



City Council Building
Chattanooga, Tennessee
COUNCIL MEETING MINUTES
November 28, 2017
6:00 PM

CALL TO ORDER

Council Chairman Jerry Mitchell called the meeting to order with Vice-Chairman Ken Smith and Councilpersons Carol Berz, Anthony Byrd, Demetrus Coonrod, Russell Gilbert, Chip Henderson, Darrin Ledford and Erskine Oglesby. Keith Reisman, Assistant City Attorney, and Nicole Gwyn, Council Clerk, were also present.

PLEDGE OF ALLEGIANCE

Councilman Oglesby led the Assembly in the Pledge of Allegiance and gave invited Youth Pastor Corey Morris of Resurrected Baptist Church to give the invocation.

APPROVAL OF LAST MINUTES

On motion of Vice-Chairman Smith and seconded by Councilman Oglesby, the minutes of the last meeting (November 21, 2017) were approved as published.

SPECIAL PRESENTATIONS (2)

Presentation #1:

“Retirement of John W. Van Winkle for 31 years of service”
By Blythe Bailey, Administrator for the Department of Transportation

Mr. Bailey presented a certificate of recognition to Mr. Van Winkle:

*In Recognition for outstanding contributions to
The City of Chattanooga, this certificate is being presented to
John W. Van Winkle
In celebration of 31 Years of Service to The City of Chattanooga.*

*Presented in Chattanooga, Tennessee
December 31, 2017*

Andy Berke, Mayor

Mr. Bailey described the five elements that described Mr. Van Winkle’s career at the City: (1) NTMP (traffic calming); (2) Roundabouts; (3) Technology; (4) Principle; and (5) Leadership. He also presented Mr. Van Winkle with a commemorative street sign reading “Van Winkle Way.”

Former mayor Ron Littlefield presented a “Key to the City” to Mr. Van Winkle. Steve Leach, former Public Works Administrator, also joined Mr. Littlefield in honoring Mr. Van Winkle.

Presentation #2:

“Tech Workforce Program”
**By Coach Lurone Jennings, Administrator for
Youth and Family Development**

Mr. Jennings introduced Chris Ramsey, CEO of TechTown, who presented the graduates of the Tech Workforce Program. Mr. Ramsey made a presentation detailing the results of the program upon the lives of participants. *[See attached presentation]* Mr. Ramsey recognized Dr. David Banks, Program Steering Committee and Life Coaching Skills; Mike Carol, Board Chair; and Reginald Ruff, board member. Councilman Gilbert thanked Mr. Ramsey for the data showing positive results.

ORDINANCES – FINAL READING:

Alternate Version

On motion of Vice-Chairman Smith and seconded by Councilman Henderson,

ORDINANCE #13251

AN ORDINANCE TO AMEND CHATTANOOGA CITY CODE, PART II, CHAPTER 31, ARTICLE VIII, SECTIONS 31-301 THROUGH 31-365 RELATIVE TO STORMWATER MANAGEMENT.

ACTION: APPROVED

ORDINANCES – FIRST READING:

2017-138
ASA Engineering c/o Allen Jones
Alternate Version
District No. 1

ORDINANCE #13252

AN ORDINANCE TO AMEND CHATTANOOGA CITY CODE, PART II, CHAPTER 38, ZONING ORDINANCE, SO AS TO REZONE PROPERTIES LOCATED AT 5564 DAYTON BOULEVARD, IN THE 400 BLOCK OF GADD ROAD, AND IN THE 300 BLOCK OF ALLEN ROAD, MORE PARTICULARLY DESCRIBED HEREIN, FROM R-1 RESIDENTIAL ZONE, R-2 RESIDENTIAL ZONE, R-5 RESIDENTIAL ZONE, AND C-2 CONVENIENCE COMMERCIAL ZONE TO R-1 RESIDENTIAL ZONE AND R-T/Z RESIDENTIAL TOWNHOUSE ZERO LOT LINE ZONE, SUBJECT TO CERTAIN CONDITIONS.

Chairman Mitchell confirmed that there was no Opposition present. Councilman Henderson informed the Council that the Applicant brought a new list of conditions at the 3:00 p.m. meeting

that he wanted to be designated as the “Alternate Version” of this ordinance. He also informed the Council that there was one condition approved at Planning in Section 2 that had been left out of the first Alternate Version: “*RT/Z residential Townhouse Zero Lot Line Zone shall be limited to a maximum of 16 single-family detached homes.*”

Councilman Henderson moved to amend the Alternate Version to include the one previous condition. He was seconded by Vice-Chairman Smith. The motion carried.

He read the other four new conditions to be included to the Alternate Version:

1. *Greentech shall dedicate 243 Allen Road for open space only and no homes shall be built on this parcel;*
2. *Greentech shall install a speed table on Allen Road to the east of Kimbro Street;*
3. *No access shall be provided to the undeveloped Kimbro Street right of way;*
4. *No construction traffic shall be allowed on existing Allen Road and Dayton Boulevard to Kimbro Street.*

Councilman Henderson moved to approve the Alternate Version with four new conditions. He was seconded by Councilman Gilbert. The motion carried.

