



## MEMORANDUM

Agenda Item No. 5

**Date:** March 8, 2016  
**To:** Metropolitan Planning Commission  
**From:** Gerald Green, Executive Director  
**Prepared By:** Jeff Archer, Principal Planner  
**Subject:** **Zoning Amendments for Regulating Alternative Financial Services (AFS)**  
4-A-16-OA

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On February 2, 2016 Knoxville City Council passed Resolution No. R-51-2016, respectfully requesting that the Metropolitan Planning Commission consider and make a recommendation to City Council regarding the possible addition of zoning limitations to those zones where Alternative Financial Service (AFS) establishments are otherwise presently permitted. (Requested by Councilmembers Pavlis, Della Volpe, Saunders, Stair and Vice Mayor Grieve).

The proposed AFS zoning changes implement the recommendations contained in the the “Research of Alternative Financial Services (AFS) and Evaluation of Related Zoning Options,” completed last year. The report was reviewed by MPC in August 2015 (8-B-15-OB) and subsequently forwarded to City Council for their review. The specific zoning changes include:

1. ARTICLE II. – DEFINITIONS: Adding an AFS definition
2. ARTICLE IV, SECTION 2.2: Adding AFS uses under the “uses permitted on review” to C-3 general commercial district, C-4 highway and arterial commercial district, and C-6 general commercial park district.
3. ARTICLE IV, SECTION 3.3: Adding AFS as a permitted use in SC-2 and SC-3 community and regional shopping center districts
4. ARTICLE IV, SECTION 3.4: Adding AFS uses under the “uses permitted on review” to PC-1 retail and office park district
5. ARTICLE IV, SECTION 26: Adding a new section 26 that deals with AFS spacing requirements, 1,000 foot separation from like businesses and 1,000 foot from residentially zoned properties.

If you have any questions, please feel free to contact me by email at [gerald.green@knoxmpc.org](mailto:gerald.green@knoxmpc.org) or phone at 215-3758. If you have more detailed questions about the proposed amendments you may want to contact Jeff Archer, who served as the project leader for this effort, by email at [jeff.archer@knoxmpc.org](mailto:jeff.archer@knoxmpc.org) or by phone at 215-3821.

Amendments to the City of Knoxville zoning ordinance  
regarding Alternative Financial Services- 4-A-16-OA

New language is **bold & highlighted**

ARTICLE II. - DEFINITIONS

Add the following new definition:

**“Alternative Financial Service” means establishments that are:**

**Not licensed by an appropriate state or federal agency as a bank, savings and loan association, or credit union, industrial loan and thrift offices, insurance premium finance companies, or mortgage companies;**

**Regulated by the Tennessee Department of Financial Institutions; and**

**Categorized for purposes of this Ordinance as:**

**“Pawnbrokers” as defined at T.C.A. § 45-6-203; or**

**“Title Pledge Lenders” as defined at T.C.A. § 45-15-103; or**

**“Deferred Presentment Services” as defined at T.C.A. § 45-17-102; or**

**“Check Cashers” as defined at T.C.A. § 45-18-102 except that Check Cashers do not include Check Cashers exempt from state regulation pursuant to T.C.A. § 45-18-103, or**

**Any combination of Alternative Financial Services which include, but are not limited to, Pawnbrokers, “Title Pledge Lenders”, “Deferred Presentment Services” and/or “Check Cashers” as defined herein.**

2.2.6. - C-3 general commercial district.

C. Uses permitted on review. The following uses may be permitted on review by the planning commission in accordance with provisions contained in article VII, section 5:

1. Fabrication and sale of light sheet metal products such as heating, air conditioning and ventilating ducts and equipment.
2. Private day nurseries and kindergartens, including day care centers, as regulated in article V, section 3.
3. Marinas, subject to the requirements set forth in article V, section 3.F.
4. Commercial telecommunications towers.
5. Halfway houses with greater than five (5) persons subject to the following standards:
  - a. A site cannot be located within three hundred (300) feet of a park, school, or day care center.
  - b. The use shall comply with all applicable city, state, and federal codes and regulations.
  - c. The site shall be within one thousand (1,000) feet of an established transit route.
  - d. Signs identifying a use as a halfway house are not permitted.
  - e. The city police department must be provided with a written notification of the use prior to its occupancy.
6. Funeral establishments.
7. Craft breweries, distilleries and wineries.
- 8. Alternative Financial Services as regulated by article V, section 26.**

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2.2.7. - C-4 highway and arterial commercial district.

