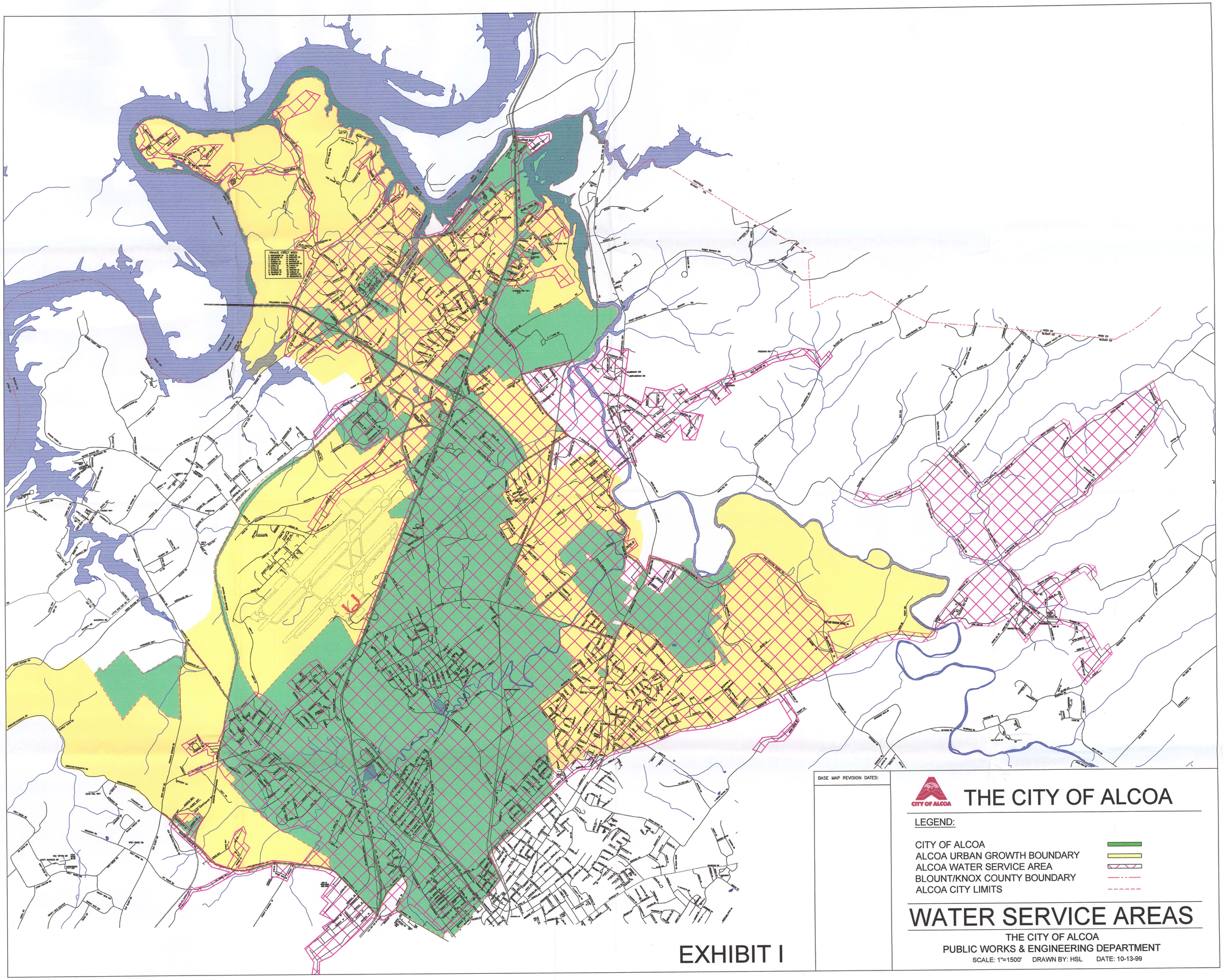
BASE MAP REVISION DATES:
THE CITY OF ALCOA
LEGEND:
CITY OF ALCOA
ALCOA URBAN GROWTH BOUNDARY
ALCOA WATER SERVICE AREA
BLOUNT/KNOX COUNTY BOUNDARY
ALCOA CITY LIMITS
WATER SERVICE AREAS
THE CITY OF ALCOA
PUBLIC WORKS & ENGINEERING DEPARTMENT
SCALE: 1"=1500' DRAWN BY: HSL DATE: 10-13-99

EXHIBIT I

State of Tennessee
Department of Economic and Community Development

Local Planning Assistance Office
William Snodgrass/Tennessee Tower Building-10th Floor
312 8th Avenue North
Nashville, Tennessee 37243-0405
615-741-2211

July 19, 2001

The Honorable William A. Crisp
Blount County Executive
341 Court Street
Maryville, Tennessee 37804-5906

Dear Mr. Crisp:

The Local Government Planning Advisory Committee at its meeting on June 27, 2001 received The Blount County Growth Boundary Plan from the Secretary of State for LGPAC approval. The Committee amended that plan by removing the McGee Tyson Airport Authority property from the Alcoa Urban Growth Boundary and created a Blount County Planned Growth Area which is comprised exclusively of that property.

I am having the plan as amended and approved by the Local Government Planning Advisory Committee drafted for distribution and recording as required by law. As soon as the map is ready, I will send you a copy for that purpose. I will also have sufficient copies for others who may have a need for the composite map. The effective date of the plan as amended is July 27, 2001.

Sincerely,

Donald G. Waller
Director

DW/jw

cc: Mayor Don R. Mull, Alcoa
Mayor Bill Palmer, Friendsville
Mayor Steve West, Maryville
Mayor Gail Dalton, Rockford
Mayor Sandy Headrick, Townsend
Mayor Geraldine Anderson, Louisville

State of Tennessee
Department of State
Administrative Procedures Division
312 Eighth Avenue North
8th Floor, William R. Snodgrass Tower
Nashville, Tennessee 37243
Phone: (615) 741-7008 Fax: (615) 741-4472

MEMORANDUM

To: Tom Stiner, Chairman
Local Government Planning Advisory Committee

From: Charles C. Sullivan II, Director CCS
Administrative Procedures Division

Date: June 22, 2001

Subj.: Blount County Comprehensive Growth Plan
Dispute Resolution Process
Docket No. 46.00-011652J

Blount County declared an impasse with the Cities of Alcoa, Maryville, Townsend, Rockford and Friendsville and the Town of Louisville on July 27, 2000, with respect to the adoption of an urban growth plan for Blount County. In accordance with T.C.A., §6-58-104(b)(1)&(2), Blount County notified the Secretary of State of the impasse and requested that he refer the matter to the Administrative Procedures Division for resolution in accordance with the statute. At the request of the parties, I assigned a three-judge panel to resolve the matter.

The parties were unsuccessful in reaching an agreement during mediation sessions on March 5, April 2, and April 27, 2001. The panel then issued a non-binding resolution on May 14, 2001, and received comments to their proposal at a meeting on May 24, 2001. The panel issued a second non-binding proposal on June 1, 2001. The respective legislative bodies in Blount County subsequently approved a comprehensive growth plan,

and the parties have submitted the attached copy of that plan. With the parties' resolution of the impasse, I am forwarding the comprehensive growth plan to your committee for its consideration. This office will remove the matter from our active case list.

Thank you for consideration of this plan.

Attachment

cc: (w/o attachment)
Mark Johnson
Gary Hensley
Sandra Headrick
William D. Palmer
Phillip Mummert
Robert G. Simerly
William A. Crisp

State of Tennessee
Department of Economic and Community Development

Local Planning Assistance Office
William Snodgrass/Tennessee Tower Building-10th Floor
312 8th Avenue North
Nashville, Tennessee 37243-0405
615-741-2211

July 11, 2001

Mr. Mark L. Johnson
Alcoa City Manager
223 Associates Boulevard
Alcoa, Tennessee 37701-1943

Dear Mr. Johnson:

This is to respond to your letter of July 2 concerning the action of the Local Government Planning Advisory Committee to approve the Blount County Urban Growth Plan as amended. Your understanding with respect to the effect of the amendment is correct. The McGee Tyson Airport was excluded from the Alcoa Urban Growth Boundary and placed in a Blount County planned growth area. No other changes were made.

You asked me to forward a copy of the minutes as soon as they are finalized. I will be sending a draft copy to the members within the week, and I am trying to get a meeting scheduled for the last week in July to have them adopted so that the official record is complete.

I can not send you a copy of the approved plan which is to be submitted to the Blount County Executive at this time. I got only one copy from the law judges. We are working on getting copies of the exhibits that came to us so we can compare them with the original and certify a second copy. I assume the Alcoa exhibit showing the urban growth boundary is the operative document for your purposes. You can remove the McGee Tyson Airport property and have the LGPAC imposed urban growth boundary. If you need a certified copy before I can retrieve all the materials, I will be happy for Dan Hawk to take a look at it and we will certify that it matches our archive copy.

I did not send notices of the LGPAC meeting to any participating government in Blount County or Knox County or, for that matter, any local government or other agency. I placed a notice of the LGPAC meeting on the bulletin board at the Legislative Plaza and on the ECD web site. Dan Hawk spoke with Tom Varlen and with Bill Hammon prior to the LGPAC meeting. Both were told that the meeting would be held on July 27.

I have not corresponded with the City of Knoxville or the Knoxville Metropolitan Airport Authority.

Enclosed are copies of my correspondence files, to date, in this matter. If I may be of additional assistance please let me know.

Sincerely,

Don Waller

xc: Blount County 1101 files

CITY OF ALCOA

Mark L. Johnson, C.P.A.
CITY MANAGER

223 Associates Boulevard, Alcoa, Tennessee 37701-1943
(865) 380-4795 FAX (865) 380-4797
E-Mail: mjohnson@ci.alcoa.tn.us

July 2, 2001

Mr. Don Waller, Director
State of Tennessee Local Planning Officer
William Snodgrass Tennessee Tower
312 Eighth Avenue North, 10th Floor
Nashville, TN 37243-0405

Re: Blount County Comprehensive Growth Plan
Dispute Resolution Process Docket No.: k46.00-011652J

Dear Mr. Waller:

The City of Alcoa has received informal notification that the Local Government Planning Advisory Committee in a meeting on or about June 27, 2001 approved the Blount County Urban Growth Plan after amending the plan to exclude the McGhee Tyson Airport from Alcoa's Urban Growth Boundary and incorporate it into Blount County's planned growth area. In view of this, the City of Alcoa would respectfully request the following documents pertaining to this action:

1. A copy of the minutes of the proceedings as soon as they are available;
2. A copy of the approved plan which is to be submitted to the Blount County Executive;
3. Copies of any notices announcing the time and place of the meeting in question issued to any of the participating governments of Blount County and/or any other governmental or quasi-governmental agencies such as the City of Knoxville and/or Knoxville Metropolitan Airport Authority; and
4. Copies of any correspondence issued to the City of Knoxville or Knoxville Metropolitan Airport Authority by your office.

I would appreciate you forwarding these materials to me at the above address as they become available. In the case of items 3 and 4, if there are no documents that fall within those categories I would appreciate a letter stating as such.

Thank you for your assistance in this matter.

Sincerely,

Mark L. Johnson
City Manager

/bhs

SECOND PROPOSED RESOLUTION OF BLOUNT COUNTY GROWTH PLAN DISPUTES
APD DOCKET # 46.00-011652J

The following is a proposal offered by a panel of three Administrative Judges from the Secretary of State's Administrative Procedures Division, for consideration by the governing bodies of Blount County and the cities of Alcoa, Friendsville, Louisville, Maryville, Rockford and Townsend. The panel held mediation sessions with the parties on March 5, 2001; April 2, 2001; and April 27, 2001. After the third mediation session, an impasse was declared when the parties announced that they were unable to agree on the tentative proposal because some parties had no authority to negotiate further. Upon declaration of an impasse, the panel is required by law to propose a non-binding resolution of the remaining issues. The panel issued its first proposed resolution on May 14, 2001. A meeting was subsequently held with the parties on May 24, 2001, to discuss their response to the first proposal. After full consideration of the May 24 discussions, and the parties' written follow-up comments, the panel now issues its second non-binding proposal. As provided by TCA 6-58-104, the panel's proposed non-binding resolution addresses only those issues not previously resolved.

The primary information used to complete this non-binding resolution are the Urban Growth Plan adopted by the Blount County Growth Policy Coordinating Committee, the parties' written documents and maps that reflect agreements reached during mediation, and the discussions of issues during the four mediation sessions. For the municipalities that reached tentative agreements, this proposal merely incorporated their agreements. Issues remaining after the fourth mediation session are addressed in this second proposed resolution. The panel was sensitive to the parties' two year planning process, the legitimate concerns of the parties expressed during the mediation sessions and the legal requirements of TCA 6-58-101, et seq.

FRIENDSVILLE: Following the fourth mediation session, the documents submitted on May 2, 2001 by Friendsville and Blount County demonstrate that the parties agree on the Urban Growth Boundary for Friendsville. All other municipalities agreed to Friendsville's proposed Urban Growth Boundary.

Exhibit 1 – Map and Description – Friendsville[1]
Exhibit 7 – Map and Description – Blount County

ROCKFORD: Following the fourth mediation session, the documents submitted on May 2, 2001 by Rockford and Blount County demonstrate that the parties agree on the Urban Growth Boundary for Rockford. All other municipalities agreed to Rockford proposed Urban Growth Boundary.

Exhibit 2 – Map and Description – Rockford
Exhibit 7 – Map and Description – Blount County

LOUISVILLE: Following the fourth mediation session, the documents submitted on May 2, 2001 by Louisville and Blount County demonstrate that the parties agree on the Urban Growth Boundary for Louisville. All other municipalities agreed to Louisville's proposed Urban Growth Boundary.

Exhibit 3 – Map and Description – Louisville
Exhibit 7 – Map and Description – Blount County

TOWNSEND: During the fourth mediation session, on May 24, 2001, the representatives of Townsend and Blount County agreed upon a mediated Urban Growth Boundary for Townsend. Without objection, that agreement is incorporated as a part of this proposed resolution.

Exhibit 10 – Map & Description – Townsend (Counsel for Townsend will file these documents with the panel and provide copies to the parties as soon as they are available.)

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[1] Exhibits 1-7 refer to documents and maps filed by the parties on May 2, 2001, which are already in the possession of all parties. Exhibit 8 was attached to the first non-binding proposal. Exhibit 9 is the Urban Growth Boundary Proposal map adopted by the Blount County Growth Policy Coordinating Committee. Exhibit 10 is the description of the Townsend Urban Growth Boundary agreed to during the May 24, 2001 meeting.

MARYVILLE: The May 14, 2001 non-binding proposal recommended approval of the Maryville Urban Growth Boundary submitted by the Blount County Growth Policy Coordinating Committee. This second proposal recommends the approval of the May 14, 2001 non-binding proposal with one minor amendment. Based on statements made by the parties during the May 24 meeting and subsequently-filed documents, the panel is persuaded that the Little River, which flows along the northeastern edge of the city's UGB, should be included in the county's Planned Growth Area, rather than Maryville's Urban Growth Boundary. The panel therefore proposes that Maryville's UGB in that area be amended to reflect a boundary parallel to the river, 500 feet from the stream center, on Maryville's side of the river.

Exhibit 4 – Map and Description - Maryville

ALCOA: Two areas of concern for Alcoa's UGB were expressed in response to the May 14, 2001 proposal; the area of the Alcoa UGB, and inclusion of the airport in the Alcoa UGB. After consideration of the May 24, 2001 mediation session, the panel proposes the following clarifications.

First, to be consistent with the treatment of the river along Maryville's boundary, the panel proposes that that portion of the Alcoa UGB bordering the Little River be drawn parallel to the river, 500 feet from the river's center, on Alcoa's side of the river.

Second, the panel the panel finds that Alcoa's May 2 documents and their May 29 letter provide compelling and reasoned justification to include the airport in the proposed Alcoa Urban Growth Boundary. During the mediation process, the county and Alcoa developed a proposal to resolve the airport dispute. That proposal is included in a March 29, 2001 memorandum from Alcoa, addressed to officers of the county government. The panel finds that the March 29 Memorandum (excluding paragraphs 3,4&5 of that Memorandum) offers a fair and reasonable accommodation to both Alcoa's and the county's concerns. (The panel is concerned over the length of the combined "hold harmless" and "phase-out" periods. The panel finds the parties' agreement to the 30-year

period to be reasonable at the present time. However, if the parties do not accept this non-binding proposal, and this matter proceeds to a full hearing, all issues related to the terms of that memorandum would be subject to reconsideration.) For the purpose of this Proposed Resolution, the panel proposes the adoption of the terms contained in the March 29, 2001 Memorandum, Paragraphs 1,2,6,7 & 8. (Exhibit 8).

Exhibit 5 – Map and Description – Alcoa
Exhibit 8 – March 29, 2001 Memorandum
Exhibit 9 – Coordinating Committee's Proposal

BLOUNT COUNTY: In response to the panel's first letter to the parties, Blount County filed a map labeled *"County Alternative for Growth Plan,"* in which it designated proposed County Planned Growth Areas ("PGA") and Rural Areas ("RA"). As a result of agreements reached during the mediation process, and Urban Growth Boundaries subsequently proposed by the panel, most, if not all, of the county's proposed PGA has been absorbed into the cities' Urban Growth Boundaries. The panel does not believe that it has sufficient information from which to create a new PGA and RA without further input from the county. The panel therefore requests that Blount County provide the panel with a new map and/or description outlining its suggestions for areas to be designated as Planned Growth Areas and Rural Areas consistent with the UGB's designated in this proposal.

Exhibit 7 – Map and Description – Blount County

PROPOSED RESOLUTION OF BLOUNT COUNTY GROWTH PLAN DISPUTES
APD DOCKET # 46.00-011652J

The following is a proposal offered by a panel of three Administrative Judges from the Secretary of State's Administrative Procedures Division, for consideration by the governing bodies of Blount County and the cities of Alcoa, Friendsville, Louisville, Maryville, Rockford and Townsend. After three mediation sessions, an impasse was declared when the parties announced that they were unable to agree on the tentative proposal because some parties had no authority to negotiate further. Upon declaration of an impasse, the panel is required by law to propose a non-binding resolution of the remaining issues. As provided by the statute, the panel's proposed non-binding resolution addresses only the remaining issues.

The primary information used to complete this non-binding resolution are the Urban Growth Plan adopted by the Blount County Growth Policy Coordinating Committee, the parties' written documents and maps that reflect agreements reached during mediation and the discussions of issues made during the three mediation sessions. For the municipalities that reached tentative agreements, this proposal merely incorporated their agreements. Issues remaining after the third mediation session are addressed in the proposed resolution. The panel was sensitive to the parties' two year planning process, the legitimate concerns of the parties expressed during the mediation sessions and the legal constraints of TCA 6-58-101, et seq.

FRIENDSVILLE: Following the third mediation session, the documents submitted on May 2, 2001 by Friendsville and Blount County demonstrate that the parties agree on the Urban Growth Boundary for Friendsville. All other municipalities agreed to Friendsville's proposed Urban Growth Boundary.

Exhibit 1 – Map and Description – Friendsville[1]

Exhibit 7 – Map and Description – Blount County

ROCKFORD: Following the third mediation session, the documents submitted on May 2, 2001 by Rockford and Blount County demonstrate that the parties agree on the Urban Growth Boundary for Rockford. All other municipalities agreed to Rockford proposed Urban Growth Boundary.

Exhibit 2 – Map and Description – Rockford

Exhibit 7 – Map and Description – Blount County

LOUISVILLE: Following the third mediation session, the documents submitted on May 2, 2001 by Louisville and Blount County demonstrate that the parties agree on the Urban Growth Boundary for Louisville. All other municipalities agreed to Louisville's proposed Urban Growth Boundary.

Exhibit 3 – Map and Description – Louisville

Exhibit 7 – Map and Description – Blount County

MARYVILLE: The May 2, 2001 proposed Urban Growth Boundary filed by Maryville and Blount County indicated that a variance remains on the proposed area of Maryville's Urban Growth Boundary. With due deference to the objections expressed by the county, the panel found that Maryville's proposed boundaries (as previously adopted by the Coordinating Committee) reflected significant restraint on behalf of the city, possibly in an effort to assuage the concerns of the county. Currently, Maryville provides municipal services, including water and sewer, to a major portion of its proposed Urban

[1] Exhibits 1-7 refer to documents and maps filed by the parties on May 2, 2001, which are already in the possession of all parties. Exhibit 8 is attached. Exhibit 9 is the Urban Growth Boundary Proposal map adopted by the Blount County Growth Policy Coordinating Committee.

Growth Boundary. In fact, Maryville provides municipal services beyond the proposed Urban Growth Boundary to address very specific needs. The anticipated 20-year population growth of approximately 40% above the year 2000 justifies expansion. The city has demonstrated its ability to serve that level of growth with additional services as required. The panel proposes the adoption of the Maryville Urban Growth Boundary approved and adopted by the Blount County Growth Policy Coordinating Committee.
Exhibit 4 – Map and Description - Maryville

ALCOA: The county objected to Alcoa's Urban Growth Boundary as adopted by the Coordinating Committee on two basic grounds: (1) Area, and (2) Inclusion of the Metropolitan Knoxville Airport Authority property within its growth boundary. The panel proposes adoption of the Coordinating Committee's plan, with certain minor revisions.

Alcoa's 2000 Census population of 7,734 is expected nearly double in the next 20 years. Population growth at this level supports Alcoa's proposed Urban Growth Boundary. Alcoa's expansion is limited by its proximity to neighboring municipalities to the west, south and east, and the natural boundary of the river to the north. Alcoa submitted an exceptionally thorough and well-written proposed Urban Growth Plan. That plan outlines Alcoa's ability and intent to expand municipal services throughout the proposed urban growth area and to serve the anticipated growth in population and commercial/industrial growth. Alcoa presently provides numerous municipal services, including water, sewer and electric well beyond its current city limits, and over a substantial portion of the proposed Urban Growth Boundary.

The county contends that the Metropolitan Knoxville Airport Authority property should not be included in Alcoa's proposed Urban Growth Boundary. Alcoa provided compelling and reasoned justification to include the airport in its proposed Urban Growth Boundary. During the mediation process, the county and Alcoa developed a proposal to resolve the airport dispute. That proposal is included in a March 29, 2001 memorandum

from Alcoa, addressed to officers of the county government, dated March 29, 2001. (A copy of that document is attached as Exhibit 8.) The panel finds that the March 29 Memorandum offers a fair and reasonable accommodation to both Alcoa's and the county's concerns. (The panel was concerned over the length of the combined "hold harmless" and "phase-out" periods. The panel deems the parties' agreement to the 30-year period as reasonable. However, if the parties do not accept this non-binding proposal, and this matter proceeds to the next level, all issues related to the agreement would be reconsidered.) For the purpose of this Proposed Resolution, the panel proposes the adoption of the Urban Growth Boundary as approved by the Blount County Growth Policy Coordinating Committee, subject to the revisions contained in Exhibit 8.

Exhibit 5 – Map and Description – Alcoa

Exhibit 8 – March 29, 2001 Memorandum

Exhibit 9 – Coordinating Committee's Proposal

TOWNSEND: Townsend proposed a very ambitious 20-year Urban Growth Boundary that proposes expansion on both sides of the Little River, through most of the Tuckaleechee Cove. The map approved by the Blount County Growth Policy Coordinating Committee designated a more modest Urban Growth Boundary that restricts the town's growth area to the south of the Little River. The Committee's proposed boundary is more in line with the Department of Economic and Community Development Urban Growth Boundary Report for Townsend. That report justifies the designation of expanded Urban Growth Boundaries in sites along Townsend's western and southern borders, and extends the eastern boundary to meet the property line of the Great Smokey Mountains National Park. Although sympathetic with Townsend's concerns, the panel cannot find a compelling reason to deviate from the recommendations of the Local Planning Assistance Office. The panel proposes the adoption of the Townsend Urban Growth Boundary as approved by the Blount County Growth Policy Coordinating Committee.

