

RESOLUTION NO. 32810

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF CHATTANOOGA AND THE CITY OF COLLEGEDALE WITH REGARD TO ADJUSTING BOUNDARIES IN THE CITY OF COLLEGEDALE ON PROPERTY LOCATED AT 8883 OLD LEE HIGHWAY, OOLTEWAH, TN 37363, FOR PROPERTY DESCRIBED IN THE INTERLOCAL AGREEMENT AND PETITION FOR DEANNEXATION BY VERSAILLES LAND AND DEVELOPMENT CO., LLC ATTACHED AS EXHIBIT A TO THIS RESOLUTION.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHATTANOOGA, TENNESSEE, that it is hereby authorizing the Mayor to execute an Interlocal Agreement between the City of Chattanooga and the City of Collegedale with regard to adjusting boundaries in the City of Collegedale on property located at 8883 Old Lee Highway, Ooltewah, TN 37363, for property described in the Interlocal Agreement and Petition for Deannexation by Versailles Land and Development Co., LLC attached as Exhibit A to this resolution.

ADOPTED: February 24, 2026

/mem

EXHIBIT A

INTERLOCAL AGREEMENT BETWEEN THE CITY OF CHATTANOOGA, TENNESSEE AND THE CITY OF COLLEGEDALE, TENNESSEE ADJUSTING BOUNDARIES IN ACCORDANCE WITH T.C.A. §6-51-302 FOR PROPERTY LOCATED AT 8883 OLD LEE HIGHWAY AS SHOWN ON EXHIBIT A ATTACHED HERETO.

THIS INTERLOCAL AGREEMENT IN ACCORDANCE WITH T.C.A. §6-51-302 is entered into by and between the City of Chattanooga, Tennessee ("Chattanooga") and the City of Collegedale, Tennessee ("Collegedale").

WHEREAS, on May 23, 2001, the parties hereto, as well as the other municipal and county governments in Hamilton County approved the Master Interlocal Agreement which, among other things, established urban growth boundaries for Hamilton County in accordance with the provisions of T.C.A. § 6-58-101, *et seq.*; and

WHEREAS, at approximately the same time, Chattanooga and Collegedale resolved an annexation dispute over areas north of Collegedale along Lee Highway; and

WHEREAS, as a result of those agreements, the city limits and urban growth boundaries along Lee Highway were established so that, generally speaking, Collegedale's jurisdiction was south of the Lee Highway right-of-way, and Chattanooga's was north of the same; and

WHEREAS, as a result of a reconfiguration by the Tennessee Department of Transportation of the intersection of I-75 Exit 11 after 2001, an approximately 2.76 acre parcel of property (the "2017 Property") was created south of the Lee Highway right-of-way that was not contemplated to exist at the time of the agreements relative to the municipal boundaries and urban growth boundaries between Chattanooga and Collegedale in that area; and

WHEREAS, an Interlocal Agreement between the parties hereto, adjusted the jurisdiction over the 2017 Property and such property was ceded by Chattanooga to Collegedale by that Agreement, and at all times since the 2017 Property has been in Collegedale and is currently occupied by a Chick-Fil-A Restaurant; and

WHEREAS, the 2017 Property is owned by Versailles Land and Development Co., LLC, which also owns a contiguous property at 8883 Old Lee Hwy., Ooltewah, TN 37363 (the "2026 Property", a description of which is attached as **Exhibit A** hereto), adjacent to the Chick-Fil-A which Versailles Land Development Co., LLC has also requested the City of Chattanooga to deannex in the fall of 2025 which was denied by Chattanooga; and

WHEREAS, the two municipalities represented herein believe that it is better public policy for the parties hereto to adjust their boundaries so that the 2026 Property is placed within the municipal boundary of Collegedale.

