



JASON E. MUMPOWER
Comptroller

TENNESSEE STATE FUNDING BOARD
MAY 19, 2025
AGENDA

1. Call meeting to order, establish that there is a physical quorum, and receive public comment on actionable items in accordance with Tenn. Code Ann. § 8-44-112 and Board guidelines
2. Consideration for approval of minutes from April 10, 2025, meeting
3. Report from the Department of Economic and Community Development for approval of funding for the following FastTrack projects:
 - **Barrett Firearms Manufacturing, Inc. – Murfreesboro (Rutherford County)**
FastTrack Economic Development Grant \$2,000,000
 - **Hyosung HICO, Ltd. Company – Memphis (Shelby County)**
FastTrack Economic Development Grant \$1,500,000
4. Consideration for approval of a request from City of Pigeon Forge for retroactive approval of issuance of debt payable from Tourism Development Zone (TDZ) revenues
5. Consideration for approval of a request from City of Pigeon Forge to issue debt payable from TDZ revenues
6. Adjourn

TENNESSEE STATE FUNDING BOARD

April 10, 2025

The Tennessee State Funding Board (the “Board”) met on Thursday, April 10, 2025, at 9:01 a.m., in the Volunteer Conference Center, 2nd Floor, Cordell Hull Building, Nashville, Tennessee. The Honorable Jason E. Mumpower was present and presided over the meeting.

The following members were also physically present:

The Honorable Tre Hargett, Secretary of State
The Honorable David H. Lillard Jr., State Treasurer
Commissioner Jim Bryson, Department of Finance and Administration

The following member was absent:

The Honorable Bill Lee, Governor

Having established a physical quorum, Comptroller Mumpower called the meeting to order. Comptroller Mumpower, in accordance with Public Chapter 300 and Board guidelines, asked Ms. Sandra Thompson, Director of the Division of State Government Finance (SGF) and Assistant Secretary to the Board, if any requests for public comment had been received. Ms. Thompson responded that no requests had been received.

Comptroller Mumpower then presented the minutes from the meeting held on February 13, 2025, for consideration and approval. Commissioner Bryson made a motion to approve the minutes. Comptroller Mumpower seconded the motion, and it was unanimously approved.

Comptroller Mumpower then recognized Mr. William Wood, Financial Analyst, Division of Local Government Finance, to present the staff analysis of “An Economic Report to the Governor of the State of Tennessee” (the “Economic Report”). Mr. Wood stated that pursuant to state law, Tenn. Code Ann. § 9-4-5202, the Board’s staff is required to comment on the reasonableness of the estimates concerning the rate of growth of Tennessee’s economy from the Tennessee econometric model published by the University of Tennessee’s Boyd Center for Business and Economic Research (CBER) in its annual Economic Report. Mr. Wood stated that this was accomplished by comparing forecasts of the leading economic indicators in the Economic Report with economic forecasts made by other governmental and non-governmental organizations. Mr. Wood then stated that based on this review, the Economic Report’s forecasted estimates of Tennessee nominal personal income growth of 5.30% for fiscal year 2025, 4.59% for calendar 2025, and 4.90% for calendar year 2026, were not unreasonable. Commissioner Bryson then made the observation that the estimated nominal personal income growth of 4.70% for fiscal year 2026 contained in the Economic Report was a good number considering the recent economic events. Commissioner Bryson then stated that for the same time period the Board had projected a 2.00% growth rate overall for state revenues. The Board accepted the staff analysis of the Economic Report.

Comptroller Mumpower stated that upon receiving the report, the Board shall make comments related to the reasonableness of the estimate. He pointed out that a list identifying state-tax and non-tax revenue sources from the Attorney General’s office and a letter from CBER detailing Tennessee personal income data was also included in the Board member’s packets.

Comptroller Mumpower observed no further business to come before the Board. Secretary Hargett made a motion to adjourn. Treasurer Lillard seconded the motion, and it was unanimously approved. The meeting was adjourned.

Approved on this _____ day of _____ 2025.

Respectfully submitted,

Sandra Thompson,
Assistant Secretary

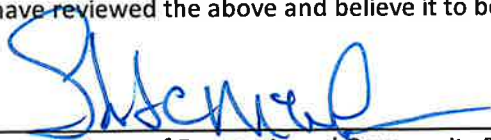
FastTrack Report to State Funding Board

5/19/2025

1. Previous FastTrack Balance, as of Last Report	634,906,733.78
2. + New Appropriations:	26,321,333.99
3. + Newly Deobligated Funds:	18,713,134.32
4. + Funds Transferred to FastTrack:	0.00
5. - Funds Transferred from FastTrack:	(250,000.00)
6. - FastTrack Grants or Loans Approved Greater Than \$750,000:	(19,200,000.00)
7. - FastTrack Grants or Loans Approved Less Than \$750,000:	(952,850.00)
8. - FastTrack Administration	(684,869.20)
9. Adjusted FastTrack Balance Available for Funding FastTrack Grants or Loans:	658,853,482.89
10. Total Amount of Commitments:	508,118,112.72
11. Uncommitted FastTrack:	150,735,370.17
12. Percentage Committed:	77.1%
13. Amount of Proposed Grants or Loans:	3,500,000.00
14. Uncommitted FastTrack Balance if Proposed Grants or Loans Approved:	147,235,370.17
15. Percentage Committed:	77.7%

See next page for explanations of the above questions.