Exhibit 6 – Map and Description - Townsend

Exhibit 9 – Coordinating Committee's Proposal

CITY OF ALCOA

Mark L. Johnson, C.P.A.
CITY MANAGER

223 Associates Boulevard, Alcoa, Tennessee 37701-1943

(865) 380-4795 FAX (865) 380-4797
E-Mail: mjohnson@ci.alcoa.tn.us

March 29, 2001

MEMORANDUM

TO: Bill Crisp and Steve Samples

FROM: Mark L. Johnson

SUBJECT: Points for Agreement with Blount County on Urban Growth Boundary

Here is the list of points we would propose to be included in an initial proposed agreement with Blount County. Take a look and we can discuss at our meeting Wednesday morning.

1. Blount County will agree to include all of the real estate owned by the Metropolitan Knoxville Airport Authority, and/or commonly known as the McGhee Tyson Airport and Tennessee Air National Guard Base, in the City of Alcoa's urban growth boundary as shown on the Urban Growth Boundary map adopted by the Blount County Growth Policy Coordinating Committee. Further, Blount County will agree not to contest annexation of the Metropolitan Knoxville Airport Authority property by the City of Alcoa.

2. With respect to the collection of any taxes (situs based beer taxes, sales tax, or any other taxes listed in T.C.A. Section 6-51-115) attributable to the real estate owned by the Metropolitan Knoxville Airport Authority, and/or commonly known as the McGhee Tyson Airport and Tennessee Air National Guard Base, the City of Alcoa will guarantee a 15-year "phase out" period of the base taxes at the end of the 15-year "hold harmless" period provided for in Public Chapter 1101 if any of said property is annexed. Alcoa will pay Blount County as follows:

Year After Annexation	Amount Paid
16th	100% of the base tax
17th	100% of the base tax
18th	100% of the base tax
19th	100% of the base tax
20th	100% of the base tax
21st	90% of the base tax
22nd	80% of the base tax
23rd	70% of the base tax
24th	60% of the base tax
25th	50% of the base tax
26th	40% of the base tax
27th	30% of the base tax
28th	20% of the base tax
29th	10% of the base tax
30th	0% of the base tax

EXHIBIT 8

The base tax, being the "annexation date revenue" referred to in T.C.A. Section 6-51-115(d)(2), shall be defined as the amount of revenue the County is entitled to receive pursuant to the provisions of T.C.A. Section 6-51-115(b), including any and all provisions related to adjustments of the base tax pursuant to said statute. Any payments due and payable to the County from the City of Alcoa pursuant to this paragraph will commence the fiscal year, beginning on July 1, when the State begins accruing the tax to the City, and the payment will be due in a lump sum prior to June 30 of each fiscal year.

3. With respect to modifications to the Urban Growth boundaries adopted by the Blount County Coordinating Committee, the City of Alcoa will contract its boundaries to the extent shown in Areas A, B and C on Exhibit 1 and more fully described in Exhibit 3 to this agreement.

4. With respect to any areas of property relinquished by the City of Alcoa to the planned growth of Blount County, and as shown on Exhibit 1 hereto, said areas previously being part of the City of Alcoa's extra-territorial planning region before adoption of the urban growth plan, in the event any owner of property located within said areas shall request annexation by the City of Alcoa, Blount County will agree not to object to, protest, or challenge by litigation said annexation. Furthermore, should any owner so requesting annexation not be contiguous to the City of Alcoa, the County will agree not to contest any annexation by the City of any road, right-of-way, or other property to render the property contiguous to the City. The City will agree to use all reasonable measures to minimize any areas of property necessary to be annexed in order to render an annexation contiguous.

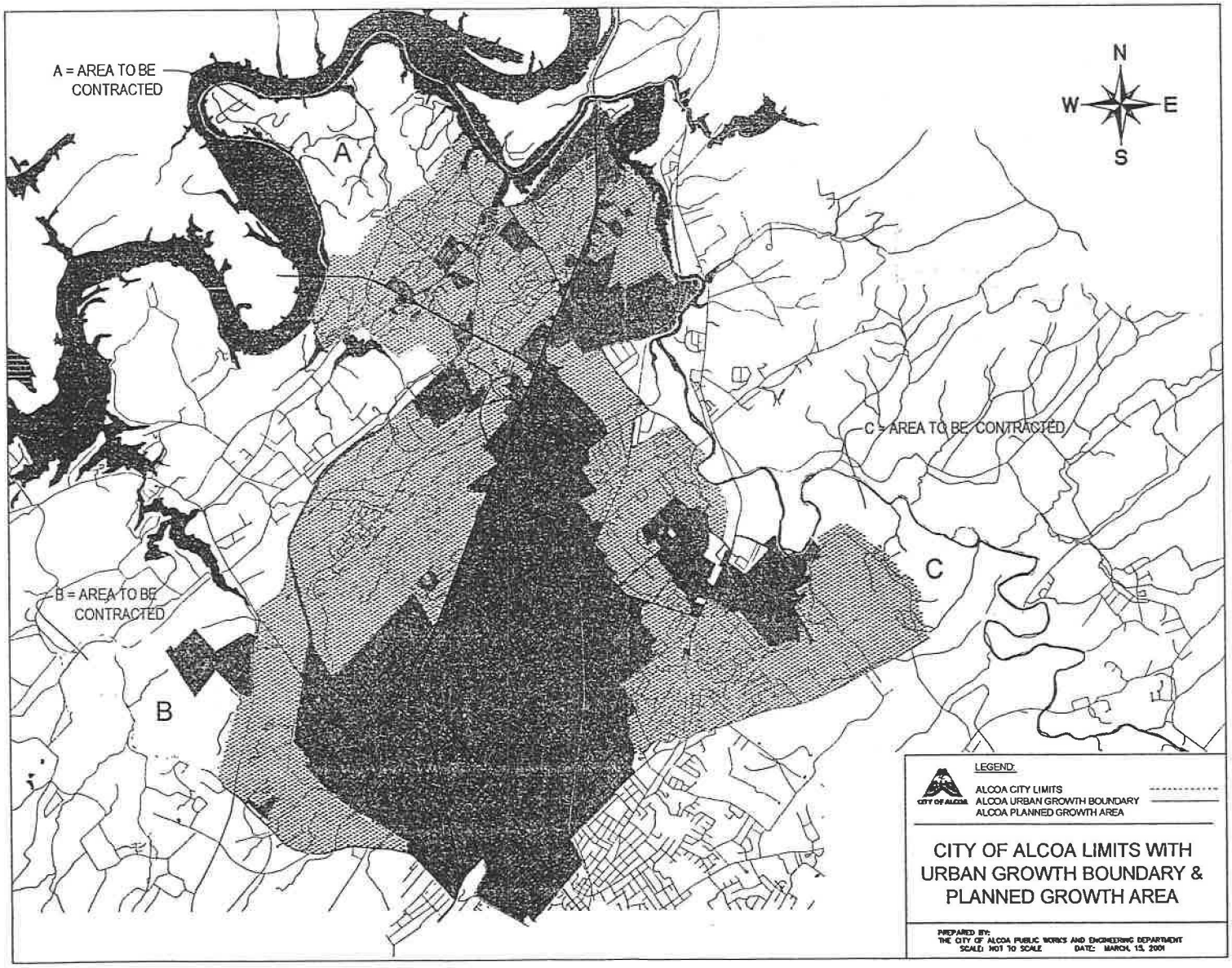
5. With respect to protecting the Little River from pollution, unrestricted development, and other deleterious effects, Blount County hereby agrees to create a special zone designed for this purpose. The zone would encompass an area running along the entire length of the Little River outside the Great Smoky Mountains National Park and the corporate boundaries of any municipality. The zone would include territory designated as either county planned growth or rural. The boundaries would be created by lines connecting points which are at a minimum of 500 feet from the stream center on both sides of the Little River. The permitted uses, restrictions, and development regulations relating thereto shall be recommended to the county commission for adoption by a joint committee of the planning ~~staffs~~ commissions of the City of Alcoa, City of Maryville and Blount County.

6. The City of Alcoa will propose an agreement with the Metropolitan Knoxville Airport Authority which provides that the City will agree not to annex the area shown on Exhibit 2 hereto; provided, however, that the property as shown on said Exhibit shall continue to be used for aircraft flight operations.

7. As part of that agreement, the City will propose to agree not to adopt any zoning regulations pertaining to restriction of or regulation of flight operations.

8. In the event the Public Chapter 1101 "hold harmless" period is amended to reflect a period of less than fifteen years, then this agreement is hereby modified to reflect said modifications. In the event that the Public Chapter 1101 "hold harmless" period is extended beyond fifteen years, the payment schedule described in this agreement shall be modified to commence in the year in which the State begins accruing the tax to the City of Alcoa and will continue as scheduled through the 30th year. Under no circumstances will the City of Alcoa be bound to make the tax payments referenced in this agreement beyond the 30th year from the date of annexation. In the event that Public Chapter 1101 is repealed, then this agreement shall terminate on the effective date of such repeal.

/bhs


A = AREA TO BE CONTRACTED
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C = AREA TO BE CONTRACTED
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LEGEND:
CITY OF ALCOA
ALCOA CITY LIMITS
ALCOA URBAN GROWTH BOUNDARY
ALCOA PLANNED GROWTH AREA
CITY OF ALCOA LIMITS WITH URBAN GROWTH BOUNDARY & PLANNED GROWTH AREA
PREPARED BY:
THE CITY OF ALCOA PUBLIC WORKS AND ENGINEERING DEPARTMENT
SCALE: NOT TO SCALE
DATE: MARCH 15, 2001

RECEIVED
2001 JUN 13 AM 9:08
SECRETARY OF STATE

CERTIFICATE

STATE OF TENNESSEE)
)
COUNTY OF BLOUNT)

I, Deborah P. Caughron, hereby certify that I am the duly qualified and acting Recorder of the City of Maryville, Tennessee, and further certify that the attached document is a true and exact copy of Resolution No. 2001-27 of the City of Maryville adopted by City Council of the City of Maryville on June 5, 2001.

WITNESS my official signature and the seal of said City this the 6th day of June, 2001.

Deborah P. Caughron

Deborah P. Caughron

RESOLUTION NO. 2001-27

CONSIDERATION OF A RESOLUTION RELATIVE TO CHAPTER 1101 OF THE LEGISLATIVE ACTS OF 1998 BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE.

WHEREAS, the General Assembly of the State of Tennessee passed specific legislation, Chapter 1101, requiring local governments to establish urban growth boundaries; and

WHEREAS, if all local governments within the county could not agree upon a plan to establish growth boundaries, the legislation specified that an administrative judicial hearing would be used to establish such boundaries; and

WHEREAS, the local governments in and including Blount County were unable to agree upon the respective urban growth boundaries; and,

WHEREAS, in the absence of such an agreement the Administrative Judges from the Secretary of State's Administrative Procedures Division were to have issued a non-binding Resolution to set boundaries provided for under the law; and,

WHEREAS, the Panel of Judges has issued a second non-binding Resolution dated June 1, 2001,

NOW. THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MARYVILLE, TENNESSEE, the following:

SECTION 1. That the urban growth boundary prescribed by the administrative judicial panel's second non-binding Resolution is hereby approved by the City of Maryville, and a true and correct copy is on file in the City Recorder's office.

SECTION 2. This resolution shall be effective from and after its final passage, the public welfare requiring it.

ADOPTED this 5th day of June , 2001.

Mayor

ATTEST:

City Recorder

Approved As To Form

City Attorney

J 6 11

CRAWFORD, CRAWFORD & NEWTON
ATTORNEYS AT LAW
FIRST TENNESSEE BANK BUILDING
P.O. BOX 4339
MARYVILLE, TENNESSEE 37802

JOHN C. CRAWFORD (1875-1949)
JOHN C. CRAWFORD, JR. (1906-1981)

DUNCAN V. CRAWFORD
NORMAN H. NEWTON
STEPHEN S. OGLE

TELEPHONE (865) 982-5431
TELECOPIER (865) 504-6300

June 15, 2001

RECEIVED
2001 JUN 15 PM 2:35
SECRETARY OF STATE

VIA FACSIMILE TRANSMISSION TO (615) 741-4472

Honorable Mattielyn D. Williams
Administrative Judge
Tennessee Department of State
Administrative Procedures Division
312 Eighth Avenue North
8th Floor, William R. Snodgrass Tower
Nashville, TN 37243

Re: Blount County Comprehensive Growth Plan
Dispute Resolution Process
Docket No. 46.00-011652J

Dear Judge Williams:

This letter will confirm my telephone conversation today with your office.

Blount County has determined not to have a planned growth area as part of the Blount County Comprehensive Growth Plan. Accordingly, all of the area of the county outside of the respective urban growth boundaries of the six cities should be designated as Rural Area.

Please call if you have any questions.

Sincerely yours,

CRAWFORD, CRAWFORD & NEWTON

Norman H. Newton

Norman H. Newton

mdg
c: William A. Crisp, County Executive
John Lamb, Director of Planning

FAX COVER PAGE

TO: Judges Mattielyn Williams, John Hicks, and J. Randall LaFevor (fax number: 615-741-4472)

FROM: Philip Mummert (phone: 865-632-8975; E-mail: pjmummert@tva.gov

FAX NUMBER: 865-632-8212

RECEIVED
2001 JUN -6 AM 9:28
SECRETARY OF STATE

DATE: June 6, 2001

TOTAL NUMBER OF PAGES INCLUDING THIS COVER PAGE: 3

SPECIAL INSTRUCTIONS: Louisville has approved the Revised Non-binding Plan for Blount County. See attached.

FAX COVER PAGE

TO: Judges Mattielyn Williams, John Hicks, and J. Randall LaFevor (fax number: 615-741-4472)

FROM: Philip Mummert (phone: 865-632-8975; E-mail: pjmummert@tva.gov

FAX NUMBER: 865-632-8212

DATE: June 6, 2001

TOTAL NUMBER OF PAGES INCLUDING THIS COVER PAGE: 3

SPECIAL INSTRUCTIONS: Louisville has approved the Revised Non-binding Plan for Blount County. See attached.

RESOLUTION

A RESOLUTION OF THE BOARD OF MAYOR AND ALDERMEN OF THE TOWN OF LOUISVILLE TO APPROVE URBAN GROWTH PLAN

RESOLUTION NO.: 2001-10

APPROVED AS TO FORM AND CORRECTNESS: _____

APPROVED ON: 6-5-2001

MINUTE BOOK 3 **PAGE** 93

BE IT HEREBY RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN OF THE TOWN OF LOUISVILLE, TENNESSEE AS FOLLOWS:

1. WHEREAS, the state of Tennessee has mandated that all municipalities must file an urban growth plan, and

2. WHEREAS, community input was sought through publications and public meetings, and

3. WHEREAS, the Board of Mayor and Aldermen approve and have no objection to the Second Proposed Resolution of Blount County Growth Plan Disputes APD Docket #46.00-011652J, provided to the Town of Louisville on June 1, 2001, by the panel of three Administrative Judges from the Secretary of State's Administrative Procedures Division,

THEREFORE, BE IT RESOLVED: This resolution shall become effective immediately upon passage, the public welfare requiring it.

RECEIVED
2001 JUN -6 AM 9:29
SECRETARY OF STATE

Geraldine Anderson
Mayor

Vicki P Mercer
Vice-Mayor

Alderman

Alderman

Alderman

Recorder

City of Friendsville
P.O. Box 56
Friendsville, TN 37737
865-995-2831

June 5, 2001

RECEIVED
2001 JUN -6 AM 10: 25
SECRETARY OF STATE

John Hicks
Administrative Judge
State of Tennessee
Administrative Procedures Division
312 Eighth Avenue North
8th Floor, William R. Snodgrass Tower
Nashville, TN 37243

Dear Judge Hicks:

The City of Friendsville has approved the non-binding 1101 Urban Growth Plan, which was received and reviewed by our Board of Commissioners on this 5th day of *June* 2001.

The City has no objectives to the other municipalities and Blount County's 2nd proposal of the non-binding 1101 Urban Growth Plan.

Sincerely,

Bill Palmer

Bill Palmer

William D. Palmer Jr.
William D. Palmer, Jr.

Howard Endsley
Howard Endsley

Don Parkins
Don Parkins

Darrell Welch
Darrell Welch

Keith Fox

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Attorneys At Law
250 High Street
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RECEIVED
2001 JUN -7 AM 10: 15
SECRETARY OF STATE

June 6, 2001

OVERNIGHT MAIL

The Honorable Mattielyn B. Williams
The Honorable John Hicks
The Honorable J. Randall LaFevor
Tennessee Department of State
Administrative Procedures Division
312 Eighth Avenue North
8th Floor, William R. Snodgrass Tower
Nashville, TN 37243

Re: Blount County Comprehensive Growth Plan Dispute Resolution Process
Docket No. 46.00-011652J
Comments, Second Non-Binding Plan

Dear Judges:

As you can see from the enclosed article, I am happy to report that all local governments have now approved the panel's second non-binding proposal.

I am writing to inquire, first, what additional information, if any, you will desire from the governments in order to consummate the adoption of the proposal and the submission of the same to the local government planning advisory committee.

Second, I want to inquire whether our presence will still be required in Nashville on June 8 for any purpose, and if so, the City of Alcoa would request moving the starting time back to 10:00 A.M. CST in order to facilitate travel to Nashville that morning, and given that we will not need the entire day for an arbitration hearing.

Yours very truly,

David R. Duggan

DRD/aph

Enclosure

cc: Mr. Mark Johnson
Mr. Norman Newton
Mr. Gary Hensley
Ms. Sandra Headrick
Mr. Charles Cagle, Jr.
Mr. William D. Palmer
Mr. Philip Mummert
Mr. Robert G. Simerly

SUPPLEMENTAL REPORT OF BLOUNT COUNTY IN RESPONSE TO THE NON-BINDING PLAN PROPOSAL FOR THE BLOUNT COUNTY GROWTH PLAN

May 22, 2001

I. INTRODUCTION

Pursuant to the directives of the administrative law judge panel (the "Panel") in its letter of May 14, 2001, this submission by Blount County is in response to the Non-Binding Plan (the "NBP") submitted by the Panel as a proposed resolution of the Blount County Growth Plan disputes.

In the NBP, among other things, the Panel proposed adoption of (1) the Urban Growth Boundary ("UGB") for the City of Maryville as approved by the Blount County Coordinating Committee ("coordinating committee"); and (2) the UGB for the City of Alcoa as approved by the coordinating committee, subject to the revisions in a proposal memorandum from the City of Alcoa dated March 29, 2001, relating primarily to hold harmless provisions from tax revenues Alcoa would realize from annexation of certain properties. Blount County continues to object to both of these preliminary conclusions.

As to the Maryville and Alcoa UGB recommendations, Blount County respectfully submits that the Panel's NBP proposals are not warranted by the criteria of T.C.A. § 6-58-106 (hereinafter sometimes referred to as the "Section 7" criteria). Further, the arguments contained in Alcoa's Position Statement of May 2, 2001, regarding the inclusion of the property of the Metropolitan Knoxville Airport Authority (the "Airport Authority") in Alcoa's UGB are similarly not supported by the Section 7 criteria. Blount County would therefore urge the Panel's reconsideration of its NBP to revise Maryville's proposed UGB to include that territory submitted by Maryville at the time negotiations in the mediation process reached an impasse and to exclude the Airport property from inclusion within Alcoa's proposed UGB.

Additionally, Blount County notes that there was no provision made in the NBP for its Planned Growth Area ("PGA"). This may have been an oversight in the NBP; accordingly, Blount County requests reconsideration of its initial Report of May 1, 2001, for the inclusion of its proposed PGA in the NBP. PC 1101 recognizes Blount County's responsibility in addressing urban development in a PGA. Blount Count has identified a reasonable PGA based upon the analysis of historical growth patterns and physical factors affecting growth in Blount County. In addition, Blount County has taken steps in both its Land Use Plan and its Zoning Regulations to address high to moderate density growth consistent with the principles enunciated in PC 1101.

Finally, before turning to the substantive issues, Blount County would also take exception to Alcoa's characterization of the County's efforts as being "unwilling to compromise and put forth a good-faith effort to comply with the spirit of the law." (Alcoa Position Statement, p.4). Blount County and its officials have similarly engaged in a laborious and intensive process with the

hope and goal of reaching a local solution to a serious topic. Indeed, Blount County has recognized from the onset the need and right of cities such as Alcoa and Maryville to grow (in contrast to counties from other jurisdictions that initially adopted "no growth" policy stances toward their city UGBs). Alcoa ignores this fact and also ignores that its own plan submission is similar to the plan Alcoa itself submitted to the same Coordinating Committee. Yet Blount County has not accused Alcoa or the other parties of "bad faith" or of an unwillingness to engage in meaningful discussions.

Alcoa's reference to "face-to-face individual meetings" with commissioners as some sort of "proof" of arbitrariness and capriciousness on the County's part also does not support its argument. (Alcoa Position Statement, p. 24). This type of "hearsay" submission is unusual at best. Also, it is interesting that, while the Maryville city manager referenced meetings with commissioners during the mediation process, to Blount County's recollection no mention was made of such meetings by Alcoa representatives during the many mediation sessions.

In any event, what is noteworthy is that on two recent occasions, the full Blount County Commission, which is the only public body representing citizens in *all* of Blount County, in two public discussions and votes has maintained that the Airport should not be included in Alcoa's UGB for many of the same reasons that will be set forth in the ensuing sections of this Supplemental Report. In considering the NBP, the full Blount County Commission, while disagreeing with the size of the UGB proposed for Maryville, also determined that it would accept the UGB submitted by Maryville at the time negotiations in the mediation process reached an impasse.

Some of the facts in this Supplemental Report are contained in the "Report of the Metropolitan Knoxville Airport Authority to the Blount County Coordinating Committee" (the "Report") dated December 1999. The Airport Authority submitted this Report to the Panel on February 28, 2001. As it is unclear whether the Panel considered this Report, Blount County would explicitly adopt by reference and incorporate herein the full contents of the Report, with exhibits, and make it a part of the record in these proceedings.

II. MARYVILLE'S PROPOSED URBAN GROWTH BOUNDARY

Blount County considers that the area proposed for inclusion in Maryville's UGB under the NBP to be excessive and more than is justified by the Report from the City of Maryville of May 2, 2001, for the following reasons:

The City of Maryville has potential to provide substantial urban services and does provide some services outside its present corporate limits. However, there are no definitive plans for the extension of urban services by Maryville into the UGB proposed under the NBP. Maryville provides water to only a small portion of the proposed UGB immediately around the city perimeter. Water is provided to most of Maryville's proposed UGB by The South Blount County Utility District of Blount County, Tennessee, which is utility district and municipality created and existing

under the Utility District Law of 1937, T.C.A. § § 7-82-101, *et seq*. Electrical service to much of the proposed UGB is provided by the City of Alcoa, not the City of Maryville.

Second, the City of Maryville has recently questioned its own ability to address growth, both internal to the present city and external in the region. In particular, Maryville's city council has noted that growth internal to Maryville is beginning to put pressure on urban infrastructure, particularly schools, and has considered alternatives for slowing growth within the present city limits and limiting annexation in the future. Until such internal considerations of growth issues are complete, it would be premature to permit all of the proposed UGB for Maryville.

Third, PC 1101 provides that projected population growth is one of the main criteria for judging the reasonableness of a proposed UGB. Based upon Maryville's 2000 Census population of 23,120, Maryville has projected a population growth of 9,450 persons in the next 20 years. This would correlate into 3,780 households, assuming 2.5 persons per household. The proposed UGB is out of proportion to these stated and accepted population projections of the City of Maryville.

