

# LONSDALE REDEVELOPMENT AND URBAN RENEWAL PLAN



KNOXVILLE, TENNESSEE

Prepared by Knoxville's Community Development Corporation

November 2005

The *Lonsdale Neighborhood Plan* was prepared and adopted by the Knoxville-Knox County Metropolitan Planning Commission on November 10, 2005.

The *Lonsdale Redevelopment and Urban Renewal Plan* was adopted by Knoxville City Council on November 22, 2005. The *Lonsdale Neighborhood Plan* and the *Heart of Knoxville Infill Housing Design Guidelines* were adopted by Knoxville City Council as part of the redevelopment plan.



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## I. INTRODUCTION

William Ragsdale enlisted 100 Knoxville businessmen in 1890 for a land development project on the Western edge of Knoxville north of Western Avenue and south of Mechanicsville. It was named for his parents, Lonas and Dale Ragsdale.

Today, the Lonsdale community is bordered by Heiskell Avenue to the north and Texas Avenue to the west, and the Western Heights housing project to the east. Many of the homes exhibit Victorian and Craftsman influence.

Ragsdale named many of the streets after Civil War generals and Union states.

Water rights appeared two years later from the Lonsdale–Beaumont Water Corporation, bringing in much needed industrial development in the form of lumber, paper, coal and brick companies.

The community suffered following World War II, as many longtime residents moved away to Oak Ridge and further north and west.

The City of Knoxville has long been committed to revitalizing each inner center community. With Federal Empowerment Zone funds the City hopes to provide the catalyst to begin the long process of revitalizing the Lonsdale community. This plan provides the framework. It contains a summary of concepts and additional proposals and recommendations that were borne out of recent Empowerment Zone planning. The planning includes proposals for future land use, community facilities, transportation improvements and neighborhood conservation measures, to include a commercial center, housing development and rehabilitation.

The Knoxville City Council adopted a resolution on March 29, 2005, requesting Knoxville's Community Development Corporation ("KCDC") to create a redevelopment and urban renewal plan for the Lonsdale community in order to further encourage the revitalization of the area. KCDC has prepared this plan as a result of that request and has submitted the plan as both a redevelopment plan under Section 13-20-203(B) of the Tennessee Code Annotated and an urban renewal plan under Section 13-20-211 of the Tennessee Code Annotated.

This plan is a direct result of the emphasis that the City of Knoxville has placed on the redevelopment of Lonsdale area. Adoption of the plan will hopefully provide an incentive for business owners, individual residents, developers and property owners, both existing and prospective, to seek creative approaches for renovation and development of the properties in the area, thereby initiating through private development renovation of the area structures and revitalization of the community.

## **II. PROJECT BOUNDARY AND EXISTING CONDITIONS**

The project area is generally bounded by I-275 on the East, Louisiana Avenue and Gerald Drive on the South, Grit Street and Gamecock Avenue on the West, and Dwight Street and Crozier Street on the North.

The area is characterized by numerous vacant lots especially in the northern section. There are many platted but unopened public streets. The existing street patterns are irregular. Many homes are in need of rehabilitation. A lot of truck traffic passes through the neighborhood particularly along Texas Avenue. Commercial activity is very limited. There are no buffers between the neighborhood and existing industrial uses. The neighborhood consists of many blighting influences. Blight is defined as "areas with buildings or improvements which by reason of dilapidation, obsolescence, overcrowding, faulty

arrangement or design, lack of ventilation, light, and sanitary facilities, excessive land coverage, deleterious land use, or obsolete layout, or any combination of these or other factors that are detrimental to the safety, health, morals or welfare of the community."

Accordingly, the redevelopment area clearly is eligible to be a redevelopment project within the meaning of Section 13-20-202(a) of the Tennessee Code Annotated. Based on physical inspections of the area conducted by KCDC, the redevelopment area is blighted due to dilapidation of a number of the buildings throughout the redevelopment area. Much of the land use in the area is also deleterious because of vacant buildings, vacant lots or inappropriate land uses. The redevelopment area also clearly qualifies as an urban renewal project within the meaning of Section 13-20-212(a) of the Tennessee Code Annotated because the area, based upon physical inspection by KCDC, when considered as a whole, is blighted, deteriorated and deteriorating.

Blighted areas constitute physical and economic liabilities, requiring redevelopment in the interest of the health, safety and general welfare of the people of these communities. Such areas present difficulties and handicaps which are beyond remedy and control solely by the regulatory processes in the exercise of police power. They contribute substantially and increasingly to the problems of, and necessitate excessive and disproportionate expenditures for public services and private investment.

