



**FARRAGUT BOARD OF MAYOR AND ALDERMEN
AGENDA
DECEMBER 22, 2016**

**BMA MEETING
7:00 PM**

- I. Silent Prayer, Pledge of Allegiance, Roll Call**
- II. Approval of Agenda**
- III. Mayor's Report**
- IV. Citizens Forum**
- V. Approval of Minutes**
 - A. December 8, 2016
- VI. Business Items**
 - A. Approval of Contract Renewal for Retail Consulting Services with Retail Strategies
 - B. Approval of Resolution R-2016-13, a Resolution by the Board of Mayor and Aldermen of the Town of Farragut to Protect the Health, Safety and Welfare of the Residents of Sweetbriar Subdivision
 - C. Approval of Resolution R-2016-14 authorizing the town to participate in the TML Risk Management Pool "Property Conservation" Matching Grant Program
- VII. Ordinances**
 - A. Public Hearing and Second Reading
 1. Ordinance 16-25, an ordinance to amend the Farragut Zoning Ordinance, Chapter 3., Section XII., General Commercial (C-1)., Subsection B.12., to provisions to allow for outdoor kennel facilities (Dog Days Canine Playschool, Applicant)
 - B. First Reading
 1. Ordinance 16-24, an Ordinance to amend Title 12, Building, Utility, Etc., Codes, Chapter 1. International Building Code, Section 12-102 (5) of the Farragut Municipal Code

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It is the policy of the Town of Farragut not to discriminate on the basis of race, color, national origin, age, sex, or disability pursuant to Title VI of the civil Rights Act of 1964, Public Law 93-112 and 101-336 in its hiring, employment practices and programs. To request accommodations due to disabilities, please call 865-966-7057 in advance of the meeting.

- VIII. Town Administrator's Report**
- IX. Town Attorney's Report**



**FARRAGUT BOARD OF MAYOR AND ALDERMEN
AGENDA
DECEMBER 8, 2016**

**BMA WORKSHOP
Review of Campbell Station Inn Renovation Project
Discussion on Development Impact Fees
5:30 PM**

**BMA MEETING
7:00 PM**

- I. Silent Prayer, Pledge of Allegiance, Roll Call**
- II. Approval of Agenda**
- III. Mayor's Report**
- IV. Presentation of Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2016**
- V. Citizens Forum**
- VI. Approval of Minutes**
 - A. November 10, 2016
- VII. Business Items**
 - A. Approval of Revised FY2017 Fee Schedule, Rollback on For-Profit Field Rental Fees
 - B. Approval of Resolution R-2016-12, Supplemental Retirement Plan Trust Agreement
 - C. Approval of 2016/2017 Snow Removal Schedule
- VIII. Ordinances**
 - A. Public Hearing and Second Reading
 1. Ordinance 16-23, an ordinance to amend the Farragut Zoning Ordinance, Chapter 3., Section IX., Attached Single-Family Residential

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District (R-4)., Subsection C.11., to provide for new setback provisions for accessory structures.

B. First Reading

1. Ordinance 16-25, an ordinance to amend the Farragut Zoning Ordinance, Chapter 3., Section XII., General Commercial (C-1)., Subsection B.12., to provisions to allow for outdoor kennel facilities (Dog Days Canine Playschool, Applicant)

IX. Town Administrator's Report

X. Town Attorney's Report

Mayor McGill called the meeting to order at 7:00 PM. Members present were Mayor McGill, Aldermen Markli, Pinchok, Povlin and Williams.

Approval of Agenda

Motion was made to approve the agenda as presented. Moved by Alderman Pinchok, seconded by Alderman Markli; voting yes, Mayor McGill, Aldermen Markli, Pinchok, Povlin and Williams; no nays; motion passed.

Mayor's Report

Dan Johnson, Farragut Fire Marshal, gave an overview of his work in Gatlinburg during the fire.

Mayor McGill presented a Proclamation to the Farragut High School Football Team for winning the state championship.

Alderman Povlin announced a Technology Gala for the Farragut High school, January 28.

Presentation of Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2016

Mark Lund, Ingram, Overholt and Bean, presented the annual report to the Board.

Citizens Forum

Carol Christofferson, 11320 Gates Mill, addressed the board concerning the ongoing issue with early morning garbage pickup on Parkside Drive.

Approval of Minutes

Motion was made to approve the minutes of November 10, 2016 as presented. Moved by Alderman Markli, seconded by Alderman Povlin; voting yes, Mayor McGill, Aldermen Markli, Pinchok, Povlin and Williams; no nays; motion passed.

Business Items

Approval of Revised FY2017 Fee Schedule, Rollback on For-Profit Field Rental Fees

Motion was made to set tournament usage fees as follows:

Grass Field \$85 half day/\$150 full day

Synthetic Turf \$170 half day/\$300 full day

Moved by Alderman Povlin, seconded by Alderman Markli; voting yes, Mayor McGill, Aldermen Markli, Pinchok, Povlin and Williams; no nays; motion passed.

Approval of Resolution R-2016-12, Supplemental Retirement Plan Trust Agreement

Motion was made to approve Resolution R-2016-12. Moved by Alderman Markli, seconded by Alderman Povlin; voting yes, Mayor McGill, Aldermen Markli, Pinchok, Povlin and Williams; no nays; motion passed.

Approval of 2016/2017 Snow Removal Schedule

Motion was made to approve the 2016-2017 snow removal schedule. Moved by Alderman Povlin, seconded by Alderman Pinchok; voting yes, Mayor McGill, Aldermen Markli, Pinchok, Povlin and Williams; no nays; motion passed.

Ordinances
Public Hearing and Second Reading

Ordinance 16-23, an ordinance to amend the Farragut Zoning Ordinance, Chapter 3., Section IX., Attached Single-Family Residential District (R-4)., Subsection C.11., to provide for new setback provisions for accessory structures.

Motion was made to approve Ordinance 16-23 on second and final reading. Moved by Alderman Povlin, seconded by Alderman Markli; voting yes, Mayor McGill, Aldermen Markli, Pinchok, Povlin and Williams; no nays; motion passed.

First Reading

Ordinance 16-25, an ordinance to amend the Farragut Zoning Ordinance, Chapter 3., Section XII., General Commercial (C-1)., Subsection B.12., to provisions to allow for outdoor kennel facilities (Dog Days Canine Playschool, Applicant)

Motion was made to approve Ordinance 16-25 on first reading. Moved by Alderman Markli, motion failed due to the lack of a second.

Motion was made to amend the setback requirement to 250 feet from an adjacent property that is zoned residential or agricultural. Moved by Alderman Povlin, seconded by Alderman Markli.

Motion was made to amend the motion to amend the setback requirement to 250 feet from an adjacent property that is zoned residential or agricultural and to require an annual inspection of the property. Moved by Alderman Povlin, seconded by Alderman Williams; voting yes, Mayor McGill, Aldermen Markli, Pinchok, Povlin and Williams; no nays; motion passed.

Motion was made to approve Ordinance 16-25 with the approved amendments. Moved by Alderman Povlin, seconded by Alderman Markli; voting yes, Mayor McGill, Aldermen Markli, Pinchok, Povlin and Williams; no nays; motion passed.

Town Administrator's Report

David Smoak, Town Administrator, announced that the Everett Road ribbon cutting would be Friday, December 16 at 10 AM.

Meeting adjourned at 8:36 PM.

Ralph McGill, Mayor

Allison Myers, Town Recorder

REPORT TO THE BOARD OF MAYOR AND ALDERMEN

PREPARED BY: David Smoak, Town Administrator 

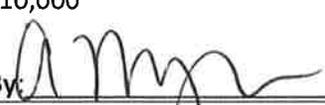
SUBJECT: Approval of Contract Renewal for Retail Consulting Services with Retail Strategies

INTRODUCTION: The purpose of this agenda item is to consider approval of a contract renewal for retail consulting services with Retail Strategies.

DISCUSSION: The Town of Farragut has utilized Retail Strategies, based out of Birmingham, AL, for the past 3 years as our retail consultant. In this role Retail Strategies is responsible for retail recruitment efforts as outlined in the attached contract (Exhibit A). Retail Strategies is one of the leading retail recruitment firms in the country and has made contacts with numerous brokers, developers and retailers attempting to recruit new commercial development to Farragut over the term of our agreement (Exhibit B).

In addition, the Town utilizes Retail Strategies analytics department to make customizable demographic reports for specific retailers and tenant representatives on sites in Farragut (i.e. – Exhibit C). The renewal term would be for one year for a total contract amount of \$25,000.

FINANCIAL SECTION:

Account Number: 110-47200-254			
<u>Total Budget</u>	<u>Contracted Amount</u>	<u>Expenditures YTD</u>	<u>Remaining Amount</u>
\$110,000	\$25,000	\$26,500	\$58,500
Approved By: 			

RECOMMENDATION BY: The Economic Development Advisory Committee recommended approval of this renewal on December 7, 2016.

