

Pending

RESOLUTION NO. 224

A RESOLUTION TO ENTER INTO AN INTERLOCAL AGREEMENT WITH HAWKINS COUNTY, THE CITY OF CHURCH HILL, THE CITY OF KINGSPORT, AND ROYAL ORDNANCE OF NORTH AMERICA FOR THE DEVELOPMENT OF THE HOLSTON ARMY AMMUNITION PLANT.

WHEREAS, the Holston Army Ammunition Plant (HAAP) has the potential of providing industrial and commercial development which would improve the economic conditions of the citizens of the Town of Mount Carmel and our entire area; and

WHEREAS, the Town of Mount Carmel wishes to participate in the development of industrial and commercial enterprises within HAAP in whichever way it can that will prove beneficial to the Town of Mount Carmel and its citizens; and

WHEREAS, the attached agreement entitled: "Holston Army Ammunition Plant Development Agreement Contract and Interlocal Agreement" would allow the Town of Mount Carmel to participate in "development zones" in HAAP by contributing financially to the "development zones" that will be proposed by Royal Ordnance of North America (RONA) from time to time; and

WHEREAS, the Town of Mount Carmel will retain the privilege of opting in or opting out of each "development zone," depending on the Town's cost/benefit analysis of each "development zone;" and

WHEREAS, the attached agreement protects the Urban Growth Boundary to the south of the Town, and previously ratified by the Board of Mayor and Aldermen by Resolution 201 on February 24, 2000; and

WHEREAS, it is in the best interest of the citizens of the Town of Mount Carmel, Tennessee, to enter into an agreement to allow the Town to participate in the industrial and commercial development of HAAP, when a development zone is proposed that meets the needs of the Town;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN OF THE TOWN OF MOUNT CARMEL, TENNESSEE, as follows:

SECTION I. That the Mayor is authorized to sign on behalf of the Town the attached agreement: HOLSTON ARMY AMMUNITION PLANT DEVELOPMENT AGREEMENT CONTRACT AND INTERLOCAL AGREEMENT.

SECTION II. The urban growth boundaries contained in the attached agreement are approved, ratified, and recommended to the County Coordinating Committee.

SECTION III. This Resolution shall take effect upon its passage as the law allows, the public welfare demanding it.

A D O P T E D this the _____ day of _____, 2000.

JAMES L. DEAN, Mayor

ATTEST:

NANCY CARTER, Recorder

APPROVED AS TO FORM:

LAW OFFICE OF MICHAEL A. FAULK

| FIRST READING | AYES | NAYS | OTHER |
|---------------------------|-------------|-------------|--------------|
| Alderman Henry Bailey | | | |
| Alderman Eugene Christian | | | |
| Mayor James Dean | | | |
| Alderman Gary Lawson | | | |
| Alderman George E. Pierce | | | |
| Alderman Thomas Wheeler | | | |
| Alderman Carl Wolfe | | | |
| TOTALS | | | |

PASSED FIRST READING: _____

**HOLSTON ARMY AMMUNITION PLANT
DEVELOPMENT AGREEMENT
CONTRACT AND INTERLOCAL AGREEMENT**

This agreement entered into this the _____ day of _____, 2000, by and among Hawkins County, Tennessee, hereinafter referred to as the County, Town of Mount Carmel, Tennessee, hereinafter referred to as Mount Carmel, City of Church Hill, Tennessee, hereinafter referred to as Church Hill, City of Kingsport, Tennessee, hereinafter referred to as Kingsport, United States Army, hereinafter referred to as the Army, and BAE Systems – Royal Ordnance North America, hereinafter referred to as RONA.

WITNESSETH:

For and in consideration of the mutual covenants contained herein the parties agree as follows:

1. The parties are authorized to enter into this agreement by the United States Code and Tennessee Code Annotated sections 5-1-113 and 6-58-101 et seq.