Finally, information provided by the City of Maryville in its Report of May 2, 2001, indicates that only a small proportion of the proposed UGB, approximately 3 square miles, was found to be justified by Maryville for primary annexation consideration. In the past decade, Maryville has annexed only about 3 square miles. In addition, particular attention should be directed to exclusion of two specific areas on Maryville's map of annexation areas, one toward Little River and the other toward Huffstetler Road. These two areas were not considered in Maryville's annexation analysis. Accordingly, given Maryville's expressed plans for the actual annexation of territory within its corporate boundaries, there is both historical and projective justification for the revision of Maryville's UGB to include less territory than proposed under the NBP.

As noted above, Blount County will accept the revision of Maryville's proposed UGB to include that territory submitted by Maryville at the time negotiations in the mediation process reached an impasse.

III. APPLICATION OF ANNEXATION PRINCIPLES TO ALCOA'S PROPOSED URBAN GROWTH BOUNDARY

As a threshold consideration, Blount County feels compelled to address the arguments in the May 2, 2001, "Position Statement" of Alcoa concerning the subject of annexation and its purported support of Alcoa's UGB. As Alcoa concedes on page 2 of its Position Statement, "adoption of an Urban Growth Boundary is not synonymous with annexation." Yet, throughout its introduction section, Alcoa argues its purported "duty" to annex territory, including that of the Airport. This argument overlooks several compelling points that Blount County would like to bring to the attention of the Panel.

First, Alcoa's citation to *State ex rel. Collier v. City of Pigeon Forge*, 599 S.W.2d 545 (Tenn. 1980), is misplaced. The context for the court's comments concerning the embracement of contiguous areas of growth and development was fact specific and related to Pigeon Forge's attempted annexation of a linear highway extending from its then current boundaries. Of significance for the present purposes is the court's statement, recognized even by Alcoa in its position statement, that "the time to annex is during the *incipient stage of growth*." Here, by Alcoa's own statements, the Airport has been contiguous to portions of the City of Alcoa since the Airport's opening in 1937. (Alcoa Position Statement, p.19). Therefore, to suggest that the Airport must now, over 60 years later, be included in Alcoa's UGB for purposes of subsequent annexation is not even supported by the case law that Alcoa cites.

Second, to the extent Alcoa attempts to equate its UGB adoption with annexation, the history of Alcoa's unsuccessful efforts to annex the Airport property becomes extremely relevant. Alcoa first attempted to annex the Airport in 1992. After a trial before the Blount County Chancellor in December of 1992, the Chancellor declared the attempted annexation by ordinance of the Airport to be unreasonable and struck down the annexation ordinance. This decision was subsequently affirmed by the Tennessee Court of Appeals. Then, in November 1996, an attempt by the City of Alcoa to annex the Airport by referendum failed when residents included within the proposed area of annexation rejected the effort by a four to one margin.

One must ask: If the annexation itself of the Airport has already been judicially declared unreasonable, and subsequently rejected by referendum, how can it now be reasonable to subject the Airport to annexation by inclusion in Alcoa's UGB?

Alcoa's reference in its introductory remarks to its extra-territorial planning region, when viewed in the proposed context, also provides no support for its proposed inclusion of the Airport in its UGB. It is true that for the most part Alcoa's proposed UGB is synonymous with its extraterritorial planning region. However, what Alcoa fails to mention is that in September of 2000 the Blount County Commission adopted a Zoning Resolution for the entire county outside the corporate limits of the county's six cities. Thus, by virtue of T.C.A. § 13-7-306, Blount County's adoption of zoning regulations supersedes and replaces Alcoa's extraterritorial zoning in the unincorporated parts of Blount County, including the Airport property. Alcoa's extraterritorial jurisdiction is now limited to subdivision regulation. Obviously, the Airport has no plans to place a residential subdivision on the Airport property; therefore, Alcoa's arguments concerning its extraterritorial planning region are inapplicable to the current debate.

IV. ANALYSIS OF SECTION 7 CRITERIA TO THE AIRPORT PROPERTY

Blount County would respectfully submit that an analysis of the Section 7 criteria of PC 1101 leads to the conclusion that the Airport property should not be included within Alcoa's UGB. Initially, Blount County would note its disagreement with Alcoa's conclusion that the Airport's legal status as a component unit of the City of Knoxville has no bearing on this issue. In fact, it is extremely relevant that the Airport Authority is a local government in and of itself with

broad general powers which, except for the power to tax, meet or exceed the general powers given to local governments under state law. *See* T.C.A. § 42-4-107, *et seq.* Also relevant is the fact that the Airport is unique in that it is located in the county other than the seat of its creating municipality, Knoxville.

Simply put, the Airport holds a different status than other governmental property in Blount County. As a municipality in its own right, the Airport Authority's property should not be considered for annexation by another city which did not create it. As such, the Airport's status as a "regional asset" for Blount County is extremely relevant to the consideration of whether it should be included in any particular city's UGB (which Blount County would submit it should not).

Second, while Alcoa's position statement contains an analysis of the factors contained in Section 7(a)(1), it is equally important to note the predicate tasks and reports required by Section 7(a)(2). These items, which are required of a city in connection with its formulation of a proposed UGB, include: (1) population growth projections in conjunction with the University of Tennessee; (2) the need for additional land suitable for high density industrial, commercial, and residential development, after taking into account areas within the current municipal boundaries that can be used, reused or redeveloped to meet such needs; and (3) the costs and projected costs of core infrastructure, urban services, and public facilities necessary to fully develop the resources within the current boundaries, as well as the cost of expanding these into the territory proposed for inclusion within the UGB.

As noted by Blount Count in its May 1, 2001, Report, the City of Alcoa has never reported on land within its present city limits that could be developed or redeveloped to urban density. Also, Alcoa has not provided any service cost analysis relating to full development within its current boundaries or expansion of services to its proposed UGB territory, including the Airport property. Also, while the University of Tennessee's population projections for Alcoa under Section 7(a)(2) projected much less growth for the city, Alcoa officials rejected these figures and instead claim a near doubling of Alcoa's population over the next 20 years. In this regard, as Blount County noted in its initial Report, Alcoa projected to the Coordinating Committee a year 2000 population of 8,606, whereas the subsequent 2000 Census only showed a year 2000 population of 7,734 for Alcoa.

Absent these predicate studies, Blount County would submit that Alcoa cannot meet its burden of supporting the inclusion of the Airport in its UGB. Examination of the criteria of Section 7(a)(1) criteria provides further support for this conclusion:

A. <u>The Airport cannot accommodate any residential or nonresidential growth projected by the City of Alcoa to occur during the next 20 years</u>.

As noted, Alcoa did not report on land within its present city limits that could be redeveloped to urban density as required by Section 7(a)(2). Without these projections, it is impossible for anyone, including this Panel and the participants to this process, to determine if the

Airport or for that matter any other property is necessary for accommodation of Alcoa's residential or nonresidential growth needs over the next 20 years.

Blount County would also agree with Airport officials that the type of growth occurring or expected to occur on Airport property is not the type of growth contemplated by Section 7(a)(1) for future municipal accommodations. Alcoa in its Position Statement attempts to place great weight on current activity occurring on Airport property as a result of the Airport's master planning process. As Airport officials noted to the Coordinating Committee, however, the July 1994 Master Plan for the Airport contains the following types of development items for the next 20 years:

*Land acquisition to accommodate airfield and landside expansions.

*Construction of a new parallel runway to provide needed airfield capacity over the long-term horizon.

*Construction of a new crossover taxiway to expedite aircraft movement between runways and existing and ultimate terminal areas.

*Renovations and expansions of passenger terminal facilities.

*Continued construction of structured parking facilities.

*Further development of air cargo apron and facilities.

As pointed out by Airport officials, this type of "development" is for airport operations or held for future operations and support of the Airport consistent with the master plan concept developed for the Airport property, as mandated by the FAA. These activities are not the type of general development growth contemplated by Section 7(a)(1) for purposes of determining if property should be within an urban growth boundary. This growth is not as a result of any identified need by Alcoa for additional developable land nor as a result of any population growth projections on the part of the City of Alcoa.

Moreover, the fact that any type of development is already occurring on Airport property is irrelevant to the consideration of the future development needs of Alcoa. If anything, such development shows that the Airport property would not accommodate any of Alcoa's future growth even assuming Alcoa had adequately identified such needs both inside and outside the current Alcoa city limits.

Also, it is noteworthy that, as Airport officials point out, the two most recent development projects at the Airport were the expansion of the Airport Hilton Hotel and the construction of a maintenance hangar for Continental Express. Blount County actively participated in both projects and provided financial support for both projects. The City of Alcoa provided no financial support for either project and has never provided direct financial support for any development at McGhee Tyson Airport.

What Alcoa's argument boils down to apparently is a belief on its part that the Airport property needs to be entirely within the Alcoa city limits because it, and not Blount County government, is responsive to the needs of Alcoa residents surrounding the Airport. (Alcoa Position Statement, p. 19). Blount County would dispute this assertion. Further, such assertion does not answer the question under Section 7(a)(1) of whether the Airport property is necessary for Alcoa to accommodate "any residential or nonresidential growth projected to occur for the next 20 years." Blount County would submit that clearly it is not.

B. The contiguity of the Airport to Alcoa does not in an of itself provide a basis for inclusion within Alcoa's UGB.

The Airport is contiguous to Alcoa's city limits. However, as previously pointed out, this fact does not in an of itself provide a basis for inclusion within Alcoa's UGB. If anything, the fact that the Airport has developed and operated without meaningful involvement by Alcoa for over 60 years shows why it does not need to be subjected to annexation by Alcoa for the next 20 years as well.

C. A "reasonable and prudent person" would not project the Airport as the likely site of high-density commercial, industrial and/or commercial growth.

As noted in Section 1 above, the "growth" that is occurring on Airport property is a result of Airport needs and operations, and not as a result of growth projections or identified general development needs on the part of the City of Alcoa. As Airport officials have previously submitted, by plan and by definition no Airport property is available for general commercial development. Alcoa cites in its own analysis of this particular criteria that the Airport's master plan calls for construction of a new terminal and an additional parallel runway. This is not commercial growth as contemplated by Section 7(a)(1). Also, it is worth noting that the new terminal construction called for in the master plan document has already been completed - without any involvement or assistance on Alcoa's part.

It is also noteworthy that funding for most land acquisition by the Airport Authority comes from the FAA, which, as Airport officials would note, restricts uses which can be made of land so acquired. Thus, it is not accurate to suggest that any such land will ever be available for the uses contemplated by the Section 7(a)(1) criteria as necessary for inclusion with a UGB.

Even if the development for land is appropriate for consideration under this criteria, a proper analysis reveals that the Airport will not be an area of high density growth. The Airport property consists of approximately 2,500 acres. Of that total, 406 acres are fully developed. The Airport's planning documents identify 179 acres of the Airport property as potential development sites, with the remainder of the property held for runways and open space related exclusively to aviation operations. Thus, less than 8% of the Airport's property is a likely site for future development - hardly "high density" growth.

Moreover, to the extent Alcoa or this Panel would view the Airport property as the site of future growth for purposes of Section 7(a)(1), Blount County would remind the Panel that a county's planned growth area is to contain "likely site[s] of high or moderate density commercial, industrial and/or residential growth over the next 20 years." In other words, while a UGB is to contain "high density" growth under Section 7(a)(1), the planned growth area of a county is inclusive of "high or moderate density" growth under Section 7(b)(1). Thus, the same arguments that Alcoa offers for support of its inclusion with its UGB would also equally support inclusion of the Airport property within Blount County's planned growth area, and, in fact, given the low percentage of available developable property, inclusion of the Airport in Blount County's planned growth area is the logical conclusion.

D. Alcoa is not better able and prepared to efficiently and effectively provide urban services to the Airport property.

Blount County does not believe that Alcoa has demonstrated that it is "better able and prepared" to provide urban services to the Airport than the Airport Authority itself or other governments. While Alcoa discusses certain services it provides to its current residents, it has provided no costs or projected costs analysis under Section 7(a)(2) for infrastructure, urban services, and public facilities relating to the further development of resources within its city limits or the cost of expansion of services to its proposed UGB, including the Airport.

The fact is that the Airport has existed without most of these services provided by Alcoa. As Airport officials have pointed out, the Airport is a self-sufficient operating facility with its own public services that provide everything that is needed to run a modern airport and to respond to the service needs of the Airport. The only services provided by the City of Alcoa to the Airport are fee-based services – the sale of electricity, water and waste water. Those services have been provided to the Airport (and other non-city property owners) for many years, and the Airport will pay more than $750,000 to the City of Alcoa for those services in the next fiscal year.

In its December 1999 submission to the Coordinating Committee, some of the self-sufficient services noted by the Airport included a fully staffed Public Safety Department consisting of some 21 sworn officers whose duties include fire, rescue/emergency response and police/criminal investigation. These officers are trained both at the Tennessee Law Enforcement Police Academy and by the thorough standards enacted by the Tennessee Commission of Firefighting. The Airport Authority also employs certified safety dispatchers and traffic enforcement officers. The fleet of the Airport's Public Safety Department includes two crash response vehicles one quick crash response vehicle, one structural pumper truck and three police vehicles. When combined with the fire protection assets of the Tennessee Air National Guard, the airport submits that it has more firefighting capacity than required of some of the largest international airports in the country. Airport officials also note that the Airport Authority has entered into three separate fire Mutual Aid Agreements with the City of Knoxville, Blount County, and the City of Maryville, but that previous efforts to promote a mutual aid agreement with the City of Alcoa have been unsuccessful.

The Airport Authority also has a Maintenance Department that operates and maintains all landside and aviation support equipment and facilities. This department employs some 38 individuals and is responsible for maintaining more than 40 separate buildings at the Airport, two 9,000-foot runways and their connecting taxiways (over 7.8 million sq. ft. of airfield pavement), air terminal and air cargo operations, general aviation support areas, and over 2,000 acres of airport property. This department has over 40 fleet vehicles including snow removal, heavy construction, pavement maintenance, and mowing and specialty equipment.

The Airport also maintains a staff of engineers and engineering support personnel equivalent to the engineering department of the City of Alcoa. In addition, the Airport engages independent engineers for Airport projects, with a total engineering budget of almost $5,000,000 in the last calendar year. The City of Alcoa provides no engineering services or support to the Airport.

Moreover, by law, ordinances of the City of Knoxville such as building inspections and codes enforcement apply to the Airport property, so these types of services are already provided through another municipality. (See City of Knoxville Code Section 3-51, *et seq.*)

Finally, while Alcoa claims that the Airport property "is accessed by ingress and egress over City of Alcoa's streets" (Alcoa Position Statement, p. 21), the primary means of access to McGhee Tyson Airport are federal and state highways - Interstate 140 and State Highway 120 - and not local roads. Funding for design, construction, maintenace, and repair of those roads is provided by the federal and statement governments - not by the City of Alcoa.

Given all of the above, and given Alcoa's lack of service cost analysis as required by Section 7(a)(2), the City of Alcoa can offer no proof that it is better able and prepared to offer such services to the Airport than either Blount County, the Airport Authority itself, or the City of Knoxville as the creating municipality for the Airport.

E. Inclusion of the Airport property in Alcoa's UGB is not necessary to "facilitate full development of resources" within Alcoa's city limits, nor is it necessary for Alcoa to annex the Airport to "manage and control urban expansion" outside of Alcoa's current boundaries.

Again, without the Section 7(a)(2) studies from Alcoa on land within present city limits that could be developed or redeveloped to urban density, it is nearly impossible to determine whether Alcoa's proposed UGB can meet this Section 7(a)(1) criteria. However, based on the foregoing discussions, Blount County would submit that it is clear that the Airport property does not need to be in Alcoa's UGB with respect to this criteria. Also, as Alcoa itself notes, there are no agricultural lands, forests, recreational areas, or wildlife areas contained on the Airport property, so for the most part this particular criteria is irrelevant. (Alcoa Position Statement, p. 22).

V. CONCLUSION

In its May 14, 2001, letter, the Panel invited comments and objection to its proposed Non-Binding Plan for Blount County. In this Supplemental Report, Blount County has objected to the size of the proposed Urban Growth Boundary for Maryville and has indicated that it will accept the Urban Growth Boundary submitted by Maryville at the time negotiations in the mediation process reached an impasse. Blount County has also attempted in this report to demonstrate that the Airport property identified by Alcoa for inclusion in its Urban Growth Boundary is not warranted because of (1) Alcoa's lack of predicate studies relating to developable land and provision of services as required by T.C.A. § 6-58-106(a)(2); and (2) the failure of the Airport property to fit within the criteria of T.C.A. § 6-58-106(a)(1) applicable to urban growth boundaries.

REPORT OF THE METROPOLITAN KNOXVILLE AIRPORT AUTHORITY to the BLOUNT COUNTY COORDINATING COMMITTEE

METROPOLITAN
KNOXVILLE
AIRPORT
AUTHORITY

December 1999

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I. INTRODUCTION

A. Metropolitan Knoxville Airport Authority and McGhee Tyson Airport

The Metropolitan Knoxville Airport Authority (the "Airport Authority") was established in 1978 under Chapter No. 174, Public Acts of the State of Tennessee, 1969, and pursuant to Resolution No. R-63-78 of the Council of the City of Knoxville, Knoxville, Tennessee. It was organized for and has as its purpose the ownership, management, operation and maintenance of McGhee Tyson Airport and other airports, auxiliary fields and other properties, either acquired by or placed under the control of the Airport Authority as outlined in Chapter 174.

The Airport Authority currently owns and operates two airports: McGhee Tyson Airport and Knoxville Downtown Island Airport. **McGhee Tyson Airport, located in Blount County, is unique in the State of Tennessee in that it is the only airport with regularly scheduled commercial passenger service located in a county other than the county where the creating municipality is located.**

The Airport Authority is a component unit of the City of Knoxville, governed by a nine-member Board of Commissioners appointed by the Mayor of the City of Knoxville. Each Commissioner is appointed for a seven-year term and must be confirmed by the Knoxville City Council. In 1998, the State Legislature, at the behest of the Mayor of the City of Knoxville, amended state law to provide that at least one commissioner must be a resident of Blount County.

Airport Authority debt is issued in the name of the City of Knoxville and is payable from the Airport Authority's net revenues and, if necessary, from unlimited ad valorem taxes to be levied on all taxable property within the corporate limits of the City of Knoxville. As of June 30, 1999, the outstanding long-term debt of the Airport Authority was $63,390,952.00. The operating revenue of the Authority for the fiscal year ending June 30, 1999 was $13,616,116.00

The Board employs a President, who is the chief administrative and executive officer of the Airport Authority. The President manages the airports under the Airport Authority's control with a staff of 87 full-time employees. The staff is responsible for the day-to-day financial, administrative, operational and personnel matters pertaining to both airports and the contractual arrangements with various aviation businesses.

McGhee Tyson Airport occupies over 2,500 acres in Blount County, Tennessee, 15 miles southeast of downtown Knoxville and is the primary air-carrier airport for the Middle East Tennessee region. The airport has two 9,000-foot runways and is capable of handling all types of aircraft in the domestic and international air carrier fleets. McGhee Tyson Airport employs more than 2,700 area residents.

The airport is currently served by six major and seven regional passenger airlines connecting to 16 destinations with non-stop service. There are more than 115 arrivals and departures each day.

In calendar year 1998, 1,627,328 passengers traveled through the airport. In addition, 67,595,103 pounds of freight and 27,547,747 pounds of mail moved through the airport. Two air service providers and a variety of aviation-related businesses serve the airport. Tennessee Air National Guard units located at the airport employed 668 full-time and 1,185 part-time personnel, as of June 30, 1999.

B. Economic Conditions and Outlook

The primary service area for McGhee Tyson Airport is the Knoxville Metropolitan Statistical Area (MSA), which comprises the heart of "Tennessee's Resource Valley," a 16-county area, including Blount County, that makes up Middle East Tennessee. For 1998, the population estimate for the Knoxville MSA was 683,517 according to the Center for Business and Economic Research, University of Tennessee. The Knoxville MSA population increased 4.5 percent between 1980 and 1990 and increased an additional 16.65 percent between 1990 and 1998.

In addition, a broader, regional market is defined as the Tennessee, Kentucky, Virginia, North Carolina, South Carolina and Georgia counties lying within 100 miles of McGhee Tyson Airport, which is the largest airport in the region. Approximately three million people reside in these 76 counties.

The Tennessee Department of Employment Security reports that the Knoxville MSA witnessed a decrease from 4.5 to 3.6 percent in unemployment in 1998. On a national level there was a decrease from 4.9 to 4.5 percent. The state of Tennessee unemployment decreased from 5.4 to 4.2 percent.

According to the Knoxville Convention and Visitors Bureau (KCVB), 159 meetings and conventions were held in Knoxville during fiscal year ending June 30, 1999, and these events brought 140,830 people to Knoxville and to the Knoxville MSA area. These visitors spent $65,158,940 in the local economy on food, lodging, transportation, shopping, entertainment and other visitor services during their stay. The total economic impact to the Knoxville MSA was $130,317,880.

The economic impact of McGhee Tyson Airport is further tracked with an economic impact study, which was updated and coordinated by International Planning & Analysis Center in fiscal year 1993. According to that study, the airport was projected to contribute more than $3.17 billion in benefits during the forecasted period 1993 to 1997. As noted, the airport provides employment for more than 2,700 Knoxville MSA residents, which makes it the fifth largest employer in all of Blount County.

C. Airline Activity

During the past year McGhee Tyson Airport has seen continued strong growth. Calendar year 1998 ended with a 12.75 percent increase in passenger traffic, and through the first 10 months of 1999, the number of passengers has grown by 8.9 percent. As a result, the airport has experienced twenty consecutive months of record growth. The availability of affordable fares to many markets and the introduction of new service by several airlines have been driving this unprecedented growth.

During 1999, AirTran began flights to their Atlanta hub. US Airways inaugurated service to Philadelphia, placed regional jets on the Washington Reagan National Airport route, and announced non-stop regional jet flights to LaGuardia to start in September. American Eagle started non-stop regional jet service to Dallas/Ft. Worth in March. Continental Express announced that McGhee Tyson Airport would be the site of their new regional jet maintenance facility that will employ over one hundred people. Continental Express also announced that it would begin service to all three of their hub cities – Houston (July 1999), Cleveland (September 1999), and New York/Newark (December 1999).

Barring any unforeseen changes in the domestic economy or a dramatic rise in airline fares, the outlook for continued growth at McGhee Tyson Airport, and the positive impact on the Knoxville MSA, including Blount County, is quite favorable.

D. Airport Projects

The $70 million renovation and expansion of the passenger terminal at McGhee Tyson Airport is beyond the halfway point and nearing completion in the summer of 2000. The project is being funded with a combination of passenger facility charge revenue, Airport Authority funds, and $58,700,000 of Airport Revenue-Government Obligation Bonds issued by the City of Knoxville on behalf of the Airport Authority. The facility will contain 12 gates with jet bridges, new baggage claim areas, escalators and an elevator, electronic flight information displays, expanded ticket counters and waiting areas, and a new restaurant and gift shops.

The Airport Authority has broken ground on a new $8.6 million aircraft maintenance facility to be used by Continental Express Airlines. The project is scheduled for completion in October 2000. Upon completion, the maintenance facility will employ over 200 area residents. Blount County and the Blount County Industrial Development Board provided tax incentives and $50,000.00 in other funding for training for this project.

Development of the area west of the passenger terminal building for general aviation is underway. Initial site grading and construction of a landscaped buffer are in progress. Phase I of the project that includes site grading, drainage and utilities will cost $15 million and take several years to complete. The project will require multi-year federal funding and will greatly expand the area dedicated for general aviation.