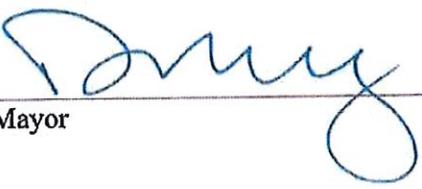
WHEREAS, the municipal boundaries between the two parties hereto are contiguous and such boundaries are not in line with the street and lot layout of the municipalities. Accordingly, the parties hereto desire to adjust such 2026 boundaries by contract between themselves so as to avoid confusion and uncertainty about the location of the contiguous boundary or to conform the contiguous municipal boundary to an existing public right-of-way by the municipal boundaries being adjusted so that the jurisdiction over the Property is consistent with the general situation of the jurisdictional boundaries in that area.

NOW, THEREFORE, for and in consideration of the mutual covenants, conditions, and promises expressed herein, Chattanooga and Collegedale agree as follows:

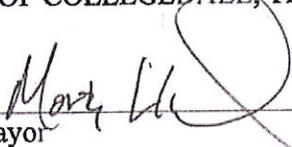
1. Chattanooga and Collegedale agree to modify their respective boundaries for the reasons described above by Chattanooga relinquishing municipal jurisdiction over the 2026 Property depicted in the attached Exhibit A and Collegedale assuming municipal jurisdiction over the same.
2. In consideration of the adjustment of the boundary contemplated herein, and to provide Chattanooga with a certain aspect of the financial benefit of any additional development of the Property other than its current use as overflow parking, Collegedale agrees as follows: Collegedale will pay Chattanooga the cash equivalent of three (3) years of one hundred (100%) percent of the local option sales tax and real property tax effective on January 1, 2026, then the equivalent of the tax collections for the Property as described above for 2026, 2027, and 2028 will be paid to Chattanooga in the event that this property generates sales tax from any business operations on the parcel depicted in Exhibit A. No local sales tax will be due Chattanooga from the existing Chik-fil-A restaurant which is currently located within the City of Collegedale based on the 2017 Interlocal Agreement between the parties.
3. Collegedale agrees to provide payment to Chattanooga within thirty (30) days after tax payments are provided under this Interlocal Agreement to Collegedale by the property owner as a result of this boundary line adjustment. In the event there is any question over the amount of real property or sales tax equivalent payments due to Chattanooga, Collegedale shall provide audit information for all taxes collected within seven (7) business days of any request by Chattanooga Finance or Audit employees.
4. From and after ten (10) days from the date of this agreement, the 2026 Property will be included within the limits of the City of Collegedale based on this boundary adjustment.
5. By the execution of this document, Chattanooga and Collegedale each represent that their respective governing bodies have approved this Agreement.

THIS the 2nd day of March, 2026.

CITY OF CHATTANOOGA, TENNESSEE

By: 
Mayor

CITY OF COLLEGEDALE, TENNESSEE

By: 
Mayor

PETITION FOR DEANNEXATION

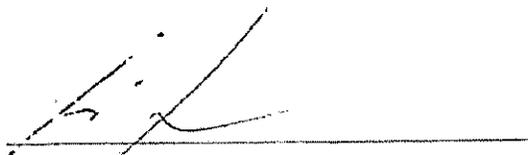
I, Versailles Land and Development Co LLC, sole owner of tracts of property in Hamilton County, Tennessee, more fully described as follows:

BEGINNING AT A 1/2" IRON PIN SET IN THE RIGHT OF WAY LINE INTERSECTION OF INTERSTATE 75 AND LEE HIGHWAY, THENCE WITH THE SOUTH RIGHT OF WAY LINE OF LEE HIGHWAY SOUTH 66 DEGREES 37 MINUTES 02 SECONDS EAST A DISTANCE OF 211.00 FEET TO A 1/2" IRON PIN SET; THENCE LEAVING SAID RIGHT OF WAY LINE ACROSS THE PARENT TRACT, RECORDED IN GI BOOK 10193, PAGE 988 SOUTH 22 DEGREES 47 MINUTES 39 SECONDS WEST A DISTANCE OF 199.18 FEET TO A 1/2" IRON PIN SET IN THE NORTH RIGHT OF WAY LINE OF OLD LEE HIGHWAY; THENCE WITH SAID NORTH RIGHT OF WAY LINE WITH A CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 339.73 FEET, WITH A RADIUS OF 954.74 FEET, WITH A CHORD BEARING OF NORTH 84 DEGREES 32 MINUTES 23 SECONDS WEST, WITH A CHORD LENGTH OF 337.94 FEET TO A 1/2" IRON PIN SET AT THE RIGHT OF WAY LINE INTERSECTION OF OLD LEE HIGHWAY AND INTERSTATE 75; THENCE ACROSS THE STATE OF TENNESSEE RIGHT OF WAY AREA, AS FOLLOWS: NORTH 86 DEGREES 01 MINUTES 21 SECONDS WEST A DISTANCE OF 147.50 FEET TO A 1/2" IRON PIN SET; THENCE NORTH 02 DEGREES 51 MINUTES 29 SECONDS EAST A DISTANCE OF 46.50 FEET TO A 1/2" IRON PIN SET; THENCE SOUTH 86 DEGREES 15 MINUTES 42 SECONDS EAST A DISTANCE OF 186.82 FEET TO A 1/2" IRON PIN SET IN THE WEST LINE OF SAID INTERSTATE 75, SAID POINT ALSO BEING 167.94' FEET± RIGHT OF INTERSTATE 75 RAMP B CENTERLINE STATION 22+81.03 OF TOOT ROADWAY PLANS PROJECT NUMBER NH-I75- 1(103)12"); THENCE WITH SAID RIGHT OF WAY LINE NORTH 43 DEGREES 04 MINUTES 29 SECONDS EAST A DISTANCE OF 261.09 FEET TO THE POINT OF BEGINNING.

HAVING AN AREA OF 68,539 SQUARE FEET, 1.574 ACRES, MORE OR LESS.

Which tracts are adjacent to the current City limits which is located at City of Chattanooga, Tax Map No. 131 082.18, more particularly described as OLD LEE HWY OUT OF ROW FOR 2025, as recorded in the Hamilton County Register of Deeds Office, do hereby petition said City to be de-annexed thereto by Ordinance, pursuant to the provisions of Tennessee Code Annotated § 6-51-201.

This the 24 day of SEPTEMBER 2025.

A handwritten signature in black ink, appearing to be "A. L.", is written over a horizontal line.

RESOLUTION #564

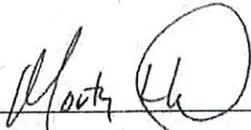
A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A REVISED INTERLOCAL AGREEMENT BETWEEN THE CITY OF CHATTANOOGA AND THE CITY OF COLLEGEDALE WITH REGARD TO ADJUSTING BOUNDARIES IN THE CITY OF COLLEGEDALE ON PROPERTY LOCATED AT 8883 OLD LEE HIGHWAY, OOLTEWAH, TN 37363

WHEREAS, on January 5, 2026, the City Commission approved Resolution #556, authorizing the Mayor to execute an Interlocal Agreement between the City of Chattanooga and the City of Collegedale with regard to adjusting boundaries in the City of Collegedale on property located at 8883 Old Lee Highway, Ooltewah, TN 37363, as attached to said Resolution, for the good and sufficient policy reasons stated therein; and

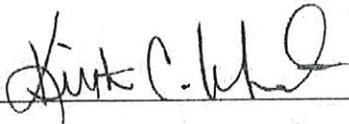
WHEREAS, subsequently, the City of Chattanooga has approved a slightly revised version of said agreement, which is attached hereto; now, therefore,

BE IT RESOLVED BY THE COLLEGEDALE CITY COMMISSION that the Mayor is hereby authorized to execute the revised Interlocal Agreement between the City of Chattanooga and the City of Collegedale with regard to adjusting boundaries in the City of Collegedale on property located at 8883 Old Lee Highway, Ooltewah, TN 37363, as attached hereto.

This the 2nd day of March, 2026.

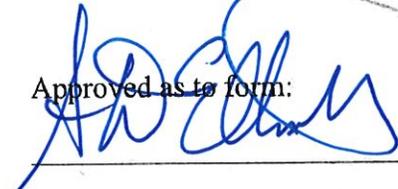


Mayor



Attest: City Recorder

Approved as to form:



City Attorney