



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

**FILE #:** 6-W-07-RZ  
6-F-07-SP

**AGENDA ITEM #:** 98  
**AGENDA DATE:** 6/14/2007

**APPLICANT:** HOLSTON RIVER PRESERVE, LLC  
**OWNER(S):** HOLSTON RIVER PRESERVE, LLC.

**TAX ID NUMBER:** 43 012  
**JURISDICTION:** Commission District 8

**LOCATION:** East and west sides Arnold Ln., east of Clear Springs Rd.

**TRACT INFORMATION:** 103.3 acres.

**SECTOR PLAN:** Northeast County

**GROWTH POLICY PLAN:** Planned Growth Area

**ACCESSIBILITY:** Access is via Arnold Ln., a local street with 15-18' of pavement width within 40' of right of way.

**UTILITIES:** Water Source: Northeast Knox Utility District  
Sewer Source: N/A

**PRESENT PLAN DESIGNATION/ZONING:** A/RR (Agricultural/Rural Residential) / PR (Planned Residential) at up to 0.5 du/ac

**PROPOSED PLAN DESIGNATION/ZONING:** LDR (Low Density Residential) / PR (Planned Residential) at up to 2 du/ac

**EXISTING LAND USE:** Vacant

**PROPOSED USE:** Residential subdivision

**DENSITY PROPOSED:** 2 du/ac

**EXTENSION OF PLAN DESIGNATION/ZONING:** No

**HISTORY OF ZONING REQUESTS:** A plan amendment from LI to Ag/RR and rezoning from I to PR was approved in fall of 2006 (9-A-06-SP/9-F-06-RZ).

**SURROUNDING LAND USE, PLAN DESIGNATION, ZONING**  
North: Vacant land / LI / I (Industrial) and A (Agricultural)  
South: Zinc mine and quarry / LI / I (Industrial)  
East: Holston River and Jefferson County / Water / F (Floodway)  
West: Dwellings and vacant land / LI / I (Industrial) and A (Agricultural)

**NEIGHBORHOOD CONTEXT:** This area is primarily undeveloped. There are a few dwellings in the area, and there is a large mining operation to the south of the site. Most of the surrounding area is zoned Industrial with some Agricultural. East bridge Industrial Park is located about 1.5 miles west of this site.

**ESTIMATED STUDENT YIELD:** 91 (public and private school children, ages 5-18 years)

**STAFF RECOMMENDATION:**

**APPROVE LDR (Low Density Residential) sector plan designation.**

Low density residential uses are appropriate for this relatively flat site on the Holston River.

► **APPROVE PR (Planned Residential) zoning.**  
**APPROVE a density of up to 2 du/ac.**

PR zoning at the recommended density is compatible with surrounding zoning and appropriate for this particular site.

**COMMENTS:**

**NEED AND JUSTIFICATION FOR THE PROPOSAL**

1. This flat site has frontage on the Holston River and is appropriate for low density residential development at the requested density.
2. The proposed PR zoning is less intense than a significant portion of the surrounding property, which is zoned Industrial. The subject property was previously designated LI and zoned Industrial prior to the 2006 sector plan amendment to A/RR and rezoning to PR (9-A-06-SP/9-F-06-RZ). All of the surrounding property remains designated for LI (Light Industrial) uses on the sector plan, despite the Agricultural zoning on some of the properties to the west along Arnold Ln.
3. PR zoning will require MPC use on review approval of site plans prior to any development of the property. During this review, potential issues such as traffic, drainage, access, topography, lot layout and other development concerns can be addressed.