ACTION: ALT. VERSION PASSED AS AMENDED ON FIRST READING

2017-087
Zachery Darnell, Attorney
at Cavett, Abbott & Weiss
Planning Version
District No. 4

On motion of Councilman Ledford and seconded by Vice-Chairman Smith,

ORDINANCE #13253

AN ORDINANCE TO AMEND CHATTANOOGA CITY CODE, PART II, CHAPTER 38, ZONING ORDINANCE, SO AS TO REZONE PROPERTIES LOCATED AT 7600, 7604, 7606, 7608, 7610 DAVIDSON ROAD AND THE 1000 BLOCK OF NORTH SANCTUARY ROAD, MORE PARTICULARLY DESCRIBED HEREIN, FROM R-1 RESIDENTIAL ZONE TO A-1 URBAN AGRICULTURAL ZONE, PENDING AMENDMENTS TO REFERENCED LOTS.

Councilman Ledford thanked John Bridger of Regional Planning for the new site plan for this item.

ACTION: PASSED ON FIRST READING

RESOLUTIONS:

On motion of Councilman Oglesby and seconded by Councilman Ledford,

RESOLUTION #29254

A RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO A DONATION AGREEMENT, IN SUBSTANTIALLY THE FORM ATTACHED, WITH THE TRUST FOR PUBLIC LAND, SUBJECT TO ACCEPTANCE IN THE BROWNFIELD VOLUNTARY PROGRAM, FOR THE ACCEPTANCE OF 1.1 MILES OF THE FORMER CSX, INC. RAILROAD CORRIDOR COMMENCING AT THE SOUTHSIDE PARK IN ALTON PARK NEAR CENTRAL AVENUE AND CONTINUING TO THE TENNESSEE RIVERWALK NEAR W. 33RD STREET AND ST. ELMO AVENUE, FOR A TOTAL CONVEYANCE OF APPROXIMATELY 9.88 ACRES, FOR THE PURPOSE OF A PAVED MULTI-USE TRAIL AND TO AUTHORIZE THE EXECUTION OF ALL DOCUMENTS RELATED TO THE ACCEPTANCE OF THE PROPERTY, WITH CLOSING FEES AND REIMBURSABLES, FOR AN AMOUNT NOT TO EXCEED \$35,000.00.

ACTION: ADOPTED

Agenda Item VI(b):

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT WITH ALSTOM POWER, INC., IN SUBSTANTIALLY THE FORM ATTACHED, FOR THE USE OF A PORTION OF 1119 RIVERFRONT PARKWAY, IDENTIFIED AS TAX PARCEL NO. 145G-A-002, FOR THE TEMPORARY STORAGE OF TWO (2) SCULPTURES, AT A CONSIDERATION OF \$1.00 FOR THE PERIOD OF DECEMBER 4, 2017 THROUGH MARCH 31, 2018, WITH THE OPTION TO RENEW FOR TWO (2) ADDITIONAL TERMS OF THIRTY (30) DAYS EACH.

Vice-Chairman Smith informed the Council that there were problems with the timeline for this item. Therefore, **Vice-Chairman Smith moved** to table the resolution. He was seconded by Councilman Gilbert. The motion carried.

ACTION: TABLED INDEFINITELY

On motion of Councilwoman Berz and seconded by Councilman Gilbert,

RESOLUTION #29255

A RESOLUTION AUTHORIZING THE CITY OF CHATTANOOGA TO ACCEPT A GRANT FROM THE DEPARTMENT OF JUSTICE OFFICE OF VIOLENCE AGAINST WOMEN (OVW) TO FUND THE HAMILTON COUNTY ELDER JUSTICE COALITION MANAGED THROUGH THE FAMILY JUSTICE CENTER, FOR AN AMOUNT NOT TO EXCEED \$376,950.00.

ACTION: ADOPTED

On motion of Councilman Gilbert and seconded by Councilman Henderson,

RESOLUTION #29256

A RESOLUTION AUTHORIZING THE APPOINTMENT OF JASON QUAILS AS A SPECIAL POLICE OFFICER (UNARMED) FOR THE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT, TO DO SPECIAL DUTY AS PRESCRIBED HEREIN, SUBJECT TO CERTAIN CONDITIONS.

ACTION: ADOPTED

On motion of Councilman Henderson and seconded by Councilwoman Coonrod,

RESOLUTION #29257

A RESOLUTION AUTHORIZING THE DIRECTOR OF HUMAN RESOURCES TO EXTEND AN EXISTING AGREEMENT WITH COLLINS AND CO., INC. TO PROVIDE THIRD PARTY ADMINISTRATIVE SERVICES FOR THE CITY'S ON-THE-JOB INJURY PROGRAM AT THE RATE OF \$6,200.00 PER MONTH FOR THE FINAL RENEWAL OF A THREE (3) YEAR AND TWO (2) ADDITIONAL ONE (1) YEAR TERMS, FOR A TOTAL AMOUNT OF \$2.5 MILLION.

ACTION: ADOPTED

On motion of Councilman Byrd and seconded by Councilman Oglesby,

RESOLUTION #29258

A RESOLUTION AUTHORIZING THE CHATTANOOGA DEPARTMENT OF TRANSPORTATION TO ERECT COMMEMORATIVE SECONDARY STREET NAME SIGNS ON UNIVERSITY STREET BETWEEN MCCALLIE AVENUE AND EAST 10TH STREET DESIGNATING SAID PORTION OF UNIVERSITY STREET AS "JAMES R. MAPP STREET".