Town Administrator David Smoak also recommends approval.

PROPOSED MOTION: To approve of a one year renewal of contract for retail consulting services with Retail Strategies.

BOARD ACTION:

MOTION BY: _____ **SECONDED BY:** _____

<u>VOTE/TOTAL</u>	<u>POVLIN</u>	<u>MARKLI</u>	<u>MCGILL</u>	<u>PINCHOK</u>	<u>WILLIAMS</u>
YES	_____	_____	_____	_____	_____
NO	_____	_____	_____	_____	_____
ABSTAIN	_____	_____	_____	_____	_____

PROFESSIONAL RETAIL MARKETING SERVICES AGREEMENT

This Agreement is made by and between **Town of Farragut** ("Client" or "Town") and **Retail Strategies, LLC** ("Contractor" or "Retail Strategies"), an Alabama limited liability company, on the 23rd day of January, 2014, for services and materials for the assignment described as follows:

WHEREAS, the Town desires to contract with a provider for professional retail marketing services and products; and

WHEREAS, Retail Strategies has the requisite experience, abilities and resources to perform the foregoing; and

WHEREAS, the parties desire to enter into this contract with Retail Strategies as an independent contractor, which is ready, willing and able to provide the services in accordance with the terms of and subject to the conditions in this Agreement.

NOW, THEREFORE, for good and valuable consideration, received or to be received, the sufficiency of which the parties acknowledge, the parties agree as follows:

1. **Services and Materials.** Contractor agrees to perform consulting services and provide the materials as requested in the Client's Request for Proposals, as well as those described in **Exhibit A** entitled Proposal to the Town of Farragut Retail Research and Retail Recruitment and attached hereto and incorporated herein.
2. **Compensation.** For the services and deliverables described and referenced in paragraph 1 hereof, Contractor will be paid as provided in **Exhibit A**. The annual fee amounts as provided in **Exhibit A** include all expenses and time of Contractor, its employees, contractors and agents to provide the services and deliverables described herein.
3. **Schedule.** Contractor shall begin work upon notification of approval of this Agreement by the Board of Mayor and Aldermen and shall complete the work by submitting the final deliverables as outlined in **Exhibit A**, on or before May 1, 2014. Consulting services and updates of materials shall be provided by Contractor throughout the term of this contract, which is contemplated to extend for three (3) years, with options to renew as provided in **Exhibit A**.
4. **Invoicing and Payments.** Invoices or payment requests shall be submitted to the Client on the following schedule and shall include such information, documentation or data as the Town Administrator may require including, but not limited to, the amount and breakdown of the payment requested, the period covered by the request, and the work performed during the period covered by the payment request:

Year 1

- | | |
|-----------------------------------|--------------|
| 1. Upon execution | ½ Annual Fee |
| 2. Upon execution of deliverables | ½ Annual Fee |

Year 2

- | | |
|--|--------------|
| 1. Upon agreement to update deliverables | ½ Annual Fee |
|--|--------------|

2. Upon execution of deliverables ½ Annual Fee

Year 3

1. Upon agreement to update deliverables ½ Annual Fee
2. Upon execution of deliverables ½ Annual Fee

In addition, the annual fee for any renewal year opted for by the Town will be due in two semi-annual installments.

Client shall endeavor to remit payment of payment requests or portions thereof which are approved by the Town Administrator within thirty (30) days of receipt by Client. From time to time approval of a payment request may require action by the Board of Mayor and Aldermen which meets on the second and fourth Thursday of most months.

5. Time. Contractor will perform its services in a timely manner commensurate with the exercise of due professional care which it acknowledges can be done consistent with the schedule provided for in **Exhibit A**. Time for performance shall be extended as necessary for delays or suspensions due to circumstances beyond Contractor's control. If such delay or suspension extends more than three (3) months (cumulatively), Contractor's compensation shall be equitably adjusted; provided, however, such adjustment and amendment to this Agreement must be approved by the Board of Mayor and Aldermen before Client is bound.

6. Suspension of Services. If Client fails to pay any invoice when due or otherwise is in material breach of this Agreement, Contractor may, at its sole discretion, suspend performance of services upon five (5) days' written notice to Client. Contractor shall have no liability to Client and Client agrees to make no claim for any delay or damage as a result of such suspension, unless (i) the Town Administrator has refused to approve payment, (ii) his reasons are justified pursuant to this Agreement, and (iii) Contractor has failed to satisfy the reasons as required by Paragraph 4 hereof. Upon cure of the cause of a justified suspension, Contractor shall resume services within a reasonable time, and there shall be equitable adjustments of the project schedule and fees to reflect the effects of such suspension, if such adjustments are deemed reasonable and appropriate by the parties.

7. Standard of Care. Notwithstanding any other provision of this Agreement or any other document describing the services produced by Client, Contractor shall perform its services in accordance with the standard of professional care ordinarily exercised under similar circumstances by reputable members of its profession in the same locality at the time the services are provided. Beyond the foregoing and unless otherwise provided herein or in other documents produced, generated or provided by Contractor, no warranty, expressed or implied, is made or intended by Contractor. The parties further agree that Contractor is not a fiduciary of Client.

8. Termination. The obligation to provide further services under this Agreement may be terminated with or without cause by either party upon ten (10) days' written notice to the other party. On termination by either Client or Contractor, Client shall pay Contractor all amounts due for any services performed to the date of termination (plus all reimbursable expenses incurred) as Contractor's sole and exclusive remedy, subject to any setoffs to which the Client is entitled as a result of Contractor's failure to perform as required by this Agreement.

9. Reuse of Documents. All documents, including drawings, specifications, and reports, prepared by Contractor pursuant to this Agreement are instruments of professional service and shall become the property of the Client.

10. Access to the Site/Jobsite Safety. [Intentionally deleted.]

11. Insurance. Prior to any access to the Project site, Contractor shall deliver to Client a certificate of insurance evidencing general liability coverage with a limit of not less than \$1,000,000 each occurrence for bodily injury, personal injury and property damage. If such insurance contains a general aggregate limit, it shall apply separately to the work/location of the Project in this Agreement or be no less than \$2,000,000. In addition, Contractor shall endeavor to secure and maintain insurance in such amounts as it deems necessary to protect itself from claims of professional negligence arising from the performance of services under this Agreement. Such insurance shall:

- i. Contain or be endorsed to contain a provision that includes Client, its officials, officers, employees, and volunteers as additional insureds with respect to liability arising out of work performed by or on behalf of the Contractor. The coverage shall contain no special limitations on the scope of its protection afforded to the above-listed insureds.
- ii. For any claims related to this Project, the Contractor's insurance coverage shall be primary insurance as respects the Client, its officers, officials, employees, and volunteers. Any insurance or self-insurance programs covering the Client, its officials, officers, employees, and volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

12. Risk Allocation. In recognition of the relative risks, rewards, and benefits of the Project to both Client and Contractor, to the fullest extent permitted by law, the parties agree to allocate the risks such that Contractor's total liability to Client for any and all injuries, claims, losses, expenses, damages, and/or claim expenses arising out of Contractor's services under this Agreement from any cause or causes shall not exceed the amount of Contractor's fee, or One Hundred Thousand Dollars (\$100,000), or the amount of insurance coverage Contractor has, or is required to have, covering the risk or claim that is the basis for the injury, claim, loss, expense or damages, recovery for which is sought, whichever is greater. This limitation shall apply regardless of the cause of action or legal theory pled or asserted.

13. Dispute Resolution. It is agreed that all claims, disputes, or other matters in question arising out of or related to this Agreement shall be submitted to nonbinding mediation before any legal proceedings is commenced. The parties shall equally bear the fees and expenses charged by the mediator.

14. Indemnification.

- i. The Contractor shall defend, indemnify and hold harmless the Client, its officers, employees and agents from any and all liabilities which may arise or be claimed against the Client, its officers, employees and agents or any third party for any and all lawsuits, claims, demands, losses or damages alleged to

have arisen from an act or omission of the Contractors, its employers, agents or contractors in performance of this Agreement or from the Contractor's failure to perform this Agreement using ordinary care and skill, except where such injury, damage, or loss was caused by the sole negligence of the Client, its agents or employees.

- ii. The Contractor shall save, indemnify and hold the Client harmless from the cost of the defense of any claim, demand, suit or cause of action made or brought against the Client alleging liability referenced above, including, but not limited to, costs, fees, attorney fees, and other expenses of any kind whatsoever arising in connection with the defense of the Client; and the Contractor shall assume and take over the defense of the Client in any such claim, demand, suit, or cause of action upon written notice and demand for same by the Client. The Contractor will have the right to defend the Client with notice and demand for same by the Client. The Contractor will have the right to defend the Client with counsel of its choice that is satisfactory to the Client and the Client will provide reasonable cooperation in the defense as the Contractor may request. The Contractor will not consent to the entry of any judgment or enter into any settlement with respect to an indemnified claim without the prior written consent of the Client, such consent not to be unreasonably withheld or delayed. The Client shall have the right to participate in the defense against the indemnified claims with counsel of its choice at its own expense.
- iii. The Contractor shall save, indemnify and hold Client harmless and pay judgments that shall be rendered in any such actions, suits, claims or demands against Client alleging liability referenced above.
- iv. The indemnification and hold harmless provisions of this Agreement shall survive termination of the Agreement.

