

**From:** Mike Brusseau  
**To:** Betty Jo Mahan  
**Date:** 7/7/2010 11:55:59 AM  
**Subject:** Fwd: Support for Application for 1104 Fox. Rd. by CGK Inc.

Re: Item 30 (SUPPORT LETTER FROM APPLICANT)

>>> <chkn8@aol.com> 7/7/2010 7:09 AM >>>

Dear Mike,

My name is Chad Kennedy, President of CGK Inc., and the applicant for the rezoning of 1104 Fox Rd.. I want to rezone the property in order to operate a family, boater, and neighborhood friendly restaurant. I am NOT going to open a Sports Bar, Biker Bar, or Bar. In addition to the Restaurant there will be boat slips for access to the restaurant by water.

I have already gone through T.V.A.'s preliminary approval process and I have been told that TVA will accept my application to "Fill and Build" on the property. My plan for the property is very positive in many ways. First, the property owners will finally be able to sell their property that they have had for sale since 2006 and due to personal issues the family needs to sell the property NOW. Second, The construction of the restaurant will create 100's of construction jobs that are desperately needed right now. Third, the restaurant will have approximately 75-100 employees. These jobs are needed now more than ever. Fourth, by developing this vacant piece of property, this property value and the surrounding property values will raise. Fifth, the restaurant will generate more than \$200,000.00 dollars a year in sales tax revenue. Sixth, Knox County residents will have a great restaurant with a gorgeous view of Ft. Loudon Lake and the beautiful sunsets it provides. Seventh, Fox Rd. Marina will enjoy increased rental revenues. They do not have a full service restaurant on site and I have agreed to work together with the owners of Fox Rd. Marina to allow the Marina tenants easy access to the restaurant by foot. I have spoken with hundreds of people and almost everybody I speak with loves the idea of a waterfront restaurant at this location. In addition to the restaurant I will be building a Public fishing pier for local children and families to enjoy. I view this restaurant as a neighborhood gathering place as much as I do a restaurant. I have read the letters of opposition and here is my answer to their concerns.

#### Restaurant Concept:

My concept is a Family, Boater, and Neighborhood friendly Restaurant. The nearby residents were NOT told the truth about my concept. They were told by certain HOA leaders in the area that I wanted to operate a Biker Bar, Sports Bar, or Bar. These are the same HOA leaders I described my concept too before they told the surrounding residents the fabricated information. My hours will be Sunday - Friday 11:00 a.m. to 10:00 p.m. and Friday and Saturday 11:00 a.m. - 11:00 p.m.. These hours are very similar to other restaurants in Knoxville. These hours are NOT those of a late night drinking establishment. This will be operated as a restaurant and not a bar. We will have a bar, but it will be separate from the dining room. I have explained to local residences at the two meetings we have had on the property that I will and must operate this restaurant as community friendly as possible. I am counting on these residents in the surrounding area to be my customers, so if I upset the area residents they will not attend my restaurant and the store would struggle financially. I am currently working with Scott Osborn, the owner and senior Architect of R2R Studios. Scott has designed several local restaurants such as Aubreys, Bistro by the Tracks, Calhoun's, Panera Bread and several other local favorites. I have shown MPC that Knox County residents want to see this restaurant open. I have provided many more support letters than the opposition has provided opposing letters. I will continue to deliver support letters, I plan on getting more than 200 to MPC. I plan on spending around \$2,500,000.00 on the development and restaurant on this property. This will be a first class restaurant and development that Knox County will be proud of.

#### Noise:

The outdoor seating area will be designed to project any noise directly down the lake towards Lake Side Tavern, and NOT towards any homes. There is already a natural buffer of 50 foot trees between the property and Tan Rara. My neighbor Fox Rd. Marina is louder than I will ever be. The location of any outdoor seating is approximately 1500 feet away from the nearest Tan Rara home. Lastly, the Norfolk

train runs almost 20 times a day. We have conducted decibel level tests and have findings that the train's decibel reading is 102 Decibels. This is the equivalent of the 12 th row at a Rock Band Concert. This reading was of the train only, not including the horn. We should have the decibel level readings with the horn in the next day or so. There is also great opportunity for me to create a thick buffer between myself and surrounding properties. I plan to do extensive landscaping to beautify the property and create a thick buffer zone made of trees and bushes.