Councilman Byrd expressed to the Mapp family how honored he was to put forth this legislation. Councilman Oglesby expressed thanks for being a part of the legislation and spoke on Mr. Mapp's vision. Councilman Gilbert expressed his appreciation for Mr. & Mrs. Mapp. The motion carried.

ACTION: ADOPTED

2017-139
ASA Engineering c/o Allen Jones
District No. 1

On motion of Councilman Henderson and seconded by Vice-Chairman Smith,

RESOLUTION #29259

A RESOLUTION APPROVING A SPECIAL EXCEPTIONS PERMIT FOR A RESIDENTIAL PLANNED UNIT DEVELOPMENT FOR PROPERTIES LOCATED AT 5564 DAYTON BOULEVARD AND IN THE 300 BLOCK OF ALLEN ROAD.

ACTION: ADOPTED

PURCHASES:

Bonnie Woodward, Purchasing Director, briefed the Council on the following proposed purchases:

PO535599 - Public Works Estimated \$50,000 Annually
Blanket Contract Renewal for Corrugated Metal Pipe –
City Wide Services
Lowest/Best Bidder: Piping Supply Company
PO Box 5099
Chattanooga, TN 37406

R162606 - Public Works \$30,463.68
Purchase of Waste Containers-City Wide Services
Lowest/Best Bidder: Wastequip LLC.
841 Meacham Rd.
Statesville, NC 28677

R162600 - Public Works \$101,104
Purchase of One Asphalt Patching System-City Wide Services
Lowest/Best Bidder: PB Loader Corporation
5778 W. Barstow
Fresno, California 93722-5024

PO535492 - Information Technology Estimated \$110,000 Annually
Blanket Contract Renewal for Atlassian Licenses
& Monthly Maintenance
Lowest/Best Bidder: Atlassian Pty Ltd.
32151 Collections Center Dr.
Chicago, IL 60693

Councilwoman Coonrod moved to approve, seconded by Councilman Byrd. The motion carried.

ACTION: ALL PURCHASES APPROVED

OTHER BUSINESS:

Tyner Academy Rams

Councilman Gilbert informed the Assembly of the Tyner Academy Rams advancing in the 2017 Tennessee High School Football Playoff Brackets: TSSAA - Division I Class 2A tournament.

Woodmore Memorial

Councilman Gilbert thanked everyone who helped with the Woodmore Memorial last week.

Board Appointment

Councilman Byrd appointed Denise Wright Jones to represent District 8 on the Office of Multicultural Affairs Advisory Board.

Tree Lighting Event

Councilman Ledford invited everyone to the Friends of East Brainerd's Tree Lighting event on this Friday, December 1, at 6:00 p.m. in Jack Benson Heritage Park.

Birthday Notice

Councilwoman Coonrod gave advance notice that her birthday is December 30.

COMMITTEE REPORTS:

Budget and Finance Committee

Councilman Henderson
(No report)

Economic and Community Development Committee

Councilman Oglesby reported:

- The committee will meet next week after the 3:00 p.m. Agenda Session regarding the annexation petition for Lookout Mountain Conservancy.
- The committee will meet on December 12 regarding a TIF proposal on the MLK Extension.

Human Resources Committee (HR)

Councilman Gilbert
(No report)

Planning and Zoning Committee

Councilman Ledford reported:

- The committee will meet next week after Agenda Session.

Public Safety Committee

Councilman Byrd
(No report)

Public Works and Transportation Committee

Councilwoman Berz reported:

- The committee will meet next week after Agenda Session to review items for the next two weeks.

Youth and Family Development Committee

Councilwoman Coonrod reported:

- There was a presentation by TechTown earlier this meeting.

Innovation Technology Committee

Vice-Chairman Smith
(No report)

**RECOGNITION OF PERSONS WISHING TO ADDRESS COUNCIL
(Non-Agenda Items)**

Attorney Reisman read the rules of procedure for persons wishing to address the Council on non-agenda items. After which, Chairman Mitchell recognized the following persons:

- **Mario Forte (Chattanooga CARES)** – He is the HIV Prevention Chair for Chattanooga CARES. He informed the Council about the World AIDS Day event on December 1, 2017, from 5:30 – 7:00 p.m. at the Waterhouse Pavilion, featuring Jeanne White Giner, mother of Ryan White. He discussed statistics about HIV and AIDS in Chattanooga, the medical advances and the national goal for HIV prevention.
- **Helen Burns Sharp (Walnut Street)** – She represents the group, Accountability for Taxpayer Money, and distributed the “ATM Wish List for City Council.” She discussed four action steps detailed in the document: (1) Adopt Jobs PILOT policy; (2) Adopt TIF Policy with the Knoxville original version; (3) Honor TIF Procedures; and (4) Monitor King Street parking lot situation.
- **Steve West (Chattanooga)** – He discussed the Tyner Academy football team representing Chattanooga at the finals. He recommended that the Council call to wish the team luck, or show support by reaching out to the school because they have students representing all districts. He stated that the team would leave Chattanooga on Friday.

