

**BUDGET AND FINANCE COMMITTEE MEETING
NOVEMBER 16, 1999
4:30 P.M.**

The Budget and Finance Committee was called to order by Councilman Hakeem, Chairman, with Councilmen Franklin, Hurley, Eaves, Rutherford, Lively, and Taylor present. City Attorney Randall Nelson; Management Analyst Randy Burns; and Shirley Crownover, Assistant Clerk to the Council, were also present.

Others present included Adm. Marcellis, Mayor Kinsey, and Adm. Boney.

MAYOR'S REVIEW REGARDING TAX EQUITY

Mayor Kinsey stated that he would give a recap of what was discussed three weeks ago on where we are with the County Sales Tax. He stated that he and Mr. Boney had had four meetings with the County Executive and the Finance Officer, and they were getting close to something that they could present; that they could not have gotten this far without a directive by the Council; that they had been given a timeframe to see something happen, and the County was receptive and agreeable, and he thought within a matter of several weeks they would have something they could bring to the Council.

Councilman Eaves asked if everything was on the table. Mayor Kinsey responded "yes sir"; that he was not solving tax equity but was amending the Sales Tax Agreement; that we would have a termination date that would not go on forever; that the room tax was part of it; memorializing funds we give to the School System; and providing for an annual accounting of funds.

Councilwoman Hurley reminded those present that the Superintendent would be here November 23rd for the first of the annual accountings. Mayor Kinsey stated that he was referring to accounting of the sales tax agreement; that this was the first step in 30 something years.

**AMENDING CAPITAL BUDGET ORDINANCE NO. 10896—TOURISM
DEVELOPMENT ZONE**

Adm. Boney went over the amendment to the existing Capital Improvements Budget Ordinance, taking \$118,425,000 from the General Obligations Bonds and adding it to the Tourist Development Zone Fund (P420) for the Chattanooga Conference Center, Conference Center Parking Garage, Convention & Trade Center Expansion/Carter Street Corporation, Development Resource Center, and Infrastructure Improvements. He explained that this was on the Agenda tonight. **On motion of Councilwoman Hurley, seconded by Councilman Taylor, this will be recommended to the full Council.**

Councilman Eaves asked about agreement with the State. Mayor Kinsey related that they had the final F & A Sign-off.

Councilwoman Rutherford noted that this came quickly, and Mayor Kinsey agreed and added that in December the State Building Commission would sign-off on this, and he did not think any other city had applied.

Attorney Nelson added that Administration had done a great job on this.

Dr. Grace Hewell was present and wished to address the committee. Chairman Hakeem stated that it was appropriate to ask Dr. Hewell to address this concern with the Chairman of the Economic Development Committee. Dr. Hewell stated she would like to ask that Chairman Hakeem do this.

The meeting adjourned at 4:45 P.M.