



Knoxville Regional TPO/City of Alcoa, TN

Use of Smart Growth Zoning for Small Cities

September 1 and 2, 2015

Report and Suggested Next Steps

Building Blocks for Sustainable Communities Program

To: Jeff Welch, Director, Knoxville Regional Transportation Organization (RTPO)
Chris Hamby, Planning and Codes Director, City of Alcoa

From: Chris Duerksen, Clarion Associates
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Date: September 29, 2015

Re: Mixed-Use Town Center Development Workshop Summary and Suggested Next Steps As Outcome of Technical Assistance

Overview/Background

- Based on pre-workshop discussions with the staffs of the RTPO and the City of Alcoa Planning and Codes Department, the SGA/Clarion team focused its code audit on the issue of encouraging mixed-use town center development. Mixed-use town center development in small cities is a key goal of the regional plan, PlanET, as well as Alcoa's 2025 Comprehensive Plan. As background for the September 2, 2015 workshop, Clarion Associates produced a detailed discussion paper that focused on key zoning code issues and options related to encouraging mixed use town centers in hopes that others within the Knoxville region may benefit.
- On Tuesday, September 1, 2015, prior to the workshop, City of Alcoa and RTPO staff led an on-the-ground tour of the proposed town center location in Alcoa (the former Alcoa, Inc. West Plant site), and other mixed-use and vertical commercial developments in the Knoxville region. This tour provided a valuable perspective for the workshop. That evening the SGA/Clarion team conducted a public meeting to explain the project and key issues that would be discussed at the workshop. Over 60 people attended this public meeting, including Mayor Don Mull and Alcoa/RTPO staff. More than half of those in attendance live outside of Alcoa, which indicates the rising interest for town center development within the Knoxville region.

- On September 2nd, the SGA/Clarion team made a breakfast presentation to officials from the city planning commission and zoning board of appeals that highlighted key issues that would be covered in the day-long workshop that followed.
- One of the most challenging aspects of developing a town center on the Alcoa West Plant site has been that the property is not under the sole control of the City of Alcoa. An example of development in the city that does have more control is Pellissippi Place, a planned development that is comprised of a public partnership that includes the Economic Development Board, the cities of Alcoa and Maryville, and Blount and Knox counties. In the case of the Alcoa West Plant, the site is owned by Alcoa, Inc., which has entered into a partnership with a private developer from Chattanooga--Kinsey Probasco Hays (KPH). Instead, Alcoa and the State of Tennessee will be contributing substantial funds to the project for transportation and other infrastructure improvements.
- City of Alcoa and RTPPO staff provided some important additional background at the outset of the workshop:
 - Alcoa has rezoned a portion of the proposed town center site to Planned Commercial Unit Development “E-1”.
 - Alcoa was in the process of considering building design standards for all commercial and multi-family development that would also be applicable to the town center site. The planning commission has adopted the standards and passed them along for consideration by the city commission. On September 8, 2015, these standards were adopted by the city commission on final reading and are now in effect.
 - Alcoa, Inc. has recently completed a comprehensive assessment of the site, and the city now feels that it can assist in developing a plan that can address any environmental concerns.

Key Issues Addressed During the Workshop

Based on the background discussion at the workshop, there was consensus to focus on six key issues during the workshop:

- a. What is the best zoning vehicle to encourage a high-quality town center--a new mixed-use zone to replace the current Mixed Use District “E-3” or an improved planned unit development (PUD) process?;
- b. How best to promote a realistic mix of uses in targeted mixed-use town centers;
- c. Applicability of current intensity and dimensional standards in the town center area (e.g., height, setbacks, densities, etc.);
- d. How to institute more appropriate off-street parking regulations to better support and encourage a mixed-use town center;
- e. How to ensure compatibility of new mixed-use projects with surrounding neighborhoods in terms of design and infrastructure capacity; and,
- f. How to improve access to the airport to build on the potential synergy with this economic driver.

Key Issues Discussion and Recommendations

This section summarizes the six key issues and options for potential zoning code and other ordinance amendments discussed at the workshop.

a. **Mixed-Use Town Center Zoning (Discussion Paper p. 6)**

While the City of Alcoa currently has a mixed-use zoning district (E-3) that includes many progressive provisions, it has not been used where assigned, as there has not been any proposed development or re-development to date in those areas. With respect to the Alcoa West Plant site, mixed-use zoning has yet to be assigned for the proposed town center. At this time, Alcoa has only rezoned a portion of the site's border along an arterial corridor as Planned Commercial Unit Development (PUD). According to city staff, the primary reasoning for this action was to establish an outer ring of commercial uses. Pursuant to this process, Alcoa negotiated many aspects of a proposed project with one of the first prospective users (Sam's Club).