ADJOURNMENT

On motion of Councilman Oglesby, Chairman Mitchell adjourned the meeting of the Chattanooga City Council until Tuesday, December 5, 2017, at 6:00 p.m.

CHAIRMAN

CLERK OF COUNCIL

*Attachments:
Tech Town Presentation
ATM Wish List*



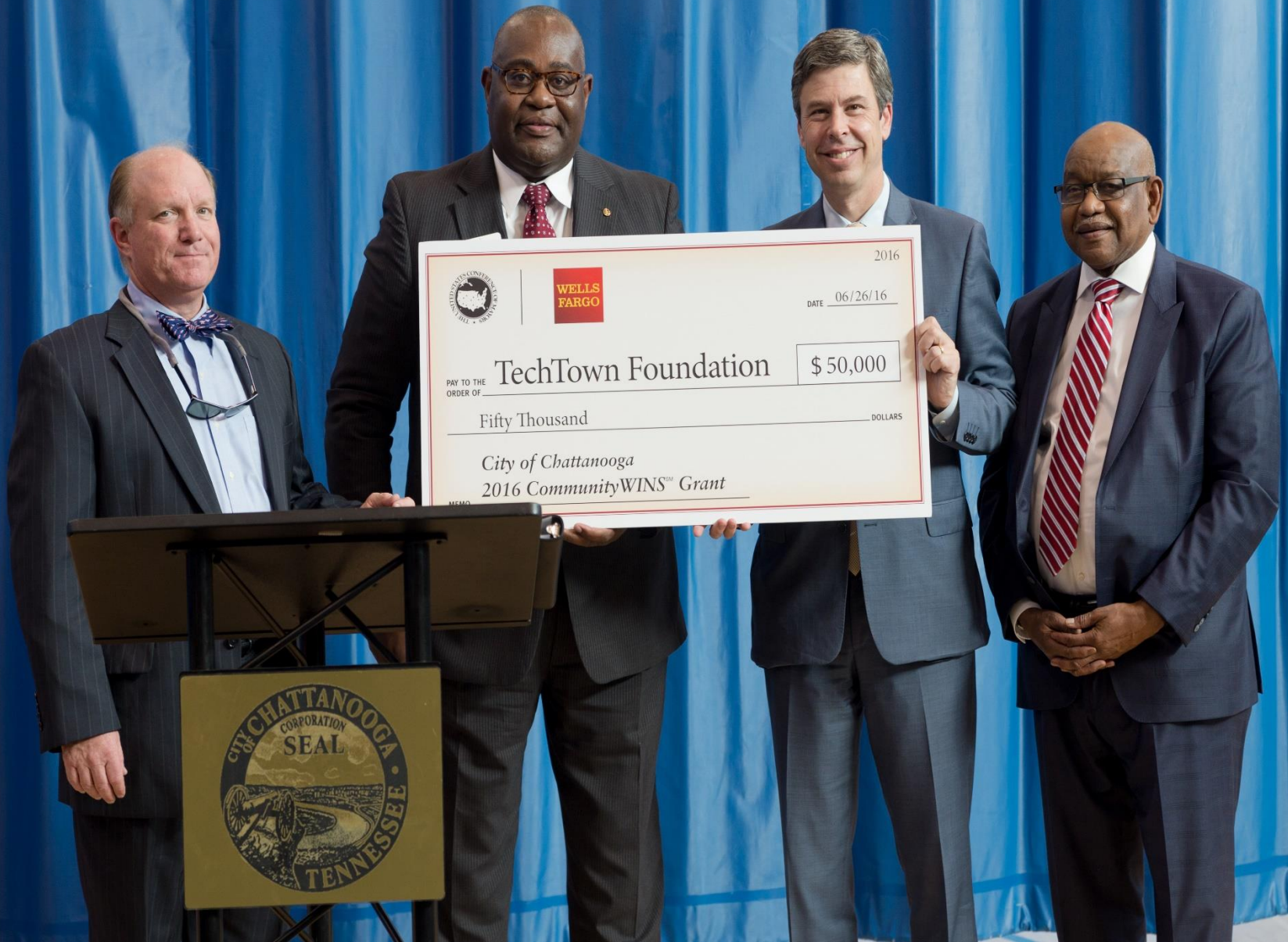
TECH

workforce PROGRAM

BY: CHRIS RAMSEY, CEO OF TECHTOWN

“Our 2016 CommunityWINS Grant Program gives the Conference an opportunity to showcase positive change happening now in our cities to make a difference in the lives of residents,”

said Tom Cochran, CEO and Executive Director of the U.S. Conference of Mayors.



2016

DATE 06/26/16

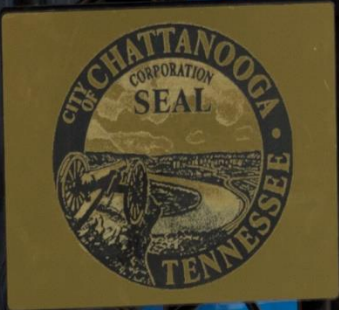
WELLS FARGO

TECHTOWN FOUNDATION

PAY TO THE ORDER OF TechTown Foundation \$ 50,000

Fifty Thousand DOLLARS

MEMO City of Chattanooga
2016 CommunityWINS™ Grant



WHAT IS TWP 1.0?