**Traffic:**

This location has the benefit of 3 ways of access. You can get to the site by Canton Hollow Rd., Fox Rd., and West Emory Church Rd.. We are currently working with Norfolk Railroad and TDOT for myself to purchase Railroad crossing arms at the Canton Hollow railroad crossing. The busiest time on Fox Rd. is during school drop off and pick up times. I will not be open until 11:00 a.m. thus missing the morning traffic and I will not get busy until 6:00 p.m. at night so I will miss the school pick up time and rush hour traffic. Tan Rara, Lovell Hills, Canton Place, and Lakewood neighborhoods do not use this part of Fox Rd. to access their neighborhoods. If they do they are going the long way home. My restaurant will also have access by water which will help any traffic problems that Fox Rd. may currently have. Tan Rara's subdivision entrance is approximately a mile away from this property. My Civil Engineer, DR. J.B. Turnmeyer with AEMC, and myself will be designing very safe entrances and exits from the site. Again, I understand that if the restaurant is not safe to get in and out of, people may decide not to frequent my business.

**Location:**

This location is perfect for my concept. It is a beautiful piece of property located next door to an already established commercial business. My restaurant is also located near Concord Marina. Between both Marinas there will be more than 700 boaters just looking for an excuse to take their boat out and I hope to be that excuse. This property has proved to not have any value for residential development. I has been for sale since 2006, with no offers. This property has many easements that keep it from being developed into a single family, multifamily, or a condo development. There are severe KUB utility easements and TVA flowage easements across the property. People also do not want to live next door to Fox Rd. Marina and its ugly dry boat storage warehouse. I believe my plan for using the property is the only one that makes since. You need to put yourself in the property owners position. They have a piece of property that they planned to sell there whole life, yet they can't due to the factors I described above. They finally have a ready ,willing, and able buyer, which is myself, and they must sell the property to pay for their retirement. Almost every American's nest egg is their home and property, the McKenry's are no different. Mr. and Mrs. McKenry are smart and well respected business people in our community, please allow this rezoning to occur so they can enjoy and fund their retirement.

I ask for MPC to approve my application for the rezoning of 1104 Fox Rd. to RC.

I can be reached at any time to discuss this further.

Sincerely,  
Chad Kennedy  
President,CGK Inc.  
865-384-7667

**From:** Mike Brusseau  
**To:** Betty Jo Mahan  
**Date:** 7/7/2010 11:58:12 AM  
**Subject:** Fwd: Support for 1104 Fox Rd. by CGK Inc.

Re: Item 30 (SUPPORT MATERIALS FROM APPLICANT, PLEASE INCLUDE ATTACHMENT IN PACKAGE AS HE REQUESTED)

>>> <chknn8@aol.com> 7/7/2010 7:26 AM >>>

Mike,

Attached is a realestate market analysis report conducted by MKD Appraising & Consulting. Along with the report is a copy of his license.  
Please make this a part of my packet along with all my letters of support. Thanks for your help presentation of my application at yesterdays meeting. I know I am getting support letters in at the end, but I believe I will be turning in many more than the opposition.

Sincerely,  
Chad Kennedy

# INVOICE

**FROM:**

Mitch Daugherty, CR 2745  
 MKD Appraising & Consulting  
 810 Lourdes Lane  
 Knoxville, TN 37934

Telephone Number: 1-865-966-3327 Fax Number: 1-865-966-3326

| INVOICE NUMBER        |                       |
|-----------------------|-----------------------|
| 1007004M              |                       |
| DATE                  |                       |
| 7/6/2010              |                       |
| REFERENCE             |                       |
| Internal Order #:     | 1007004M              |
| Lender Case #:        |                       |
| Client File #:        |                       |
| Main File # on form:  |                       |
| Other File # on form: | 1007004M              |
| Federal Tax ID:       | Provided Upon Request |
| Employer ID:          |                       |

