

1-A-18- RZ - Rezoning request for 1 15 E. Depot Avenue - Mike Frazier Applicant

Joel Piper (via Google Docs) <knoxrailsalvage@gmail.com>

Apr 8, 2018 8:14 AM

Posted in group: Commission

Joel Piper has attached the following document:

 **Final Appeal to City Council concerning Re-zoning.docx**



This information package summarizes our request for a rezoning that will allow outside storage at the 115 E. Depot Avenue property.

Please call me or email me if you have any questions concerning our rezoning request.

Sincerely,

Joel Piper
865-755-2109

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Rezoning of 115 E. Depot Avenue ($<1/2$ acre) for Outside Storage

Mike Frazier, Owner & Applicant

Knox Rail Salvage
(865) 524-8000

Facts about Knox Rail Salvage (Founded 1979)

- a downtown business for over 39 years.
- 38 employees with a 2018 annual payroll of \$1.45 million dollars
- Current operations generate over \$1,000,000 in sales tax revenue annually.
- Provides health insurance and participating employees share of these costs is only \$100 per month.
- Offer a Simple IRA retirement plan with a 3% company match to all participating employees
- Have hired over 30 employees from Midway Rehabilitation Center over the last 10 years to provide a transition work environment for citizens on federal parole.
- Pay over \$60,000 annually in property taxes to Knox County and Knoxville City.
- Is a low-cost, high value destination store for cabinets, floors, roofing and doors in Downtown Knoxville serving well over 150 customers daily.
- Operate out of two landmark buildings - the former Knoxville Paper Box Company (built 1904 and currently I-3 zoned) and the former White Lily Flour Business (built 1928 and currently I-2 zoned). Also own the former Peabody School/AFL-CIO building - current home of the Knox County Democratic Party.
- **We have secured the services of Michael Brady Inc architectural services to help us implement improvements to our properties.**

Expansion plans in 2018 - Our best year yet!

- Adding a new retail kitchen design gallery in the old city by repurposing the former corporate offices of the White Lily Flour Company. This cutting edge new kitchen gallery will feature 3D kitchen design with 6 flat screen TV's, 12 completed kitchens with granite tops, state of the art appliances and a partnership with Stone Design and Ferguson Enterprises creating a destination kitchen showroom in the Old City.
- We are expanding our brand with our third retail location as a Cabinet, Door and Floor showroom (5,000 sf showroom space) in the Fountain City area in the summer of 2018.

Google Knox Rail Salvage to get some idea of the health of our business and see what our customers say about our business! 97 Google reviews with a 4.4 stars out of 5.0

Background Information

At the January 11th, 2018 MPC meeting we requested a rezoning of 115 East Depot Avenue (referred to as **subject property** the remainder of this document) from its current zoning of C-3 to I-3. Our objective is to move our highly visible lumber yard currently at the corner of Morgan Street and Depot Avenue (see option 2) to our larger ½ acre, fenced **subject property**. We received a MPC Staff recommendation for I-3 (see Zoning Report attached) with conditions for the installation of landscape screening per the new city ordinance. As you know the MPC committee voted unanimously against the I-3 zoning request and we appealed to Knoxville City Council who passed a motion to send this rezoning issue back to the MPC for additional discussion. So that is where we are as of today.

The Street View along Depot Avenue will Improve Dramatically!

The benefits of obtaining a zoning for outside storage on the **subject property** are two-fold.

First, moving the current lumber yard off the corner at Morgan and Depot (see option #2 photo) will improve the overall pedestrian experience for the downtown community along this stretch of Depot Avenue.

Second, the current lumber yard is only about about 5,000 s.f. while the **subject property** is over 20,000 s.f. So moving the lumber yard to the larger parcel with conditional, approved landscape screening will afford us more space to manage our business and dramatically improve the aesthetic appearance along this avenue.

Disclaimer: if we can't obtain a outdoor storage zoning on the **subject property** we will be forced to leave the lumber yard at its current location (see option #2 photo).

i reached out to some of those opposed to our rezoning request and we had a cordial meeting discussing our objectives and their concerns. Overall, we have a fundamental disagreement on whether or not we should be permitted to utilize the **subject property** for our lumber yard. Currently, we are using the **subject property** to park our trucks and trailers and for overflow parking for our customers so a rezoning will not be a drastic departure from our current use of the **subject property**. Opposition to a legitimate rezoning request (two MPC Staff recommendations) seems unfair to us. The use of our land today should not be restricted because of the potential for some future project that may or may never come to fruition.

