

RESOLUTION NO. 32384

A RESOLUTION CONFIRMING THE SURPLUS OF TAX MAP NUMBER 146K-N-004.01 ON OAK STREET ("THE PROPERTY") AND AUTHORIZING THE MAYOR OR HIS DESIGNEE TO ENTER INTO A DONATION AGREEMENT WITH CHAMBLISS CENTER FOR CHILDREN ("CHAMBLISS"), IN SUBSTANTIALLY THE FORM ATTACHED, FOR THE DONATION OF THE PROPERTY TO CHAMBLISS FOR THE PURPOSE OF PROVIDING PARKING, AND TO EXECUTE ALL DOCUMENTS REQUIRED FOR THE COMPLETION OF THE TRANSACTION, WITH A REVERTER CLAUSE THAT SHOULD THE PROPERTY CEASE TO BE USED FOR PARKING, THE OWNERSHIP OF THE PROPERTY SHALL REVERT TO THE CITY OF CHATTANOOGA.

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BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHATTANOOGA, TENNESSEE, That it is hereby confirming the surplus of Tax Map Number 146K-N-004.01 on Oak Street ("the Property") and authorizing the Mayor or his designee to enter into a Donation Agreement with Chambliss Center for Children ("Chambliss"), in substantially the form attached, for the donation of the property to Chambliss for the purpose of providing parking, and to execute all documents required for the completion of the transaction, with a reverter clause that should the property cease to be used for parking, the ownership of the property shall revert to the City of Chattanooga.

ADOPTED: January 21, 2025

/mem

**DONATION AGREEMENT**

**THIS DONATION AGREEMENT** (the “Agreement”) is made this \_\_\_\_ day of \_\_\_\_\_, 2025, by and between the **CITY OF CHATTANOOGA**, a Tennessee municipal corporation, having an address of 101 E. 11<sup>th</sup> Street, City Hall, Chattanooga, Tennessee 37402 (“Donor”) and **CHAMBLISS CENTER FOR CHILDREN**, a Tennessee nonprofit corporation having an address of 315 Gillespie Road, Chattanooga, Tennessee 37411 (“Donee”).

**RECITALS:**

- A. Donor is the fee simple owner of a certain parcel of real property located in Chattanooga, Hamilton County, Tennessee, bearing tax parcel I.D. No. 146K-N-004.01 and being more particularly described on **Exhibit “A”** attached hereto and incorporated herein by reference (the “Property”).
- B. Donor desires to donate the Property to Donee for the purpose of providing parking and Donee desires to accept such donation from Donor.
- C. The parties desire to set forth the terms and conditions of the donation in this Agreement.

**NOW, THEREFORE**, for good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. **Donation.**

(a) For and in consideration of the mutual covenants and promises contained in this Agreement, and in acknowledgment of Donee’s material reliance on this Agreement, Donor agrees to grant and convey to Donee the Property described on **Exhibit “A”**. Donee shall not be obligated to accept the Property if (a) the donation of the Property is not consummated under this Agreement because of Donor’s failure, refusal or inability to perform any of its obligations under this Agreement; (b) Donee elects to terminate this Agreement because any of Donor’s representations cease to be true prior to Closing (hereinafter defined); (c) Donee elects to terminate this Agreement because Donor is unable to remove a title exception objected to by Donee; or (d) Donee elects not to close by reason of damage to the Property in accordance with Paragraph 10 of this Agreement.

(b) The parties agree that a reasonable estimate of the value of the land is \$400 according to the Hamilton County Tax Assessor’s Office.

2. **Closing.** The donation of the Property by Donor (the “Closing”) shall take place on or before \_\_\_\_\_, 2025, provided that Donee has not elected to extend or terminate this Agreement pursuant to the terms hereof. Donee’s obligation to accept title to the Property shall be contingent on Donor’s performance of all of its duties and obligations hereunder.

