



#DEVELOPWITHUS: VIRTUAL CAMPAIGN LAUNCH & TRAINING

*Tax Breaks, Transparency,
& Public Accountability*

Thursday, December 17th
6:30pm
Register Today!

A Project of the CALEB Coalition
Economic Mobility Task Force



**SO WHO ARE WE, & WHAT'S THIS
CAMPAIGN ALL ABOUT?**

OUR VALUES

(WHAT "GOOD DEVELOPMENT" LOOKS LIKE)



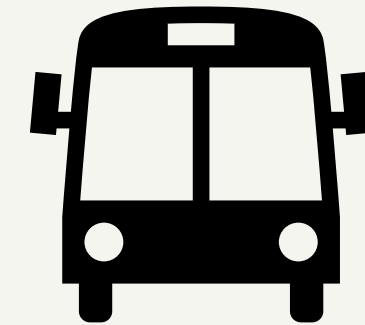
LIVING WAGES

No one should have to work more than one full-time job to provide for themselves or their family.



COMMUNITY STABILITY

Investment should increase opportunity & quality of life for low & moderate income families. Every Chattanooga deserves secure housing in a safe, thriving community



EQUITABLE TRANSIT

When people have access to safe, affordable public transit, they are able to get to the jobs, training and education that provide pathways to economic sustainability



WHAT WE WANT




TRANSPARENCY

and community voice in decisions
involving public money that will impact
our neighborhoods

ACCOUNTABILITY

Community-centered metrics that ensure
that companies who get public resources
are actually benefitting our people

**"GOOD DEVELOPMENT HAPPENS
WITH US, NOT TO US!"**



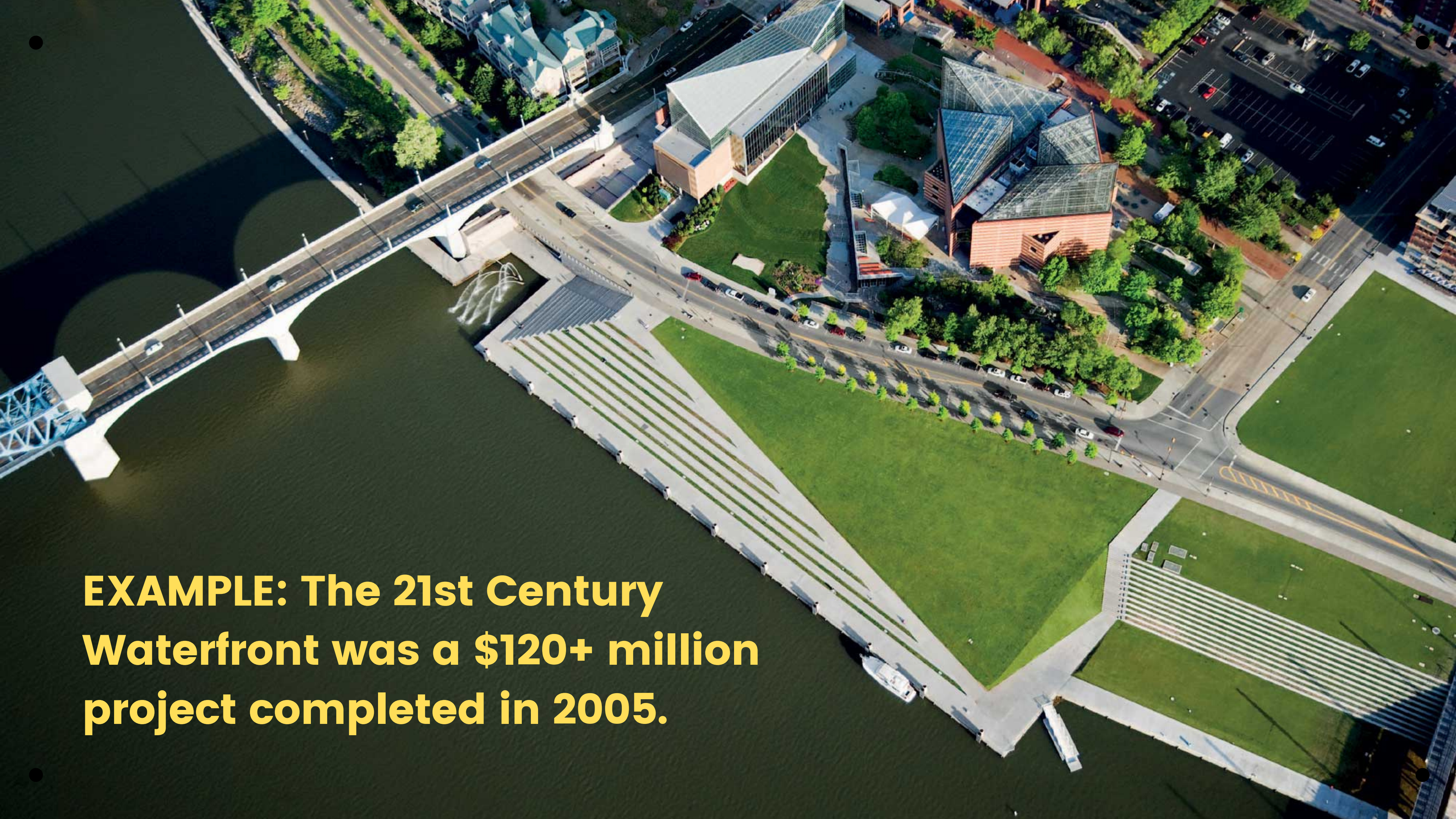
ECONOMIC MOBILITY IN “THE BEST TOWN EVER”

