

Municipal Building
Chattanooga, Tennessee
July 1, 1997

The meeting of the Chattanooga City Council was called to order by Chairman Swafford with Councilmen Crockett, Eaves, Hakeem, Hurley, Lively, Pierce, Rutherford and Swafford present. City Attorney Randall Nelson, Management Analyst Randy Burns and Council Clerk Carol O'Neal were also present.

INVOCATION

Councilman Taylor introduced Pastor Whiteside, Minister of New Mt. Carmel Church, who delivered the invocation for the evening.

MINUTE APPROVAL

On motion of Councilman Lively, seconded by Councilman Taylor, the minutes of the previous meeting were approved as published and signed in open meeting.

SPECIAL PRESENTATION TO DR.
FREDERICK OBEAR

Chairman Swafford called upon Dr. Obear to come forward and introduced him as a person who has served the Chattanooga community and University a long period of time. He stated he wanted to make sure the Council as a whole recognized Dr. Obear for his service.

On behalf of Mayor Kinsey and the Council, Vice Chairman Crockett presented Dr. Obear with a Proclamation signed by the Mayor and members of the Council, a replica of the "key to the city," and a bib hat boasting the City's Seal.

Dr. Obear thanked the Mayor and members of the Council for the proclamation, and most importantly, for the support this body has provided to him personally and to the University. He stated anyone who knows the history of the University realize it was the City of Chattanooga and its leadership in the late 1800's that made it possible for the University to locate in this community; that it was a struggle with other east Tennessee locations, but Chattanooga won out.

SPECIAL PRESENTATION TO DR.
FREDERICK OBEAR (Cont'd.)

Dr. Obear stated recent developments in this community have helped to strengthen the development of the University and the cooperation we have had has been outstanding; that the City has been enormously cooperative with all the University's proposals from street closings to building a 20,000 seat Stadium. He stated the most important events over the last 15 years included the Writers' Conference, the Challenger Center and the National Center for Education in the Arts. He stated the City was always the first to step forward with cooperation and expressed his gratefulness for the presentation tonight.

Chairman Swafford stated he was proud to be a graduate of the University.

SPECIAL PRESENTATION TO JOHNNY A.
TAYLOR

Vice Chairman Crockett expressed how honored he was to present an "In Appreciation" certificate to Johnny Taylor and thank him for making Chattanooga famous. On behalf of Mayor Kinsey and members of the Council, he expressed congratulations to Mr. Taylor and members of presented him with a replica of the "key to the city" and a bib hat with the City's Seal.

Johnny Taylor thanked the Mayor and Council for the certificate and gifts and stated he would cherish them for the rest of his life. He thanked Chattanooga for supporting him and asked for everyone's continued prayers.

BUDGET: FY 1997-98

On motion of Councilman Hakeem, seconded by Councilwoman Hurley, AN ORDINANCE, HEREINAFTER ALSO KNOWN AS "THE FY 97/98 BUDGET ORDINANCE", TO PROVIDE REVENUE FOR THE FISCAL YEAR BEGINNING JULY 1, 1997, AND ENDING JUNE 30, 1998, AND APPROPRIATING SAME TO THE PAYMENT OF EXPENSES OF THE MUNICIPAL GOVERNMENT; FIXING THE TIME TAXES AND PRIVILEGES ARE DUE, HOW THEY SHALL BE PAID, WHEN THEY SHALL BECOME DELINQUENT; AND PROVIDING FOR INTEREST AND PENALTY ON DELINQUENT TAXES AND PRIVILEGES passed second reading. On motion of Councilwoman Hurley seconded, by Councilman Taylor the ordinance passed third and final reading and was signed in open meeting.

ANNEXATION

Chairman Swafford declared a public hearing in process regarding this matter.

Jerry Daniels stated he is from Ooltewah but Collegedale is his present living address and has a business in the area that is being considered for annexation. He stated he cannot really see the benefit of being in Chattanooga; that his business has been located in Ooltewah for 20 years. He stated the community has provided all the services that he needs and desires; that they have excellent police and fire protection and their garbage is picked up when it needs to be. He stated the only thing he can see is it will cost him a great amount of money and sees this as a "land grab." He stated there doesn't seem to be any reason to do this at this time with the exception of the fact Collegedale has made an attempt to annex the same area so there was a move by Chattanooga to block that. He stated from downtown Chattanooga to his business is 15-20 miles and does not know where the nearest fire hall is; that protection in Collegedale is only a minute-and-a-half away and emergency medical service is as close. He asked the Council what Chattanooga will provide for them that will be beneficial that the County is not already providing; that it will cost him between \$10,000 - \$15,000 per year and (he) will not have a vote for or against members on the Council. He reiterated his residence is in Collegedale; that he will get a tax bill that will make it very difficult; that it is hard enough to keep 60 people employed and hard enough to make ends meet, but Chattanooga decided they wanted this "nugget." He again asked what Chattanooga can do for him as a business and property owner in the Ooltewah community.

An unidentified person from the Ooltewah stated the lines stop short of the Honors Course and asked if it is included; that it is his understanding that it is included.

Raymond Goodman, an Ooltewah resident, stated he has lived in Ooltewah all his life and understands the previous gentleman's statement; that he would like some answers, also. He stated he does not have a business; that this chunk or "nugget" is bewildering to residents of Ooltewah. He stated he would like to know what Chattanooga is going to give him that he does not have; that he thinks the Council will find out the majority of the citizens think Chattanooga does not have anything to offer.

ANNEXATION (Cont'd.)

Nelson Baker of Ooltewah stated he does not feel Chattanooga has anything to offer them; that he is not part of the annexation but is close to the area. He stated Mayor Kinsey made a statement about beneficial growth of Chattanooga; that he feels Chattanooga needs to go within its own boundaries by bringing more industry back; that Chattanooga does not need to grab this piece of property that is out there. He stated they are doing fine on their own; that Chattanooga does not have anything to offer them in the way of benefits.

Carl Humphries stated he lives outside the area but does a lot of shopping in Ooltewah; that they know when the taxes go up on businesses in the area the license fees and everything else included will be handed down to the consumer; that there are already too many taxes. He stated he knows Chattanooga used to have ambulance service, but that was turned over to the County; that Chattanooga used to have schools and they were turned them over the the County; that the County is doing a better job than Chattanooga! He expressed his thinking that things are good the way they are; that they do not have liquor stores nor adult book stores and things are very convenient the way things are.

