

**Blount County Technical Memorandum #1**

To: Blount County, Tennessee  
From: Hunter Interests Inc.  
Subject: Blount County Population Growth Projections  
Date: May 20, 2004

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**I. Introduction**

This Technical Memorandum summarizes **population growth projections** in Blount County, and the implications of this data for the County's overall future development strategy. It also sets the stage for a discussion of **economic growth projections** in the County. The interrelationships between these two types of growth are the basis for developing a meaningful and effective growth management strategy for the County.

Population growth or decline is a combination of the number of births, deaths, influx, and outflow of people to an area. Population is a central factor in determining the characteristics and impacts of growth and therefore it is an important baseline to understand. Generally, the number of people in an area determines the use and possible overuse of natural resources, infrastructure, and other stresses on natural and built environments. Blount County has experienced steady population growth for several decades.

Projections based on regional trends and market dynamics suggest that the population will continue to grow. The rate of this growth will vary depending on a host of local, regional, and national trends, as well as the employment of management tools that can affect this rate. These trends will impact countywide land use, housing, and transportation decisions. Measurable indicators such as population projections will help Blount County determine a growth strategy that is sensitive to alternatives that have implications well into the future.

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I N C O R P O R A T E D

Hunter Interests Inc. (HII) utilized data from the US Census, Blount County, the City of Maryville, the University of Tennessee-Knoxville, and Claritas Inc. to establish population growth projections. High- and low-growth scenarios were measured and used to build a moderate-growth scenario as well. HII extrapolated population projections for Blount County through the year 2050 to provide the most comprehensive future view for decision-makers and citizens to consider, and for the study process to assimilate. Population projections are presented in Table 1.

Economic growth also affects population and geographic growth, and is essential for sustaining quality schools, public services and facilities, and, more generally, the overall quality of life. On the other hand, a constrained economy may cause businesses to invest in inexpensive (previously undeveloped) land, cause an imbalance in operations/costs/revenue relationships, and create other problems. In Blount County, the agriculture, commercial/industrial, retail, residential, tourism, consumer services, biotechnology, and information technology markets, among others, are all elements of the economic picture. Economic growth is an important factor to be considered when determining growth management options. Economic conditions and growth potential for Blount County are addressed in depth in Technical Memorandum #3.

## **II. Population Projections & Methodology**

The population projections set forth in this Technical Memorandum provide an important baseline upon which further growth projections and recommendations will be developed.

According to Claritas demographic reports, population growth in Blount County between 1990 and 2000 grew about 23%. Between 2000 and 2004, population growth was still occurring but at a decreasing rate, and it is estimated that by 2009, Blount County's population will have grown by an additional 15%, to 121,523 people. In 2000, Blount County had 105,823 residents. By 2020, it is projected that the County will have between 130,050 and 148,637 residents; by 2050, the County is projected to have between 145,348 and 202,968 residents, exclusive of growth restrictions employed through policy changes.

Table 1 illustrates low, medium, and high growth predictive scenarios for Blount County based on 1990 and 2000 Census data. These data are the foundation for developing the County's growth strategy. Figures 1 and 2 graphically illustrate the various predictive scenarios for population and household growth in the County.

Projections included in the high-growth scenario are calculated using data provided by the US Census, the University of Tennessee, Blount County, and other sources. The high-growth scenario calculates population growth with a 20% growth rate during the decade 2000–2010, with a rate declining at about 3% in subsequent decades. The slow-growth rate scenario starts out at a rate of 12.1% in the current decade, and decreases from 2% to 3% per decade. Projections show that Blount County's population could increase from 105,823 in 2000 to a range of 145,348 to 202,968 in 2050. The moderate growth scenario is an approximate midpoint between the high and low growth scenarios, and uses a percent growth rate starting at 16% in the current decade.

In each scenario, the population in Blount County is expected to increase. These growth forecasts are intended as baseline projections and serve as the foundation for further analysis and discussion. The County should consider these population growth projections in determining appropriate future growth and land development policies. See Table 1 and Figures 1 and 2.