2. The parties desire to enter into this agreement for the purpose of facilitating a mutually agreeable growth plan in accordance with T.C.A. § 6-58-101 et seq., commonly referred to as the growth law.

3. This agreement shall apply to all the real property presently owned by the United States Army and included in the Holston Army Ammunition Plant, hereinafter referred to as "HAAP" that is not already annexed by a municipality.

4. The parties desire to enter into this agreement whereby the costs and benefits associated with economic development at the HAAP may be shared, while protecting the slopes of Bays Mountain and territory adjoining Laurel Run Park.

5. The property in the HAAP located above the 1300 foot elevation as shown on the attached map labeled exhibit A and incorporated herein by reference, and which property consist of steep mountain slopes adjoining and providing a buffer for Bays Mountain Park & Laurel Run Park, shall continue to remain undeveloped, and shall be rural area in the Hawkins County Growth Plan.

6. The strip of the HAAP generally described as parallel to Highway 11-W and defined by the east and west boundaries of Mount Carmel and extending south from the current 1000 feet annexed area to a line north of site road 1932, which area varies approximately in depth between 265 and 500 feet, as shown on the map labeled exhibit A and incorporated herein by reference shall be in the urban growth boundary of Mount Carmel.

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7. The remaining property in the HAAP shall be in the urban growth boundary of Kingsport, except that property that has previously been annexed.

8. None of the territory in the HAAP not already annexed by any municipality that is a party to this agreement shall be annexed by any municipality during the term of this agreement except as hereinafter provided.

9. RONA and the Army, from time to time in accordance with their development plan shall designate development zones that may need infrastructure. Infrastructure may include, but is not limited to, new roads, water, sewer, storm drainage, repair to infrastructure, routine maintenance to infrastructure including resurfacing, water/sewer, police and fire protection, routine governmental annual services, cost for provision of general operating services, capital needs, including fire stations, equipment, police substations, utility-pumping stations, the continuing cost of maintenance of these services and other costs associated with providing such infrastructure. RONA shall present a detailed plan of the services and infrastructure it deems necessary for each development zone and shall present detailed costs estimates sufficient to allow the solicitation of bids for such services/infrastructure. No development zone will be proposed or adopted that may prevent, now or in the future, a municipality from annexing property in its urban growth boundary in accordance with T.C.A. section 6-51-101 et seq., and if any development zone prevents a municipality from annexing property in its urban growth boundary such zone shall be modified to permit the municipality to annex as it is otherwise permitted to do.

10. Cost estimates shall be submitted by RONA to the parties to this agreement to determine whether each local governmental entity wants to participate in sharing the cost for the services for the development zone. Each local governmental entity that agrees to participate in the cost of providing services/infrastructure for the development zone, shall share in all the revenue generated by the development zone, and this participation shall be hereinafter referred to as development participation. The word "revenue" includes all taxes and revenue generated by the property, activity or otherwise by the development zone including but not limited to sales taxes, real property taxes, personal property taxes, and any other state shared or situs based revenue, or any revenue from the state to the local government based on income or revenue generated by the development. Revenue shall not include any revenue received that is required by state law to be automatically allocated to all educational systems in Hawkins County, such as one-half of the local option sales tax collections in the County. If Hawkins County does not participate in a development zone under this Agreement it will pay to those local governmental entities participating in the development zone in the percentage as hereinafter set out in paragraphs 12 and 13 the amount equal to any revenue, including real or personal property taxes or payments in lieu of taxes, received by it from the property or activity in the development zone. Alternatively, if Hawkins County does not participate in a development zone under this Agreement it shall pay any revenue it receives from such property or activity, including real and personal property taxes or payments in lieu of taxes, from such development and that revenue shall be divided among the entities participating in the development participation in the percentages as hereinafter set out. Hawkins County will use its best efforts to collect all the

**HOLSTON ARMY AMMUNITION PLANT
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revenue that is due to it and which is included as revenue in this Agreement. It further agrees not to waive its right to collect such revenue or accept payments in lieu of taxes without the agreement of all of the local governmental entities participating in a development zone. It is the intent of the parties that Hawkins County will not receive revenue for any development zone in which it does not participate under this Agreement, and it agrees to do all things necessary to pass such revenue or such sum equal to such revenue it receives from a development zone to the local governmental entities participating in such zone in the percentage as hereinafter set out in paragraphs 12 and 13.

