

THE CITY OF
CHATTANOOGA, TN
"THE SCENIC CITY"

THE FISCAL YEAR 2021 | JULY 2020 - JUNE 2021


WHO ARE WE?

The city of Chattanooga, the 4th largest city in the state, is located in Southeast Tennessee near the border of Georgia at the junction of four interstate highways. The city received national recognition for the renaissance of its beautiful downtown and the riverfront redevelopment. Often renowned as "The Scenic City", the hills of Chattanooga are home to some of the most beautiful parks and scenic trails. The city boasts the most productive affordable housing program in the nation. It is notable for leveraging development funds through effective public/private partnerships, with significant civic involvement on the part of private foundations.


STRATEGIC PLANS

- Build a path to universal early learning
- Catalyze economic vitality in the Black community
- Ensure accessible housing choices for Chattanoogaans
- Improve local infrastructure
- Build a competitive regional economy
- Close the gaps in public health
- Provide responsive and effective local government


DEMOGRAPHICS



POPULATION: 182,113
WHITE (60.7%)
AFRICAN AMERICAN (31.0%)
OTHER (8.3%)



PER CAPITA INCOME:
\$ 34,297 (\$ 32,241 in 2020)
MEDIAN HOUSEHOLD INCOME:
\$ 55,065 (\$ 47,165 in 2020)



MEDIAN HOUSING VALUE:
\$ 235,900
(\$ 346,900 - national)

CHATTANOOGA'S LARGEST EMPLOYERS:

| | |
|-------------------------------------|-------|
| • Hamilton County Schools | 4,980 |
| • BlueCross Blueshield of Tennessee | 4,855 |
| • Erlanger Health System | 4,852 |
| • CHI Memorial | 3,549 |
| • Tennessee Valley Authority | 3,431 |

MESSAGE FROM THE
MAYOR

"The 2021 fiscal year provided a basis for the many great initiatives and improvements to come over the next several years, and I look forward to experiencing these successes with you."



Mayor Tim Kelly

Community Survey Results
2020 - 2021

| Public Safety | 2020 | 2021 | Change % |
|--|------|------|----------|
| % of residents satisfied with police service | 66% | 61% | -5% |
| % of residents satisfied with fire and EMS services | 93% | 94% | 1% |
| % of residents satisfied with 911 service | 88% | 87% | -1% |
| Public Works | 2020 | 2021 | Change % |
| % of residents satisfied with garbage pick-up service | 92% | 89% | -3% |
| % of residents satisfied with yard waste pickup service | 78% | 73% | -5% |
| % of residents satisfied with curbside recycling | 81% | 78% | -3% |
| % of residents satisfied with water quality of lakes | 60% | 56% | -4% |
| % of residents satisfied with storm drainage | 53% | 53% | 0% |
| % of residents satisfied with sewer | 57% | 54% | -3% |
| Transportation | 2020 | 2021 | Change % |
| % of residents satisfied with street lightning | 63% | 58% | -5% |
| Parks and Recreation | 2020 | 2021 | Change % |
| % of residents satisfied with affordability of recreation activities | 54% | 70% | 16% |
| % of residents satisfied with instruction quality of recreation activities | 46% | 59% | 13% |
| % of residents satisfied with program variety of recreation activities | 49% | 59% | 10% |
| Economic | 2020 | 2021 | Change % |
| % of business owners indicate city as a good place to do business | 78% | 76% | -2% |

"Chattanooga Climbs" campaign
(July 2019 - June 2024)

- Increase regional employment by 5,000
- Increase private investment by \$1.0 billion
- Create \$500 million in new payroll income
- Raise the average annual income to \$55,000

Employment

Unemployment rate for Chattanooga was 3.7% which is less than nation unemployment rate, 5.3%, as of August 2021.

Education

The number of population 25 years and over attains bachelor's degree or higher in 2020 was 38,570, and the number is increased to 42,968 in 2021.

- the survey is conducted to learn about what areas citizens feel there is needed improvement and/or where they are satisfied with services..

2021 Community Survey Report's Highlights:

- **Public Safety** - residents' overall satisfaction with police, fire, emergency medical services, and 911 remain positive in 2021.
- **Public Works** - resident satisfaction is positive overall in 2021. However, ratings of satisfaction are trending down over the past five years.
- **Transportation** - residents continue to be less enthusiastic about transportation related issues.
- **Parks and Recreation** - residents continue to rate positively.
- **Economic** - business owners continue to indicate Chattanooga is a good place to do business.

Ongoing Project



3rd & 4th Street Improvement Project

- A detailed scope has not yet been determined, but included in the city's 2023-2027 Capital Improvement Plan (CIP).

Planned Project



Skate Park Project

- Currently seeking Construction funding from the City's budgeting process.

