plan shall remain in effect until terminated by resolution of the City Council of the City. No such termination shall effect any tax increment indebtedness issued pursuant to this Plan, and the pledge of any tax increment revenues to secure tax increment indebtedness shall remain in full force and effect notwithstanding.

EXHIBIT A

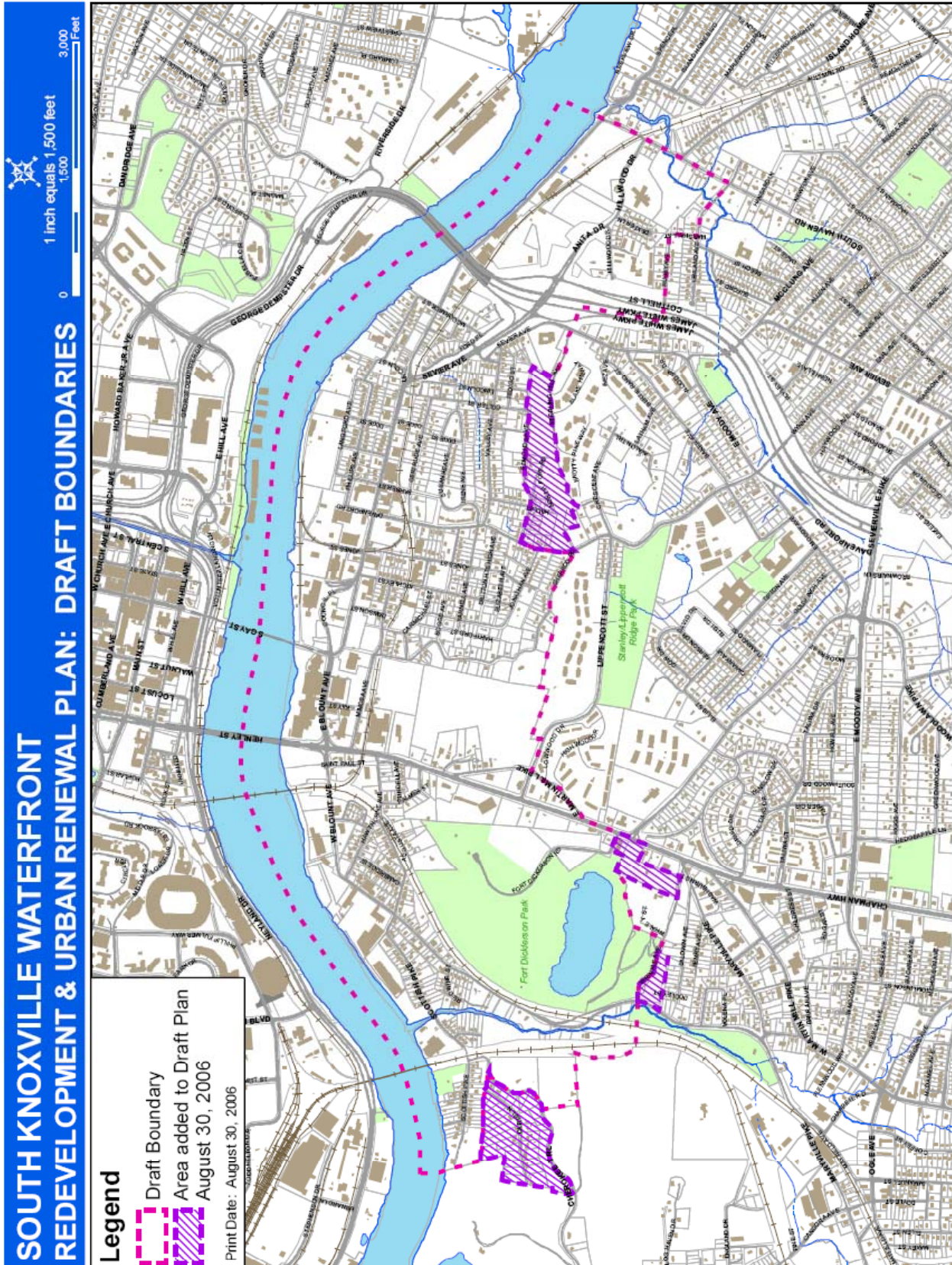


EXHIBIT B

REVISED REDEVELOPMENT PLAN BOUNDARY DESCRIPTION

SITUATED in the Ninth (9th) Civil District of Knox County, Tennessee, and being more particularly described as follows:

BEGINNING at the point of intersection of the southeast line of East Martin Mill Pike and the northeast line of Chapman Highway;

Thence with the northeast line of Chapman Highway south 795 feet, more or less, to a point.

