

ECONOMIC DEVELOPMENT COMMITTEE MINUTES Chattanooga City Council June 13, 2023

Call to Order

Councilwoman Demetrus Coonrod, Committee Chair, called the meeting to order at 4:01 p.m. in the Assembly Room of the John P. Franklin, Sr. City Council Building. A quorum was present that also included Council Chair Raquetta Dotley, Council Vice Chair Jenny Hill, and Councilpersons Chip Henderson, Ken Smith, Darrin Ledford, Isiah Hester, Carol Berz, and Marvene Noel. Others present were Phil Noblett, City Attorney, and Melissa Bardoner, Council Support Specialist.

Others in Attendance

Mayor's Office: Jermaine Freeman, Chief of Staff;

Hamilton County Department of Education: Dr. Justin Robertson, Superintendent;

Urban Story Ventures: Jimmy White, President, and Brad Shumpert, Executive Vice President; and

Chattanooga Housing Authority: Betsy McCright, Executive Director.

Approval of Minutes

On motion of Councilman Smith and seconded by Councilman Ledford, the minutes of the last meeting (May 2, 2023) were approved as published.

Resolutions – Agenda Item 7B

Upon no questions or comments, the issue was closed.

Resolutions – Agenda Item 7C

Council Chair Dotley advised this was listed as a District 7 item in error; it should be District 8. Mr. Freeman affirmed. Upon no further questions or comments, the issue was closed.

Resolutions – Agenda Item 7D

Upon no questions or comments, the issue was closed.

NEXT WEEK'S AGENDA: June 20, 2023

Resolutions – Agenda Items 7J & 7K

Upon no questions or comments, the issues were closed.

The Bend / Westside Evolves TIF

Councilwoman Coonrod opened the floor to Mr. Freeman, who made introductory remarks and explained the Application Review Committee, as well as the Administration's proposed first ever brownfield TIF. [The full presentation may be viewed [here](#).] Mr. Freeman then yielded the floor to the other participants in the project, who presented the following:

- The background of the purchase (Mr. White)
- The vision for The Bend project, and the private sector's role in helping facilitate it (Mr. White):
 - Rezoning
 - Mixed-use spaces (industrial, retail, entertainment, recreation, residential)
 - Business recruitment (Novonix, Riverfront Surgery Center, Lincoln Electric, Micronics, Maksteel, etc.)
- The 'Westside Evolves' Project: where the 'Westside' is and who owns it (Ms. McCright)
- The plan to address the displacement & relocation of Westside's current residents (Ms. McCright)
- The affordability mix of the proposed residential and non-residential programs (Ms. McCright)
- The benefits of the proposed inter-governmental agreement between the City and the Chattanooga Housing Authority, as well as Hamilton County (Mr. Freeman)
- The infrastructure needs during each phase of The Bend project (Mr. Shumpert)
- The proposed phasing plans for the Westside Evolves project (Ms. McCright)
- The investment in education and workforce development; possible partnership with Hamilton County (Mr. Freeman)
- The per-dollar breakdown of the projected new tax revenue (Mr. Freeman):
 - 28.1¢ for essential services
 - 22.6¢ for public schools
 - 21.95¢ for sidewalks, stormwater, and other infrastructure
 - 13¢ for downtown educational investments
 - 10¢ for Westside Evolves project
 - 2.35¢ for admin services
 - 2¢ for a new fire station
- The next steps:
 - Next week's (June 20, 2023) votes are to authorize the preparation of an Economic Impact Plan (EIP)
 - If EIP is authorized, the city will then create an Application Review Committee
 - A public hearing would be required before the City's Industrial Development Board
 - A Development & Financing Agreement would be voted on by the City's Industrial Development Board.

A discussion ensued [view [here](#)] in which the following was addressed:

- Potential growth & new jobs not coming at the expense of existing companies in other areas of town (Hester)
 - Mr. Freeman responded.

- Phasing of the 1:1 replacement housing and ensuring current residents will be taken care of (Dotley)
 - Ms. McCright responded.
- The type of school being proposed and whom it would serve (Dotley)
 - Dr. Robertson and Mr. Freeman responded.
- Councilman Ledford asked a series of questions:
 - Would the new proposed school work without the TIF?
 - Dr. Robertson responded.
 - Would the Westside Evolves project exist without the TIF?
 - Ms. McCright responded.
 - Does this pass the 'but-for' test?
 - Mr. Freeman affirmed.
 - Are infrastructure permits pulled & ready to go?
 - Mr. Shumpert affirmed.
- Clarifying the size and amount of the TIF (Henderson)
 - Mr. Freeman responded.
- Explaining why the city would pay for a portion of the infrastructure (Henderson)
 - Mr. Freeman responded.
- Ensuring that the minutiae and details are integrated into this project (Hill)
- Expressing concerns over the surveys conducted (Noel)
 - Ms. McCright responded.
- Relocating and integrating current residents (Noel)
 - Ms. McCright responded.
- Taking Westside families into consideration (Coonrod)
- Highlighting the history of the area within the project (Coonrod)
- Utilizing the trade schools in other areas of the city (Coonrod)

Requests were made for the following:

- Request to see the anticipated tax revenue based on organic development in the area (Henderson)
 - Mr. Freeman responded
- Request for a cost-benefit analysis (Berz)
- Request for a Council work session to further discuss the project (Henderson, Hill, Berz and Coonrod)

[Editor's Note: Councilman Smith left the meeting at 4:21 p.m.]

Adjournment

There being no further business, Councilwoman Coonrod adjourned the meeting at 6:05 p.m.