The Airport Hilton Hotel recently completed a renovation and expansion of their ballroom and banquet facilities. In addition to funds provided by the Airport Authority, Blount County, the Blount County Industrial Board, the Smoky Mountain Visitors Bureau contributed more than $250.000.00 for this construction project.

Preliminary planning is also underway for the eventual expansion of the airport's parking garage. Increased passenger traffic has dictated that the airport proceed now for planning an expansion to the garage to increase the airport's parking capacity by about 500 spaces. Another surface lot also is being planned adjacent to the west development area. These projects are expected to take one to three years to complete and will require federal funding.

E. Airport Master Plan

The viability of a community's regional, national, and international accessibility is a major consideration of an area's economic growth and vitality, and it is the community's airport that best provides this accessibility. Moreover, aviation will continue to grow in importance as a major component of the overall transportation industry.

Recognizing these and other factors, the Airport Authority has produced an Airport Master Plan for McGhee Tyson Airport. This Master Plan, that was adopted in July 1994, outlines and documents a program for the future orderly development of the Airport.

As set forth in the Master Plan, the major development items over the next 20 years include the following:

*Land acquisition to accommodate airfield and landside expansions.

*Construction of a new parallel runway to provide needed airfield capacity over the long-term horizon.

*Construction of a new crossover taxiway to expedite aircraft movement between runways and existing and ultimate terminal areas.

*Renovations and expansions of passenger terminal facilities.

*Continued construction of structured parking facilities.

*Further development of air cargo apron and facilities.

The Master Plan estimates implementation costs of approximately $211.2 million over the 20-year period covered by the Plan. Nearly 50 percent of the recommended development program could be eligible for grants-in-aid administered by the FAA. As exemplified by the preceding section discussing airport projects, many of the recommendations relating to these development items are well underway.

The Airport Master Plan for McGhee Tyson was funded by the FAA and the Airport Authority. In addition to consultants and Airport Authority staff, there was considerable participation by a number of community leaders, public agency personnel, and members of the aviation community. These individuals reviewed working papers on the project and provided comment and input throughout the study to help ensure that a realistic, viable plan was developed. The work of these individuals contributed to the development of the overall plan and the Airport's continued status as a true regional asset for Blount County.

II. Airport Services

McGhee Tyson Airport is a self-sufficient operating facility with its own public services that provide everything that is needed to run a modern airport and to respond to emergencies and other service needs. The Airport Authority staff is charged with the day-to-day operations of the airport and is divided into various departments. These departments and services include:

A. Public Safety Department

The Public Safety Department is staffed by 21 sworn officers whose duties include fire, rescue/emergency response and police/criminal investigation. These officers are trained both at the Tennessee Law Enforcement Police Academy and by the thorough standards enacted by the Tennessee Commission of Firefighting. Officers also receive periodic emergency Medical Training and Aircraft Rescue training as required by Federal Aviation Administration. The Department also employs six certified safety dispatchers, three traffic enforcement officers and one administrative assistant for issuing passes and identification. A number of these individuals are on duty or on call twenty-four hours a day, 365 days a year.

The Public Safety Department's fleet includes two crash response vehicles, one quick crash response vehicle, one structural pumper truck and three police vehicles. When combined with the fire protection assets of the Tennessee Air National Guard, also located at McGhee Tyson Airport, the airport has more firefighting capacity than required of the largest international airports in the country.

The Airport Authority has also entered into three separate Mutual Aid Agreements (fire) with the City of Knoxville, Blount County, and the City of Maryville. Previous efforts to promote a mutual aid agreement with the City of Alcoa have been unsuccessful.

B. Maintenance Department

The Maintenance Department operates and maintains all landside and aviation support equipment and facilities. This department is responsible for maintaining more than 40 separate buildings at McGhee Tyson Airport, two 9,000-foot runways and their connecting taxiways (over 7.8 million sq. ft. of airfield pavement), air terminal and air cargo operations, general aviation support areas, and over 2,000 acres of airport property.

The department employs 38 individuals divided in the areas of airfield maintenance, electrical maintenance, building maintenance and building services. The department is responsible for maintaining all roadways, striping, signage, lighting, landscaping, fences, sewers and drainage on airport property. Various personnel skills include heating/ventilation/air conditioning, plumbing, carpentry, locksmith, electrical, and heavy vehicle maintenance.

The Maintenance Department has over 40 fleet vehicles including: snow removal, heavy construction, pavement maintenance, and mowing and specialty equipment.

C. Administrative Department

McGhee Tyson Airport also employs a professional staff of financial and administrative personnel that are charged with payroll, human resources, advertising, marketing, corporate communications, public relations, air service development, auditing, contract negotiations, and accounting. These 16 personnel are extremely important to the daily operations of the airport.

Together, the services provided by the Airport Authority, combined with the water, electric, and sewer services which the Authority buys from the City of Alcoa, make McGhee Tyson Airport a totally self-sufficient, self-policing community.

III. McGhee Tyson Airport Should Not Be Included Within an Urban Growth Boundary

A. The MKAA's Municipal Status Precludes its Inclusion Within a UGB.

As noted in Section I, the Airport Authority is a component unit of the City of Knoxville, governed by a nine-member Board of Commissioners appointed by the Mayor of the City of Knoxville and confirmed by the Knoxville City Council. State law (T.C.A. § 42-4-102(a)) clearly sets forth the Airport Authority's status as a governmental body:

> "It is hereby declared that airport authorities created pursuant to this chapter shall be public and governmental bodies acting as agencies and instrumentalities of the creating and participating municipalities, and that the acquisition, operating and financing of airports and related facilities by such airport authorities are hereby declared to be for a public and governmental purpose and matters of public necessity."

State law further gives airport authorities broad general powers which, except for the power to tax, equal or exceed the general powers given to local governments under state law. For example, under T.C.A. § 42-4-108, airport authorities have the power of eminent domain. Under T.C.A. § 42-4-109, airport authorities have the power to borrow money for any of its corporate purposes and issue bonds. In addition, under T.C.A. § 42-4-107, some of the general powers granted to airport authorities include, but are not limited to, the following:

- to sue and be sued;
- to acquire real or personal property;
- to establish with the creating municipality a civil service plan for employees of the authority;
- to apply for and receive grants from federal, state, county, municipal officials and agencies;
- to establish and charge fees, rental, rates and other charges, and collect revenues therefrom;
- to provide its own fire protection, police, and crash and rescue service.

Given these powers, and more particularly given the status of airport authorities as governmental bodies, the Airport Authority should be removed from consideration for inclusion in the urban growth boundary ("UGB") of another municipality. McGhee Tyson Airport is unique in that it is located in the county other than the seat of its creating municipality. It logically should not be considered for annexation by a city which did not create it any more than it would be allowed to be annexed by Alcoa if it had been created by Maryville.

Moreover, the inclusion of the Airport within the City boundary has the potential to stifle future useful growth and even to interfere with present operations and thereby reduce the Airport's value as an asset to Blount county and the region. As an example, if McGhee Tyson Airport were included within the UGB and ultimately annexed, Alcoa might try to pass an ordinance imposing a curfew on flights in/out of the Airport. Presently, most of the Airport's freight traffic is scheduled at night to avoid interference with passenger traffic. This method is consistent with the way air freight business is operated worldwide, with a premium on use of all available hours to transfer freight quickly. If flights were unduly restricted, freight carriers would have to find alternatives elsewhere, and the whole area would suffer servicewise and economically.

The above example is just one scenario that demonstrates why there is no logic or justification for imposing another layer of government on what is already a quasi-governmental authority. Excepting the power to tax, the statutes governing airport authorities provide for similar structure and governance, and similar powers and provision of services, as that of any other local government. Given the Airport Authority's municipal status, the Authority would submit that it is inappropriate for the Airport property to be considered for inclusion within a proposed urban growth boundary.

B. Inclusion of the Airport in Alcoa's UGB Does Not Meet the Criteria of Public Chapter 1101

Under Public Chapter 1101, urban growth boundaries for a city must:

(A) Identify territory that is reasonably compact yet sufficiently large to accommodate residential and nonresidential growth projected to occur during the next 20 years;

(B) Identify territory that is contiguous to the existing boundaries of the municipality;

(C) Identify territory that a reasonable and prudent person would project as the likely site of high density commercial, industrial and/or residential growth over the next 20 years based on historical experience, economic trends, population growth patterns, and topographical characteristics;

(D) Identify territory in which the municipality is better able and prepared than other municipalities to efficiently and effectively provide urban services; and

(E) Reflect the municipality's duty to facilitate full development of resources within the current boundaries of the municipality and to manage and control urban expansion outside of such current boundaries, taking into account the impact to agricultural lands, forests, recreational areas and wildlife management areas.

As part of its submission of a proposed UGB, a city is required under Public Chapter 1101 to include the following tasks and reports:

(1) Population growth projections in conjunction with the University of Tennessee;

(2) The need for additional land suitable for high density industrial, commercial, and residential development, after taking into account areas within the current municipal boundaries that can be used, reused or redeveloped to meet such needs;

(3) The costs and projected costs of core infrastructure, urban services, and public facilities necessary to fully develop the resources within the current boundaries, as well as the cost of expanding these into the territory proposed for inclusion within the UGB;

(4) The agricultural areas, forests, recreational areas, and wildlife management areas under consideration for inclusion in the UGB, and the likely long-term impact of urban expansion in such areas.

Examination of these factors and criteria also demonstrates the inappropriateness of inclusion within Alcoa's proposed UGB.

First, the Airport cannot accommodate any residential or nonresidential growth projected by the City of Alcoa. All of the Airport property is used exclusively for airport operations or held for future operations and support of the airport consistent with the master plan concept developed for the Airport property, as mandated by the FAA. Thus, any "growth" that occurs on Airport property will be solely as a result of airport needs and operations, and not as a result of any population growth projections on the part of the City of Alcoa.

Second, the Airport obviously cannot be identified as property that "a reasonable and prudent person" would project as the likely site of high-density commercial, industrial, and/or residential growth. Instead, other than some limited commercial development that may occur to support airport operations, by plan and by definition no Airport property is available for any general development. Moreover, it is noteworthy that funding for most land acquisition by the Airport Authority comes from the FAA, which restricts uses which can be made of land so acquired. Thus, it is not accurate to suggest that any such land will ever be available for the uses contemplated by Public Chapter 1101 as necessary for inclusion in a UGB.

Third, given the Airport Authority's municipal status, Alcoa cannot show that it is "better able and prepared" to provide urban services to the Airport. As shown in Section II, the Airport is a self-sufficient operating facility with its own public services that provide everything that is needed to run a modern airport and to respond to the service needs of the Airport. Moreover, by law, ordinances of the City of Knoxville such as building inspections and codes enforcement apply to the Airport property, so these types of services are already provided through another existing municipality.

The City of Alcoa can offer no proof that it is better able and prepared to offer such services to the Airport than either the Airport Authority itself or the City of Knoxville as the creating municipality for the Airport. (Indeed, such arguments by Alcoa were specifically rejected in the 1992 annexation trial in which the Blount County Chancellor found Alcoa's attempted annexation of the Airport to be unreasonable.)

Fourth, inclusion of the Airport in Alcoa's proposed UGB is not necessary to "facilitate full development of resources" within Alcoa's city limits, nor is it necessary for Alcoa to annex the Airport to "manage and control urban expansion" outside of Alcoa's current boundaries. Again, given the Airport Authority's municipal status, to suggest annexation is necessary is as incongruous as suggesting Alcoa must annex Maryville in order to address such matters. In communications to the Coordinating Committee, Alcoa suggests that without the presence of the city, residents adjoining the airport would be without protection against aircraft noise and pollution. In fact, FAA regulations impose on the Airport a much more burdensome responsibility to offer compensation for aircraft noise than is imposed by state or local law. The FAA establishes certain noise level parameters on a map and the requirements that accompany such parameters. For example, when it was necessary to extend the 3,000 feet runway closer to an existing neighborhood, residents were advised the Airport Authority would either acquire residences or insulate them to certain high standards for those homeowners choosing to remain.

The City of Alcoa seems to portray the above example as a "burden" on the city because some properties were purchased and taken off tax rolls. It seems to want the Airport property within its UGB as a measure to compensate for the specific loss of certain tax revenues. This view simply overlooks or ignores the greater good to the City of Alcoa and the surrounding area created by the growth and success of the Airport. It certainly provides no basis for inclusion within Alcoa's UGB based upon the specific criteria of Public Chapter 1101.

Thus, other than being contiguous to the existing Alcoa city limits, none of the requirements for inclusion within a UGB apply to the Airport. Moreover, it appears further that Alcoa has not provided the Coordinating Committee with the necessary predicate studies and reports related to its proposed UGB as required by Public Chapter 1101. While the city apparently has prepared some population projections, as of the date of preparation of this Report by the Airport Authority, the Authority is informed by the secretary to the Coordinating Committee that Alcoa has given the Committee no handouts in regard to their plan. The minutes of the May 10, 1999 Committee meeting at which Alcoa made its UGB presentation similarly reflect no submission of studies or reports other than population projections. Specifically, as of the date of preparation of this Report, the Authority has not been made aware of the existence of any Alcoa studies relating to an existing land use inventory and analysis, a public services inventory and analysis, or the current and projected costs of services, all as required by Public Chapter 1101.

If such studies do not exist, particularly as to the Airport property, or if such studies have not been submitted to, or considered by, this Coordinating Committee, then the Authority would submit that inclusion of the airport within Alcoa's proposed UGB would be prohibited as a matter of law. To the extent such studies exist but have not yet been made available, either to the Authority or to this Committee, then the Authority would submit that a vote on Alcoa's proposed UGB prior to the receipt and review of such materials by either the Authority or the members of the Coordinating Committee would equally be inappropriate.

IV. Conclusions

The Metropolitan Knoxville Airport Authority continues to support the following position of Blount County government as it relates to the McGhee Tyson Airport property:

> "[Blount] County considers the McGhee Tyson Airport a regional asset that should remain outside any city corporate limits and outside any urban growth boundaries."

McGhee Tyson Airport has a significant impact on the economy, businesses, and traveling public throughout the entire Middle East Tennessee region. To whatever extent annexation of McGhee Tyson Airport by the City of Alcoa would stifle or impede growth and successful operation of the airport, all of Blount County and the other counties making up the airport's service region would be penalized.

The airport's owner, the Airport Authority, is by law a governmental entity that should not be subject to consideration for inclusion in the urban growth boundary of another municipality. Furthermore, such inclusion is not supported by any of the criteria for development of urban growth boundaries contained in Public Chapter 1101. Therefore, inclusion of the airport in the City of Alcoa's Urban Growth Boundary Plan is neither warranted or appropriate.

The Airport Authority has a history of supporting Blount County government and the municipalities within Blount County on issues of mutual concern and interest and will continue to do so. The attempt by the City of Alcoa to include McGhee Tyson Airport within the City of Alcoa's proposed urban growth boundary is not supported by law, is unnecessary, and is counterproductive to that current relationship.

Chapter 3

AIRCRAFT AND AIRPORTS*

Article I. In General

Sec. 3-1. Definitions.
Secs. 3-2—3-25. Reserved.

Article II. Operation of Aircraft

Sec. 3-26. Minimum altitude.
Sec. 3-27. Dropping circulars or other items from aircraft.
Sec. 3-28. Stunt flying.
Sec. 3-29. Takeoffs and landings at places other than airport.
Secs. 3-30—3-50. Reserved.

Article III. Airports

Sec. 3-51. Enforcement of city ordinances on airport property.
Sec. 3-52. Parking violations.
Sec. 3-53. Entering airport operations area.
Secs. 3-54—3-78. Reserved.

Article IV. Advertising

Sec. 3-79. Picketing, demonstrations, soliciting and advertising.
Sec. 3-80. Cancellation of permits.

APPENDIX C

*Cross references—City engineering department, § 2-276 et seq.; department of public safety, § 2-291 et seq.; department of public service, § 2-326 et seq.; city property generally, § 2-706 et seq.; buildings and building regulations, Ch. 6; motor vehicles and traffic, Ch. 17; public transportation, Ch. 21; streets and sidewalks, Ch. 23; subdivision regulations, App. A.

ARTICLE I. IN GENERAL

Sec. 3-1. Definitions.

As used in this chapter, the following words, terms and phrases shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

"*Airport*" means McGhee Tyson Airport, the Knoxville Downtown Island Airport and any aviation facilities owned, operated or conducted by the city, or by any airport authority created by the city.

"*MKAA*" means the Metropolitan Knoxville Airport Authority.
(Code 1962, § 4-27(1))

Cross reference—Definitions and rules of construction generally, § 1-2.

Secs. 3-2—3-25. Reserved.

ARTICLE II. OPERATION OF AIRCRAFT*

Sec. 3-26. Minimum altitude.

(a) *Generally.* Except when necessary for takeoff or landing, it shall be unlawful for any person to operate an aircraft below the following altitude:

(1) An altitude allowing, if a power unit fails, an emergency landing without undue hazard to persons or property on the surface.

(2) Over the corporate limits of the city, an altitude of one thousand (1,000) feet above the highest obstacle within a horizontal radius of two thousand (2,000) feet of the aircraft.

(b) *Helicopters.* Helicopters may be operated at less than the minimum prescribed in subsection (a)(2) of this section if the operation is conducted without hazard to persons or property on the surface. In addition, each person operating a helicopter shall comply with the routes or altitudes specifically prescribed for helicopters by the chief of police.
(Code 1962, § 4-1)

State law reference—Low flying, T.C.A. § 42-1-104.

Sec. 3-27. Dropping circulars or other items from aircraft.

It shall be unlawful for any person operating an aircraft to drop circulars or other things from such plane within the corporate limits of the city.
(Code 1962, § 4-2)

State law reference—Dropping objects, T.C.A. § 42-1-109.

Sec. 3-28. Stunt flying.

It shall be unlawful for any person operating an aircraft to stunt fly over the city.
(Code 1962, § 4-3)

State law reference—Acrobatic flying, T.C.A. § 42-1-104.

Sec. 3-29. Takeoffs and landings at places other than airport.

It shall be unlawful for the pilot or operator of an aircraft of any type to take off from or land in any place in the city other than an airport without first having obtained written permission from the chief of police. This section shall not apply to aircraft operated by law enforcement agencies of the city, state or federal government or any political subdivision thereof.
(Code 1962, § 4-4)

Secs. 3-30—3-50. Reserved.

ARTICLE III. AIRPORTS†

Sec. 3-51. Enforcement of city ordinances on airport property.

(a) *Applicability.* The ordinances of the city shall apply to, cover and be in full force and effect upon the premises of any municipal airport or any airport owned and operated by the MKAA as if the airport were within the corporate limits of the city; provided, however, that Knoxville Downtown

*Cross reference—Operation of vehicles, § 17-166 et seq.

†Charter reference—Airports, § 207.

strating shall be permitted according to these specifications only upon written permission of the MKAA.

(c) *Posting or distribution of advertising, handbills, etc.* No person shall post, distribute or display signs, advertisements, circulars, handbills, newspapers, magazines or any other printed or written material inside the terminal building of any airport of the city or the MKAA, whether for a commercial or a noncommercial purpose, except that lessees and concessionaires at the airport may advertise as prescribed in duly executed contracts with the city or the MKAA. No person shall post, distribute or display signs, advertisements, circulars, handbills, newspapers, magazines or any other printed or written matter outside the terminal building of any airport for a commercial purpose, except that lessees and concessionaires may advertise as prescribed in duly executed contracts with the city or the MKAA. Such activities shall be allowed for noncommercial purposes only with a permit issued according to the procedure set out in subsection (f) of this section.

(d) *Solicitations for commercial purposes.* No person shall solicit for commercial or business purposes on the property of any airport, except that lessees and concessionaires of the airport while under duly executed contracts with the city or the MKAA may advertise or make announcements in such manner as may be specifically prescribed in their contracts with the city or the MKAA.

(e) *Solicitation for charitable purposes.* No person shall solicit or advertise for alms, funds or contributions for charitable purposes inside the terminal building of any airport. Solicitation or advertisement for alms, funds or contributions on airport property outside the terminal building shall be allowed only upon proper application for a permit and issuance of a permit according to the procedure set out in subsection (f) of this section.

(f) *Application for permit; badge.* Persons seeking permits for distribution of handbills and other written material or for solicitation or advertising for alms, funds or contributions for charitable purposes shall apply in person to the airport offices for a permit for such activities. Applications shall be made between 9:00 a.m. and 9:30 a.m. each day. The applicant shall give his name and address, as well as the name and address of the organization he represents, and such other information as may be requested by the personnel of the airport offices in order to determine if a permit should be granted. Upon approval of the application, a badge or insignia in a form prescribed by the MKAA will be issued to the applicant and is to be worn in a manner visible to the public during such time as the applicant is distributing written material or soliciting for alms, funds or contributions for charitable purposes. The permit and badge or insignia shall be valid only for the day issued and shall not be transferable.

(g) *Cessation of activities in emergency situations.* Authorized representatives of the MKAA may declare an emergency on account of unusually congested conditions in the airport terminal or outside the airport terminal caused by weather, schedule interruptions, extremely heavy traffic movements or other causes, or on account of emergency security measures. In such case, an announcement shall be made and proper notification shall be given to all persons distributing printed material or soliciting contributions as permitted in subsection (f) of this section and such persons shall immediately cease such activities for the duration of such emergency.
(Code 1962, § 4-29)

Cross reference—Solicitations generally, § 16-368 et seq.

Sec. 3-80. Cancellation of permits.

Any permits granted pursuant to this article may be cancelled by either party by thirty (30) days' written notice.
(Code 1962, § 4-30)

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METROPOLITAN
KNOXVILLE
AIRPORT
AUTHORITY

September 9, 1999

Blount County Coordinating Committee
c/o Bill Crisp
Blount County Executive
341 Court Street
Maryville, TN 37804-5906

RE: BLOUNT COUNTY RECOMMENDED GROWTH PLAN

Gentlemen:

Mr. Bill Crisp, Blount County Executive, has requested that we write this letter to the members of the Blount County Coordinating Committee to inform you of the Metropolitan Knoxville Airport Authority's position on the Growth Plan for Blount County. It is our understanding that this County Growth Plan is mandated by Public Chapter 1101, and you are charged with identifying urban growth boundaries for each municipality within the county and with identifying planned growth areas and rural areas within the county. It is also our understanding that the City of Alcoa is proposing to include McGhee Tyson Airport within their identified urban growth boundary.

Before stating our position on this, I would like to provide you with some information concerning McGhee Tyson Airport:

- 1998 operations - 148,544
- 1998 passengers - 1,627,328
- Fifth largest employer in Blount County
- Estimated annual economic impact on the metropolitan area equals one billion dollars plus.

Based on the impact the Airport has on the entire county and its regional nature, the Airport Authority does not believe that inclusion in the Alcoa urban growth boundary is appropriate. We further believe that such inclusion is not supported by any of the criteria for development of urban growth boundaries contained in Public Chapter 1101 and that such inclusion would be inconsistent with the policies underlying the development of growth plans as set forth in Public Chapter 1101.

APPENDIX D

McGhee Tyson Airport • P.O. Box 15600 • Knoxville TN 37901 • 423-970-2773 • FAX 423-970-4113 • email: mcghee@tys.org

McGhee Tyson Airport is owned and operated by the Metropolitan Knoxville Airport Authority, a State chartered authority. The airport property consists of approximately 2000 acres, all of which is used for airport operations or held for future operations and support of the airport. Most of the development at McGhee Tyson Airport is subject to federal regulations, and MKAA devotes substantial resources to ensure compliance with those regulations. Because of the unique and demanding nature of airport operations, MKAA provides a wide range of services comparable to or greater than the urban services provided by many municipalities. MKAA maintains its own police department, fire department, emergency services department and emergency dispatch systems. It constructs its own roads and runways and maintains over 93 acres of pavement. Its engineering staff provides extensive planning services to ensure compliance with federal regulations and the airport's long-term plan.