The Tech Workforce Program (TWP) is an opportunity for deserving adults, primarily ages 17-50, to acquire the basic hands-on and experimental skills vital to our local workforce demands; including coding, public presentation/communication skills, and soft skills. 7-Week Coding Class teaching front end web development.

Click on link below to view YouTube video:

<https://youtu.be/ntUFYQ2AOjQ>

WHY DID THE CITY IDENTIFY THE NEED FOR THIS PROJECT?

1. Growing Economy has a goal to provide a high quality of life for our residents. Chattanoogaans need access to economic opportunity and this includes ensuring that residents have the job training they need and employers have the support from local government to expand and thrive in Chattanooga.
1. Smarter Students and Stronger Families by placing an emphasis on youth and family success. TechTown's work includes a partnership with the Youth & Family Development Department to serve both youth and adult learners work in the neighborhoods, and serve in several of our public schools. Specifically, our work aligns with the City goal of Youth & Family Development Centers "to provide a wide variety of adult programming ranging from literacy training and career development to fitness and recreational opportunities."

TWP APPLICANTS SELECTED FOR PILOT CLASS:

- All were Hamilton County Residents
- Gender
 - Male – 15
 - Females – 5
- Ethnicity
 - Caucasian - 5
 - African American - 13
 - Latino - 2
- Highest level education
 - Bachelor's Degree - 12
 - Community College – 3
 - High School – 5

TWP APPLICANTS SELECTED FOR PILOT CLASS:

- Employment status
 - Underemployed (make <\$35,000) – 10
 - Unemployed – 10
- No transportation – 3
- Childcare required – 3
- Own Computer
 - Yes – 13
 - No – 7

KYLE TABER

Email: taberkyled@gmail.com

Github: <https://goo.gl/txQDmA>

Website: <https://goo.gl/Dlrypa>

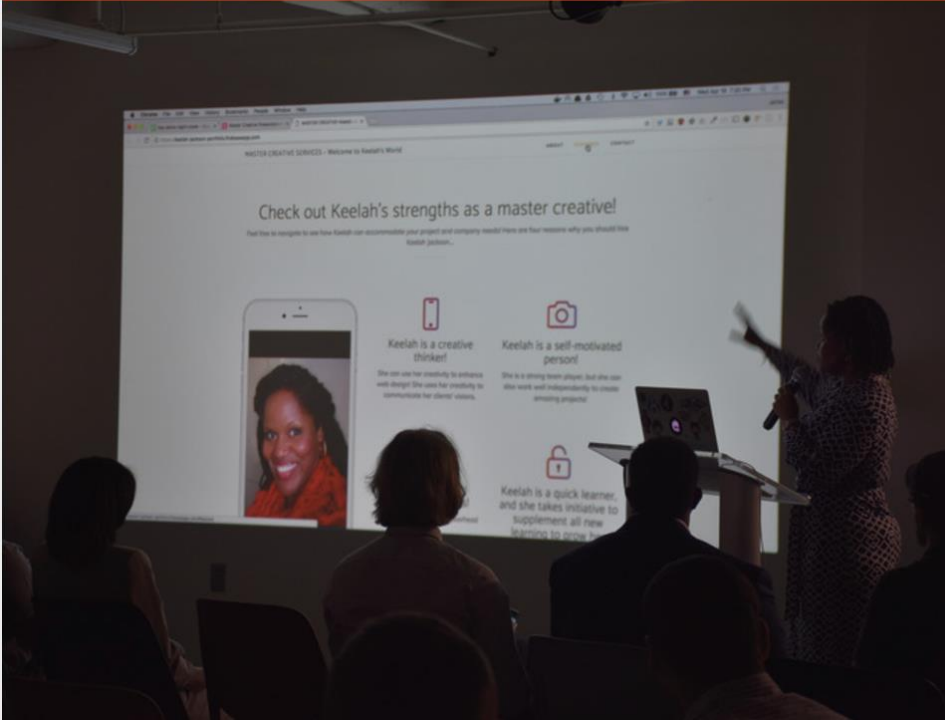
BASED ON PRE/POST STATS OF TWP GRADUATES



- 75% completion rate (15 out of 20)
- Unemployment rate was reduced from 67% to 34%
- Underemployed rate (<\$35K annual income) was reduced from 27% to 20%
- Gainfully employed rate (\$40K+ annual income) was increased from 0% to 34%
- Participants making annual salary of <\$20K decreased from 93% to 47%
- Participants making annual salary of \$20K - \$30K was increased from 7% to 20%

EMPLOYMENT STATUS

| | BEFORE | AFTER |
|------------------|--------|-------|
| UNEMPLOYED | 10 | 5 |
| UNDEREMPLOYED | 4 | 3 |
| SELF-EMPLOYED | 1 | 2 |
| GAINFUL EMPLOYED | 0 | 5 |



SALARY RANGE

| | BEFORE | AFTER |
|-----------|--------|-------|
| <20K | 10 | 5 |
| 20K - 30K | 4 | 3 |
| 30K - 40K | 1 | 2 |
| 40K - 60K | 0 | 5 |

THANKS TO EMPLOYERS WHO HAVE HIRED TWP GRADUATES



**FOR MORE INFORMATION
REGARDING
TECH WORKFORCE PROGRAM (TWP)
CONTACT:**

**CHRIS RAMSEY, CEO
TECHTOWN**

CRAMSEY@GOTECHTOWN.ORG

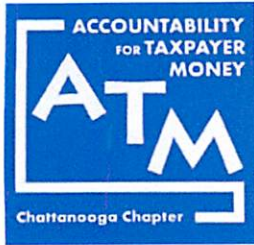
(423)308-7730



THANK YOU



savvycoders



ATM WISH LIST FOR CITY COUNCIL

November 28, 2017

Helen Burns Sharp



Accountability for Taxpayer Money-Chattanooga (ATM) is a non-partisan public interest advocacy group focused on tax incentives and government transparency. For more information, please visit www.atmchatt.com.

