

**STATE OF TENNESSEE  
COUNTY OF HAMBLEN  
CORPORATION OF MORRISTOWN  
JANUARY 7, 2014**

The City Council for the City of Morristown, Hamblen County, Tennessee, met in regular session at the regular meeting place of the Council in the Morristown City Center at 5:00 p.m., Tuesday, January 7, 2014, with the Honorable Mayor Danny Thomas presiding and the following Councilmembers present; Bob Garrett, Chris Bivens, Dennis Alvis, Paul LeBel and Gary Chesney; absent; Kay Senter.

Don Lamb, Chaplain of the Morristown Fire Department led in the invocation and Councilmember Alvis led in the "Pledge of Allegiance".

Councilmember Alvis made a motion to approve the December 17, 2013 minutes as circulated. Councilmember LeBel seconded the motion and upon roll call; all voted "aye".

Mayor Thomas presented the Distinguished Budget Award to City Administrator Tony Cox.

Councilmember LeBel made a motion to approve Resolution No. 01-14. Councilmember Alvis seconded the motion and upon roll call; all voted "aye".

**Resolution No. 01-14  
A Resolution Directing Payment of Tax Equivalent.**

**WHEREAS**, Chapter 84, Public Acts of 1987, Tennessee Code Annotated, empowers the City Council to be paid revenues in lieu of taxes by the Morristown Utility Commission; and

**WHEREAS**, necessary data have been supplied by the Morristown Utility Commission and calculations of tax equivalents payable have been made in accordance with the provisions of Chapter 84, Public acts of 1987 and other relevant contracts between the taxing jurisdictions;

**NOW, THEREFORE, BE IT RESOLVED**, by the Mayor and City Council of the City of Morristown, Tennessee that the Morristown Utility Commission is hereby directed to pay the following amounts of tax equivalents to the respective taxing jurisdictions for the fiscal year beginning July 1, 2013 and ending June 30, 2014.

Jurisdiction	Amount
City of Morristown	\$1,087,396.80 (77.5%)
Hamblen County	<u>\$ 315,695.85 (22.5%)</u>
<b>Total In-Lieu Tax Payable</b>	<b><u>\$1,403,092.65</u></b>

Adopted this the 7<sup>th</sup> day of January, 2014.

  
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 Mayor

ATTEST

  
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 City Administrator/Recorder

Councilmember Alvis made a motion to approve Resolution No. 02-14. Councilmember Bivens seconded the motion and upon roll call; Councilmembers Garrett, Bivens, Alvis, Chesney & Mayor Thomas voted "aye"; Councilmember LeBel "abstained".

**Resolution No. 02-14**

**A Resolution of the City Council of the City of Morristown, Tennessee, Approving an Economic Impact Plan for the Popkin Town Center Economic Development Area.**

**WHEREAS**, The Industrial Development Board of the City of Morristown, Tennessee (the "IDB") has prepared an economic impact plan (the "Economic Impact Plan") regarding the development of an area known as the Popkin Town Center development (the "Plan Area");

**WHEREAS**, the development of the Plan Area would include a grocery store, retail shopping facilities and outparcel development (the "Project");

**WHEREAS**, the Economic Impact Plan would permit certain tax increment financing ("Tax Increment Financing") to be provided through the issuance of the IDB's bonds, notes and other obligations in the total amount not to exceed \$1,725,000 pursuant to Chapter 53, Title 7 of the Tennessee Code Annotated; and

**WHEREAS**, the IDB has approved the Economic Impact Plan at a meeting on December 30, 2013; and

**WHEREAS**, the proceeds of the Tax Increment Financing would be used to pay the costs of certain public infrastructure as described in the Economic Impact Plan (the "TIF Eligible Costs") relating to the development of the Project; and

**WHEREAS**, certain incremental property tax revenues (the "TIF Revenues") that result from the development of the Plan Area under the Economic Impact Plan will be allocated to the IDB to be used to pay debt service of the Tax Increment Financing; and