Historically, the City of Alcoa has provided no urban services to McGhee Tyson Airport. MKAA is better able and prepared than the City of Alcoa to efficiently and effectively provide the necessary services for the airport property.

None of the property owned by MKAA is available for general development. Use of the property is limited to airport operations and support facilities. No residential growth will occur on airport property. While some limited commercial development may occur to support airport operations, MKAA will retain control of those areas and will restrict construction and operations, consistent with applicable federal regulations and the airport's master plan. Since use of the airport property is limited to airport operations and support, growth on the airport property will not be affected by the historical experience, economic trends or population growth patterns of the City of Alcoa. To the contrary, MKAA prefers that residential growth be as far removed from airport property as possible, and MKAA has acquired substantial property to prevent the incursion of residential growth in areas that would be impacted by airport operations.

Additionally, we would point out to the members of the Coordinating Committee that previous attempts by the City of Alcoa to annex the Airport Authority's property have been vigorously resisted by the Airport Authority's staff and have been unsuccessful. Specifically, after a trial before the Blount County Chancellor in December of 1992, the Chancellor declared the attempted annexation by ordinance of the airport to be unreasonable and struck down the annexation ordinance, and this action was affirmed by the Tennessee Court of Appeals. Subsequently, in November of 1996, an attempt by the City of Alcoa to annex the airport by referendum failed when residents included within the proposed area of annexation rejected the effort by a four to one margin.

For the information of the Committee, there are certain land use controls specific to the airport. which the Airport Authority desires and has requested the Blount County Planning Commission to adopt. There are:

- Height restrictions in order to prevent construction of any tower and other obstacles that would constitute a hazard to aircraft approaching or departing McGhee Tyson Airport. The attached Obstruction Plan shows the limits of the

horizontal surface and identifies five sample points around the airport to show that height limitation would not be burdensome to the county.

- The second area is establishment of appropriate land use regulations within the 65 DNL contour to ensure that homes constructed after the date of adoption of the land use plan do not require sound insulation or other noise mitigation efforts. Over the past six years, the Airport Authority has spent more than two million dollars for land acquisition and noise mitigation within the 65 DNL contour. (A map of the 65 DNL contour is attached.) All existing single-family homes have currently received sound insulation treatment. We do not feel that the Airport Authority should be required to provide this type of program unless the noise contours for McGhee Tyson Airport expand substantially.

For the reasons stated above, the Metropolitan Knoxville Airport Authority requests that the airport property not be included within the urban growth boundary for the City of Alcoa. I hope that we have clearly stated our concerns over the City of Alcoa proposal. If, however, you require any additional information or have any further questions, please feel free to contact me. I would be willing to meet with the Committee at any time to further discuss our position.

Sincerely,

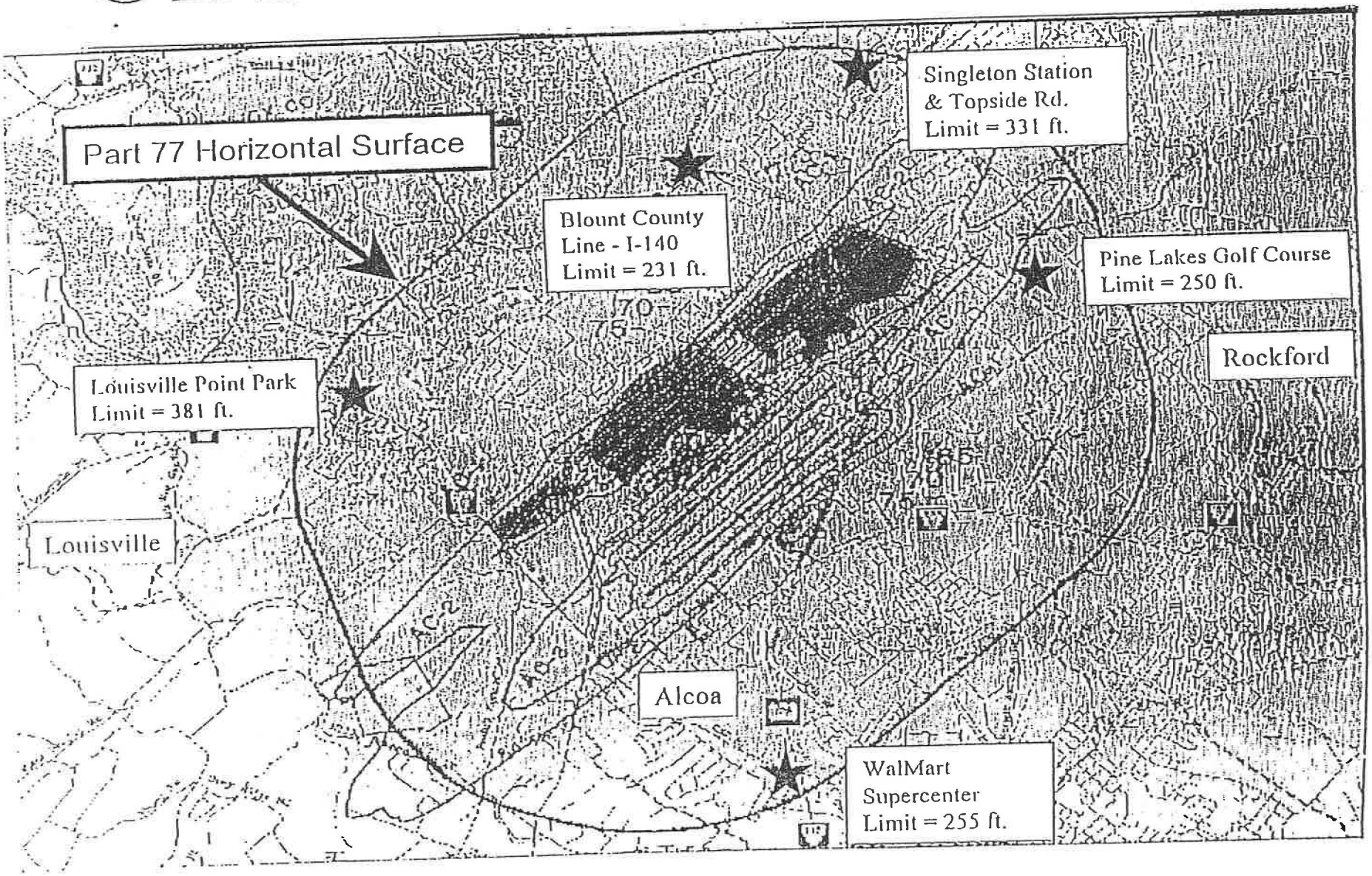
William F. Marrison, A.A.E.
Senior Vice President of Airport Operations

bsb

Attachment

c: Terry Igoe, President
E. Bruce Foster, Jr., Bass, Berry & Sims PLC
Board of Commissioners

OBSTRUCTION PLAN



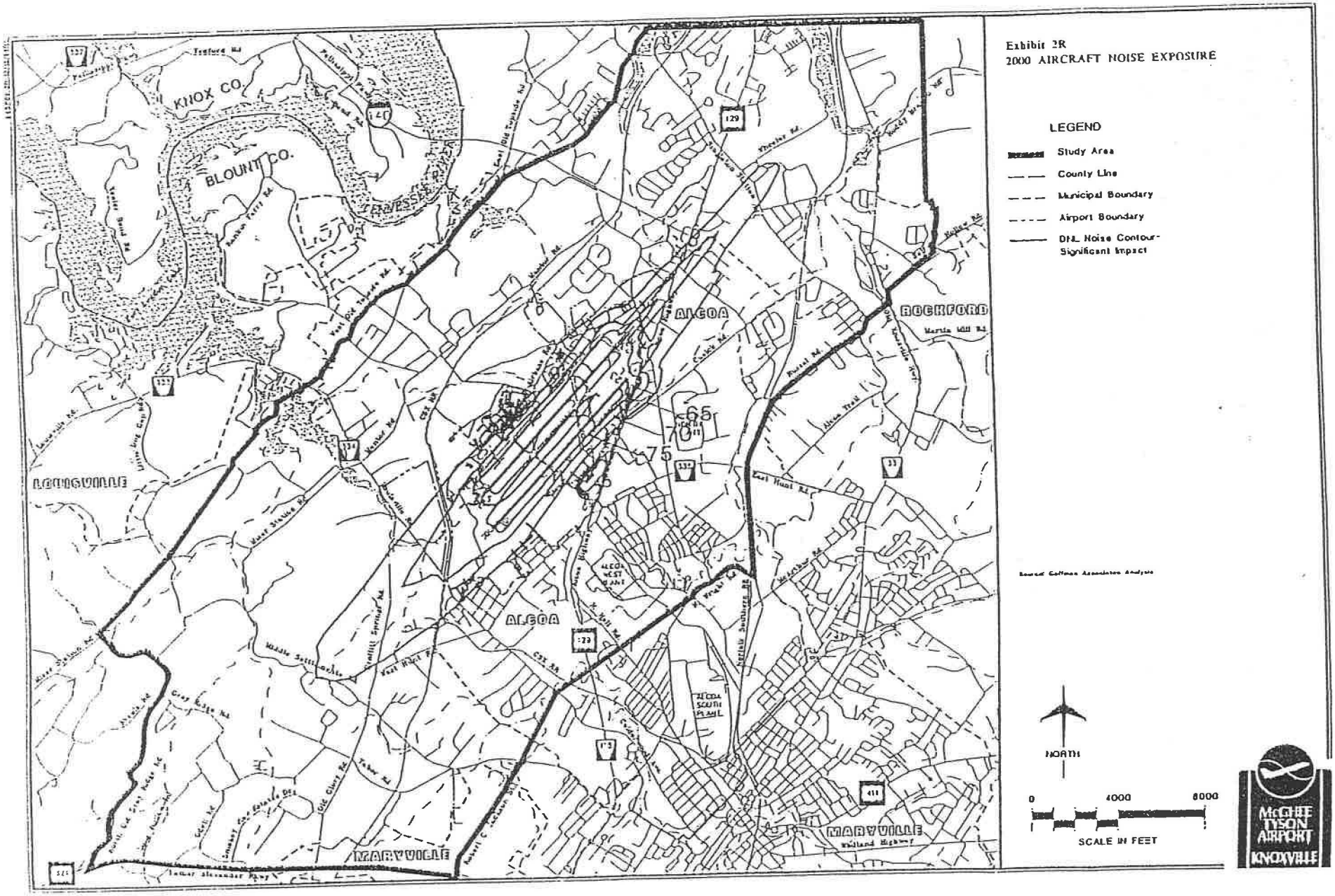


Exhibit 2R
2000 AIRCRAFT NOISE EXPOSURE
LEGEND
Study Area
County Line
Municipal Boundary
Airport Boundary
DNL Noise Contour-Significant Impact
KNOX CO.
BLOUNT CO.
TENNESSEE
ALCOA
ROCKFORD
LOUDOUN
MARYVILLE
65
70
75
NORTH
0
4000
8000
SCALE IN FEET
McGHEE TYSON AIRPORT KNOXVILLE

METROPOLITAN
KNOXVILLE
AIRPORT
AUTHORITY

November 17, 1999

Blount County Coordinating Committee
c/o Bill Crisp
Blount County Executive
341 Court Street
Maryville, TN 37804-5906

Re: **Blount County Recommended Growth Plan**

Dear Bill:

The following is an outline of the position of the Metropolitan Knoxville Airport Authority to assist you in your deliberations on a recommended Growth Plan for Blount County. Specifically, the Authority continues to support the following position of Blount County government as it relates to the McGhee Tyson Airport property:

> "[Blount] County considers the Airport as a regional asset that should remain outside any city corporate limits and outside any urban growth boundaries."

The primary points in support of this position, and in opposition to the Airport's inclusion within the City of Alcoa's proposed urban growth boundary, include:

(1) <u>The Airport is a regional asset governed by a separate and independent quasi-governmental authority</u>.

The Airport is owned and operated by the Metropolitan Knoxville Airport Authority, an entity established in 1978 pursuant to state-chartered authority and by resolution of the City Council of Knoxville, Tennessee. The Authority operates as a quasi-governmental entity with the sole purpose of ownership, management, operation and maintenance of McGhee Tyson Airport and other airports, auxiliary fields, and properties either acquired by or placed under the control of the Authority. The Authority is the fifth largest employer in Blount County, and the annual impact from Airport to the Knoxville metropolitan area, including Blount County, is estimated to exceed $1 billion.

APPENDIX E

McGhee Tyson Airport • P.O. Box 15600 • Knoxville, TN 37901 • 423/970-2773 • FAX 423 970-4113 • email: mcghee[illegible]

(2) The Airport cannot accommodate any residential or non-residential growth projected by the City of Alcoa.

Public Chapter 1101 targets for inclusion within urban growth boundaries land that is sufficient to accommodate a city's projected residential and non-residential growth. All of the Airport property, however, is used exclusively for airport operations or held for future operations and support of the airport consistent with the master plan concept developed for the Airport property. Thus, this primary factor for consideration of an urban growth boundary argues against inclusion of the airport in Alcoa's boundary.

(3) No Airport property is available for general development.

Another primary consideration under the law for an urban growth boundary is whether the territory under consideration is the likely site of high-density commercial, industrial, and/or residential growth. Consideration of this factor also leads to the conclusion that the Airport property should remain outside any urban growth boundary for the same reasons expressed above. Furthermore, while some limited commercial development may occur to support airport operations, the Authority will retain control of those areas and restrict construction and operations consistent with applicable federal regulations and the master plan concept for the Airport.

(4) The Authority is strategically situated to efficiently and effectively provide urban services to the Airport property.

Because of the unique and demanding nature of the airport operations, the Authority provides a wide range of services comparable to or greater than the urban services provided by many municipalities. The Authority maintains its own police department, fire department, emergency services department, and emergency dispatch systems. It constructs its own roads and runways and maintains over 93 acres of pavement. Authority staff and consultants provide extensive planning services to ensure compliance with federal regulations in the Airport's long-term plans. The Authority would also note that under Chapter 3 of the Knoxville City Code, ordinances of the City of Knoxville such as building inspections ordinances apply to the Airport property, so these types of services are already provided through another existing municipality.

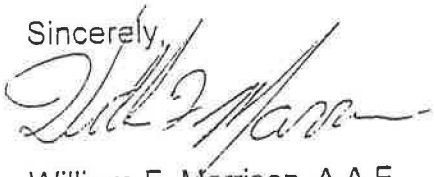
(5) The Blount County Chancellor has found previous attempts of the City of Alcoa to annex the Airport to be unreasonable.

In December of 1992, following a trial over the City of Alcoa's efforts to annex the Airport property, the Blount County Chancellor found that Alcoa had failed to meet its burden of showing the reasonableness of Alcoa's proposed annexation of the Airport property.

We would submit that this finding of unreasonableness militates against now including the Airport within an urban growth boundary that would subsequently target the Airport for annexation.

Thank you for your continued consideration of the Authority's position in this matter. As always, I would be glad to discuss our viewpoints with Committee members at any time.

Sincerely,



William F. Marrison, A.A.E.
Senior Vice President
Airport Operations

bsb

Attachment

c: Terry Igoe, President
Bruce Foster, Jr., Esq.
Board of Commissioners

1 depositions. They have highlighting along
2 the left column to indicate those portions
3 which would have been offered in by the
4 Metropolitan Knoxville Airport Authority.
5 Also attached at the back of each copy is a
6 separate piece of paper which designates the
7 lines and page numbers which would have been
8 offered in by the Metropolitan Knoxville
9 Airport Authority.
10 THE COURT: Gentlemen, is there
11 anything further from any of the parties?
12 MR. FOSTER: Nothing from the
13 Plaintiff, Your Honor.
14 MR. GODDARD: Nothing from the
15 Defendant, Your Honor.
16 THE COURT: The following will be
17 the Court's oral Findings of Fact and
18 Conclusions of Law in this matter. In this
19 case, the Court has before it an annexation
20 ordinance duly enacted by the City of Alcoa
21 annexing all of the McGhee Tyson Airport
22 property owned and operated by the
23 Metropolitan Knoxville Airport Authority, an
24 agency of the City of Knoxville.
25 The Metropolitan Knoxville Airport

1 Authority challenges this annexation
2 ordinance as being unreasonable, not
3 necessary for the welfare of the property
4 owners of the affected territory and the
5 municipality as a whole and thereby
6 constitutes an exercise of power not
7 conferred by the law. The City of Alcoa
8 insist otherwise. And, thus, is the issue
9 for the Court's determination.
10 The statute here involved, being
11 Tennessee Code Annotated 6-51-103, defines
12 this issue as follows: The statute addresses
13 what the contestant, in this case the Airport
14 Authority, the grounds it may contest on, and
15 it is in this context: "May contest the
16 validity thereof on the ground that it
17 reasonably may not be deemed necessary for
18 the welfare of the residents and property
19 owners of the affected territory and the
20 municipality as a whole and so constitutes an
21 exercise of power not conferred by law."
22 Stated differently and as is
23 ordinarily referred to by the parties and
24 their counsel and the Court when discussing
25 this issue, we refer to it as being whether

1 or not the proposed annexation be reasonable
2 or unreasonable. In the making of this
3 determination, our statute goes further and
4 describes and prescribes the burden of proof
5 on the party upon whom proposes it as
6 follows: The Court quotes. "The
7 municipality shall have the burden of proving
8 that an annexation ordinance is reasonable
9 for the overall well-being of the communities
10 involved," being TCA 6-51-103 subsection b.
11 We have spent the better part of
12 two days in trial of this proceeding. Much
13 testimony has been offered on this particular
14 question, both pro and con, and as is to be
15 expected in this type of situation. The
16 evidence presented is often conflicting, in
17 instances contradictory, and in other
18 instances entirely irreconcilable.
19 Thus, the Court is required to
20 fully and carefully consider the entire
21 evidence that has been offered, the entire
22 record that is before it; from that,
23 determine the credibility of the witnesses
24 and to make and determine the issue presented
25 in accordance with the standards as set forth

1 by the statute alluded to and the case law
2 interpreting the same.
3 The Court does not deem it
4 necessary at this time to needlessly lengthen
5 these findings by attempting to restate the
6 evidence that has been offered. Suffice it
7 to say, the same has been taken by a court
8 reporter and is available for any future
9 reference.
10 From the entire record and
11 applying the statutory and case law criteria
12 thereto, the Court is of the opinion and
13 finds that the City of Alcoa has failed to
14 sustain its legal burden of proof that the
15 annexation ordinance here in issue is
16 reasonable for the overall well-being of the
17 communities involved.
18 The Court further finds that the
19 City of Alcoa has failed to sustain that such
20 ordinance is reasonably necessary for the
21 welfare of the residents and property owners
22 of the affected territory and the
23 municipality.
24 Therefore, the Court finds the
25 ordinance to be unreasonable in consideration

1 of the health, safety, and welfare of the
2 citizens and property owners of the territory
3 sought to be annexed and to the citizens and
4 property owners of the municipality and the
5 same shall be vacated, should be vacated.
6 Inasmuch as the Court's foregoing
7 findings are dispositive of the issue between
8 the parties as is defined by this statute and
9 adjudicates the rights of the parties
10 thereunder, the Court pretermits any ruling
11 on any other collateral matters set forth in
12 the plaintiff's complaint or other pleading.
13 The cost will be taxed to the City
14 of Alcoa. Judgment will be prepared in
15 accordance herewith. Anything further,
16 Gentlemen?
17 MR. ROACH: No, Your Honor.
18 MR. FOSTER: No, Your Honor.
19 THE COURT: Court is adjourned.
20 Thank you, Gentlemen.
21 **********
22
23
24
25

Blount County Guidance on Urban Growth Boundaries Within the Confines of Planned Growth Areas – 9/8/1999 revised

It is not the responsibility of the County to identify specific urban growth boundaries. Under Public Chapter 1101, such responsibility falls with the cities and with the coordinating committee. However, the County does have an interest in the process and in applying the criteria of reasonableness to the identification of urban growth boundaries.

According to Public Chapter 1101, urban growth boundaries should be that territory "that a reasonable and prudent person would project as the likely site of high density commercial, industrial, and/or residential growth over the next twenty (20) years based on historical experience, economic trends, population growth patterns and topographical characteristics."

The County recognizes that the cities will grow. Each city has indicated its projected population growth, either by acceptance of the University of Tennessee projections, or by formulating separate projections. The projection of urban growth boundaries should be reasonably proportional to projected population growth and the land that would be needed to accommodate such growth. In identifying urban growth boundaries, consideration should also be given to developing vacant land internal to the cities, identifying areas compact to the existing city limits, and providing substantial urban services.

For the purposes of calculating land needed for urban growth boundaries, one household is assumed to be 2.5 persons, consistent with the county average from the 1990 census. Each projected household is assumed on the average to be associated with one acre of urban land, inclusive of all uses such as commercial, industrial, roads, schools, residential, and other uses. Specific residential development densities should be greater than one dwelling unit per acre to be consistent with the criteria of expected high density development within urban growth boundaries.

All the small towns – Friendsville, Louisville, Rockford and Townsend – have projected population to the year 2020 which would indicate a potential urban growth boundary of less than ¼ square mile each. Most of the small towns, especially Louisville, have vacant land internal to the corporate limits that should be identified first for full development under provisions of Public Chapter 1101. Most of the small towns, especially Friendsville, provide low levels of urban services, and are particularly lacking in sewer services which could accommodate high density development. This situation would indicate a minimal urban growth boundary for each of the small towns.

Alcoa has projected that its population will increase by 6,485 persons to the year 2020, based on their own calculations. Assuming that all the additional population will be located outside of present corporate limits, this would lead to a calculated 2,594 households, or 2,594 acres, or 4.05 square miles of additional land needed for urban expansion outside of present corporate boundaries. Alcoa provides a high level of urban services. Alcoa has an undetermined amount of vacant land within the present corporate limits.

Maryville has projected that its population will increase by 8,460 persons to the year 2020, based on their own calculations and acceptance of UT projections. Assuming that all the additional population will be located outside of present corporate limits, this would lead to a calculated 3,384 households, or 3,384 acres, or 5.29 square miles of additional land needed for urban expansion outside of present corporate boundaries. Maryville provides a high level of urban services. Maryville has an undetermined amount of vacant land within the present corporate limits.

The County has identified a planned growth area of about 48 square miles around the two largest cities, where it is expected that high to moderate density development will locate. The urban growth boundaries of the two cities of Alcoa and Maryville should be limited to 4.05 and 5.29 square miles respectively, to be identified only within the bounds of the county planned growth area. All land outside the corporate limits of the cities and their urban growth boundaries, and outside of the County identified planned growth area should fall within the rural area designation with expected low to moderate density development.

The County recognizes its responsibility to provide for quality land use planning and growth. Therefore, the County does not desire extraterritorial zoning and subdivision regulation outside of any corporate limits.

The County encourages and invites joint discussion, deliberation and planning on issues of common interest between the County and the cities in their prospective urban growth boundaries and in the planned growth area.

The County considers the airport as a regional asset that should remain outside any city corporate limits and outside any urban growth boundary.

The County has identified a proposed planned growth area and a rural area as shown on a separate map. The County will hold two public hearings on its planned growth area and rural area prior to any formal proposal to the growth plan coordinating committee. Each public hearing must have at least 15 days notice in a local newspaper.