1. Adopt Policies for Jobs PILOTs—Public Trust Issue

Long overdue; talked about since 2012; **embarrassing** that the City does not have; recent progress this year thanks to Councilman Ledford; apparently a draft is stuck in City Attorney's Office; two more jobs PILOTs got approved this year with no policies in place.

ATM recommended policy would provide for a **public hearing**. It seems strange to the public that the Council would hold public hearings for issues like short-term vacation rentals but not on the 100 or so PILOTs approved since 1985 that have "forgiven" the payment of over \$400 million in property taxes. Advocates for PILOT projects—Chamber, ECD, company officials—are allowed unlimited time to address Council at meetings.

Policies should provide clarity on **what PILOT jobs would pay**. ATM recommendation says that—to be counted for PILOT purposes—a job must pay \$17 plus benefits; Confusion about the \$17.92 wage on last PILOT, which was the "average" wage including the managers. The new jobs on Holtzclaw Avenue would begin at \$11. There is nothing in that PILOT agreement to address wages at all. Yes, the city needs jobs at all wage levels. But the lower-paying jobs are likely to come anyway. The policy question is: "Should taxpayers be asked to subsidize them"?

Policies should require applicants to make a convincing case that the PILOT is a determining factor in their decision to locate or expand. (The "**But-For**" Test.) One could look at the list of PILOTs approved over the years and conclude that PILOTs are sometimes used as a reward rather than as an incentive. These taxes, if paid, would be used to support public safety, streets, parks, etc.

Other policies could include **community benefits agreements** for the affected neighborhood and **targeted hiring requirements**.

If policies like these were in place and followed, Council would start getting agreements that have been vetted with public interest aspects already having been taken into account. Today it appears that the decisions have been made before they get to Council.

The public is bewildered: they need to hire **Sherlock Holmes** just to find out when these PILOTs will appear on Council agendas and when they might be able to speak. Neither the public nor Council has access to a staff report summarizing the proposal, pointing out policy issues, and giving the amount of tax revenue that will be forgiven.

2. Adopt Missing Knoxville Policies for TIFs—Public Trust Issue

In October of this year, representatives of Mayor Berke’s staff told Council that Chattanooga has the “toughest TIF policies in the state.” ATM researched other places, including Knoxville, a comparably-sized city that has a successful TIF program. Here is what we learned:

The policies Chattanooga adopted in 2015 were 99 percent identical to what Knoxville had already adopted. HOWEVER---

- **Someone working on the Chattanooga document in 2015 removed four Knoxville provisions. Their removal weakened protection to city taxpayers.**
- **Someone working on the Chattanooga document in 2015 modified the wording of two Knoxville provisions, thus weakening protection to city taxpayers.**
- **Someone working on the Chattanooga document in 2015 added a new paragraph giving the City unbridled discretion if the City (rather than a developer) chose to initiate a TIF. This addition weakened protection to city taxpayers.**

ATM requests that Council adopt **policy amendments** for TIFs by amending the existing TIF resolution (28335) **before** approving any new application.

Council could add back the deleted Knoxville policies, including the ones relating to applicant affidavit (but/for test), transfer of TIF and maximum term. Council could add a policy making clear that school taxes must be paid in full. Council could delete the paragraph in Resolution 28335 that gives the City unlimited flexibility if the City initiates a TIF.

Please see ATM/ATM email to Council dated 10-31-2017 for a complete list of recommended changes.

Using Knoxville as a model is fine. Cities frequently borrow from one another. But to virtually copy their policies and procedures and then carefully remove all the sections intended to protect the public interest is not OK.

Did Administration tell Council in 2015 that they were presenting the Knoxville document that a City staffer or consultant used a surgeon’s scalpel to gut?

3. Honor Adopted Procedures for TIFs—Public Trust Issue

A new TIF application has been submitted to (and solicited by) the City. Staff members from the Mayor's Office have focused on the 2015 Council adopted procedures rather than policies in their several briefings to the City Council and the IDB. **These procedures are not being followed**, providing yet another example of the City's bending over backwards to accommodate development interests while not allowing the public and the TIF review committee adequate time to become informed.

On November 7, 2017, the Industrial Development Board (IDB) determined that the TIF Application for the proposed MLK Extension Project was complete. On November 14, the City Council passed a Resolution of Intent, stating they are "willing to consider an Economic Impact Plan (EIP) prepared and submitted to the IDB and reviewed by the TIF application review committee following a public hearing conducted by the IDB in accordance with the City's TIF Policies and Procedures."