- C. Uses permitted on review. The following uses may be permitted on review by the planning commission in accordance with provisions contained in article VI, section 5:
1. Self-service storage facilities, as regulated in article V, section 3.G.7.
  2. Marinas, subject to the requirements set forth in article V, section 3.F.
  3. Commercial telecommunications towers.
  4. Private day nurseries and kindergartens, including day care centers, as regulated in article V, section 3.
  5. Halfway houses with greater than five (5) persons subject to the following standards:
    - a. A site cannot be located within three hundred (300) feet of a park, school, or day care center.
    - b. The use shall comply with all applicable city, state, and federal codes and regulations.
    - c. The site shall be within one thousand (1,000) feet of an established transit route.
    - d. Signs identifying a use as a halfway house are not permitted.
    - e. The city police department must be provided with a written notification of the use prior to its occupancy.
  6. Funeral establishments.
  7. Craft breweries, distilleries and wineries.
  - 8. Alternative Financial Services as regulated by article V, section 26.**

2.2.9. - C-6 general commercial park district.

- C. Uses permitted on review.
1. Marinas, subject to the requirements set forth in article V, section 3.F.
  2. Private day nurseries and kindergartens, as regulated in article V, section 3.
  3. Commercial telecommunications towers.
  4. Halfway houses with greater than five (5) persons subject to the following standards:
    - a. A site cannot be located within three hundred (300) feet of a park, school, or day care center.
    - b. The use shall comply with all applicable city, state, and federal codes and regulations.
    - c. The site shall be within one thousand (1,000) feet of an established transit route.
    - d. Signs identifying a use as a halfway house are not permitted.
    - e. The city police department must be provided with a written notification of the use prior to its occupancy.
  5. Funeral establishments.
  6. Craft breweries, distilleries and wineries.
  - 7. Alternative Financial Services as regulated by article V, section 26.**

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3.3. - SC-2 and SC-3 community and regional shopping center districts.

A. General description.

1. Community shopping center. The community shopping center is intended to be developed as a unified group of stores and shops with adequate off-street parking for customers and employees and with appropriate landscaping and screening. A community center should provide convenience goods and shopping goods in a wider range than a neighborhood center. It should serve a population of twenty thousand (20,000) to one hundred thousand (100,000) within ten (10) to twenty (20) minutes' driving time.
2. Regional shopping center. The regional shopping center incorporates the same unified design requirements as neighborhood and community centers. A regional center is intended to provide a full range of merchandise and services including apparel, furniture and home furnishings, variety and foods. A regional center should serve a population in excess of one hundred thousand (100,000) within a thirty-minute driving radius.

B. Use descriptions.

1. Community shopping center. In addition to the uses permitted in the SC-1 district, department stores and theatres, but not open air or drive-in theatres, as well as craft breweries, distilleries and wineries, **and alternative financial services as regulated by article V, section 26**, shall be permitted in the SC-2 community shopping center district. An SC-2 district community shopping center should have not less than fifteen (15) nor more than forty (40) shops and stores, at least one (1) of which shall be an anchor tenant. The anchor tenant should have not less than twenty-five thousand (25,000) square feet of gross floor area. The combined floor area of the shops and stores in a community shopping center should not be less than one hundred thousand (100,000) square feet. The total land area in an SC-2 shopping center district should not be less than fifteen (15) nor more than forty (40) acres.
2. Regional shopping center. A regional shopping center SC-3 district shall have the same permitted uses as a community center SC-2, but containing more than thirty (30) stores and shops. The anchor tenant should be one (1) or more full-line department stores. The leading tenant should have a gross floor area in excess of one hundred thousand (100,000) square feet, and the gross floor area of the combined stores and shops in the SC-3 shopping center should be in excess of three hundred thousand (300,000) square feet. The total land area for a regional shopping center should be in excess of forty (40) acres.

3.4. - PC-1 retail and office park district.

Ba. Uses permitted on review.

1. Marina, subject to the requirements set forth in article V, section 3.F.
2. Craft breweries, distilleries and wineries.
3. **Alternative Financial Services as regulated by article V, section 26.**

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ARTICLE V. - SUPPLEMENTARY REGULATIONS APPLYING TO A SPECIFIC, TO SEVERAL, OR TO ALL DISTRICTS

(Add the following new section 26)

**Sec. 26. - Performance standards for Alternative Financial Services**

**Alternative Financial Services includes a variety of uses that require minimum distance from like uses.**

**A. Minimum distance from like uses.**

- 1. No facilities within one thousand (1,000) feet of an existing Alternative Financial Service.**
- 2. No facilities within one thousand (1,000) feet of a residential zone district.**