Redevelopment Continues Rapidly Downtown

it should be recognized by this committee that robust redevelopment is occurring rapidly in very close proximity to our business **in spite** of our 39 year existence and our large footprint north of downtown. A prime example is the Regas Square project which is only 1 block away from our large operation. Another is the White Lily lofts. We share a common firewall with White Lily Lofts in the former White Lily Flour building. You can't get any closer than that to redevelopment and our presence has not negatively impacted redevelopment efforts. To the argument that says a rezoning of our **subject property** will impede future redevelopment we respectfully disagree and history supports our claim.

We have concrete plans to improve the appearance of our properties and have hired Michael Brady Architects, Inc to assist us in practical improvements to our properties. We want to move the highly visible lumber yard from the corner at Morgan Street and Depot Avenue (5,000 s.f.) to the **subject property** at 115 E. Depot Avenue. This move will provide an improved street view at the corner and additional parking for our customers. We also need to utilize the larger ½ acre **subject property** to accommodate our lumber yard as well. I don't agree that a rezoning of the **subject property** would impede the viability of future development nor do we want to be constrained from having our **subject property** rezoned in lieu of the possibility of a future project that might never happen. I am asking this committee to validate this rezoning process and vote to approve the MPC staff recommendation.

Threats to Downtown Redevelopment and Property Values

Some concerns were expressed to me that a rezoning of our **subject property** would impede future development opportunities. Working downtown everyday we see a fair amount of illegal activities occurring on streets in close proximity to our business. These unlawful activities have a much greater potential for negatively impacting property values or discouraging future investment in the area. To date these negative activities don't seem to have slowed redevelopment efforts. Frankly, our desire to utilize our property should not be infringed upon because it doesn't line up with some potential, future development in the area.

Whether or not we park trucks on our parking lot or whether we store plywood on that same lot should make no difference as to future redevelopment possibilities. We believe concern over whether or not we sell lumber on one of our parcels or another adjacent parcel we own is overstated concerning its potential impact on future development. Approval of our rezoning request on the **subject property** will provide an immediate improvement from a street view perspective for the **subject property** and the property on the corner of Morgan Street and Depot Avenue (See attached renderings for clarification)

Option 1 or Option 2? (Choose one)

There are really only two outcomes for our rezoning request.

Under option 1, we receive the desired rezoning for outside storage for the **subject property** and we move the current lumber yard at the corner of Depot Avenue and Morgan street to the ½ acre, fenced **subject property**. We will then install a nice parking area for our customers on the site of the current lumber yard at the corner of Morgan Street and Depot Avenue. (See proposed rendering from Michael Brady Architects, Inc.) We are seeking approval of option 1.

Conversely, under option 2, if we don't receive the requested rezoning of **subject property** we will leave our lumber yard at its current location resulting in a very unsightly street view on the corner of Morgan street and Depot Avenue. (See attached renderings for clarification). We will still utilize the ½ acre **subject property** for parking but without any landscape screening.

Let's revisit the two scenarios:

Under option 1) we own a ½ acre parking lot referred to as the **subject property** with approved landscape screening and a cleaned off corner lot (corner of Morgan Street and Depot Ave) resulting in an improved street view of our property on Depot Avenue (See attached renderings for Option 1)

Or

under option 2) we still own a ½ acre parking lot referred to as the **subject property** without any landscape screening and a very unsightly lumber yard on the corner of Morgan street and Depot Avenue (see attached photo for option 2) It's obvious that receiving the proper zoning will result in significantly improved street views of our property. I am anxious to get started on these improvements but I need your help.

There seems to be more interest in resisting our efforts to rezone the **subject property** despite the fact our request is in agreement with the MPC mixed use view of the area and it is clear from the architectural renderings that if you look at the overall master plan that our proposal will result in an improved street view along depot avenue.

We are confident that recommendations of the MPC staff represent the most informed and educated views regarding our rezoning request. The MPC website lists 6 guiding principles (See attachment). Guiding principal #2 Professional Ethics and Responsibility, states "we (the MPC) will be **objective** and **impartial** in our recommendations and follow the Code of Ethics of the American Planning Association and the American Institute of Certified Planners." We believe the MPC staff **upheld** this guiding principle in their mission statement when they made their staff recommendations in accordance with the current zoning code and mixed use view of the area.