I have reviewed the above and believe it to be correct:



Commissioner of Economic and Community Development

Date:

5/13/25



Department of Economic and Community Development

Stuart McWhorter
Commissioner

Bill Lee
Governor

May 19, 2025

Comptroller Jason Mumpower
First Floor, State Capitol
Nashville, TN 37243

Dear Comptroller Mumpower:

The Department of Economic & Community Development (the "Department") seeks approval by the State Funding Board (the "Board") pursuant to T.C.A. § 4-3-717(a) authorizing FastTrack infrastructure, training, and economic development grants where there is a commitment by an eligible business to create or retain private sector jobs or engage in private investment or where the Commissioner of Economic and Community Development determines that such investment will have a direct impact on employment and investment opportunities in the future. The following projects meet the statutory requirements, and the Department presents these projects to the Board pursuant to the mandates of T.C.A. § 4-3-717(e), which requires approval of grants and loans under the FastTrack Infrastructure Development Program, the FastTrack Job Training Assistance Program, and the FastTrack Economic Development Program that exceed \$750,000 per eligible business within a three (3) year period.

1. Barrett Firearms Manufacturing, Inc. – Murfreesboro (Rutherford County)

Founded in Murfreesboro, Tennessee, in 1982, Barrett Firearms Manufacturing, Inc. is a Tennessee-based firearm and ammunition manufacturer. In 2023, the company was acquired by NIOA, a global firearms, weapons and munitions company headquartered in Brisbane, Queensland, Australia.

The estimated 250,000-square-foot Barrett Manufacturing & Technology Campus will serve as the company's primary global firearms manufacturing site and will offer employees a cutting-edge campus environment, housing state-of-the-art manufacturing, a corporate office and other major operations. Additionally, the NIOA Group, Barrett's Australian-owned parent company, intends to locate its U.S. headquarters at the facility upon completion.

Barrett Firearms Manufacturing, Inc. has committed to create 183 net new jobs and make a \$76,429,612 capital investment within five (5) years. The company will have an average hourly wage of \$31.05 for the new positions.



Department of Economic and Community Development

Stuart McWhorter
Commissioner

Bill Lee
Governor

FastTrack Economic Development Grant Funds will help offset expenses such as new building construction and acquisition of real property for a total of \$2,000,000. **(\$2,000,000)**

Total FastTrack funds for this project - \$2,000,000

2. Hyosung HICO, Ltd. Company - Memphis (Shelby County)

Subsidiary to South Korean Hyosung Heavy Industries, Hyosung HICO, Ltd. is a U.S.-based manufacturer of large power transformers, serving utility and industrial customers across North America. Since proudly establishing its first domestic production facility in Memphis, Tennessee, in 2019, the company has remained committed to strengthening the American power grid and communities through local manufacturing, job creation, and reliable energy infrastructure solutions.

Hyosung plans to expand operations at its transformer manufacturing facility. The company's current operations are 360,000 square-feet in size and located on a 200-acre site adjacent to both rail and water.

Hyosung HICO, Ltd. Company has committed to create 123 net new jobs representing a \$50,808,446 capital investment within 5 years. The company will have an average hourly wage of \$29.04 for the new positions.

FastTrack Economic Development Grant funds will help offset expenses incurred in new building construction. **(\$1,500,000)**

Total FastTrack funds for this project - \$1,500,000

Sincerely,

A handwritten signature in blue ink, reading "Stuart McWhorter", is positioned below the word "Sincerely,".

Stuart McWhorter

SM/js

State Funding Board FastTrack Checklist

FastTrack grants or loans exceeding seven hundred fifty thousand dollars (\$750,000) per eligible business within a three-year period require state funding board approval T.C.A. § 4-3-717(e).

Please identify the type of FastTrack funding requested and the grant or loan amount:

TYPE OF FUNDING		RECIPIENT ENTITY	GRANT AMOUNT	LOAN AMOUNT
<input type="checkbox"/>	INFRASTRUCTURE			
<input type="checkbox"/>	TRAINING*			
<input checked="" type="checkbox"/>	ECONOMIC DEVELOPMENT	The Industrial Development Board of Rutherford County, Tennessee	\$2,000,000	
TOTAL			\$2,000,000	

(Recipient entity must be a local government, their economic development organization, a political subdivision of the state, or an eligible business beneficiary [for training only].)

*ELIGIBLE BUSINESS BENEFICIARY (if different than Recipient Entity): Barrett Firearms Manufacturing, Inc.

Complete the General Statutory Compliance section below and the section(s) that corresponds with the type of funding indicated above. General Statutory Compliance items apply to all types of funding represented above.

GENERAL STATUTORY COMPLIANCE

☐ Yes ☒ No

- Will this new commitment cause the FastTrack appropriations to be over-committed T.C.A. § 4-3-716(g)?
If "yes," state funding board concurrence is required. Attach the commissioner's rationale used to determine the amount of actual commitments unlikely to be accepted based on historical program trends (maximum allowed is 130% of the appropriations available for new grants).
- Will this new commitment place in jeopardy compliance with the legislative intent that actual expenditures and obligations to be recognized at the end of the fiscal year not exceed available reserves and appropriations of the programs T.C.A. § 4-3-716(g)?
- Does this grant or loan comply with the legislative intent to distribute FastTrack funds in all areas of the state to the extent practicable T.C.A. § 4-3-716(f)?
- Has the commissioner of economic and community development provided to the commissioner of finance and administration (with copies transmitted to the speaker of the house of representatives, the speaker of the senate, the chairs of the finance, ways and means committees, the state treasurer, the state comptroller, the office of legislative budget analysis, and the secretary of state) the most recent quarterly report regarding the status of the appropriations for the FastTrack fund T.C.A. § 4-3-716(h)?