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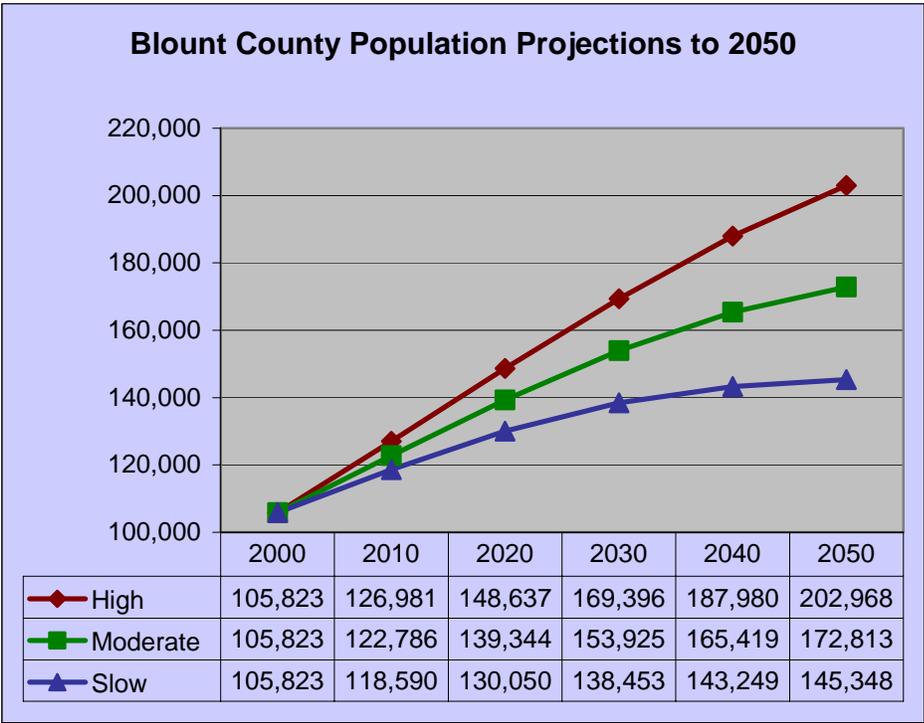
I N C O R P O R A T E D