**TO:**

Chad Garett Kennedy  
 1196 Jenkins Lane  
 Knoxville, TN 37934

Telephone Number: Fax Number:  
 Alternate Number: E-Mail:

## DESCRIPTION

|   |                             |
|---|-----------------------------|
| Lender: Chad Garett Kennedy                 | Client: Chad Garett Kennedy |
| Purchaser/Borrower: 1007004M                |                             |
| Property Address: Fox Road                  |                             |
| City: Knoxville                             |                             |
| County: Knox                                | State: TN                   |
|   | Zip: 37922                  |
| Legal Description: Deed Book 1410, Page 403 |                             |

| FEES | AMOUNT |
|------|--------|
|------|--------|

|                            |        |
|----------------------------|--------|
| Consulting / Data Research | 100.00 |
| <b>SUBTOTAL</b>            | 100.00 |

| PAYMENTS | AMOUNT |
|----------|--------|
|----------|--------|

|                  |       |              |                  |
|------------------|-------|--------------|------------------|
| Check #:         | Date: | Description: |                  |
| Check #:         | Date: | Description: |                  |
| Check #:         | Date: | Description: |                  |
| <b>SUBTOTAL</b>  |       |              |                  |
| <b>TOTAL DUE</b> |       |              | <b>\$ 100.00</b> |

## MARKET DATA CONSULTING



### FOX ROAD (part of map 143, parcel 127)

|                           |   |
|---------------------------|---|
| <b>Property Location:</b> | <b>Fox Road</b><br><b>Deed Book 1410, Page 403 (Part of )</b><br><b>Knoxville, TN 37922</b> |
| <b>Borrower:</b>          | <b>1007004M</b>   |
| <b>Client:</b>            | <b>Chad Garet Kennedy</b><br><b>1196 Jenkins Lane</b><br><b>Knoxville, TN 37934</b>         |
| <b>Effective Date:</b>    | <b>July 6, 2010</b>   |
| <b>Prepared By:</b>       | <b>Mitch Daugherty, CR # 2745</b><br><b>State Certified Residential Appraiser</b>           |



810 Lourdes Lane  
Knoxville, TN 37934  
[www.mkdappraising.com](http://www.mkdappraising.com)

**MKD Appraising & Consulting**  
810 Lourdes Lane  
Knoxville, TN 37922  
865-966-3327 (Fax) 865-966-3326

July 06, 2010

**Chad Garet Kennedy**  
1196 Jenkins Lane  
Knoxville, TN 37934

**Re: Property:** Fox Road ( Part of Map 143, Parcel 127 )  
Knoxville, TN 37922  
**File No.** 1007004M

In accordance with your request, I have researched the data in the subject's market area. I have inspected the subject parcel and observed the surrounding properties and neighborhoods from the street. The purpose of this market data analysis is to determine the subject's impact on the surrounding neighborhoods values, if used as commercial property ( marine/restaurant). The results are based on a physical analysis of the site, a locational analysis of the neighborhood and surrounding neighborhoods, and sales data on residential properties that have multiple sales before and after commercial use parcels came into existence.

The subject parcel is touching a commercial use parcel (boat marine) to the east of the subject property. Also, located to the west of the subject parcel on the same cove is a second commercial use parcel (boat marine & restaurant). The subject's neighborhood has already blended well with similar/same use properties as the subject property. Also, the public travel routes leading to the subject parcel are well maintained and of average size. It does appear that the travel routes would support and already supports similar/same use parcels in the area.

After review of all the data, it is concluded that if the subject parcel did become a commercial use property (boat marine/restaurant), it would not have a negative impact on surrounding neighborhoods. In fact, the market data reveals that the proposed use of the subject parcel would help increase surrounding neighborhood values and marketability. For example, the proposed use would add to the surrounding amenities in the area. Properties close by restaurants, parks, and boat storage, create ideal settings for buyers with in the market. This impacts demand, which in turn typically increases values.