A BIT ABOUT CHATTANOOGA'S ECONOMIC LANDSCAPE...

One example of how major public investment has helped transform the local economy is through:



TOURISM



EXAMPLE: The 21st Century Waterfront was a \$120+ million project completed in 2005.



**HALF of that was
paid with City bonds**

**with the creation of a new revenue
stream from hotel bookings**

**The City and County each charge a 4% hotel/motel tax,
with the County's share going to fund the...**



formerly known as the



Chattanooga Convention &
Visitors Bureau

Another major part of our recent growth has been:



TECH & MANUFACTURING

- **2008 recruitment of Volkswagen included approx. \$16.6 Million in annual local tax breaks**
- **Buildout of EPB “Gig” broadband and Enterprise Center laid foundation for a “SmartCity” future**

**CHATTANOOGA'S ANNUAL GDP GROWTH
FROM 2009 TO 2019 WAS
9% LOWER THAN THE
NATIONAL AVERAGE**



**BUT THE CHOO CHOO IS
LEAVING MANY BEHIND...**

ECONOMIC GROWTH HAS BEEN GREAT FOR SOME...

**...BUT THE MAJORITY OF CHATTANOOGANS ARE STILL
STRUGGLING TO MAKE ENDS MEET**

A LOOK AT THE NUMBERS

**12.9 % OF CHATTANOOGA FAMILIES LIVE
BELOW THE POVERTY THRESHOLD**

**--> THIS IS 35.7% HIGHER THAN THE US
AVERAGE**

**CHATTANOOGANS EARN 17% LESS THAN
THE AVERAGE AMERICAN (AND INCOME IS
GROWING 20% SLOWER)**

THE TOLL: Struggling individuals, families, & communities

**THESE NUMBERS TELL A LOT ABOUT
THE STRUGGLES FACED BY YOU, ME
AND SO MANY IN OUR COMMUNITY**

HOW MUCH DOES IT COST TO LIVE IN HAMILTON COUNTY? (ACCORDING TO MIT'S LIVING WAGE CALCULATOR)

INDIVIDUAL WITH
ONE CHILD

\$22.63/hr

SINGLE INCOME
FAMILY OF FOUR

\$24.18/hr

Note: Does not include \$ for retirement, college savings, vacation etc.

●

**IMAGINE A
FUTURE OF SHARED
PROSPERITY**

**WE NEED A BETTER
APPROACH**

●







There are many factors that impact our local economy,
but we are going to focus on one in particular:

CORPORATE TAX BREAKS & INCENTIVE DEALS

SOoo...



- What's the magnitude of tax breaks in terms of real \$\$\$
- How do tax breaks work?
- Who decides which companies receive a tax break?
- How do we make sure that these decisions actually improve our health, wages, financial security, life circumstances?
- And most importantly, where do you & I fit in?!