**Table 1**  
**Population and Household Growth Projections to 2050, Blount County**

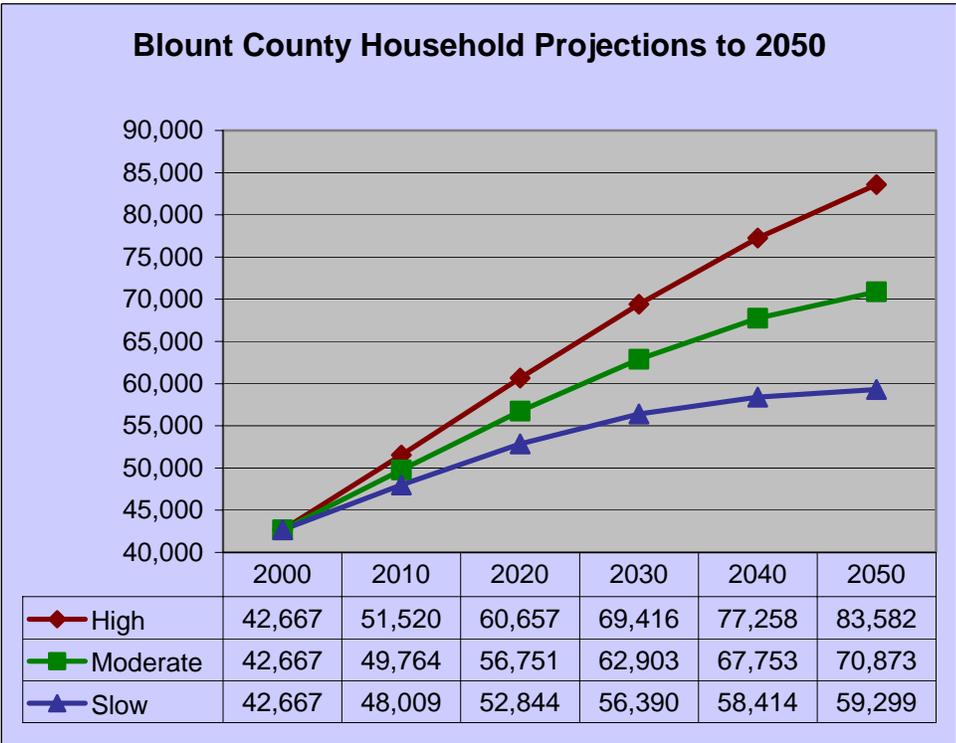
<b>Pop.</b>	<b>Percent</b>	<b>Pop.</b>	<b>Natural Increase</b>		<b>Immigration</b>		<b>Household</b>	<b>Cumulative</b>
<b>1990</b>	<b>Growth</b>	<b>2000</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Increase</b>	<b>Households</b>
85,969	23.1%	105,823	2,441	2.8%	17,413	20.3%	9,046	42,667
<b>Pop.</b>	<b>Percent</b>	<b>Pop.</b>	<b>Natural Increase</b>		<b>Immigration</b>		<b>Household</b>	<b>Cumulative</b>
<b>2000</b>	<b>Growth</b>	<b>2010</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Increase</b>	<b>Households</b>
105,823	20.0%	126,981	1,293	1.2%	19,865	18.8%	8,853	51,520
105,823	16.0%	122,786	1,293	1.2%	15,670	14.8%	7,097	49,764
105,823	12.1%	118,590	1,293	1.2%	11,474	10.8%	5,342	48,009
<b>Pop.</b>	<b>Percent</b>	<b>Pop.</b>	<b>Natural Increase</b>		<b>Immigration</b>		<b>Household</b>	<b>Cumulative</b>
<b>2010</b>	<b>Growth</b>	<b>2020</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Increase</b>	<b>Households</b>
126,981	17.1%	148,637	-39	0.0%	21,617	17.1%	9,138	60,657
122,786	13.5%	139,344	-39	0.0%	16,519	13.5%	6,986	56,751
118,590	9.7%	130,050	-39	0.0%	11,421	9.7%	4,835	52,844
<b>Pop.</b>	<b>Percent</b>	<b>Pop.</b>	<b>Natural Increase</b>		<b>Immigration</b>		<b>Household</b>	<b>Cumulative</b>
<b>2020</b>	<b>Growth</b>	<b>2030</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Increase</b>	<b>Households</b>
148,637	14.0%	169,396	-50	0.0%	20,709	14.0%	8,759	69,416
139,344	10.5%	153,925	-50	0.0%	14,531	10.5%	6,152	62,903
130,050	6.5%	138,453	-50	0.0%	8,353	6.5%	3,546	56,390
<b>Pop.</b>	<b>Percent</b>	<b>Pop.</b>	<b>Natural Increase</b>		<b>Immigration</b>		<b>Household</b>	<b>Cumulative</b>
<b>2030</b>	<b>Growth</b>	<b>2040</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Increase</b>	<b>Households</b>
169,396	11.0%	187,980	-50	0.0%	18,534	11.0%	7,841	77,258
153,925	7.5%	165,419	-50	0.0%	11,444	7.5%	4,850	67,753
138,453	3.5%	143,249	-50	0.0%	4,746	3.5%	2,024	58,414
<b>Pop.</b>	<b>Percent</b>	<b>Pop.</b>	<b>Natural Increase</b>		<b>Immigration</b>		<b>Household</b>	<b>Cumulative</b>
<b>2040</b>	<b>Growth</b>	<b>2050</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Increase</b>	<b>Households</b>
187,980	8.0%	202,968	-50	0.0%	14,938	8.0%	6,324	83,582
165,419	4.5%	172,813	-50	0.0%	7,344	4.5%	3,120	70,873
143,249	1.5%	145,348	-50	0.0%	2,049	1.5%	886	59,299

Source: US Census, Blount County Planning Dept., Hunter Interests Inc.

**Figure 1**



**Figure 2**



### III. Demographic Characteristics

#### A. Age Distribution

More than 30% of Blount County’s population is comprised of children and young adults under 25. About 53% of the County’s population are working-age adults between the ages of 25 and 64, and 14.7% of the County’s population are adults over 64 years of age. See Table 2.

The in-migration of working-age people, 25 to 64 years of age, to Blount County had a profound impact on population growth from 1990 to 2003. The addition of 14,118 people in this age bracket accounted for an increase of approximately 24%. The proportion of working age people to the general population increased as well, from 52.7% in 1990 to 55.0% in 2003. The number of retirement-aged people (65 and over) also increased, from 12,608 in 1990 to 15,026 in 2003, but their relative proportion decreased from 14.7% to 13.9%, respectively.

Higher proportions of young and old people are often associated with lower rates of per capita income growth. In general, changes are expected in labor force participation, private-sector consumption, and public resources as the large proportion of baby boomers ages and new generations enter the workforce.

<b>Table 2</b>				
<b>Population Age Distribution</b>				
<b>Blount County</b>				
	<b>1990</b>		<b>2003</b>	
	<b>No. of People</b>	<b>Percent</b>	<b>No. of People</b>	<b>Percent</b>
<b>Total Population</b>	<b>85,969</b>	<b>100.00</b>	<b>108,139</b>	<b>100.00</b>
Under 25 Years	28,049	32.63	33,683	31.15
25 to 44 Years	27,160	31.59	30,618	28.31
45 to 64 Years	18,152	21.11	28,812	26.64
65 to 84 Years	11,529	13.41	13,176	12.18
85 Yrs. and Over	1,079	1.26	1,850	1.71

Source: Claritas; US Census; Hunter Interests Inc.