LGPAC

Don/Dan –
I agree, what
can we do?
Al

Don Waller, Director
State of Tennessee Local Planning Office
William Snodgrass Tennessee Tower
312 8th Avenue North, 10th floor
Nashville, Tennessee 37243.0405

Dan Hawk, Regional Director
State of Tennessee Local Planning Office
5401 Kingston Pike, Suite 210
Knoxville, Tennessee 37919

RE: Blount County Comprehensive Growth Plan
Dispute Resolution Process Docket No.: k46.00-011652J

Dear Mr. Waller and Mr. Hawk:

We are submitting this letter on behalf of the City of Knoxville, Tennessee and the Metropolitan Knoxville Airport Authority, respectively, with respect to the consideration by the Local Government Planning Advisory Committee ("LGPAC") of the Blount County Comprehensive Growth Plan. It is our understanding that this particular Growth Plan may be considered by LGPAC at its scheduled meeting of June 27, 2000 in Nashville. If so, we would appreciate this submission being made a part of the record for consideration by the LGPAC members.

The City of Knoxville and the Metropolitan Knoxville Airport Authority (the "Airport Authority") object to that part of the proposed Growth Plan that calls for inclusion of the McGhee Tyson Airport property within the urban growth boundary of the City of Alcoa. Throughout this process, Blount County government has proposed that the Airport property be placed within the planned growth area of Blount County, to which the Airport Authority does not object. In fact, during the mediation process mandated by Public Chapter 1101, the Blount County Commission formally voted to continue with its position that the Airport property should not be in Alcoa's urban growth boundary. It was only after the issuance of a second nonbinding plan proposal by the administrative law judge panel that the commission voted not to proceed forward with a contested hearing on the plan.

The City of Knoxville and the Airport Authority would urge LGPAC to reject that portion of the proposed Blount County Growth Plan that places the Airport Authority property within Alcoa's urban growth boundary. We base this request on the unique governmental status of the Airport Authority and the fact that the criteria established under PC 1101 for inclusion within an urban growth boundary cannot be met with respect to the McGhee Tyson Airport property.

As background, the Airport Authority is a component unit of the City of Knoxville, Tennessee. It is governed by a nine-member Board of Commissioners appointed by the Mayor of the City of Knoxville and confirmed by the Knoxville City Council. State law (TCA § 42-4-102(a)) sets forth the Airport Authority's status as a government body:

Don Waller, Director
State of Tennessee Local Planning Office
William Snodgrass Tennessee Tower
312 8th Avenue North, 10th floor
Nashville, Tennessee 37243.0405

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"It is hereby declared that airport authorities created pursuant to this chapter shall be public and governmental bodies acting as agencies and instrumentalities of the creating and participating municipalities, and that the acquisition, operating and financing of airports and related facilities by such airport authorities are hereby declared to be for a public and governmental purpose and matters of public necessity."

The Airport Authority currently owns and operates two airports: McGhee Tyson Airport and Knoxville Downtown Island Airport. **Significantly, McGhee Tyson Airport, located in Blount County, is unique in the State of Tennessee in that it is the only airport with regularly scheduled commercial passenger service located in a county other than the county where the creating municipality is located.**

As a threshold consideration, we believe that the Airport Authority's municipal status precludes its inclusion within an urban growth boundary of another municipality. As noted, the Airport Authority acts directly as a public agent and instrumentality of the City of Knoxville. State law further gives airport authorities broad general powers which, except for the power to tax, equal or exceed the general powers given to local governments under state law. These powers include the power of eminent domain, to borrow money and issue bonds, to provide its own fire protection, police, crash and rescue service, to acquire real or personal property, and to establish with the creating municipality a civil service plan for employees of the authority.

Given these powers, and more particularly given the status of airport authorities as governmental bodies, we would submit that the Airport Authority should be removed from consideration for inclusion in the urban growth boundary of another municipality.

Second, we believe that proposed inclusion of the Airport property in the City of Alcoa's urban growth boundary does not meet the criteria of Public Chapter 1101. In particular: (a) the airport property cannot accommodate any residential or nonresidential growth projected by the City of Alcoa; (b) the airport cannot be identified as property that "a reasonable and prudent person" would project as the likely site of high-density commercial, industrial, and/or residential growth; (c) given the Airport Authority's municipal status, its self-sufficient services, and the services provided to the Airport property by the City of Knoxville, Alcoa cannot show that it is "better able and prepared" to provide urban services to the airport; and (d) inclusion of the airport in Alcoa's proposed urban growth boundary is not necessary to "facilitate full development of resources" within Alcoa city limits, nor is it necessary for Alcoa to annex the airport to "manage and control urban expansion" outside of Alcoa's current boundaries.

In support of these points, we are enclosing for your information and review the "Supplemental Report of Blount County in Response to the Non-Binding Plan Proposal for the Blount County Growth Plan" dated May 22, 2001 which was submitted by Blount County to the administrative law judge panel. In particular, Section IV of that Supplemental Report, beginning on page 4, contains an analysis of the "Section 7" criteria of Public Chapter 1101 as relates to the Airport property.

Also enclosed for your consideration is the "Report of the Metropolitan Airport Authority to the Blount County Coordinating Committee" dated December 1999 which the Airport Authority submitted directly to the local Coordinating Committee during that these proceedings. You will note that this latter Report is referenced and incorporated by Blount County as an exhibit to its Supplemental Report. This Report contains further reasons that the Airport property is not appropriate for inclusion in Alcoa's urban growth boundary.

We would respectfully suggest to you that the administrative law judge panel that fashioned a proposed non-binding growth plan proposal did not adequately consider the facts and information contained in these reports and did not follow the criteria of Section 7 of Public Chapter 1101 in fashioning a proposed growth plan that includes the Airport property within the urban growth boundary of Alcoa. We would therefore request that LGPAC take action to remove the Airport Authority property from inclusion within the City of Alcoa's urban growth boundary.

Thank you in advance for your consideration of this request. As a courtesy, we are also sending a copy of this letter to representatives from Blount County and Alcoa. If prior to any scheduled meeting concerning the Blount County Growth Plan there are any questions concerning the position set forth in this letter or the enclosed materials, please do not hesitate to contact either one of us.

Sincerely yours,

Victor Ashe, Mayor
City of Knoxville

Arthur G. Seymour, Jr., President
Metropolitan Knoxville Airport Authority

cc: William A. Crisp, Blount County Executive
Mark Johnson, City of Alcoa

From: Don Waller
To: Alex Fischer
Date: 6/21/01 2:03PM
Subject: Knoxville Airport

I have talked at length with Dan who has talked with Tom Varlan, the attorney for the Knoxville Airport Authority. We expected this letter and suggested to Tom that he handle this issue this way instead of appearing before LGPAC. This simply puts this issue on record and sets the stage for a suit to resolve issues that will put 1101 in better perspective for all of us. This lets Tom go into court having exhausted his administrative remedies. I think there is nothing LGPAC can do and I think there is nothing they should do except approve this plan and let Tom get the bigger issues before a court of record. Among the issues: standing--does Knoxville have standing; sovriegn immunity among levels of government; intensity of industrial and commercial use instead of the "density" language in the law; the common person standard in the law. These are issues that LGPAC has said it will not open if a plan comes to them approved locally or approved locally after mitigation by the law judges. That is how we will get this one, if we do indeed get it. I understand it is on the way, but I haven't seen it yet. This issue was raised locally and I assume at the law judge level also. If there is to be a test of 1101, these are exactly the issues that a court needs to address. Tom Varlan is a good attorney and he didn't expect LGPAC to do anything more than we told him they would: approve the plan and let the courts decide. By the way, if LGPAC were to turn down this plan next week, all grants are held. The timing is bad, the politics are bad, the administrative authority is uncertain. In any event, if it goes to court, LGPAC will probably be named as a defendant, and then the Attorney General gets to defend this law. They have already said it is constitutional, so now they get the chance to put facts and points of law to the test. Let's pass this one.

CC: Dan Hawk

Mail Envelope Properties (3B324500.35D : 10 : 13781)

Subject: Knoxville Airport
Creation Date: 6/21/01 2:03PM
From: Don Waller

Created By: C002L75.1903S02.SD02

Recipients	Action	Date & Time
1903S02.sd02	Delivered	06/21/01 02:03PM
C002C13 (Alex Fischer)	Opened	06/21/01 02:22PM
C002L06 CC (Dan Hawk)	Opened	06/22/01 07:21AM

Post Office	Delivered	Route
1903S02.sd02	06/21/01 02:03PM	

Files	Size	Date & Time
MESSAGE	2329	06/21/01 02:03PM

Options

Auto Delete: No
Expiration Date: None
Notify Recipients: Yes
Priority: Standard
Reply Requested: No
Return Notification: None

Concealed Subject: No
Security: Standard

To Be Delivered: Immediate
Status Tracking: Delivered & Opened

THE CITY OF KNOXVILLE, TENNESSEE
VICTOR ASHE
MAYOR

June 22, 2001

Don Waller, Director
State of Tennessee Local Planning Office
William Snodgrass Tennessee Tower
312 8th Avenue North, 10th floor
Nashville, Tennessee 37243.0405

Dan Hawk, Regional Director
State of Tennessee Local Planning Office
5401 Kingston Pike, Suite 210
Knoxville, Tennessee 37919

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OFFICE OF THE MAYOR • 400 MAIN STREET • P.O. BOX 1631 • KNOXVILLE, TENNESSEE 37901
PHONE 865-215-2040 • FAX 865-215-2085 • e-mail: mayor@ci.knoxville.tn.us
www.ci.knoxville.tn.us
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As background, the Airport Authority is a component unit of the City of Knoxville, Tennessee. It is governed by a nine-member Board of Commissioners appointed by the Mayor of the City of Knoxville and confirmed by the Knoxville City Council. State law (TCA § 42-4-102(a)) sets forth the Airport Authority's status as a government body:

> "It is hereby declared that airport authorities created pursuant to this chapter shall be public and governmental bodies acting as agencies and instrumentalities of the creating and participating municipalities, and that the acquisition, operating and financing of airports and related facilities by such airport authorities are hereby declared to be for a public and governmental purpose and matters of public necessity."

The Airport Authority currently owns and operates two airports: McGhee Tyson Airport and Knoxville Downtown Island Airport. **Significantly, McGhee Tyson Airport, located in Blount County, is unique in the State of Tennessee in that it is the only airport with regularly scheduled commercial passenger service located in a county other than the county where the creating municipality is located.**

As a threshold consideration, we believe that the Airport Authority's municipal status precludes its inclusion within an urban growth boundary of another municipality. As noted, the Airport Authority acts directly as a public agent and instrumentality of the City of Knoxville. State law further gives airport authorities broad general powers which, except for the power to tax, equal or exceed the general powers given to local governments under state law. These powers include the power of eminent domain, to borrow money and issue bonds, to provide its own fire protection, police, crash and rescue service, to acquire real or personal property, and to establish with the creating municipality a civil service plan for employees of the authority.

Given these powers, and more particularly given the status of airport authorities as governmental bodies, we would submit that the Airport Authority should be removed from consideration for inclusion in the urban growth boundary of another municipality.

Second, we believe that proposed inclusion of the Airport property in the City of Alcoa's urban growth boundary does not meet the criteria of Public Chapter 1101. In particular: (a) the

airport property cannot accommodate any residential or nonresidential growth projected by the City of Alcoa; (b) the airport cannot be identified as property that "a reasonable and prudent person" would project as the likely site of high-density commercial, industrial, and/or residential growth; (c) given the Airport Authority's municipal status, its self-sufficient services, and the services provided to the Airport property by the City of Knoxville, Alcoa cannot show that it is "better able and prepared" to provide urban services to the airport; and (d) inclusion of the airport in Alcoa's proposed urban growth boundary is not necessary to "facilitate full development of resources" within Alcoa city limits, nor is it necessary for Alcoa to annex the airport to "manage and control urban expansion" outside of Alcoa's current boundaries.

In support of these points, we are enclosing for your information and review the "Supplemental Report of Blount County in Response to the Non-Binding Plan Proposal for the Blount County Growth Plan" dated May 22, 2001 which was submitted by Blount County to the administrative law judge panel. In particular, Section IV of that Supplemental Report, beginning on page 4, contains an analysis of the "Section 7" criteria of Public Chapter 1101 as relates to the Airport property.

Also enclosed for your consideration is the "Report of the Metropolitan Airport Authority to the Blount County Coordinating Committee" dated December 1999 which the Airport Authority submitted directly to the local Coordinating Committee during that these proceedings. (You will note that this latter Report is referenced and incorporated by Blount County as an exhibit to its Supplemental Report. This Report contains further reasons that the Airport property is not appropriate for inclusion in Alcoa's urban growth boundary.

We would respectfully suggest to you that the administrative law judge panel that fashioned a proposed non-binding growth plan proposal did not adequately consider the facts and information contained in these reports and did not follow the criteria of Section 7 of Public Chapter 1101 in fashioning a proposed growth plan that includes the Airport property within the urban growth boundary of Alcoa. We would therefore request that LGPAC take action to remove the Airport Authority property from inclusion within the City of Alcoa's urban growth boundary.

Thank you in advance for your consideration of this request. As a courtesy, we are also sending a copy of this letter to representatives from Blount County and Alcoa. If prior to any scheduled meeting concerning the Blount County Growth Plan there are any questions concerning the position set forth in this letter or the enclosed materials, please do not hesitate to contact either one of us.

Sincerely yours,

Victor Ashe

Victor Ashe, Mayor
City of Knoxville

Arthur G. Seymour, Jr., President
Metropolitan Knoxville Airport Authority

cc: Members, Local Government Planning Advisory Committee w/ enc.
William A. Crisp, Blount County Executive
Mark Johnson, City of Alcoa

1119152.2

Garner & Duggan

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250 High Street
P.O. Box 5059
Maryville, Tennessee 37802-5059

J. Michael Garner
David R. Duggan

Maryville (865) 984-1460
Knoxville (865) 637-1970

TELECOPIER
(865) 984-9275
(865) 982-2595

June 26, 2001

Mr. Don Waller
Director
State of Tennessee
Local Planning Office
William Snodgrass Tennessee Tower
312 8th Avenue North, 10th Floor
Nashville, TN 37243-0405

Mr. Dan Hawk
Regional Director
State of Tennessee
Local Planning Office
5401 Kingston Pike, Suite 210
Knoxville, TN 37919

Re: Blount County Comprehensive Growth Plan
Dispute Resolution Process Docket No. k46.00-011652J

Dear Mr. Waller and Mr. Hawk:

In response to the letter of the City of Knoxville and the Metropolitan Knoxville Airport Authority dated June 22, 2001, while the City of Alcoa does not believe that a response to that letter should be necessary, the City nevertheless does not wish to allow the letter to go unresponded to, and would state the City's position as follows:

1. The City of Knoxville and the Metropolitan Knoxville Airport Authority have previously tried to interject themselves into this process, requesting a seat at the table in the mediation sessions before the Administrative Law Judge Panel. The City of Alcoa objected to that request, and the panel of judges properly ruled that neither the City of Knoxville nor the Metropolitan Knoxville Airport Authority was entitled to participate in the mediation.

2. Pursuant to Tennessee Code Annotated Section 6-58-104, the parties to this proceeding are not the municipalities located within a given county, but rather the mayor or mayor's

designee of each municipality. The Metropolitan Knoxville Airport Authority does not have a mayor. Clearly neither the City of Knoxville nor the Metropolitan Knoxville Airport Authority, pursuant to that statute, has any standing to participate in the Urban Growth Boundary process and proceedings for Blount County, Tennessee. The panel of Administrative Law Judges properly decided this matter.

3. To the extent that the City of Knoxville and the Authority have made any suggestion, in their letter of June 22, that somehow Blount County is not in agreement with the Comprehensive Growth Plan for Blount County which has been submitted to the Local Government Planning Advisory Committee for consideration and approval, Blount County voted to approve the Plan which has been submitted to the Committee by vote of the Blount County Commission on June 5, 2001. Accordingly, each of the parties to the proceedings has approved the Plan.

4. There is no relevance or significance to the fact that an airport authority has a unique governmental status under Public Chapter 1101, even if it is true that such an authority has any more of a unique governmental status than any other type of municipality.

5. While the City of Alcoa has already adequately stated its position on the substantive issues raised by the City of Knoxville and the Metropolitan Knoxville Airport Authority, on each of the specific points raised by the Authority, the City of Alcoa would call attention to the opinion of the Tennessee Attorney General, Opinion No. 00-018, dated February 10, 2000, pursuant to which the Attorney General has concluded that even United States Army/Department of Defense property may be properly included within a municipality's urban growth boundary given that such inclusion would not interfere with the use of the property. The City of Knoxville's suggestion that, somehow, Airport property ought to be entitled to some type of special status or treatment, even superior to that of property owned by the United States of America, is ludicrous. Relatedly, and with respect to the suggestion that the type of growth taking place on the property of the Airport Authority is not that type of growth anticipated under Public Chapter 1101, one would assume that any non-residential growth taking place on a military installation would pale in significance to the type of growth that is occurring on Airport property, and yet the Attorney General of this State has concluded that such property is properly located within a municipality's urban growth boundary.

The Airport Authority has just completed a $70,000,000.00 renovation to the terminal building. In addition, the Authority has just expended $30,000,000.00 on infrastructure to facilitate industrial growth on this property. That level of expenditure certainly affirms the type of non-residential growth that is occurring within an urban area and bears out the type of municipal services that will have to be provided to this property, in terms of water, electricity, sewer and other services, in order to service and facilitate that level of growth. The City of Alcoa would note that this urban growth is taking place not only immediately adjacent to the municipal boundaries of the City of Alcoa, but indeed this growth is taking place, in

part, on property that already lies within the municipal boundaries of Alcoa. Practically speaking, the City of Alcoa would observe that the Authority property is the most urban area in Blount County. In addition, and as is established in documents contained in the record to be submitted to the Committee, the Authority has plans for additional growth on its property that would extend across what is presently a residential subdivision inside the City of Alcoa.

6. The City of Knoxville and Airport Authority also call attention to the Authority's alleged "self-sufficient services." That statement is simply a gross distortion of the truth. While it may be that the Authority provides certain emergency services and security services, planning and engineering services, etc., it is the City of Alcoa which provides water, electricity and sewer to the Airport Authority, not to mention other services that are provided by the City of Alcoa.

7. It is interesting to note that the City of Knoxville and the Airport Authority have stated, in the June 22 letter, that they do not object to placing the Airport property within the planned growth area of Blount County. Not only has Blount County agreed to the inclusion of the Airport Property within the Urban Growth Boundary for the City of Alcoa, but the City of Alcoa would further note that many of the criteria for whether or not an area should be included within a planned growth area are the same criteria used to determine whether or not an area should be included in an urban growth boundary. If the type of growth occurring on Airport property is not that type of growth contemplated by the statute, then the Airport property should not be included within a planned growth area, either. Yet, the statutory law provides that all property within the County is going to be located either within an urban growth boundary, a planned growth area, or a rural area. The Airport property obviously is not rural. Accordingly, the only choice to be made is whether that property should be located within an urban growth boundary or a planned growth area. Pursuant to the provisions of Tennessee Code Annotated Section 6-58-106(a)(1)(D), and separate and apart from all of the other justification for including the Airport property within the City's Urban Growth Boundary, it is the City of Alcoa that is better able and prepared than other municipalities to efficiently and effectively provide urban services to the area. The City of Alcoa, as already noted herein, is already providing extensive services to the Airport. Given the way that the Airport property radically impacts the City of Alcoa on a daily basis, not to mention the additional commercial/industrial growth that is planned for that property, it would be nothing less than an abdication of its responsibilities for the City of Alcoa not to properly manage growth in the area of the Airport property, including, by the way, for the benefit of the Airport and its flight operations by attempting to regulate the growth that takes place in and around the Airport.

8. The City of Alcoa would incorporate herein its Position Statement filed with the Administrative Law Judge Panel dated May 2, 2001, as well as its Supplemental Position Statement dated May 29, 2001.

Yours very truly,

David R. Duggan,
City Attorney

cc: Mr. Mark Johnson
Mr. Norman Newton
Mr. Gary Hensley
Ms. Sandra Headrick
Mr. Charles Cagle, Jr.
Mr. William D. Palmer
Mr. Philip Mummert
Mr. Robert G. Simerly
Mayor Victor Ashe
Mr. Arthur G. Seymour, Jr.
Members, Local Government Planning Advisory Committee

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2001 JUN 29 AM 10: 21
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INTERLOCAL AGREEMENT
TO ESTABLISH A JOINT ECONOMIC AND COMMUNITY DEVELOPMENT BOARD IN BLOUNT COUNTY, TENNESSEE

This interlocal agreement is made among the participating governments which are as follows:

County: Blount Municipalities: Maryville, Alcoa, Rockford, Louisville, Friendsville, Townsend.

_____

_____

WHEREAS, Tennessee Code Annotated, Section 6-59-114, requires each county and its municipalities to establish a joint economic and community development board by interlocal agreement, and

WHEREAS, counties and municipalities are authorized to enter into interlocal agreements by Tennessee Code Annotated, Section 5-1-113;

NOW, THEREFORE, the participating governments agree as follows:

1. NAME. There is hereby created the Blount County Joint Economic and Community Development Board ("Board").

2. PURPOSE. The purpose of the Board shall be to foster communication relative to economic and community development between and among governmental entities, industry, and private citizens.

3. AUTHORITY. The Board is authorized to discuss the interrelationship among commercial, governmental, private, and other interests in the community and to identify ways to coordinate development efforts among these interests and to make recommendations thereon.

4. MEMBERSHIP. The Board shall consist of the following members, who shall serve without compensation:

a. The County Executive of Blount County, Tennessee.

b. The Mayor (or designee) of city of Maryville, Tennessee, the largest municipality, by population, in the county.

c. The Mayor (or designee) of city of Alcoa, Tennessee, the municipality with the second largest population in the county.

d. The Mayor (or designees) of all of the remaining incorporated municipalities in the county, which

are as follows: Rockford, Tennessee, Friendsville, Tennessee, Louisville, Tennessee and Townsend, Tennessee.

e. One person who owns land qualifying for classification and valuation under Tennessee Code Annotated, Title 67, Chapter 5, Part 10, to be nominated by the County Executive and confirmed by the legislative body of Blount County.

f. One person representing industrial or commercial interest, to be selected by the Board at its first meeting.

5. MEETINGS. The County Executive shall call the first meeting of the Board and serve as interim chair until all Board members are elected. After the Board is complete, the Board shall meet at least four times annually and the Executive Committee shall meet at least eight times annually. All meetings of the Board and the Executive Committee shall be documented by minutes and certification of attendance, and are subject to the Open Meetings Act, Tennessee Code Annotated, Section 8-44-101 et seq. Meeting dates shall be determined by the Board.

6. OFFICERS. At the first meeting after all Board members are chosen, the Board shall elect a Chair, Vice-Chair, and Secretary-Treasurer from among the members. The Chair shall call regular and special meetings of the Board and Executive Committee and preside over all meetings. The Vice-Chair shall serve as Chair in the Chair's absence. The Secretary-Treasurer shall serve as chief financial officer and shall keep or cause to be kept the minutes of all meetings.

7. EXECUTIVE COMMITTEE. There shall be an Executive Committee composed of the following members of the Board: the County Executive and the mayors (or city managers) of the cities of Maryville and Alcoa. The Executive Committee shall provide leadership and guidance to the Board, and shall undertake such duties and responsibilities as shall be designated by the Board.

8. TERMS OF OFFICE. Terms for positions held by elected officials shall coincide with the terms of office for their elected positions. The two remaining members will serve initial terms as follows:
(a) the member appointed who owns land qualifying for classification and valuation under TCA, Title 67, Chapter 5, part 10, shall serve for two years;
(b) the member representing industrial or commercial interest shall serve for four years. After the initial terms of these two members those subsequently selected shall serve four year terms. Vacancies on the Board shall be filled by the same method as the original appointment was made.