3. **Title; No Warranty.** Donor shall convey the Property to Donee by executing and delivering to Donee a quitclaim deed (the “Deed”). Donee shall be under no obligation to accept the Deed from Donor if Donee, in its examination of title to the Property, determines that it is subject to liens, encumbrances or other matters of title other than (a) the lien of ad valorem property taxes for the year in which the Closing occurs, which taxes are not yet due and payable; (b) any encumbrances created by Donee including without limitation deeds of trust, assignment of rents and leases or financing statements; (c) exceptions listed on a title commitment (the “Title Commitment”) issued by a national title insurance company, which exceptions are accepted by Donee in writing; and (d) any other matters approved by Donee in writing. Donee may obtain at its expense either a title report or a Title Commitment from a national title insurance company reflecting good and marketable fee simple title to the Property in Donor. If obtained, Donee may examine the title report/Title Commitment and shall furnish to Donor at least ten (10) days prior to the Closing a written statement of any objections to matters of title. Matters reflected by the survey of the Property obtained by Donee pursuant to Paragraph 4 below may be treated as title defects and referenced in the above-referenced title objection letter. Donor may, but shall not be obligated to, cure any such title or survey objections. Following Donee’s initial title examination, Donee shall have until the time of Closing to re-examine title to the Property and to give Donor notice of any additional objections disclosed by such re-examination, which were not filed and indexed of record on the date of Donee’s initial examination. If all of the stated title and survey objections are not cured or satisfied by the date set for Closing, Donee may, at its option:

(a) waive the title objections and proceed to Closing;

(b) terminate this Agreement, and, except as may expressly be provided herein to the contrary, Donor and Donee shall have no further rights or obligations under this Agreement.

Donor agrees to provide to Donee and the title insurer all routine or otherwise available documents necessary or desirable to confirm Donor’s title to and authorization to convey the Property, and to permit Donee to obtain an ALTA Form B (2006), as amended, owner’s title insurance policy, at Donee’s sole cost and expense with respect to the Property.

(c) **No Warranty- Acceptance of the Property in its AS-IS Condition.**

Donee acknowledges that Donor makes no guarantee, representation or warranty regarding the physical or environmental condition of the Property, and Donee expressly disclaims any and all obligation and liability to Donor regarding any defects or structural damage which presently exists on the Property. Donee hereby agrees to accept the Property in its **AS-IS-WHERE-IS, WITH ALL FAULTS** condition and Donee assumes all risks associated with the physical and environmental condition of the Property, regardless of the cause or date of origin of such condition, and releases all rights or claims against Donor relating to such condition or for any costs of remediation or cure of any physical or environmental condition.

4. **Survey.** Prior to Closing, Donee, at its expense, may obtain a boundary survey of the Property, signed and sealed by a Tennessee registered surveyor, certified to Donee and the title insurer, prepared according to state standards. The legal description drawn from any such survey shall serve as the legal description for the Property, as set forth in the Deed.

5. **Right of Reversion.** Donee or its assigns shall use the Property for the sole purpose of parking automobiles. Should the Property cease to be operated for parking purposes as solely determined by Donor, then Donor may elect to exercise its right of reversion in the Property donated herein and all improvements and fixtures located thereon shall revert to Donor. This reversionary provision shall survive the Closing and shall be included in the Quitclaim deed.

6. **Donor's Representations.** Donor represents as follows:

(a) To the best of Donor's knowledge, but without conducting an investigation, there is no suit, action, arbitration, legal, administrative or other proceeding or inquiry pending or threatened against the Property or any portion thereof, or pending or threatened against Donor, which could affect Donor's title to the Property or any portion thereof, affect the value of the Property or any portion thereof, affect Donor's duties and obligations under this Agreement or subject an owner of the Property, or any portion thereof, to liability;

7. **Donee's Representations and Warranties.** In addition to Donee's representations and warranties made elsewhere herein, Donee represents and warrants to Donor the following:

(a) Donee is accepting the Property solely in reliance on its own information and/or findings and not on any information, representation or warranty provided or to be provided by Donor, its officials, representatives, agents, employees, or assigns; and

(b) Neither Donor, nor its officials, representatives, agents, employees, or assigns have made any representations or warranties, implied or expressed, relating to the condition of the Property or the contents thereof.