#### B. Education

As Table 3 illustrates, educational levels have risen in Blount County over the past thirteen years. It is most likely that the educational attainment levels have gone up as the regional economy has evolved from a low-skill manufacturing-

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based economy to a more high-tech manufacturing and service-oriented economy. The quality of the local school systems can also be credited with this positive trend in educational attainment. The trend in higher educational attainment is most evident within the categories of Bachelor's degrees and above, where approximately 18.0% of the over-25 age group resided in 2000, compared to 14.3% in 1990. In real numbers, approximately 14,013 County residents held Bachelor's or Graduate degrees in 2000, compared to 8,290 in 1990. The increase in degreed individuals attests to the County's economic diversity and growing prosperity. See Table 3.

<b>Educational Attainment</b>	<b>1990</b>		<b>2000</b>	
	<b>No. of People</b>	<b>Percent</b>	<b>No. of People</b>	<b>Percent</b>
<b>Population 25 Years and Over</b>	<b>57,983</b>	<b>100.00</b>	<b>77,835</b>	<b>100.00</b>
Less than 9th grade	8,878	15.31	6,482	8.33
Some High School, No Diploma	9,410	16.23	10,291	13.22
High School Graduate (or GED)	19,193	33.10	26,821	34.46
Some College, No Degree	9,617	16.59	15,941	20.48
Associate Degree	2,595	4.48	4,287	5.51
Bachelor's Degree	5,517	9.51	8,922	11.46
Graduate or Professional Degree	2,773	4.78	5,091	6.55

Source: Claritas; US Census; Hunter Interests Inc.

## C. Income and Wealth

The estimated average household income in Blount County in 2000 was \$47,491 per year. The 2000 estimated median household income was \$38,181, and the 2000 estimated per capita income was 19,416. Significantly higher percentages of households fell into income brackets above \$50,000 in 2000 than 1990, partially as a result of inflationary effects, but due in no small measure to the creation of jobs requiring higher degrees of education and skills. In 1990, 5,652 households, or 15.68%, had incomes \$50,000 and higher. By 2000, 14,987 households, or 35.12%, had incomes \$50,000 or higher. See Table 4.

<b>Table 4</b>				
<b>Est. Family Households by</b>				
<b>Household Income in Blount County</b>				
<b>Household Income</b>	<b>1990</b>		<b>2000</b>	
	<b>Households</b>	<b>Percent</b>	<b>Households</b>	<b>Percent</b>
<b>Total Households</b>	<b>33,490</b>	<b>100.00</b>	<b>42,667</b>	<b>100.00</b>
Income Less than \$15,000	9,539	28.48	7,123	16.69
Income \$15,000 - \$24,999	6,810	20.33	6,379	14.95
Income \$25,000 - \$34,999	5,654	16.88	6,157	14.43
Income \$35,000 - \$49,999	5,835	17.42	8,021	18.80
Income \$50,000 - \$74,999	4,016	11.99	8,518	19.96
Income \$75,000 - \$99,999	927	2.77	3,371	7.90
Income \$100,000 - \$149,999	401	1.20	2,126	4.98
Income \$150,000 or more	308	0.92	972	2.28

Source: Claritas; US Census; Hunter Interests Inc.

#### **D. Housing**

According to the U.S. Census, the 2000 median housing value in Blount County was \$103,900, compared to the median value of \$60,200 in 1990. The median housing value increased at an average rate of 7.3% per year during that time period, a rate almost triple the annual rate of inflation for the same period. The 2000 census also showed that 76% of Blount County residents own their homes, while almost 24% are renters. The average length of housing tenure for all housing units is 14 years. Table 5 shows estimated owner-occupied housing values in Blount County in the year 2000.

<b>Table 5</b>		
<b>2000 Estimated Owner-Occupied Housing Values in Blount County</b>		
		<b>Percent</b>
<b>Total</b>	<b>34,886</b>	
Value Less than \$20,000	1,481	4.25
Value \$20,000 - \$39,999	1,987	5.7
Value \$40,000 - \$59,999	2,045	5.86
Value \$60,000 - \$79,999	3,251	9.32
Value \$80,000 - \$99,999	4,849	13.9
Value \$100,000 - \$149,999	10,520	30.16
Value \$150,000 - \$199,999	5,462	15.66
Value \$200,000 - \$299,999	3,442	9.87
Value \$300,000 - \$399,999	929	2.66
Value \$400,000 - \$499,999	453	1.3
Value \$500,000 - \$749,999	234	0.67
Value \$750,000 - \$999,999	134	0.38
Value \$1,000,000 or more	99	0.28

Source: Claritas; Hunter Interests Inc.