☐ Yes ☒ No

☒ Yes ☐ No

☒ Yes ☐ No

☒

Identify which of the following apply:

- Does the business export more than half of their products or services outside of Tennessee T.C.A. § 4-3-717(h)(1)(A)?
 - Do more than half of the business' products or services enter into the production of exported products T.C.A. § 4-3-717(h)(1)(B)?
 - Does the use of business' products primarily result in import substitution on the replacement of imported products or services with those produced in the state T.C.A. § 4-3-717(h)(1)(C)?
 - Has the commissioner of economic and community development determined the business has other types of economic activity that contributes significantly to community development education and has a beneficial impact on the economy of the state T.C.A. § 4-3-717(h)(1)(D)? If "yes," attach the commissioner's rationale.

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Applicant must answer "Yes" to a or b.

- Is there a commitment by a responsible official in an eligible business for the creation or retention of private sector jobs and investment T.C.A. § 4-3-717(a)? If "yes," attach documentation.
 - Has the commissioner of economic and community development determined that this investment will have a direct impact on employment and investment opportunities in the future T.C.A. § 4-3-717(a)? If "yes," attach the commissioner's rationale.

☐

TRAINING

7. Will the grant support the training of new employees for locating or expanding industries *T.C.A. § 4-3-717(c)(1)?*
8. Will the grant support the retraining of existing employees where retraining is required by the installation of new machinery or production processes *T.C.A. § 4-3-717(c)(2)?*

☐ Yes ☐ No

☐ Yes ☐ No

INFRASTRUCTURE

9. Is the land to be improved publicly owned and not subject to a purchase option by a private entity where the purchase option covering the land may be exercised within a period of five (5) years following the date of the infrastructure grant? *T.C.A. § 4-3-717(b)(2-3)?*
10. Is this grant or loan made to a local government, a local government economic development organization or other political subdivision of the state *T.C.A. § 4-3-717(d)(1)?*
11. In determining the level of assistance for infrastructure and site preparation, was consideration given to local ability-to-pay with areas of lesser ability being eligible for higher grant rates *T.C.A. § 4-3-717(f)?*

☐ Yes ☐ No

☐ Yes ☐ No

Applicant must answer "Yes" to a or b.

12. a. Will the grant or loan address infrastructure, such as, water, wastewater, transportation systems, line extensions, industrial site preparation or similar items where it is demonstrated that such improvements are necessary for the location or expansion of business or industry *T.C.A. § 4-3-717(h)(2)?*
- b. Has the commissioner of economic and community development determined the funds make significant technological improvements such as digital switches or fiber optic cabling that would have a beneficial impact on the economy of this state *T.C.A. § 4-3-717(h)(2)?* If "yes," attach the commissioner's rationale.

☐ Yes ☐ No

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☐

ECONOMIC DEVELOPMENT

13. Is this grant or loan made to a local government, a local government economic development organization or other political subdivision of the state *T.C.A. § 4-3-717(d)(1)?*
14. Is this grant or loan eligible for FastTrack infrastructure development or job training assistance funds *T.C.A. § 4-3-717(d)(1)?*
15. Will this grant or loan be used to facilitate economic development activities that include, but are not limited to, retrofitting, relocating equipment, purchasing equipment, building repairs and improvements, temporary office space or other temporary equipment related to relocation or expansion of a business *T.C.A. § 4-3-717(d)(1)?*
16. Will the funds be used in exceptional circumstances wherein the funds will make a proportionally significant economic impact on the affected community *T.C.A. § 4-3-717(d)(1)?* If "yes," attach an explanation of the exceptional circumstances and the proportionally significant economic impact.
17. The department of economic and community development is required to notify and provide the state funding board a detailed written explanation of the purpose for which this economic development grant or loan is being awarded or used *T.C.A. § 4-3-717(d)(2)*. Attach documentation.

☒ Yes ☐ No

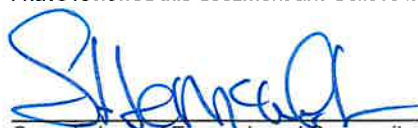
☐ Yes ☒ No

☒ Yes ☐ No

☒ Yes ☐ No

☒ Yes ☐ No

I have reviewed this document and believe it to be correct.


Commissioner of Economic and Community Development

5/13/25
Date



Department of Economic and Community Development

Stuart McWhorter
Commissioner

Bill Lee
Governor

March 4, 2025

INCENTIVE ACCEPTANCE FORM

This form serves as notice that Barrett Firearms Manufacturing, Inc. intends, in good faith, to create 183 private sector jobs in Christiana, Rutherford County and make a capital investment of \$76,429,612 in exchange for incentives that will be memorialized in a grant agreement between Barrett Firearms Manufacturing, Inc. and the State of Tennessee. New jobs must be in addition to the company's baseline of 178 jobs at the project site in Tennessee.

ECD OFFER SUMMARY

FastTrack Economic Development Grant:	\$ 2,000,000
Total ECD Commitment:	\$ 2,000,000

Please sign your name in the space below to signify Barrett Firearms Manufacturing, Inc.'s acceptance of ECD's offer set forth above and return it by June 2, 2025, to:

Tennessee Department of Economic and Community Development
Attn: Sydney Forrest
312 Rosa Parks Avenue, 27th Floor
Nashville, TN 37243
Sydney.Forrest@tn.gov

Please note that this Incentive Acceptance Form does not give rise to any legal obligations on the part of the State of Tennessee, any department or instrumentality of the State of Tennessee (including ECD and the Department of Revenue) or the Company. The terms and conditions governing the award of the incentive package described herein will be set forth in a grant agreement, the form of which will be provided to the Company following the delivery of an executed copy of the Incentive Acceptance Form. The incentives described in this letter are based upon the representations made by the Company to ECD regarding the project. ECD reserves the right to revise the incentives described in this Incentive Acceptance Form if any aspect of the project changes after receipt of this form. Changes that could result in revision of incentives include, but are not limited to, number of jobs, amount of capital investment, composition of company vs. contract jobs, average wage, or location of the project. ECD reserves the right to recover funds for this project if grant contracts are not executed within one year of the date of signature below.