Sincerely,



**Mitch Daugherty, CR # 2745**  
State Certified Real Estate Appraiser

# RESTRICTED APPRAISAL REPORT

**Notice of Use Restriction:** This is a Restricted Appraisal Report as defined and permitted by the Uniform Standards of Professional Appraisal Practice (USPAP). It cannot be properly understood without the additional information contained in the appraiser's work file. Its use is limited as follows: (a) to the client named herein and (b) for the specific use stated. *Use by unintended users (anyone other than the client for the specified use) is prohibited.*

### Client and Statement of Intended Use

This Restricted Appraisal Report is prepared for our client Chad Garek Kennedy for the following intended use: **Subject properties' value impact on surrounding neighborhoods.** The appraiser has established that the client understands the limited utility of this Restricted Appraisal Report and has established that a Restricted Appraisal Report is suitable for their intended use.

### Type of Appraisal

This is a Restricted Appraisal Report of a Complete Appraisal made according to the binding requirements and guidelines of the Uniform Standards of Professional Appraisal Practice (USPAP). This Restricted Appraisal Report is made based on instructions received from the client. I have performed all of the procedures of the Valuation Process required by the USPAP for a Complete Appraisal.

This is a Restricted Appraisal Report of a Limited Appraisal made according to the binding requirements and guidelines of the Uniform Standards of Professional Appraisal Practice (USPAP). I have performed all of the procedures of the Valuation Process required by the USPAP for a Complete Appraisal except those which the client instructed me to omit. These omissions, called departures, are permitted by USPAP and they are disclosed and explained below or in the addenda of this appraisal report. I have agreed to perform this limited appraisal service as requested by the client, and have advised the client about its limitations and that it may not be as reliable as a complete appraisal. The client agrees that the performance of this limited appraisal service is appropriate.

### Identification of the Real Estate Being Appraised

Method of Identification:  address  legal description  copy of survey  property sketch

**Survey attached.**

### Statement of the Real Property Interest Being Appraised

Fee Simple  Other The subject property is not being valued, nor will a value be stated.

### Statement of the Purpose of the Appraisal

The purpose of the appraisal is to estimate the Market Value of the property being appraised.

The purpose of the appraisal is to estimate the Impact on surrounding S/D. Value of the property being appraised.

### Statement or Reference to the Definition of the Value Being Estimated

A definition of the value being estimated is attached to this report.

A definition of the value being estimated is The subject property is not being valued.

### Description of the Extent of the Process of Collecting, Confirming and Reporting Data

General Data Data used in deterring the subject's impact on surrounding properties was took from the following; Knox MLS data base, Court house records (www.crsdata.net), Subject survey provided by client, Property inspection of subject and surrounding neighborhoods.

Comparable Sales, Rental and Cost Data Sales of properties in the subject's market was researched and reviewed. Sales were took from the Knoxville MLS and court house records. Sales reviewed were touching or close by commercial use parcels (before & after development).

Subject Property Data Survey provided by client, Knox MLS system, and www.crsdata.net.

### Statement of All Assumptions and Limiting Conditions Affecting Analyses, Opinions and Conclusions

A statement of ordinary assumptions and limiting conditions is attached to this report.

Extraordinary assumptions or limiting conditions are disclosed with statements of each opinion and value conclusion that is affected.

### Statement of the Appraisal Procedures Followed

This report is of a Complete Appraisal. All of the steps of the Valuation Process were followed.

This report is of a Limited Appraisal. All of the steps of the Valuation Process were followed except for the following:  
**The subject property was not valued, therefore most of the steps of the Valuation Process were not completed.**

### Statement of the Appraiser's Opinion of the Highest and Best Use of the Property

In my opinion the highest and best use of the subject property is If zoning is changed - Commerical Use

### Statement of the Exclusion of Any of the Usual Approaches to Value

**Client's problem to be solved by appraiser is not a value conclusion of the subject property.**

### Reference to the Existence of Specific File Information in Support of the Value Conclusion

All of the information which is part of the appraisal is on file in the office of the appraiser and is available for inspection by the client, such third parties as may be authorized by due process of law, and a duly authorized professional peer review committee.

### Date of Appraisal and Statement of the Value Conclusions

Cost Approach Conclusion N/A Subject not valued.

Income Approach Conclusion N/A

Sales Comparison Approach Conclusion N/A


Reconciliation Again, the subject property was not valued. Subject's impact on surrounding properties was the problem to be solved.