8. **Remedies Upon Default.** In the event Donor defaults in the performance of any of Donor's obligations under this Agreement, Donee's sole remedy shall be the right of specific performance against Donor. In the event Donee defaults in the performance of any of its obligations under this Agreement, Donor shall have the right to any remedy provided in this Agreement or by law or equity, except Donor shall not have the right to sue Donee for damages.

9. **Right to Inspect the Property.** Donee, through its employees and agents, may enter upon the Property in order to conduct such survey, appraisal, environmental, physical, engineering, feasibility studies and other inspections and investigations as Donee deems appropriate in an effort to determine whether or not to proceed with the Closing. Donee hereby agrees to indemnify Donor, its officials, officers, agents, and employees and save it harmless from and against any and all claims, actions, damages, liability and expenses in connection with loss of life, personal injury and/or damage to property, including civil rights actions, to any person or for any cause whatsoever caused wholly or in part by any act or omission of Donee, its agents, employees, invitees, contractors or assigns. Donee further agrees to defend, pay all costs of defense, including reasonable attorney's fees, and/or any judgment or cost for any claim or suit brought against Donor as a result of any claim brought against Donee, its agents, employees, invitees, contractors, or assignees for Donee's temporary use of the Property for the above-stated

purpose. This indemnification obligation shall survive the Closing and the delivery of the instruments of conveyance.

10. **Risk of Loss.** In the event the Donated Property is destroyed or damaged prior to Closing, such that the Property is, in the sole discretion of Donee, no longer suitable for Donee's public purposes, Donee shall have the right, by notice given to Donor as provided in Paragraph 12 below, to terminate this Agreement, and, except as may be provided expressly to the contrary herein, Donor and Donee shall have no further rights, obligations or duties under this Agreement.

11. **Indemnification.** Donee agrees to indemnify and hold harmless Donor, its officials, representatives, employees or agents from and against any and all losses, claims, demands, liabilities, costs, damages, and expenses (including reasonable attorneys' fees and costs) that Donor may incur to the extent arising from Donee's actions or failure to act on, respond to or comply with any written notices received after closing regarding violation of any local, state or federal laws, rule or ordinance affecting the Property.

12. **Notices.** All notices pertaining to this Agreement shall be in writing, delivered to the parties hereto personally by hand, by United States mail, certified or registered, with return receipt requested, by telecopier (provided a confirmation copy is sent via another mode) or courier service at the addresses set forth in the introductory paragraph of this Agreement. All notices shall be deemed given when delivered. The parties may, by notice as provided above, designate a different address to which notice shall be given.

If served personally, if sent by first class mail, registered or certified, postage prepaid, or if sent by a national recognized overnight delivery service, paid by the sending party and addressed as follows:

**Grantor:** City of Chattanooga  
ATTN: Real Property  
101 E. 11<sup>th</sup> Street, G-18  
Chattanooga, TN 37402

With a copy to: Office of the City Attorney  
100 E. 11<sup>th</sup> Street, Suite 200  
Chattanooga, TN 37402

**Grantee:** Chambliss Center for Children  
315 Gillespie Road  
Chattanooga, TN 37411

With a copy to: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Chattanooga, TN

Any party may change its address for notices under this Right of Entry by giving written notice of such change to the other party in accordance with the terms of this paragraph.