Residential construction rates mirror other growth indicators for Blount County. Just over 26% of Blount County's housing stock was constructed between 1990 and March 2000. See Table 6.

<b>Table 6</b>		
<b>2000 Est. Housing Units by Year Structure Built in Blount County</b>		
	<b>Units</b>	<b>Percent</b>
<b>Total</b>	<b>50,436</b>	
Housing Unit Built 1999 to March 2000	1,743	3.46
Housing Unit Built 1995 to 1998	5,929	11.76
Housing Unit Built 1990 to 1994	5,653	11.21
Housing Unit Built 1980 to 1989	8,222	16.30
Housing Unit Built 1970 to 1979	8,481	16.82
Housing Unit Built 1960 to 1969	5,199	10.31
Housing Unit Built 1940 to 1959	8,380	16.62
Housing Unit Built 1939 or Earlier	3,452	6.84

Source: Claritas; Hunter Interests Inc.

## V. Conclusion/Observations

According to moderate projections done by HII, Blount County's population will grow from 105,823 people in 2000 to 139,344 people by 2020, and 172,813 people by 2050.

**County Services** — Increased population growth represents additional fiscal costs, as well as increased tax revenues for the County, support for retail, restaurants, entertainment, housing, and workforce strength. Growth can have a very positive impact on the County, assuming it is well managed. A newly replenished workforce can represent greater economies of scale, but may also create diseconomies of scale if demand for government services outweighs supply.

**Housing** — There were approximately 50,000 dwelling units housing an estimated 105,823 people in Blount County as of 2000. By inference, new residents will demand approximately 40,000 more dwelling units by 2050, although this figure may be more or less depending on the number of single-person households as people marry later and thus live alone longer, and other lifestyle choices. The location and design of this development will depend largely on market demand.

**Residential Density and Land Use** — Housing density increases are needed in the region to accommodate predicted population growth as part of a Smart Growth Strategy. Current building permit activity indicates new dwellings are being developed in conjunction with restrictions based on septic capacities. Water quality (*vis-à-vis* sewer/septic) and other infrastructure including school capacity, may become a limiting factor to increasing housing densities and may inadvertently contribute to suburban sprawl.

**Transportation** — Population increases will represent an additional strain on County roads and alternative transportation corridors. Increased impervious surface can lead to poor water quality, and should thus be factored into new development considerations. Major transportation corridors such as the Pellissippi Parkway, light rail links to Knoxville, and the proposed southern loop warrant additional analysis and examination based on the impacts of increased population counts.

**Blount County Technical Memorandum #2**

**To:** Blount County, Tennessee  
**From:** Hunter Interests Inc.  
**Subject:** Evaluation of Policies Plan, Conceptual Land Use Plan, and Zoning Ordinance  
**Date:** June 14, 2004

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**I. Introduction**

This Technical Memorandum evaluates current land use and projected growth patterns in Blount County using the Blount County zoning ordinance and map, the *Blount County Policies Plan*, and the *Conceptual Land Use Plan*. The evaluation is based on reviews of the aforementioned documents, field surveys, and discussions with County staff and citizens familiar with the area. The evaluation also uses demographic, geographic, and economic growth projections as presented in Technical Memorandum #1. Currently, the County's population is projected to increase, but at a decreasing rate over the next 50 years. Development pressure will likely affect the Great Smoky Mountains National Park, and the rural economy and character of the area. A preemptive growth strategy can protect both the County's natural and built environments.

The County's existing land use pattern is basically comprised of a relatively dense urban core (Maryville), and suburban and then rural development in increasingly larger concentric rings around that core. Land use patterns around the County's smaller municipalities are similar, though less dramatic and pronounced. The County is served by several major highways: U.S. Highways 129, 411, and 321, State Routes 33 and 95, and State Highway 73.<sup>1</sup> Much commercial and industrial development occurs along these major transitways.

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<sup>1</sup> <http://www.blounttn.org/about.htm>

**A. Commercial/High Density Development**

Blount County has a total of 6,977 acres of commercial development. Most commercial development is in and around the larger cities of Maryville and Alcoa, with some commercial activity along the east and west ends of Townsend and Friendsville. Commercial development can be found along major corridors such as State Highway 73 that runs north-south from Friendsville, through Maryville, and down to Townsend.