9. RULES OF ORDER. All business shall be transacted in accordance with the latest edition of Roberts Rules of Order.

10. FUNDING. In order to obtain revenues needed to provide meeting space, costs associated with providing adequate notice under the Open Meetings Act, and other functions necessary to the authority granted to the Board, activities of the Board shall be jointly funded by the participating governments. As provided in Tennessee Code Annotated, Section 6-58-114(g), the funding formula for determining the funds due from each government shall be determined by adding the population of the entire county as established by the last federal decennial census to the populations of each city

as determined by the last federal decennial census, or special census as provided for in Tennessee Code Annotated, Section 6-51-114, and then determining the percentage that the population of each governmental entity bears to the total amount. In the event of a special census, the formula shall be adjusted as provided in Tennessee Code Annotated, Section 6-58-114(g)(2). The Board may also accept and expend donations, grants, and payments from persons and entities other than the participating governments.

11. BUDGET. An annual budget to fund the activities of the board shall be recommended by the executive Committee to the Board, which shall adopt a budget before the first day of April of each year. The total budgetary amount shall not exceed funds necessary to provide for meetings of the Board and costs incident thereto. After adoption of the budget, the funding formula established above shall then be applied to the total amount as the participating governments' contributions for the ensuing fiscal year. The budget and a statement of the amount due from each participating government shall be immediately filed with the appropriate officer of each government.
11. MODIFICATION. This Agreement may be amended or modified upon agreement of the governing bodies of the parties to the agreement. Any such modification must be in writing.

12. OTHER AGREEMENTS. Nothing contained in this Agreement shall prohibit or restrict any of the parties from entering into other interlocal agreements as provided by law.

13. EFFECTIVE DATE AND DURATION. This agreement shall become effective upon approval by each of the legislative bodies of the participating governments, and upon execution of the Agreement by the authorized officials representing each. This Agreement shall remain in effect until terminated by the participating governments.

14. APPROVAL. By executing this Agreement, each official below signifies to the other participants that this Agreement has been lawfully approved by the participating governing body which that official represents.

Blount County

William A Crisp
County Executive

Date 6/27/01

Maryville

Steve West
Mayor

Date 06-26-01

Alcoa

Mayor _____ Date 6-27-01

Louisville

Mayor _____ Date 6-28-01

Townsend

Mayor _____ Date 6-28-01

Rockford

Mayor _____ Date 6-27-01

Friendsville

Mayor _____ Date 6-27-01

CITY OF MARYVILLE
OFFICE OF CITY MANAGER

400 West Broadway
P.O. Box 4428
Maryville, Tennessee 37802-4428
(615) 981-1300

To: Administrative Judge J. Randall LaFevor

From: Gary Hensley
City Manager
Maryville, TN

Date: June 6, 2001

Please find enclosed the newspaper article we discussed via telephone.

All local governments have agreed to the final NBR.

Please advise Terri Caylor at (865) 981-1302 if we need to meet Friday in Nashville.

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101 process

resolutions

law judges and repre- the county, Alcoa and county was contesting the Maryville's urban growth the inclusion of McGhee within Alcoa's UGB.

Tuesday by the three local governmental bodies means the judges' recommended plan will become law.

The final plan was virtually identical to a plan approved by the county and city growth policy coordinating committee more than two years ago. The only changes of note were the incorporation of an airport revenue-sharing plan between Alcoa and the county and a compromise

(Please see PC 1101, Page 3A)

FROM PAGE 1

PC 1101

(From Page 1A)

on the size of Townsend's UGB. The plan also rolled back Maryville and Alcoa's UGB's from Little River.

Had the commission rejected the plan, a binding plan devoid of compromise would have likely been issued by the panel.

Some commissioners voiced their misgivings, but ultimately the plan passed on a 12 to 3 vote. Commissioners Leroy Huff, Virginia Morton and John Keeble voted no. Commissioners Dennis Cardin, Larry Garner, Bob Kidd, Jeff McCall, Jim French and Richard Williams were absent.

"I don't feel like there's much room for more discussion," said Commissioner Bob Evans following his motion to accept the plan.

Evans said refusal of the plan could result in the loss of a cost-sharing agreement between Alcoa and the county that will allow the county to keep base revenues from the airport for 30 years, rather than the 15 years called for in the law.

Metropolitan Knoxville Airport Authority attorney Tom Varner was present to reiterate the long-held authority stance: The inclusion of the airport within Alcoa's UGB is not in keeping with the intent of PC 1101.

"We feel it doesn't meet the criteria of the law," Varner said.

Keeble and Melton also voiced their discomfort.

"I'm very much opposed to this," Melton said, as it would limit the right of citizens to protest annexation. The burden of proof to oppose annexation, according to the law, will now rest with the contesting citizens.

"I've been very concerned, but I have to look at all the factors," said Melton before casting his affirmative vote.

Keeble, however, cast a nay vote on the grounds it would force some citizens who may want to remain in the county into the city.

"I'm uncomfortable taking away that right from property owners for the next 20 years," he said.

Prior to the meeting, a handful of citizens urged the commission to once again reject the proposal.

"This plan before the commission is substantially the same plan rejected by the commission before," said Richard Ferguson of the Topside Road area. "We are asking for your protection" from annexation, he said.

One agreement reached between the county and Townsend does offer protection against undesired annexation. Townsend will annex within its UGB only by referendum or petition.

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Failure to arrive at an agreement by July 1 would have led to the possible withholding of state aid grants from the county.

The Maryville City Council approved the plan Tuesday on a unanimous vote.

The Alcoa City Commission also approved the second nonbinding agreement Tuesday at a short called meeting.

A map of the urban growth boundaries was posted for commissioners to view.

Alcoa Mayor Don Mull said, "I think we've all reviewed these maps many times" and opened the floor for discussion.

Immediately, Commissioner Harry Brooks moved to adopt a resolution accepting the plan, Commissioner Clint Abbott Jr. seconded the motion, and the commission unanimously voted approval.

Following the County Commission meeting, Blount County Planning Director John Lamb said, half-jokingly, the process had consumed "thousands of man hours.

"What does the (commission vote) mean? It means I get to do something else now."

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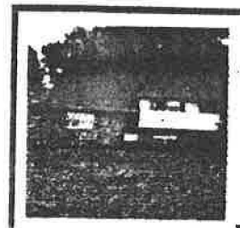
06/06/01 WED 08:38 FAX 865 981 8188 City Maryville 007



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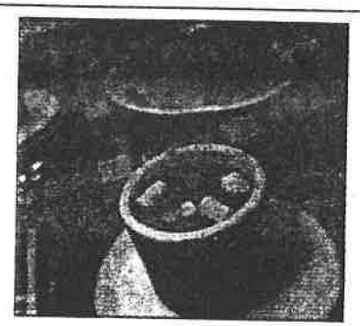
Pre-Meal Plan

Appetizers set the tone for any meal

Page 1C



MoneyTimes

A new look?

Chevy's future in hands of PT Cruiser designer

Page 5B

Stealing Them Blind

Vols, 'Canes thrive on running game

Page 1B

See Page 8B

The Daily Times

Serving Blount County since 1883

35¢

June 6, 2001

WEDNESDAY

Governments OK PC 1101 process

Maryville, Alcoa, Blount County approve resolutions

By Thomas Fraser
of The Daily Times Staff

With minimal dissent, the Blount County Commission approved a nonbinding resolution to the Public Chapter 1101 process Tuesday evening.

The Maryville City Council and Alcoa City Commission also approved identical resolutions Tuesday, both by unanimous votes.

The votes mark the end of the effort to come to agreement on issues related to the establishment of urban growth boundaries, rural areas and planned growth areas in accordance with the state's urban growth law.

Cities can annex within the urban growth boundaries with relative ease over the next 20 years, though not all the territory within an UGB will necessarily be annexed.

The county and its major municipalities were at an impasse on the matter, and that led to mediation between a panel of administrative law judges and representatives of the county, Alcoa and Maryville. The county was contesting the sheer size of Maryville's urban growth boundary and the inclusion of McGhee Tyson Airport within Alcoa's UGB.

The action Tuesday by the three local governmental bodies means the judges' recommended plan will become law.

The final plan was virtually identical to a plan approved by the county and city growth policy coordinating committee more than two years ago. The only changes of note were the incorporation of an airport revenue-sharing plan between Alcoa and the county and a compromise

(Please see PC 1101, Page 3A)

FROM PAGE 1

PC 1101

(From Page 1A)

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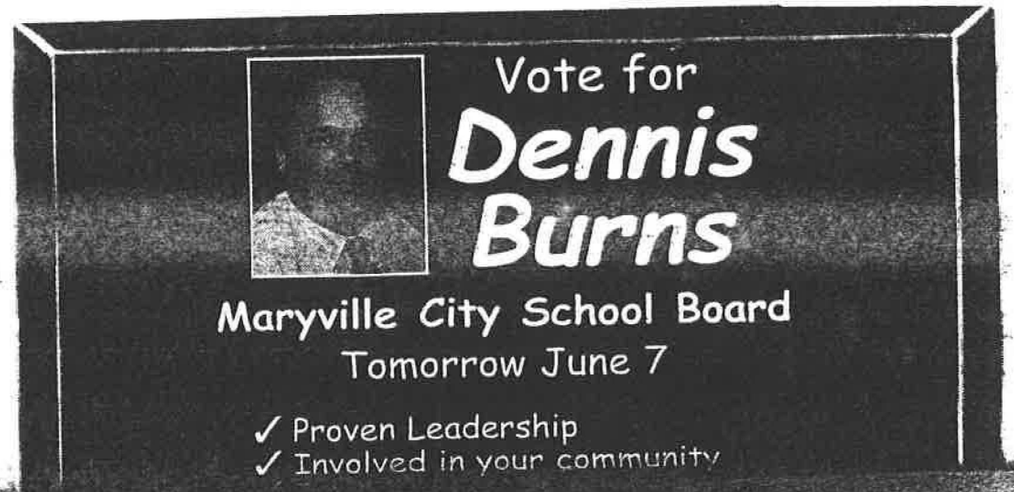

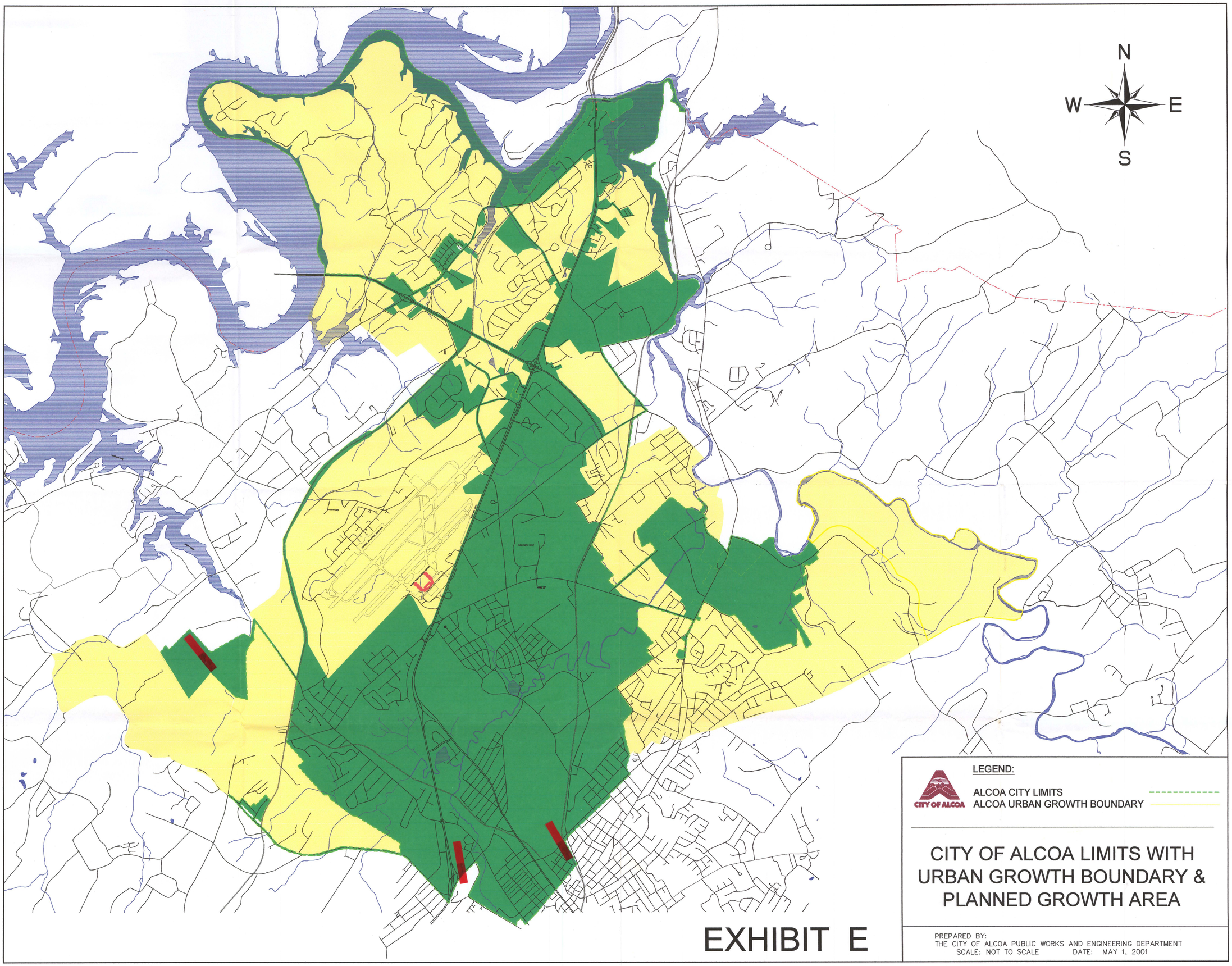
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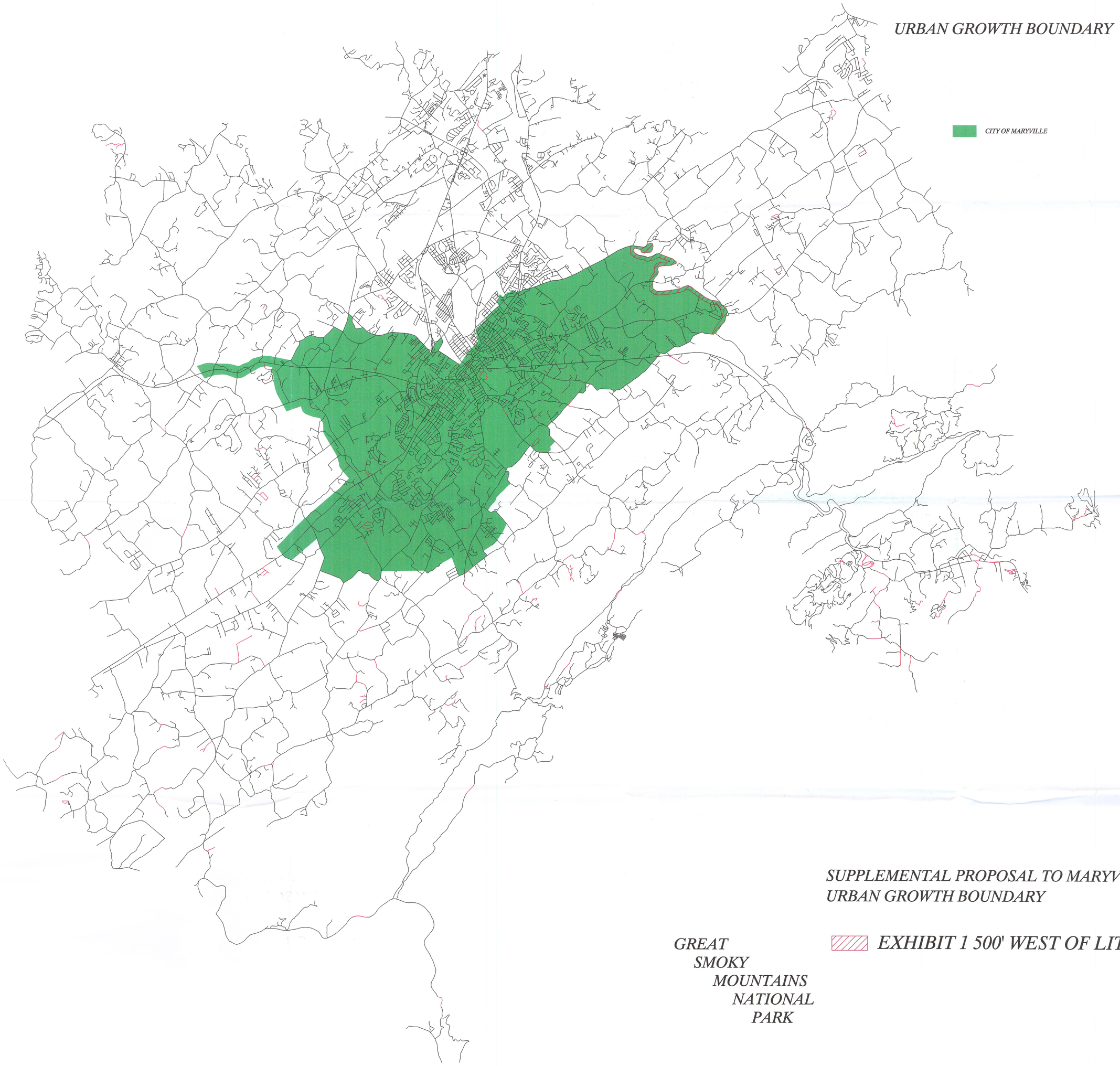
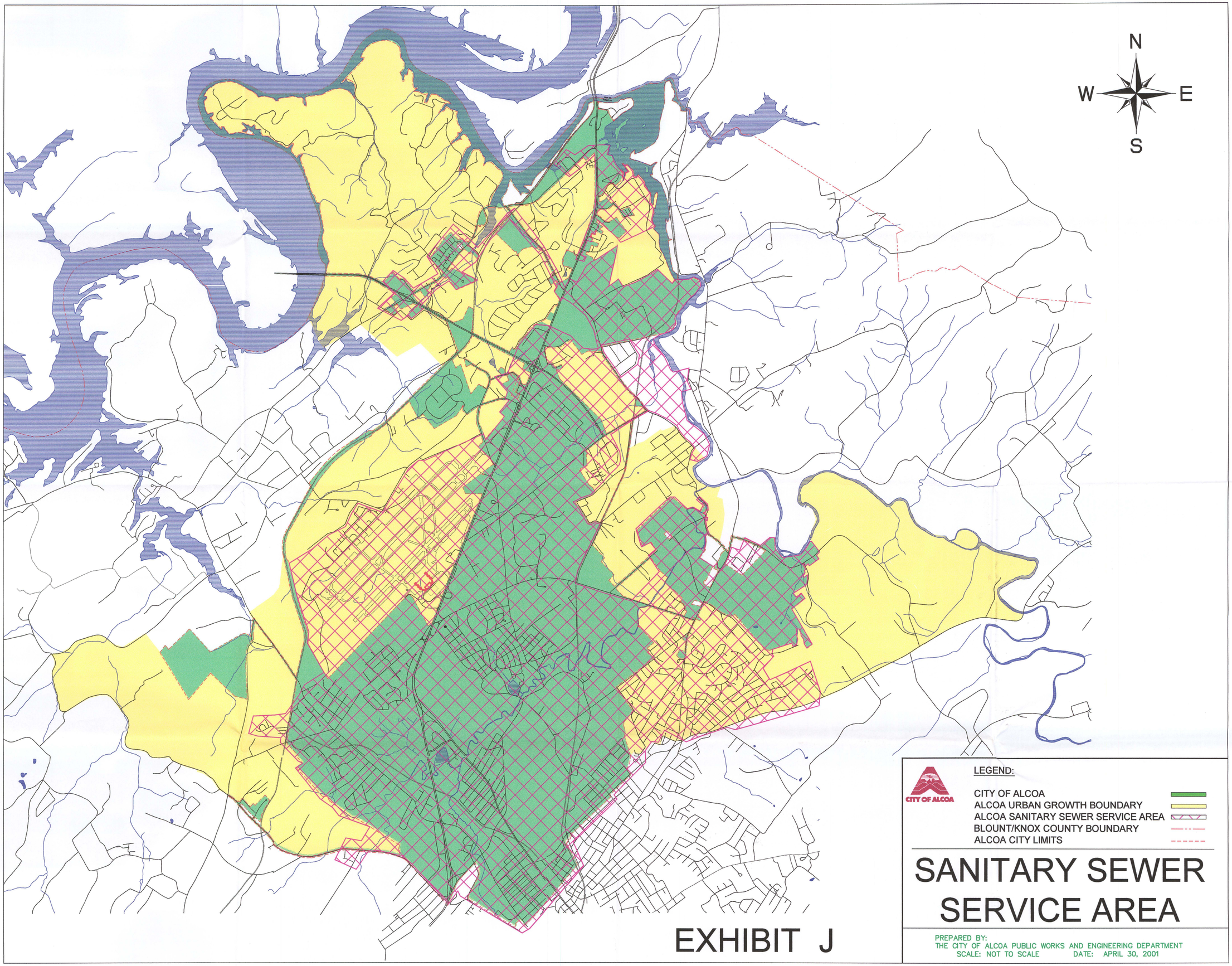
CITY OF ALCOA
ALCOA CITY LIMITS
ALCOA URBAN GROWTH BOUNDARY
CITY OF ALCOA LIMITS WITH URBAN GROWTH BOUNDARY & PLANNED GROWTH AREA
PREPARED BY:
THE CITY OF ALCOA PUBLIC WORKS AND ENGINEERING DEPARTMENT
SCALE: NOT TO SCALE
DATE: MAY 1, 2001