State law defines "blight" or "blighted areas" as "areas with buildings or improvements which, by reason of dilapidation, obsolescence, overcrowding, faulty arrangement or design, lack of ventilation, light and sanitary facilities, excessive land coverage, deleterious land use or obsolete layout, or any combination of these or other factors, are detrimental to the safety, health, morals or welfare of the community."

To help illustrate what blight is, the following is a list of characteristics that constitute blight or blighting influences. Specifically, blight is an area or property characterized by both of the following conditions:

1. An area or property that is predominantly urbanized and an area in which the combination of conditions set forth below is so prevalent and so substantial that it causes a reduction of, or lack of, proper utilization of the area to such an extent that it constitutes a serious physical and economic burden on the community which cannot reasonably be expected to be reversed or alleviated by private enterprise or government, or both, without significant investment.

2. An area or property that is characterized by one or more of the following:

a. Buildings in which it is unsafe or unhealthy for persons to live or work. These conditions can be caused by serious building code violations, dilapidation and deterioration, serious deferred exterior maintenance or renovation, defective design or physical construction, faulty or inadequate utilities or other similar factors.

b. Factors that prevent or substantially hinder the economically viable use or capacity of buildings or lots. This condition can be caused by substandard design, inadequate size given present standards and market conditions, lack of parking, public improvements or utilities.

c. Adjacent or nearby uses that are incompatible with each other and which prevent the economic development of those parcels or other portions of the project area.

d. The existence of subdivided lots of irregular form and shape inadequate size for proper usefulness and development that are in multiple ownership.

e. Depreciated or stagnant property values or impaired investments, including, but not necessarily limited to those properties containing hazardous wastes that require the governmental authority.

### III. REDEVELOPMENT GOALS AND OBJECTIVES

- Eliminate the conditions of blight and inappropriate land uses existing within the redevelopment project area.
- Ensure, to the greatest possible extent, that the causes of blighting conditions are eliminated or protected against.
- Provide participation opportunities, for owner and business tenants in the areas to the overall redevelopment objectives of the Redevelopment Plan.
- Encourage and ensure the redevelopment of the Project Area.
- Encourage and foster the economic revitalization of the Project Area.
- Finance and construct the public improvements described in the Redevelopment Plan.
- Extend Gap Road to Texas Avenue.
- Restrict trucking, especially along Texas Avenue.
- Buffer the residential areas from the industrial uses.
- Provide code and design standards for infill housing.
- Develop the ridge area by replatting the lots and eliminate the road grid system.
- Develop traffic calming, a greenway and continuous sidewalk system.
- Create smaller scale light standards for streets and alleyways.
- Encourage the development of commercial space.
- Provide for gateway entrances with arches to define the community.

#### IV. RELATIONSHIP TO LOCAL OBJECTIVES

##### **Appropriate Land Uses**

Most of the redevelopment area is presently zoned for the proposed and current land uses. In the event that any specific proposed uses require zoning approvals, KCDC will take steps to secure the proper zoning for the area to encourage redevelopment proposals for the appropriate uses.

##### **Improved Traffic and Public Transportation**

A major goal of the redevelopment plan is to extend Gap Road to Texas Avenue thereby connecting the neighborhood with another major roadway. Additionally, eliminating truck traffic along Texas Avenue will significantly reduce the threat of accidents and improve traffic flow. Public transportation is available through the Knoxville Area Transit buses.

##### **Public Utilities**

The redevelopment area presently has full access to all public utilities with the exception of the ridge area. It is likely, however, that some utility improvements may be required in order to meet the demands of the renovated or newly developed structures and to provide utilities to the ridge area if development occurs.

##### **Recreational and Community Facilities**

A major neighborhood park is planned by the City Administration through an approved grant. Other quality recreational areas are planned within the community including a possible greenway system.

## V. LAND ACQUISITION POLICY

The Land Acquisition Policy, as approved by the Board of Commissioners of Knoxville's Community Development Corporation sets forth procedures which are followed in all locally financed projects administered by the Agency. KCDC will:

- Make every reasonable effort to acquire real property expeditiously through negotiated agreements;
- Pay just compensation for all property interests acquired and conduct acquisition activities in a manner which minimized hardship to owners and tenants and which promotes public confidence in the land acquisition practices;
- Assure consistent and fair treatment to all owners and tenants.