It is common to find “big box” retail along such major corridors. Regional malls along these roads also present competition for smaller, local retailers in the urban cores of nearby cities. Many other typical highway-oriented uses such as fast-food franchises, gas stations and auto repair or sales businesses, and occasional gift and second-hand goods stores can be found along these roads. Relatively few of these commercial businesses are organized in centers with single entryways from the highway, and a number are housed in buildings in poor condition. Office uses are sometimes located along these corridors, adding to the mix of building types found in proximity to each other.

Corridors lined with commercial land use emphasize the dominance of automobiles throughout the County. Most residents probably depend on their car to commute from their suburban residences to the inner city or commercial/office corridors, and this reality is not expected to change.

**B. Industrial Uses**

*Industrial uses take up 2,197 acres of total land area in Blount County. Industrial parks are located in clusters, one above the northern tip of Rockford, another along the west end of Alcoa abutting the airport, and a third to Maryville’s western edge.*

**C. Airport**

The McGhee-Tyson Airport is a unique regional asset located on about two square miles on Blount County’s northwest side, bordering the city of Alcoa. The airport is owned and operated as a municipal airport by the City of Knoxville and is considered a generally self-regulating entity.<sup>2</sup> The airport generates a substantial amount of sales tax for the County. Airport land is more than 25% impervious, probably adding to the stress on water pollution and other problems such as urban heat island effect in the County.

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<sup>2</sup> Lamb.

**D. Residential Uses**

Residential land use falls into three categories separated by density: Suburban, Rural 1, and Rural 2. Density is determined by level of urban services, most particularly sewer. “Suburban” land use indicates high- to medium-density development, and comprises about 4,000 acres of Blount County’s total land area. This land use forms a one- to two-mile area around Maryville’s municipal borders. Rural 1, medium- to low-density development, extends out to approximately 10 miles from the suburban outer boundaries for a total of 30,000 acres of land use. Finally, Rural 2, or low-density development, recognizes the development constraints in mountain areas.

**E. Parks and Open Space**

The only designated parks and open space in Blount County are related to the Great Smoky Mountains National Park. There is no official land use category for parks or open space in the area.

**F. Agriculture**

Some of the open space in Blount County is pasture, forest, or cropland. Agricultural land is often ideally suited to suburban development because it is usually flat, uncontaminated, clear of trees and previous development, and generally less expensive than city land. However, not all agricultural land is created equal, and although some areas may be appropriate for future residential development as the County’s population increases, high quality agricultural land should be preserved.

**G. Natural Features**

Blount County has a wealth of natural features including a total of 6130 acres of water, 1,013 acres of wetlands, and 121,853 acres of forested land (including the 93,836 acres of Great Smoky Mountain National Park).

## **H. Implications for Future Planning**

- The current land use pattern in Blount County is comprised of primarily low-density development, and is being impacted by a strong market for single-family homes and other large-lot development. Housing and transportation are inextricably linked, and land use patterns suggest continuing pressure on County roads.
- Commercial development is linked to transportation corridors. However, this type of land use can have potentially negative consequences for struggling downtowns, as well as rural landscapes and viewsheds.
- Industrial uses in the County are generally located in proximity to commercial uses. These land uses probably complement each other; however, this arrangement may discourage other types of high-density development such as multifamily dwellings.
- The lack of parks and open-space land use designation is of note, especially considering the region's pride in and proximity to the Great Smoky Mountains National Park. Parks can potentially incorporate precious natural features that may otherwise be threatened by development.
- The County's land use and development patterns are contributing to sprawl. This will only continue under current land use designations, and preservation mechanisms should be put into place.
- Availability of sewer systems will determine future development including transportation corridors, commercial, office, and residential development. According to County officials, there are no specific plans to develop a sewer system in the County, although Maryville and/or Alcoa's sewer systems may be expanded to include those areas of the County that are inside the Urban Growth Boundary. There are discussions taking place with regard to connecting Townsend to a City sewer system, and this potential will be further discussed in a future interim report.
- Watersheds, mountaintops, view sheds, and other natural features are also important elements that must be approached in a meaningful growth strategy.