11. Each of the governing boards of the local governmental entities shall opt in or opt out of the development participation for each development zone within forty-five (45) days of submission by RONA of the estimated costs for infrastructure/services. Failure on the part of any of the parties hereto to act within forty-five (45) days shall be construed as an "opt out."

12. For development of the property in the Kingsport urban growth boundary the division of cost and revenue sharing shall be as follows:

If all the local governmental entities participate the division of cost and revenue sharing shall be Kingsport 40%, Hawkins County 40%, Mount Carmel 10%, and Church Hill 10%.

Should either Church Hill or Mount Carmel opt out of participating in any particular development zone, the division of cost and revenue sharing shall be Kingsport 44%, Hawkins County 44%, and remaining city 12%.

Should Hawkins County or Kingsport opt out of participating in any particular development zone, the division of cost and revenue sharing shall be Kingsport or Hawkins County 72%, Church Hill 14%, and Mount Carmel 14%.

Should both Mount Carmel and Church Hill opt out of participating in any particular development zone, the division of cost and revenue sharing shall be Kingsport 50% and Hawkins County 50%.

Should both Kingsport and Hawkins County opt out of participating in any particular development zone, the division of cost and revenue sharing shall be Church Hill 50% and Mount Carmel 50%.

Should either Kingsport or Hawkins County opt out of participating in any particular development zone and either Church Hill or Mount Carmel also opt out of participating in any particular development zone, the division of cost and revenue sharing shall be either Kingsport or Hawkins County 80% and either Church Hill or Mount Carmel 20%.

13. For development of the property in the Mount Carmel urban growth boundary the division of cost and revenue sharing shall be as follows:

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If all the local governmental entities participate the division of cost and revenue sharing shall be Mount Carmel 40%, Hawkins County 40%, Church Hill 10%, and Kingsport 10%.

Should either Church Hill or Kingsport opt out of participating in any particular development zone, the division of cost and revenue sharing shall be Mount Carmel 44%, Hawkins County 44%, and remaining city 12%.

Should Hawkins County or Mount Carmel opt out of participating in any particular development zone, the division of cost and revenue sharing shall be Mount Carmel or Hawkins County 72%, Church Hill 14%, and Kingsport 14%.

Should both Kingsport and Church Hill opt out of participating in any particular development zone, the division of cost and revenue sharing shall be Mount Carmel 50% and Hawkins County 50%.

Should both Mount Carmel and Hawkins County opt out of participating in any particular development zone, the division of cost and revenue sharing shall be Church Hill 50% and Kingsport 50%.

Should either Mount Carmel or Hawkins County opt out of participating in any particular development zone and either Church Hill or Kingsport also opt out of participating in any particular development zone, the division of cost and revenue sharing shall be either Mount Carmel or Hawkins County 80% and either Church Hill or Kingsport 20%.

14. Should three of the four local governments opt out of participating in any particular development zone leaving only one local government willing to participate, that entity would pay all the costs and receive all the revenue from that particular development zone. If the property is in the urban growth boundary of the only government participating then, and in that event only, (unless the sole local government opting in is Hawkins County) would that municipality be able to annex the property in the development zone.

15. If any participating partner should fail or refuse to commit to pay its share of the costs and expenses within ninety days after demand in writing by any of the other entities agreeing to participate in the development participation for payment, this Agreement shall at the option of any of the remaining members of the development participation, be terminated and all the tax revenue shared hereunder will belong to the remaining members of the development participation from the date of the termination of the agreement.