We are providing gainful employment to over 38 employees and valuable services and products to customers all over East Tennessee and Southeast Kentucky. We are a destination store and bring thousands of customers to downtown Knoxville every year. The MPC staff has laid out a couple of options where our business can be supported with a zoning that is compatible with surrounding properties. On behalf of Mike Frazier I ask the committee to validate the MPC staff recommendation and support our thriving downtown businesses.

In closing, I am asking the MPC Committee members to reject a narrow view of what businesses are now deemed desirable downtown and instead embrace, a more inclusive view of respecting long, established businesses especially when the rezoning is in agreement with the MPC staff recommendation. I look forward to finding new ways to aesthetically improve our footprint downtown (see the photo of our new kitchen gallery) and welcome discussion on ways to improve our city. I am asking this committee to make a business friendly decision based on the current codes and validate the professional guidance of Director Green and the entire MPC staff by approving our rezoning request on the **subject property**.

Respectfully Submitted,

Joel Piper for Mike Frazier

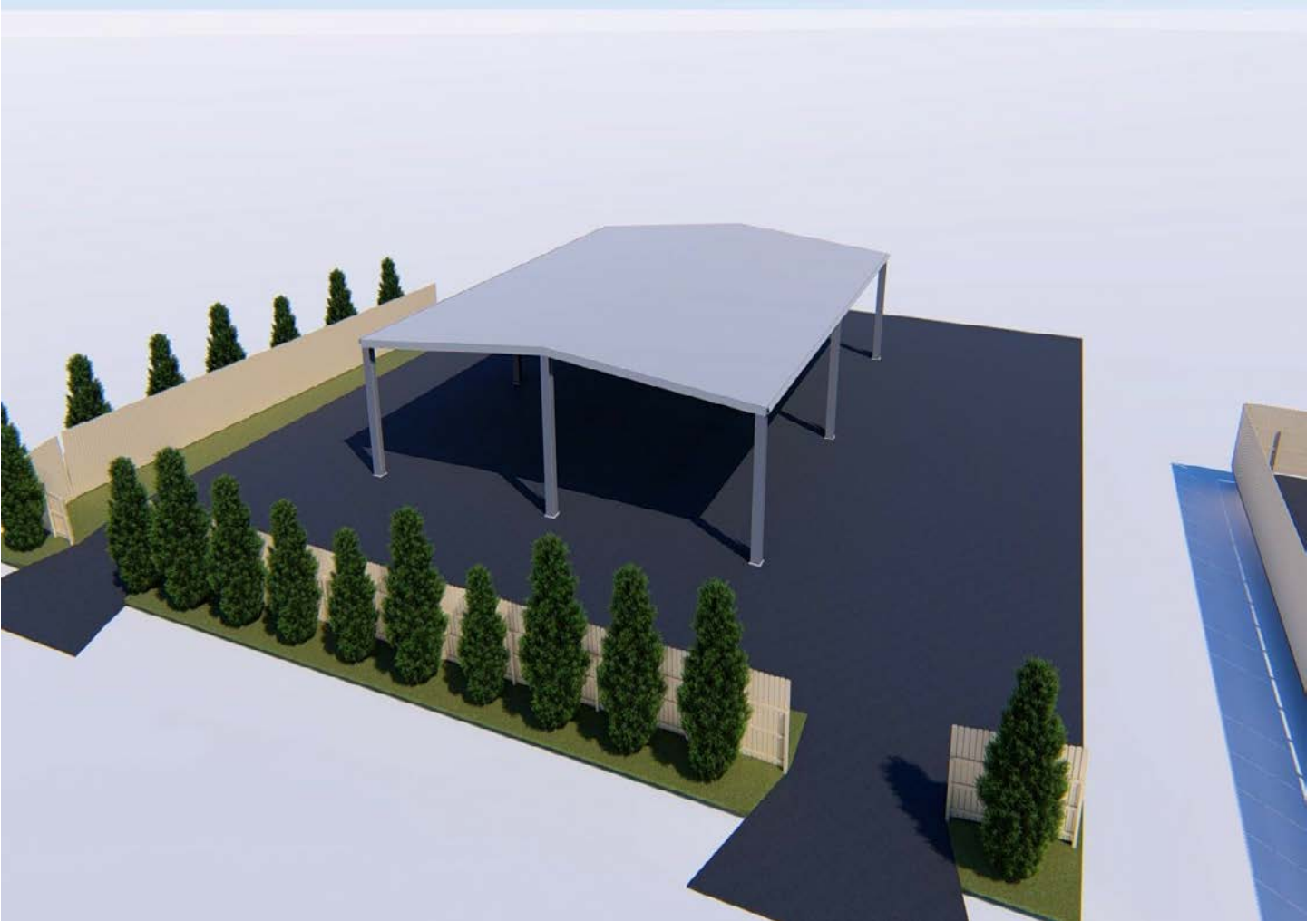
Option 1

Future Use of the Corner of Morgan Street and Depot Avenue with Approved Rezoning of 115 E. Depot A Vastly Improved Street View!