13. **Prorations and Fees.** The Property is presently exempt from the payment of real property taxes. From and after the Closing, the Property will be placed on the tax roll, and Donee shall be responsible for the payment of real property taxes. Water quality fees assessed for the year 2024 (regardless of when due and payable) shall be prorated as of the Closing. Special assessments levied prior to the Closing shall be the responsibility of Donor. Any documentary tax or real property transfer tax arising out of the conveyance of the Property, the premium for the title insurance policy, and any other fees and charges shall be paid by Donee. The provisions contained in this paragraph shall survive the Closing and shall not be merged into the Deed.

14. **No Agents or Brokers.** Each party hereto represents to the other that it has not discussed the transactions contemplated in this Agreement with any real estate broker, agent or salesman so as to create any legal right or entitlement to claim a real estate commission or similar fee with respect to the conveyance of the Property to Donee.

15. **Time of the Essence.** Time is of the essence of this Agreement.

16. **Possession.** Possession of the Property shall be transferred to Donee at Closing.

17. **Binding on Successors.** This Agreement shall be binding not only upon the parties hereto but also upon their personal representatives, assigns, and other successors in interest. Donee, with Donor's prior written consent, which shall not be unreasonably withheld or delayed, may assign its rights under this Agreement to another charitable organization or to a governmental entity, in which case Donee shall be released in full from all duties and obligations hereunder, provided Donee's assignee agrees in writing to assume such duties and obligations.

18. **Additional Documents.** Donor and Donee agree to execute such additional documents, including escrow instructions, as may be reasonable and necessary to carry out the provisions of this Agreement.

19. **Entire Agreement; Modification.** This Agreement constitutes the entire agreement between Donor and Donee pertaining to the subject matter contained in it and supersedes all prior and contemporaneous agreements, representations, and understandings. No

supplement, modification, or amendment of this Agreement shall be binding unless executed in writing by all the parties.

20. **Severability**. Each provision of this Agreement is severable from any and all other provisions of this Agreement. Should any provision(s) of this Agreement be for any reason unenforceable, the balance shall nonetheless be of full force and effect.

21. **No Merger**. The obligations contained in this Agreement, except for those specifically discharged at Closing shall survive the Closing.

22. **Headings; Rules of Construction**. The headings used in this Agreement are for convenience of reference only and shall not operate or be construed to alter or affect the meaning of any of the provisions hereof. All references herein to the singular shall include the plural, and vice versa. The parties agree that this Agreement is the result of negotiation by the parties, each of whom was represented by counsel, and thus, this Agreement shall not be construed more strictly against the drafter thereof.

23. **Counterparts**. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original, and all of which counterparts together shall constitute but one and the same instrument.

24. **No Waiver**. Neither the failure of either party to exercise any power given such party hereunder or to insist upon strict compliance by the other party with its obligations hereunder, nor any custom or practice of the parties at variance with the terms hereof shall constitute a waiver of either party's right to demand exact compliance with the terms hereof. Any party hereto may waive the benefit of any provision, contingency or condition for its benefit contained in this Agreement.

25. **Effective Date**. The effective date of this Agreement shall be the latter date of the execution dates below.

26. **Choice of Law**. The validity, construction, interpretation, and performance of this Agreement shall in all ways be governed and determined in accordance with the laws of the state of Tennessee.

27. **Miscellaneous**. In the event that any of the deadlines set forth herein end on a Saturday, Sunday or legal holiday, such deadline shall automatically be extended to the next business day which is not a Saturday, Sunday or legal holiday. The term "business days" as may be used herein shall mean all days which are not on a Saturday, Sunday or legal holiday.

***[SIGNATURE PAGES FOLLOW]***

**IN WITNESS** of the foregoing provisions, the Donor, by its duly authorized signatory, has executed this Agreement under seal as of the last date of signature, as reflected below.

**DONOR:**

**CITY OF CHATTANOOGA**

BY: \_\_\_\_\_

RICHARD J. BEELAND

Administrator of Economic Development

Execution Date: \_\_\_\_\_

**IN WITNESS** of the foregoing provisions, the Donee, by its duly authorized signatory, has executed this Agreement under seal as of the last date of signature, as reflected below.