15. Miscellaneous.

- i. The Contractor will not assign or transfer any interest in this Agreement without obtaining the prior written approval of the Client.
- ii. The Contractor will not enter into a subcontract for any of the services performed under this Agreement without obtaining the prior written approval of the Client.
- iii. The contract between the parties consists of this Agreement, its attachments, any written request for services issued by Client and any response thereto made by Contractor, including any addenda thereto. To the extent there is a conflict between the terms of any of the documents that constitute the contract between the parties, the terms that are most specific to the matter in dispute shall govern over the more general. In the event the conflicting terms cannot be characterized as specific vs. general, then the terms that provide the greater

benefit to the Client and/or impose the greater obligation on the Contractor shall control.

- iv. This Agreement may be modified only by a written amendment or addendum that has been executed and approved by the appropriate officials shown on the signature page of this Agreement.
- v. If any provision of this Agreement is determined to be unenforceable or invalid, such determination will not affect the validity of the other provisions contained in this Agreement. Failure to enforce any provision of this Agreement does not affect the rights of the parties to enforce such provision in another circumstance, nor does it affect the rights of the parties to enforce any other provision of this Agreement at any time.
- vi. In the event legal action is necessary to enforce the terms of the contract between the parties, the prevailing party shall be entitled to recovery of its attorney's fees, court costs, and other expenses of the legal action.
- vii. In the performance of this contract, Contractor will comply with all applicable laws, ordinances, rules, regulations and orders of local, state and federal governments, including, but not limited to, the President's Executive Order No. 11246 and 11375, which prohibit discrimination in employment regarding race, color, religion, sex or national origin, Title VI of the Civil Rights Act of 1964, Copeland Anti-Kick Back Act, the Contract Work Hours and Safety Standards Act, Section 402 of the Vietnam Veterans Adjustment Act of 1974, Section 503 of the Rehabilitation Act of 1973, and the Americans with Disabilities Act of 1990, all of which are herein incorporated by reference.

This Agreement will be governed and construed in accordance with the laws of the state of Tennessee.

CLIENT:

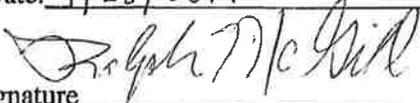
Town of Farragut

Name: Ralph McGill

Title: Mayor

Date: 1/23/2014

Signature



CONTRACTOR:

Retail Strategies, LLC

Name: C. Charles Branch III

Title: Managing Partner

Date: January 22, 2014

Signature





PROPOSAL TO THE TOWN OF FARRAGUT RETAIL RESEARCH AND RETAIL RECRUITMENT

INTRODUCTION:

Birmingham based Retail Strategies, LLC is a retail consulting firm offering unparalleled market analysis, strategic planning, and retail recruitment services to municipalities and economic development authorities throughout the Midwest and Southeastern United States.

Retail Strategies, LLC partners with the appropriate agencies to identify, through in-depth research and analysis, opportunities to recruit retail concepts that expand and improve the retail tenant mix and retail tax base throughout the client's community. Our unique research solutions help you better understand the strengths, weaknesses, and opportunities in your retail trade areas through demographic and business analysis, retail gap analysis, and peer analysis.

Once we have completed the research assessment we then focus on the primary benefit of our services – the retail recruitment strategic plan and successful recruitment of retailers. The conclusions of retail research reports are meaningless without effectively executing a Strategic Retail Recruitment Plan.

OUR PROCESS



- Market Analysis
- Retail GAP Analysis
- Retail Peer Identification & Analysis

- Catalog Available Properties
- Identify Retail Prospects
- Develop Recruitment Plan

- Develop Marketing Materials
- Proactive Recruitment of Retail Prospects
- Monthly Reporting to Town
- Representation at National & Regional Conferences



SUMMARY OF RETAIL ANALYSIS AND SERVICES

The project shall consist of a contracted firm that will partner with the Town of Farragut, Tennessee to determine the best practices and materials for local retail marketing and recruitment. The Town of Farragut has provided a minimum list of recommended deliverables below:

- Regional trade area map showing Farragut proximity to regional big box anchor stores and restaurants in Tennessee
- 24" x 36" Aerial Map identifying big box retailers in the Greater Knoxville Area
- 36"x48", 22"x17" and 11"x17" retail aerial maps for Farragut including national retail and restaurant logos, traffic counts, residential values, top employers and schools within view
- Include all information above on each map size and separately
- Thematic Maps showing Population, Growth, Income, Age and Employment Density
- Farragut Schools & Employers: Locations, Enrollment, Grade, and Number of Employees
- Demographic Reports and Corresponding Maps:
 - 3, 5, 7, 10 mile radius rings
 - 5, 10, 15, 20 minute drive times
 - 5, 10, 15, 20 mile drive distance
- Existing and Potential Retail Business
- Excel file containing existing businesses in the Town of Farragut and markets defining retailers by category with projected sales and employment.
- Leakage and Market Potential Reports
- Vacant property and space inventory database with corresponding maps
- 11" x 17" Retail Marketing Flyer with Aerial Map and Market Highlights
- On Going Assistance in Contacts for Retail Recruitment
- ICSC Event Retail Attendee List which details a list of attending retailers with their demographic requirements and size requirements
- Up to 10 demographic reports per month upon request
- Assistance for meetings at ICSC Events
- Access to a meeting table at ReCON (Las Vegas ICSC) and other regional ICSC events
- Recommendations for retail marketing based on changing retail trends
- Frequent industry news articles via email with retail trends, expansions and closures

FINAL DELIVERABLE AND STRATEGIC RETAIL RECRUITMENT PLAN

Upon completion of the research component of our engagement, the Retail Strategies team will create an online account available to the Town of Farragut that serves as a working resource that will be continuously updated with current data, research, the strategic recruitment plan and updates on retail recruitment and development. In addition to the market analysis outlined above, the following will be available through your Retail Strategies BaseCamp account:

1. Retailer Overview and Recruitment Plan- Summary of the primary retail gaps inclusive of the key retailers to be pursued with a prototypical overview of each retailer relative to size, economics, etc.
2. Local Property Catalog- Retail Strategies, LLC and its partners will work with the Town to catalog all local commercial properties that may be suitable sites to present to prospective new retailers. This will include maps, marked aeriels and all pertinent contact and site specific information relative to each site.
3. Call List and Recruitment Update- an ongoing tracking form to keep the identified Town contacts updated relative to recruitment efforts and specific interaction with prospective retailers.

PROPOSED CONSULTING ENGAGEMENT COSTS

INITIAL ENGAGEMENT: THREE (3) YEARS

PRICING – YEAR 1

2014 AT \$25,500

Deliverable will focus on all retail trade areas for the Town of Farragut and include:

- Initial Market/Trade Area Research and Analysis
- Aerial Maps, Thematic Maps, Daytime Population Maps, Mosaic Lifestyles Map and Report
- Existing and Potential Business, Peer Analysis
- Up to 10 reports per month upon request
- List of contacts and site selection criteria for prospect list
- Strategic Retail Recruitment Plan
- Proactive retail recruitment on behalf of the Town with monthly updates
- Work with local property owners and brokers
- Identify development opportunities and introduce developers to the market
- Representation on your behalf at national and regional retail real estate conferences

PRICING – YEARS 2 & 3

2015 RENEWAL RATE AT \$27,000

2016 RENEWAL RATE AT \$25,000

Retail Strategies, for year two and three of the engagement, will provide updated research of year one and add the following:

- New GAP and Peer Analysis
- On-demand research reports/analysis
- New Prospect by GAP report
- Property catalogue updated

PRICING – YEAR 4 AND BEYOND

The Town of Farragut has the option, beginning in year four, to renew Retail Strategies services on an annual basis at the rate of \$25,000 a year.

ABOUT RETAIL STRATEGIES:

Retail Strategies is a unique consulting platform that offers unparalleled market research and analysis, strategic planning and retail recruitment services to municipalities and economic development authorities throughout the Southeastern United States.

Retail Strategies founding principals (Chuck Branch and Robert Jolly) joined forces in 2011 combining a unique mix of research and analysis skills and technological capabilities with vast national retailer relationships and retail recruitment expertise.

Website: www.retailstrategies.com

PROJECT PRIMARY CONTACTS

Chuck Branch is CEO of Decision Data Resources and co-founded Retail Strategies in 2011. Chuck has spent much of his career managing the development and implementation of large database and GIS projects and solutions for municipalities and workforce development related agencies and organizations across the United States.

