



**KNOXVILLE/KNOX COUNTY METROPOLITAN PLANNING COMMISSION
PLAN AMENDMENT/REZONING REPORT**

▶ **FILE #:** 4-H-07-RZ
4-C-07-PA

AGENDA ITEM #: 78
AGENDA DATE: 4/12/2007

▶ **APPLICANT:** PROCTOR PROPERTIES
OWNER(S): KCDC
KNOXVILLE NEWS SENTINEL

TAX ID NUMBER: 94 J B 013, 016-025, 94JC 003-014, 014.01, 014.02, 015-025, 030-041 & PART OF 094JD009

JURISDICTION: Council District 6

▶ **LOCATION:** Southwest side Western Ave., northeast side Proctor St.

▶ **TRACT INFORMATION:** 20 acres.

SECTOR PLAN: Central City

GROWTH POLICY PLAN: Urban Growth Area

ACCESSIBILITY: Access is via Western Ave., a 5-lane major arterial street, Proctor St., a major collector street with a 22' pavement width within a 70' right-of-way, and New Sentinel Dr., a local street with a 26' pavement width within a 50' right-of-way.

UTILITIES: Water Source: Knoxville Utilities Board
Sewer Source: Knoxville Utilities Board

▶ **PRESENT PLAN DESIGNATION/ZONING:** LDR (Low Density Residential) / R-2 (General Residential)

▶ **PROPOSED PLAN DESIGNATION/ZONING:** LI (Light Industrial) / I-3 (General Industrial)

▶ **EXISTING LAND USE:** Vacant

▶ **PROPOSED USE:** Business Park

EXTENSION OF PLAN DESIGNATION/ZONING: Yes, from the east and west of the site.

HISTORY OF ZONING REQUESTS: None noted

SURROUNDING LAND USE, PLAN DESIGNATION, ZONING

North: Church & Residences / R-2 (General Residential)
South: Industry & Warehouses / I-3 (General Industrial) & C-3 (General Commercial)
East: Industry & New Sentinel / I-3 (General Industrial) & C-3 (General Commercial)
West: Industry & Warehouses / I-3 (General Industrial)

NEIGHBORHOOD CONTEXT: This site is located within the Center City Business Neighborhood Redevelopment Project that includes a mix of industrial, commercial and general residential zoning and uses.

STAFF RECOMMENDATION:

▶ **APPROVE LI (Light Industrial) plan**

Light industrial uses are compatible with surrounding development and zoning pattern that has been established along this section of Western Ave. The current One Year Plan proposes low density residential uses for this site.

▶ **APPROVE I-3 (General Industrial) zoning.**

I-3 zoning is consistent with the surrounding land use and zoning pattern. The current R-2 zoning is inappropriate at this location along Western Ave., which has developed with office, commercial and industrial uses. This rezoning and One Year Plan amendment requests will allow the proposed business park and establish a more appropriate zoning pattern in this area.

COMMENTS:

The proposed rezoning and one year plan amendment requests are part of a redevelopment project by the Knoxville Community Development Corporation (KCDC) and is located within the Center City Business Neighborhood Redevelopment Project. The proposed business park is to be designed for office, light manufacturing, and distribution services (see attached article). The site includes approximately 10 acres owned by KCDC, 5 acres that are privately owned, and 5 acres owned by the Knoxville News Sentinel. Staff contacted the Knoxville News Sentinel and requested that they be included on this application since their property adjoins these properties and there are portions of their property that are inappropriately zoned R-2 (the majority of their property is zoned I-3). By including their property in this rezoning request, a more consistent and appropriate zoning pattern will be established in this area.

NEED AND JUSTIFICATION FOR THE PROPOSAL

1. The surrounding properties are zoned I-3, C-3, and R-2 and developed with light industrial, commercial and related uses between Western Ave. and Middlebrook Pike. The I-3 zoning will allow this site to be developed with the proposed business park uses.
2. I-3 zoning is compatible with the surrounding I-3, I-2, C-3 zoning and development pattern.
3. Development permitted under I-3 zoning is compatible with the light industrial and commercial uses on the surrounding properties.