**JUST LAST YEAR,
THE AMOUNT OF CORPORATE PROPERTY TAXES
FORGIVEN BY THE CITY OF CHATTANOOGA &
HAMILTON COUNTY TOTALED OVER**

\$25 Million

**(TYPICAL AGREEMENT LASTS 10-30
YEARS)**

**IF COLLECTED, THESE TAXES
COULD BE USED TO FUND
THINGS LIKE:**

- **INFRASTRUCTURE**
- **PUBLIC SAFETY**
- **PARKS**
- **LIBRARIES**
- **NEIGHBORHOOD SERVICES**
- **YOUTH SERVICES**
- **AFFORDABLE HOUSING**
- **OTHER ESSENTIAL SERVICES**

OVER 90% OF THESE WERE GIVEN THROUGH A
TYPE OF TAX BREAK CALLED A

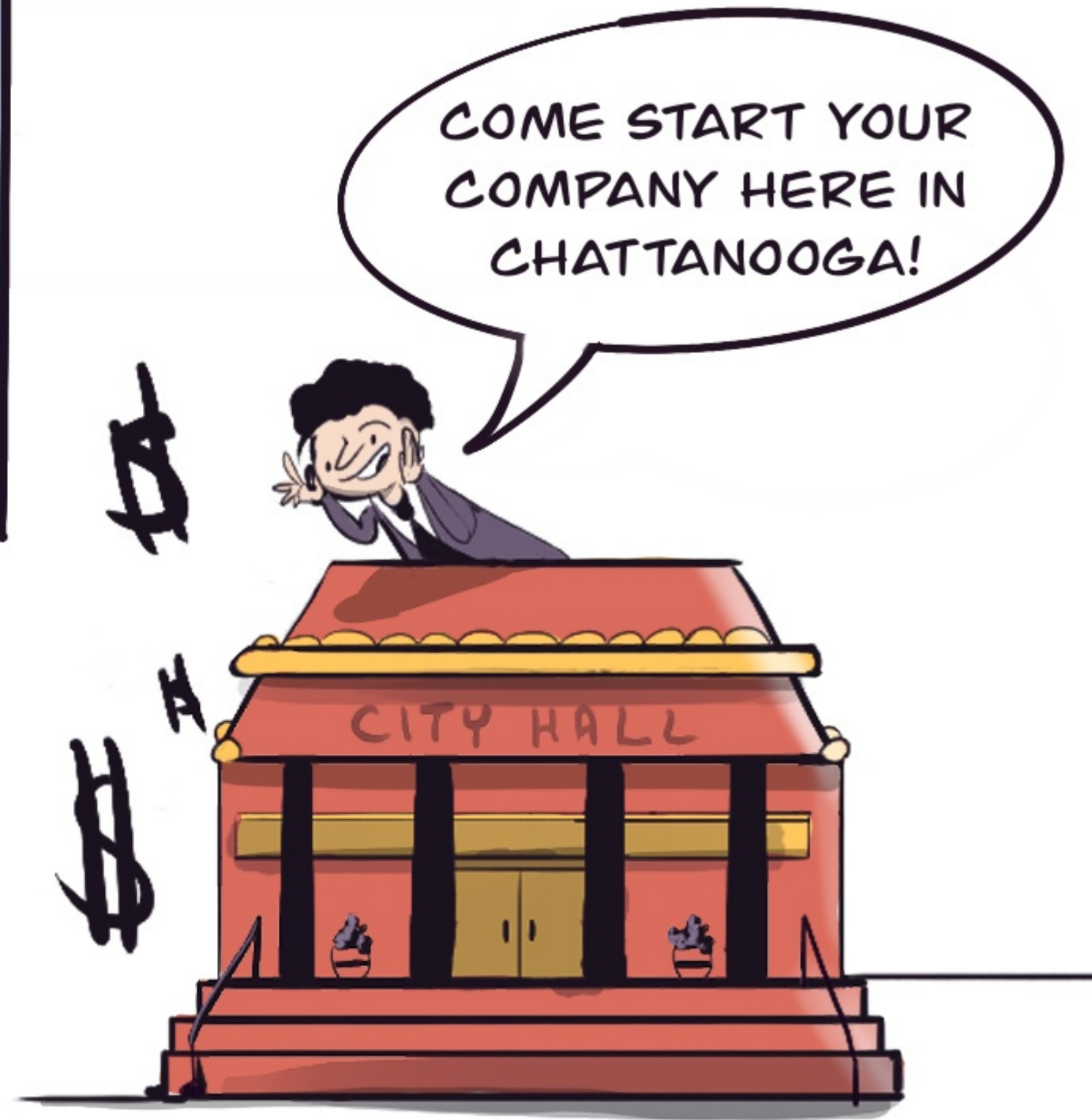
J O B S P I L O T

WHAT IS A JOBS PILOT

(AND WHAT DOES IT)
MATTER TO you?