At this point Mayor Kinsey asked the first speaker (Mr. Daniels) the name of his business. Mr. Daniels responded "Ooltewah Manufacturing" and indicated he cannot change it to Chattanooga Manufacturing because he has already asked.

Mayor Kinsey stated this annexation is great business for this community; that when we came up with boundaries we took the same boundaries Collegedale proposed; that the area was highlighted as an area important to the City and an area that could be of benefit to the City in a study prepared a year ago; that this annexation was precipitated by what Collegedale did. He stated the average cost per residence is \$75,000 - \$80,000 when you look at stormwater, the difference in fire protection, garbage collection and the planning services we provide; that we are doing a study of where the fire halls are located through the City and if we need to change locations or build new places we are prepared to do so. He expressed his belief that the City will be able to do better than that in the future; that one of the Resolutions the Council is prepared to adopt is a detail of the plan of services and you will see we do provide a lot. He stated it is hard to show exactly for each property owner what they are getting, but on an average of \$80,000 it is very clear that it is worthwhile for the City and our entire community. He stated he would encourage everyone to look at the Resolution of the complete plan of services we are providing.

ANNEXATION (Cont'd.)

Mr. Daniels stated it is his understanding there are very few residents included in this area which is probably one of the reasons the Council does not have as much representation from the area and that is mostly for the purpose for this being done. He stated it is far beyond \$75,000 per year that it will cost him. He asked to be left alone because this (annexation) will be hurtful. He stated by the time this "washes out" it will hurt a lot on the business community out there.

Mayor Kinsey stated we have had many businesses encouraging us to do this.

Mr. Daniels asked if the Mayor would mind saying who the businesses are. Mayor Kinsey responded, "no, not at this time."

Mr. Daniels stated the businesses he talked to -- indicating he had talked with everyone out there -- find it difficult to believe there will be a reception of spending this much more money for absolutely nothing; that Chattanooga cannot offer nothing they don't already have. He stated he knows this matter will be "voted in" no matter what he says; that this is nothing but a move for a "land grab"; that the City is doing this to "grow the City of Chattanooga." He stated he would prefer to be in a city where his views can be heard to a much greater degree; that he hopes through the wisdom of the Court this will be seen as nothing but a "land grab." He stated this is a very expensive prospect for him; that it will get the residents eventually.

On motion of Councilman Lively, seconded by Councilman Pierce, AN ORDINANCE TO ANNEX CERTAIN PROPERTIES ADJACENT TO INTERSTATE 75 AND LEE HIGHWAY, MORE SPECIFICALLY DESCRIBED HEREIN, LYING CONTIGUOUS TO THE PRESENT CORPORATE LIMITS OF THE CITY OF CHATTANOOGA, TENNESSEE passed second reading. On motion of Councilwoman Hurley, seconded by Councilman Lively, the ordinance passed third and final reading and was signed in open meeting.

ANNEXATION: PLAN OF SERVICES

Councilman Lively made the motion to move Resolution 7(j) up on the agenda; Councilman Pierce seconded the motion; the motion carried.

ANNEXATION: PLAN OF SERVICES
(Cont'd.)

On motion of Councilman Lively, seconded by Councilman Pierce, A RESOLUTION ADOPTING A PLAN OF SERVICES FOR THE ANNEXATION OF CERTAIN PROPERTIES ADJACENT TO INTERSTATE 75 AND LEE HIGHWAY, MORE SPECIFICALLY DESCRIBED HEREIN, LYING CONTIGUOUS TO THE PRESENT CORPORATE LIMITS OF THE CITY OF CHATTANOOGA, TENNESSEE was adopted.

AMEND ORDINANCE NO. 10565

1996-237: Edwin T. Yancy

The applicant was present; there was no opposition.

On motion of Councilman Eaves, seconded by Councilman Taylor, AN ORDINANCE TO AMEND ORDINANCE NO. 10565, ENCAPTIONED HEREINBELOW, SO AS TO REMOVE CONDITIONS 1 THROUGH 4 passed first reading.

AMEND ORDINANCE NO. 10516

1996-238: City of Chattanooga

On motion of Councilman Eaves, seconded by Councilwoman Hurlley, AN ORDINANCE TO AMEND ORDINANCE NO. 10516, ENCAPTIONED HEREINBELOW, SO AS TO ADD TWO CONDITIONS passed first reading.

CONTRACT: RIVERBEND CONSTRUCTION CORPORATION

On motion of Councilman Hakeem, seconded by Councilman Eaves, A RESOLUTION AUTHORIZING THE AWARD OF CONTRACT NO. SWM-1-97, DRAINAGE AND WATER QUALITY ABATEMENT, TO RIVERBEND CONSTRUCTION CORPORATION FOR THEIR LOW BID IN THE AMOUNT OF SIX HUNDRED TWENTY-SEVEN THOUSAND, FOUR HUNDRED FIFTY-ONE AND 25/100 DOLLARS (\$627,451.25) was adopted.

SOUTHSIDE REDEVELOPMENT PROJECT

Councilman Crockett stated in the last Economic Development Committee meeting the Council reviewed the concept of the plan for the Southside and referred it to a public hearing which was held June 9. He stated officials in attendance included himself, Mayor Kinsey and Councilman Taylor, as well as a large representation of people. He stated this is the last in a series of public hearings.

Mayor Kinsey introduced Mark Rudisill and Staff of the Housing Authority and stated this has been a community-wide effort; that many organizations have been involved in this planning, as well as the Task Force compilation of businesses and residents. At this point he recognized others involved in the plan: Rob Taylor of RiverValley Partners, Leigh Ferguson of Chattanooga Neighborhood Enterprise and Ann Coulter, Executive Director of the Planning Agency. He stated he and others involved in the Plan are available for questions following a brief presentation.