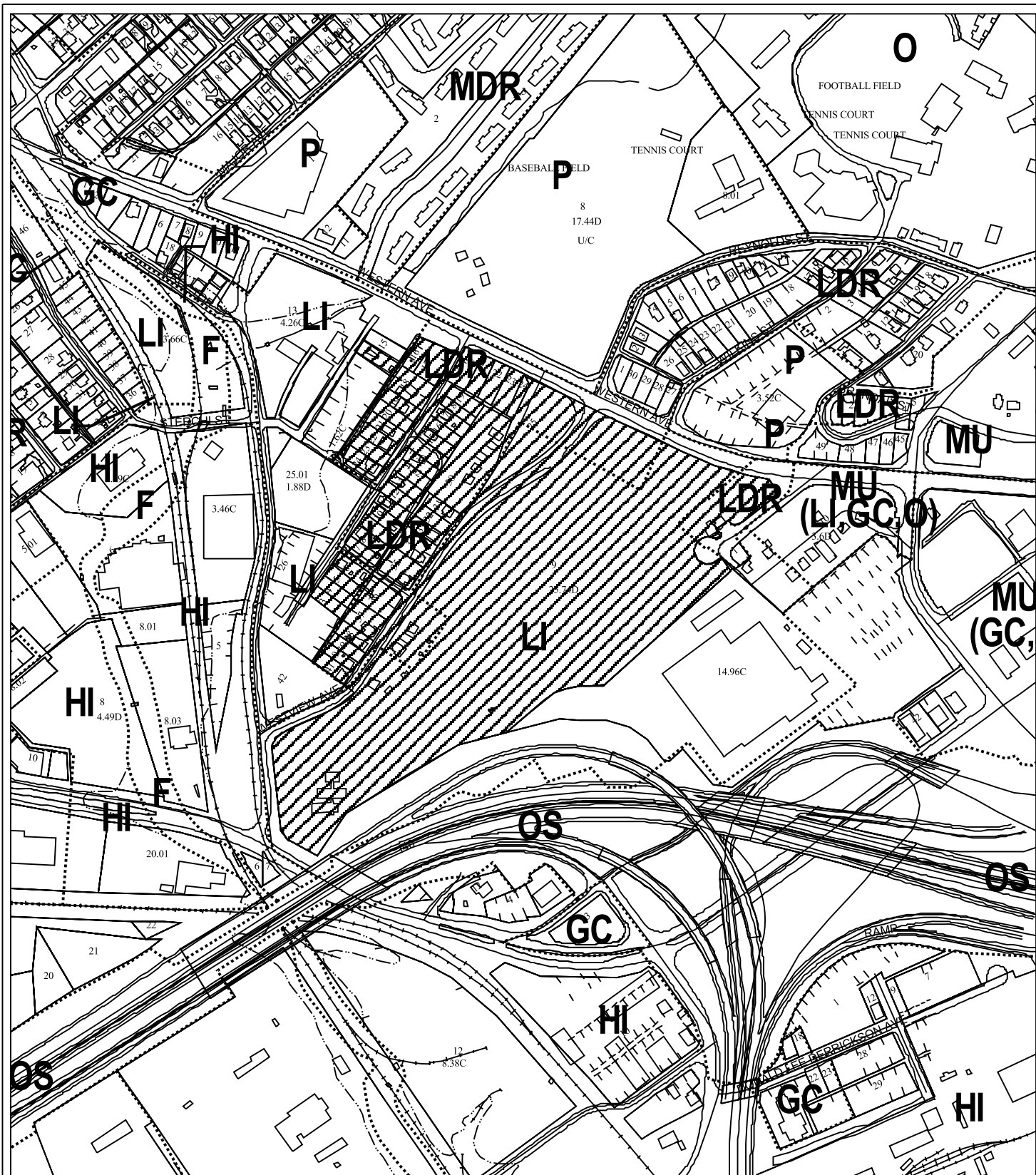
THE EFFECTS OF THE PROPOSAL

1. The proposal is compatible with surrounding land uses and zoning and will have minimal impact on adjacent properties. This rezoning request will establish a more consistent zoning pattern in this area. The current R-2 zoning on these properties is inappropriate at this location along Western Ave.
2. Public water and sewer utilities are available to serve the site.
3. The proposal will impact traffic onto Western Ave. and Middlebrook Pike which are both major arterial streets.
4. The proposal will have no impact on schools.