Signature: B. K. F.
(Authorized Representative of Company)

Date: 12 MAR 2025



Department of Economic and Community Development

Stuart McWhorter
Commissioner

Bill Lee
Governor

May 19, 2025

Comptroller Jason Mumpower
First Floor, State Capitol
Nashville, TN 37243

Dear Comptroller Mumpower:

Pursuant to Tennessee Code Annotated §4-3-717 (d)(1)-(2), I am writing to inform you that the Department of Economic and Community Development is awarding a FastTrack Economic Development Grant to The Industrial Development Board of Rutherford County, Tennessee for the benefit of Barrett Firearms Manufacturing, Inc. in the amount of \$2,000,000 to offset the costs Barrett Firearms Manufacturing, Inc. will incur in new building construction and acquisition of real property. The project activities would not be eligible for the FastTrack Infrastructure Development Program.

This project will yield a proportionately significant impact on this community due to the number of net new, high wage jobs and capital investment. Barrett Firearms Manufacturing, Inc. has committed to create 183 net new jobs and make a \$76,429,612 capital investment within five (5) years. The company will have an average hourly wage of \$31.05 for the new positions. This project will have an exceptional impact on this area of the state.

Sincerely,

A handwritten signature in blue ink, appearing to read "Stuart McWhorter", written over a light blue horizontal line.

Stuart McWhorter

SM/js

State Funding Board FastTrack Checklist

FastTrack grants or loans exceeding seven hundred fifty thousand dollars (\$750,000) per eligible business within a three-year period require state funding board approval T.C.A. § 4-3-717(e).

Please identify the type of FastTrack funding requested and the grant or loan amount:

TYPE OF FUNDING		RECIPIENT ENTITY	GRANT AMOUNT	LOAN AMOUNT
<input type="checkbox"/>	INFRASTRUCTURE			
<input type="checkbox"/>	TRAINING*			
<input checked="" type="checkbox"/>	ECONOMIC DEVELOPMENT	Economic Development Growth Engine Industrial Development Board of the City of Memphis and County of Shelby, Tennessee	\$1,500,000	
TOTAL			\$1,500,000	

(Recipient entity must be a local government, their economic development organization, a political subdivision of the state, or an eligible business beneficiary [for training only].)

***ELIGIBLE BUSINESS BENEFICIARY (if different than Recipient Entity):** Hvosung HICO, Ltd. Company

Complete the General Statutory Compliance section below and the section(s) that corresponds with the type of funding indicated above. General Statutory Compliance items apply to all types of funding represented above.

GENERAL STATUTORY COMPLIANCE

- Will this new commitment cause the FastTrack appropriations to be over-committed T.C.A. § 4-3-716(g)? ☐ Yes ☒ No
If "yes," state funding board concurrence is required. Attach the commissioner's rationale used to determine the amount of actual commitments unlikely to be accepted based on historical program trends (maximum allowed is 130% of the appropriations available for new grants).
- Will this new commitment place in jeopardy compliance with the legislative intent that actual expenditures and obligations to be recognized at the end of the fiscal year not exceed available reserves and appropriations of the programs T.C.A. § 4-3-716(g)? ☐ Yes ☒ No
- Does this grant or loan comply with the legislative intent to distribute FastTrack funds in all areas of the state to the extent practicable T.C.A. § 4-3-716(f)? ☒ Yes ☐ No
- Has the commissioner of economic and community development provided to the commissioner of finance and administration (with copies transmitted to the speaker of the house of representatives, the speaker of the senate, the chairs of the finance, ways and means committees, the state treasurer, the state comptroller, the office of legislative budget analysis, and the secretary of state) the most recent quarterly report regarding the status of the appropriations for the FastTrack fund T.C.A. § 4-3-716(h)? ☒ Yes ☐ No

Identify which of the following apply:

- Does the business export more than half of their products or services outside of Tennessee T.C.A. § 4-3-717(h)(1)(A)? ☒
 - Do more than half of the business' products or services enter into the production of exported products T.C.A. § 4-3-717(h)(1)(B)? ☐
 - Does the use of business' products primarily result in import substitution on the replacement of imported products or services with those produced in the state T.C.A. § 4-3-717(h)(1)(C)? ☐
 - Has the commissioner of economic and community development determined the business has other types of economic activity that contributes significantly to community development education and has a beneficial impact on the economy of the state T.C.A. § 4-3-717(h)(1)(D)? If "yes," attach the commissioner's rationale. ☐

Applicant must answer "Yes" to a or b.

- Is there a commitment by a responsible official in an eligible business for the creation or retention of private sector jobs and investment T.C.A. § 4-3-717(a)? If "yes," attach documentation. ☒
 - Has the commissioner of economic and community development determined that this investment will have a direct impact on employment and investment opportunities in the future T.C.A. § 4-3-717(a)? If "yes," attach the commissioner's rationale. ☐

TRAINING

7. Will the grant support the training of new employees for locating or expanding industries *T.C.A. § 4-3-717(c)(1)*? ☐ Yes ☐ No
8. Will the grant support the retraining of existing employees where retraining is required by the installation of new machinery or production processes *T.C.A. § 4-3-717(c)(2)*? ☐ Yes ☐ No

INFRASTRUCTURE

9. Is the land to be improved publicly owned and not subject to a purchase option by a private entity where the purchase option covering the land may be exercised within a period of five (5) years following the date of the infrastructure grant? *T.C.A. § 4-3-717(b)(2-3)*? ☐ Yes ☐ No
10. Is this grant or loan made to a local government, a local government economic development organization or other political subdivision of the state *T.C.A. § 4-3-717(d)(1)*? ☐ Yes ☐ No
11. In determining the level of assistance for infrastructure and site preparation, was consideration given to local ability-to-pay with areas of lesser ability being eligible for higher grant rates *T.C.A. § 4-3-717(f)*? ☐ Yes ☐ No

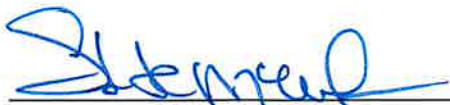
Applicant must answer "Yes" to a or b.