At this point Mark Rudisill showed slides capsuling the project and stated it was in September of 1996 that the Council requested the Housing Authority prepare a redevelopment plan for the area known as the Southside, a 550 acre area comprised of residents, as well as businesses and industrial sites. He stated the Council gave three mandates to apply to the plan: (1) the Plan would be geared to sustainability of infrastructure existing in the area and historical investments; that the historical character of the buildings in the area be maintained; (2) that the maximum amount of participants be citizens and business persons in the area; and (3) that there be a minimum displacement of businesses and residents to the extent feasible under the Plan. He stated part of the planning process involved appointment of two committees in the residential area and the industrial/commercial area; that the committee amounted to about 35 individuals.

Mr. Rudisill made reference to the original boundary area in 1976 which was expanded in 1982 and identified the boundaries of this Plan. He stated under Tennessee State law which authorized the Urban Renewal project we had to determine whether the area was blighted. He stated there were a number of problems within the neighborhood which included dilapidated structures and overgrown lots and inadequate utilities; that they set out to establish local objectives by consulting with committees, residents and businesses. He stated they performed two surveys to determine what was blighted and talked with residents; that based on that they established goals and objectives which the committee adopted. He stated two top objectives were conveyed both committees felt were important: create a catalyst of activities in the area and new housing.

SOUTHSIDE REDEVELOPMENT PROJECT
(Cont'd.)

Mr. Rudisill displayed a map of the area which identified blighted conditions, drainage problems, vacant lots, rights-of-way not in use and others; that they did have a public hearing on the land use plan which was attended by 140 or more people; that green spaces were proposed as urban forests. He identified property that might be acquired as part of the project area; that there is a vast majority that can be acquired to be redeveloped privately. He stated the Plan boundaries indicate no residents would be involuntarily displaced as a result of this plan; that the acquisition and relocation plan they are proposing is a fair proposal as a matter of policy that federal and state acquisition relocation policies be abided by and is the most liberal standard that they know of.

Mr. Rudisill concluded his remarks by stating they are continuing the planning process and are asking the Council to adopt this plan for a 20 year future. He stated they have gotten over fifty inquiries and will continue to work with property owners to make the best possible solution in the City's interest. He stated this is not a plan intended to put people out of jobs; that it is one that is to provide opportunities for those businesses in a better neighborhood. He stated the Chattanooga Housing Authority Board did unanimously approve the Plan and recommends adoption to the Council.

Pastor Whiteside spoke in the interest of the surveys that were conducted in the areas of Jefferson Heights, Fort Negley and Roundsville stating he went door-to-door and many of the residents did not allow him to survey them while some others turned away. He stated the percentage of those surveyed made reference to what they wanted in the community: removal of dilapidated houses, the need for a drug store, etc.; that the surveying was conducted from November to March by himself and his wife. He stated his congregation chose to stay in that community; that the Church left but came back and built New Mt. Carmel in the community and hoped someone would see a need to do something about the community. He stated many complained about drugs, prostitution and overgrown property; that they could not do anything themselves and decided to become a part of this effort and went out and do what they could; that the Plan indicates what those surveyed said they want to happen in the community.

At this point Chairman Swafford stated he would allow persons to speak for three minutes each.

Councilwoman Rutherford stated she would like to hear about surveys conducted in the commercial area.

SOUTHSIDE REDEVELOPMENT PROJECT
(Cont'd.)

Rob Taylor stated Rev. Whiteside conducted surveys in the bicentennial neighborhoods between Market and 20th Street, from Board to Rossville Avenue and beyond to Central. He stated surrounding areas were surveyed by UTC students who helped us go door-to-door with two teams working.

Councilwoman Rutherford asked if the commercial areas were surveyed Monday through Friday. Mr. Taylor responded "yes;" that they made sure they had done during business hours.

Councilman Taylor inquired as to the major findings from the commercial surveys. Rob Taylor stated crime, upkeep of neighboring properties and infrastructure concerns were indicated.

Councilman Hakeem inquired as to whether absentee landlords were surveyed with regard to improving their property. Mr. Taylor stated they determined property owners for the entire affected area; that notices were sent out identifying everyone and notices were sent to all property owners. He stated they were careful to note those who had out-of-town mailing addresses and from that they got their mailing information. He stated he did not have information as to how many came back as there are over 1100 individual property owners.

Councilman Lively stated he has concerns; that we are talking about a lot of planing that will never get done or a lot of money that will be spent; that this looks less feasible to him. He stated from the start he asked all along if any businesses were going to be displaced and the answer was "no;" that he does not think this plan should displace anyone and there should be an amendment to the Resolution that will guarantee that; that no one operating a business will be displaced at any time. (At this point there was a loud outburst of applause from those in attendance, wherein Chairman Swafford requested there be no further outbursts of that nature.)

Councilman Lively stated he does not want to see what was intended for economic development turn into a tool for control. He stated the other thing is he represents a district that is 23 miles from one end to the other that does not have a greenway or park; that we have gone from 4.2 acres to 96 acres for this Plan and have gotten away from a place to recruit businesses back in to a total planned community. He stated some of the plans are good but we have to refrain from getting carried away. He stated the entire City has to grow and we have to make sure the Southside is part of the growth and not our sole focus.

SOUTHSIDE REDEVELOPMENT PROJECT
(Cont'd.)

Mayor Kinsey stated there are comments that have been made that need clarification; that many people are concerned about the potential taking of their business. He stated there is an area that is slated for a school and in order to get people to move it is important we have neighborhood schools; that in terms of economic development this is clearly the best hope for the future of our children; that this is their future and that is what he believes.

Councilwoman Rutherford stated it was brought to her attention if a school is built along Market Street that could cause a tremendous amount of traffic hazards. She asked if there is a possibility the school might be moved over in the Rossville area.

Mayor Kinsey stated that is a general area; that if it were to front on Market access would be behind it; that access will not be coming in out of Market Street.

Councilman Taylor stated when we speak about the school, Howard Elementary is right down the street. He asked if Howard could be enhanced to accommodate that portion of the Plan; that he understands the school is to be an elementary school. He inquired as to the thinking as far as improving Howard's campus as the campus is not at full capacity.

Rob Taylor stated Superintendent Register assigned someone to work with them on this; that the elementary school in Howard has maximized the space it was occupying and are in need of more space; that they are looking at the future of Howard as a total complex. He stated the Plan does not take into account the future need of Howard; that this is a factor for the County School Board's agenda. He stated the location of the elementary school could help alleviate a capacity issue we were told existed.