CONFORMITY OF THE PROPOSAL TO ADOPTED PLANS

1. The one year plan proposed low density residential use for these properties. The requested Light Industrial One Year Plan amendment will permit I-3 as an appropriate zone.
2. The site is located within the Urban Growth Area of the Knoxville-Knox County-Farragut Growth Policy Plan.

If approved, this item will be forwarded to Knoxville City Council for action on 5/8/2007 and 5/22/2007. If denied, MPC's action is final, unless the action to deny is appealed to Knoxville City Council. The date of the appeal hearing will depend on when the appeal application is filed. Appellants have 15 days to appeal an MPC decision in the City.




4-C-07-PA/4-H-07-RZ
 PLAN AMENDMENT

Petitioner: Proctor Properties

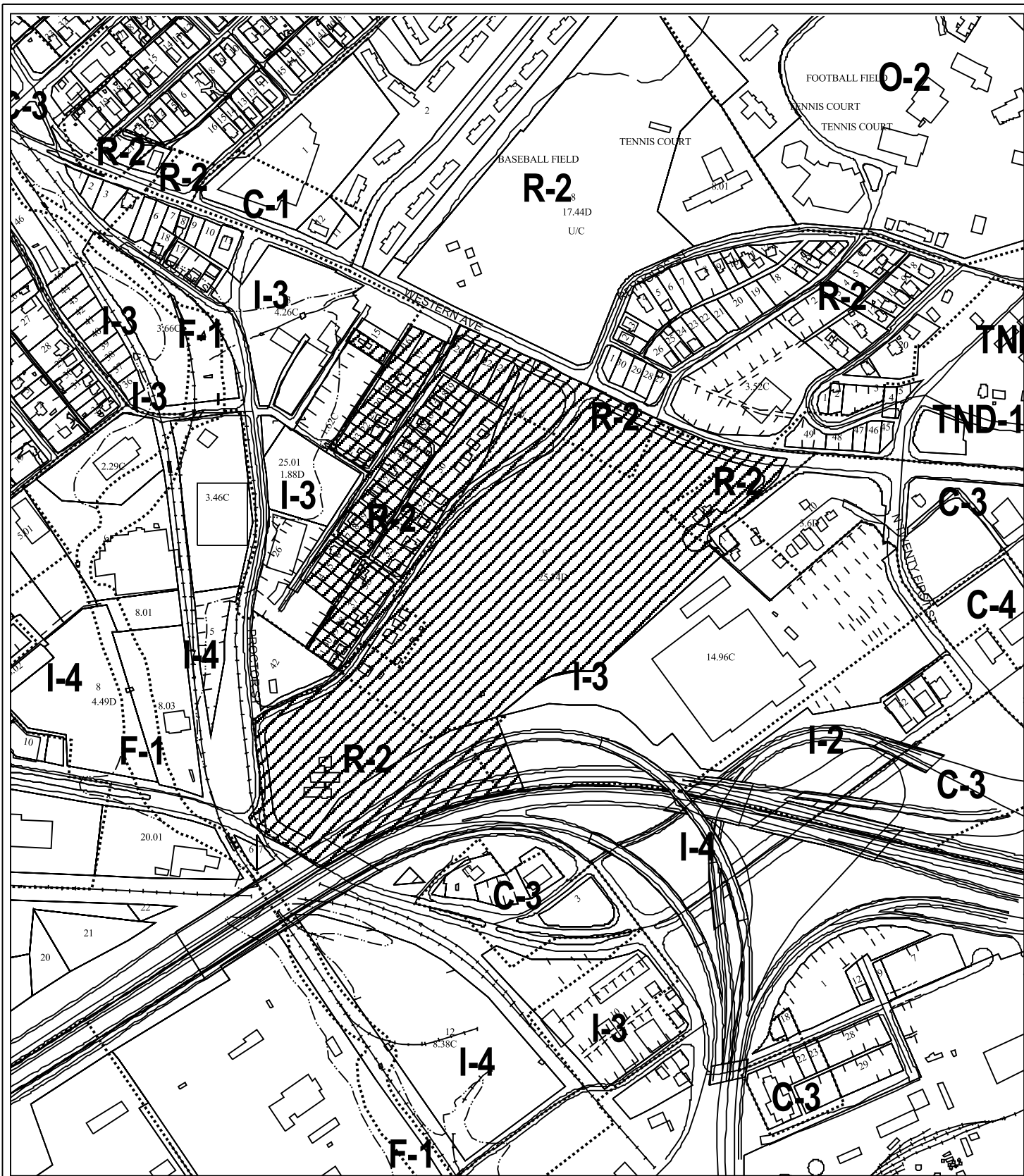
Map No: 94

Jurisdiction: City



 From: LDR (Low Density Residential)
 To: LI (Light Industrial)

Original Print Date: 04/02/07 Revised:
 Metropolitan Planning Commission * City / County Building * Knoxville, TN 37902



**4-H-07-RZ
REZONING**



From: R-2 (General Residential)
To: I-3 (General Industrial)

Original Print Date: 03/29/07 Revised:
Metropolitan Planning Commission * City / County Building * Knoxville, TN 37902

Petitioner: Proctor Properties

Map No: 94

Jurisdiction: City





CLAY OWEN/NEWS SENTINEL

Knoxville real estate investors John Turley and David Fiser plan to develop a business park on a triangular, tree-covered parcel of land bounded by Western Avenue, Proctor Street and News Sentinel Drive. This aerial photo taken in February 2006 shows the Proctor Business Park site just above the News Sentinel building. Shown at lower right is the Knoxville-area Coca-Cola distribution plant next to the Alcoa Highway flyover to Interstate 40 west.

4-H-07-RZ/4-C-07-PA

\$14M business park OK'd

Western Ave. site planned; KCDC also passes Market Square project

BY ROGER HARRIS
harrisr@knews.com