Robert Jolly is the President of Birmingham based Retail Specialists, Inc. and co-founded Retail Strategies in 2011. He oversees all financial, development and management aspects of both companies. During his time at Retail Specialists, Inc., he has overseen the leasing and management of more than 5,000,000 sf of retail space and has assisted some of the most well-known tenants in the United States with their expansion into new markets in the Southeast.

Lacy Beasley serves as Vice President of Business Development. She has been involved in Retail Consulting across the Southeast for the past five years as the Government Services Coordinator at The Shopping Center Group. Prior to her work with TSCG, Lacy was with the Dickson County Chamber of Commerce. A graduate of Lipscomb University, she earned her double major in Marketing and Management. Lacy Beasley has served on the ICSC TN/KY Idea Exchange Committee, CCIM Economic Outlook Committee, and Economic Development Association of Alabama [EDAA] Retail Committee.

FOR MORE INFORMATION – CONTACT:

Lacy Beasley
Vice President Business Development
Retail Strategies
Office: (205) 490-2829
Mobile: (615) 330-7987
Email: lacy@retailstrategies.com

Chuck Branch
Partner
Retail Strategies
Office: 205-871-0353
Email: cbranch@retailstrategies.com

Robert R. Jolly, Jr.
Partner
Retail Strategies
Office: 205-871-0353
Email: robert@retailstrategies.com

EXHIBIT A

SUMMARY OF RETAIL ANALYSIS AND SERVICES:

- Custom Demographic Research – Historical, Current, and Projected Demographics – to include market trade areas by radius/drive-time, and custom trade areas associated with the Town of Farragut
- Mosaic Lifestyles – Market Segmentation Analysis
- Retail Gap Analysis
- Retail Peer Analysis
- Thematic Mapping and Aerial Imagery by trade area
- Retail Competitor Mapping/Analysis
- Market Maximization Summary and Strategic Leasing Plan
- Identification of Retail Prospects
- Retailer Recruitment and execution of the Retail Leasing Strategic Plan

FINAL DELIVERABLE AND RETAIL STRATEGIES, LLC: STRATEGIC RETAIL RECRUITMENT PLAN

Upon completion of the research, the Retail Strategies team will provide all research deliverables to the Town of Farragut in an electronic format via Basecamp or a similar online project management platform. The research deliverables uploaded to the platform will serve as a working resource which will be continuously updated with current data and research. The representative of the Client for this engagement will have username/password protected access to all deliverables and may share such information with other parties as deemed necessary and appropriate. All research deliverables will be conveniently tabbed for easy review.

Also included in the deliverable package will be the Strategic Retail Recruitment Plan to be prepared and executed by Retail Strategies, LLC. Included in this portion of the package are the following:

1. Retailer Overview and Recruitment Plan- Summary of the primary retail gaps inclusive of the key retailers to be pursued with a prototypical overview of each retailer relative to size, economics, etc.
2. Local Property Catalog- Retail Strategies, LLC will work with the Town of Farragut to catalog all local commercial properties that may be suitable sites to present to prospective new retailers. Inclusive in this tab is a map, marked aerial and all pertinent contact and site specific information relative to each site.
3. Call List and Recruitment Update- an ongoing tracking form to keep Town contacts updated relative to recruitment efforts and specific interaction with prospective retailers.

As part of Consultant's execution of the Strategic Retail Recruitment Plan, Consultant will represent the Town of Farragut at the appropriate national and regional ICSC conferences.



retail strategies

Farragut, Tennessee

Overview of Engagement & Scope of Work Update
November 30, 2016

The following items were completed during our "Discovery Phase" -The initial 90 days <i>(All research and reports have been posted and are available to you via Basecamp)</i>	
<p>Analytical & Quantitative Research</p>	<ul style="list-style-type: none"> ✓ TRADE AREA IDENTIFICATION: <ul style="list-style-type: none"> ▪ 3,5,10 Mile Radius Ring ▪ 5,10,15 Minute Drive Time ✓ DEMOGRAPHIC REPORTS FOR EACH TRADE AREA ✓ CONSUMER ATTITUDE & BEHAVIOR ANALYSIS ✓ DISTANCE TOLERANCE / VOID ANALYSIS ✓ MAPPING & AERIAL IMAGERY: <ul style="list-style-type: none"> ▪ Competitive Market Aerial ▪ Thematic Demographic Mapping ▪ Market Retail Competitor Aerial ✓ PEER MARKET COMPARISON REPORT ✓ RETAIL GAP ANALYSIS
<p>In-Market Real Estate Analysis "Boots on the Ground"</p>	<ul style="list-style-type: none"> ✓ In-Market Real Estate Analysis Completed in 2014 by Retail Strategies Real Estate team. ✓ Completed assessment of existing retail real estate landscape <ul style="list-style-type: none"> ▪ Identified new development, re-development, and higher & better use opportunities ▪ Completed analysis of tenant mixture of shopping centers & retail corridors
<p>Property Catalog & Prospect List</p>	<ul style="list-style-type: none"> ✓ Property Catalog Created of Retail Real Estate Opportunities <ul style="list-style-type: none"> ▪ More than 35 Properties were identified as current and/or long term retail opportunities within the city limits ▪ Retail Strategies began outreach efforts to local brokers or property owners associated with identified properties ✓ Retail Recruitment Prospect List Created <ul style="list-style-type: none"> ▪ Over 100 Retail Prospects were identified using peer analysis, GAP analysis, retailer expansion plans, and general industry intuition
<p>Custom Marketing Materials</p>	<ul style="list-style-type: none"> ✓ Farragut's Custom Marketing Guide Completed and approved by town
<p>Strategic Retail Recruitment Plan</p>	<ul style="list-style-type: none"> ✓ Farragut's Retail Recruitment Plan was completed and presented to the town in July 2014

Prospecting & Scope of Work Highlights 2014-2016

<p>Local Outreach</p>	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Local broker and property owner outreach. <ul style="list-style-type: none"> ▪ Throughout the last three years we have been in communication with numerous property owners and brokers who represent sites in the market to offer our assistance to them and help market their sites. The following highlights some of the connections we have made in the market: <ul style="list-style-type: none"> • Spake Real Estate • GBT • Cornerstone Realty Associates • Local broker for Ford property • White Realty • Baker Storey McDonald • Coldwell Banker • Holrob • Deep River Partners • Blanchard & Calhoun • NAI Knoxville • First Commercial Real Estate • Hatcher-Hill Properties • Bayer Properties • Conversion Properties • Five Oaks Development <input checked="" type="checkbox"/> Site specific demographic and research reports have been provided to local brokers and property owners to aid in the marketing of their property.
<p>Research & Marketing Materials</p>	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Custom Marketing Materials Updated for 2016 (see attached) <input checked="" type="checkbox"/> Research updated to include mobile tracking data to determine Farragut's consumer footprint (also attached) <input checked="" type="checkbox"/> Retail Industry Trend Reports posted to Basecamp <input checked="" type="checkbox"/> Access to webinars focusing on the latest trends with regards to retail and real estate <input checked="" type="checkbox"/> Annual Presentations to local real estate brokers and town representatives
<p>Retail Recruitment Progress</p>	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Identified national retailers from 15 specific categories that are both in expansion mode and looking for markets similar to Farragut <ul style="list-style-type: none"> ▪ 24 Full-Service Restaurants ▪ 18 Limited-Service Restaurants ▪ 25 Quick-Service/Fast-Casual Restaurants ▪ 2 Coffee, Juice and Smoothie ▪ 15 Clothing Stores ▪ 6 Exercise/Fitness and Sports & Recreation ▪ 2 Pet Stores ▪ 3 Hobby & Craft ▪ 4 Footwear Stores