Councilman Hakeem stated Mr. Rudisill addressed some of the concerns regarding displacement of residents in redeveloping the area and we have talked about businesses, but thinks also we have to look at people who live in the area when we talk about redevelopment. He stated it is his understanding people are not the "last on the ladder" and expressed appreciation for the involvement of residents of the area in this Plan.

Councilman Pierce stated, basically, when the Council has to make decisions they are not always easy to make; that this will be one of the hard decisions the Council will have to make.

SOUTHSIDE REDEVELOPMENT PROJECT
(Cont'd.)

Councilman Pierce stated he has to think about the overall growth of the City; that he represents District 8 and people are constantly moving from downtown; that he is grateful to see this Plan go forward. He stated he does not think the City has put forth an effort like this in the last 50 years in converting a blighted area; that there are many substandard homes in the area and this is a "golden opportunity." He stated he sympathizes with some the residents and businesses; that we have to make a decision that will benefit the City. He stated in anything we want to do if we want to see the City move forward there will always be someone out there to stop the action we are about to take. He stated he sees many who do not have any real concern but are here to see if they can put a road block in the area. He asked the Council to consider what is going forward; that he is not here to put anyone out of business or relocate any residents; that he is looking at the process this City has made since the Council has been seated.

Councilman Pierce continued by stating someone has to make the hard decisions; that he still feels this is another effort put on by private and business sectors that will tremendously benefit this city; that the only property we are concerned about is property to locate a school. He asked how you develop a community if you do not put education first; that experts have told us this spot would be an ideal location. He stated he does not see the school being built in the next two-to-five years; that business in the area is on safe ground. He reiterated that he sympathizes with businesses in the area and is 100% supportive of business and jobs as we need the businesses; that the City and the Housing Authority will put forth every effort to relocate and no one will be put out of business.

Councilwoman Hurley stated her remarks are associated with Councilman Pierce's; that we did say no part of this study can be healthy unless all parts of it are healthy; that we are all old enough to remember the old "bulldozer urban renewal," however that will not happen here; that this is a Plan that has had a marvelous process. She made reference to the antithesis of remarks made about annexation and indicated if we do not educate people back into the City it is as if we have a "hole in the middle of the donut" with prosperity on the edges which will not last. She stated we are all in this together; that she believes "so goes the Southside, so goes the north side and other areas;" that we do have to be sympathetic to those who have been there.

SOUTHSIDE REDEVELOPMENT PROJECT
(Cont'd.)

Councilman Taylor stated he understands what it means to be a small business person as relocation could be very detrimental. He asked if there is any way the school could be relocated as the major concern has been the school. He asked if other locations have been considered for the school within this area.

Leigh Ferguson made reference to the map of the area stating the "dark blue spot" in the center of the Plan is referred to as a neighborhood or community center; that the school could be used 24 hours a day as the building could be a multi-purpose facility and the present policy with schools does not provide for this. He stated another idea about that location is it is within walking distance or residential areas; that there is a centralness to that location that is important. He stated he thinks the visibility of this facility coming into the area is one of the critical elements to the Plan; that this is viewed as being a focal point of the Study. He stated the view is this would be a community center that would be an attractive place for businesses to locate; that others could be located on 20th Street. He stated the City nor the private sector has the money to change things overnight; that this is a plan where redevelopment will occur over time; that he thinks the school question is a critical one.

Councilman Crockett stated this will not work if you do not have a real structure to it; that the hallmark of this Plan is it works with everyone and that will continue to be true. He stated this Plan has maintained a lot of national focus and attention; that not many cities are going back into the center of the city. He stated beyond that, it was a painstaking involvement of everyone concerned; that there should be some applause for any city that would take as bold a step as this to look forward in 20 years when it comes to fruition. He stated this is a nice picture and cannot imagine not doing this; that he is very proud of everyone's participation.

Elizabeth Houston stated she was present to speak on behalf of the senior citizens who reside in the four apartment complexes located in Golden Gateway. She stated she has resided in the Overlook Apartments for eleven years and moved there because of the affordable rent and central location. She stated at the time she moved she could go anywhere she wanted; that bus operations took her everywhere she needed to go and was in walking distance to the Telephone Company, Miller Brother and Shoney's, yet, all of them have relocated. She stated many in her apartment building do not have cars, riding a bus is not always available and taxis are too expensive, now.

SOUTHSIDE REDEVELOPMENT PROJECT
(Cont'd.)

Ms. Houston stated in October of 1994 she wrote letters to the local newspaper explaining their plight and hoped someone would come to their rescue. She stated Bob Morgan of K-Mart was the only person who responded and sent buses to the residents and after a period of time had to discontinue his generous offer. She stated now there is talk the Amoco Station right around the corner will be relocated; that the employees there are so friendly and courteous. She stated in her opinion downtown has become a playground for the young people to dance and have fun; that there is no concern for the senior citizens who reside there as emphasis today is focused on the young. She stated senior citizens cannot afford this and asked what the solution might be as most (senior citizens) want to be as independent as they can.

Bob Glantz stated he and his wife own **Serv-A-Comp Computer Repair** where he believes the school is being proposed. He stated they are not in a blighted area; that the building has been newly restored with flowers, trees and new grass. He stated if the Council plans on moving hundreds of people into the inner city they, as well as a couple business in the area, will be of valuable service; that they might even repair the school's computer at a reduced price. He stated he looked around town for a suitable place to relocate in order to get what he now has in parking, being on a major city street, access to the Interstate, readily locatable by telephone and landmarks. He stated they have only been there five years and others have been there longer; that in order to find the equivalent location they are looking in the neighborhood of \$300,000 which he does not have and cannot raise. He asked that the Council consider this about moving the businesses and to look toward the vacant Combustion building as Combustion might be willing to donate the building to help the City out!