PILOT STANDS FOR
'PAYMENT IN LIEU OF TAXES'.
BASICALLY, IT'S AN AGREEMENT
BETWEEN THE CITY AND A
COMPANY THAT PROVIDES THE
COMPANY WITH A PROPERTY
TAX BREAK FOR A PERIOD OF
TIME (UP TO 30 YEARS).



Jobs PILOTS and other incentives are not inherently bad, BUT we want to know a few thing first:

- Do they create real benefit for our communities?
- Is it worth what we would lose in property tax revenue?
- Would the company locate here anyway?



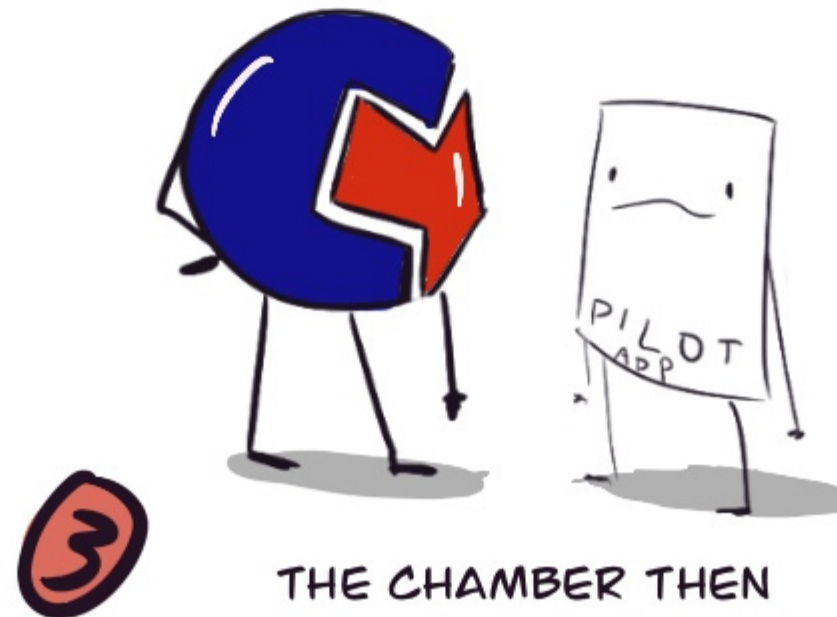
**So, what's the current process
for giving out Job PILOTs
& does it answer these
questions?**



