

## Statement from Pigeon Forge City Manager Earlene Teaster July 11, 2024

Eminent domain is an unfortunate but necessary process. For eight months, the city of Pigeon Forge has been the subject of relentless accusations associated with a 1,047-square-foot commercial property, not a primary residence, located at 362 Ogle Dr. During this time, the City of Pigeon Forge has diligently attempted to reach a financial resolution with owners Doug and Mika Race by issue of just compensation.

For more than 30 years, the City of Pigeon Forge has worked toward providing Pigeon Forge residents with a much-needed alternative route to bypass Parkway traffic. To meet this need, the City Commission approved the building of the Westside Connector. To help determine its path in relation to Ogle Drive, residents were invited (via public media notices and individual door hangers placed on approximately 50 tracts) to attend a public meeting on Oct. 26, 2021. Based on public comments and the recommendations of the city's engineering firm, it was determined that in the best interest of Freedom Baptist Church and the Pigeon Forge Care and Rehabilitation Center nursing home, the Westside Connector's final route would travel through 362 Ogle Dr. The route was presented and approved in a Pigeon Forge City Commission meeting on Nov. 22, 2021.

On Aug. 17, 2022, the property at 362 Ogle Dr. was purchased by Doug and Mika Race of Chillicothe, Ohio, for \$306,000 as an investment property, nine months after the Pigeon Forge City Commission approved the final Westside Connector route. Pigeon Forge city staff has been in ongoing discussions with the Races since March 2023 to negotiate the purchase of the property and provide compensation to the Races.

As part of this process, the property was appraised, as a commercial property, not a residential property, at a value of \$489,665. To date, the Races have not submitted an alternate appraisal of the property. In an effort to provide compensation to the Races, in October 2023, the City offered \$490,000, and the Races counter-offered with \$3 million. The City countered with \$539,000 (an offer that represents a value of \$514 per square foot). The Races countered at \$1.5 million. After 17 months, attempts to reach a financial resolution have proven unsuccessful and will be determined by court action. The City was sympathetic to the Races' financial obligations to the property, and in the interim (before work would begin on the Westside Connector in the Ogle Drive area), the Races could have offered the property as an overnight rental, as was their original intent, to derive and collect income from the property. The Races declined.

Since the Races elected not to utilize the property, the City elected to move forward with plans for the Westside Connector. On Jan. 12, 2024, the City of Pigeon Forge filed a petition for condemnation of the property at 362 Ogle Dr. At this time, the amount of damages, \$490,000 (determined and equal to the appraised value), was deposited to the clerk of the court with this filing.

On March 16, the city attorney filed a notice of hearing to take place on May 6 in which a request for possession of the property was submitted. Late on May 3, via their attorney, the Races agreed to vacate the property, allowing the city to take ownership. The Races requested and received 30 days to vacate the property. The order of possession (dated May 6) was recorded on June 6, 2024, with the register of deeds.

On July 10, the city attorney received a motion to draw down funds on deposit for the court to pay off the Races' mortgage. The city has maintained it would not oppose the court clerk paying off the mortgage once it is instructed to do so by the court.