Development plans for a \$14 million business park just west of downtown and a retail-office-residential project of undisclosed value on Market Square were approved Thursday by Knoxville's Community Development Corp.

Proctor Properties LLC, a partnership headed by Knoxville developers David Fiser and John Turley, plan to build a 250,000-square-foot speculative business park on a triangular-shaped site bounded by Proctor Street, Western Avenue and News Sentinel Drive.

Cornerstone Foundation of Knoxville plans to buy and renovate 4, 6 and 8 Market Square. The buildings are on the east side of the square near the intersection with Union Avenue.

The proposed Proctor Business Park is MPC April 12, 2007

designed for office, light manufacturing, distribution and related uses, Fiser said.

"We'll build it in a couple of phases over three or four years," Fiser said.

The first phase would be two buildings with a combined 120,000 square feet of space.

"First we have to finish some engineering and environmental work," Fiser said.

The site includes about 10 acres owned by KCDC and six acres that are privately owned. Proctor Properties has all 16 acres under contract. The purchase of both parcels should close in the next few weeks, assuming the engineering and environmental studies come back clean, Fiser said.

Construction could start in 60 to 90 days. The buildings would

be concrete tilt-up construction with multiple bays and high ceilings.

Although no tenants are under contract, the Proctor Street project should attract plenty of interest given its central location and easy access to Interstates 40, 75 and 640, Turley said.

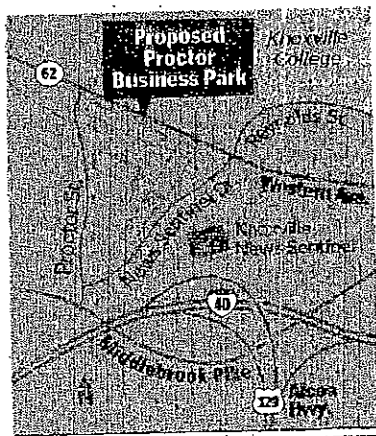
A smaller, but similar project Fiser and Turley completed last year near the intersection of Western and Texas avenues about two miles west of the Proctor Street site was fully leased before construction was finished.