12. a. Will the grant or loan address infrastructure, such as, water, wastewater, transportation systems, line extensions, industrial site preparation or similar items where it is demonstrated that such improvements are necessary for the location or expansion of business or industry *T.C.A. § 4-3-717(h)(2)*? ☐
- b. Has the commissioner of economic and community development determined the funds make significant technological improvements such as digital switches or fiber optic cabling that would have a beneficial impact on the economy of this state *T.C.A. § 4-3-717(h)(2)*? If "yes," attach the commissioner's rationale. ☐

ECONOMIC DEVELOPMENT

13. Is this grant or loan made to a local government, a local government economic development organization or other political subdivision of the state *T.C.A. § 4-3-717(d)(1)*? ☒ Yes ☐ No
14. Is this grant or loan eligible for FastTrack infrastructure development or job training assistance funds *T.C.A. § 4-3-717(d)(1)*? ☐ Yes ☒ No
15. Will this grant or loan be used to facilitate economic development activities that include, but are not limited to, retrofitting, relocating equipment, purchasing equipment, building repairs and improvements, temporary office space or other temporary equipment related to relocation or expansion of a business *T.C.A. § 4-3-717(d)(1)*? ☒ Yes ☐ No
16. Will the funds be used in exceptional circumstances wherein the funds will make a proportionally significant economic impact on the affected community *T.C.A. § 4-3-717(d)(1)*? If "yes," attach an explanation of the exceptional circumstances and the proportionally significant economic impact. ☒ Yes ☐ No
17. The department of economic and community development is required to notify and provide the state funding board a detailed written explanation of the purpose for which this economic development grant or loan is being awarded or used *T.C.A. § 4-3-717(d)(2)*. Attach documentation. ☒ Yes ☐ No

I have reviewed this document and believe it to be correct.



Commissioner of Economic and Community Development

5/13/25
Date



Department of Economic and Community Development

Stuart McWhorter
Commissioner

Bill Lee
Governor

April 2, 2025

INCENTIVE ACCEPTANCE FORM

This form serves as notice that Hyosung HICO, Ltd. Company intends, in good faith, to create 123 private sector jobs in Memphis, Shelby County and make a capital investment of \$50,808,446 in exchange for incentives that will be memorialized in a grant agreement between Hyosung HICO, Ltd. Company and the State of Tennessee. New jobs must be in addition to the company's baseline of 387 jobs at the project site in Tennessee.

ECD OFFER SUMMARY

FastTrack Economic Development Grant:	\$ 1,500,000
Total ECD Commitment:	\$ 1,500,000

Please sign your name in the space below to signify Hyosung HICO, Ltd. Company's acceptance of ECD's offer set forth above and return it by July 1, 2025, to:

Tennessee Department of Economic and Community Development
Attn: Sydney Forrest
312 Rosa Parks Avenue, 27th Floor
Nashville, TN 37243
Sydney.Forrest@tn.gov

Please note that this Incentive Acceptance Form does not give rise to any legal obligations on the part of the State of Tennessee, any department or instrumentality of the State of Tennessee (including ECD and the Department of Revenue) or the Company. The terms and conditions governing the award of the incentive package described herein will be set forth in a grant agreement, the form of which will be provided to the Company following the delivery of an executed copy of the Incentive Acceptance Form. The incentives described in this letter are based upon the representations made by the Company to ECD regarding the project. ECD reserves the right to revise the incentives described in this Incentive Acceptance Form if any aspect of the project changes after receipt of this form. Changes that could result in revision of incentives include, but are not limited to, number of jobs, amount of capital investment, composition of company vs. contract jobs, average wage, or location of the project. ECD reserves the right to recover funds for this project if grant contracts are not executed within one year of the date of signature below.

Signature: 
(Authorized Representative of Company)

Date: 4/2/2025

President



Department of Economic and Community Development

Stuart McWhorter
Commissioner

Bill Lee
Governor

May 19, 2025

Comptroller Jason Mumpower
First Floor, State Capitol
Nashville, TN 37243

Dear Comptroller Mumpower:

Pursuant to Tennessee Code Annotated §4-3-717 (d)(1)-(2), I am writing to inform you that the Department of Economic and Community Development is awarding a FastTrack Economic Development Grant to the Economic Development Growth Engine Industrial Development Board of the City of Memphis and County of Shelby, Tennessee for the benefit of Hyosung HICO, Ltd. Company in the amount of \$1,500,000 to offset the costs Hyosung HICO, Ltd. Company will incur in new building construction. The project activities would not be eligible for the FastTrack Infrastructure Development Program.

This project will yield a proportionately significant impact on the community due to the number of high wage jobs and significant capital investment. Hyosung HICO, Ltd. Company has committed to create 123 net new jobs representing a \$50,808,446 capital investment within 5 years. The company will have an average hourly wage of \$29.04 for the new positions. This project will have an exceptional impact.

Sincerely,

A handwritten signature in blue ink, appearing to read "Stuart McWhorter".