	<ul style="list-style-type: none"> ▪ 6 Home Furnishing ▪ 4 Specialty Grocery ▪ 9 Automotive & C-Store Concepts ▪ 9 Health & Medicine ▪ 5 Home Improvement & Appliance ▪ 8 Grocery Stores <p><input checked="" type="checkbox"/> On-going communication and marketing efforts on behalf of Farragut to these retailers providing town guide and available properties.</p>
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2014-2016 Conferences Representation	
<p>ICSC Southeast Conference and Deal Making</p> <p>November 1-3, 2016 October 26-28, 2015 October 27-29, 2014</p>	<p>Held annually these deal making events are a great opportunity for owners, developers, retailers, brokers, lenders, municipalities, property asset managers and product and service providers to gather under one roof to exhibit, make deals and form successful business partnerships. The Conference has averaged over 3,000 attendees for the two day deal making event the last few years.</p>
<p>Tennessee/Kentucky Idea Exchange</p> <p>March 7-8, 2016 July 23-24, 2015 July 9-10, 2014</p>	<p>Tennessee/Kentucky Idea Exchange is a two-day regional meeting with 500-700 owners, developers, retailers, brokers, lenders, municipalities, property asset managers and product and service providers in attendance. This show provides an opportunity to gain information about current industry trends, meet and interact with retailers expanding in this region.</p>
<p>RECon- The Global Retail Real Estate Convention</p> <p>May 22-25, 2016 May 17-20, 2015 May 19-22, 2014</p>	<p>The annual ICSC RECon is the largest gathering of real estate professionals in the world. Each year Retail Strategies secures a booth to conduct hundreds of meetings with retailers, developers and brokers on behalf of our clients. Many of these meetings are high level and the follow up is where the deals begin to move forward. Our company had meetings with over 250 retailers, developers and brokers during this three-day deal making event. RECon 2016 was very well attended with over 36,000 retailers, developers and brokers.</p>
<p>ICSC Conferences Attended by Retail Strategies</p>	<ul style="list-style-type: none"> ▪ Carolina Idea Exchange ▪ New York National Deal Making ▪ Texas Conference and Deal Making ▪ Chicago Deal Making ▪ Western ICSC ▪ Gulf South Conference
<p>Upcoming 2016-2017 Conferences</p>	<p>Retail Strategies will be representing Farragut at the following conferences in 2016/17:</p> <ul style="list-style-type: none"> ▪ New York National Conference-December 5-6, 2016; New York, NY ▪ Carolina Conference & Deal Making- March 20-21, 2017; Charlotte, NC ▪ RECON- May 21-24, 2017; Las Vegas, NV ▪ Tennessee/Kentucky Idea Exchange- July 25-26, 2017; Nashville, TN

On-going efforts and work still to be done in 2017	
Farragut Gateway	Our team has promoted the site at the corner of Campbell Station and Kingston to multiple groups and our efforts are on-going to help fill the available space.
Former Ingles Center	Our team has met with the leasing group to find a way to get interested tenants in this center. We want to continue these efforts and see this center occupied.
Home Improvement	Our team along with the town of Farragut have met with the real estate team of a home improvement and appliance concept that has the town as a potential market. We have provided demographic information to them and continue to stay in touch.
Ford Property	We've met with several multi-family groups and had interest on this property over the course of our engagement.
Former Kroger Center	Our team has portfolio reviews on a regular basis with developers and shopping center owners that look for vacant centers to re-develop. We will continue promoting Farragut and the available shopping centers in the market.
Possible development along Kingston Pike	We will continue promoting the large site along Kingston Pike and make sure retailers are aware of the possible development.
Fast-Casual New to Market Concepts	Our team continues to make progress reaching out to up and coming fast-casual concepts that are looking for markets similar to Farragut. We want to make sure the town is on their radar as they make their plans for new stores.
Fitness Concept	There is a fitness concept that we've met with multiple times and provided information on the market and available spaces. They are working on existing space.
Available Commercial Sites	Our team provides as much information as possible to prospective retailers for available sites in the market; we will continue updating our property catalog annually.

Marketing	<ul style="list-style-type: none"> ▪ Our team will update all marketing materials prior to 2017 conferences along with demographic information. ▪ Identify new GAPS and focus categories
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WHAT IS MOBILE TRACKING?

This mobile tracking service uses data collected from mobile phone users who have agreed within their apps and phone settings to enable location information. By drawing a polygon around a specific business or location we are able to gather valuable data about the customer base that has actively used their mobile device while in the polygonned location.

HOW DO WE USE MOBILE DATA?

This tool allows us to see where customers are coming from to shop in your market using actual data. This information is used to optimize your trade area, analyze business locations, compare frequency of visitors, and assist retailers in site selection. This is intended to support the trade area but does not solely define the trade area.

WHAT DOES MOBILE DATA SHOW?

Once the polygon is drawn around the designated location we then specify a time frame in order to compare visitor patterns. The resulting data is based on the shoppers who visited the defined location during the designated time period. The system produces latitude/longitude points to showing the likely home and work locations of the visitors from which trade areas are derived. These data inputs are updated as quickly as every 24 hours.



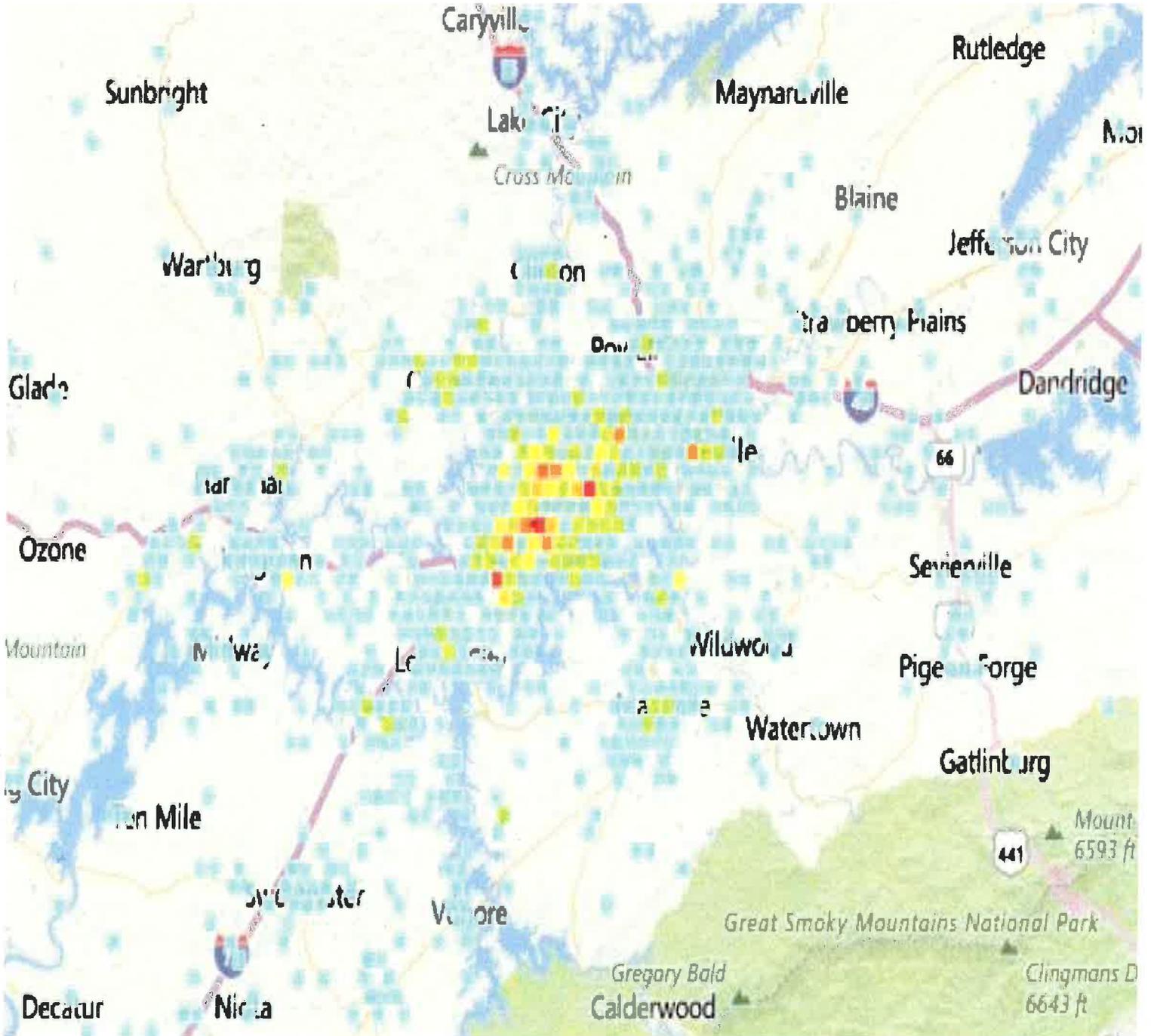


retail strategies

MOBILE TRACKING DATA
PERCENT DISTRIBUTION REPORT

% Distribution

- 0.01% to 0.25%
- 0.25% to 0.5%
- 0.5% to 1%
- 0.75% to 1%
- > 1%



Map depicts mobile tracking of active cellular devices from Turkey Creek located in Farragut, TN between November 1, 2015 and November 1, 2016.

REPORT TO THE BOARD OF MAYOR AND ALDERMEN

PREPARED BY: David Smoak, Town Administrator 

SUBJECT: Resolution 2016-13 – a Resolution by the Board of Mayor and Aldermen of the Town of Farragut to Protect the Health, Safety and Welfare of the Residents of Sweetbriar Subdivision

INTRODUCTION: The purpose of this agenda item is to approve Resolution 2016-13 a resolution to protect the health, safety and welfare of the residents of Sweetbriar Subdivision.

BACKGROUND: Over the past several months, the residents of Sweetbriar subdivision that backup to the Turkey Creek Shopping area have unfortunately been submitted to numerous commercial garbage collectors that pickup their clients trash between the hours of 11:00pm to 7:00am. This has caused the neighbors that are adjacent to this area countless hours of interrupted sleep, even after requests from the neighborhood and Knox County Sheriff’s department to cease these pickups in the middle of the night.