To that end, KCDC shall:

a. Provide the owner and tenant of property to be acquired with an official written notice of its intent to acquire the real property. Such notice shall be given as soon as feasible after the approval to acquire the property, but prior to the date on which negotiations to acquire the property are initiated. The Notice of Intent to Acquire shall include (or be accompanied by) a statement of explanation of the acquisition procedures, including condemnation, and shall explain the principal rights and options of the owner and/or tenant.

b. All property interests to be acquired shall be appraised independently by a competent professional appraiser in private practice, which appraisals shall then be reviewed by a competent

KCDC staff appraisal reviewer. No appraiser shall have any interest, financial or otherwise, in the property to be acquired.

c. The appraiser shall make an on-site inspection of the property to be acquired and shall give the owner or their designated representative an opportunity to accompany him during the inspection of the property. The name (s) of the individual (s) who accompanied the appraiser shall be denoted on each appraisal report.

d. The staff review appraiser shall determine the acceptability and adequacy of the appraisal reports and shall require any corrections or further documentation as may be deemed necessary.

e. After the staff review appraiser finds the appraisal reports acceptable and proper, he shall present to KCDC his report indicating opinion of the fair market value for the property to be acquired. Said value shall not be lower than the lowest appraisal or higher than the highest appraisal. The number of appraisals shall be determined by the complexity of the acquisition. "Fair market value" shall be defined, in general, as "what a willing buyer is willing to pay, but is under no compulsion to do so, and what a willing seller is willing to sell for, but is under no compulsion to sell."

f. Following acceptance of the staff review appraiser's recommendation, KCDC shall verify that the appraisers and the staff review appraiser have performed in a competent manner in accordance with applicable law, and shall then establish a fair market value (just compensation) for each identified property interest to be acquired.

g. Initiation of negotiations for the acquisition of property shall be commenced with each owner of a separately held compensable interest as soon as practicable after the fair market value of interest has been established.

h. The basic negotiation procedures which shall be followed are:

1. A written offer to the owner to acquire his property, delivered person; or if the owner (or his representative) is not available, may be mailed by certified or registered mail.

2. The offer shall include the full purchase price and a statement explaining the basis for the amount established as just compensation for all interests in the property. It shall properly identify the property and shall include any other necessary information pertinent to the offer and to the acquisition of the property.

3. The owner shall be advised that the normal closing costs, including title search and preparation of the deed, will be paid by KCDC. The owner shall also be advised that they are not required to pay a sales commission; however, all loans, liens, and outstanding taxes on the property must be satisfied prior to or at the time of settlement.

4. KCDC shall make every reasonable effort to discuss the offer purchase with the owner, to explain the procedures fully, and shall give the owner a reasonable length of time to respond to the offer.

5. If the owner presents evidence indicating the need of further review or revision in the fair market value as established, KCDC shall require the appraiser to update their appraisal or shall obtain a new appraisal.

i. Before instituting a condemnation proceeding, KCDC shall make a diligent, conscientious effort to induce the owner to accept the established fair market value for their property. A final offer to acquire the property shall be made in writing to the owner or their representative, and reasonable time allowed for acceptance.

j. No owner-occupant or tenant lawfully occupying real property shall be required to move without notification in writing from KCDC at least thirty days prior to the date on which possession will be required. The owner-occupant or tenant shall further be advised of all property management policies which relate to their occupancy.

k. Real property acquisition activities shall be coordinated with relocation activities to ensure that those persons displaced shall not suffer disproportionate injuries as a result of programs designed for the benefit of the public as a whole.

**NOTE:** In the event that federal funding should be received for the benefit of the project, or any part thereof, KCDC shall comply with all applicable regulations, procedures and actions as required by such grants or funding as it relates to acquisition and relocation activities.

## VI. RELOCATION PLAN AND POLICY

KCDC's Relocation Policy, prepared in accordance with state and local laws, serves as a guideline to be consistently followed and implemented throughout the relocation phase of the Historic Market Square Redevelopment Plan. This redevelopment project, if solely financed through local sources, will be subject to the City's Relocation Ordinance. Further, if the project, or any part thereof, should receive federal funding, thus requiring compliance with additional or other guidelines, all applicable regulations will apply.

The relocation activities for the Lonsdale Redevelopment and Urban Renewal Plan shall be carried out in such a manner:

- To insure, to the maximum extent possible, the prompt and equitable relocation and re-establishment of persons, businesses and non-profit organizations displaced as a result of project activities;
- To provide relocation assistance without regard to race, creed, color, sex or national origin;
- To provide relocation assistance in a fair manner so that no displacee shall suffer disproportionate injuries as a result of the project.

In order to formulate this relocation plan and to establish the feasibility of assisting all who may be displaced by the project, an initial survey of project occupants and possible resources has been conducted by KCDC. That survey indicates that adequate resources are, and will be available to meet the needs of all displacees.