Bob Clemens of the **Downtown Amoco** read a letter to the Council and expressed appreciation to Councilmen Taylor, Pierce, and Lively for the work they do and expressed his understanding of their position. He stated he would like to see a new school, new housing and places for people to go; that he has been at his location since 1967. He stated his station was previously on Main from 1959-67; that he has many friends and customers from this neighborhood. He stated he has promised the business to his son and did not know about this until three weeks ago; that this is his livelihood. He stated vacant property can be taken for this school/activity center. He gave an accounting of the various taxes he has paid over the past year, including the sales tax he has collected for the State.

SOUTHSIDE REDEVELOPMENT PROJECT
(Cont'd.)

Mr. Clemons stated the school is a ploy; that he thinks we should have a new school but not on a main highway and asked if the City really needs 96 acres for parks scattered everywhere. He stated if he relocates he will lose most of his business; that he was planning on saving for retirement and a college fund; that all his business and livelihood is tied into his business. He made reference to the article in Sunday's newspaper and asked that the Council not turn the "American Dream" into a bad dream. He asked that the Council not approve this plan as designed.

Mike Malone, owner of businesses at **1846 South Market Street**, stated he realizes two different groups are talking about two different things; that citizens are supposed to have a right to their freedom. He made reference to business owners in the community and the surveys that were taken from people who were sent out to them; that they talked about what they could do to help them. He stated he was trying to say all want the right things, good schools and a beautiful city, but thinks it is the people that make-up the city; that people come to the city for many reasons. He stated Mark (Rudisill) talked with them; that the worse thing is limbo; that they will have to sit there and wait. He asked that the Council decide where the school will go; that it does not make any sense to leave them in limbo. He stated they wanted no false promises; that the Council is approving speculation and more consideration has to be taken.

Ometa Martin, former Howard teacher/educator, stated enough has been stated by Councilwoman Hurley and Councilman Pierce; she also expressed appreciation to the Urban Planners and the Mayor. She pleaded with the Council not to attempt to alter the Plan; that the Plan is a masterpiece and we should move forward. She stated she taught at Howard for 22 years; that the configuration of the School was cumbersome and nothing more than a burden on the faculty to teach in a building of that structure. She spoke in regard to the interference of construction going on in the area when (the old) Howard was forced to move to South market Street; that once they were on Market Street, there was still construction with the Mary Walker Towers building and they had to endure it. She stated they had to carry the burden of evil interfering with progress in the community; that this Plan is a masterpiece and asked that it be accepted and move forward; she asked that the "children be taken out of darkness." She made reference to her two brothers having a service and oil station; that they had to move out for progress; that progress and moving should not be a crime if we expect the City to progress. She stated the new proposed school will be "bringing the children out of darkness into the light".

SOUTHSIDE REDEVELOPMENT PROJECT
(Cont'd.)

Kay Glenn, owner of **Glenn Automotive**, stated he has had his business in the area for 36+ years and on behalf of his colleagues would like to say there is hope. He stated he started a little redevelopment when it was not "cool" in that area; that he got tired of looking at crime and prostitution and dope dealers and started buying up a little bit of property for relocating to do a better job and consolidate. He stated over a period of time he has managed to put together plans that will take his business into the next generation because he has children and grandchildren; that he was able to sit down and work out things for all concerned. He stated he knows all his partners in the area; that he tried to open up satellite businesses but found if he does an excellent job customers will call and come; that in over 30 years it has been a one way route down; that he would like to say they do come back. He stated he knows this is a tough situation; that he sees this as a real opportunity. He stated he does not want to move his business but if he does he wants to be paid for it. He concluded his remarks but stating he is for this plan.

Jerry Grant, owner of **Grant's Auto Glass Co.**, concurred with statements by Bob Clement. He stated he has been in business since 1951 and has been at this location for 36 years. He asked if he would be compensated for loss of business when traffic comes by hunting for his business.

Sister Bey stated she will not take this lying down; that Urban Renewal was outlawed by Henry Cisneros. She stated she does not see the relevance of anything the Council is doing; that this can be taken to Court. She stated she will not sit back and let the Council keep crushing "her people's" spirit.

Jim O'Bryant of **1701 South Market (Cash Source Pawn)** stated all who previously spoke have been business owners and knows it takes at least four-to-five years to turn a profit; that this July is his fifth year and (he) has not turned much profit. He stated it will be four more years if we have to move and his children and family will end up going broke because someone wants to put a school where his business is now. He made reference to demolition of the school in the area and take that lot and build an elementary school there.

Henry Boyd of **1900 South Market (Boyd & Ogden, Inc.)** stated he is a resident of the City and was formerly at Tenth and Broad. He stated when relocating he hunted everywhere he could and made reference to the good ingress and egress he presently enjoys. He stated the experts have stated the neighborhood is blighted indicating that they cannot get trash picked-up half of the time.

SOUTHSIDE REDEVELOPMENT PROJECT
(Cont'd.)

Mr. Boyd stated the Council has a "plan" and asked why not complete the "plan" by the Trade Center down by the Stadium; that the Council is telling him they have no money but do have a "plan." He stated he and other business owners will be in limbo for the next five years and asked if he is going to be paid for his building; that his business is open from 8:30 a.m. until 5 p.m. and no one entered his business with any survey. He stated the first time he heard of this was at the Choo-Choo; that this has been the "poorest handled thing" he has seen in his life. He stated if the Council does not have any money or wherewithal to operate a plan not to put them in limbo and asked that that be considered before this Resolution is approved. He asked that the Council complete what they started; that he agrees we need to redevelop but the City has more than it can "chew" now. He asked that money be put where the Plan is and buy it all.

Fred McClure, Chairman of the Chattanooga Housing Authority Board, stated the Board will not act on any plan that does not adequately address residents and business. He stated it seems there is one thing he has not heard and that is a single resident of that community get up and say they do not want their community to be better than it is; that he has not heard one person say that! He stated no business gets taken without compensation in this scheme; that if they are relocated for the school there is a mechanism for addressing that. He stated his focus as Chairman is we have a community of people who live there and their right to have a clean, safe, beautiful neighborhood as any in Chattanooga. He stated this is the most conservative plan you can come up with; that no resident gets involuntarily displaced. He state the term "urban renewal" scares everyone and in this Plan displacement of residents does not happen; that people are far more important than anything we can think about; that businesses are important. He stated the Staff has done a great job; that the Southside is an important part of this community. He encouraged the Council to bless this Plan and move Chattanooga forward.