Stuart McWhorter

SM/js



JASON E. MUMPOWER
Comptroller

MAY 19, 2025

CITY OF PIGEON FORGE

The City of Pigeon Forge (the “City”) is requesting retroactive* approval from the Tennessee State Funding Board (SFB) for the issuance of its Series 2021B General Obligation Refunding Bonds (the “Bonds”) in the principal amount of \$65,585,000 to reduce the City’s interest expense by refunding previous bonds issued to fund City Tourist Development Zone (TDZ) projects. The Bonds are secured by unlimited ad valorem taxes to be levied on all taxable property within the City and is additionally payable from, but not secured by a pledge of an allocation of state and local sales and use taxes pursuant to the Convention Center and Tourism Development Financing Act of 1998 (Title 7 Chapter 88 of the Tennessee Code Annotated) (the “1998 Act”) (the “TDZ Revenues”). Approval from the SFB is required by Public Chapter 816, Acts of 2018 which amended the 1998 Act.

A. Approval Request Letter

1) Timing of Approval Request:

- ☐ The municipality submitted the request with all applicable accompanying items at least 60 calendar days prior to the proposed sale date of the debt.
- ☒ The municipality did not submit the request with all applicable accompanying items at least 60 calendar days prior to the proposed sale date of the debt.
- ☒ Alternate timeframe agreed upon in writing
- ☐ No agreed upon alternate timeframe

2) The requestor is a:

- ☒ Municipality
- ☐ Industrial Development Board (IDB)
- ☐ Other Entity

*See attached letter from the City of Pigeon Forge for additional information regarding the reasoning behind the request for retroactive approval.

Contact information of entity:

David Wear, Mayor
City of Pigeon Forge
PO Box 1350
Pigeon Forge, TN 37868
Email: dwear@cityofpigeonforgetn.gov
Phone: (865) 453-9061

3) Type of Debt:

Tax-exempt refunding bonds in the amount of \$65,585,000

4) Type of Security:

The Bonds are secured and payable from unlimited ad valorem taxes to be levied on all taxable property within the City and are additionally payable from TDZ Revenues

5) The purpose of the proposed debt issuance is:

☒ Refunding; refinanced debt previously used to fund City TDZ projects
☐ New Money
☐ Both

6) Proposed Structure of the Debt:

☒ Level Debt Service maturing 2022 through 2036
☐ Level Principal maturing _____ through _____
☐ Other maturing _____ through _____

7) Method of Sale:

- ☒ Competitive
☐ Negotiated
☐ Direct Placement

8) Expected Sale Date of the Debt: 08/19/2021

9) Binding Statements Present

- ☒ Municipality will use debt proceeds for specified QPUF in the TDZ or to refund debt that financed a QPUF in requirements of State law

The proceeds will be used to refinance debt previously used to fund City TDZ projects

- ☒ Municipality will not issue new money or refunding debt secured, in whole or in part, by a pledge of TDZ revenue with a final maturity extending beyond the fiscal year in which the final date of the apportionment and distribution of state and local sales and use taxes occurs

Final date of apportionment and distribution is expected to occur in 2036

- ☒ Municipality will repay the debt if TDZ revenues are not sufficient

The City will repay the debt with unlimited ad valorem taxes levied within the City

B. Additional Documentation

- ☒ Confirmation from Issuer that the project to be financed is certified as a QPUF by Finance and Administration and if applicable confirmation the project financed by the original debt is still in service.

- ☒ Debt Amortization schedule with approval letter from the Commissioner of Finance and Administration or evidence of submission for approval

- ☒ Adopted Debt Authorizing Resolution

- ☒ Draft POS or offering memorandum (If bank loan, a loan agreement or promissory note)

- ☐ Lease Agreement (If one is associated with this debt)

- ☐ Approved Plan of Balloon Indebtedness (If required)

N/A Positive Report of Compliance with SFB Guidelines for Interest Rate and Forward Purchase Agreements (If required)

C. Additional Documentation – Refunding Only

X Confirmation of the filing of all required Annual Reports with the Commissioner of the Department of Finance and Administration and the State Building Commission

X Report of the Plan of Refunding from Division of Local Government Finance, if applicable



April 17, 2025

VIA E-MAIL (sandi.thompson@cot.tn.gov)

Ms. Sandra Thompson, Assistant Secretary
Tennessee State Funding Board
Cordell Hull Building
425 Rep. John Lewis Way N., 4th Floor
Nashville, Tennessee 37243

RE: City of Pigeon Forge, Tennessee – \$65,585,000 General Obligation Refunding Bonds,
Series 2021B– Request for Retroactive State Funding Board Approval

Dear Sandi:

The City of Pigeon Forge, Tennessee (the “City”) requests retroactive State Funding Board approval of its Series 2021B General Obligation Refunding Bonds (the “Bonds”) which are secured by unlimited ad valorem taxes levied within the City. The Bonds are additionally payable from, but not secured by a pledge of, taxes received by the City under the Convention Center and Tourism Development Financing Act of 1998 (Sections 7-88-101, et seq., Tennessee Code Annotated) (the “TDZ Revenues”).

The Bonds were issued to reduce the City’s interest expense on certain outstanding debt. The Bonds were sold via competitive sale on August 19, 2021 with level debt service. For more information related to the structure and sale, please find attached copies of the authorizing resolutions as Exhibit A and the Official Statement as Exhibit B. Finally, as required by the State Funding Board Guidelines, the City certifies the following:

- The City will not issue new money or subsequent refunding debt that is secured, in whole or in part, by a pledge of the TDZ Revenues with a final maturity extending beyond the final date of the apportionment and distribution of state and local sales and use taxes.
- The Bonds refinanced debt previously used to fund City TDZ projects, as authorized by Tenn. Code Ann. Sections 7-88-101, *et seq.* Such City TDZ projects are still in service.
- All required Annual Reports have been filed with Commissioner of the Department of Finance and Administration and the State Building Commission pursuant to Tenn. Code Ann. Section 7-88-114(f).