- Newly Paved Parking Area (217 E. Depot Avenue).
- Approving our appeal on the 115 E Depot Avenue property will result in a significant aesthetic improvement and street view on the corner of Depot and Morgan Street.
- This change is obviously a win-win for the public at large and for our customers with additional parking in close proximity to our store and our new kitchen gallery.

Option 1 (with approved zoning and tree screening) Proposed Future Use of 115 E Depot Avenue



- Installation of a 60' x 80' steel building adhering to setbacks - Michael Brady Architects
- Placing lumber and building material under cover for an improved street view
- Installation of Landscape Screening in accordance with local city ordinances.

Option 2

Current Lumber Yard will have to remain here if Zoning is not Approved – Poor Pedestrian View will Continue!



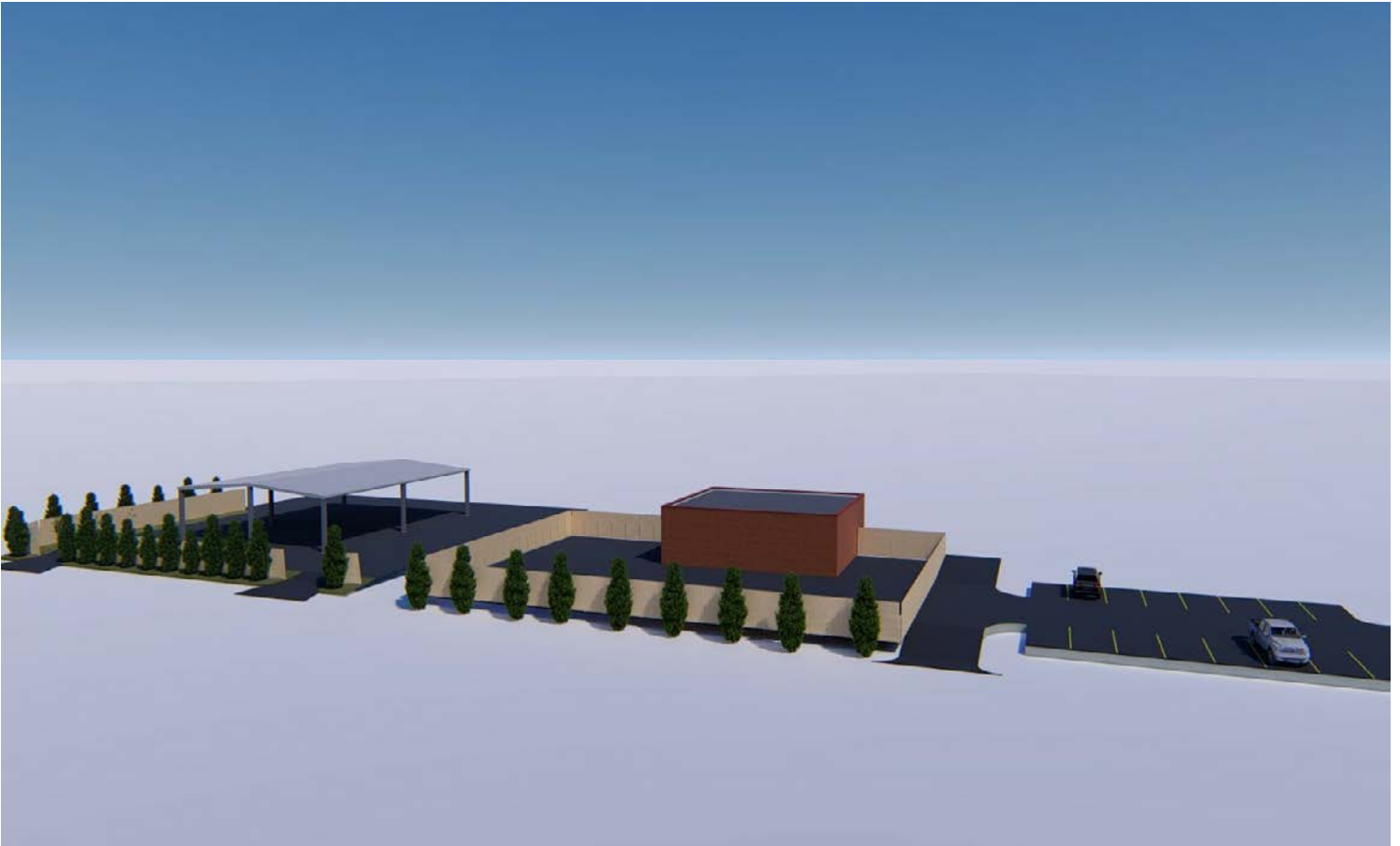
- The current lumberyard is zoned I-3 and is located at the Corner of Depot Avenue and Morgan Street (217 E. Depot Avenue)
- This parcel is Only 5,000 s.f. which is only ¼ the size of the 115 E. Depot Avenue parcel.
- With approval of our appeal of 115 E. Depot Avenue to an appropriate zoning for outside storage by City Council, we will move all of this lumber and building material behind the screened fence at 115 E. Depot Avenue. We will install the required landscaping screening.
- Approval of our appeal will significantly improve the overall pedestrian view along Depot Avenue.