### **III. Evaluation of Zoning Ordinance and Map**

#### **A. Overview**

Blount County’s zoning ordinance enacted in June 2000 is one of three documents guiding land use “throughout the entire area of the County outside of any municipal limits”<sup>3</sup> of Blount County. It is the legally binding document that puts forth regulations governing land use; exemptions, exclusions, and exceptions thereof; lots of record; non-conforming uses and structures; general provisions; establishment and regulations for districts; enforcement; and board of zoning appeals. The following is a discussion of the ordinance’s strengths and weaknesses, based on professional opinions and comparative ordinances.

Examples of provisions that indicate a contemporary approach to regulating development include:

- Planned Unit Development (PUD) provisions that allow flexibility, and innovative design and financing mechanisms for new developments.
- The plan’s drainage and erosion control requirements help protect fragile natural features.
- The plan specifies minimum lot sizes for septic and sewer.
- Building permits are used to effectively limit unregulated building.
- The ordinance has an extensive section on towers, antennas, and signs.
- The ordinance has provisions for landscaping and screening to shield low intensity development from the visual effects of abutting high intensity development such as mobile home parks (MHP) and multifamily residential development.
- The document is fairly easy to use, written in straight forward language, but does not have many cross-references,

Examples of provisions that could be strengthened to more effectively regulate development include:

- The ordinance could include graphics to describe concepts such as setbacks, FAR, building heights, and architectural terms, and an index for convenient reference.

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<sup>3</sup> Zoning Resolution of Blount County, Tennessee, 2000. Page 1.

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- The plan could be more innovative by creating minimum/maximum parking standards and incorporating shared uses (such as church/business lots) to preserve open space and limit impervious surfaces. The ordinance should add a provision for shared or joint use of parking to reduce total spaces.
- The airport is under the jurisdiction of the Metropolitan Knoxville Airport Authority. The planning department should continue to work with the authority to create mutually beneficial standards that benefit the community at large.
- The ordinance does not address parks and open-space as a land use category. This is somewhat inconsistent with the *Blount County Policies Plan* (which stresses the importance of green and open space).
- Flood hazard overlays are an effective way to protect fragile natural features, but these areas could be further protected from development by conservancy efforts.
- The 2002 amendments could be added to the body of the document instead of being appended at the end, as a matter of form to facilitate understanding by developers and other users.
- The ordinance could establish conservation districts for open space preservation, and historic districts to preserve cultural amenities such as regional architecture.
- Lack of discussion regarding land preservation techniques and incentives is considered a gap in the ordinance. This could be addressed in the ordinance or a separate document.
- While parking and antenna/tower regulations are numerous and detailed, requirements for developers to provide open space are weak compared to standard practices in many other communities. Requirements for parks and open space, in particular, are voluntary rather than mandated, and ignore larger community needs for open space preservation. More incentives could be listed to encourage open space protection and preservation.
- The County should consider a natural features ordinance.

#### **IV. Evaluation of the Blount County Policies Plan**

The *Blount County Planning Commission* adopted the *Blount County Policies Plan* on June 24, 1999. It is one of three main policy documents guiding countywide land use decisions. The plan presents five guiding policies based on population growth projections and professional and citizen input, and lists implementation, monitoring, and maintenance strategies. The plan aims to preserve the lakes, rivers, mountains, and rural character of the area while accommodating inevitable growth and development. The plan's time horizon to the year 2020 applies to the whole County, although it mainly focuses on territory outside the corporate boundaries of the six county municipalities, Maryville, Alcoa, Louisville, Friendsville, Rockford, and Townsend.

The plan warns that growth is encroaching on “once pristine rural areas [that are now being] targeted for suburban development, second home and recreation housing, and tourism demands. Roads once used only for farm access are now being pressed into service for suburban types of development. The network of major roads shows continuing concentration of traffic, often to the point of congestion.”<sup>4</sup>

The plan's population growth projections are based on rapid growth in the 1990s and the expectation of continued high net immigration through 2020. According to the *Blount County Policies Plan*, the County's population is expected to increase to 105,000 by 2000 and 138,000 by 2020. Moderate projections done by HII indicate that Blount County's population will slightly surpass the County's projections and grow from 105,823 people as of 2000 to 139,344 people by 2020, and 172,813 people by 2050.

##### **A. Plan Overview and Organization**

The policy agenda was generated mainly from the advisory process of citizen input workshops, Citizen Advisory Committee recommendations, and the *Blount County: 1990 Land Use Plan & Policy* plan approved in 1976. The 1999 plan has five guiding policies, each including several objectives and implementation directions. The policies emphasize the importance of responsible land use regulations balanced with private property rights protection. Of highest concern are the preservation of the area's rural character, water quality, and public infrastructure for future growth strategies.