At the time the Bonds were issued, the City was advised by its bond counsel that approval of the Bonds was not required by applicable law or by the relevant state guidelines, and our bond counsel has informed the City that such advice remains correct in its judgment.

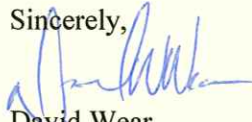
It is important to note that the City was transparent with the State in connection with the issuance of the Bonds. The City requested a refunding report from the Comptroller’s Division of Local Government Finance with respect to the Bonds, and on June 30, 2021, the City received that refunding report, which was shared with City Commission in connection with the approval of the issuance of the Bonds. As was shown in that report, the City anticipated substantial debt service savings from the

issuance of the Bonds, and, in fact, the Bonds produced a net present value savings to the City of \$19,049,605.57.

It is our understanding that the State's legal advisors employ a stricter reading than our bond counsel of this matter, so we are submitting this request for retroactive State Funding Board approval to avoid any concerns in that regard. The City wants to be fully cooperative with the State in all respects relating to these matters, and we are confident that the State Funding Board will concur that the issuance of the Bonds was in the best interests of the City and the State in all respects given the enormous savings to the City.

If you need further information, please contact me at dwear@cityofpigeonforgetn.gov or (865) 453-9061. Thank you for your consideration of this request.

Sincerely,



David Wear
Mayor
City of Pigeon Forge, Tennessee

Cc: Betsy Knotts (betsy.knotts@bassberry.com)
Chris Bessler (chris.bessler@cumberlandsecurities.com)



JASON E. MUMPOWER
Comptroller

MAY 19, 2025

CITY OF PIGEON FORGE

The City of Pigeon Forge (the “City”) is requesting approval from the Tennessee State Funding Board (SFB) to enter into a direct placement loan for a not-to-exceed principal amount of \$30,000,000 (the “Loan”) to finance an expansion of the City’s convention and civic center, (the “LeConte Center”). The Loan is secured by unlimited ad valorem taxes to be levied on all taxable property within the City and is additionally payable from, but not secured by a pledge of an allocation of state and local sales and use taxes pursuant to the Convention Center and Tourism Development Financing Act of 1998 (Title 7 Chapter 88 of the Tennessee Code Annotated) (the “1998 Act”) (the “TDZ Revenues”). Request for approval is required by Public Chapter 816, Acts of 2018 which amended the 1998 Act.

A. Approval Request Letter

1) Timing of Approval Request:

- ☐ The municipality submitted the request with all applicable accompanying items at least 60 calendar days prior to the proposed sale date of the debt.
- ☒ The municipality did not submit the request with all applicable accompanying items at least 60 calendar days prior to the proposed sale date of the debt.
- ☒ Alternate timeframe agreed upon in writing
- ☐ No agreed upon alternate timeframe

2) The requestor is a:

- ☒ Municipality
- ☐ Industrial Development Board (IDB)
- ☐ Other Entity

Contact information of entity:

David Wear, Mayor
City of Pigeon Forge
PO Box 1350
Pigeon Forge, TN 37868
Email: dwear@cityofpigeonforgetn.gov
Phone: (865) 453-9061

3) Type of Debt:

Tax-exempt direct placement variable rate loan in an amount not to exceed \$30 million that may be prepaid at any time

4) Type of Security:

The Loan is secured by unlimited ad valorem taxes to be levied on all taxable property within the City and is additionally payable from TDZ Revenues.

5) The purpose of the proposed debt issuance is:

☐ Refunding

☒ New Money; to finance an expansion of the City's convention and civic center, known as LeConte Center

☐ Both

6) Proposed Structure of the Debt:

☐ Level Debt Service maturing _____ through _____

☐ Level Principal maturing _____ through _____

☒ Other maturing 2026 through 2036

7) Method of Sale:

- ☐ Competitive
- ☐ Negotiated
- ☒ Direct Placement

8) Expected Sale Date of the Debt: 05/30/2025

9) Binding Statements Present

☒ Municipality will use debt proceeds for specified QPUF in the TDZ or to refund debt that financed a QPUF in requirements of State law

The proceeds will be used to finance an expansion of the LeConte Center, which was previously approved by the Department of Finance and Administration as a qualified public use facility in 2006.

☒ Municipality will not issue new money or refunding debt secured, in whole or in part, by a pledge of TDZ revenue with a final maturity extending beyond the fiscal year in which the final date of the apportionment and distribution of state and local sales and use taxes occurs

Final date of apportionment and distribution is expected to occur in 2036

☒ Municipality will repay the debt if TDZ revenues are not sufficient

The City will repay the debt with unlimited ad valorem taxes levied within the City.

B. Additional Documentation

☒ Confirmation from Issuer that the project to be financed is certified as a QPUF by Finance and Administration and if applicable confirmation the project financed by the original debt is still in service.

