

Knox County Unified Development Ordinance East Tennessee REALTORS® Priorities for Smart Growth

East Tennessee REALTORS® is a regional trade association that represents thousands of residential and commercial real estate practitioners involved in all facets of the industry. As an advocate for more than 6,300 members across 12 counties, the Association works to support legislation, policy, and regulations that promote and protect a dynamic local real estate market and foster home ownership and investment opportunities for qualified purchasers of real property.

We're growing. Smart planning can ensure that growth in Knox County is well-managed and benefits our community.

Knox County has experienced historic increases in population, especially accelerating in the past five years after the pandemic. Thanks to future-forward planning and a cooperative effort from many local, state and regional organizations and government, that growth also brought economic expansion, jobs and corporate investments and catapulted our region into the national spotlight. Knox County is a wonderful place to live, work and invest.

In 2022, Knox County kicked off the <u>Advance Knox</u> project in an effort to proactively plan for that growth. For the first time, the county is creating an integrated land use and transportation plan to unite community leaders, elected officials, business owners and residents behind one cohesive vision for the future of the county – and in cooperation with the City of Knoxville and the City of Farragut.

Thousands of residents and leaders gathered in hundreds of community input, workshop and revision sessions, creating a growth policy plan and a comprehensive plan to shape the county. The next step is to codify that plan into reality through the creation of a Unified Development Ordinance.

What is the Unified Development Ordinance?

The new Unified Development Ordinance (UDO) will combine previously separate standards including the zoning ordinance, subdivision regulations, stormwater management and landscape code to provide one central, practical set of standards that guide all development in Knox County.

The UDO will take the priorities, future land use intentions and community-sourced vision in the Advance Knox Comprehensive Plan and translate them into codes that shape future growth and development accordingly.

East Tennessee REALTORS® hopes to help shape a UDO that encourages development of vibrant residential, commercial and industrial neighborhoods, diversity of housing types, multiuse districts, walkability and access to transport as appropriate in each unique area of Knox County. The code should:

- Use clear and consistent language that reduces ambiguity and focuses on enabling intended outcomes
- Avoid overly specific restrictions that cause hardship for builders and developers attempting to comply and the staff who must enforce them
- Improve review and approval processes to reduce unnecessary delay and expense

Several specific priorities and needs have emerged as East Tennessee REALTORS® has gathered input from its members and related industry professionals as follows.

Create zoning that defines and supports the planned growth areas in the Advance Knox Comprehensive plan.

The future land use classes mapped out in the Advance Knox Comprehensive Plan lay out the intended uses for each area of Knox County, from industrial complexes to park spaces to residential neighborhoods.

An increase in residential and commercial density along growth corridors is intended to create a better quality of life and alleviate infrastructure demands in the most desirable living areas.

The Advance Knox Comprehensive Plan preserves county character and green space while allowing residential growth by increasing the density of homes along major corridors.

However, the current zoning ordinance does not support these intended uses. The UDO process should endeavor to design code that intentionally allows for appropriate development.

Currently, existing designations inherited from many years of inconsistent interpretation and spot zoning have resulted in a patchwork of requirements that do not allow for the desired development or would potentially allow unwanted uses in the future.

This can be solved through overlays, the creation of a growth zoning designation or form-based code to achieve the desired result in the planned growth areas and reduce requirements imposed on development without sacrificing character.

Utilize form-based code to encourage good design while enabling diversity of building types, especially in residential zones.

The visual character of many of Knox County's most beloved districts and neighborhoods relies on varied architectural techniques and design approaches that create a feeling of charm and uniqueness.

The UDO should incorporate form-based code to achieve the desired standard of design without relying on current overly restrictive dimensional requirements and lot size restrictions that often result in the type of "cookie cutter" look that many commenters in the Advance Knox process hoped to avoid.

For residential development, overly specific design standards often result in added cost for homebuyers and worsen the existing affordability crisis. Encouraging more workable regulations for housing is instrumental to improving the accessibility of the housing market in Knox County.

Many studies, including pilot programs conducted by Knox County, have shown that including varied income levels in neighborhoods vastly improves quality of life for families.

Form-based code can intentionally allow diversity of housing types and densities in neighborhoods that gives more residents the opportunity to own a home, live near jobs, education and amenities, form crucial supportive relationships and connection with their neighbors and generate economic success.

Incentivize the types of development called for in Advance Knox by simplifying zoning requirements, allowed uses and density.

During the Advance Knox process, a need and desire was collectively expressed for more variety of development in planned growth areas including mixed-use commercial/residential projects and a wider range of housing types. However, these projects are not currently being built at the desired scale and pace in Knox County because they incur a prohibitive amount of cost, lengthy approvals and complicated processes.

In addition, uncertainty about the outcome of zoning decisions at commission causes a layer of risk that lenders, buyers and sellers mitigate by adding lengthy timelines and conservative financial conditions to contracts.

For example, the new land use plan currently clashes with existing zoning in planned growth areas. In many residential cases, several allowable densities apply for one lot. The project applicant must request their desired density, which is ultimately reviewed and approved by Knox County Commission. Emotionally and politically charged discussion at voting meetings often results in reduced density or added requirements. This creates inconsistency, confusion and a lack of trust in the integrity of the process. Projects should automatically be approved for "up to" the maximum allowed density through use on review.

Additionally, neighbors often block commercial zoning out of fear of what might be put there in the future, due to broad and obscure categories of allowed uses. To solve this challenge, zoning in the designated growth areas should specify desired uses.

Lastly, the level of uncertainty, added cost and complication favors projects with robust funding and staff, effectively ensuring that small local business are unable to succeed.

These issues can be fixed by clarifying what is allowed and approving plans as long as the application meets requirements, which also incentivizes developers to comply with the desired parameters.

This approach can apply to affordability of commercial rental and multifamily projects as well, offering pre-determined flexibility in zoning requirements in exchange for guaranteed affordability parameters (similar to the current process for tax incentive agreements).

Simplify processes, remove ambiguity and clarify intent to improve the application, review and approval processes for development.

Ambiguity in the code creates inefficiency and confusion between Knoxville-Knox County Planning staff, Planning Commission, Knox County Commission and Knox County Engineering recommendations and approvals, especially as they relate to inconsistencies between existing residential and commercial land use plans.

The ordinance overhaul is an opportunity to examine those processes for potential streamlining. East Tennessee REALTORS® hopes to see improvements incorporated into the UDO to simplify the application, design and approval process, including as it relates to common sources of confusion and inconsistent application of ordinances such as stormwater, roadway and landscape and the Hillside Protection overlay.

East Tennessee REALTORS® applauds the efforts of the Knox County staff, Knoxville-Knox County Planning staff, the Knoxville Chamber and the many partner organizations working on Advance Knox to continue to make Knox County a vibrant, thriving community. We look forward to supporting the Universal Design Ordinance process as we work together to plan for the future.