



Australia Pavilion,  
1982 World's Fair,  
Knoxville

# Peaks and the Valley

BY SARA C. SHOEMAKER

Twenty-five years  
after its initial splash,  
development ripples  
from the 1982  
World's Fair return  
to their source

**B**ack in 1982, the City of Knoxville pulled off a major coup. Years of planning went into its valiant effort to bring the World's Fair to a town that, at the time, was suffering a black eye to its image. Referred to as the Atlanta of the New South 80 years earlier, Knoxville had spiraled down to what one *Wall Street Journal* reporter deemed a “scruffy little city on the banks of the Tennessee River.”

That jab was partly in reference to a rundown railroad yard spanning 72 acres in the lower Second Creek Valley sandwiched between the University of Tennessee campus and downtown proper—an area that then-city mayor, Randy Tyree, described as a “sight sore.”

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HISTORICAL SOCIETY/KNOXVILLE

“The economic vitality of [downtown’s] Gay Street was hurting [as well],” Tyree says. “There was just nothing good about it.”

Bringing the fair to Knoxville turned the city upside-down in more ways than one. True, lots of work had to be done, including the

transform the rail yard into a grand expo center complete with the Tennessee Amphitheater and the golden-windowed Sunsphere, still a distinctive presence on Knoxville’s skyline.

Tyree referred to it as a six-month party, a feat he remains very

its (not visitors as often reported). The subsequent fair held in New Orleans went bankrupt.

Many of the same names attached to the funds raised to put on such an event back then are still headliners today—Jim Clayton of Clayton Homes, Pilot Corp’s Jim

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renovation of old buildings and completion of the convergence of Interstates 40, 75 and 640 (still referred to by locals as Malfunction Junction).

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proud of 25 years later. Smartly themed “Energy Turns the World,” the fair showcased the Tennessee Valley Authority, Oak Ridge National Laboratory and UT-Knoxville and has been considered by most a success. It was certainly the best-attended World’s Fair in its history, clocking 11 million vis-

Haslam and S. H. “Bo” Roberts Jr., who served as the fair’s executive committee president and was recently appointed campaign chairman of Nashville Vice Mayor Howard Gentry’s mayoral bid. Even developer and former two-time city mayor Kyle Testerman’s name often resurfaces in various media reports.

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The city and its residents expected the fair to act as a launch pad for the revitalization of downtown Knoxville into an international haven for new business and continued development and growth that would resonate across the region. After all, even proverbial black eyes fade. But then, the day after the Fair closed, the banking empire run by brothers Jake and C. H. Butcher, which held \$30 million in loans associated with the fair, came crashing down.

In the aftermath, several proposals to further develop the World's Fair site came and went with little or no action. In 2002, during Mayor Victor Ashe's final term, Knoxville voted to spend \$20 million on a new convention center adjacent to the fair site. "The jury is still out on whether that was a good use of the land," says Bruce Wheeler, a UT history professor who wrote the book *Knoxville, Tennessee*.

Other options on the table included a hotly contested plan to erect Universe Knoxville, a planetarium that the city hoped would do for downtown what the Tennessee Aquarium did for Chattanooga.

Ashe finally gave the green light to Chattanooga developers Kinsey Probasco Hays. For Jon Kinsey, senior partner with the firm, this marked "the beginning of a new development attitude change. They started making decisions," he says.

But, it wasn't the World's Fair Park site where Kinsey saw the most potential. It was Market Square, a five-block, one-time center of Knoxville commerce within earshot of Gay Street that had "given way to padlocks and pigeons," he says.

The \$55-million Market Square plan has worked, or is working—as with any rehabilitation project, it's always a work in progress.

"Everything projected in the plan has happened," Kinsey says, such as a Regal Cinemas movie theater on Gay Street that is set to open this summer and living spaces, including Kinsey's \$7 million mixed-use, 24-unit condominiums called The Residences at Market Square, to be completed in September.

The success of Market Square has trickled down to the Second Creek Valley, a.k.a. the World's Fair Park, and is finally getting the attention that the politicians and business leaders of 1982 had anticipated. And again, Kinsey Probasco Hays will bring it on, starting with some nips and tucks for the two major Fair icons, the amphitheater and the Sunsphere.

The city's sale of the fair site's Candy Factory and a nearby row of Victorian houses, a decision led by current Knoxville mayor, Bill Haslam, generated \$1.82 million earmarked in January to restore the Sunsphere. When construction is completed this fall, the Southern Graces catering and food services firm plans to move into the sphere, and the observation deck will be reopened to the public. The rest of the four-floor, 12,000-square-foot ball will be used as office space. Additionally, the Kinsey firm-owned Candy Factory, located next door to the Knoxville Museum of Art, sold all its 47 condo units in three hours.

"[Former mayor] Ashe may have gotten us involved, but it's Bill Haslam who has taken it to a whole new level," Kinsey says.

In a perfect world, the end of the 1982 World's Fair would have been followed directly by redevelopment, with no bank scandals or other setbacks, Tyree says. "But we don't live in a perfect world." It only took 25 years for the City of Knoxville to truly benefit from its major coup. **tn**


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