While a negotiated development process has some positive attributes, such as flexibility to negotiate development standards and other project features on a case-by-case basis, the consensus of the consulting team and many in the working group is that it has significant drawbacks. One of the most critical is that the latest available public concept plans for the site are very general in nature and do not specifically designate an area for a compact mixed-use town center development, as envisioned by elected and appointed city officials in public statements. According to Alcoa's staff, now that a comprehensive assessment of the site's environmental constraints has been provided, it may be time to "dust off" and revisit these general plans and produce a more comprehensive master plan with a greater level of detail. Having a more detailed master plan that identifies a town center site, and other key development plan attributes, should provide specific guidance for staff if a negotiated PUD approach is continued. It will also help Alcoa realize its ambitious goals for the site, rather than proceeding on a project-by-project basis without any overarching vision.

We recommend, however, that instead of continuing to rely on a negotiated PUD, Alcoa seriously consider instituting a new zoning district for the 350-acre town center site. This new zoning district could build on several of the more notable features of the Mixed-Use District "E-3" detailed in the working paper (e.g., excellent street design standards and restrictions on auto-oriented uses), while incorporating others that may relate to such issues as access, circulation and neighborhood compatibility. Having a tailored zoning district will help promote implementation of an updated master plan of the town center and larger site and provide a higher level of certainty and consistency for prospective users, surrounding neighborhoods and staff alike, while ensuring the development process is more transparent.

b. **Mix of Uses (Discussion Paper pp. 7-16)**

In most communities with town center zones, code provisions include standards intended to ensure that projects include at least some minimum mix of nonresidential and residential uses as they are built out. The current Mixed Use District "E-3" does not address this issue. However, the working group agreed, Alcoa and other communities in the Knoxville region need to proceed cautiously in this arena. A mandatory mix of uses in a town center zone may be a disincentive and lead a developer to propose a single-use development in a base zone or PUD or otherwise they

simply may not proceed with a proposal. On the other hand, allowing one use to dominate in a designated mixed-use area (e.g., 90% commercial as shown on some recent site plans) can undercut the goals of a lively town center.

The working group considered several options it felt might be workable. First, a new town center zoning district might establish a maximum percentage that any one use could be developed instead of specifying a minimum percentage, as done in some mixed use ordinances in other communities. Thus the new regulations might specify that no use (e.g., commercial, residential, civic, office) exceed 80% of the total floor area in any town center zone or subdistrict. This would prevent any one use from predominating, while giving a developer wide latitude on the desired market-supported mix in a specific area rather than having to adhere to a minimum for each type of use. Another option to promote mixed use, rather than requiring it, may be to offer incentives. Such incentives might include increased densities, a broader range of permitted uses, shared infrastructure costs (e.g., stormwater or streets), or streamlined development review for projects that incorporate two or more uses in a development. Other communities have helped their town center areas achieve a healthier use mix by contributing city-owned land to the project or opening, or building, civic uses in the area to attract more people. For example, in the Dallas region the City of Garland has developed a performing arts center near its town center/transit station that helps attract people to the area. Other communities have opened civic uses such as libraries or city offices in the town center, or partnered to provide structured parking.

The working group also discussed the issue of vertical versus horizontal mixed-use. Most supported the notion that the city should allow horizontal use mixing so that mixing would not be required in each building within the town center area. While there are some distinct advantages to this approach (not the least of which is greater flexibility for developers), enforcing horizontal mixed use in a larger area over time might be challenging. Most of the participants supported the notion that Alcoa should allow a mix of horizontal uses. However, differences in opinion may occur. For instance, some developers might favor 100 percent residential uses in an early phase of the town center. This may be due to the area having a more significant residential demand and weaker commercial demand; but, 5-10 years down the road Alcoa may anticipate a push for more commercial to service both its residential areas and growth within the region. Developers might resist this push toward a horizontal mix because the current commercial market could still be modest or weak. Enforcing the horizontal mixed-use requirement might then be problematic. One option would be to require that the ground floor of residential uses in the town center core be designed and built to be easily convertible to commercial uses (e.g., higher floor-ceiling plates). Another would be to require some residential to be built after a specific square footage of commercial was developed.