16. All of the parties except the Army will be members of a joint venture committee, and each party will have one vote. The committee will meet from time to time as it deems necessary and will help facilitate the decision of each board of the local governmental entities whether to participate in a development zone. It is expected various development zones will be created and that not all the local governmental entities will participate in every development zone. For each development zone there will be created a committee comprised of one member

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from each of the local governmental entities choosing to participate in such zone and RONA, and it will be known as a joint venture mini committee. Each member will have one vote. Such committee will make all decisions for that zone.

17. The property in the urban growth boundaries of any municipality a party hereto will be, pursuant to T.C.A. section 6-58-106, subject to and part of the planning region and zoning authority of such municipality and such is approved, and all development standards, regulations and requirements of the respective municipality will apply to all property within its urban growth boundary.

18. Nothing in this Agreement will be construed to require a single participating municipality to annex any property or provide any service. The decision of whether to annex and the type of services to provide will be the decision of the sole developing participant.

19. This Agreement will become effective immediately upon the ratification by all governing bodies of the Growth Plan for Hawkins County, which includes the urban growth boundary proposed by this agreement, and the date the final governing body approves the Plan will be the effective date of the Agreement. This Agreement will continue in effect from the effective date for an initial term of five (5) years. It may be renewed annually upon the anniversary of the effective date of the Agreement by agreement of all the parties to extend the term of this Agreement for one year such that upon each renewal this Agreement will have a new full five (5) years.

20. This Agreement will become null and void if: (a) the State of Tennessee's Local Government Planning Advisory Committee should fail to approve the Growth Plan for Hawkins County, which includes the urban growth boundaries proposed by this Agreement; or (b) a court of competent jurisdiction should determine that the Growth Plan for Hawkins County, which includes the urban growth boundaries proposed by this Agreement, or any portion thereof is invalid or illegal for any reason; or (c) the Growth Plan for Hawkins County, which includes the urban growth boundaries proposed by this Agreement, should for any reason fail to become operative, or should cease to remain operative at any time during the term of this Agreement.

21. Each party represents that its governing body has duly approved this Agreement, and the undersigned is authorized to execute this Agreement on behalf of the respective parties.

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IN WITNESS WHEREOF, the parties have executed this Agreement in six duplicate originals, each of which constitutes an original.

HAWKINS COUNTY, TENNESSEE

ATTEST:

APPROVED AS TO FORM:

TOWN OF MOUNT CARMEL, TENNESSEE

ATTEST:

APPROVED AS TO FORM:

CITY OF CHURCH HILL, TENNESSEE

ATTEST:

**HOLSTON ARMY AMMUNITION PLANT
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APPROVED AS TO FORM:

CITY OF KINGSPORT, TENNESSEE

ATTEST:

APPROVED AS TO FORM:

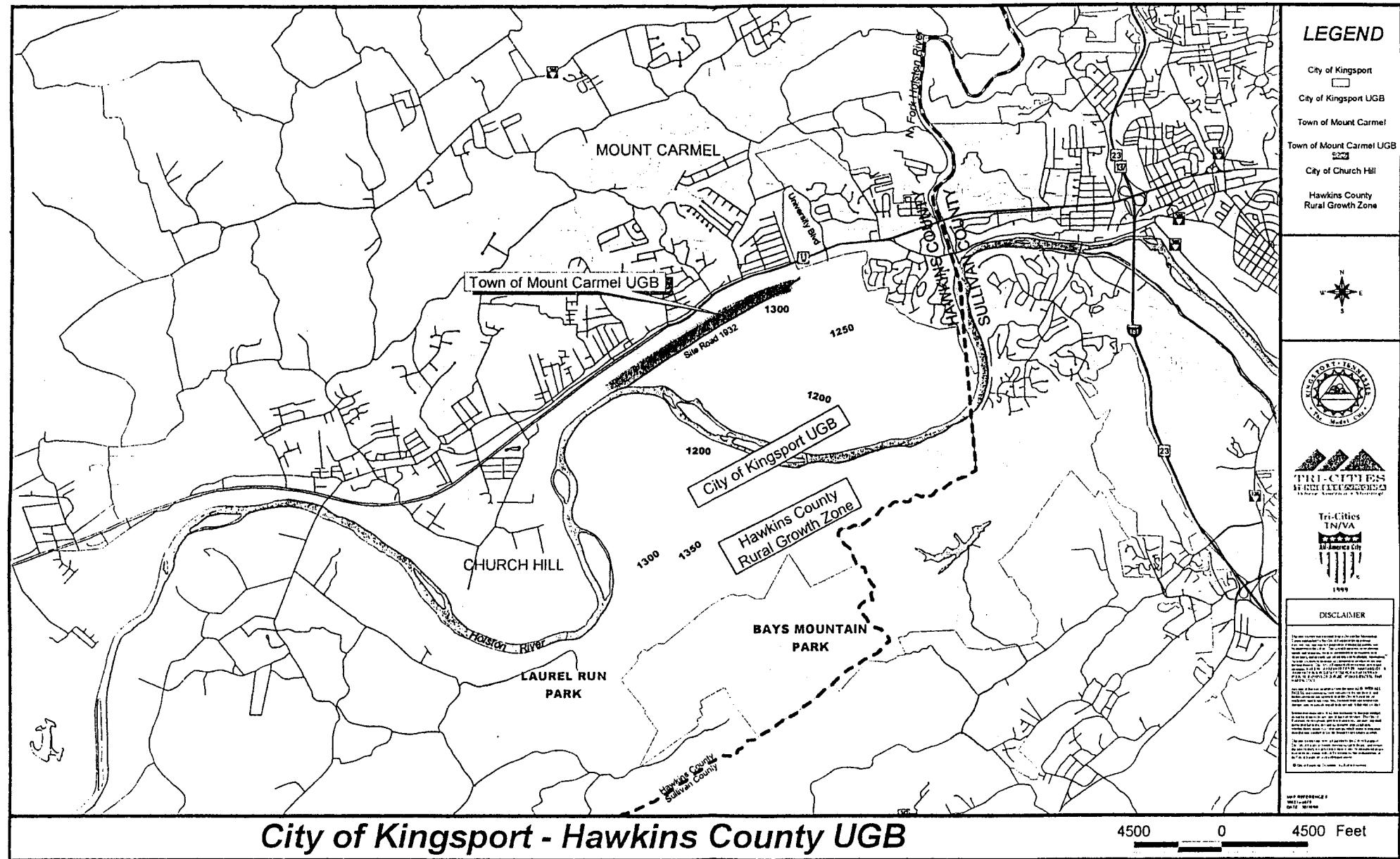
UNITED STATES ARMY

ATTEST:

**BAE SYSTEMS- ROYAL ORDNANCE
NORTH AMERICA**

ATTEST:

Exhibit A to Holston Army Ammunition Plant Development Agreement Contract and Interlocal Agreement



FROM : Panasonic PPF

RESOLUTION

No. 2000 / 01 / 05

To the HONORABLE HEISKELL H. WINSTEAD, Chairman, and Members of the Hawkins County Board of Commissioners in Regular Session, met this 24 day of January, 2000.

RESOLUTION IN REF: REQUESTING TENNESSEE STATE SENATORS AND REPRESENTATIVES TO REPEAL TENNESSEE CODE ANNOTATED 6-58-115 AND KNOWN AT "COMPREHENSIVE GROWTH PLAN" AND PUBLIC CHAPTER NO. 1101

WHEREAS, the Board of Commissioners for Hawkins County, Tennessee have been involved in the Growth Plan hearings set forth in T.C.A. 6-58-101 et seq.; and,

WHEREAS, the Growth Plan guidelines and procedures are not conducive to cooperation between the municipalities located in Tennessee and the Hawkins County Board of Commissioners; and,

WHEREAS, the Hawkins County Board of Commissioners, the Coordinating Committee for Growth Plan, and municipalities of Hawkins County, Tennessee have conducted hearings as required by the Comprehensive Growth Plan; and,

WHEREAS, the Comprehensive Growth Plan does not adequately take into consideration individual property rights and significant state wide or regional employment opportunities and economic well being of this region.