Our Master Plan with approved Landscape Screening and new fencing!



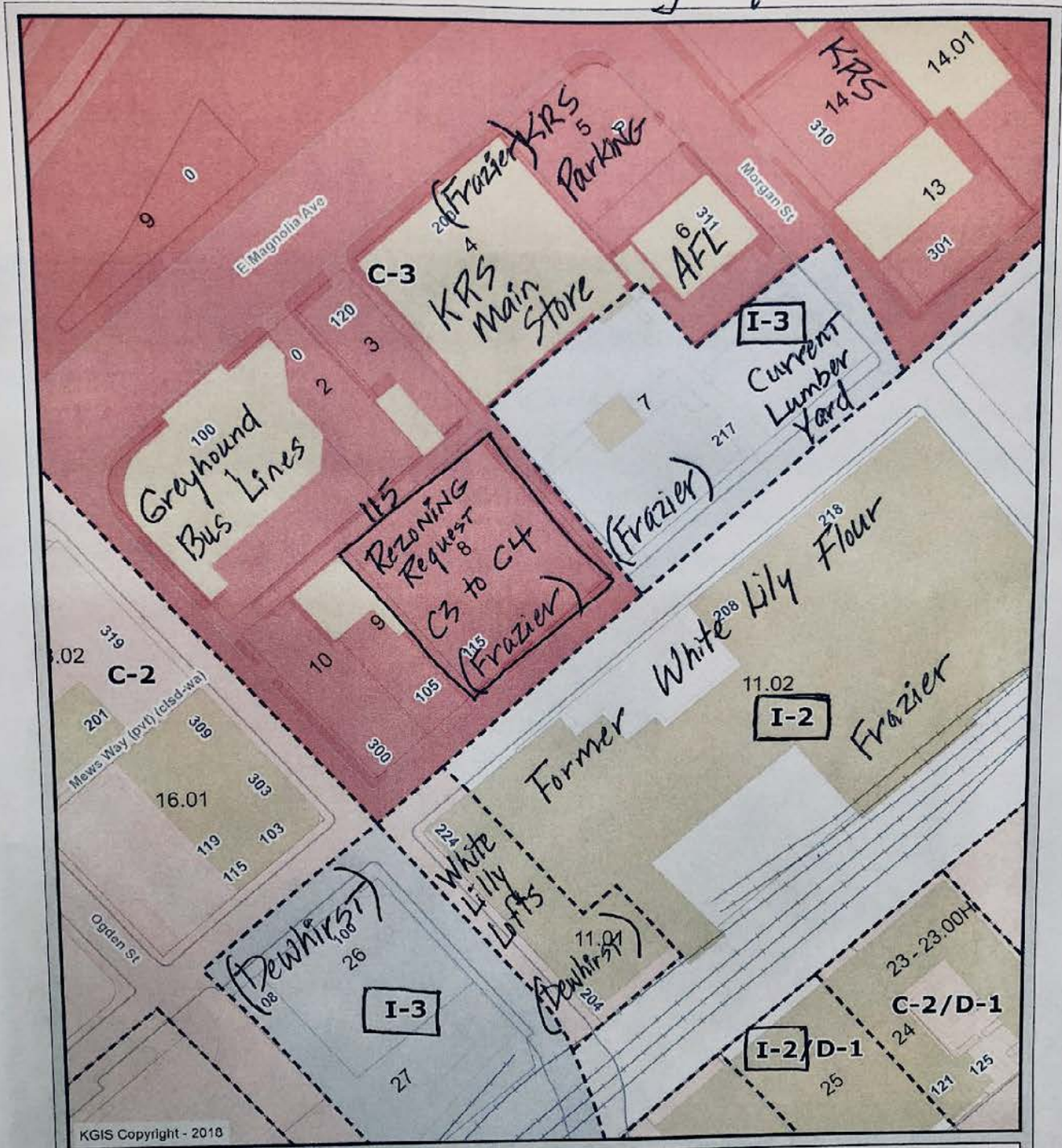
Looking North from Atop the White Lily Flour Building - Depot Avenue in foreground Interstate I-40 in Background - Knox Rail Salvage and AFL CIO (Centered and Right)