Whatever approach is taken in a community to promote a mix of uses in a town center, it is critical that in the town center core auto-oriented uses such as gas service stations and drive-in restaurants be discouraged to preserve the desired pedestrian-friendly atmosphere. Some auto-oriented uses and large retail establishments might be successfully integrated into a town center master plan in an outer ring subdistrict, as has been done in several successful town center projects such as the Reston, Virginia, town center. A suggested use table is included starting on page 9 of the working paper.

c. **Intensity and Dimensional Standards (Discussion Paper p. 20)**

This important issue addresses features of development such as residential densities, block and lot standards, setbacks, and height. A hallmark of town center zoning districts is increased density of residential development and intensity of commercial projects to help support transit and create a lively work and living atmosphere. In some communities, minimum residential densities are imposed to preserve key locations for projects that benefit and help promote an active, pedestrian-friendly environment. The Mixed Use District “E-3” contains a number of excellent provisions designed to foster denser, more urban development desirable in a town center. These standards, set forth below, can be a good starting point for drafting a town center district:

- Maximum building setback of 12 feet from property line which helps to create a pedestrian-friendly streetscape and shopping environment. Outdoor eating allowed in front of buildings between setback line and building façade.
- No minimum side setbacks except if structure adjacent to a different zone district or buildings detached. This promotes a town center that is compact and walkable.
- Buildings must be a minimum of two stories and can go up to five stories, which help create a more urban, compact development and allows higher intensity/density of development. Additional stories are allowed by conditional review.
- The allowed density for residential units is approximately 40 units/acre for mixed-use buildings, which will support significant residential development in the town center.

However, to fully implement the town center vision, the city should consider several code additions:

- Establishing minimum residential densities (e.g., 15 units/acre) and minimum heights for commercial structures (e.g., two stories), especially in key locations in the core area
- Significantly reducing the minimum (400 feet) and maximum (1,200 feet) block lengths specified in the subdivision standards (Article III.B). Shorter block lengths promote more pedestrian-oriented, walkable developments.
- Drafting tailored open space standards that are more urban-oriented. Currently, 10% of a project area must be dedicated to open space if the site is more than 5 acres (Section 14-2.1307(4)), and the general open space design provisions of the subdivision standards apply. This will make compact development in the core very difficult. Options for open space might include roof-top gardens, plazas, and similar urban open space features.

d. **Off-Street Parking/Structured Parking (Discussion Paper p. 30)**

Parking is a perennial challenge in most mixed-use developments. Although the proposed Alcoa town center area is quite large—350 acres—town center sites in established communities are typically very constrained. This means extensive surface parking may be infeasible while structured parking is very expensive. Consequently, many localities have taken aggressive steps to reduce

the off-street parking requirements for mixed-use town centers based on numerous studies that demonstrate they typically do not generate as much vehicle traffic as single use projects and thus do not require as much parking as a suburban greenfield development.

For most town centers on infill sites, the SGA/Clarion team suggests communities consider an automatic reduction in minimum off-street parking requirements (e.g., 25% in Core and 15% in Ring). Cities might also approve a proposal to further reduce number of off-street vehicle parking spaces required for a development, provided the development application includes a study demonstrating that because of the development's specific location, nature, or mix of uses, there is a reasonable probability the number of parking spaces actually needed to serve the development is less than the minimum requirement. Alcoa's zoning code already contains such a relief valve provisions.

Alcoa and other communities in the region should also consider maximum limits on parking to their zoning ordinances. Such maximums are particularly important in town center districts where large surface parking lots can make such areas much less pedestrian friendly. A common maximum is 125% of the minimum requirement. As an incentive to build parking garages rather than surface parking lots, some jurisdictions exempt any structured parking spaces from this limitation. As an option, if parking is allowed to exceed a maximum percentage, the additional parking might be required to utilize pervious pavement or grasscrete pavers to maintain a more natural appearance on the site.

Other key issues discussed at the workshop included:

- Requiring cross-access agreements among parcels so that vehicles and pedestrians can travel across adjoining sites/parking lots without having to use public streets.
- Utilizing special financing tools such as a local parking district to fund parking structures within the town center area. Such districts typically assess businesses or landowners within the district an incremental property or other tax, the revenue from which is used specifically to build a parking structure.
- Requiring parking structures to be wrapped at the ground-floor level with commercial or residential uses, or be designed so that the ground-floor level can be converted to such uses when there is sufficient demand. This is particularly important if the parking structure fronts a major street or pedestrian-use area.
- Ensuring that pedestrian access from the parking structure to the town center core is well-designed, attractive, and safe.

e. **Development Design and Compatibility (Discussion Paper pp. 32)**

Town center and mixed-use zoning districts often contain building design standards intended to promote high-quality development, and streetscape characteristics that are conducive to the active pedestrian environment so important to the success of such districts. These building design

standards need to be tailored to reflect the town center district's context relative to the community as a whole, the existing neighborhoods and development that surround the district, and the existing, and desired, character of development within the district.