THE CITY HIRES THE CHAMBER
OF COMMERCE TO RECRUIT
BUSINESSES TO CHATTANOOGA



BUSINESS CHOOSES TO COMPLETE AN
APPLICATION FOR A JOBS PILOT



THE CHAMBER THEN
REVIEWS THE APPLICATION

WHAT ABOUT THE **PUBLIC?!**

CURRENTLY, THERE ARE NO
PUBLICLY ADOPTED CRITERIA
FOR JOBS PILOTS



4



THERE ARE NO REQUIRED PUBLIC HEARINGS AND
NO REQUIRED STAFF REPORT AT THIS POINT



5
THE CITY'S INDUSTRIAL
DEVELOPMENT BOARD
CONDUCTS FINAL REVIEW



6

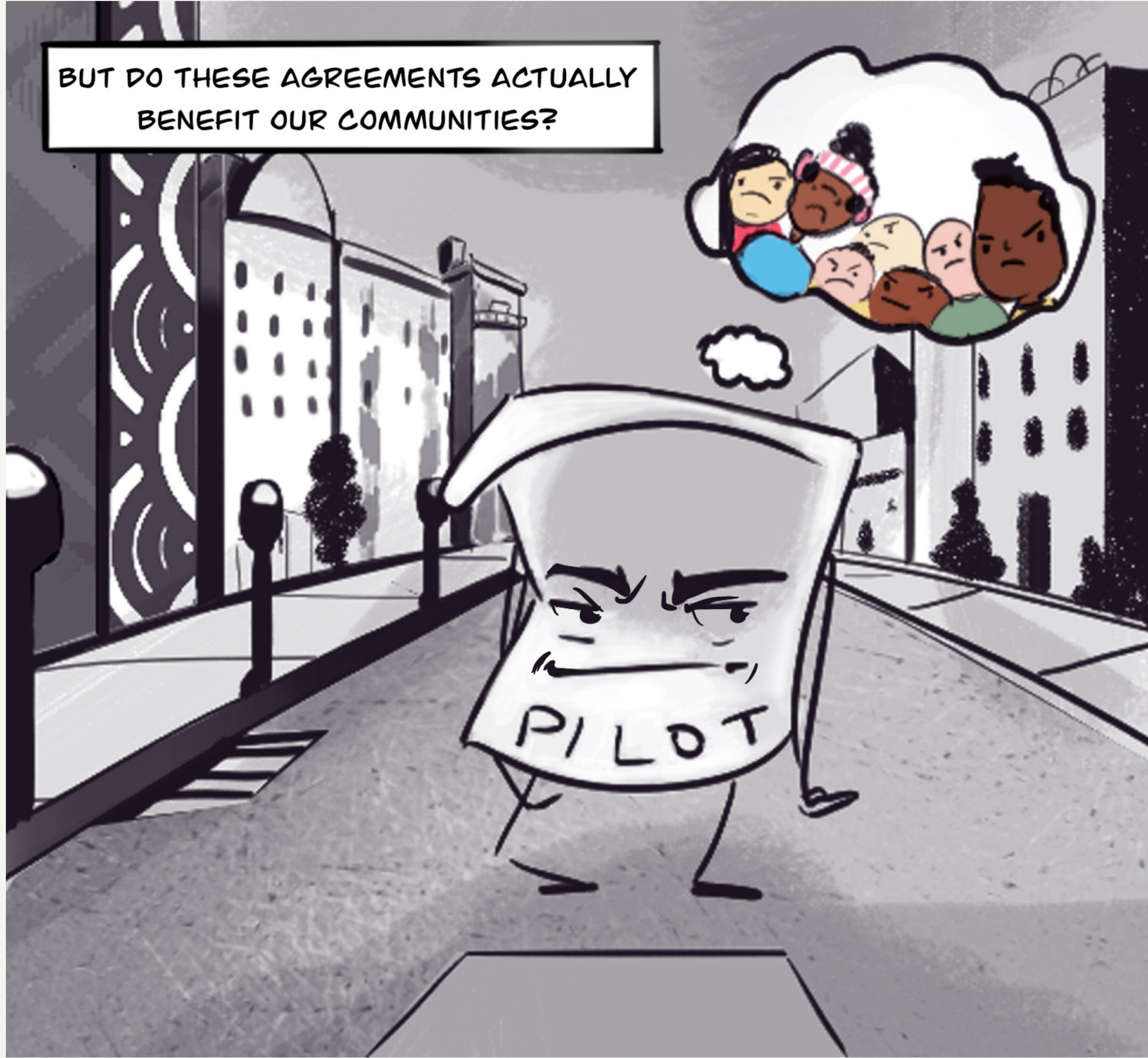
IDB TAKES OWNERSHIP OF
LAND/EQUIPMENT/BUILDINGS



7

COMPANY LEASES
ASSETS FROM IDB
FOR SMALL AMOUNT

BUT DO THESE AGREEMENTS ACTUALLY
BENEFIT OUR COMMUNITIES?



City of Chattanooga

Legend

-  County Boundaries
-  Municipalities
-  City of Chattanooga Boundary
-  PILOT Agreement Properties
-  Tax Exempt Properties
-  Mixed Use Properties over 5 Acres +/- with partial Exempt Areas
-  Tax Increment Finance District (TIF)
-  Parcel Boundaries
-  Tennessee River
-  PILOT Agreements **** (Personal Property)
-  Commercial/Industrial
-  Housing/Apartments
-  Parking Structures

	Average \pm S.D.	% of Chertemps
City of Chertemps (and average ^a)	91,523	100%
Example, P&UT, and Tax Increment Finance District properties ^{aa}	34,577	26.9%
Meed Usa Properties over 5 Acres \pm with partial Example Areas ^{aaa}	1,581	1.7%

¹¹ City of Chattanooga total land coverage (3,104 Ac.) consists of all areas within the city limits - parcel boundaries, roads, R-1(R) and other resources which are part of the collection coverage excepting the portion of the Tennessee River within Chattanooga (3,040 Ac. +/-).

Example: `Plot01` and `Plot02` - within City of Chattanooga

- Example properties (01110 Ave. 12) determined by Accessor of Property Parcel File using `Coordinate` field with "E"
 - Plot properties (01110 Ave. 12) determined by Accessor of Property Parcel File using `Property` field with "E"
 - Additional properties were added from the Initial `City/County/Assessor` as `01110`. These properties are not inside the house multiple links for this property

• The 2010 population (12,000) is $\frac{1}{2}$ determined by Assessor of Property Report for every Commercial Field with "B0101".