WHEREAS, the Comprehensive Growth Plan does not address or take into consideration the gross inequities of the Local Option Sales Tax Division between counties and municipalities; and

WHEREAS, said act was intended to bring a spirit of cooperation between said counties and municipalities but is achieved the opposite results.

THEREFORE, BE IT RESOLVED by the Board of Commissioners for Hawkins County, Tennessee, that they request all Tennessee State Senators and State Representatives to repeal the Comprehensive Growth Plan set forth in T.C.A. 6-58-101 through T.C.A. 6-58-101 and any amendments and the statutes relating to this Comprehensive Growth Plan.

IT IS FURTHER RESOLVED by the Board of Commissioners, that the County Clerk send a copy of this Resolution to the State Senator and State Representative for Hawkins County, Tennessee; and also, send a copy to other counties, State Senators and State Representatives.

DULY PASSED AND APPROVED ON THE 24 DAY OF JANUARY, 2000

Introduced by Esq. Kenneth Long

ACTION: AYE NAY PASSED

Seconded By Esq. _____

Roll Call _____

Date Submitted 01-19-00

Voice Vote _____

County Clerk Don AllenAbsent _____
COMMITTEE ACTION _____

BY: _____

CHAIRMAN: Heiskell H. Winstead

| | | | |
|-------------------------|------|-------------------------|---------------------|
| Post-W Fax Note | 7671 | Date <u>1/25/00</u> | # of pages <u>4</u> |
| To <u>RON Waller</u> | | From <u>Mike F.</u> | |
| Co/Dept. | | To | |
| Phone # <u>357-7311</u> | | Phone # <u>357-8088</u> | |
| Fax # <u>357-7710</u> | | Fax # <u>357-1067</u> | |

Report for Smart Growth Meeting
1PM, Monday, August 23, 1999

Ladies and Gentlemen:

I am here today representing Mayor Dean who is unable to attend.

Mt. Carmel is boxed in on the North by the Virginia State Line, on the East by Kingsport, on the West by Church Hill, and on the South by Holston Defense.

Mt. Carmel's growth has been episodic, that is, we grew during World War II as Holston Defense grew, we grew in the 1970's as construction at Phipps Bend increased rapidly, and for the past three years we've been growing as young families, seeking affordable housing, move to our town.

In 1987 Mt. Carmel annexed a strip of land along the South side of Highway 11W to prepare for commercial development that would come eventually.

Now we must plan for the next twenty years. The growth boundary we set now will enable us to grow, or restrict our growth, for the next twenty years.

Now Mt. Carmel must set it's Urban Growth Boundary, in concert with it's neighbors, that will control it's destiny for twenty years. Now we need to make decisions and agreements that can allow Mt. Carmel to prosper and grow.

Our choices are limited. Our history and our neighbors constrict us severely.

One choice is to draw an Urban Growth Boundary line that allows Mt. Carmel to add only residential areas for the next twenty years.

Our other choice, a far better choice, is to draw a line that allows us to add residential ~~lines~~^{areas} and to add taxable industrial development that may be built on Holston Defense property.

Based on Mt. Carmel's history, I predict we will have one or more episodes of growth within the next twenty years.

In the mean time Mt. Carmel must provide services to all it's citizens. Presently Mt. Carmel is primarily a bedroom community. A household generates less revenue each year than Mt. Carmel spends in services to that household. We make up the shortfall in State Aid and in Sales Taxes.