Completed Project

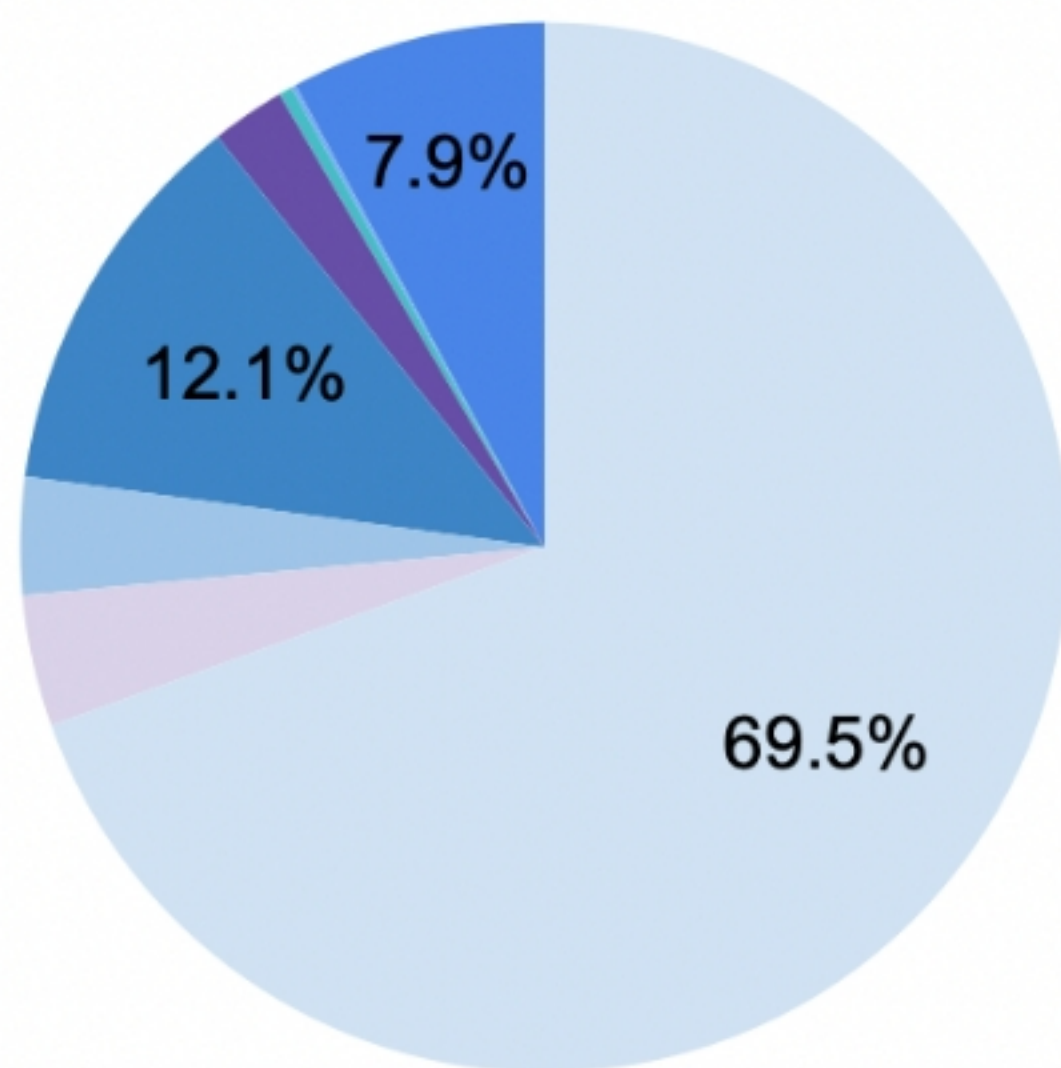


I-24 Bridge Replacements Project

- Completed on time within budget.