Estimated Value of the Subject Property as of the Date of the Appraisal 07/06/2010 is \$ \_\_\_\_\_

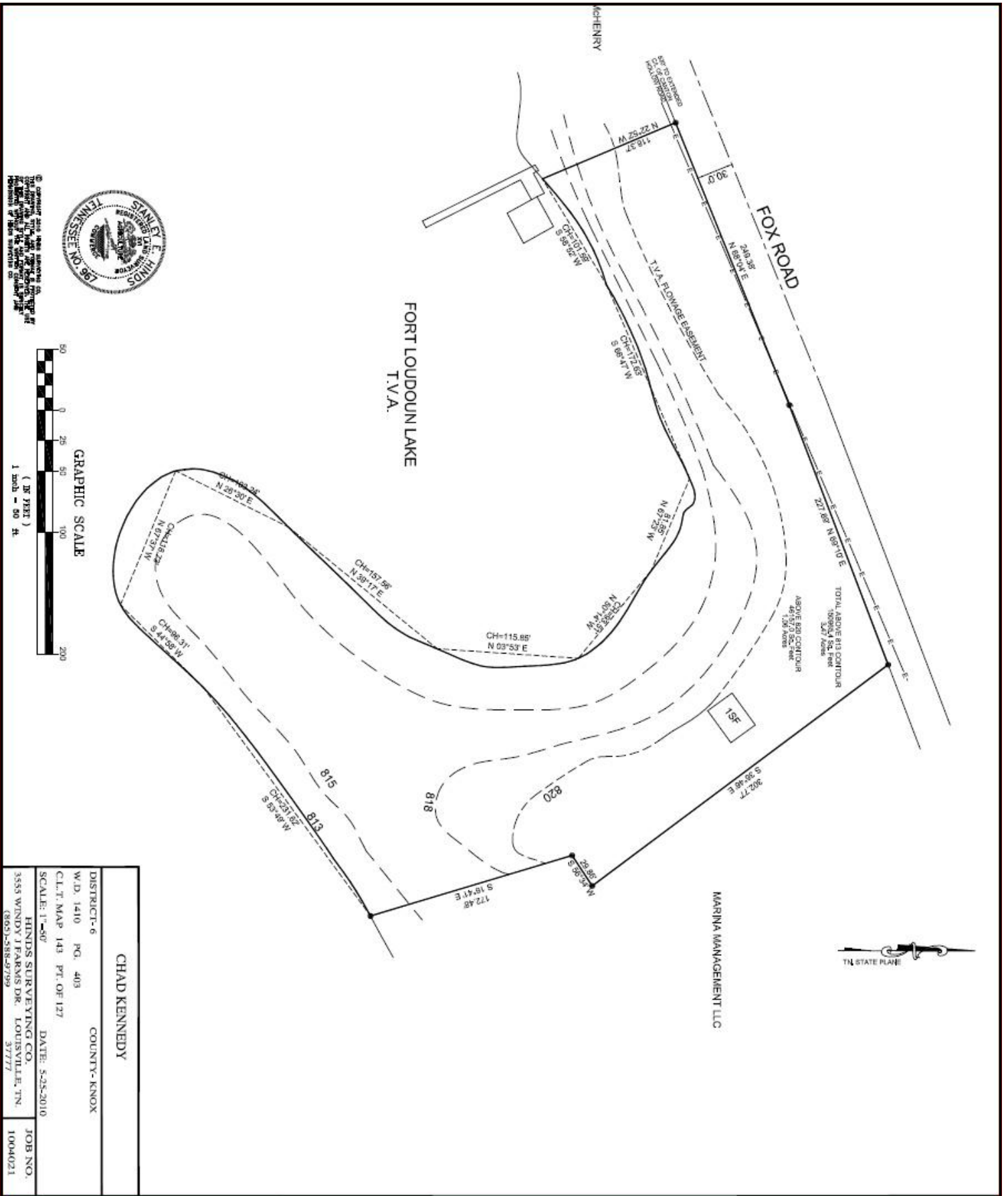
### Statement of Compliance with USPAP

My analyses, opinions and conclusions were developed, and this Restricted Appraisal Report was prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of The Appraisal Standards Committee of the Appraisal Foundation.

