

ECONOMIC & COMMUNITY DEVELOPMENT (ECD) COMMITTEE

MINUTES

October 11, 2016

In Attendance

Councilman Chris Anderson, Committee Chair, called the meeting to order at 3:05 p.m. A quorum was present, including Council Chairman Moses Freeman, Vice Chair Jerry Mitchell and Council members Carol Berz, Russell Gilbert, Larry Grohn, Yusuf Hakeem, Chip Henderson, and Ken Smith. The assigned attorney was Phil Noblett, Deputy City Attorney.

Others in Attendance

ECD: Nick Wilkerson, Deputy Administrator of Community Development; Transportation: Blythe Bailey, Administrator; Zayo Group: Dylan DeVito, VP of Network Development, and Terry Davis, Project Manager; Crown Castle: Ann Brooks, Government Relations Manager; Elmington: John Shepard, Vice President of Acquisitions; Council Office: Kristen Booker, Administrative Support Specialist

Approval of Minutes

On motion of Councilman Gilbert and seconded by Councilman Grohn, the minutes of the last meeting (September 20, 2016) were approved as published.

“Dark Fiber” PRESENTATION

Mr. Wilkinson gave a brief overview on dark fiber and the use of our right-of-ways. The visual presentation included the following:

- Fiber to the Tower (FTT)
- The City’s Role
- Federal Telecommunications Act & Tennessee Annotated Code
- Next Steps

Mr. DeVito continued the presentation by discussing the following topics:

- What is Zayo?
- Zayo Markets & Assets
- Zayo group proposed network overview

After the presentation, the Council questioned Mr. Noblett, Mr. Wilkinson, Mr. Bailey, Mr. DeVito and Mr. Davis on the following:

- How many franchisees do you anticipate wanting to come into our market? (Freeman)
- Do we have to give them access to our fiber or conduit? (Freeman)
- Should the rate be adjusted to accommodate the higher volume of sales? (Freeman)
- What is the cost of repair? (Freeman)

- Is there an actual cost of repair in addition to the other fees we charge? (Freeman)
- Would you give a few cities in which the Zayo group is operating? (Hakeem)
- What is your rate per linear foot? (Hakeem)
- Do you hire local contractors to do any of the work? (Hakeem)
- Do you have any policy on hiring minorities? (Hakeem)
- What do the triangles represent (on the map in the presentation)? (Henderson)
- Are you installing any new towers? (Henderson)
- Who is inspecting the work after the repairs are complete? (Gilbert)
- About how long ago was the Zayo project brought to the city's attention?

Mr. Wilkinson then asked Ms. Brooks give a brief overview of her company, Crown Castle. Her presentation included information on the following:

- Crown Castle, City of Chattanooga
- Shallowford Road Project
- UT Chattanooga Project

Mr. Wilkinson, Mr. Noblett and Ms. Brooks responded to the following questions from the Council:

- Do you have existing networks in Chattanooga? (Hakeem)
- Do you have any guidelines as to the hiring of minorities? (Hakeem)
- Can you please explain what a small cell is? (Anderson)
- Will you have quick response times in case of problems? (Gilbert)
- What is the understanding of the companies who come to the City of Chattanooga as to the rate they will be charged? (Berz)
- So we have to establish the rate in franchise ordinance before we can contract with anyone? (Berz)

Follow-Up Items:

- Ms. Brooks get back to the Council on Crown Castles' policy on minorities.

PILOT PRESENTATION: Chestnut Flats

Mr. Wilkinson introduced Mr. Shepard, who gave a visual presentation that included the following:

- The Affordable housing team
- Background
- Past/Current projects
- Public Benefits
- Accountability & Verification
- PILOT Terms

Mr. Shepard responded to the following questions from the Council:

- How many years is this PILOT? (Gilbert)
- After the 16 years how much would you be paying in taxes? (Gilbert)
- Do you accept section 8? (Hakeem)
- What happens to the apartments after the PILOT runs out? (Henderson)
- Are you paying taxes during the first two years of construction? (Berz)
- How much is the undeveloped taxes? (Gilbert)

- If someone has a housing voucher, can they use them at this property? (Gilbert)
- How much of the undeveloped taxes that would be paid is the “city’s” portion? (Smith)
- Did you have to compete for the tax credit? (Freeman)
- What is the value of the tax credits? (Freeman)
- What is the out of pocket expense to the corporation? (Freeman)

**Next Week’s Agenda:
Tuesday, October 18, 2016**

Resolution- Agenda Item 7A

Councilman Anderson informed the Assembly that this agenda item is regarding the Chestnut Flats PILOT presentation that just took place. Upon no questions, the item was closed.

Adjournment

There being no further business, Councilman Anderson adjourned the meeting at 4:40 p.m.