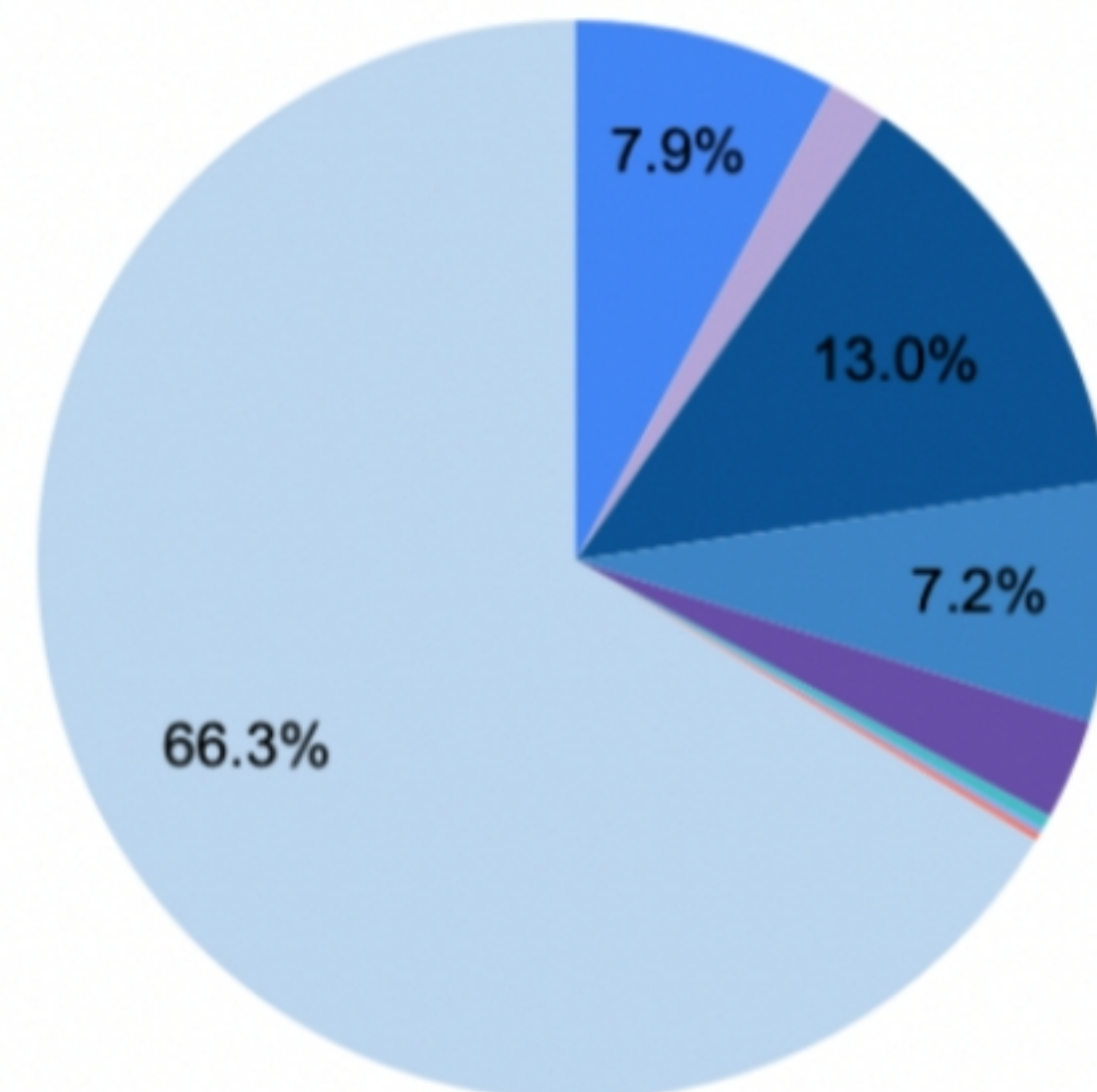
WHERE IS THE MONEY COMING FROM?

- Charges for Services
- Operating Grants
- Capital Grants
- Property Taxes
- Other Taxes
- Investment Income
- Miscellaneous
- Unrestricted Grants and Contributions



WHERE IS THE MONEY BEING SPENT?

- General Government
- Economic and Community Development
- Public Safety
- Public Works and Transportation
- Youth and Family Development
- Interest on Long-Term Debt
- Regional Communications
- Downtown Redevelopment
- Utilities



REVENUES (in thousands)

| Revenues | 2021 | 2020 | Change % |
|---------------------------------------|------------------|------------------|-----------|
| Program Revenues: | | | |
| Charges for Services | 886,918 | 875,496 | 1% |
| Operating Grants | 51,743 | 32,536 | 59% |
| Capital Grants | 46,122 | 19,130 | 141% |
| General Revenues: | | | |
| Property Taxes | 154,826 | 151,750 | 2% |
| Other Taxes | 29,175 | 27,522 | 6% |
| Investment Income | 5,362 | 10,308 | -48% |
| Misc. | 1,714 | 285 | 501% |
| Unrestricted Grants and Contributions | 100,577 | 96,718 | 4% |
| Total Revenues | 1,276,437 | 1,213,735 | 5% |

EXPENSES (in thousands)

| Expenses | 2021 | 2020 | Change % |
|------------------------------------|------------------|----------------|------------|
| Governmental Activities | | | |
| General Government | 80,871 | 75,953 | 6% |
| Economic and Community Development | 18,131 | 14,807 | 22% |
| Public Safety | 132,694 | 132,524 | 0% |
| Public Works and Transportation | 73,484 | 82,470 | -11% |
| Youth and Family Development | 30,998 | 31,153 | 0% |
| Interest on Long-Term Debt | 4,237 | 4,565 | -7% |
| Business-Type Activities | | | |
| Electric Utility* | 678,231 | 70,943 | -4% |
| Sewer* | 62,120 | 67,087 | -7% |
| Solid Waste* | 3,629 | 3,958 | -8% |
| Water Quality* | 16,325 | 18,828 | -13% |
| Regional Communications | 1,754 | 1,900 | -8% |
| Downtown Redevelopment | 2,411 | 2,122 | 14% |
| Total Expenses | 1,104,885 | 506,310 | -4% |

*On the chart, Utilities includes those listed with *

WHAT CHANGED?