*** Mixed-use properties with Permitted Uses: mixed-use within City of Steamboat
Properties shown are those properties ≥ 1 acre ≥ 10 with a Commission File code of "DC1",
"DC2", "DC3", "DC4", "DC5", "DC6", "DC7", "DC8", "DC9", "DC10", "DC11", "DC12", "DC13", "DC14", "DC15", "DC16", "DC17", "DC18", "DC19", "DC20", "DC21", "DC22", "DC23", "DC24", "DC25", "DC26", "DC27", "DC28", "DC29", "DC30", "DC31", "DC32", "DC33", "DC34", "DC35", "DC36", "DC37", "DC38", "DC39", "DC40", "DC41", "DC42", "DC43", "DC44", "DC45", "DC46", "DC47", "DC48", "DC49", "DC50", "DC51", "DC52", "DC53", "DC54", "DC55", "DC56", "DC57", "DC58", "DC59", "DC60", "DC61", "DC62", "DC63", "DC64", "DC65", "DC66", "DC67", "DC68", "DC69", "DC70", "DC71", "DC72", "DC73", "DC74", "DC75", "DC76", "DC77", "DC78", "DC79", "DC80", "DC81", "DC82", "DC83", "DC84", "DC85", "DC86", "DC87", "DC88", "DC89", "DC90", "DC91", "DC92", "DC93", "DC94", "DC95", "DC96", "DC97", "DC98", "DC99", "DC100", "DC101", "DC102", "DC103", "DC104", "DC105", "DC106", "DC107", "DC108", "DC109", "DC110", "DC111", "DC112", "DC113", "DC114", "DC115", "DC116", "DC117", "DC118", "DC119", "DC120", "DC121", "DC122", "DC123", "DC124", 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***FBI/DOJ Special Property (asset which is forfeitable but not law enforceable) - This FBI/DOJ information is from tip of <http://www.fedwire.com/fbi/DOJ>.

All derivatives and surrogates are considered appropriate and not having utility. Assessment of 14-particulate (PM) fine dust in this category is not for same January 10, 2017. Federal, State, District, and other jurisdictional laws are shown and indicated.

DISCLAIMER

All responses are provided as a result of tests, observations, writings or opinions either express or implied, including but not limited to, the testing program. Therefore, the user should not assume that the magnitude of the score or the magnitude of the assessment is the same as the quality, performance, and outcomes of the candidate.

Map produced from:

AMERICAN SOCIETY OF MECHANICAL ENGINEERS
 ONE RAY WALKER DRIVE
 FORT WORTH, TEXAS 76102-2999
 TEL: 817/842-2201
 FAX: 817/842-2202
 WWW.ASME.ORG

www.uga.edu

✓



100

Figure 1

1 length = 0.1 realizations



GREEN = PILOTs

RED = TIF

ORANGE = Charitable

YELLOW = Government owned



BARRIERS TO ACCOUNTABILITY & TRANSPARENCY

BARRIER:

Lack of transparency in process



BARRIER: "Auto-pilot" PILOTS



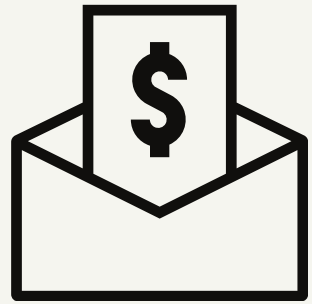
BARRIER:

Lack of long term Economic plan



RECAP: OUR VALUES

(WHAT "GOOD DEVELOPMENT" LOOKS LIKE)



