



Gay Street theater moved to fast track Transit center will become separate project

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The announcement by Mayor Bill Haslam that a joint movie theater/transit center project in downtown Knoxville has been split in two was good news to business owner Nanci Solomon.

"I know a lot of customers who live in South Knoxville and the Bearden area who've said they'd go to a movie theater here rather than out in West Knoxville," Solomon said. "Plus you've got all the University of Tennessee students. I think we could support one."

Solomon's comments came in response to Haslam's announcement Tuesday morning that the proposed theater on the 500 block of Gay Street had been put on the fast track by separating it from plans to combine it with the transit center.

Solomon, who owns the Market Square consignment clothing store Reruns, hopes the movie theater will bring more business to the downtown area. "I know the combination of the two (cinema and transit center) was going to hold it up a couple of years," Solomon said.

One of Solomon's customers, Kathy Broders, said she's lived downtown for 18 years and fondly remembers when the area had enough retail outlets, dry cleaners and grocery stores to allow residents to pick up most essentials without driving. It's changed for the worse, but it's hopefully coming back," she said. "There was all kinds of shopping, which just all of a sudden left."

Haslam said the transit center is still a top priority for the city but will be located elsewhere. "We had long contemplated combining the two," Haslam said. "We are going to build the transit center in the heart of downtown."

The city will evaluate alternate downtown sites for the transit center, but "the driving force in designing the center will be to accommodate transit options."

Haslam said the city is in the midst of discussions with two theater operators about running the cinema complex. When asked about the cost of the revised project, Haslam replied: "We really don't know because we've just begun the process to split them."

Estimates for the transit center alone have called for as much as \$17 million. The city will also have to decide what to do with the Gay Street property in light of its historical value, Haslam said. Options include using the entire structure, keeping the facade or simply doing away with it, he said.

The property is sandwiched between the Farragut Building and Fidelity Bank and Trust. In the past, it has been the site of an antebellum mansion, an early 20th century movie theater, hotels and a slew of businesses including the S & W Cafeteria.

Also, a report from the University of Tennessee's Archaeological Research Library has indicated that some areas of the 500 block have "archaeological potential." Once those issues are resolved, Haslam said, "It's full speed ahead."

Urban planners George Crandall and Don Arambula, who reviewed plans initiated by the "Nine Counties. One Vision." process with City Council members earlier this month, said time was of the essence if revitalization efforts built around the cinema are to be successful.

The Gay Street plans call for a grocery store, specialty retailers, a cluster of restaurants and an anchor department store in addition to the cinema.

The property slated to become a theater is owned by Knox County and the details of how it will be managed haven't been worked out yet, according to county spokesman Mike Cohen.

"As a part of that, we'll have to be a partner in some way. We'll have to work out how," Cohen said. "It could be we just give it to them, could be a long-term lease, could be a swap for other property. Nothing is on or off the table. But (County) Mayor (Mike) Ragsdale and Mayor Haslam have talked and we intend to be extremely supportive of efforts to redevelop downtown."

City Councilman Joe Hultquist, who has been one of the principal figures in downtown redevelopment issues, said he was pleased at the decision to split the projects. He said the Gay Street property wasn't a good location for both a cinema and transit center. He suggested a better location for the transit center might be a few blocks to the north on Jackson Avenue or Depot Street. "We need to look seriously at access to rail," Hultquist said.

The transit center qualifies for U.S. Federal Transit Administration funds to cover 80 percent of construction costs of certain functions. Haslam said part of the FTA money had already been spent on the site but some would be "transferable" to a new location once it's chosen.

City spokeswoman Amy Nolan said about \$560,000 of the federal funds have been spent to date on transit center planning. More than half of it can be shifted to the new site once its chosen, she said, but certain site-specific costs such as environmental and engineering studies can't be moved.

"The costs that are site-specific are just slightly over 1 percent of total project costs, so we want to emphasize that wasn't a reason not to make the right decision," Nolan said.

"We do have the funding in hand to take us all the way up to construction."

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