REVENUES

Charges for service was yet again where we received the majority of our revenue. The increase in total revenue this year can be attributed to capital and operating grants from the federal and state government. The increase in revenue helped offset the decline in investment income.

EXPENSES

We continued to have Public Safety as our highest expense this year in efforts to keep our people safe. There were further increases in Economic and Community Developments and General Government expenses. This was offset by deductions in the public works department and business-type activities.

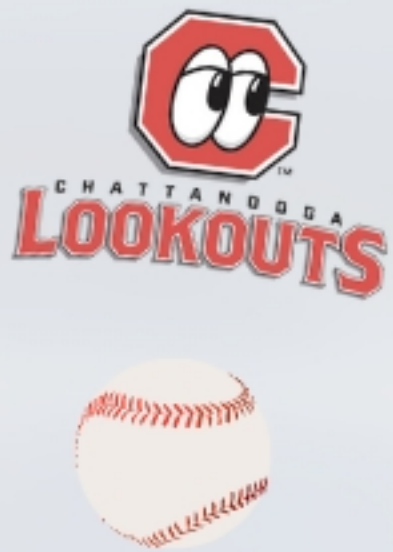
NET POSITION

The city's net position for FY 2021 is \$2,425,136 which was an increase from the prior year due to a rise in total assets. This year our city saw higher revenues and lower expenses, a trend we seek to continue.

SOUTH BROAD REVITALIZATION



The City of Chattanooga is in the process of revitalizing the Western gateway into the Scenic City. For almost two decades the historic monument, yet dilapidated Wheland Foundry & U.S. Pipe Site have sat vacant and now are being redeveloped and restored. The City, County, and State have come together for the South Broad Revitalization Project. This will be a multi-year project, beginning with a multi-use Stadium that will be home to The Chattanooga Lookouts Minor League Baseball Team. They have pledged one of the largest annual rents in all of minor league ball at \$1 million while only accounting for 20% of events at the site.



- ✓ HOUSING
- ✓ INFRASTRUCTURE
- ✓ ECONOMIC DEVELOPMENT

This project will generate jobs, multi-family housing, retail, green spaces, tourism, higher quality of life, and huge economic return to the area. The total investments will exceed \$1 Billion, while Phase 1 alone will take \$300 Million of that. This historic investment will yield a return that will benefit the entire region for generations. The project is expected to generate at least \$40 million in additional education funding for Hamilton County over the next 30 years. This will be done without raising taxes. We also plan to keep our goal in mind for Funding Priorities for 2020-2024 as well as our City goals and development needs.

CITY COUNCIL



- Mayor: Tim Kelly**
Chairman, District 4: Darrin Ledford
Vice Chair, District 7: Raquetta Dotley
District 1: Chip Henderson
District 2: Jenny Hill
District 3: Ken Smith
District 5: Isiah Hestor
District 6: Dr. Carol Berz
District 8: Marvene Noel
District 9: Demetrus Coonrod

CHATTANOOGA NEIGHBORHOOD ENTERPRISE

- Down payment assistance/loans
- Financial coaching and homebuyer education
- Real estate development - CNE develops single-family for-sale housing and multi-family mixed income rental housing in Chattanooga
- Property management - provides property management services for the rental portfolio. Currently 170 units. 76 under construction. 82 in predevelopment
- Neighborhood engagement - helps residents and other community stakeholders to develop leadership to build a stronger community
- Home improvement loan program to help low-income homeowners make improvements to their home

NEW INDUSTRY COMING INTO THE COMMUNITY

- Volkswagen announced another \$800 million expansion to the plant facility for the production of an electric vehicle, expected to go on sale in 2022.
- ATN Hoelzel LP, a supplier to VW, will move its manufacturing facility and relocate North American headquarters to Chattanooga.
- Nippon Paint began construction on a factory in East Chattanooga.
- Gestamp, a supplier to VW, BMW, and Mercedes-Benz announced plan for a \$94 million expansion.

We would love your feedback!
Also, if you would like to know more, you can visit our website at www.chattanooga.gov.
Follow us on all socials!



1000 Lindsay Street
Chattanooga, TN 37402
(423) 643- 7170



The purpose of AGA's Citizen-Centric Reporting (CCR) initiative is to help simplify communication between government and its citizens, who have a right to accurate information about the way their government spends their taxpayer dollars