**THE EFFECTS OF THE PROPOSAL**

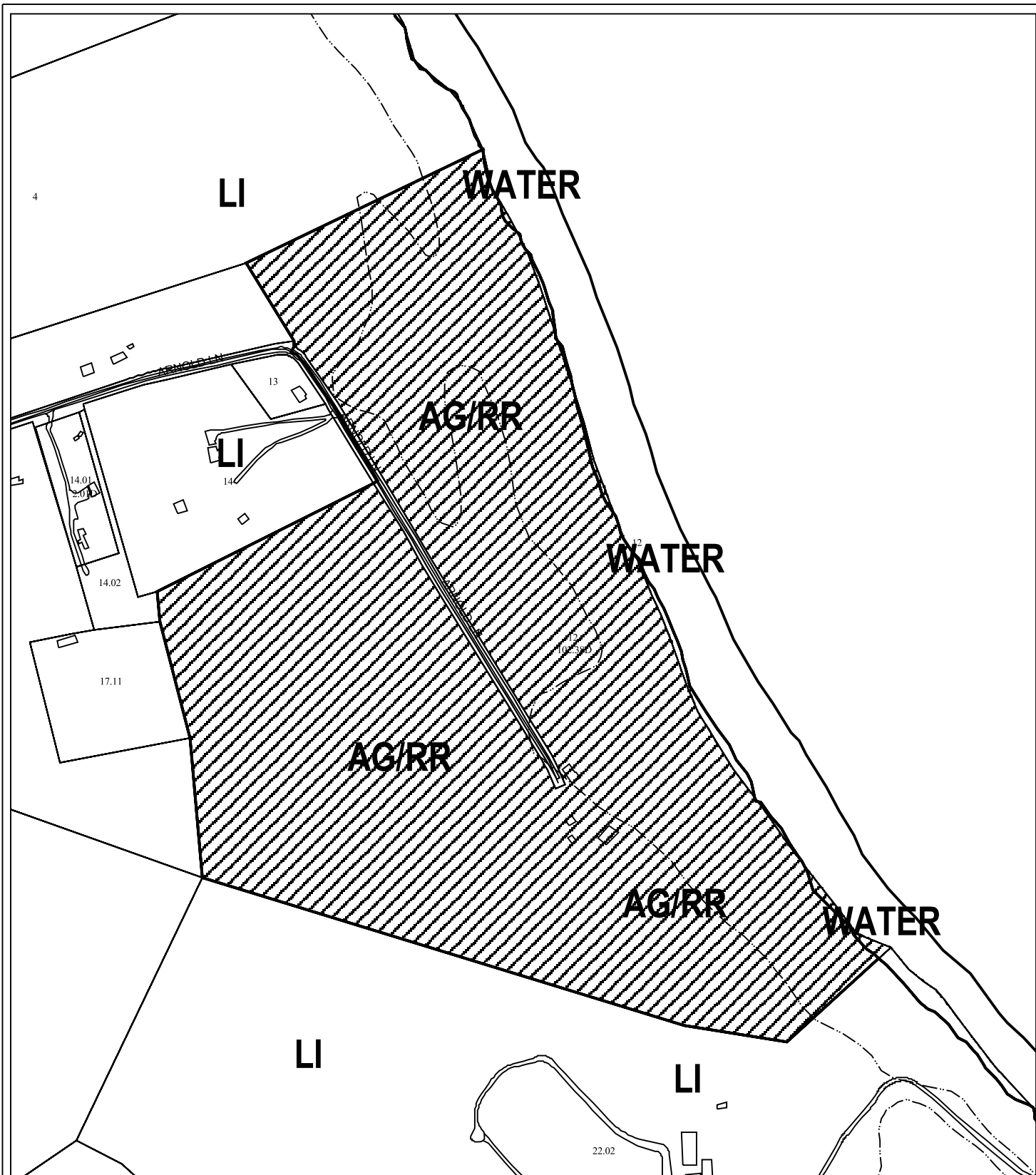
1. Public water utilities are available serve the site. Sewer is not currently available to the site, and will need to be extended to serve this development. The applicant has indicated to staff that KUB sanitary sewer will be extended from the nearby industrial park to serve the development.
2. At the applicant's requested density, up to 206 dwelling units could be proposed on the subject property. The development of detached residential units would add approximately 2,060 vehicle trips per day to the street system and about 91 children school aged children to the school system.
3. Arnold Ln., a local street that is slightly under a mile long leading back to major collector Clear Springs Rd., serves as the sole access to the site. It has a marginal pavement width in some sections to serve the number of residential units that could be proposed. Subdivision of this site into additional residential lots will likely require improvements to Arnold Ln. The applicant will be expected to work with MPC and Knox County Engineering staff in making any improvements to Arnold Ln., as necessary.
4. There is an historic house (circa early 1800's) and barn located on this property at the dead end of Arnold Ln. Staff would expect the applicant to preserve the structure, perhaps using it as an amenity to the development or subdividing it off into its own lot and selling it to someone interested in renovation. An HZ (Historic Overlay) zoning designation would be desirable for this structure. The on-site house was surveyed and recorded in the Historic Sites Survey of Knoxville and Knox County and in two Cultural Resource Plans (1994 being the last one) as National Register eligible. There are also documented Civil War fortifications to the south of this site, which protected the railroad crossing over the Holston River. They are not located on the subject property.
5. The proposal is compatible with the surrounding zoning, and the impact on adjacent properties will be minimized with the use on review / concept plan process. The subject property is surrounded by I (Industrial) zoning, which could be developed with uses that would have a negative impact on the proposed residential use.