DISCUSSION: Protecting the health, safety and welfare of the Town of Farragut is one of the primary responsibilities of our local government. The residents in the Sweetbriar subdivision have tried several times by asking the businesses in Turkey Creek adjacent to their community to be good neighbors and stop having their trash picked up in the middle of the night. Some businesses have been responsive to those requests, but others have not, which is causing this unfortunate business practice to continue.

The resolution before the Board of Mayor and Aldermen would authorize the Mayor to send a letter to the businesses in the area requesting their assistance in solving this problem by requesting their commercial trash collectors only pick up between the hours of 7:00am and 11:00pm. If this request is not met, the Board could move forward in adopting an ordinance that would require compliance.

RECOMMENDATION BY: Town Administrator David Smoak for approval.

PROPOSED MOTION: To approve Resolution 2016-13.

BOARD ACTION:

MOTION BY: _____ **SECONDED BY:** _____

<u>VOTE/TOTAL</u>	<u>POVLIN</u>	<u>MARKLI</u>	<u>MCGILL</u>	<u>PINCHOK</u>	<u>WILLIAMS</u>
YES	_____	_____	_____	_____	_____
NO	_____	_____	_____	_____	_____
ABSTAIN	_____	_____	_____	_____	_____



RESOLUTION: R-2016-13

A RESOLUTION BY THE BOARD OF MAYOR AND ALDERMEN OF THE TOWN OF FARRAGUT TO PROTECT THE HEALTH, SAFETY AND WELFARE OF THE RESIDENTS OF SWEETBRIAR SUBDIVISION

WHEREAS, the Board of Mayor and Aldermen have received numerous complaints from the residents of Sweetbriar Subdivision regarding the loud and obtrusive commercial garbage pickup's occurring at the commercial businesses adjacent to their community in the Turkey Creek Shopping area; and

WHEREAS, these garbage pickups have been occurring between the hours of 11:00pm and 7:00am when the residents of the community should be able to anticipate a peaceful night's sleep; and

WHEREAS, there have been numerous attempts by the residents of Sweetbriar Subdivision and the Knox County Sheriff's Office to request the businesses in the area ask their garbage collectors to pick up their trash during daytime business hours; and

WHEREAS, these requests have unfortunately not been met by the businesses and/or commercial garbage collectors servicing this area; and

WHEREAS, the Board of Mayor and Aldermen consider protecting the health, safety and welfare of the citizens of the Town of Farragut a primary responsibility of the government; and

NOW, THEREFORE, be it resolved by the Board of Mayor and Aldermen of the Town of Farragut, that we authorize the Mayor of the Town of Farragut to send a letter requesting the commercial businesses adjacent to the Sweetbriar Subdivision to solve this issue by requesting their commercial garbage collectors to pick up between the hours of 7:00am and 11:00pm. If compliance with this request is subsequently not met, our intent is to develop an ordinance that will stop this unacceptable business practice.

This resolution is duly adopted by the Board of Mayor and Aldermen of the Town of Farragut on this 22nd day of December, 2016.

Dr. Ralph McGill, Mayor

Allison Myers, Town Recorder

REPORT TO THE BOARD OF MAYOR AND ALDERMEN

PREPARED BY: Janet Wedekind, Human Resources Manager

SUBJECT: Resolution R-2016-14 authorizing the town to participate in the TML Risk Management Pool "Property Conservation" Matching Grant Program.

INTRODUCTION: The Town's property insurer, the Pool, is offering a new matching grant program for property loss prevention/control items up to \$2,500.

BACKGROUND: The Town currently experiences vandalism in the Parks. The cost of vandalism repair saps both the Public Works employees' time and maintenance budget dollars that could be better spent on needed maintenance and upgrades. Currently, the Town is expanding the amenities at McFee Park. This timing presents an opportunity to install surveillance cameras in the park to deter vandalism at McFee. McFee Park has the greatest number of visitors and use.

DISCUSSION: Surveillance cameras can record the vehicle license tag numbers. With the tag numbers, the vandals may be identified by the Knox County Sheriff's office. They can provide the vehicle owner's name. Legal action will be pursued in order that the Town's repair costs may be reimbursed. The presence of the cameras alone may be a deterrent to vandalism.

RECOMMENDATION BY: Human Resources Manager, Janet Wedekind for approval

PROPOSED MOTION: To approve Resolution R-2016-14 authorizing the town to participate in the TML Risk Management Pool "Property Conservation" Matching Grant Program.

BOARD ACTION:

MOTION BY: _____ **SECONDED BY:** _____

<u>VOTE/TOTAL</u>	<u>WILLIAMS</u>	<u>MARKLI</u>	<u>PINCHOK</u>	<u>POVLIN</u>	<u>MCGILL</u>
YES	_____	_____	_____	_____	_____
NO	_____	_____	_____	_____	_____
ABSTAIN	_____	_____	_____	_____	_____



Town of Farragut, Tennessee

RESOLUTION: R-2016-14

A RESOLUTION BY THE BOARD OF MAYOR AND ALDERMEN OF THE TOWN OF FARRAGUT AUTHORIZING THE TOWN TO PARTICIPATE IN THE POOL'S PROPERTY CONSERVATION MATCHING SAFETY GRANT PROGRAM

WHEREAS, the citizens of the Town of Farragut have entrusted the administration with the care and custody of town-owned property; and

WHEREAS, all efforts shall be made to protect town-owned property from various perils that may arise for the Town of Farragut; and

WHEREAS, The Pool seeks to encourage members with property coverage to develop and implement a property conservation program by offering the **PROPERTY CONSERVATION MATCHING GRANT PROGRAM**; and

WHEREAS, the Town of Farragut now seeks to participate in this important program.

NOW, THEREFORE, be it resolved by the Board of Mayor and Aldermen of the Town of Farragut, Tennessee the following:

SECTION 1. That the Town of Farragut is hereby authorized to submit application for the **PROPERTY CONSERVATION MATCHING GRANT PROGRAM** through the Loss Control Department of The Pool.

SECTION 2. That the Town of Farragut is further authorized to provide a matching sum for any monies provided by this grant.

Resolved this 22th day of December in the year 2016.

Dr. Ralph McGill, Mayor

Allison Myers, Town Recorder

REPORT TO THE BOARD OF MAYOR AND ALDERMEN

PREPARED BY: Mark Shipley, Community Development Director

SUBJECT: Ordinance 16-25, an ordinance on second and final reading, to amend the Farragut Zoning Ordinance, Chapter 3., Section XII., General Commercial (C-1), Subsection B.12., to provisions to allow for outdoor kennel facilities (Dog Days Canine Playschool, Applicant)

INTRODUCTION AND BACKGROUND: This request was discussed at two Planning Commission meetings. The applicant asked that the Town's existing provisions that relate to kennels be re-visited so that an outdoor fenced area could be provided. Currently, a kennel, which is defined as "any lot or premises on which four (4) or more dogs, more than six (6) months of age, are kept," is permitted in the General Commercial (C-1) Zoning District provided the following development criteria are met:

- a. The building shall be sound proofed to prevent the noise of barking dogs being heard outside the building. A certification verifying the sound proofing capabilities must be submitted with the site plan; and
- b. No outdoor fencing shall be located on the premises.

The applicant has an existing dog day care facility (which is most similar to a kennel as treated in the zoning ordinance) in Farragut that pre-dates the above requirements. They will be moving and desire to stay in Farragut to continue to serve their existing customers. As mentioned above, the applicant would like to be able to have an outdoor area that would be fenced where the staff could take the dogs. The dogs would only be permitted outside with staff supervision.

The current criteria associated with kennels is intended to lessen the likelihood of a nuisance. Kennels can be smelly and noisy and potentially unsightly. During the discussions with the Planning Commission some concerns were expressed from an adjacent business owner and residents in the abutting subdivision. They asked the Commission to ensure that whatever was permitted would not create a nuisance.

DISCUSSION: Based on the feedback provided during the workshop discussion in October, the staff presented the Planning Commission with some language that would attempt to address both the applicant's request and potential impacts to abutting property owners. Ordinance 16-25 provides for outdoor fences for commercial kennels but only for recreational purposes and establishes a number of provisions designed to minimize any potential adverse impacts associated with a commercial kennel.

The staff has also added specific noise based parameters that would address noise both within the space and outside the space. The numbers used were largely based on a sound analysis that was prepared by a registered engineer for the applicant's desired lease space at 10875 Kingston Pike. For comparison purposes, the staff has included in the packet some typical decibel readings for different noises. The Town does not have a noise ordinance so if the proposed parameters are adopted any noise complaint would have to involve an updated sound analysis from a qualified engineer.