**WHEREAS**, in accordance with the Economic Impact Plan, the IDB would issue the Tax Increment Financing to a lender or lenders to finance the TIF Eligible Costs and would pledge the TIF Revenues to such lender or lenders to apply to the debt service on the Tax Increment Financing; and

**WHEREAS**, the Tax Increment Financing shall not represent or constitute a debt or pledge of the faith and credit or the taxing power of the IDB, the City of Morristown or Hamblen County, Tennessee; and

**WHEREAS**, the Board of Directors of the IDB has approved and submitted the Economic Impact Plan to the City Council of the City of Morristown, Tennessee for approval in accordance with Tenn. Code Ann. § 7-53-312; and

**WHEREAS**, the Board of Directors of the IDB held a public hearing related to the Economic Impact Plan, and a summary of that public hearing has been provided to the City Council of the City of Morristown;

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Morristown, Tennessee (the "City Council"), that the Economic Impact Plan, in the form attached hereto as Exhibit A, being in the interests of the citizens of the City of Morristown, Tennessee, is hereby approved by the City Council and the officers of the City of Morristown are authorized to take all appropriate action to carry out the terms of the Economic Impact Plan.

PASSED THIS THE 7<sup>TH</sup> DAY OF JANUARY, 2014.

  
MAYOR

ATTEST:

  
CITY ADMINISTRATOR

Councilmember Bivens made a motion to approve Resolution No. 03-14. Councilmember Alvis seconded the motion and upon roll call; all voted "aye".

**Resolution No. 03-14**

**A Resolution of the City Council for the City of Morristown Extending the Term of the Reverter Clause of Freedom Energy Diesel, LLC.**

**WHEREAS**, certain real property was conveyed from the City of Morristown to D4 Capital Holdings, L.L.C. on June 27, 2011, by instrument recorded in Record Book 1452 at page 264 in the Hamblen County Register's Office. That deed contained a "Reverter" clause in favor of the City requiring certain conditions to be met by Grantee on or before June 27, 2012. The deed reverter clause provisions are as follows:

"The larger portion of the consideration for this conveyance is the development of the property herein described. In the event Grantee shall not have in good faith begun the construction of improvements as approved by the Industrial Development Board of the City of Morristown, excluding grading and site preparation, by June 27, 2012 then, in that event, notwithstanding any provision of the Protective Covenants for the East Tennessee Progress Center to the contrary, the fee simple to said land shall revert to the City of Morristown at no cost to the City of Morristown and Grantee agrees to convey said premises to the City of Morristown in such event free and clear of all liens and encumbrances. Grantee agrees any and all other liens and encumbrances shall be subordinate to this right of reverter. The commencement of construction as herein defined shall render the right of reverter of the City of Morristown void and for nothing held."

**AND WHEREAS**, D4 Capital Holdings conveyed its interest in the property to Freedom Energy Diesel, LLC on February 14, 2012 by instrument recorded in the Hamblen County Register's office in Deed Book 1480, at page 351.

**AND WHEREAS**, the "Reverter" was extended by the City through June 30, 2013 as set forth in an instrument dated June 19, 2012, and recorded in the Register of Deeds Office in Deed Book 1496, at page 588.

**AND WHEREAS**, the "Reverter" was further extended by the City (requiring a loan commitment) through December 30, 2013 as set forth in an instrument dated as of June 18, 2013, and recorded in the Register of Deeds Office in Deed Book 1562, at page 551.

**AND WHEREAS**, Freedom Energy Diesel, LLC, as of December 30, 2013, had not secured a loan commitment but had demonstrated substantial and adequate progress toward the future development of an industrial operation together with a capital increase beyond the scope of the original project and has requested that the City further extend the term of the Reverter, on conditions recommended by the Industrial Development Board of the City, which are as follows:

The term of the Reverter shall be extended through June 30, 2014 provided, however, that if Freedom Energy Diesel, LLC has not secured a loan commitment and has not begun in good faith the construction of project improvements (excluding grading and site preparation) by June 30, 2014, then upon such failure, notwithstanding any provision of the Protective Covenants for the East Tennessee Progress Center to the contrary, the fee simple title to said land shall revert to the City of Morristown at no cost to the City and in accordance with the deed reverter clause provisions. In the event both the loan commitment is secured and the construction of project improvements has begun, both to the satisfaction of The Industrial Development Board of the City of Morristown, the Reverter shall become void and for nothing held.