Compatibility of new development in a town center area with existing residents and surrounding neighborhoods is also often a leading issue. While some neighborhoods welcome access to increased shopping and dining opportunities, others object and resist, fearing adverse impacts such as increased traffic and parking problems. This has proven to be the case in Alcoa. In response to citizen concerns, staff stated that the City of Alcoa has agreed to allow only low-density residential uses across streets from existing homes and to keep traffic accessing the town center site off existing residential streets.

Most mixed use/town center zoning districts around the nation contain some building design standards to ensure structures are attractive and enhance the streetscape and pedestrian experience. For example, Pellissippi Place, a mixed-use research park currently being developed in Alcoa, has specific design standards to ensure attractive building facades. Moreover, Section 14-2.1308 of the Mixed Use District "E-3" contains some modern building design standards often seen in successful town center mixed-use ordinances such as:

- Requiring pedestrian-friendly building entrances that face the street.
- Ground floor transparency/window regulations that specify a minimum of 60% of the street-facing building façade, between two and eight feet in height, have clear windows allowing views of indoor space or product display. Moreover, product display windows may be no more than three feet above the adjacent sidewalk.

Alcoa city staff reported at the workshop that they have drafted some new building design guidelines for commercial and single-family attached/multi-family buildings. If these proposed standards, which focus primarily on exterior building design and materials, are combined with the pedestrian-friendly building standards of the E-3 district, they should go a long way in ensuring attractive buildings in the town center that promote a pedestrian environment.

Alcoa and other communities that are exploring town center projects should also consider specific neighborhood compatibility and protection standards that go beyond the typical buffer and landscaping regulations that are suburban in nature (wide buffers with trees and shrubs). They should consider additional design standards (e.g., building step backs where multi-story buildings are close to residential neighborhoods and four-sided architectural design), use transitions (reduced densities and tighter use controls near existing residential), and operational compatibility (e.g., restrictions on placement of outdoor loading and trash areas, outdoor lighting controls to reduce impact on nearby residential such as full cut-off shielding on any outdoor lighting, height limits on parking lot lighting poles, and similar steps).

Complementary Non-Code Issues

The working group discussed several important non-code issues during the course of the workshop:

Planning and Management

Involving local citizens in the planning process helps ensure awareness of, and support for, the town center. In turn, such involvement can produce a better project with community support in the long run. Public meetings, focus groups, neighborhood consultation and other community involvement methods have been incorporated into the planning process in successful projects. This is particularly important when a typical town center will have more intensive, vertical development than surrounding neighborhoods. Then compatibility, both in design and operations (e.g., lighting, noise, access and traffic), is a critical issue.

The local jurisdiction must also have a strong working relationship with the developer or developers. As a more unique land use, town centers require a high degree of communication regarding such issues as access, street specification, or design standards. All entities need to work cooperatively on siting, infrastructure, signage, parking, and similar issues.

A town center will also require top quality management and event programming once the project is in place. Planning for this should begin early and not wait until the development is well underway. There are a variety of models in other communities ranging from management by the developer, by a public/private cooperative venture, or an association of business owners.

Airport connections

The working group was fortunate to count among its members a representative of the Metropolitan Knoxville Airport Authority (MKAA). The airport, which serves the greater Knoxville region and employs several thousand people, is very close to the Alcoa town center site but has extremely limited access except by airport users in vehicles. There are no direct connections to the town center site at present. The MKAA representative expressed his organization's interest in engaging in discussions with Alcoa about how the authority might achieve its goal to better connect to the surrounding community and provide a variety of ways to access the airport (e.g., pedestrian and bike traffic). City staff pointed out that the proposed Alcoa Parkway, which will be a planned access controlled highway bypassing Alcoa Highway, will provide opportunities for better connectivity in the future. For instance, a certain portion of Alcoa Highway will be converted to a local commercial boulevard, with traffic signalization, and connectivity will be improved between this site and the West Aviation Area. These are all important initial steps to ensuring convenient, direct, and safe access between the town center area and the airport. Experience at other major airports around the nation shows clearly that proximity to an airport and good access to that airport are very positive locational factors for new businesses. Additionally, providing better access to the site for airport employees will mean more customers for town center businesses.