According to Section 3.3 of the City's Policies and Procedures, once the IDB receives a Notice of Intent from City Council, the applicant will submit a proposed Economic Impact Plan to the IDB. It is to contain the information spelled out in state law and in the City's Resolution. **It is to be reviewed by the Board's designated staff and counsel**, who are to advise the Applicant if changes are necessary. The plan is then to be submitted to the TIF application review committee. As of November 27, the EIP had not been submitted to the IDB.

On November 29, the **committee** appointed to review the proposed MLK Extension application will hold its first (perhaps only?) meeting. According to Section 3.4, **their job is to review the Economic Impact Plan and the proposed Development and Financing Agreement**. They are to evaluate the terms in light of the City's policies and determine whether to recommend the Agreement to the IDB. The Committee is to advise the Board whether the EIP complies with the (State) Act and this program, and is, therefore, eligible to be considered for submission to the City Council and/or County Commission for approval. **The Committee is then to establish a proposed date for the Board to hold a public hearing** and determine whether to submit the EIP to the City Council and/or County Commission for approval.

On November 19, the *Times Free Press* published a legal notice from the City Attorney advertising an IDB public hearing on December 5 to consider the Economic Impact Plan for this project. It said that a map of the project area was available for inspection but did not say that the EIP was available. There was no mention of the required Development and Financing Agreement. On November 22, ATM asked the City Attorney's Office if the EIP were available and was told that the City had not yet received it. On November 27, ATM asked the Mayor's office for a copy of the two documents. Response: "We should have both documents sometime today."

Issues

- The applicant had not submitted the EIP to the IDB as of November 27.
- Therefore, the City Attorney and staff had not reviewed the EIP as of Nov. 27.
- The members of the TIF application review committee have not yet had the opportunity to become familiar with the project. They meet tomorrow, November 29.
- When will committee members get the EIP and the Development Financing Agreement?
- Have committee members been sent a copy of the City's TIF policies and procedures?
- Have members been sent a copy or briefed on state law provisions about TIFs (the Act)?
- How can members of the public become educated with no materials to review?
- How can the Application Review Committee set the date for the public hearing when city staff already has set the date, apparently presuming the committee's favorable evaluation?

This process/procedural hairball adds fuel to the fire to citizens who may already believe that the City bends over backwards to accommodate developers and only pays lip service to the public's right to know and comment. And it creates a sad perception that Administration views the new committee as a rubber stamp for what they want to see happen.

4. Monitor King St. Parking Lot Transactions—Public Trust Issue

The Mayor's staff asked City Council to declare "surplus" a heavily used city parking lot on King Street so they could transfer title to the Chattanooga Downtown Redevelopment Corporation (CDRC). This city entity then issued a request for proposals (not a bid) to sell the parcel. Two corporations responded to the RFP. The CDRC was prepared to sell to their preferred proposer (Seaford Investments LLC/Hiren Desai) at a price much less than the city had paid for it in 2007 and well below its current market value. The public got wind of this plan, an appraisal was done, and the price nearly doubled. The Berke Administration is now asking the CDRC to execute a quitclaim deed to transfer the property to the City Industrial Development Board (IDB). A resolution authorizing this transaction is on the December 4th CDRC agenda.

City Council—July 26, 2016

Nick Wilkinson, Deputy Administrator of Economic Development in the Mayor's Office, gave a visual presentation. (No one at City Hall can find the PowerPoint and the video of that meeting begins after his presentation.) Through an Open Records request, ATM obtained an audio recording. Here are the highlights:

- In response to a question by Councilman Henderson on why the city is being asked to declare the property surplus, Mr. Wilkinson said it was because it presents an exciting potential for redevelopment. He acknowledged that the city had been talking for a "couple of years" to the developer (Mr. Desai) who owns adjacent property that he plans to develop. Mr. Wilkerson said the City would be taking a currently underutilized piece of property and making it surplus in order to enter into an agreement to facilitate the adjoining development. (These statements alone suggest that the City had already decided who would ultimately own the property.)
- He said the existing use (parking) of the property would be maintained. He said the developers plan 300 spaces at their expense and that **"75 presumably would be usable by the City at no expense."**
- Councilman Henderson asked how the property would be transferred. Mr. Wilkerson's response suggested that Administration had not yet decided whether it would be sold or leased. Mr. Wilkerson represented that **any future parking structure would "add to the tax rolls."**
- This parking lot was purchased in 2007 for \$195,00 from local historic architect/developer Thomas Johnson to relieve a parking issue at the city/county Development Resources Center across the street. City fleet and employee vehicles fill this lot every day. There are about 75-80 spaces. Mr. Wilkerson did not make Council aware of the current usage.

- Why was the City Council asked to transfer the property to the CDRC when the City Council has the same authority it does? The somewhat cynical but likely accurate ATM response is that the CDRC can do things under the radar screen since so few people know the board even exists.

CDRC-2017

January 19—In response to a question from ATM, Board President Daisy Madison (also City Finance Director) said there are plans to issue an RFP for lease of the property.

January 21— Board member Stacy Richardson (also Mayor Berke’s Chief of Staff) tells *Times Free Press* that the RFP will be competitively bid and that the CDRC will vote on the final terms of any agreement--whether it be lease or sale.