At their meeting on November 17, 2016, the Planning Commission unanimously recommended approval of Ordinance 16-25. When this was considered for first reading at the Board of Mayor and Aldermen meeting on

December 8, board members expressed a desire to provide for additional measures to help lessen the possibility of a nuisance. The board approved Ordinance 16-25 on first reading but asked that the setback distance from the nearest portion of an outdoor fenced area to the nearest portion of a property zoned residential or agriculture be increased from 150 feet to 250 feet. The board also asked that language be added to provide for an annual inspection to assess compliance with the provisions of Ordinance 16-25.

RECOMMENDATION: The staff has incorporated the revised language into Ordinance 16-25 and recommends approval on second reading.

PROPOSED MOTION: To approve Ordinance 16-25 on second reading.

BOARD ACTION:

MOTION BY: _____ **SECONDED BY:** _____

<u>VOTE/TOTAL</u>	<u>WILLIAMS</u>	<u>MARKLI</u>	<u>PINCHOK</u>	<u>POVLIN</u>	<u>MCGILL</u>
YES	_____	_____	_____	_____	_____
NO	_____	_____	_____	_____	_____
ABSTAIN	_____	_____	_____	_____	_____

ORDINANCE: 16-25
PREPARED BY: Shipley
REQUESTED BY: Staff
CERTIFIED BY FMPC: November 17, 2016
PUBLIC HEARING: _____
PUBLISHED IN: _____
DATE: _____
1ST READING: _____
2ND READING: _____
PUBLISHED IN: _____
DATE: _____

AN ORDINANCE TO AMEND THE TEXT OF THE FARRAGUT ZONING ORDINANCE, ORDINANCE 86-16, AS AMENDED, PURSUANT TO AUTHORITY GRANTED BY SECTION 13-4-201, TENNESSEE CODE ANNOTATED, BY AMENDING CHAPTER 3. SPECIFIC DISTRICT REGULATIONS, SECTION XII., GENERAL COMMERCIAL DISTRICT (C-1), SUBSECTION B. 12., TO ALLOW FOR NEW REQUIREMENTS ASSOCIATED WITH KENNELS

WHEREAS, the Board of Mayor and Aldermen of the Town of Farragut, Tennessee, wishes to amend Chapter 3, Specific District Regulations, of the Farragut Zoning Ordinance, Ordinance 86-16,

NOW, THEREFORE, BE IT ORDAINED by the Board of Mayor and Aldermen of the Town of Farragut, Tennessee, that the Farragut Zoning Ordinance is hereby amended as follows:

SECTION 1.

The Farragut Zoning Ordinance, Chapter 3, Specific District Regulations, Section XII. General Commercial District (C-1), Subsection B., 12., is amended by deleting it in its entirety and substituting in lieu thereof the following:

- 12. Commercial kennels, provided the following development criteria are met:
 - a. Any outdoor structures (e.g. fences) associated with the kennel shall not be visible from public streets;
 - b. Boarding of animals shall be confined to the interior of a structure designated for this purpose;
 - c. Outdoor fences are permitted solely to provide an area for exercise and waste elimination and shall be used only with on-site supervision. Outdoor fences shall adhere to the following specifications:
 - a. Opaque with no openings as viewed from the outside of the fence and a minimum of six (6) feet in height;
 - b. Properly maintained and constructed of durable, low maintenance materials that are earth tone, black, or white in color and contain no signage. No chain link fencing

- shall be permitted;
- c. Set back at least fifty (50) feet from an adjacent property that is not zoned residential or agriculture. Such measurement shall be a straight line distance from the nearest portion of the fence to the nearest portion of the property that is not zoned residential or agriculture;
 - d. Set back at least two-hundred fifty (250) feet from an adjacent property that is zoned residential or agriculture. Such measurement shall be a straight line distance from the nearest portion of the fence to the nearest portion of the property that is zoned residential or agriculture;
 - e. Shall be reviewed as part of a site plan process through the Planning Commission and shall not interfere parking spaces, access ways, and/or pedestrian access;
 - d. The square footage of fenced areas shall not exceed one-fourth ($\frac{1}{4}$) of the gross square footage of the interior space associated with the commercial kennel;
 - e. Fenced areas shall be properly maintained in a clean and sanitary condition so as to be free from offensive odors or other nuisances and shall not adversely affect public health;
 - f. Fenced areas with a non-vegetated surface shall be designed and constructed to drain to the sanitary sewer. An alternative would be for the wash water to drain to an infiltration area (rain garden, bioswale, pervious concrete, etc.,) adjacent to the impervious area to promote infiltration, reduce runoff, and provide treatment of the wash water before it reaches a stream or other waterway. Fenced areas, regardless of their size, that are associated with a commercial kennel shall be covered by the Town's Special Pollution Abatement Permit to ensure proper stormwater practices are maintained on the site;
 - g. The indoor space devoted to the kennel shall be sound proofed to prevent the noise of barking dogs from exceeding 80 decibels (dB) inside and yielding no more than 30 dB outside the facility. A certification from a registered engineer qualified to make such an assessment shall be provided to verify compliance with these decibel requirements; and
 - h. Such facility shall be subject to an unannounced annual inspection to assess compliance with the provisions of this ordinance.

SECTION 2.

This ordinance shall take effect from and after its final passage and publication, the public welfare requiring it.

Dr. Ralph McGill, Mayor

Allison Myers, Town Recorder

Certified to the Farragut Board of Mayor and Aldermen this ____ day of _____, 2016, with approval recommended.

Rita Holladay, Chairman

Edwin K. Whiting, Secretary

FARRAGUT MUNICIPAL PLANNING COMMISSION

REPORT TO THE BOARD OF MAYOR AND ALDERMEN

PREPARED BY: Mark Shipley, Community Development Director, Dan Johnson, Fire Marshal, John Householder, Building Official

SUBJECT: Ordinance 16-24, an ordinance to amend Title 12, Building, Utility, Etc., Codes, Chapter 1. International Building Code, Section 12-102 (5) of the Farragut Municipal Code

BACKGROUND: As part of the Town's adoption process related to the 2012 International Building Code (IBC), the Board of Mayor and Aldermen of the Town of Farragut unanimously adopted in April of 2013 certain modifications that would provide for standards of construction that would be in excess of the minimum standards provided in the IBC. One of the modifications was to require buildings in excess of 7,000 gross square feet or two or more stories to be constructed of Type I, II, III, or IV Construction. The 7,000 square foot provision and the construction types are provided for in the IBC and are industry recognized applications.

In general, the lower the number in terms of construction type, the greater the level of protection: Types I and II are those types of construction in which the building elements are constructed of noncombustible materials; Type III is the type of construction in which the exterior walls are of noncombustible materials and the interior building elements are of any material permitted in the code, ex., fire-retardant-treated wood; Type IV is a unique construction type that utilizes oversized wood members to provide fire protection; Type V is the type of construction in which the structural elements, exterior walls and interior walls are of any materials permitted by the code. Thus a building with a Type I Construction has the highest level of protection and would be the likely construction type for most hospitals. The building code, without this locally tailored modification, would allow for certain buildings in excess of 7,000 gross square feet or two or more stories to be built with a Type V Construction which is basically a wood framed building.

After reviewing this matter, the Board adopted the above referenced modification and excluded Type V as an option for buildings in excess of 7,000 gross square feet or two or more stories for a number of reasons including the following:

- a) To ensure that larger and taller buildings are constructed with materials that would provide for greater protection of the occupants, the structures, and adjacent structures. Essentially, requiring materials that would better enhance the life/safety characteristics of these larger buildings. Type I through IV structures have less combustible material and thus create a lower fuel source compared to a Type V Construction (irrespective of the sprinkler system used);
- b) The Town wanted to improve its Insurance Service Office (ISO) rating so that the businesses in the Town would have the lowest possible insurance premiums. Requiring buildings to be constructed to a higher standard, as reflected in a recognized improved construction type, is something that an ISO audit reviewer looks at when considering a community's rating. In part, due to its efforts to go above the minimum code requirements, the Town of Farragut is one of only 11 communities in the state with an ISO rating of 3. This is an excellent rating and greatly benefits the residents and businesses of the Town. Without this modification, the rating could be compromised (www.isomitigation.com/about-us/about-iso.html);
- c) To provide for buildings that would have more longevity and flexibility. The higher the construction standard the more adaptable a building is to changing conditions and uses. This is one of the reasons the 4-story SouthEast Bank building in front of the Renaissance Farragut was constructed with a Type II all noncombustible construction. The owners wanted to construct something that would have lasting value

and that could be used a number of ways should conditions change in the future. This would be particularly important if a building were to be considered for mixed use occupancy which is becoming a desirable land use practice in many communities;

- d) To simplify the construction requirements for larger and taller buildings and avoid the creation of the much more complicated fire district that many communities, such as Knoxville and Oak Ridge, have adopted. These fire districts essentially require Construction Type's I-IV but with much more complexity. The Marble Alley apartment buildings that have recently been constructed behind the General Mast Store building in Knoxville are in a fire district and were constructed with a construction type that would comply with the Town's adopted modification. The Town's current provisions would provide for the same quality but with a simpler application;
- e) To be consistent with the Town's long-standing objectives of promoting high standards. The Town is known for its high standards in zoning, signage, landscaping, parks, greenways, and architectural design. These in turn help protect property values and market the community as a great place to live, work, and recreate. The application of the building and fire code was seen as equally important and should also reflect these higher standards. Consequently, the Town is known in the area as a leader in building and fire codes. This, in turn, is a major reason it has a low ISO rating;

DISCUSSION: A request has been submitted (Exhibit A) and is reflected in Ordinance 16-24 to amend the Town's adopted modification in Section 12-102(5). This request would tie building construction to how a property is zoned and would provide for the ability to construct buildings that are in excess of 7,000 gross square feet or three stories out of Type V Construction (wood framed).