Chairman Swafford stated this has been a very meaningful dialogue; that he does not want any businesses lost and thinks that has been stated by everyone. He stated this is an opportunity that has been worked on for quite some time; that the key element as stated by Atty. McClure are the residents and the protection of the businesses that are there. He stated senior citizens are extremely important and hopes this Plan will address those issues to work with senior citizens and help their situation as it is a critical and key element. He stated as far as the school we will always need that and it is an issue that needs to be looked at closely. At this point he thanked everyone for their participation.

SOUTHSIDE REDEVELOPMENT PROJECT
(Cont'd.)

Sherman Byrd owner of the neighborhood car wash stated he moved from one location for the Housing Authority and he is prepared to move, also. He stated we talk about growth and the bottom line is always about money. He stated it takes money to do it and all he asks is if there is any way they can grow with the community and not tear it down.

Patricia Rogers stated she lives in Ridgedale and this City is in the process of being "milked." She asked that the Council remember the founding people and the need to keep residential areas that are established and good plans for business; that there should be a definite plan.

Amy Grant of Grant's Auto Glass stated she was told they were to be out of business in six months and asked what she could really expect.

Mark Rudisill stated he met with the Grants and told them it could be six months to a year depending upon how priorities are placed; that we do not want to give anyone a false sense of security. He stated they do not know what the priorities will be; that he hopes many of the businesses will understand they will have to be fully compensated if they are relocated, which includes moving expenses. He stated it could be two-to-five years; that the County School Board will make the decision for funding of the school; that this is beyond their (planners) control.

Ms. Grant inquired about the 15 mph speed limit if the school is relocated. **Mr. Rudisill** stated he assumed it would be.

Ms. Grant asked what she should do with the property that had been purchased for a parking lot; that it is part of her business. **Mr. Rudisill** stated as a general rule if you improve property you improve value; that he cannot say she will get dollar-for-dollar; that they will pay the value of the property and negotiate.

Ms. Grant asked for clarification that they will have to relocate and not have to lose business. **Mr. Rudisill** stated that is their intent.

Councilman Pierce stated he would like to reiterate what Atty. McClure stated; that we have not heard anything negative coming from the residents; that he appreciates the businesses in the area and want to keep them there.

SOUTHSIDE REDEVELOPMENT PROJECT
(Cont'd.)

Councilman Pierce again expressed sympathy with the businesses and stated as we move forward we will have to make a hard decision and this is one of them. **At this point he made the motion to approve the Resolution; Councilman Crockett seconded the motion.**

At this point Councilman Lively offered an amendment to the Resolution. He stated if his colleagues will remember he has been supportive of the Southside plan all along; that when we first started hearing about it it was "jobs, jobs, jobs" and at one point the figure got up to 8000 new jobs and now we are talking about displacing businesses. **He made the motion to amend the Resolution by adding the following: "No active business located within the Southside Plan area will be displaced or forced from their property against their will;" Councilman Eaves seconded the motion.**

Councilwoman Rutherford stated she owns a small business smaller than some of those who spoke and the uncertainty is what concerns her the most. She expressed her wish that there was a way the Council could tell them what would happen, but they cannot do that; that as she understands the Hamilton County School Board will make the decision as to whether there will be a school in the Southside, where it will be located, when it will be built and who will be responsible for the financing. She stated the majority of what was said tonight was about the school and this body cannot address the school; that as of today we no longer have a school system and to some extent they are addressing the wrong people. She stated she would love to see a school in this area where it will not affect any of us; that she hesitates to support Councilman Lively's amendment because she does not think we could hold the Hamilton County School Board accountable to such a resolution. She stated she will vote against the amendment because she thinks there is a legal question. She stated because she cares about the overall welfare of this City she has to give her support to the Plan and hopes everyone will understand; that her heart goes out to the business people.

Councilman Crockett stated the tone is what bothers him; that it sounds like "Attila the Hun" is coming to the Southside! He made reference to the Grand Hotel and its completion and spending what amounts to be a lot of money, both public and private. He stated the Council is committed to make sure the business owners are not hurt; that he cannot support Councilman Lively's amendment from a City or business standpoint.

SOUTHSIDE REDEVELOPMENT PROJECT
(Cont'd.)

Councilman Pierce stated if we consider Councilman Lively's amendment we should "scrub it all"; that we cannot guarantee that we will not relocate someone in the area; that it is impossible to come to an agreement. At this point he "called for the question."

On roll call vote of Councilmen Lively and Eaves' motion and second to amend:

Crockett	No
Eaves	Yes
Hakeem	No
Hurley	No
Lively	Yes
Pierce	No
Rutherford	No
Taylor	Yes
Swafford	Yes

the motion failed.

On motion of Councilman Pierce, seconded by Councilman Crockett,
A RESOLUTION APPROVING REVISIONS TO THE REDEVELOPMENT
PLAN FOR THE DOWNTOWN AREA IMPROVEMENT PROJECT
(SOUTHSIDE REDEVELOPMENT PROJECT)
was adopted; on roll call vote:

Crockett	Yes
Eaves	Abstained
Hakeem	Yes
Hurley	Yes
Lively	Abstained
Pierce	Yes
Rutherford	Yes
Taylor	Abstained
Swafford	Yes

Chairman Swafford thanked everyone for their views whether "pro" or "con" and expressed his hope all comments will be considered in carrying this project through.

JOINT CONTRACT: TDOT AND HAMILTON
COUNTY

Councilwoman Hurley stated Resolutions 7(c) - (e) were discussed in the Parks and Recreation Committee and are recommended for approval.

JOINT CONTRACT: TDOT AND HAMILTON
COUNTY (Cont'd.)

On motion of Councilman Lively, seconded by Councilman Eaves,
A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A JOINT
CONTRACT WITH THE TENNESSEE DEPARTMENT OF
TRANSPORTATION AND HAMILTON COUNTY FOR A FIVE HUNDRED
AND EIGHTY-THOUSAND DOLLARS (\$580,000.00) ISTEAGRANT
FOR THE CONSTRUCTION OF THE BATTERY PLACE PHASE II
SEGMENT OF THE TENNESSEE RIVERPARK
was adopted.

