

RESOLUTION NO. 225

A RESOLUTION ENDORSING ECONOMIC DEVELOPMENT OF THE HOLSTON ARMY AMMUNITION PLANT (HAAP) AND PLEDGING THE SUPPORT OF THE TOWN OF MOUNT CARMEL TO ROYAL ORDNANCE OF NORTH AMERICA (RONA) TO PROVIDE JOBS, COMMERCIAL ESTABLISHMENTS, AND INDUSTRIAL ENTERPRISES ON HAAP

WHEREAS, Royal Ordnance of North America (RONA) was awarded a contract by the United States Army to operate and develop the Holston Army Ammunition Plant (HAAP). And the contract stipulates that RONA shall develop commercial establishments and industrial enterprises to generate revenue to help support HAAP; and

WHEREAS, new commercial establishments and industrial enterprises on HAAP will provide jobs and careers for the citizens of Mount Carmel and our entire area; and

WHEREAS, new commercial establishments and industrial enterprises on HAAP and within the boundaries of Mount Carmel may provide tax revenue for the Town; and

WHEREAS, the Board of Mayor and Aldermen of the Town of Mount Carmel wishes to see new commercial establishments and industrial enterprises on HAAP that will benefit the citizens of Mount Carmel and our entire area;

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

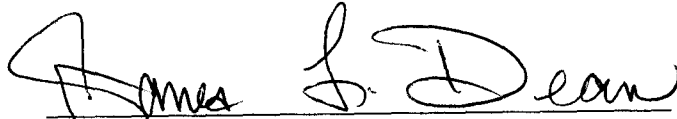
SECTION I. That the Board of Mayor and Aldermen pledges its support of RONA to develop commercial establishments and industrial enterprises on HAAP.

SECTION II. That the Town staff is directed to assist RONA to attract and locate commercial establishments and industrial enterprises on HAAP.


SECTION III. That the citizens of Mount Carmel are urged to support the economic development of HAAP for the benefit of themselves and their children and their grandchildren.

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

ADOPTED this the 26 day of October, 2000


JAMES L. DEAN, Mayor

ATTEST:


NANCY CARTER, City Recorder

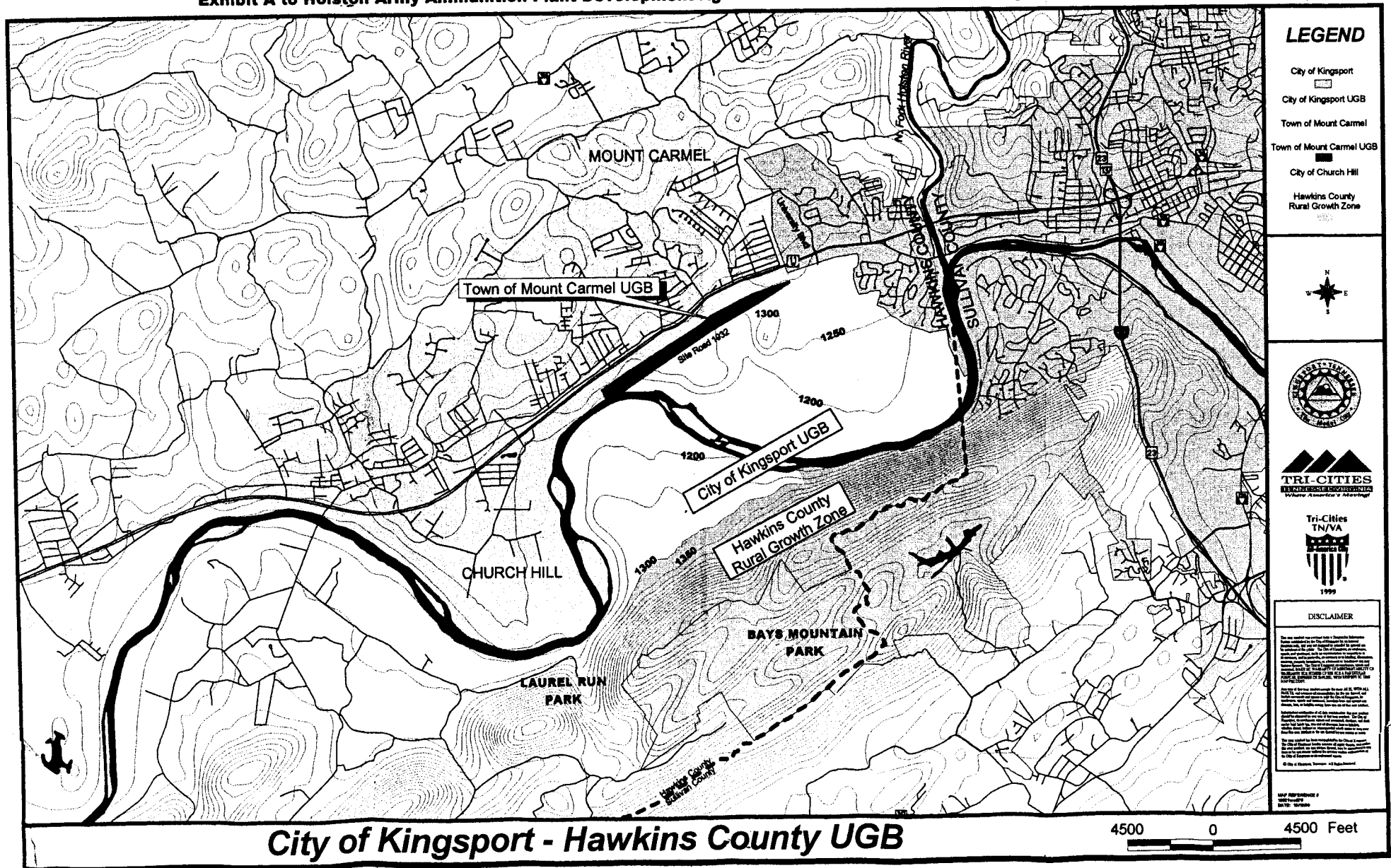
APPROVED AS TO FORM:


LAW OFFICE OF MICHAEL A. FAULK

FIRST READING	AYES	NAYS	OTHER
Henry Bailey	✓		
Eugene Christian	✓		
James Dean, Mayor			
Gary Lawson	✓		
George Pierce	✓		
Thomas Wheeler	✓		
Carl Wolfe	✓		
TOTALS	6	0	0

PASSED UPON READING: 10-26-00

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



LEGEND

- City of Kingsport
- City of Kingsport UGB
- Town of Mount Carmel
- Town of Mount Carmel UGB
- City of Church Hill
- Hawkins County Rural Growth Zone



TRI-CITIES
KINGSPORT, TENNESSEE
Where America's Meeting



DISCLAIMER

This map was prepared for the City of Kingsport, Tennessee, by the City of Kingsport, Tennessee, and is not to be used for any other purpose without the express written consent of the City of Kingsport, Tennessee. The City of Kingsport, Tennessee, is not responsible for any errors or omissions on this map. The City of Kingsport, Tennessee, is not responsible for any damages or losses resulting from the use of this map. The City of Kingsport, Tennessee, is not responsible for any claims or liabilities resulting from the use of this map. The City of Kingsport, Tennessee, is not responsible for any claims or liabilities resulting from the use of this map.

MAP PREPARED BY
CITY OF KINGSPORT
10/10/10



CITY OF KINGSPORT
Finance Department
225 West Center Street
Kingsport, TN 37692

LIZ GILBERT, CITY CLERK
(423) 229.9384 - direct
(423) 224.2566 - fax
gilbert@ci.kingsport.tn.us

FAX COVER SHEET

To:	Marian Sandidge City Recorder	From:	Liz Gilbert, City Clerk
Business:	City of Mount Carmel	Date:	August 20, 2007
Fax No.:	357-7710	Pages:	10 (including fax cover)
Re:	Interlocal Agreement regarding Holston Army Ammunition Plant Development Agreement		

In follow-up to our telephone conversation earlier today, here is a copy of the City of Kingsport ordinance and attached *unsigned* copy of the above-described agreement with Mount Carmel, et al.

Let me know if you have any success finding a signed version. Thanks for your help.

Liz Gilbert


ORDINANCE NO. 4832

AN ORDINANCE TO AUTHORIZE THE MAYOR TO EXECUTE AN AGREEMENT WITH HAWKINS COUNTY, TENNESSEE, TOWN OF MT. CARMEL, TENNESSEE, THE CITY OF CHURCH HILL, TENNESSEE, UNITED STATES ARMY AND BAE SYSTEMS-ROYAL ORDNANCE NORTH AMERICA ENTITLED HOLSTON ARMY AMMUNITION PLANT DEVELOPMENT AGREEMENT CONTRACT AND INTERLOCAL AGREEMENT FOR THE DEVELOPMENT OF THE HOLSTON ARMY AMMUNITION PLANT SITE AND TO FACILITATE A MUTUALLY AGREEABLE GROWTH PLAN IN ACCORDANCE WITH T.C.A. § 6-58-101 ET SEQ., COMMONLY REFERRED TO AS THE GROWTH LAW; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE.