### Date of Report and Signatures

|   |  |
|---|--|
| Date of Report: <u>07/06/2010</u>   |  |
| APPRAISER: <u>Mitch Daugherty, CR # 2745</u>  | SUPERVISORY APPRAISER: _____   |
| Address <u>810 Lourdes Lane</u>   | Address _____  |
| City <u>Knoxville</u> State <u>TN</u> ZIP <u>37934</u>  | City _____ State _____ ZIP _____   |
| I inspected the <input type="checkbox"/> interior <input checked="" type="checkbox"/> exterior of the subject property. | I inspected the <input type="checkbox"/> interior <input type="checkbox"/> exterior of the subject property. |
| Signature: <u></u>                   | Signature: _____   |
| State <u>TN</u> Cert./License # <u>00002745</u> Expires <u>2/28/2011</u>  | State _____ Cert./License # _____ Expires _____  |
| Date Signed <u>July 06, 2010</u>  | Date Signed _____  |

Attachments:  Limited Appraisal Disclosure;  Value Definition, Certification & Assumptions;  Photographs;  Location Map;  Property Sketch;  Cost Approach;  Income Approach;  Sales Comparison Approach;  Environmental Addendum; 3 # of Attached Sheets



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|   |                 |
|---|-----------------|
| <b>CHAD KENNEDY</b>   |                 |
| DISTRICT-6  | COUNTY- KNOX    |
| W.D. 1410   | PG. 403         |
| C.L.T. MAP 143  | PT. OF 127      |
| SCALE: 1"=80'   | DATE: 5-25-2010 |
| HINDS SURVEYING CO.<br>3555 WINDY FIELDS DR. LOUISVILLE, TN 37277<br>(865)-588-9799 |                 |
| JOB NO.<br>1004021  |                 |



6417970

18801

# State of Tennessee

TENNESSEE REAL ESTATE APPRAISER COMMISSION

CERTIFIED RESIDENTIAL REAL ESTATE APPRAISER

MITCHELL KENT DAUGHERTY

*This is to certify that all requirements of the State of Tennessee have been met.*

ID NUMBER: 00002745

LIC STATUS: ACTIVE

EXPIRATION DATE: 02/28/2011



IN-1313

DEPARTMENT OF  
COMMERCE AND INSURANCE

CEH001

**From:** Mike Brusseau  
**To:** Betty Jo Mahan  
**Date:** 7/7/2010 4:29:58 PM  
**Subject:** Fwd: Fox Road Waterfront Restaurant

Re: Item 30 (FROM APPLICANT, SUPPORT)

>>> Chad Kennedy <chknn8@aol.com> 7/7/2010 4:14 PM >>>

Sent from Chad Kennedy's iPhone

Begin forwarded message:

> From: AEMC <aemckxtn@bellsouth.net>  
> Date: July 7, 2010 4:01:02 PM EDT  
> To: [chknn8@aol.com](mailto:chknn8@aol.com)  
> Subject: Fox Road Waterfront Restaurant  
>

> Chad,

>

> The attached map shows the roads and lists the mileage.

>

> Tan Rara subdivision shares a common border with  
> the main line of the Norfolk Southern railway for 4,900+ feet  
> which lies parallel to Fox Road.

>

> The Fox Road Waterfront Restaurant shares a common  
> border with Fox Road for 228 feet.

>

> Sound level monitoring during the evening of July 6, 2010  
> recorded a 109.5 db sound level. The microphone was mounted  
> on a utility pole at the property boundary adjoining Fox Road.

>

>

> If we may be of further assistance please call.