Thence crossing Chapman Highway 65 feet, more or less, in a northwesterly direction to a point in the northwest line of Chapman Highway corner common Wayland-Goodman and Wayland-Goodman;

Thence with said common line 176 feet, more or less, to a point in the City of Knoxville line;

Thence with the City of Knoxville line in a southwesterly direction 500 feet, more or less, to the north line of Wrinkle Avenue;

Thence with the north line of Wrinkle Avenue 250 feet, more or less, to a point corner common City of Knoxville and Blount Avenue Baptist Church;

Thence with the common line in a northeasterly direction 760 feet, more or less, to a point in the City of Knoxville Line;

Thence with the common line of City of Knoxville and Blount Avenue Baptist Church, 715 feet, more or less, to a point corner common with Smelcher;

Thence leaving the City of Knoxville line and with the common line of Blount Avenue Baptist Church and Smelcher 370 feet, more or less, to a point in the north line of Wrinkle Avenue;

Thence with the north line of Wrinkle Avenue in a northwesterly direction 150 feet, more or less, to a point;

Thence in a southerly direction 50 feet, more or less, to a point in the south line of Wrinkle Avenue corner common with Smelcher and Smelcher;

Thence leaving the south line of Wrinkle Avenue and with said common line 100 feet more or less, to the north line of McCarty Avenue;

Thence with the north line of McCarty Avenue 630 feet, more or less, to a point in the eastern line of West Blount Avenue;

Thence with the eastern line of West Blount Avenue 300 feet, more or less, to the point of intersection of the east line of West Blount Avenue and the north line of Wrinkle Avenue;

Thence in a southwesterly direction and with the north line of Wrinkle Avenue produced to the point of intersection with the east line of West Blount Avenue;

Thence leaving the east line of West Blount Avenue and with the north line of Wrinkle Avenue produced, 600 feet, more or less, to a point in the common line of Seesaw Construction, LLC and Norfolk Southern;

Thence with said common line northwesterly direction to a point, corner common with Ray;

Thence with and along the Ray line until it intersects the southeast line of Cherokee Trail;

Thence with the Seesaw line and along the south line of Cherokee Trail in a southwesterly direction 1200 feet, more or less, to a point in the Seesaw line;

Thence in a northerly direction 50 feet, more or less, to a point in the north line of Cherokee Trail corner common Woodlands of Knoxville and White;

Thence leaving the north line of Cherokee Trail and the common line of Woodlands and White 300 feet, more or less, to a point in the Woodlands line corner common with Hall;

Thence with the Woodlands line 225 feet, more or less to the point of intersection with the south line of Carls Lane;

Thence with the Woodlands line and the western line of Carls Lane north 50 feet, more or less, to the point of intersection with the north line of Carls Lane corner common with Sentell;

Thence leaving the north line of Carls Lane and with the common line of Sentell and Woodlands 290 feet, more or less;

Thence with the Woodlands line in a northeasterly direction 300 feet, more or less, to a point in the Marino line;

Thence with the common line of Marino and Woodlands 280 feet, more or less, to a point in the Woodlands line corner common with Tennessee River Condominium;

Thence, with the Woodlands and Tennessee River Condominium line 520 feet, more or less, to the point of intersection of the southeast line of the Tennessee River;

Thence, leaving the southeast line of the Tennessee River and with the line produced by Woodlands 290 feet, more or less, to the midpoint of said River;

Thence with the midpoint of the river in a northeasterly direction 14,700 feet, more or less, to a point in the centerline of the river;

Thence leaving said point and with the east line of Island Home Avenue produced 425 feet, more or less, to the point of intersection of the South line of the Tennessee River and the north line of Versatile Development;

Thence leaving said point of intersection and with the east line of Island Home Avenue produced 160 feet, more or less, to the point of intersection of the south line of Maplewood Drive and the East line of Island Home Avenue;

Thence with the east line of Island Home Avenue 1,650 feet, more or less, to the point of intersection with the north line of Leyland Avenue and the east line of Island Home Avenue (now South Haven Road);

Thence with the north line of Leyland Avenue in a westerly direction to the point of intersection of the east line of Marshall Street;

Thence with the east line of Marshall Street in a northerly direction until the point of intersection with the north line of Rugby Avenue;

Thence with the north line of Rugby Avenue to the point of intersection with the east line of Cottrell Street;

Thence with the north line of Rugby Avenue produced in a southwesterly direction 375 feet, more or less, to the west right-of-way line of James White Parkway;

Thence, with said right-of-way line in a northwesterly direction to the point of intersection with the south line of a private drive Sterling Hill Way produced;

Thence with the south line of Sterling Hill Way produced 1375 feet, more or less, to the termination of said private drive;

Thence in a southwesterly direction 200 feet, more or less, to a point corner common with Oak Crest Apartments LLC;

Thence with the common line of Oak Crest Apartments LLC and Knotty Pine Associates LLC 611 feet more or less to a point corner common with Wolfe;

Thence leaving the Knotty Pine line and with the Oak Crest and Wolfe line 75 feet, more or less, to a point in the Oak Crest line corner common with Oak Crest Apartments LLC;

Thence with the common line of Oak Crest and Oak Crest 640 feet, more or less, to a point in the north line of Davenport Road;

Thence along the south line of Sherrod Road produced in a westerly direction 830 feet, more or less, to a point in the south line common corner of Meyers and Drews;

Thence leaving the south line of Sherrod Road and with the common line of Meyers and Drews in a southwesterly direction 86 feet, more or less, to a point in the common line;

Thence with the Meyers line in a southwesterly direction 840 feet, more or less, to a point in the Wayland-Goodman line common corner with Gurney and Meyers;

Thence with the common Wayland-Goodman and Meyers line in a southwestwardly direction 845 feet, more or less, to a point in the north line of Lippencott Street;

Thence with the north line of Lippencott Street in a southwestwardly direction 380 feet, more or less, to the east line of East Martin Mill Pike;

Thence with the southeast line of East Martin Mill Pike and in a southerly direction 890 feet, more or less, to the point of intersection with the northeast line of Chapman Highway, POINT OF BEGINNING;

BEING known and designated as the South Knoxville Waterfront Redevelopment & Urban Renewal Plan boundary.