

November 30, 2004

City of Knoxville Purchasing Department
400 Main Street, Room 667
Knoxville, Tennessee 37902

Dear Selection Committee Member:

I want to congratulate everyone in Knoxville for all that the city is doing with respect to the revitalization of downtown. As a long-time urban developer and former Mayor of Chattanooga, I can tell you that the progress you have made in the last few years has been truly phenomenal. Of course, the revitalization of the World's Fair Park will play a very significant role in helping you to achieve your goals, and we believe that our team includes all the crucial components to transform the World's Fair Park into a more vibrant city amenity that can be enjoyed by residents and visitors alike.

To that end, we have read with great care the City's Request for Proposals and have attempted to be as responsive as possible to it. When considering what is to be done to the World's Fair Park, it is first important to recognize that the park is already a beautiful, well-utilized city amenity. Bearing in mind that fact, our approach has been to stay within the boundaries of the Request for Proposals and to create a very simple, functional plan that can be easily implemented, and which should cost the City of Knoxville little or no money. In fact, our plan creates significant immediate revenue for the City, while meaningfully enhancing its ability to prosper from increased future sales and property taxes, as well as rental income.

In short, the Kinsey Probasco and Associates (KPA) plan for the World's Fair Park is for the City of Knoxville to utilize the proceeds from the sale of the Candy Factory and the Victorian Houses to renovate the Sunsphere and to revitalize the Tennessee Amphitheater. Additionally, KPA is prepared to spend approximately \$1,000,000 on the Sunsphere to create an observation level, a restaurant/lounge, and Class A office space, which will generate an additional \$1,440,000 to the City of Knoxville.

KPA is prepared to pay the City of Knoxville \$1,827,600 for the Candy Factory and the Victorian Houses. Due to their current condition, KPA expects to spend an additional \$9,138,000 on their restoration. When complete, KPA anticipates that the Candy Factory will be a Class A multi-use facility consistent with the concepts for usage outlined by the City's Request for Proposals. Likewise, there will be a renewed commitment to the 11th

Street Artist's Colony as embodied by the Victorian Houses, and a restoration and expansion of Fort Kid.

The combined sales and lease revenue to be paid to the City of Knoxville equals \$3,267,600; an amount that should be more than sufficient to correct any outstanding codes issues with the structure of the Sunsphere and to renovate the Tennessee Amphitheater.

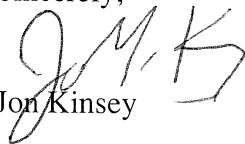
In my experience, simple and concise plans like this one are not only the easiest to implement, they maximize reward while minimizing risk. Although simple, this plan achieves the following important goals at little or no cost to the City:

1. The long-overdue revitalization of the City's most recognizable (and famous) structure.
2. The rejuvenation of downtown's only outdoor concert and theatrical venue.
3. The redevelopment of one of the park's largest and most historically significant buildings.
4. The renovation of the 11th Street Artist's Colony and expansion of Fort Kid.

Additionally, we believe that the city should strongly consider a residential component to the World's Fair Park, which would add great life and vitality to the park's atmosphere. To that end, we have identified three sites that could be conducive to such development. Also, KPA has had preliminary discussions with Knox County with regard to the possible creation of a Creative Discovery Museum at the World's Fair Park. My partner, Ben Probasco, was a charter member of Chattanooga's Creative Discovery Museum and chaired its initial fundraising campaign. It is our opinion that the old Knoxville Convention Center, located on the east end of the park with adjacent covered parking, is perfect to house such a wonderful public amenity; one which would be a great addition to downtown and enhance the Park's existing reputation as a destination attraction and family-friendly environment.

Thank you for your consideration.

Sincerely,


Jon Kinsey