BE IT ORDAINED BY THE CITY OF KINGSPORT, TENNESSEE, as follows:

SECTION I. That the Mayor, or in her absence, incapacity, or failure to act, the Vice Mayor, is hereby authorized to execute, in a form approved by the City Attorney, an agreement entitled Holston Army Ammunition Plant Development Agreement Contract and Interlocal Agreement, a copy of which is attached as Exhibit A and incorporated herein by reference, with Hawkins County, Tennessee, Town of Mount Carmel, Tennessee, City of Church Hill, Tennessee, United States Army, and BAE Systems-Royal Ordnance North America for the development of the Holston Army Ammunition Plant Site and to facilitate a mutually agreeable growth plan in accordance with T.C.A. §6-58-101 et seq., commonly referred to as the growth law.


SECTION II. That this ordinance shall take effect from and after the date of its passage, as the law directs, the public welfare of the City of Kingsport, Tennessee requiring it.


JEANETTE D. BLAZIER
Mayor

ATTEST:


WARREN C. SEABY
Deputy City Recorder

APPROVED AS TO FORM:


J. MICHAEL BILLINGSLEY
City Attorney

PASSED ON 1ST READING 30 October 2000

PASSED ON 2ND READING 21 November 2000

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

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

WITNESSETH:

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

1. The parties are authorized to enter into this agreement by the United States Code and Tennessee Code Annotated sections 5-1-113 and 6-58-101 et seq.
2. The parties desire to enter into this agreement for the purpose of facilitating a mutually agreeable growth plan in accordance with T.C.A. § 6-58-101 et seq., commonly referred to as the growth law.
3. This agreement shall apply to all the real property presently owned by the United States Army and included in the Holston Army Ammunition Plant, hereinafter referred to as "HAAP" that is not already annexed by a municipality.
4. The parties desire to enter into this agreement whereby the costs and benefits associated with economic development at the HAAP may be shared, while protecting the slopes of Bays Mountain and territory adjoining Laurel Run Park.
5. The property in the HAAP located above the 1300 foot elevation as shown on the attached map labeled exhibit A and incorporated herein by reference, and which property consist of steep mountain slopes adjoining and providing a buffer for Bays Mountain Park & Laurel Run Park, shall continue to remain undeveloped, and shall be rural area in the Hawkins County Growth Plan.
6. The strip of the HAAP generally described as parallel to Highway 11-W and defined by the east and west boundaries of Mount Carmel and extending south from the current 1000 feet annexed area to a line north of site road 1932, which area varies approximately in depth between 265 and 500 feet, as shown on the map labeled exhibit A and incorporated herein by reference shall be in the urban growth boundary of Mount Carmel.

**HOLSTON ARMY AMMUNITION PLANT
DEVELOPMENT AGREEMENT
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7. The remaining property in the HAAP shall be in the urban growth boundary of Kingsport, except that property that has previously been annexed.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

HAWKINS COUNTY, TENNESSEE

ATTEST:

APPROVED AS TO FORM:

TOWN OF MOUNT CARMEL, TENNESSEE

ATTEST:

APPROVED AS TO FORM:

CITY OF CHURCH HILL, TENNESSEE

ATTEST:

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

APPROVED AS TO FORM:

CITY OF KINGSPORT, TENNESSEE

ATTEST:

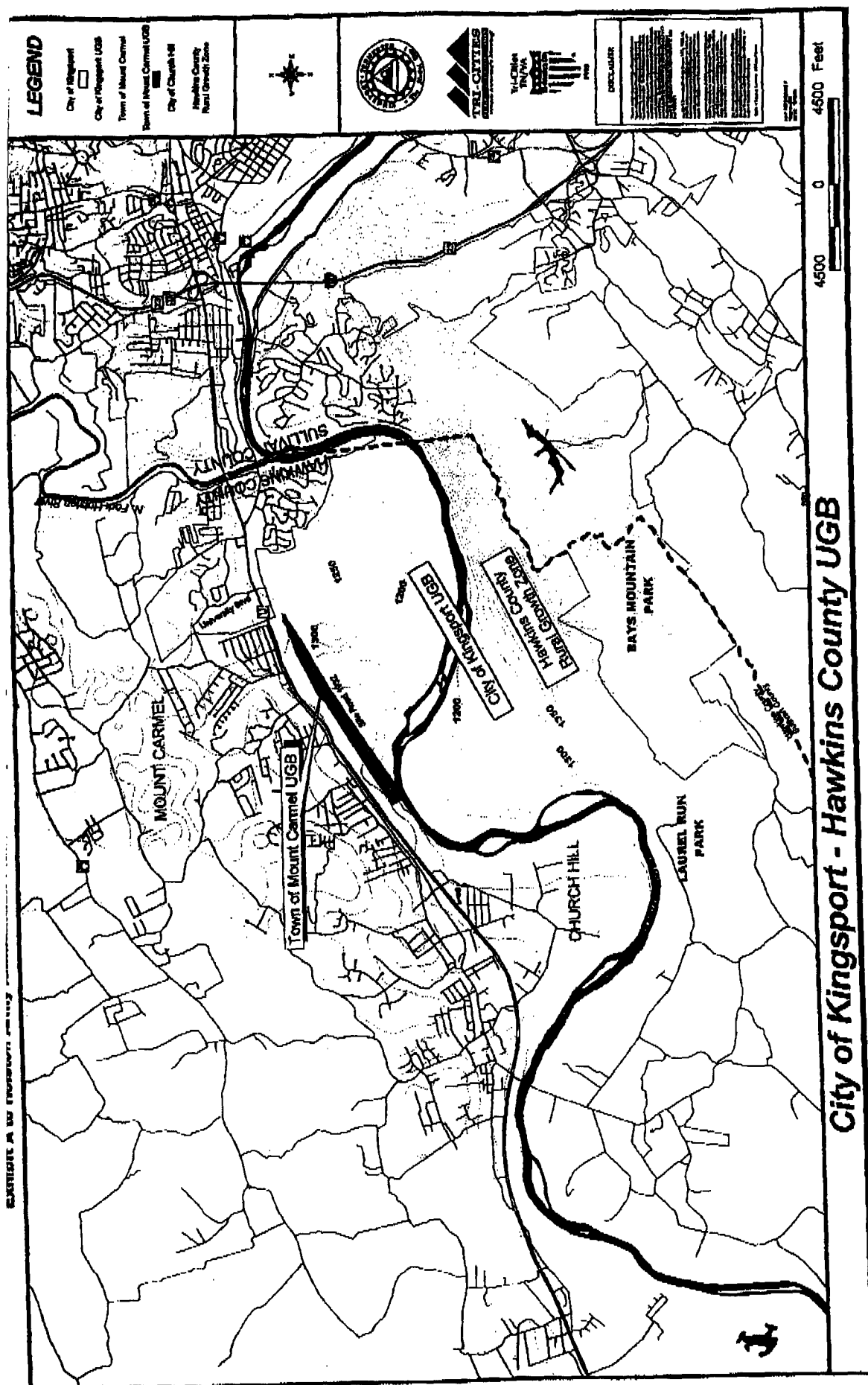
APPROVED AS TO FORM:

UNITED STATES ARMY

ATTEST:

**BAE SYSTEMS- ROYAL ORDNANCE
NORTH AMERICA**

ATTEST:



TOWN OF MOUNT CARMEL

100 EAST MAIN STREET

P.O. BOX 1421

MOUNT CARMEL, TENNESSEE 37645

423-357-7311

423-357-7710 FAX

FACSIMILE TRANSMITTAL SHEET

TO: Liz Gilbert	FROM: Marian Sandidge
COMPANY: City of Kingsport	DATE: 8/20/2007
FAX NUMBER: 224-2566	TOTAL NO. OF PAGES INC. COVER: 4
PHONE NUMBER: 229-9384	SENDER'S REFERENCE NUMBER:
RE: HAAP property	YOUR REFERENCE NUMBER:

☐ URGENT ☒ FOR REVIEW ☐ PLEASE COMMENT ☐ PLEASE REPLY ☐ PLEASE RECYCLE

NOTES/COMMENTS:

Dear Liz,

In looking for the Interlocal Agreement with Holston Army Ammunition Plant, I found the following letter with the attached Resolution.

