

AGENDA SESSION
September 1, 2009
3:15 P.M.

The Agenda Session was called to order by Chairman Benson with Councilmen Murphy, Scott, Ladd, Rico, Gilbert, McGary, Berz, and Robinson present. City Attorney Michael McMahan and Shirley Crownover, Assistant Clerk to the Council, were also present.

Others present included Dan Johnson, Beverly Johnson, Lee Norris, Mark Keil, Susan DuBose, Chief Cooper, Capt. Snyder, Daisy Madison, Mayor Littlefield, Richard Beeland, David Johnson, Chief Williams, Chief Parker, Paul Page, Barry Bennett and Danny Thornton.

AGENDA FOR SEPTEMBER 1ST

Mr. Johnson went over Agenda items.

Ordinance First Reading relative to bicycles had already been discussed.

Resolution (a) was talked about last week. **Resolution (b)** concerned an Agreement with Brightbridge, Inc. relative to the City Brownfields Redevelopment Programs in an amount not to exceed \$95,000 annually. **Resolution (c)** authorizes a Grant for the Police Dept. for a total amount not to exceed \$550,000.00 to be used to purchase firearms range equipment, with no matching funds required.

Councilwoman Scott went back to Resolution (b), asking if this was changed from last week, adding Fiber to the Home Loan. It was explained that the contract did not change, just the wording. Attorney McMahan stated that he would look into this.

Resolution (d) concerned surplus and sale of the St. Elmo property. **Resolution (e)** was a Lease Agreement with the United Way for a warehouse located at 702 E. 11th St. for a term of one year and for an annual rental rate of \$1.00 and all related expenses.

Councilwoman Scott went back to Resolution (d). Mr. Johnson explained that this was the old Fire Hall in St. Elmo that we were going to sell for \$10,000, and we took the sale back. Councilman Rico asked if everyone understood what we were doing?

Councilwoman Scott stated that she had some questions in committee last week; that this was the St. Elmo Fire Hall built in 1890 with an appraised value of \$100,000; that what concerned her was that the City had an asset of \$100,000 that was being considered to be sold for \$10,000; that the issue was that this was to benefit the City with one particular Neighborhood Association that would be allowed to meet there—that one Neighborhood Association would be the beneficiary; that dozens of neighborhood associations meet across the city, and we are reducing our asset for one group, and this seemed “lopsided” to her.

Ms. Scott went on to say that she was not sure we could do this for every neighborhood association—that they come and go, and the last time this firehall was given to an organization, it did not last long; that the organization was lost because of a failure to pay taxes, and the City re-purchased this; that she was not sure we should be dealing in this amount for one particular organization. Councilman Rico explained that the organization she was talking about lost their 501.c status; that he was afraid if we took this away from the neighborhood association that we would have to undo others that we are doing this for.

Councilman Murphy stated that this was constructed in 1890, and it shows! He noted that this was a historical preservation value built in; that this would benefit one association, but the firehall happens to be in this neighborhood; that the City should not have taken this back; that we could preserve the historical character, and it could be of benefit to the neighborhood. He stated that he agreed with both Councilwoman Scott and Councilman Rico—that we could not do this for everyone, but where happenstance occurs, this should not be ignored.

Councilwoman Ladd stated that we did not want this building back to re-model it or demolish it; that if you look at the market, it would say that it was not marketable at \$100,000 “as is”; that this group is willing to take this and could get into the \$100,000 range if there happened to be an asbestos problem. She stated that she thought we had a good deal, even if it did not sound like it dollar upon dollar; that a \$10,000 investment is a way to look at this long-term.

Councilwoman Scott stated that she would like to point out that the appraisal was done by an independent Real Estate Appraiser, and it appraised for \$100,000 “as is”—not \$100,000 if improved. The other thing—were we willing to hand over \$90,000 to a neighborhood association to pay for their meetings—that a specific neighborhood association is listed, and she questioned what would happen if they disappear; that Historic Preservation says that the building should be saved and would say the property cannot be torn down.

Councilman Benson noted that Mr. Thornton said that the contract should be tightened up; that this had appraised at \$100,000 “as is”—that this is \$90,000 during hard economic times. He suggested getting the contract tightened up so this is not a façade, and we can work on other firehalls and equity; that he was not in favor of this until Mr. Thornton comes back with more assurance.

