

**PARKS AND RECREATION/ECONOMIC DEVELOPMENT
COMMITTEE
NOVEMBER 23, 1999
4:00 P.M.**

A joint meeting of the Parks, Recreation, Arts and Culture and Economic Development Committees was called to order by Councilwoman Rutherford, Chairman of Parks and Recreation. Councilpersons Hurley, Eaves, Lively, and Franklin were also present. Councilmen Crockett and Hakeem joined the meeting later. Management Analyst Randy Burns and Shirley Crownover, Assistant Clerk to the Council, were also present. Attorney Nelson joined the meeting later.

Others present included Adm. Mitchell, Adm. Traughber, and Mayor Kinsey. Adm. Boney and Adm. Marcellis joined the meeting later.

LEE GREENE—CONTRACT FOR PROFESSIONAL SERVICES

Adm. Mitchell stated that the only issue they had on tonight's agenda was a Contract for Professional Services with Lee Greene for services as the design and construction project manager for certain departmental projects. He stated that this was over the next two years; that Mr. Greene was very experienced in construction management and engineering services. He explained that they ran an add in the newspaper for a qualified person, and Mr. Greene was the most qualified person they could find; that he would be responsible for handling the 6.2 million dollars funding so far. His salary will be \$55,000 annually plus mileage on his vehicle. **On motion of Councilwoman Hurley, seconded by Councilman Franklin, this will be recommended to the full Council.**

At this point, Councilman Crockett began the Economic Development portion of the meeting. Alfred Smith was present representing the tax incentive for North American Royalties. Mr. Smith asked Mayor Kinsey to speak first.

Mayor Kinsey stated that we had been talking about this for a year, and it was now being formalized; that this was Wheland Foundry, a name we know, and they had worked hard and had come to him, Hamilton County, and the State with an opportunity to do an expansion. He stated that the last time Wheland expanded that they moved to the State of Georgia, and we would like them to do this expansion here. It will be a \$35 million dollar investment and will add 500 jobs. This is located off of Broad Street. Mayor Kinsey stated that Wheland was a tremendous taxpayer and corporate citizen, and they are asking us, the State, and the County to make this investment happen. He explained that the State had come up with the training dollars. He explained that this tax incentive will be over a 10-year period and will still be a tremendous addition to our property taxes, and it is great to have their largest and most important expansion locally, and this is a win-win situation for everyone. Mayor Kinsey stated he would like to see the Council

endorse this. He noted that Steve McConnell of North American Royalties was also present with Mr. Smith. **On motion of Councilman Hakeem, seconded by Councilwoman Rutherford, this will be recommended to the full Council.**

Chairman Crockett verified that this will be recommended to the full Council.

Mayor Kinsey stated that Steve Hiatt was supposed to be here regarding the Nabisco Resolution; that this is also a tax incentive; that Nabisco is located off Jersey Pike and Highway 153; that they have a new product with a great potential, and this product will probably be a \$10 million dollar investment. Mayor Kinsey explained that we will provide an abatement of 50% of personal property taxes for three years; that we are not going as long as with North American Royalties because there is not a sizeable amount of employment increase. He stated that this, too, was a good size property tax for the City. **On motion of Councilman Lively, seconded by Councilwoman Rutherford, this will be recommended to the full Council.**

Attorney Nelson stated that this would be on next week's agenda.

At this point Steve Hiatt, along with representatives of Nabisco, joined the meeting. One of Nabisco's tax people stated that they were very excited about this and had some of their very popular samples here today. She stated that this would be over a \$12 million dollar investment; that they were purchasing new machinery and equipment and there would be 25 new employees. She stated they were happy to bring this here and glad to have the City's support. The Plant Manager was also present, stating that he had relocated here from Arkansas.

PEM GUERRY

After the Health, Education, and Human Services Committee met, Chairman Crockett noted that Pem Guerry had arrived and wished to address this committee.

Mr. Guerry passed out some copies of the RiverValley Plan, which went into detail concerning the Retail Plan. He stated everything was in here, and he would try to answer any questions. He stated that the Plan was extraordinary and had received a lot of press attention around the country; that architectural firms, development firms, and the Urban Land Institute had reviewed this and it had also been shown to a local panel of experts for review, and they said they liked the Plan a lot. He stated they liked the strategic sense instead of recreating and the challenging demographics; that the marketing analysis says the timing is right for these projects; that we will try to do a variety of these projects; that we need to make workers want to be downtown; that there was a lot of public interest regarding the Public Market. He stated that they had showed this to real estate groups, community groups and homebuilders in Chattanooga, and there was a great deal of

enthusiasm. He stated they urged them not to forget CDB and not to forget the necessity retail that residents want and need. He stated that they had made a survey and asked for comments in writing. Mr. Guerry also mentioned the Urban Entertainment Center and the vacant sites and abandoned buildings, mentioning a Southern Heritage Museum. He noted that the consultants liked the concept of having a significant historical museum, which they thought would be helpful in relation to the Civil War, as the Civil War had gotten a lot of attention through PBS. He stated that there were a whole lot of different ways to attack this. He mentioned also an Orientation Center for National Parks, noting that this was just conceptual.

Councilman Hakeem asked about the Civil War concept and if this could be perceived as damaging to local businesses if we pursue this idea downtown. Mr. Guerry agreed that this was the most difficult and complicated concept.

Mayor Kinsey added that the people he had talked to and who liked this idea were out-of-town consultants—that they were the ones really excited about this.

Councilwoman Hurley stated that her problem with consultants was that they don't contact the energy we have in the City that is already underway.

Mayor Kinsey stated that we could think about another attraction and not debate the Civil War. Mr. Guerry added that we were a long way from figuring out what to do.

Councilman Taylor added that we were not developing the Civil War Museum that we have and suggested this might be a bad business move. Mr. Guerry responded that this Museum could consider whether they want to go downtown—that it would be a long-term decision—that he was not saying this was the right answer.

Mr. Guerry stated that their Board had voted to adopt this at the conceptual level; that it would become the Chattanooga Plan, and we would try to accomplish it over a 5-10 year period; that existing sites will change; that the final Plan would be several years down the road; that we need to make it our Plan in order to pursue implementation.

Mr. Guerry stated that the second thing he would like to address was that he had great respect for the Council's commitment to public service, and he was not at the Council's level of commitment; that he had had a great time at RiverValley, but he was now moving back to the private sector and had announced his resignation at their Board Meeting; that he had promised three years and a bit more, and it had been four years. He stated that his interest in high technology was a long-term dream, and he was going to begin Guerry Strategic Partners. He stated that the Council had been wonderful to work with.

Chairman Crockett stated he would like to make one comment to Mr. Guerry—that we appreciated his efforts, and he knew what goes into walking the line, and it was not easy to work with public officials.

Mayor Kinsey mentioned another item that the Council had talked about—moving the EPB Building to the 900 Block of Market Street next to CARTA. He stated that was going to be done and that block would actually get developed. He stated that this was an exciting time for RiverValley and Pem Guerry had been a big part of this excitement.

Mr. Guerry ended by saying that this was a great Staff.

Councilman Eaves brought up an issue regarding the \$8 million dollar commitment to the School System that will be made a part of the Health, Education and Human Services Committee minutes.

The meeting adjourned at 5:30 P.M.