**CONFORMITY OF THE PROPOSAL TO ADOPTED PLANS**

1. With the recommended amendment to low density residential, the rezoning request is consistent with the Northeast County Sector Plan.
2. The site is located within the Planned Growth Area on the Knoxville-Knox County-Farragut Growth Policy Plan map.
3. This request may generate similar sector plan and rezoning requests for low density residential in the future on other Industrial or Agricultural zoned properties in this area.

Upon final approval of the rezoning, the developer will be required to submit a concept plan/use on review development plan prior to the property's development. The plan will show the property's proposed lot pattern and street network and will also identify the types of residential units that may be constructed. Grading and drainage plans may also be required at this stage, if deemed necessary by Knox County Engineering and MPC staff.

If approved, this item will be forwarded to Knox County Commission for action on 7/23/2007. If denied, MPC's action is final, unless the action to deny is appealed to Knox County Commission. The date of the appeal hearing will depend on when the appeal application is filed. Appellants have 30 days to appeal an MPC decision in the County.




**6-F-07-SP/6-W-07-RZ  
SECTOR PLAN AMENDMENT  
NORTHEAST COUNTY SECTOR PLAN AMENDMENT**

Petitioner: Holston River Preserve, LLC

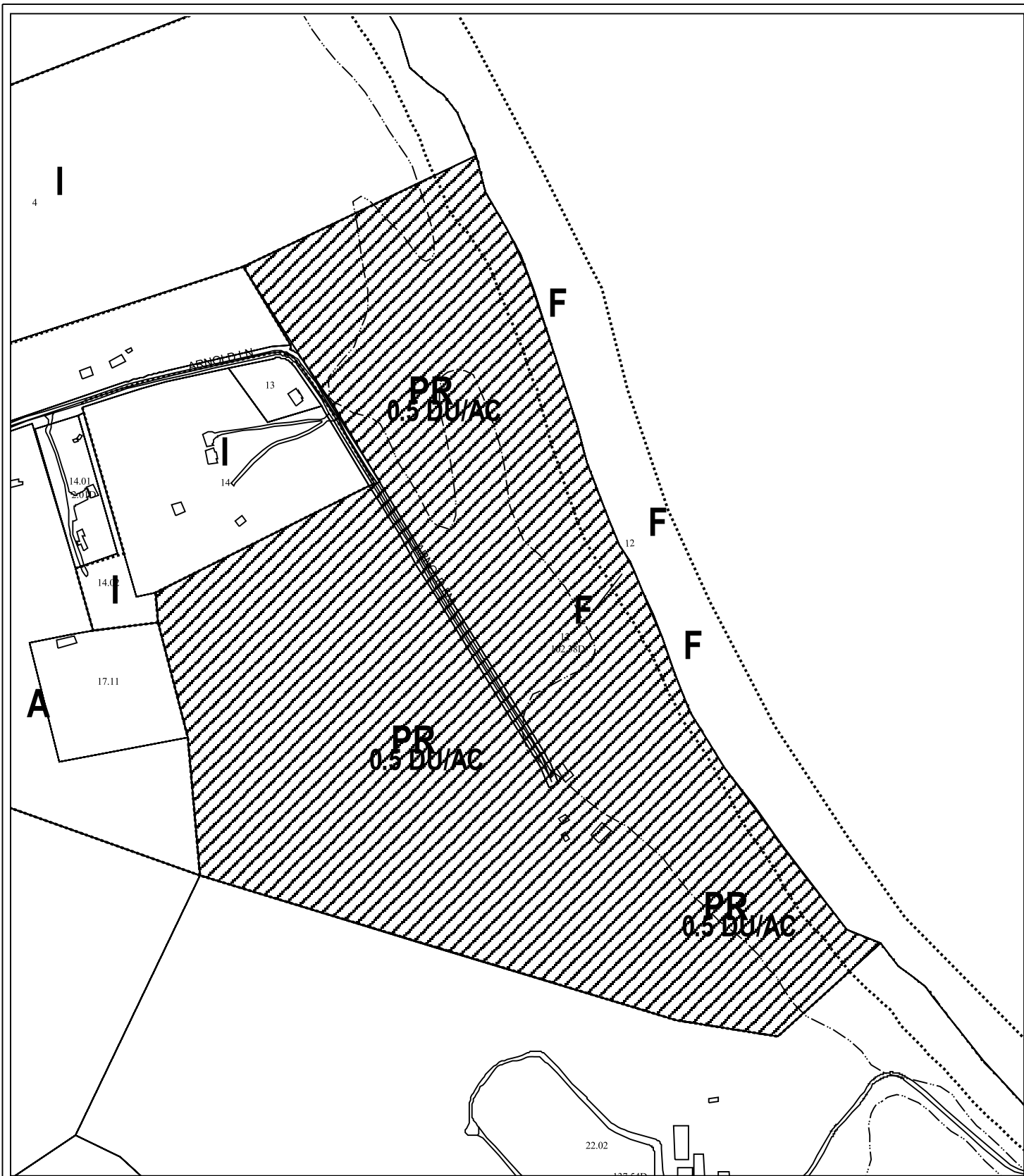
Map No: 43

Jurisdiction: County

 From: A/RR (Agricultural/Rural Residential)  
To: LDR (Low Density Residential)

Original Print Date: 05/30/07 Revised:  
Metropolitan Planning Commission \* City / County Building \* Knoxville, TN 37902





6-W-07-RZ  
REZONING

Petitioner: Holston River Preserve, LLC.

Map No: 43

Jurisdiction: County



From: PR (Planned Residential) at up to 0.5 du/ac

To: PR (Planned Residential) at up to 2 du/ac