LEASE AGREEMENT: RIVERVALLEY
PARTNERS, INC.

On motion of Councilman Taylor, seconded by Councilman Hakeem,
A RESOLUTION AUTHORIZING THE EXECUTION OF A LEASE
AGREEMENT WITH RIVERVALLEY PARTNERS, INC., RELATIVE TO
THE CITY OF CHATTANOOGA LEASING "THE TENT SITE" AT
ROSS'S LANDING PARK AND PLAZA FOR A PERIOD BEGINNING
JULY 1, 1997 THROUGH JUNE 30, 2000
was adopted.

APPLICATION SUBMISSION

On motion of Councilwoman Hurley, seconded by Councilman Lively,
A RESOLUTION AUTHORIZING THE MAYOR TO SUBMIT
APPLICATION FOR AND, IF SELECTED FOR APPROVAL, ACCEPT A
FIFTY/FIFTY MATCHING GRANT FROM THE TENNESSEE DIVISION
OF FORESTRY, RELATIVE TO THE URBAN AND COMMUNITY GRANT
ASSISTANCE PROGRAM
was adopted.

INTERLOCAL AGREEMENT WITH HAMILTON
COUNTY, TENNESSEE

Councilman Eaves stated Resolutions 7(f) - (i) were discussed in
Public Works Committee and are recommended for approval.

Councilman Pierce inquired about this interlocal agreement.
Councilman Eaves explained that the County will be paying us for
pick-up.

INTERLOCAL AGREEMENT WITH HAMILTON
COUNTY, TENNESSEE (cont'd.)

On motion of Councilman Eaves, seconded by Councilwoman Hurley,
A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN
INTERLOCAL AGREEMENT WITH HAMILTON COUNTY, TENNESSEE, AN
RELATIVE TO THE CITY'S PICK-UP OF GARBAGE FROM CURRENT
CITY SCHOOLS FOR THE NEXT SIX (6) MONTHS OR UNTIL THE
COUNTY PURCHASES TRUCKS TO DO SO
was adopted.

CONTRACT: ASSOCIATED
ENVIRONMENTAL SERVICES, INC.

On motion of Councilman Eaves, seconded by Councilman Lively,
A RESOLUTION AUTHORIZING AWARD OF CONTRACT NO SL-1-97,
MODIFICATIONS TO SUMMIT LANDFILL, CONSTRUCTION OF PHASE
I CAP - STAGE A, TO ASSOCIATED ENVIRONMENTAL SERVICES,
INC., FOR THEIR LOW BID IN THE AMOUNT OF \$3,743,542.00
was adopted.

EMINENT DOMAIN

On motion of Councilman Eaves, seconded by Councilman Hakeem,
A RESOLUTION AUTHORIZING THE OFFICE OF THE CITY
ATTORNEY TO FILE EMINENT DOMAIN PROCEEDINGS AGAINST
WILLIAM DAVID MORRISON AND BARBARA JEAN MORRISON FOR A
RIGHT-OF-WAY ON TRACT NO. 13, CONTRACT NO. RW-1-97
WIDENING OF JULIAN ROAD - DAVIDSON ROAD TO RAILROAD
was adopted.

TEMPORARY USE

On motion of Councilman Lively, seconded by Councilwoman Hurley,
A RESOLUTION AUTHORIZING SHOWPLACE TO USE TEMPORARILY
THE SOUTHERN SIDEWALK AT 24 FRAZIER AVENUE FOR
ATTACHING AN AWNING EXHIBITING THE BUSINESS NAME, MORE
PARTICULARLY DESCRIBED HEREIN, SUBJECT TO CERTAIN
CONDITIONS
was adopted.

OVERTIME

Overtime for the week ending June 27, 1997 totaled \$19,757.24.

PURCHASE

On motion of Councilman Lively, seconded by Councilwoman Rutherford, the following purchase was approved for use for the Parks and Recreation Department:

TOWER CONSTRUCTION (Lower and Better Bid)
Requisition No. 135199

Purchase of Site Improvements for the Colville Street Recreation Center (CDBG 21st Year Funding)

\$20,649.00

PURCHASES

On motion of Councilman Hakeem, seconded by Councilman Eaves, the following purchases were approved for use by the General Services Department:

DOWNEY'S (Lower and Better Bid)
Requisition No. 139554

Purchase of Six Months Requirements Contract for Starters, Alternators and Generators

(Price information available and filed with minute material)

FELTON'S CLUTCH SERVICE (Better bid)
Requisition No. 139589

Purchase of Six Months Requirements Contract for Clutches

(Price information available and filed with minute material)

PURCHASES (Cont'd.)

WHEELS & BRAKES (Lowest overall bid)
Requisition No. 139614

Purchase of Six Months Requirements Contract for Filters

(Price information available and filed with minute material)

PERSONNEL

The following personnel matters were reported for the Public Works Department:

DONALD L. SHOEMAKE, II -- New Hire, Concrete Worker, City-wide Services, Pay Grade 6/Step 1, \$16,864.00 annually, effective June 25, 1997.

CHARLES E. JOHNSON -- Retirement, Utility Servicer, Traffic Management, effective June 27, 1997.

ALAN D. KNOTT -- New Hire, Operator III, Waste Resources, Pay Grade 10/Step 1, \$21,321.00 annually, effective July 7, 1997.

PURCHASES

On motion of Councilman Pierce, seconded by Councilman Taylor, the following purchases were approved for use by the Public Works Department:

INDUSTRIAL EQUIPMENT & SUPPLY (Lower bid)
Requisition No. 139397

Purchase of Submersible Pumps for Interceptor Sewer System
\$18,126.00

CRESWELL INDUSTRIAL SUPPLY, INC. (Lower bid meeting specs)
Requisition No. 139366

Purchase of Miscellaneous Sprocket, Chain and Attachments
\$23,449.98

PURCHASES (Cont'd.)

WALTRON LTD. (Only bid received)
Requisition No. 139398

Purchase of Microprocessor Based Ammonia Analyzer

\$12,800.00

PERSONNEL

The following personnel matters were reported for the Fire Department:

JERRY W. EVANS -- Appointment, Fire Marshall, Pay Grade 18/Step 14, \$58,596.18 annually, effective June 10, 1997.