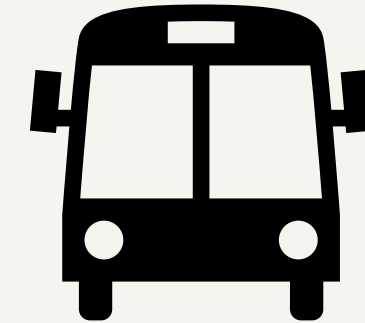
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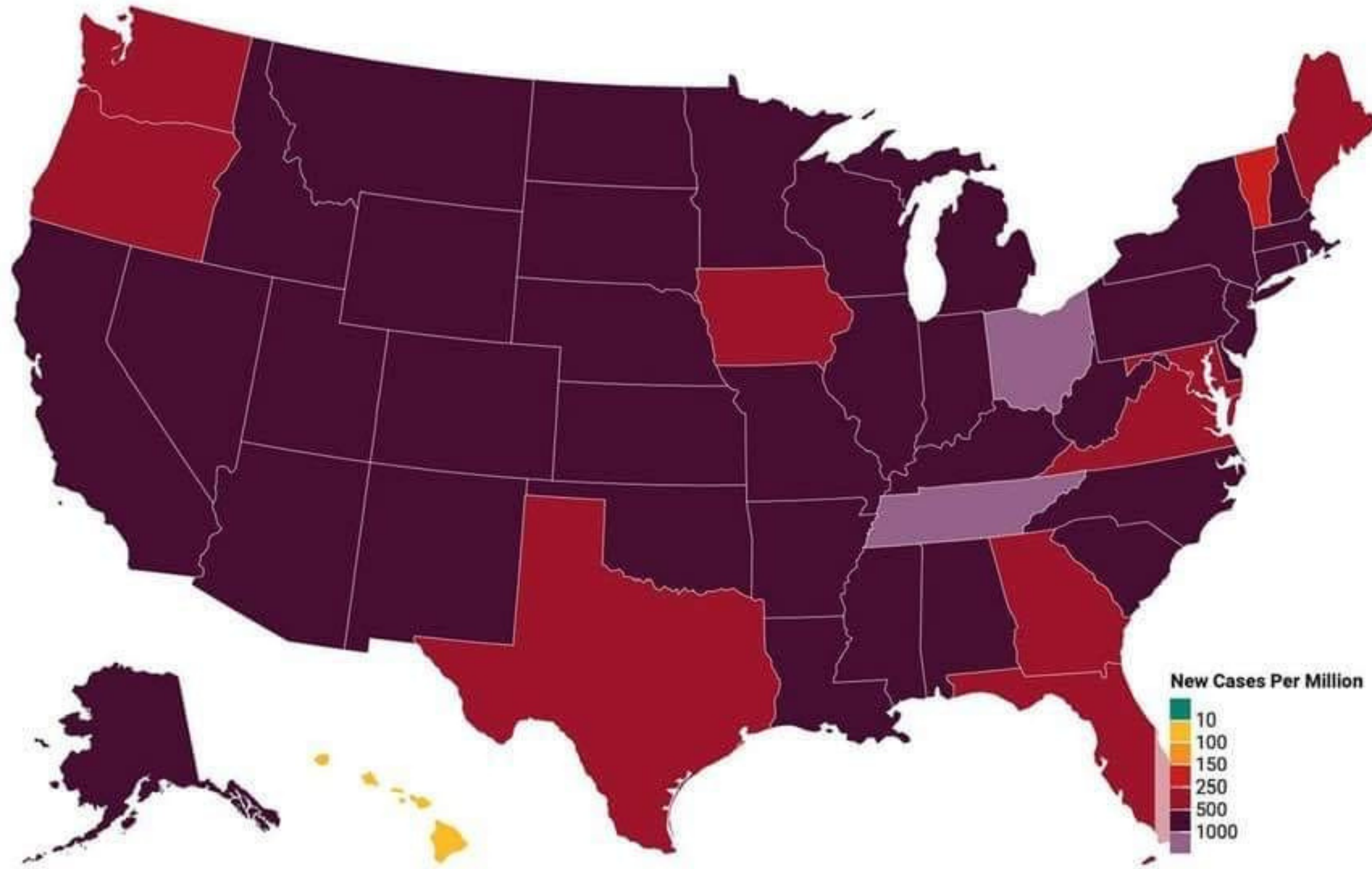
ACCOUNTABILITY

