

Burns Randy

From: Crownover Shirley
Sent: Thursday, March 19, 1998 9:13 AM
Subject: 3/17/98

BUDGET AND FINANCE COMMITTEE

March 17, 1998

4:30 P.M.

The meeting of the Budget and Finance Committee was called to order by Chairman Hakeem, with Councilpersons Hurley, Swafford, Taylor, Pierce, and Lively being present. City Attorneys Randall Nelson and Mike McMahan; Management Analyst Randy Burns; and Shirley Crownover, Assistant Clerk to the Council, were also present.

Others present included Adm. Traughber, Adm. Boney, Kim Manning, and Sandra Gober.

ISSUANCE OF REFUNDING BONDS RESOLUTION

Adm. Boney explained that this was a follow-up to the Bond Sale of March 3rd; that at that time the market was not favorable for refunding and yesterday it got favorable, and we had negotiated with Paine-Webber at a 3.747% savings. He stated that the Resolution would be on tonight's agenda. Councilman Taylor verified that to avoid the market going up we needed to act very quickly. On motion of Councilman Swafford, seconded by Councilwoman Hurley, this will be recommended to the full Council.

COMMUNITY DEVELOPMENT ALLOCATIONS

Adm. Traughber stated that each Council member had in their packets a three-four sheet summary. He explained that the first sheet showed the funding available and application requests by different categories. He noted that the income was \$1,041,664 because of investments we have made that are paying off for us to reallocate.

Chairman Hakeem asked if it would be realistic to expect this each

year. Adm. Traughber responded that Sandra Gober was conservative; that he felt this would increase a little bit, but it would stabilize.

Adm. Traughber went on to say that the next sheet showed Projects to be funded and the last sheet Projects that were not funded. He stated that he would be glad to go over each one separately.

Councilman Swafford asked if Adm. Traughber could give each Council member a copy of the narrative of what they are going to do with each project.

Councilman Pierce stated that he was trying to find the application of the Chattanooga Housing Authority for a neighborhood service building.

Adm. Traughber stated that application was not funded. Ms. Gober pointed out that it was the Gateway Towers Improvements in the amount of \$450,00.

Councilman Pierce asked that once these requests are made, how do we deal with such situations; that Mark Rudisill made the application, and he (Councilman Pierce) did not think it would take half that much. Councilman Pierce stated that he was leery about other organizations also over-requesting. He stated he was disappointed in the amount asked for.

Adm. Traughber stated that the amount was one of the reasons this application was turned down; that need was another thing--that this was for a meeting room and this was not appropriated; that they questioned the need of a meeting room as they had been told that Chattanooga Housing Authority had made their administrative offices available for meetings and there were also other available places. He stated that they could come back later with their request.

Councilman Pierce responded that senior citizens can't move from one place to another; that the least we could do would be give them an assembly room.

Councilman Swafford agreed that it was definitely a need; that the majority of the people can't get across the street when they had some things for them; that this had been promised them over the years, and it had never come through. He reiterated that it was a definite need, and he hoped they could get some relief; that the money asked for was \$450,000, and it would not cost anywhere near this--that this cost was way too high, and it was a tremendous need. Councilman Pierce stated that Mark Rudisill had projected that figure.

Councilman Taylor stated that he would like to know about all of the projects. Adm. Traughber stated that he had a narrative he could give the Council later or he could go through each one now.

Chairman Hakeem asked if there were any specific ones Councilman Taylor might have questions on and after this committee had dismissed that Adm. Traughber could go over all of them privately with Councilman Taylor; that if Councilman Taylor saw a need right now to go over all of them, to tell him. Councilman Taylor responded again that he would like to be updated on all of them. He questioned why Alton Park and Piney Woods were not funded. Ms. Gober explained that they tried to determine the health needs of the City and in this area--that it was not funded because it would be a duplication of

services. Councilman Taylor asked if a lot of applications were turned down because of duplication. Adm. Traughber responded they were turned down for a variety of reasons.

Councilwoman Hurley pointed out that we have a fine Advisory Group that go through these projects which involves a lot of research and hearings, and she respects their findings; that unless the Council members have really, really dramatic differences that she would recommend that the Council go with their findings.

On motion of Councilman Pierce, seconded by Councilman Lively, this Community Development Program will be recommended to the full Council.

Chairman Hakeem asked that Councilman Taylor be provided with detailed information and stated he also thought he had heard that some preferred to have this information before a meeting such as this.

Adm. Traughber indicated that this type information could be provided a week before the meeting. Adm. Traughber also pointed out that there is a week between the time they bring it to committee and the Council takes action, but he would try to get the information to the Council further in advance. Chairman Hakeem asked the committee if they found this satisfactory.

Chairman Swafford recognized the presence of Mr. Shockley, who is a member of the Advisory Group.

ATTORNEY MIKE MCMAHAN--DEVELOPER QUESTION

Attorney McMahan noted that there was a developer who wanted to approach the Council next week; that he was developing 80 units for elderly low-income to moderate housing between the Winn-Dixie and the School Board administrative buildings; that this was five acres that were landlocked and across from the School Board property; that they had to act by the 30th of March and were very interested in building this housing; that they had gotten a later start and had a lot of hurdles to overcome. He explained they would like to have the property conveyed for building a road.

Chairman Hakeem stated that his recommendation would be to ask the Mayor's Office, Administration, and CNE to look at this and review it and then make a recommendation to the Council. Adm. Traughber responded that he was prepared to make a recommendation right now; that in the past we had issued a letter of general support from the Mayor's Office in such instances--now there was a policy of points to support projects; that we had a lot of developers contact us, and he recommended we take no supportive action without the necessary site plans and information. He stated this situation was somewhat different; that they were going to be meeting with the County and Countess Jenkins of his office; that if the County is willing to give that piece of land (for the road), he would probably ask the City Council to provide the roadway; that we would not know what the County is going to do until after their Wednesday meeting; that we needed to

wait and see what the County is going to do.

Chairman Hakeem indicated that he knew something about this situation and that an individual was coming down from Knoxville and would be waiting to hear.

Adm. Traugher stated that without knowing if it will work, we would be voting for something in the "dark". The meeting adjourned at 5:00 P.M.