**DONEE:**

**CHAMBLISS CENTER FOR CHILDREN**

By: \_\_\_\_\_

KATIE C. HARBISON

President/CEO

Execution Date: \_\_\_\_\_



**EXHIBIT "A"**

IN THE CITY OF CHATTANOOGA, HAMILTON COUNTY, TENNESSEE:

The East half (1/2) of the South twenty-one (21) feet of Lot Five (5), and the South twenty-one (21) feet of Lot Six (6), Block Forty-one (41), Orchard Knob, as shown by plat of record in Plat Book 1, Page 41, in the Register's Office of Hamilton County, Tennessee.

Being part of the same property conveyed to Terry Cook and wife, Caroline J. Cook by Deed from Lauri W. Hyyti, executed November 1, 1988 and recorded on November 3, 1988 in Book 3549, Page 936, in the Register's Office of Hamilton County, Tennessee.

Also being the same property vested in Hamilton County and City of Chattanooga by Decree Confirming Sale dated July 1, 1992, and recorded July 14, 1992, in Book 4013, Page 13, in the Register's Office of Hamilton County, Tennessee.

Also being the same property conveyed to Associates for the Advancement of Affordable Alternatives, Inc. by Deed from Hamilton County, a political subdivision of the State of Tennessee, and The City of Chattanooga, a municipal corporation of the State of Tennessee, executed April 20, 1995 and recorded on April 26, 1995 in Book 4493, Page 309, in the Register's Office of Hamilton County, Tennessee.

Also being the same property vested in Hamilton County and City of Chattanooga by Decree Confirming Sale dated June 23, 2011, and recorded July 28, 2011, in Book 9443, Page 826, in the Register's Office of Hamilton County, Tennessee.

Also being part of the same property conveyed to City of Chattanooga, a municipal corporation of the State of Tennessee, by Deed from Hamilton County, a political subdivision of the State of Tennessee, executed and recorded on September 18, 2024 in Book 13709, Page 106, as corrected by Deed of Correction recorded in Book \_\_\_\_\_, Page \_\_\_\_\_, in the Register's Office of Hamilton County, Tennessee.

MR-2024-0189 City of Chattanooga  
November 18, 2024

RESOLUTION

WHEREAS, City of Chattanooga Real Property Office c/o Erika Robinson petitioned the Chattanooga-Hamilton County Regional Planning Commission to recommend to the Members of the City Council of the City of Chattanooga granting approval of a Mandatory Referral pursuant to T.C.A. 13-4-104 to Declare Surplus for the unaddressed property in the 2000 block of Oak Street.

Part of Lots 5 and 6, Block 41, Orchard Knob McCallie Avenue Land and Improvement Company's First Addition, Plat Book 4, Page 41, ROHC, and being the property described as 0 Oak Street; Parcel ID 146K-N-004.01 in Deed Book 13709, Page 106, ROHC. Tax Map Number 146K-N-004.01 as shown on the attached map.

AND WHEREAS, the Planning Commission held a public hearing on this petition on November 18, 2024,

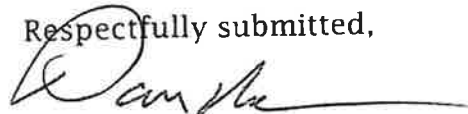
AND WHEREAS, the Planning Commission heard and considered all statements regarding the petition,

AND WHEREAS, there was opposition present to the petition,

AND WHEREAS, the Planning Commission has determined that the surplus of public property for private use to the Chambliss Children's Home would not negatively impact the public health, safety, and well-being of the public.

NOW THEREFORE, BE IT RESOLVED that the Planning Commission, on November 18, 2024, recommends to the Members of the City Council of the City of Chattanooga that this petition for a Mandatory Referral to Declare Surplus public property be approved.

Respectfully submitted,



Dan Reuter  
Executive Director