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WITH US, NOT TO US!"**

COVID-19

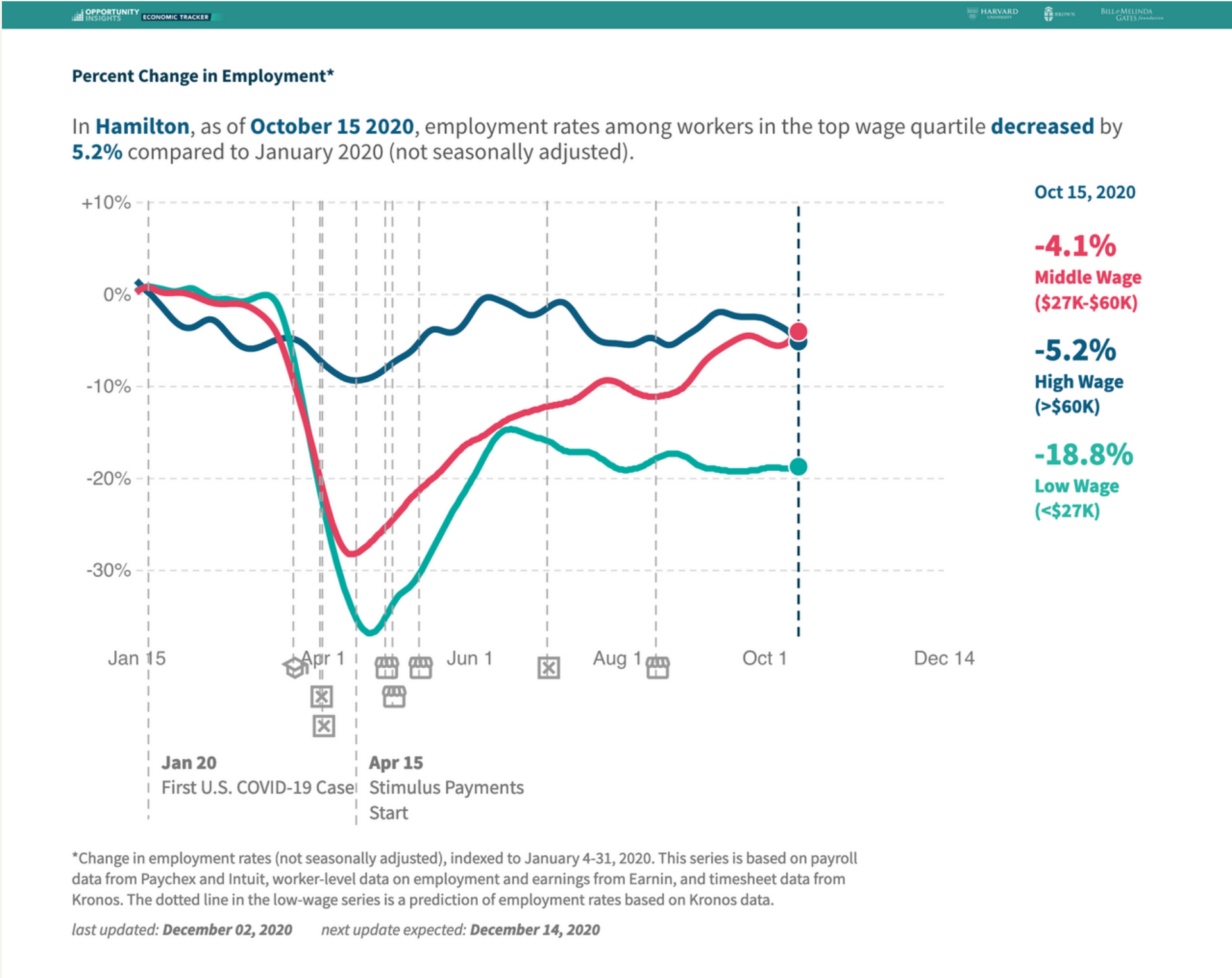
and why all this matters so much now



Map: covidexitstrategy.org • Source: [COVID Tracking Project](#) • [Get the data](#) • Created with [Datawrapper](#)

COVID-19

underemployment and unemployment





2021 CANDIDATE ASKS



ASK #1

(for mayoral and city council candidates)

Will you commit to develop and implement clear,
enforceable, publicly accessible criteria for Job
PILOTs?



2021 CANDIDATE ASKS



ASK #2

(for mayoral candidates)

Will you commit to provide city council, relevant boards, and the general public, thorough, written information outlining exactly how a proposed tax break will benefit the public? Will you ensure that this information is provided well ahead of any vote on a PILOT, TIF or other forms of public incentive?



OTHER KEY ASKS



public hearings

Will you support an effort to require relevant boards (IDB & HEB), and city council to hold public hearings for respective PILOT proposals?

community-based board appointees

Will you work with CALEB to help identify and set clear expectations for appointees to the IDB, HEB?

WE NEED YOU!



- 1) SIGN THE CAMPAIGN LETTER TO CANDIDATES!**
WWW.CALEBCHA.ORG/DEVELOPWITHUS
- 2) JOIN THE #DEVELOPWITHUS CAMPAIGN TEAM!**
- 3) JOIN OUR UPCOMING CANDIDATE FORUMS!**
(DATES COMING SOON)

•

**"GOOD DEVELOPMENT HAPPENS
WITH US, NOT TO US!"**

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