February 6—Two ATM members meet with Stacy Richardson in her office. She said the RFP would be to sell, with a possible lease back to City for parking spots. (What happened to Mr. Wilkerson’s representation to Council that the 75 or so city parking spots “presumably would be usable by the city at no cost”?)

February 22—CDRC passes resolution Authorizing the Issuance of an RFP for 1200 King St. for the Development of a Parking Garage to Facilitate Economic Growth in the Area. The RFP attached to the Resolution is for the purchase of the property. Narrative says the CDRC is looking for a qualified entity to purchase the property, lease a certain number of spaces back to the CDRC for a period of time to be determined (when? by whom?) for the purpose of fleet parking, and, “ultimately, build a parking structure on the parcel within a number of years to be determined upon negotiation of the final agreement.

February 22—ATM members asked the CDRC why the property was considered “surplus,” given its usage; why no minimum price was included in the RFP; and what was the anticipated role for taxpayers if there is a structure? The Municipal Technical Advisory Service (MTAS) has provided a model resolution for cities to consider when they want to sell surplus property.

ATM also questioned why the CDRC did not use the competitive bid process. The City’s Procurement Manual (Section 2.13) says: An “RFP is the last resort to accomplish a given task. A good bid specification is more competitive and should result in a lower cost to the city.”

March 9--Seaford/Desai Response to RFP

- Bid Amount: \$134,700
- Lease Back Proposal: 85 spaces @45.77 per space monthly, total cost to city of \$46,685.50 annually
- Length of Lease: 3 Years

March 17—South Market LLC/Thomas Johnson Response to RFP

- Bid Amount: \$200,000
- Lease Back Proposal: \$30 per space monthly; assuming 85 spaces, total cost to city of \$30,600 annually
- Length of Lease: 5 Years

March 20—Letter to CDRC President Daisy Madison from Deidre Keylon, the “buyer” in the Purchasing Dept., saying that the (5 member) Evaluation Committee for this RFP scored the responses individually based on criteria in the RFP solicitation document. They then averaged the scores. “There was unanimous agreement that the higher scoring proposal by Seaford” ...is the proposal to be recommended to CDRC. Members of the Evaluation Committee were Stacy Richardson, Jermaine Freeman, Cary Bohannon, and Gail Hart. ATM speculates that the other member may have been Ms. Keylon or Bonnie Woodward, Director of Purchasing.

ATM did an open records request in April, asking for a list of who of those who submitted proposals and for the scorecard the committee used to rate them. The City responded, but the scorecard was not filled out. ATM did another request in October, asking for Mr. Wilkerson’s PowerPoint presentation and a filled-out copy of the scorecard.

The City did respond with a filled-out scorecard. There were 11 criteria, including price, length of lease, and lease back proposal. There was nothing to indicate that any of the criteria were weighted. Scorers ranked them on a scale of 1 to 5 points , with 5 being the highest.

- Scorer 5 ranked the proposals the same.
- Scorer 4 gave the edge to South Market (40 to 35).
- Scorer 3 gave a slight edge to Seaford (43 to 42)
- Scorer 2 gave the edge to Seaford (43 to 40)
- Scorer 1 gave a huge edge to Seaford (51 to 36). Scorer 1 ranked Seaford higher on price, length of lease, cost per space, and lease back. See summary above that suggests South Market should have won these categories.

April 9—After learning that Seaford’s proposal was considerably less than what the City paid for the property 10 years ago, ATM requested the board to table the resolution accepting the proposal, citing fiduciary responsibility to Chattanooga taxpayers and public trust. ATM pointed out that developer would recoup the money he paid for the lot in 3 years.

April 10—At the CDRC meeting, about 10 citizens spoke in opposition to the board’s accepting this proposal. Consensus among speakers that the purchase price was way too low, given what the city paid in the past and how property values have increased in this area. The two developer members of the Board—David Dalton and Julian Bell, III-- said they believed an independent appraisal was needed. Board member Stacy Richardson acknowledged that the last time the parcel was appraised was when the City bought it in 2007. The Board passed a Resolution accepting Seaford’s proposal but added a provision that the purchase price would be based on the results of the appraisal.

June 19—CDRC President Daisy Madison reported that the fair market appraisal placed the value at \$360,000. (Seaford had offered \$134,700. The Hamilton County reappraisal, which was available thus spring, placed the value at \$395,000.) She said that the vendor has agreed to pay the \$360,000 amount. She said the next step is to negotiate contract terms. Once terms are agreed upon and the contract is drafted, it will come back to the board for approval.

December 4—CRRC Board will be asked by the Mayor’s Administration to transfer ownership of the parcel to the City Industrial Development Board (IDB). The mechanism is a quitclaim deed to be signed by President Madison.

IDB 2017 or 2018?

According to the list prepared by the Hamilton County Assessor of Property, **all of the 32 or so parcels currently owned by the City’s Industrial Development Board are under a PILOT agreement.** PILOT stands for “Payment In Lieu Of Taxes.” It is a tax break mechanism allowing certain companies to pay greatly reduced property taxes to support city services because the tax exempt IDB technically holds title to the property and then leases it back for a nominal amount.

ATM emailed the City Attorney’s Office on November 27, hoping to learn more about the purpose of the transfer. No response yet.

5. The Solution

Stay Tuned.

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