Architectural Renderings of all Knox Rail Salvage Properties Along Depot Avenue – A drastic improvement! (Michael Brady Architects)



115 E. Depot Avenue Parcel under Consideration for Outdoor Storage

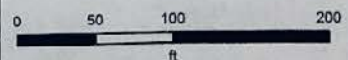
115 E Depot Avenue Rezoning Request - C3 to C4



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KNOXVILLE/KNOX COUNTY METROPOLITAN PLANNING COMMISSION
REZONING REPORT

▶ FILE #: 1-A-18-RZ

AGENDA ITEM #: 31

AGENDA DATE: 1/11/2018

▶ APPLICANT: MIKE FRAZIER
OWNER(S): Mike and Betsy Frazier

TAX ID NUMBER: 94 E E 008 [View map on KGIS](#)
JURISDICTION: City Council District 6
STREET ADDRESS: 115 E Depot Ave
▶ LOCATION: Northwest side E. Depot Ave., northeast of N. Central St.
▶ APPX. SIZE OF TRACT: 21300 square feet
SECTOR PLAN: Central City
GROWTH POLICY PLAN: Urban Growth Area (Inside City Limits)
ACCESSIBILITY: Access is via W. Depot Ave., a local street with 44' of pavement width within 60' of right-of-way.
UTILITIES: Water Source: Knoxville Utilities Board
Sewer Source: Knoxville Utilities Board
WATERSHED: First Creek

▶ PRESENT ZONING: C-3 (General Commercial)
▶ ZONING REQUESTED: I-3 (General Industrial)
▶ EXISTING LAND USE: Vacant (parking)
▶ PROPOSED USE: Equipment and material storage
EXTENSION OF ZONE: Yes, extension of I-3 from the east
HISTORY OF ZONING: None noted
SURROUNDING LAND USE AND ZONING: North: Greyhound bus station / C-3 (General Commercial)
South: E. Depot Ave., warehouse building / I-2 (Restricted Manufacturing & Warehousing)
East: Knox Rail Salvage storage yard / I-3 (General Industrial)
West: Greyhound bus station / C-3 (General Commercial)
NEIGHBORHOOD CONTEXT: This area is developed with a mix of uses under C-2, C-3, I-2 and I-3 zoning.

STAFF RECOMMENDATION:

LOOK →

▶ RECOMMEND that City Council APPROVE I-3 (General Industrial) zoning, subject to 1 condition.

1. A minimum 12 foot wide planting strip must be installed along the edge of the E. Depot Ave and along the southwest property line adjacent to the Greyhound Bus Station. Within this area, a minimum Type "B" continuous landscape screen will be required (see attached).

→

I-3 is a logical extension of zoning from the northeast, is compatible with the scale and intensity of surrounding development and zoning pattern and is consistent with the adopted future land use plans for the area. With the recommended condition, the outdoor storage area will be screened from view from the street, to help minimize the potential negative visual impact of allowable I-3 uses. The recommendation will allow the existing business to expand as needed, while minimizing the impact in this redeveloping area.

Future Kitchen Showroom – Former White Lily Corporate Offices
Feb. 2018



Future Kitchen Showroom – Former White Lily Corporate Offices Today (April 5, 2018)



- We are making significant improvements to our properties
- Our new kitchen gallery in the Old White Lily corporate offices will be a destination for home remodelers, interior designers and real estate investors.
- 12 completed kitchens with granite countertops by Stone Designs and appliances from Ferguson Enterprises