NOW, THEREFORE, BE IT RESOLVED that the City of Morristown extends the Right of Reverter of Freedom Energy Diesel, LLC contained in City's deed to D4 Capital upon the terms and conditions set forth hereinabove, and that an appropriate document shall be prepared by the City Attorney and recorded in the Register's Office for Hamblen County, Tennessee to evidence this extension.

PASSED IN REGULAR MEETING OF CITY COUNCIL THIS THE 7<sup>TH</sup> DAY OF JANUARY, 2014.

  
MAYOR

ATTEST:

  
CITY ADMINISTRATOR

Councilmember LeBel made a motion to approve Resolution No. 04-14. Councilmember Bivens seconded the motion and upon roll call; all voted "aye".

**Resolution No. 04-14**

**A Resolution to Adopt the 2014 Policy/Procedures Manual, for the City of Morristown Emergency Home Repair Program.**

**WHEREAS**, the City of Morristown is a recipient of Entitlement Funds for the U.S. Department of Housing and Urban Development (HUD); and

**WHEREAS**, the City of Morristown has an adopted Consolidated Plan, approved by HUD in effect through June 30, 2014; and

**WHEREAS**, the City of Morristown had an adopted Action Plan, approved by HUD depicting utilization of HUD entitlement funds for the Fiscal Year 13-14; and

**WHEREAS**, \$78,192.00 was allocated in the approved Action Plan for FY 13-14 and approved by HUD to continue the City's effort in assisting low and moderate income families and homeowners with housing rehabilitation and emergency repairs; and

**WHEREAS**, it is the desire of the City to continue to utilize these funds to improve upon situations of urban blight and neighborhood stabilization through this housing rehabilitation assistance program;

**NOW, THEREFORE, BE IT RESOLVED**, that The City of Morristown hereby adopt the 2014 Policy/Procedures Manual, for the City of Morristown Emergency Home Repair Program.

**BE IT FURTHER RESOLVED** that this Resolution shall become effective upon its passage and approval.

Adopted during regular session of City Council this 7th day of January, 2014.

  
MAYOR

ATTEST:

  
CITY ADMINISTRATOR

Councilmember Bivens made a motion to approve Ordinance No. 3494 on first reading and schedule a public hearing relative to final passage of said Ordinance for January 21, 2014. Councilmember Alvis seconded the motion and upon roll call; all voted "aye".

**Ordinance No. 3494**

**An Ordinance to Amend the Municipal Code of the City of Morristown, Tennessee, Appendix B. [Rezoning of property known as 610 Merchants Greene Blvd. and 4351 Veterans Parkway (Hamblen County Tax Map Parcels 048059.10 and Parcel 048059.08) from A-1 Agricultural District to MUD, Mixed Use District.]**

Councilmember Chesney made a motion to approve Ordinance No. 3495 on first reading and schedule a public hearing relative to final passage of said Ordinance for January 21, 2014. Councilmember Bivens seconded the motion and upon roll call; all voted "aye".

**Ordinance No. 3495**

**An Ordinance to Amend the Municipal Code of the City of Morristown, Tennessee, Appendix B. , Title 14, Chapter 2 Zoning Ordinance, by repealing Chapters 17 (FWD Floodway District) and 18 (FDD Flood Fringe District) in their entirety and reapproving Chapter 22 (Municipal Floodplain Zoning Ordinance) in its entirety to resolve conflicts within the existing Ordinance text.**

Councilmember Alvis made a motion to approve Ordinance No. 3496 on first reading and schedule a public hearing relative to final passage of said Ordinance for January 21, 2014. Councilmember Chesney seconded the motion and upon roll call; all voted "aye".