Original Print Date: 05/30/07

Revised:

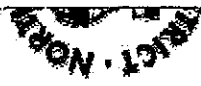
Metropolitan Planning Commission \* City / County Building \* Knoxville, TN 37902



**Agenda Item # 98**

Fax Note	7871	DATE	6-5	PAGES	1
To	Randy Sprouse	From	John Dix		
Dept		Co.	Cannon & Cannon		
Ext #		Phone #	670-8555		
	381-1616	Fax #	670-8866		

**NORTHEAST KNOX  
UTILITY DISTRICT**



6-F-07-SF/  
6-W-07-RZ

June 5, 2007

Dear Mr. Sprouse:

Your proposed subdivision at the end of Arnold Lane is in our service area. Northeast Knox Utility District currently does not have an existing water line along Arnold Lane. To provide service to your proposed development, you will need to connect to the existing 12" water line on Commission Drive and extend it to Clear Springs Road and along Arnold Lane to the proposed development. You will also be responsible for obtaining the necessary easements and any permits needed along this route. It is anticipated that we can provide residential service to your property, however flow for fire protection will need to be reviewed once further information is developed on the configuration of your development. We will have our engineer review the hydraulics of the proposed development at that time.

Sincerely,

Gregg Morgan  
Assistant Manager  
Northeast Knox Utility District

Arthur G. Seymour, Jr.

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From: Daniel Kembel [DKembel@kub.org]  
Sent: Tuesday, June 05, 2007 4:53 PM  
To: Arthur G. Seymour, Jr.; randy@rjsprousellc.com  
Subject: Holston River Preserve

Attachments: Holston River Preserve.pdf



Holston River  
Preserve.pdf (2 .

Mr. Seymour and Mr. Sprouse,

Attached to this email is a copy of the cover letter and capacity reservation agreement for Holston River Preserve. Please review the cover letter and reservation agreement and let me know if you have any questions. The original is in the mail.