After modifications were made to the zoning ordinance, one of which was the creation of the R-6/Open Space Multi-Family Residential Overlay (OSMFR), and a rezoning was approved, the original site plan for the Farragut apartments (now called the Overlook at Campbell Station) north of the Holiday Inn Express on N. Campbell Station Road was submitted and conditionally approved by the Planning Commission. The plan was later amended in terms of building configuration and conditionally approved by the Planning Commission on June 18, 2015 and again on January 21, 2016. Though independent of the zoning related aspects of the site plan approval, the applicant was asked early in the process (Exhibit B) to consult with the Town's codes staff in terms of building and fire code related requirements. In fact, the latest conditionally approved site plan indicated that the buildings greater than 7,000 gross square feet or two stories would be constructed of Type III-B Construction and thus comply with the Town's existing requirements.

Since that time, the current owner has asked his architect to submit different options that would permit them to construct their buildings with a Type V construction. Staff has met with the architect on a number of instances. The various correspondence on these proposals is included in your packet as Exhibit C. Essentially, the staff has been consistent and has indicated that the only mechanism to vary from the adopted modification, since it involves actual construction types, would be to request a text amendment to the municipal code.

The applicant's requested amendment states that if a structure is located in the R6/OSMFR Zoning District (the district the applicant's property is zoned and the only property currently zoned with this designation) and a building is in excess of 7,000 gross square feet or three stories or more, such structures could be constructed of Type V-A Construction with a fire suppression system meeting Section 903.3.1.1 of the International Fire Code.

RECOMMENDATION: The planning and codes staff have reviewed the applicant's request and would recommend denial of Ordinance 16-24 for the following reasons:

- a) The request is inconsistent with all of the reasons the modification was unanimously adopted by the Board of Mayor and Aldermen in April of 2013. Because a Type V building is made of more materials that are combustible (wood) and has an exterior wall rating that is one hour less than a Type III building, a Type V building does not provide the level of life safety protection that would be found in Type I-IV buildings. The applicant's project is not in a rural setting and less suppression could compromise

adjacent structures both within and outside of the development. In fact, the Holiday Inn Express is only 95 feet from the nearest proposed apartment building and the nearest home in the adjacent mobile home park is only 160 feet from one of the other proposed apartment buildings (Exhibit D);

- b) Approving an amendment that would lower the Town's construction type standards could be seen by an ISO auditor as a lessening of these standards. This in turn could compromise the Town's existing ISO rating and adversely affect Town businesses through increased insurance premiums;
- c) Approval of Ordinance 16-24 would represent an inequitable application of the Town's requirements. Since adoption of the modification, the Staybridge Suites and the SouthEast Bank buildings were constructed and met the Town's current requirements. The assisted care living facilities to be constructed along N. Campbell Station Road/Herron Road on the Horne property off Smith Road will also be complying with the existing construction type requirements. Permitting similar buildings to be constructed to a lesser construction type would be unfair to those that developed the Staybridge Suites and SouthEast Bank projects and those planning to construct buildings that require Type I-IV Construction. The Building Valuation Data provides for nationally averaged cost valuations based on different types of construction (Exhibit E);
- d) Multi-story apartment buildings are potentially the most dangerous commercial structures built since they are rented and do not have management services that could frequently check on how a room is being used and whether any hazardous conditions are present. If anything, the construction type for these type of projects should be strengthened not weakened; and
- e) The request to mix building and fire code requirements with how a property is zoned is very problematic and could establish a precedent. As requested, the applicant is essentially creating through a text amendment a condition where only their project could vary from the Town's currently adopted construction types for certain sized buildings of a certain number of stories. This is tantamount to a use variance which could be legally questionable. As a general practice, building and fire code requirements should not be tied to how a property is zoned. Building and fire codes should address the life safety aspects of the building itself and not be modified for an individual project based on its zoning designation. Zoning ordinances primarily establish use and area regulations for properties, which deal with the overall site and/or aesthetics of a building. Where, building and fire codes establish specific construction methods based on the type of occupancy to address life safety issues. Zoning ordinances and building and fire codes have common goals to protect life, safety and welfare, however they differ in their application of protecting the way a site is designed versus how a building is constructed. Staff's concern is within a specific zone, multiple uses may be permitted which may require a different type of construction based on building and fire codes for the specified uses within the zone. Because of this conflict, staff does not support linking the building and fire codes to zoning provisions.

On October 13, 2016, the above referenced request was considered by the Board of Mayor and Aldermen. After a long discussion, the Board voted to postpone action until additional information could be provided by the applicant and then analyzed by the Town staff. Since that time, the applicant has submitted a proposal that is included in your packets.

The staff has reviewed this proposal and, based on the information provided, would not consider this equivalent to the Town's adopted modifications that govern buildings of this size and height.

PROPOSED MOTION: To deny Ordinance 16-24 on first reading.

BOARD ACTION:

MOTION BY: _____ **SECONDED BY:** _____

VOTE/TOTAL	WILLIAMS	MARKLI	PINCHOK	POVLIN	MCGILL
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YES
NO
ABSTAIN

ORDINANCE: 16-24
PREPARED BY: Shipley
1ST READING: _____
2ND READING: _____
PUBLISHED IN: _____
DATE: _____

AN ORDINANCE TO AMEND TITLE 12, BUILDING, UTILITY, ETC. CODES, CHAPTER 1, INTERNATIONAL BUILDING CODE, SECTION 12-102. MODIFICATIONS. (5) OF THE FARRAGUT MUNICIPAL CODE, TO PROVIDE FOR TYPE VA CONSTRUCTION FOR CERTAIN STRUCTURES CONSTRUCTED IN THE R-6 OSMFR ZONING DISTRICT

WHEREAS, the Board of Mayor and Aldermen of the Town of Farragut, Tennessee, wishes to amend Title 12, Building, Utility, Etc., Codes, Chapter 1. International Building Code, Section 12-102 (5) of the Farragut Municipal Code,

NOW, THEREFORE, BE IT ORDAINED by the Board of Mayor and Aldermen of the Town of Farragut, Tennessee, that the Farragut Municipal Code is hereby amended as follows:

SECTION 1.

The Farragut Municipal Code, Title 12, Building, Utility, Etc., Codes, Chapter 1. International Building Code, Section 12-102 (5) is amended by deleting it in its entirety and substituting in lieu thereof the following:

- (5) The International Building Code, is amended by adding the following: Except for Zoning District R6 OSMFR, any structure in excess of 7,000 gross square feet or two or more stories shall be of Type I, II, III, or IV construction.

Any structure located in Zoning District R6 OSMFR in excess of 7,000 gross square feet or three or more stories, as defined in the International Building Code, shall be of Type I, II, III, IV, or VA construction and shall be sprinklered with a fire suppression system meeting 903.3.1.1., the International Fire Code, with the adopted Appendices B, C, D, E, F, and G.

SECTION 2.

This ordinance shall take effect from and after its final passage and publication, the public welfare requiring it.

Dr. Ralph McGill, Mayor

- Town of Farragut limits to 7,000 s.f. of floor area
 - The IBC 2012 in Type VA construction allows 12,000 s.f. per floor without any modifications as allowed per street frontage or automatic sprinkler system. We are proposing to install a 2-HR unit separation wall, UL U906 that will provide separation limiting the floor area to 7,000 s.f. or less. The incorporation of this wall provides for adherence to the more restrictive amendments by the Town of Farragut for compliance with the intent of a Reduction in Fire Loss.

- Building Separation
 - The IBC 2012 Table 602 provides for the fire resistance rating for exterior walls based on fire separation distance. The table allows for a Zero fire resistance when the exterior walls are greater than 30 ft. apart. We are proposing a more stringent requirement for this property by installing a 2-HR fire wall, UL U347 where buildings are closer than 50 ft. apart for greater protection. In addition, where windows will be installed in the 2-HR fire wall, deluge sprinkler heads will be installed for greater protection. The incorporation of this fire wall will improve the life safety performance of the buildings on site.