Please do not hesitate to call me if you have questions. I appreciate the opportunity to work with you.

Thank you,

Marian Sandidge

Town of Mount Carmel

100 East Main Street, PO Box 1421, Mount Carmel, TN 37645
townofmountcarmel.org

Phone: 423-357-7311
Fax: 423-357-7710

Re: 225

October 31, 2000

Tony Hewitt
BAE Systems
4509 West Stone Drive
Kingsport, TN 37660

RE: Interlocal Agreement regarding RONA Property Development

Dear Mr. Hewitt:

I am pleased to report that the Mount Carmel Board of Mayor and Aldermen voted unanimously at its meeting on October 26, 2000, to adopt Resolution 225. A copy of the Resolution is enclosed.

We had planned on voting for Resolution 224 that would allow Mount Carmel to enter into an Interlocal Agreement with Hawkins County, Church Hill, Kingsport, RONA, and the United States Army to develop RONA in a rational manner.

Since the agreement was voted down by Hawkins County I felt it important that we pass a Resolution showing our support for RONA's future plans for the property.

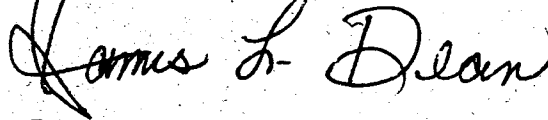
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*That the Board of Mayor and Aldermen pledges its support of
RONA to develop commercial establishments and industrial
enterprises on HAAP.*

I will leave office on November 16. I will continue to support RONA in its efforts to provide jobs and careers for the citizens of Mount Carmel. Mount Carmel's future is tied closely to RONA. Everyone in our area needs to work in a cooperative spirit for the benefit of all.

Tony Hewitt
October 31, 2000
Page 2

Sincerely,
THE TOWN OF MOUNT CARMEL

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James L. Dean, Mayor

JLD:mg
Enclosure

pc: A. Ray Griffin, Jr.
Jeanette Blazier
Jeff Fleming
Mike Billingsley
Heiskell H. Winstead
Paul Morrison
Dennis Deal
Mike Messick
Kenneth Long
Ronald L. Waller

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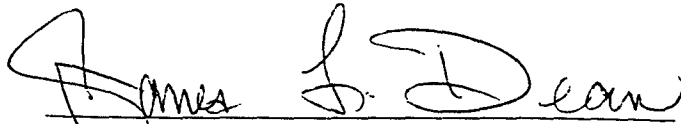
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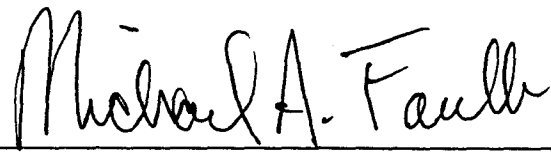
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JAMES L. DEAN, Mayor

ATTEST:


NANCY CARTER, City Recorder

APPROVED AS TO FORM:


LAW OFFICE OF MICHAEL A. FAULK

FIRST READING	AYES	NAYS	OTHER
Henry Bailey	✓		
Eugene Christian	✓		
James Dean, Mayor			
Gary Lawson	✓		
George Pierce	✓		
Thomas Wheeler	✓		
Carl Wolfe	✓		
TOTALS	6	0	0

PASSED UPON READING: 10-26-00

Town of Mount Carmel

100 East Main Street, PO Box 1421, Mount Carmel, TN 37645
townofmountcarmel.org

Re: 225
Phone: 423-357-7311
Fax: 423-357-7710

October 31, 2000

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BAE Systems
4509 West Stone Drive
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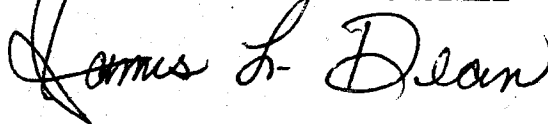
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Enclosure

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Jeanette Blazier
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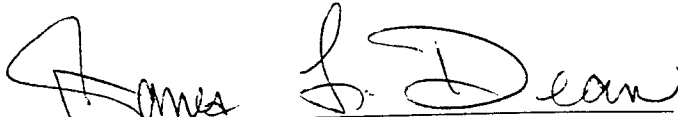
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ADOPTED this the 26 day of October, 2000


JAMES L. DEAN, Mayor

ATTEST:


NANCY CARTER, City Recorder

APPROVED AS TO FORM:


LAW OFFICE OF MICHAEL A. FAULK

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