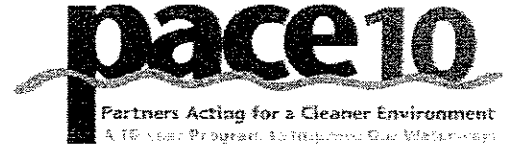
Also, please take note that the reservation agreement ensures that you will have capacity and be able to connect your development to KUB's wastewater system. However, to serve this development an extension of wastewater facilities is also necessary (~4700 feet). As with any extension of wastewater facilities, there are many details and requirements which should be discussed to reduce confusion and delays. If you would like, please contact me and I will be happy to set-up a meeting so that we can discuss this extension. I can be reached at 558-2290. Thanks!

(See attached file: Holston River Preserve.pdf)

Daniel J. Kembel  
Knoxville Utilities Board  
(865) 558-2290



Knoxville Utilities Board



June 5, 2007

Mr. Randy Sprouse  
Holston River Preserve, LLC  
813 Sunnydale Rd  
Knoxville, TN 37923

Dear Mr. Sprouse:

Thank you for your recent inquiry about wastewater service availability for the undeveloped property **Holston River Preserve at Arnold Lane**. Under the Capacity Assurance Program mandated by federal regulators, KUB must review all new wastewater service requests to ensure that our system can adequately serve existing and future customers without contributing to chronic sewer overflows.

KUB reviewed our wastewater system from the property through the treatment plant under strict federal guidelines. The review considered many factors to determine the development's potential impact on our system, existing customers, and the environment. **Based on current conditions in that area, KUB is pleased to inform you that we can provide service to the property.**

You have 60 days from the date of this letter [until July 23, 2007] to sign a Capacity Reservation Agreement and submit a deposit for a one-year reservation. For multi-unit residential developments, the deposit is \$600 (cash, letter of credit, or surety bond) per unit. Your deposit for the proposed development is **\$99,000 (\$600/unit X 165 units)**.

A reservation ensures that you will be able to connect your completed project to the wastewater system. KUB will set aside capacity for your reservation when reviewing future requests in the same area. In other words, another requested development – even one built and in service before yours – won't stop yours from connecting to the system.

In addition to the Capacity Reservation Agreement, to serve your development, an extension of wastewater facilities will also be required. KUB has an existing 10-inch gravity line located at the intersection of Mascot Road and Eastbridge Boulevard, approximately 4700 feet from your proposed development. The details and requirements of this extension are yet to be discussed and should be given the proper consideration in order to reduce future confusion and delays.

Enclosed are a Capacity Reservation Agreement and a sample letter of credit. Please come in at your earliest convenience to further discuss the requirements of the extension, sign the agreement, and submit your deposit.

KUB is committed to serving our community's growth, improving our wastewater system, and helping clean up area streams under the Clean Water Act. We appreciate the opportunity to serve you and your new development. If you have any questions, please call me at the number below.

Sincerely,

Daniel Kembel  
New Service  
865-558-2290

Enclosures: Capacity Reservation Agreement  
Sample Letter of Credit

P.O. Box 59017 • Knoxville, TN 37950-9017 • 1-800-228-4194 [to record a comment] • <http://PACE10.kub.org>



## KNOXVILLE UTILITIES BOARD WASTEWATER SYSTEM CAPACITY RESERVATION AGREEMENT

This Agreement made and entered into this \_\_\_\_\_ day of \_\_\_\_\_,  
2007, by and between the Knoxville Utilities Board (hereinafter  
referred to as "KUB"), an agency of the City of Knoxville, Tennessee  
and  
Holston River Preserve, LLC  
(hereinafter referred to as the "Developer");

**WHEREAS**, as provided for in the City Charter of Knoxville, Tennessee, KUB operates the wastewater system within its defined service territory in Knox County, Tennessee; and

**WHEREAS**, in February 2005, KUB entered into a Federal Consent Decree with the United States Department of Justice, the United States Environmental Protection Agency, and other parties regarding the operation of KUB's wastewater system; and

**WHEREAS**, the Federal Consent Decree requires KUB to implement a Capacity Assurance Program to ensure that all portions of KUB's wastewater system have sufficient capacity to accommodate growth and development in the KUB service territory; and

**WHEREAS**, KUB has developed a Capacity Reservation Program to help ensure compliance with the Capacity Assurance Program; and

**WHEREAS**, Developer desires to develop certain property described herein; and

**WHEREAS**, Developer previously requested a wastewater system capacity review for the proposed development described herein; and

**WHEREAS**, KUB confirmed the availability of wastewater system capacity to serve the proposed development described herein.