FedEx Ground, Batesville Casket Co. and Superior Pool Products LLC leased the Texas Avenue building.

Their success with the Texas Avenue project prompted the partners to look for other development sites in the Western Avenue corridor, Turley said. Brokers John Rebori and Pepper Bobo of R.M. Moore Real Estate brought the Proctor site to Turley and Fiser.

"We like this area. . . We have a lot of confidence in this site," Turley told the KCDC board.

Construction of the proposed business park site would essentially complete re-development of the 90-acre Center City



NEWS SENTINEL

See **PARK** on C4

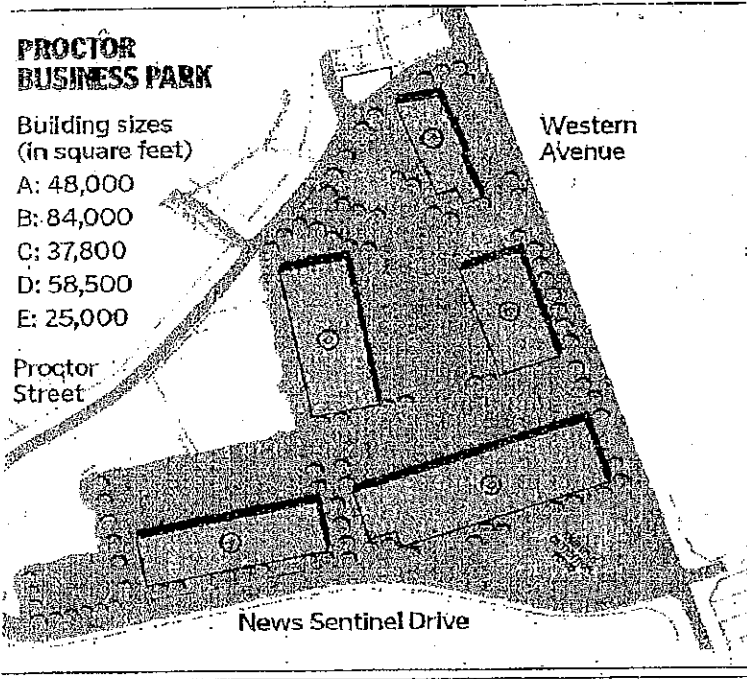
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**PROCTOR
BUSINESS PARK**

Building sizes
(in square feet)

- A: 48,000
- B: 84,000
- C: 37,800
- D: 58,500
- E: 25,000

Proctor
Street



News Sentinel Drive

PARK

from C1

Business Neighborhood Redevelopment Area, said Dan Tiller, KCDC's chief development officer.

Other development in the business neighborhood area includes the \$50 million News Sentinel building, the \$9 million-plus Cherokee Health Systems office at Western Avenue and 21st Street and a \$6.5 million Food City grocery store now under construction at the corner of Western and Leslie avenues.

Cornerstone Foundation's development plans are to combine 4, 6 and 8 Market Square and develop the ground level as a café and "a community gathering space," Cornerstone President Laurens Tullock said.

The second and third floors

would be developed as office and residential.

Financial details are not final, but "it's looking good at this point," Tullock told the KCDC board.

The community space would include a performance area and have seating for about 350.

Various community arts groups that previously met in the Candy Factory have expressed interest in the Market Square project, Tullock said.

The addresses 4 and 6 Market Square are owned by Knoxville businessman Rod Townsend Jr., attorney Donald Bosch and developer David De-whirst; according to the Knox County Property Assessor's Office. AEB Properties LLC owns 8 Market Square.

Assistant Business Editor Roger Harris may be reached at 865-342-6342.



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March 16, 2007

Kelly Schlitz
MPC

Kelly:

As per our discussion, please include the News Sentinel property (parcel 94JD009) in the rezoning request. We would like this parcel to change from R2 to I3 and please include this with the request for Proctor Properties.

Please give me a call if you have any questions.

Sincerely,

Bruce R. Hartmann
President & Publisher