Approved by State Building Commission on May 11, 2006

☒ Debt Amortization schedule with approval letter from the Commissioner of Finance and Administration or evidence of submission for approval

☒ Adopted Debt Authorizing Resolution

X Draft POS or offering memorandum (If bank loan, a loan agreement or promissory note)

Loan agreement between The Public Building Authority of Sevier County, Tennessee and the City

N/A Lease Agreement (If one is associated with this debt)

N/A Approved Plan of Balloon Indebtedness (If required)

N/A Positive Report of Compliance with SFB Guidelines for Interest Rate and Forward Purchase Agreements (If required)

C. Additional Documentation – Refunding Only

N/A Confirmation of the filing of all required Annual Reports with the Commissioner of the Department of Finance and Administration and the State Building Commission

N/A Report of the Plan of Refunding from Division of Local Government Finance, if applicable



April 17, 2025

VIA E-MAIL (sandi.thompson@cot.tn.gov)

Ms. Sandra Thompson, Assistant Secretary
Tennessee State Funding Board
Cordell Hull Building
425 Rep. John Lewis Way N., 4th Floor
Nashville, Tennessee 37243

RE: City of Pigeon Forge, Tennessee – Series VII-R-1 Loan Agreement– Request for State Funding Board Approval

Dear Sandi:

The City Commission of the City of Pigeon Forge, Tennessee (the “City”) has approved an initial resolution and a detailed resolution authorizing the issuance of a \$30,000,000 loan (the “Series VII-R-1 Loan”) to finance an expansion of the City’s convention and civic events center, known as LeConte Center, through a loan agreement with The Public Building Authority of Sevier County, Tennessee (the “Loan Agreement”). Certified copies of the initial and detailed resolutions are attached hereto as Exhibit A. Pursuant to Tenn. Code Ann. Sections 9-21-206 and 12-10-115, the initial resolution will be published in *The Mountain Press*, a newspaper of general circulation in the City, on April 17, 2025. A copy of the approved form of Loan Agreement is also attached hereto as Exhibit B. Pursuant to Section 4 of the detailed resolution, the Series VII-R-1 Loan is secured by unlimited ad valorem taxes to be levied on all taxable property within the City and is additionally payable from, but not secured by a pledge of, taxes received by the Municipality under the Convention Center and Tourism Development Financing Act of 1998 (Sections 7-88-101, *et seq.*, Tennessee Code Annotated) (the “TDZ Revenues”). Pursuant to Tenn. Code Ann. Section 7-88-107(c) and the State Funding Board’s Tourism Development Zone Debt Guidelines, as interpreted by the State’s legal advisors, the City hereby requests approval to enter into the Loan Agreement.

The Series VII-R-1 Loan will be sold by direct placement on or around May 30, 2025, and structured as set forth in the financial reports attached hereto as Exhibit C. The proceeds of the Series VII-R-1 Loan shall be used to finance an expansion of the LeConte Center. The LeConte Center was previously approved by the Department of Finance and Administration as a qualified public use facility in 2006. The proceeds of the Series VII-R-1 Loan would also pay costs related to the sale and issuance of the Series VII-R-1 Loan. An estimated sources and uses is also included at Exhibit C.

In order to obtain the most flexibility, the City has approved the issuance of the Series VII-R-1 Loan as a variable rate loan that is prepayable at any time. The City plans to pay off all outstanding debt secured by or payable from TDZ Revenues once the City has completed its remaining State-approved projects (e.g. Westside Connector, parking garage, festival center) and when the City’s fund balance of TDZ Revenues exceeds all remaining outstanding debt secured or payable from TDZ Revenues. As you know, fixed rate debt that is competitively sold would not provide the flexibility necessary for the situation described above because it would likely be subject to a 10-year call date which would occur after 2031. As previously presented to State officials in November of 2023, this measured and phased approach to funding TDZ projects, utilizing variable rate debt in addition to fixed rate debt, is why the

City's TDZ has been financially successful and saved millions of dollars in interest costs. The estimated payoff and termination date of the TDZ, as previously presented to State officials, is still estimated to occur in 2031, assuming successful completion of the approved qualified public use facilities and stable TDZ Revenues.

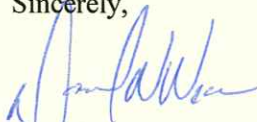
The proposed issuance of the Series VII-R-1 Loan complies with the City's debt management policy. The City maintains substantial cash reserves in case of unanticipated increases in interest rates in the variable rate debt markets, and as explained above, it is essential to provide the flexibility to redeem this debt in the near term future. The City Commission has been provided an analysis of the risks and returns of the Series VII-R-1 Loan. Additionally, since the Series VII-R-1 Loan is subject to an initial mandatory purchase date on June 1, 2030, it is considered balloon indebtedness under Tenn. Code Ann. Section 9-21-133 and a schedule showing the potential mandatory put is attached hereto as Exhibit D. The City Commission has been informed of any terms, conditions, fees, or other costs associated with any prepayment of the Series VII-R-1 Loan and all necessary disclosures are included in the detailed resolution to qualify the transaction for the State Funding Board's blanket exemption to the balloon indebtedness law.

Simultaneously with this request and pursuant to Tenn. Code Ann. Section 7-88-109, the City is filing a request for approval of the proposed Series VII-R-1 Loan amortization schedules with the Commissioner of the Department of Finance and Administration. A copy of such request is attached hereto as Exhibit E.

In the unlikely event the TDZ Revenues become insufficient to repay the Series VII-R-1 Loan, the City will repay it with unlimited ad valorem taxes levied within the City, as described in Section 4 of the detailed resolution. Finally, the City certifies that it will not issue new money or subsequent refunding debt that is secured, in whole or in part, by a pledge of the TDZ Revenues with a final maturity extending beyond the final date of the apportionment and distribution of state and local sales and use taxes.

If you need further information, please contact me at dwear@cityofpigeonforgetn.gov or (865) 453-9061. Thank you for your consideration of this request.

Sincerely,



David Wear

Mayor

City of Pigeon Forge, Tennessee

Cc: Betsy Knotts (betsy.knotts@bassberry.com)
Chris Bessler (chris.bessler@cumberlandsecurities.com)