**NOW, THEREFORE**, in consideration of the foregoing premises, and the mutual understandings and obligations hereinafter set forth, the parties agree as follows:

1. Developer intends to develop the property at the following location Holston River Preserve at Arnold Lane for residential purposes. For residential purposes, the number of single-family residential units will be 165.
2. KUB will reserve wastewater system capacity for the proposed development to serve the number of single-family residential units, if

development is for residential purposes, or the projected daily flow, if development is for commercial/industrial/governmental purposes, as stated in paragraph 1.

3. This wastewater system capacity reservation shall be valid for a one-year term from the date of this Agreement.
4. **The capacity for these 165 units is available with the tie-in to KUB's system located at the intersection of Eastbridge Boulevard and Mascot Road (location of KUB's existing 10-inch gravity line). Building permits will be available to the Development once the Developer's wastewater design plans are approved, the Developer has completed the wastewater extension per the approved plan, and KUB has accepted the wastewater facilities.**
5. The Capacity Reservation Deposit shall be determined as follows:
  - a. For residential developments: \$600 per unit. **The total deposit for this development is \$99,000 (\$600/unit x 165 units).**
  - b. For commercial/industrial/governmental developments: \$4 per gallon of projected daily flow.
6. The Capacity Reservation Deposit shall be submitted to KUB in the form of cash or KUB approved letter of credit or surety bond. The letter of credit or surety bond must provide for a 30-day notice period to KUB prior to revocation or termination by the issuing financial institution. If KUB receives notice from an issuing financial institution that the Developer's letter of credit or surety bond is terminated, withdrawn, or otherwise unavailable to KUB, then the full amount of the Capacity Reservation Deposit shall be immediately due to KUB in the form of cash. In such a case, KUB reserves the right to draw down the line of credit or surety bond to satisfy the Developer's cash obligation to KUB.
7. The Developer shall submit formal design plans to KUB for the proposed development and execute a Utility Extension Agreement ("Extension Agreement") prior to the expiration of this Agreement. The Developer's capacity reservation shall remain in place for the term of the Extension Agreement. If the Developer does not submit formal design plans and/or execute an Extension Agreement prior to the expiration of this Agreement, the Developer's capacity reservation will be immediately terminated and the Capacity Reservation Deposit shall be forfeited to KUB in total.
8. The Developer shall, at his or her option, be allowed to reduce the number of reserved units or projected daily flow, as applicable, by up to

10 percent prior to the execution of the Extension Agreement by providing written notification to KUB. In the event of such a reduction by the Developer, KUB shall reduce on a pro rata basis the amount of the Capacity Reservation Deposit.

9. The Capacity Reservation Deposit shall be refunded to the Developer during the term of the Extension Agreement as provided herein. For residential developments, the refund shall be equal to the number of billable connections made to the wastewater system during a given year multiplied by \$600. For commercial/industrial/governmental developments, the refund shall be equal to the incremental amount of average daily flow added to the wastewater system during a given year multiplied by \$4. For Capacity Reservation Deposits submitted in the form of a letter of credit or surety bond, the refund shall be in the form of a reduction of the letter of credit or surety bond, as applicable. In no event shall the cumulative amounts of refunds or reductions over the term of the Extension Agreement exceed the amount of the Capacity Reservation Deposit paid by the Developer.
10. The Developer shall not assign, convey, or transfer in any manner its rights under this Agreement without the prior written consent of KUB. KUB's consent to transfer shall be conditioned upon KUB's approval of Developer's assignee, the execution by such assignee of a substitute Capacity Reservation Agreement and delivery of a Capacity Reservation Deposit in the amount required by the substitute Agreement.
11. This Agreement may not be modified or amended except in writing properly executed by an authorized representative of KUB and the Developer.
12. If Developer violates any obligation set out herein, this Agreement and any related capacity reservation will terminate immediately and any remaining Capacity Reservation Deposit shall be forfeited to KUB.
13. This Agreement shall be interpreted pursuant to the laws of the State of Tennessee.