We will need more commercial and industrial enterprises in order to make up future shortfalls.

Mt. Carmel's sewer plant is now operating at 50% of capacity. We need more customers to allow us to operate at 80% or 90% of capacity. To obtain more customers we need an Urban Growth Boundary that will enable us to grow.

For years Mt. Carmel did not annex any part of Holston Defense. This was because Holston Defense property was completely tax exempt.

Now, there is a good possibility that some privately owned improvements will be built on Holston Defense property. When these improvements are built, there will be a need for city services. With a properly drawn Urban Growth Boundary Mt. Carmel will be able to provide the needed city services.

If Mt. Carmel is excluded from any part of Holston Defense, Mt. Carmel and Holston Defense will both lose. If Mt. Carmel, over the next twenty years, is prohibited from annexing any part of Holston Defense, then it will have little incentive to make any accommodation that would benefit Holston Defense.

The best arrangement we can make now, that will benefit all concerned for the next twenty years, is to create a situation where no party is excluded. The Urban Growth Boundary must be drawn so that both Kingsport and Mt. Carmel will cooperate with Holston Defense. The boundary needs to consider both cities' interests. Otherwise we are forcing one city into non-cooperation.

As Winston Churchill said: "First we shape our institutions, then our institutions shape us."

I urge all of you here today to include a part of Holston Defense as part of Mt. Carmel's Urban Growth Boundary. It is the one sure way of guaranteeing the full and whole-hearted support of any endeavor undertaken by Holston Defense. As long as Mt. Carmel has a stake in the economic vitality, viability, and health of Holston Defense, we will guarantee that Mt. Carmel citizens and future leaders will assist and support Holston Defense in every way possible.



Royal Ordnance North America / Smart Growth

AGENDA

Time: 1:00 p.m.
Date: August 23, 1999
Place: Mead Auditorium, Kingsport Public Library

Purpose: To discuss Tennessee's new Smart Growth Law and its potential application to Royal Ordinance North America

1. Opening Remarks.....Jeanette D. Blazier, Mayor of Kingsport
2. Tennessee's Smart Growth Law.....Jeff Fleming, City of Kingsport
 - Hawkins County Coordinating Committee
 - Developing the Countywide Plan
 - Proposing Urban Growth Boundaries for Cities
 - > Criteria for defining UGB
 - > Factors to be considered
 - > Public hearing requirements
 - Planned Growth Areas & Rural Areas (Counties)
 - Role of Coordinating Committee
 - Procedure upon rejection by cities and/or county
 - Dispute Resolution Panel
 - Local Government Planning Advisory Committee
 - Appealing a Growth Plan
 - Incentives
 - Penalties
3. Hawkins Coordinating Committee.....Bill Ring, Kingsport Mayor's Representative
4. Mount Carmel's Perspective.....Ron Waller, City Administrator
5. RONA Strategic Planning Timeline.....Tony Hewitt, Director of Strategy
6. Roundtable Discussion.....Bill Ring, Kingsport Mayor's Representative
7. Summary/Future Direction.....Bill Ring, Kingsport Mayor's Representative
8. Closing Remarks.....Jeanette D. Blazier, Mayor of Kingsport

DRAFT FOR REVIEW

Please fax changes to Jeff Fleming at 423.224.2706

Distribution list:

- ♦ Jeanette D. Blazier, Mayor of Kingsport
- ♦ Tony Hawitt, Director of Strategy, RONA
- ♦ Bill Ring, Kingsport Mayor's Representative, Hawkins County Coordinating Committee
- ♦ Mike Billingsley, Acting City Manager, Kingsport
- ♦ Ron Waller, City Administrator, Mount Carmel
- ♦ Betty Clark, Business Development Director, Kingsport Chamber
- ♦ Bob Miller, Executive Vice President, Kingsport Chamber of Commerce
- ♦ Fred Crowell, Planning Manager, City of Kingsport