Upon approval of the Redevelopment Plan, a KCDC representative will personally contact each business to be displaced and will explain the relocation program and will discuss and determine any special needs of the displacee. The assigned staff representative will assist businesses in finding a

suitable and acceptable replacement location and will follow through on any special needs or assistance determined necessary or helpful. Every effort will be made to minimize the hardships of relocation and re-establishment of businesses. Under local policy, actual reasonable moving expenses will be paid for the relocation of all movable items according to the adopted policy. KCDC staff will assist the displacee in filing the required claims and in obtaining documentation necessary to the payment of claims.

All businesses that are displaced from property as a direct result of the acquisition of that property may be eligible for relocation assistance and payments. Eligibility is established if the business lawfully occupies the property to be acquired at the time negotiations begin for the purchase of the property; however, if a business begins occupancy of the property after negotiations have begun for its purchase, that occupant will not be eligible for assistance or payments. Property owners and tenants will be so advised in the "Notice of Intent to Acquire" which will be delivered prior to the initiation of negotiations for acquisition. A "Notice to Vacate," if required, will be given to all occupants following acquisition of property.

As mentioned earlier in this Plan, if special project funding is received which requires implementation of other than local policies, KCDC will comply with applicable regulations relative to all relocation matters.

KCDC is mindful of the needs of the present occupants within the project area who may be displaced, and will make every effort to minimize the hardships to those displacees. Accordingly, the purchase of properties and the displacement of occupants will be scheduled and coordinated in such a manner to accommodate, to the maximum extent possible, those special needs which may require extraordinary assistance.

No owner-occupant or tenant lawfully occupying real property shall be required to move without notification in writing from KCDC at least thirty days prior to the date on which possession will be required. The owner-occupant or tenant shall further be advised of all property management policies which relate to their occupancy.

Real property acquisition activities shall be coordinated with relocation activities to ensure that those persons displaced shall not suffer disproportionate injuries as a result of programs designed for the benefit of the public as a whole.

**NOTE:** In the event that federal funding should be received for the benefit of the project, or any part thereof, KCDC shall comply with all applicable regulations, procedures and actions as required by such grants or funding as it relates to acquisition and relocation activities.

## **VII. LAND DISPOSITION PLAN**

Acquired land will be conveyed to developers through a Special Warranty Deed that contains restrictive covenants and a reversionary right to insure redevelopment and prevent speculation. Accordingly, developers must complete the Final Plan development authorized by the KCDC Board of Commissioners. Further, undeveloped land and/or buildings shall not be sold for a profit and will be subject to seizure by KCDC.

After proper submission, review and approval of an accepted Redevelopment Plan as determined to be in the best interest of our community, various parcels may be replatted, so as to allow maximum usage and conform to existing building codes, thereby facilitating speedy acquisition and development within the plan boundary. Specific site development shall be accomplished by the sale of acquired properties to private developers, individuals and/or community groups or other entities that will develop the land within the scope of the stated Redevelopment Plan. Public improvements may be accomplished by the City of Knoxville in conjunction with individual private developments.

## **VIII. INTERIM USE OF ACQUIRED PROPERTIES**

It shall be the intent of this Redevelopment Plan to continue current uses until such time as a development proposal materializes, and/or until the need for development is imminent. If, however, a property owner wishes to sell, or an occupant wishes to relocate prior to the scheduled need, KCDC may purchase the property and provide for an appropriate interim use.

## **IX. PROPERTY MANAGEMENT**

In accordance with redevelopment and construction schedules, it is anticipated that certain properties may be under management at various times in the redevelopment project area. Although the primary objectives of the property management activity will be to minimize the length of occupancy of property after acquisition and to relocate occupants as quickly and efficiently as possible into appropriate accommodations in accordance with the Relocation Plan, relocation and demolition activities will be staged in a manner determined most beneficial to the project and as demanded by proposed redevelopment schedules. Only such maintenance as may be required for the health and safety of persons lawfully remaining in occupancy will be undertaken.

KCDC does not anticipate that it will be necessary to employ security personnel to ensure protection of the site property. The property manager will make frequent tours of the acquired properties in order to keep himself informed of the condition of such properties. A rent schedule will be established for property which is to be temporarily occupied after acquisition.

## **X. PLAN AMENDMENTS**

In the course of implementing this redevelopment plan, amendments to this plan may be warranted. Any amendments to this plan will only be adopted by City Council after a public hearing is conducted in the same manner as the hearing was conducted prior to the adoption of this plan and, where applicable, in compliance with the requirements of Section 13-20-205 of the Tennessee Code Annotated. Notice of any proposed amendments will be given to all property owners within the project area pursuant to the requirements of state law. If County Commission's approval of any amendment is required by state law, such approval will also be requested.