Agreed to this \_\_\_\_\_ day of \_\_\_\_\_ 2007.

\_\_\_\_\_  
HOLSTON RIVER PRESERVE, LLC

\_\_\_\_\_  
KNOXVILLE UTILITIES BOARD

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

**State of Tennessee**

**County of Knox**

Before me, the undersigned authority, a Notary Public of the State and County aforesaid, personally appeared \_\_\_\_\_, with whom I am personally acquainted, and who, upon oath, acknowledged himself/herself to be the \_\_\_\_\_ of Holston River Preseve, LLC and that he/she as such \_\_\_\_\_, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of said Holston River Preseve, LLC by himself/herself as such \_\_\_\_\_.

WITNESS, my hand and seal at office, this the \_\_\_\_\_ day of \_\_\_\_\_, 2007.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

**State of Tennessee**

**County of Knox**

Before me, the undersigned authority, a Notary Public of the State and County aforesaid, personally appeared \_\_\_\_\_, with whom I am personally acquainted, and who, upon oath, acknowledged himself/herself to be the \_\_\_\_\_ of the Knoxville Utilities Board, one of the within named bargainors, a municipal utility created and existing pursuant to the Charter of the City of Knoxville, Tennessee, and that he/she as such \_\_\_\_\_, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of said municipal utility by himself/herself as such \_\_\_\_\_.

WITNESS, my hand and seal at office, this the \_\_\_\_\_ day of \_\_\_\_\_, 2007.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

\_\_\_\_\_(Date)\_\_\_\_\_, 2007

KNOXVILLE UTILITIES BOARD  
NEW SERVICE DEPT  
4505 Middlebrook Pike  
P. O. Box 59017  
Knoxville, TN 37950

All drafts drawn must be  
marked drawn under  
credit # \_\_\_\_\_

Dear Sirs:

We hereby authorize you to draw on \_\_\_\_\_ (name of bank) \_\_\_\_\_, for the account of \_\_\_\_\_ (name of developer) \_\_\_\_\_, \_\_\_\_\_ (address of developer) \_\_\_\_\_ for utility services up to an aggregated amount of \$ \_\_\_\_\_ (dollar amount) \_\_\_\_\_ available by your draft(s) at sight for 100% invoice cost to be accompanied by:

- 1 Beneficiary's signed statement that \_\_\_\_\_ (name of developer) \_\_\_\_\_ has failed to pay valid bills
- 2 Cop(ies) of unpaid bill(s)

This letter of credit shall begin on \_\_\_\_\_ (date) \_\_\_\_\_ and shall remain in effect for a period of no less than one (1) year from the above date. This letter of credit shall continue in effect from year to year thereafter unless terminated by revocation and notice as herein provided. Revocation of this letter of credit may be at any time, by written notice only; however, in no event shall the expiration date after revocation be less than thirty (30) days after written notice by registered mail return receipt to the Knoxville Utilities Board, New Service Department Manager, P. O. Box 59017, Knoxville, TN 37950, specifying the effective date of said revocation. It is understood and agreed, however, that the maker of this letter of credit will be liable for any and all unpaid bills up to the amount of our letter of credit accruing up to the expiration date thereof.

This credit is subject to the Uniform Customs and Practice for Documentary Credit (1993 Revision), International Chamber of Commerce Publication No 500. We hereby agree with the drawers, endorsers, and bona fide holders of drafts drawn under and in compliance with the terms of this credit that such drafts will be duly honored upon presentation to the undersigned Drawee, \_\_\_\_\_ (name of bank)

Yours very truly,

\_\_\_\_\_  
Title: \_\_\_\_\_  
Bank: \_\_\_\_\_

This the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ Sworn and subscribed to before me this the \_\_\_\_\_ day of \_\_\_\_\_,

\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires: \_\_\_\_\_