Councilwoman Berz asked if there was a reversionary clause in the contract? Mr. Thornton responded that the contract had not been written. She felt that it would be a win-win with a reversionary clause to come back to the City; that all concerns are valid, and the buyer should be willing to meet the conditions and act in good faith; that she agreed with Councilman Benson that we should not act on this until we have a contract that is nailed down.

Councilman Murphy pointed out that the appraisal includes the value of the land; that the upstairs of the building is not presently rentable.

Councilwoman Scott requested that we delete the clause—"If plans change" and do not name a specific group name and include the length of time.

Councilwoman Ladd stated we should see what it would cost the City if it became our property and what would we do with it?

Councilman McGary questioned if we were setting some sort of precedent; that he would like to create a normal procedure that is fair.

Resolution (f) declared surplus property at 7151 Discovery Drive and an offer to purchase from E-spin Technologies, Inc. for \$1,460,000.00. This is property jointly owned by the City and County.

Going back to Resolution (e), Mr. Johnson explained that this would be a future warehouse. Councilwoman Scott asked if this would include fire insurance and Mr. Johnson responded "yes" and also utilities.

Councilman McGary noted that representatives of United Way were present and might wish to speak.

Mr. John Hayes explained a dual use of the facility—that it was for the homeless to be able to move to housing with furniture and also people who had experienced a disaster; that this would provide a place for people to donate furniture, and they were working with the Salvation Army. The other part of the program is a "Gift-In-Kind" Warehouse.

Eva Dillard added that the Furniture Bank is an expansion of the "Gift-In-Kind" and works with the Salvation Army to provide jobs; that "Gift-In-Kind" has been around since 1990 and supplies items like soap and clothing; that it is very valuable to the community.

Councilwoman Berz thanked them for their great work, stating that there was not a doubt that we should approve this; that it was a fabulous idea, and she was anxious to see what this looked like a year from now.

Councilman Rico stated that this was all for \$1.00; that this is non-profit and helping people who need it; that this is a charity, and we can cover it.

Councilman Gilbert stated that he appreciated the work of United Way; that it provides books for kids, and they give other things to the community like toys for kids—that it is worth it.

Councilwoman Scott stated that she thought this was a worthwhile endeavor and planned to vote for it; however there are a lot of people in the city who have needs as well, and the management of money is important; that United Way provides a great service, and she wished them success in this endeavor.

Councilman McGary noted that Major Lawrence would be handling this, and he asked him if he had had an opportunity to dialog. Major Lawrence responded “no”, but he would.

SEPTEMBER 8TH AGENDA

Mr. Johnson noted that **Ordinances (a), (b), and (c)** are amendments to the Zoning Ordinance. **Ordinance (d)** establishes event fees for usage of Chattanooga Parks and Recreation facilities. This is done once a year. **Ordinance (e) through (i)** are zoning matters. **Ordinance (j)** is the Budget Ordinance, and there will be a meeting later today to discuss this.

Mr. Johnson explained that **Resolutions (a) and (b)** are tied together and are in regards to Oracle. The first one decreases the contract with Oracle by \$343,666.37, and the second one authorizes a contract with Duley Hopkins to cover this in the amount of \$318,000.00; the City is actually saving money.

Resolution (c) is a Public Works’ item and will be discussed next week, as will **Resolution (d)**. **Resolution (e)** requests an opinion from the Attorney General of the State of Tennessee with regards to local labor, which the Council asked to be put on the agenda.

Resolutions (f) and (g) are PUD’s and Barry Bennett was present for any questions.

Resolution (h) declared jointly owned property surplus in order to execute a conservation easement in favor of the U.S. Fish and Wildlife Service.

Mr. Johnson went over tonight’s purchases—two for Public Works and one for Soft Drinks for City-Wide Services. Councilwoman Scott wanted to know if we were selling these soft drinks. Mr. Johnson explained that they were purchased for the Recreation Centers, etc., and we were selling them. The fourth purchase was for the Police Dept. in the amount of \$10,098.

Councilman McGary asked for an explanation of the “Easy Child ID System”. Captain Snyder explained that they took fingerprints and photographs of children, and the parent maintained this information. He wanted to know who initiated this and the cost. Captain Snyder stated that there was no cost and that they go to community events with Benwood Foundation being involved.

Mr. Johnson had earlier stated that we would have to go back to the Conference Room for the Budget Meeting; however Councilwoman Berz noted that we could stay in this room.

The meeting adjourned at 4:00 p.m.