**Ordinance No. 3496**

**An Ordinance to Amend the Municipal Code of the City of Morristown, Tennessee, Title 14 Chapter 3 (Flood Hazard Precautions) and Chapter 4 (Municipal Floodplain Zoning) by Repealing Title 14 – Zoning and Land Use Control, Chapters 3 and 4 in their entirety to resolve conflicts and supplication within the Municipal Code and the existing Zoning Ordinance.**

Councilmember Bivens made a motion to approve Ordinance No. 3476.08 on first reading and schedule a public hearing relative to final passage of said Ordinance for January 21, 2014. Councilmember LeBel seconded the motion and upon roll call; all voted "aye".

**Ordinance No. 3476.08**

**An Ordinance to Amend Ordinance Number 3476, The City of Morristown, Tennessee, Annual Budget for the Fiscal Year 2013-2014 and Appropriate the Sum of \$5,000 for Narcotics Equipment Purchase.**

Councilmember Chesney made a motion to approve Ordinance No. 3476.09 on first reading and schedule a public hearing relative to final passage of said Ordinance for January 21, 2014. Councilmember Bivens seconded the motion and upon roll call; all voted "aye".

**Ordinance No. 3476.09**

**An Ordinance to Amend Ordinance Number 3476, The City of Morristown, Tennessee, Annual Budget for the Fiscal Year 2014-2014 and Appropriate the Sum of \$15,000 for Weeding Lots.**

Councilmember LeBel made a motion to approve the Annual Support Agreement between the City of Morristown and Star Technology Group for I.T. support beginning on January 1, 2014 in the amount of \$2,300 per month. Councilmember Bivens seconded the motion and upon roll call; all voted "aye".

Councilmember Chesney made a motion to approve a Licensing agreement between the City of Morristown and Multi-Bank Securities, Inc. (MBS). Councilmember Bivens seconded the motion and upon roll call; all voted "aye".

Councilmember Alvis made a motion to approve a bid/contract to CXT, Inc. an L.B. Foster Company for a Cortez Flushing Building in the amount of \$44,966.07 for Civic Park. Councilmember Chesney seconded the motion and upon roll call; Councilmembers Garrett, Bivens, Alvis, Chesney and Mayor Thomas voted "aye"; Councilmember LeBel voted "no".

Councilmember Alvis made a motion to endorse the awarding of a bid for Wastewater Treatment Plant Improvements, Phase II at Turkey Creek Waste Water Treatment Plant to W&O Construction Company, Inc. in the amount of \$4,251,000. Councilmember LeBel seconded the motion and upon roll call; all voted "aye".

Mayor Thomas appointed the following Councilmembers to the 2014 Finance Committee: Kay Senter, Chris Bivens and Chair Gary Chesney.

Councilmember Chesney made a motion to approve the appointment of Eddie Fuller to fill the remaining term of Bryan Dickerson on the Housing Board of Adjustments & Appeals, term expiring August 15, 2014. Councilmember Bivens seconded the motion and upon roll call; all voted "aye".

Councilmember LeBel made a motion to accept Fire Chief Honeycutt's recommendation and promote Thomas Ucciardi to Fire Department Lieutenant. Councilmember Bivens seconded the motion and upon roll call; all voted "aye".

Councilmember Bivens made a motion to accept Fire Chief Honeycutt's recommendation and promote Shane Henson to Fire Department Driver. Councilmember LeBel seconded the motion and upon roll call; all voted "aye".

Councilmember Chesney made a motion to accept Fire Chief Honeycutt's recommendation and hire the following three (3) Entry-level Firefighters: Kevin Brown, Caleb Jones & Logan Horner. Councilmember Bivens seconded the motion and upon roll call; all voted "aye".

Councilmember LeBel made a motion to open the agenda. Councilmember Chesney seconded the motion and upon roll call; all voted "aye".

Councilmember LeBel made a motion to Authorize the City Attorney Dick Jessee to sign Tennessee Housing Development Agency (THDA) Apartment Documents. Councilmember Chesney seconded the motion and upon roll call; Councilmembers Garrett, Bivens, Alvis, LeBel and Chesney voted "aye"; Mayor Thomas voted "no".

Mayor Thomas adjourned the January 7, 2014 meeting.

  
MAYOR

ATTEST:

  
CITY ADMINISTRATOR