>

> Best Regards,

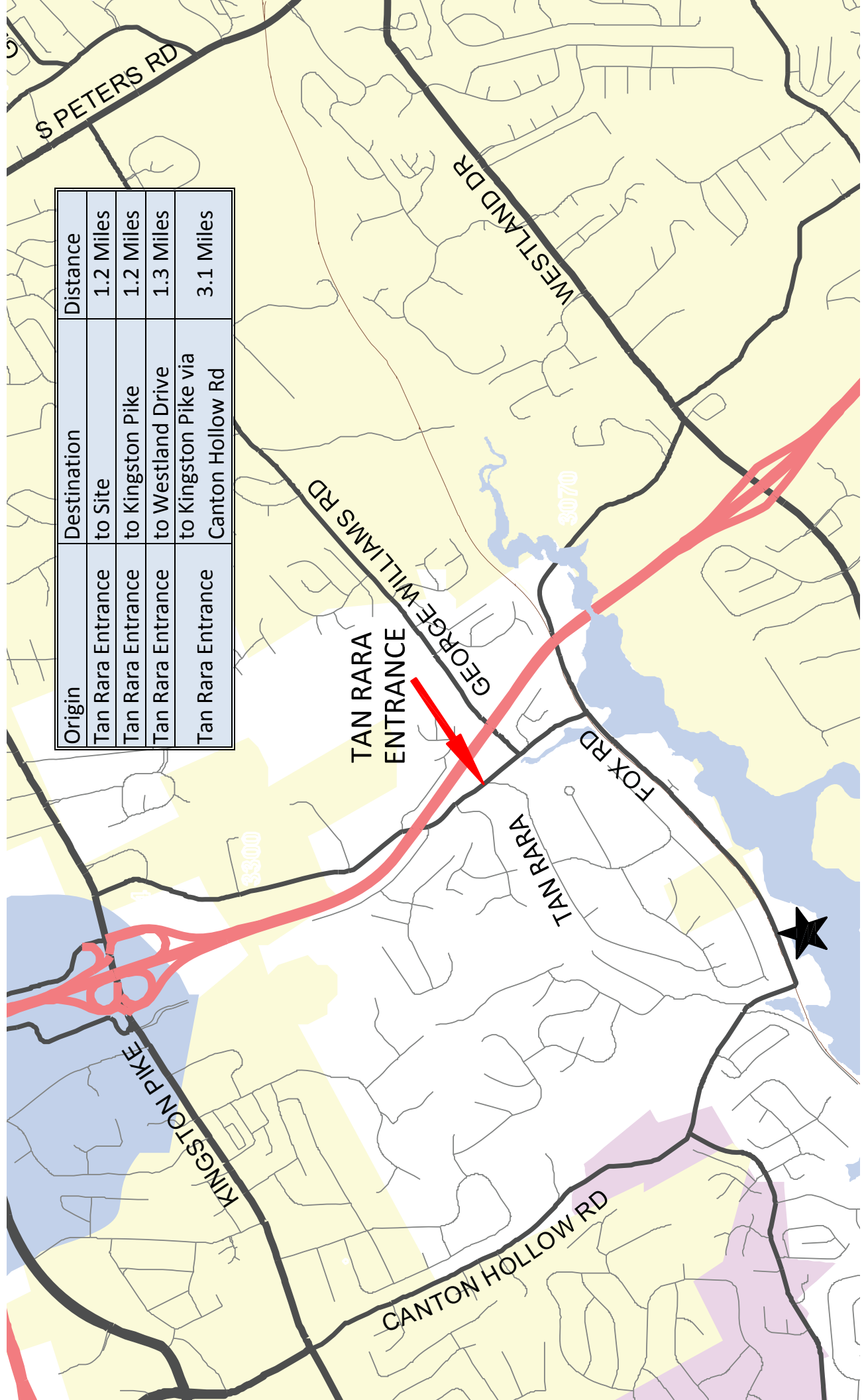
>

> Dr. JB Turnmire, PE

> for AEMC

> 588-6355

>



| Origin            | Destination                           | Distance  |
|-------------------|---------------------------------------|-----------|
| Tan Rara Entrance | to Site                               | 1.2 Miles |
| Tan Rara Entrance | to Kingston Pike                      | 1.2 Miles |
| Tan Rara Entrance | to Westland Drive                     | 1.3 Miles |
| Tan Rara Entrance | to Kingston Pike via Canton Hollow Rd | 3.1 Miles |

TAN RARA ENTRANCE

★ FOX ROAD WATERFRONT RESTAURANT