WILLIAM R. TEMPLETON -- Termination, Laborer II, effective July 10, 1997.

MICHAEL B. PLEASANT -- Retirement, Captain, effective July 16, 1997.

PERSONNEL

The following personnel matters were reported for the Police Department:

KAREN TWITTY -- Return from Family and Medical Leave, Secretary, effective July 7, 1997.

DEBRA D. CAPEHART -- Resignation, Dispatcher, effective June 24, 1997.

JAMES THOMAS WILLIAMS -- Retirement, Sergeant, effective July 3, 1997.

HOTEL PERMIT

On motion of Councilwoman Hurley, seconded by Councilwoman Rutherford, the following hotel permit was approved:

BLUFF VIEW INN, INC. -- 412 East Second Street, Chattanooga, TN

BOARD APPOINTMENT

On motion of Councilman Taylor, seconded by Councilman Eaves, the following Board appointment was approved:

BEER BOARD

--The appointment of ALBERT COKER, representing District 7, for a three year term expiring July 1, 2000.

(COUNCILMAN EAVES EXCUSED HIMSELF FROM THE MEETING AT THIS POINT.)

COMMITTEES

Councilwoman Hurley stated a meeting of the Parks and Recreation Committee was held today and heard a wonderful report from Staff on the summer program. She stated the new program, "Hang Time at Warner Park," had its first successful event this last weekend wherein over 3500-4000 youth were in attendance. She stated it has been requested that time be given at a future Council meeting for a comprehensive briefing of the Department's programs. She stated there was a report on the Marina which is coming along and will be one of the best on the River in the country; that she will keep the Council informed about this project.

Councilman Lively stated the Legal and Legislative Committee met to consider a possible change in the zoning for mobile homes and modular home lots for sale; that after considering the possible change the Committee elected to make no change at this time.

(AT THIS POINT COUNCILMEN LIVELY AND PIERCE EXCUSED THEMSELVES FROM THE MEETING.)

Councilwoman Rutherford stated there is an ordinance change that should come to her Committee; that she will speak with Phil Noblett to see if we really need to have the meeting. She scheduled a meeting of the Youth and Family Support Committee for Tuesday, July 8 immediately following the Public Works Committee (if there is a need for one after speaking with Atty. Noblett).

(COUNCILWOMAN RUTHERFORD EXCUSED HERSELF FROM THE MEETING AT THIS POINT.)

CASE 1996-122: EMERSON HALL

Chairman Swafford stated there was a request from Atty. John Anderson to defer case No. 1996-121: Emerson Hall for one week for property on Highway 58. He stated since there is not a quorum, the Council cannot act on the matter and will remain on next week's agenda. He asked the Council Clerk to notify Atty. Anderson to be present next week.

DR. BIBBINS

Dr. Bibbins stated he would like for the City Attorney and Council to clear up a question in addition to other statements. He quoted from the Tennessee Code regarding "transfer of public schools . . ." and ". . . before a transfer is effectuated a transfer shall be conducted on the subject . . .; that the ". . . school system shall not be transferred unless a majority of the voters shall vote in favor of such transfer." He asked how the City Council has the audacity to override the opinion and desires of this City and transfer billions of dollars over to the county in property without going to a referendum as outlined in TCA.

City Attorney Nelson stated there are about four different ways the City can go out of the school business; that the one we chose is the one where residents of the City voted on the subject and in this case we voted twice. He stated it is the law of Tennessee that the school district hold their property in trust for the children; that when a school district longer serves the children the property goes along with the children to whatever new district serves the children. He stated the governmental entity holding the property in trust for children is now the County.

Dr. Bibbins stated he is sure the Council is aware that a \$150 million law suit has been filed as to the "so called merger" that took place today. He stated his organization is still waiting for the word from the District Judge to grant a temporary restraining order against the merger; that this is one violation they are going to try in Court and have asked the U.S. Judge and District Attorney's office to become involved in this. He stated he would like to ask another question in regard to the recent Supreme Court ruling which relates to employees who are fired and contracted out to another company in order to save health and welfare benefits. He stated he has asked the Justice Department to come in to look at how this got on the ballot in the first place; that this issue will not "die" and (they) will keep this before the public.

DR. BIBBINS (Cont'd.)

Dr. Bibbins stated he is also Ed Owens of the "Let's Talk" radio program; that the community has been well informed of many of the improprieties that have taken place in this City. He stated the public is tired of this (improprieties) and will not take it any longer; he made reference to the presence of Chico Evans, Chairman of the City Employees (former City School system). He clarified that they are asking for a temporary restraining order against the merger until the Justice Department can come in to investigate. He stated Councilman Taylor is not part of the suit because he was not on the Council when this took place.

At this point Dr. Bibbins asked to be placed on the agenda for special presentation at next week's meeting. Chairman Swafford informed Mr. Bibbins that he was not certain what special presentations were already listed on the agenda and asked that he contact the Council Office the next morning.

Chairman Swafford suggested that the group take their concern to the County School Board and the County Commission; that as of today those two entities as the ones to act on the matter.

SISTER BEY

Sister Bey asked the Council if they were willing to give up the City Charter; that "her people" will not stand for what the Council is doing; that she is tired of it.

DALE COOK

Dale Cook, Chief of the Original Cherokee Nation, spoke in regard to the action the Council took in annexing parts of Ooltewah; that we have three Charter towns and a celebration was held last week. He submitted written information to the Council Clerk which indicated Ooltewah is the county seat of historic James County; that James County was formed in 1871 when the Hamilton County Seat was being moved from Harrison to Chattanooga. He stated James County never legally became a part of Hamilton County; that James County never including Ooltewah, is not a part of Hamilton County, therefore, Chattanooga has no jurisdiction to annex Ooltewah. He stated Ooltewah is a historic landmark; that annexation by Chattanooga would damage its historic features. (Mr. Cook's written remarks are filed with minute material of this date.)

ADJOURNMENT

Chairman Swafford adjourned the meeting until Tuesday, July 8, 1997
at 6 p.m.


CHAIRMAN


CLERK OF COUNCIL

(A list of names of persons in attendance is filed
with minute material of this date)