EXHIBIT E



SUPPLEMENTAL PROPOSAL TO MARYVILLE URBAN GROWTH BOUNDARY

EXHIBIT 1 500' WEST OF LITTLE RIVER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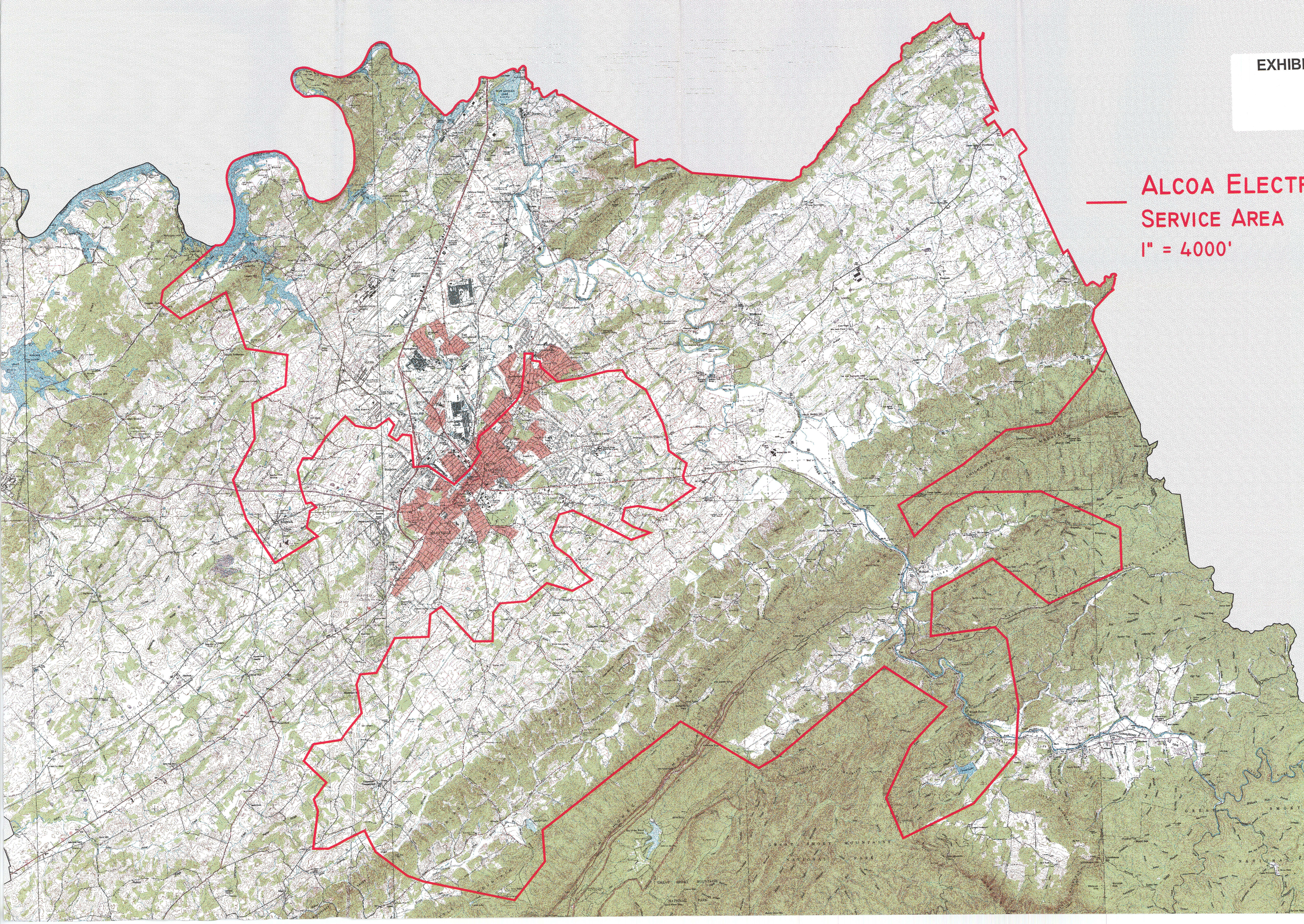
ALCOA URBAN GROWTH BOUNDARY
ALCOA SANITARY SEWER SERVICE AREA
BLOUNT/KNOX COUNTY BOUNDARY
ALCOA CITY LIMITS
SANITARY SEWER SERVICE AREA
PREPARED BY:
THE CITY OF ALCOA PUBLIC WORKS AND ENGINEERING DEPARTMENT
SCALE: NOT TO SCALE
DATE: APRIL 30, 2001

EXHIBIT J

EXHIBI



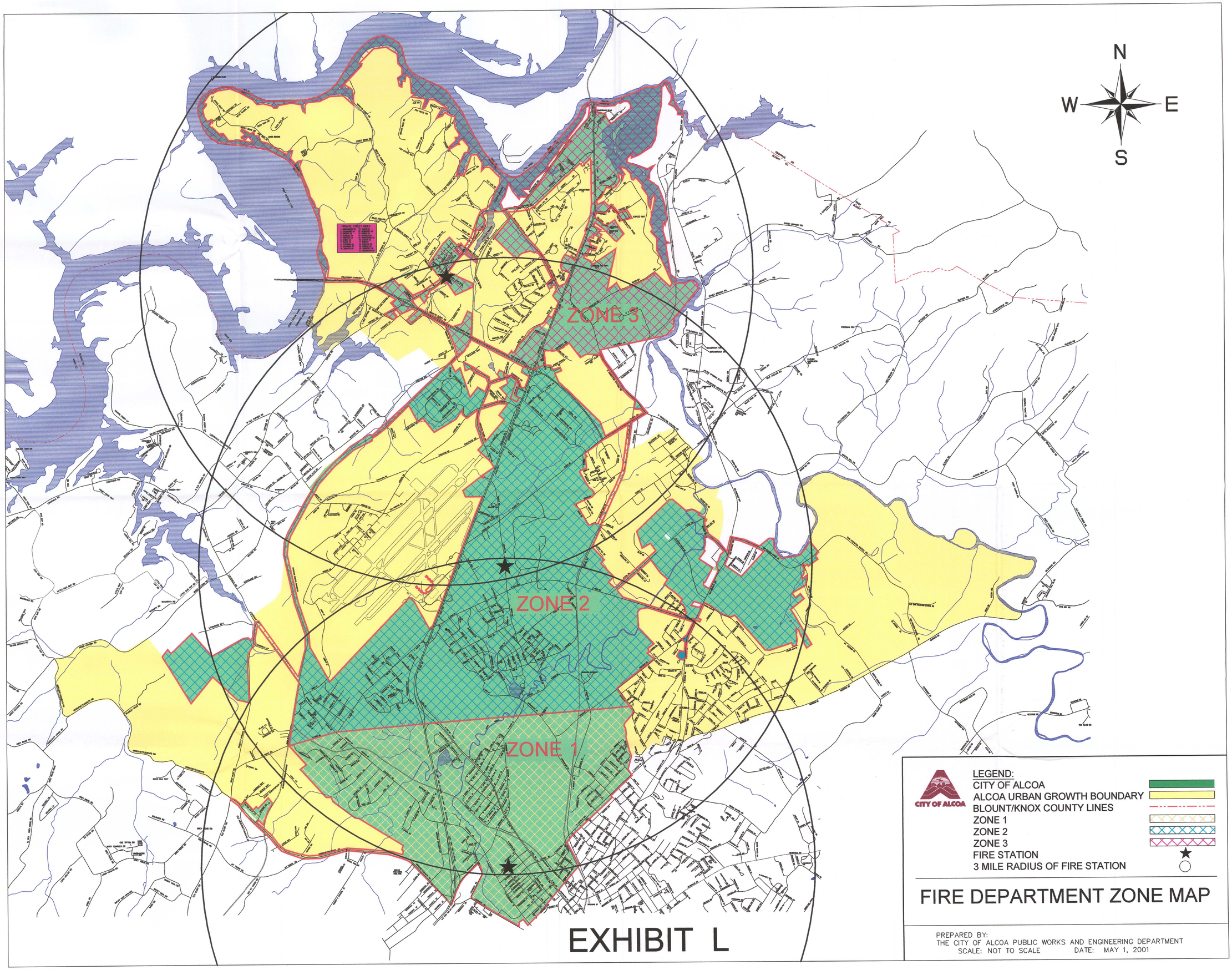

N
W
E
S
ZONE 3
ZONE 2
ZONE 1
LEGEND:
CITY OF ALCOA
ALCOA URBAN GROWTH BOUNDARY
BLOUNT/KNOX COUNTY LINES
ZONE 1
ZONE 2
ZONE 3
FIRE STATION
3 MILE RADIUS OF FIRE STATION
CITY OF ALCOA
FIRE DEPARTMENT ZONE MAP
PREPARED BY:
THE CITY OF ALCOA PUBLIC WORKS AND ENGINEERING DEPARTMENT
SCALE: NOT TO SCALE
DATE: MAY 1, 2001

EXHIBIT L

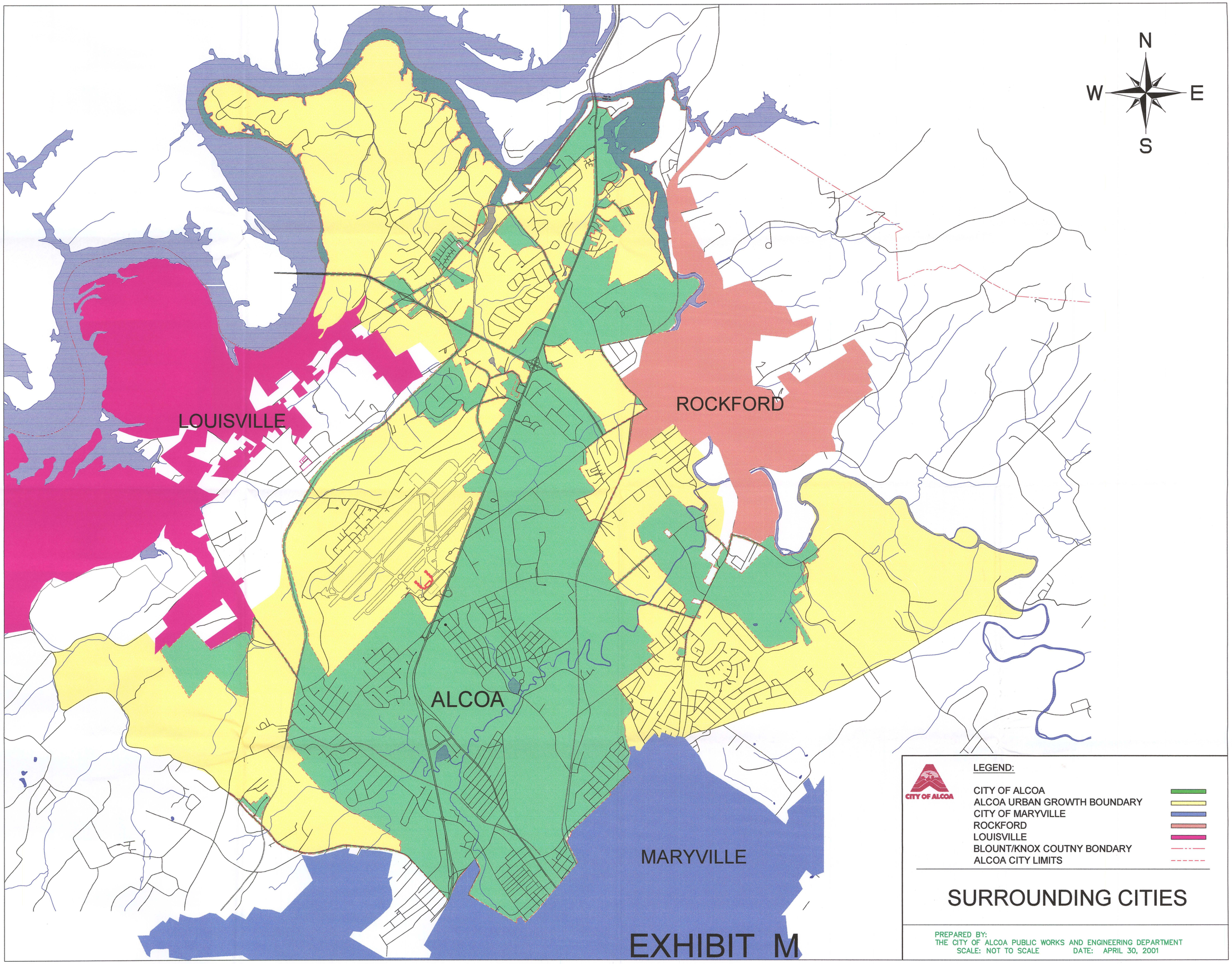

N
W
E
S
LOUISVILLE
ROCKFORD
ALCOA
MARYVILLE
LEGEND:
CITY OF ALCOA
ALCOA URBAN GROWTH BOUNDARY
CITY OF MARYVILLE
ROCKFORD
LOUISVILLE
BLOUNT/KNOX COUTNY BONDARY
ALCOA CITY LIMITS
CITY OF ALCOA
SURROUNDING CITIES
PREPARED BY:
THE CITY OF ALCOA PUBLIC WORKS AND ENGINEERING DEPARTMENT
SCALE: NOT TO SCALE
DATE: APRIL 30, 2001

EXHIBIT M

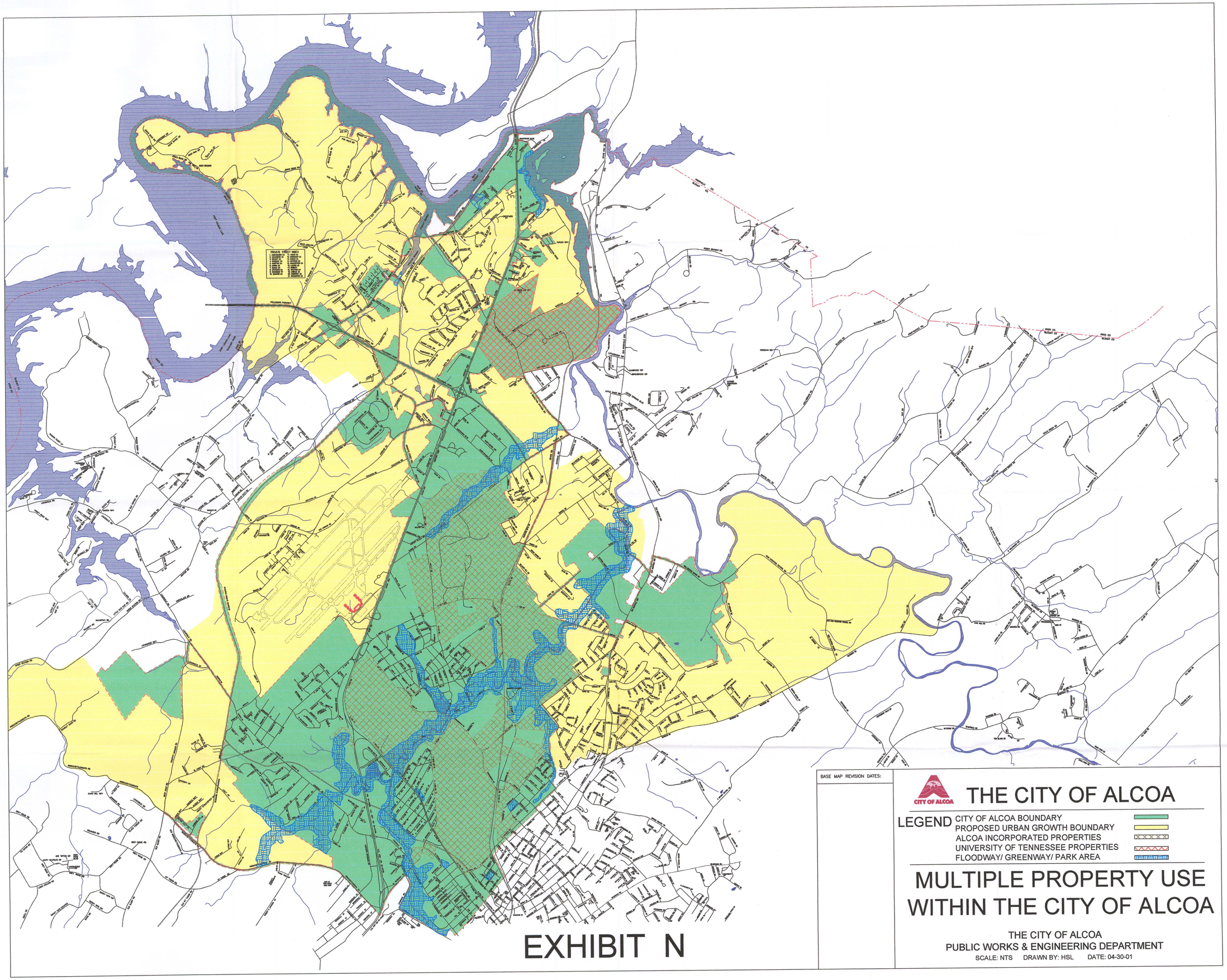
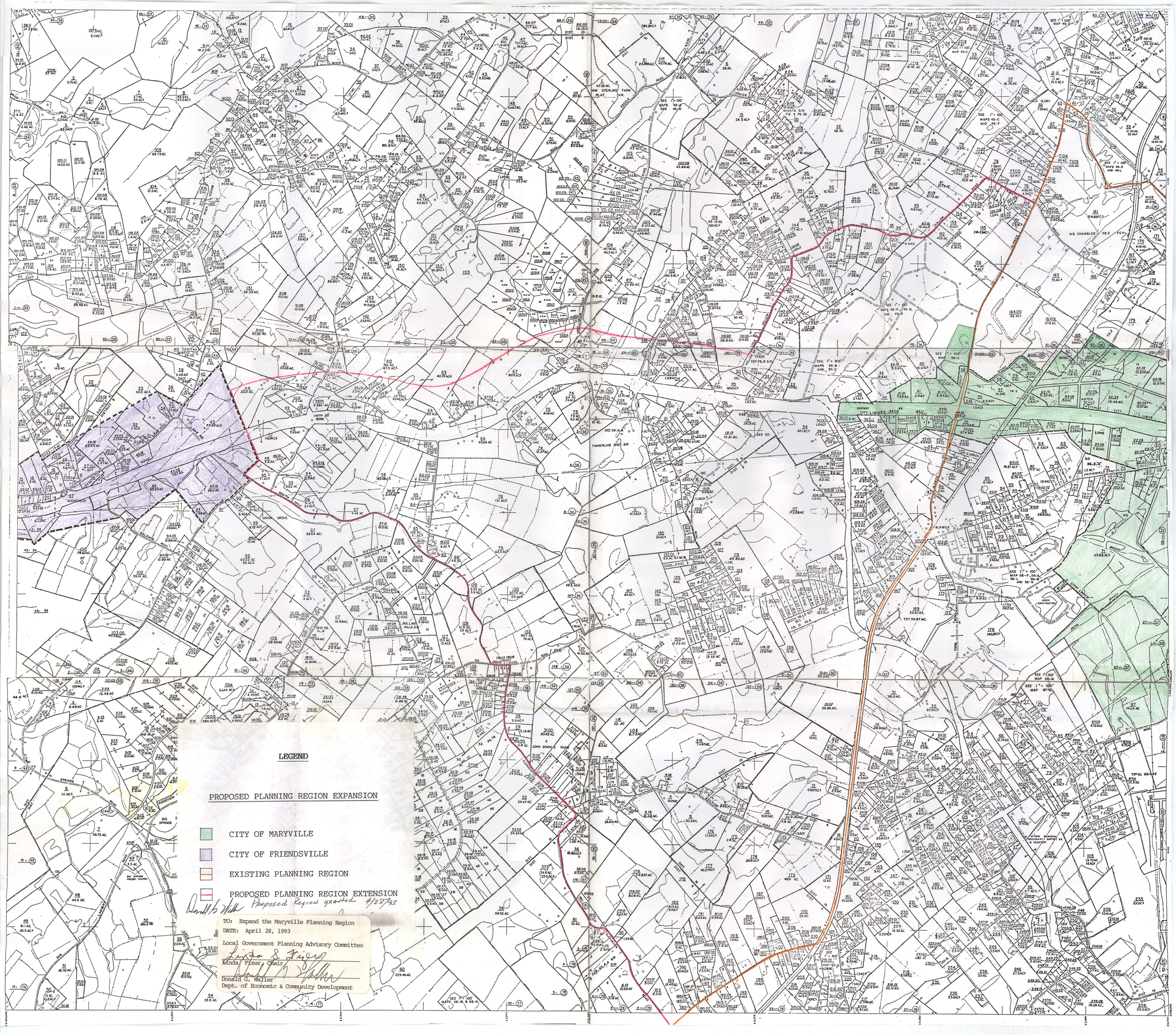
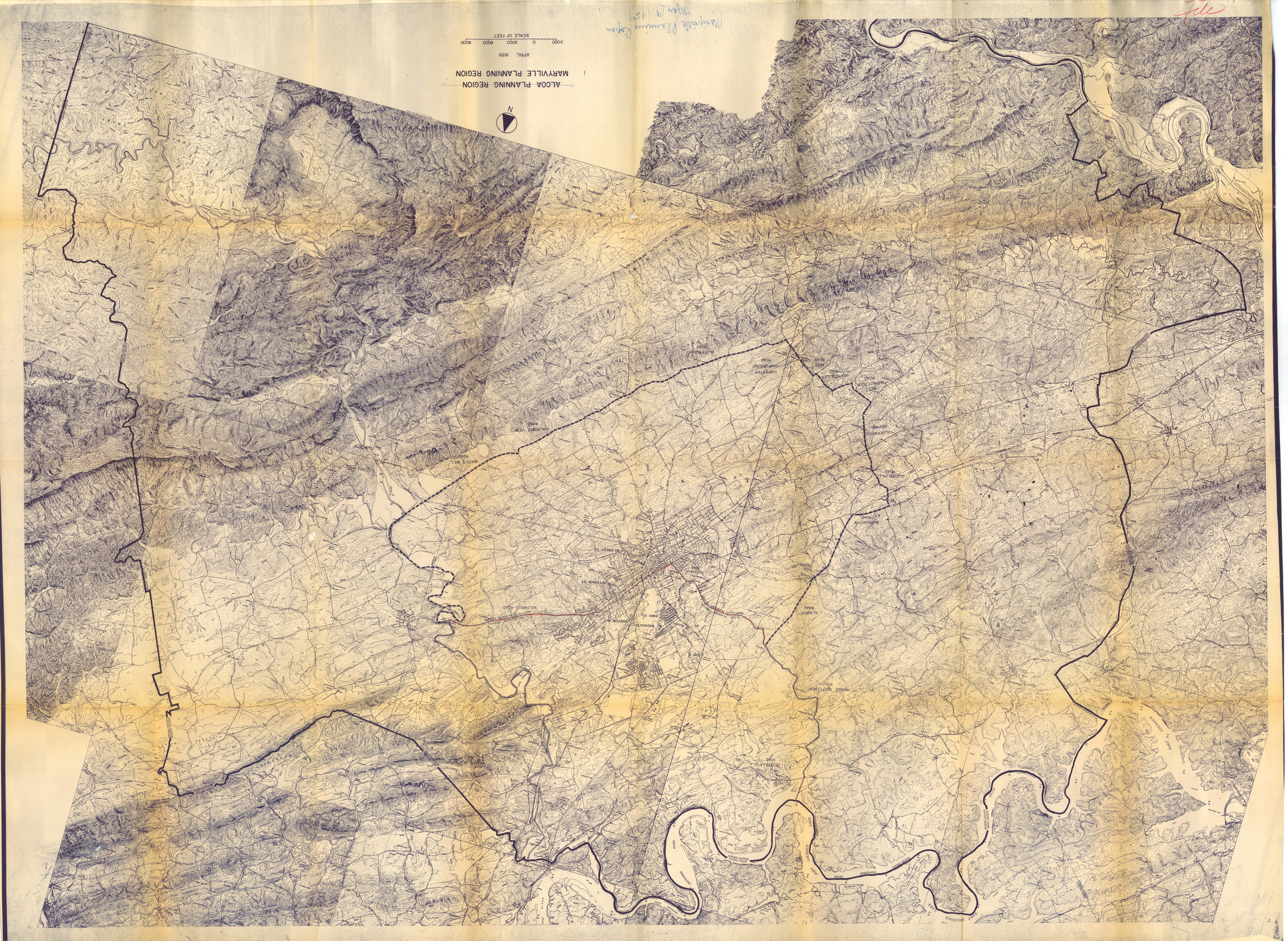

BASE MAP REVISION DATES:
CITY OF ALCOA
THE CITY OF ALCOA
LEGEND
CITY OF ALCOA BOUNDARY
PROPOSED URBAN GROWTH BOUNDARY
ALCOA INCORPORATED PROPERTIES
UNIVERSITY OF TENNESSEE PROPERTIES
FLOODWAY/ GREENWAY/ PARK AREA
MULTIPLE PROPERTY USE
WITHIN THE CITY OF ALCOA
THE CITY OF ALCOA
PUBLIC WORKS & ENGINEERING DEPARTMENT
SCALE: NTS DRAWN BY: HSL DATE: 04-30-01

EXHIBIT N


LEGEND
PROPOSED PLANNING REGION EXPANSION
CITY OF MARYVILLE
CITY OF FRIENDSVILLE
EXISTING PLANNING REGION
PROPOSED PLANNING REGION EXTENSION
Proposed Region granted 4/28/93
TO: Expand the Maryville Planning Region
DATE: April 28, 1993
Local Government Planning Advisory Committee
Linda Fitzer, Chair
Donald G. Waller
Dept. of Economic & Community Development


ALCOA PLANNING REGION
MARYVILLE PLANNING REGION
APRIL 1959
SCALE OF FEET
3000 0 3000 6000 9000
N
Maryville Planning Region
May 19 1959
File

County Growth Map not available.