The document introduces the policies by detailing the three-year planning process including a population analysis and projections from 1950 through 2020, the process whereby citizen input was collected, the assembling of a Citizen Advisory

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<sup>4</sup> *Blount County Policies Plan*, 1999.

Committee, and the Planning Commission’s formulation of implementation strategies. The plan then presents the five guiding policies, including each policy’s objectives, implementation strategies, and monitoring and maintenance activities. A secondary policy agenda intended to further guide decision making is also included. The last two sections of the plan are an implementation agenda and a monitoring and maintenance plan.

The plan’s content is consistent with the goals and objectives of more locally focused plans such as a study done for the Tuckaleechee Cove Advisory Board regarding the future growth and development in that area. The policies include recommendations such as steps towards regional planning to protect natural features while respecting private property rights. The five guiding policies vary in generality, some focusing on general land use management and others specifying objectives specifically for County roads. Guiding policies 1 and 2 are followed by objective policies A to F, while guiding policies 3, 4, and 5 have only one or two objective policies.

## **B. Major Recommendations of the Plan**

The plan’s five guiding policies, objectives, and implementation strategies are summarized below.

### **1. The rural, small town, and natural character of the County should be preserved.**

- The plan suggests that design guidelines may be appropriate for new development such as subdivisions, commercial areas, and tourist areas. Designs can incorporate the area’s natural features and agricultural character and maintain a “small town Appalachian heritage look” in the mountain gateway communities.
- Land trusts, purchase of development rights (PDR), grant funding, and other land use regulations are suggested as methods for retaining land for open space and continued agricultural production. Open space and parks will become part of a countywide parks and recreation plan to preserve and provide formal open space for parks and recreation. Viewscapes, ridge tops, lakeshores, riverbanks, and other scenery can be protected with safety and design regulations for communications towers and other businesses.
- Water is a precious resource for human survival and enjoyment, and should be protected from pollution. The plan recommends a feasibility study for a countywide sewer study plan.

**2. Land use and development should be managed and regulated to preserve the quality of our growing County.**

- The plan strongly supports zoning regulations, including more innovative regulations such as mixed use and rezoning to guide land use decisions. In addition, higher density residential, such as manufactured home parks and multifamily residential units, is recommended to buffer less dense areas from commercial districts. This recommendation works especially well in conjunction with public transportation hubs and transit-oriented development (TOD).
- The plan states that sewer, not septic, must serve high-density areas.
- The plan states that the zoning ordinance will be especially sensitive to private-property owners' rights.
- Development regulations include considerations for soils and steep slopes, floodplains, waste disposal, building codes, and signage.

**3. The guiding policy in any government actions in relation to the use and development of land should be to limit regulations to specific public health, safety, and welfare objectives, balanced with responsible freedom in the use of the land.**

- The policy mentions constitutional private property rights, and warns against spurious regulations that are not based on a clear relationship to public health, safety, and/or welfare.
- A grievance review is specifically mentioned as a way to protect private property owners from being substantially or unfairly affected by County land use regulations.

**4. County roads should be improved and maintained to serve existing and future development.**

- Road widening, a formal objective study, and prioritized capital improvements are part of this guiding policy. This objective is very specific, even suggesting possible ways to gain more taxes and engage in revenue sharing.
- Development of alternative transportation modes such as buses, vans, and bicycle routes is the last piece of the section.

**5. Growth and development should be matched with provision of adequate infrastructure such as utilities, roads, and schools.**

- This section emphasizes that development should be coupled with adequate utilities and infrastructure such as road and sewer capacity. As Blount County’s population increases, demand on public infrastructure will grow as well. The County is aware of these growing numbers and plans to accommodate them appropriately.

**C. Implications for Future Planning**

The plan’s five guiding policies will largely determine a growth strategy for Blount County to 2020. The plan clearly articulates and prioritizes the need for preserving the area’s natural features and rural character. The five policies address some of the opportunities and constraints Blount County faces as it prepares for a population increase over the next twenty years.

Examples of provisions that indicate a contemporary approach to regulating development include:

- The plan is timely, considering the amount of growth expected to occur, and is flexible enough to amend if necessary.
- In general, the plan demonstrates extensive citizen and professional input in crafting the guiding policies. The emphasis on the “small town” and natural character of the plan can be found throughout the five guidelines.
- The plan suggests initiating a parks and recreation plan.
- The plan emphasizes land development planned and coordinated with streets and highways.

Examples of provisions that could be strengthened to more effectively regulate development include:

- Implementation strategies listed after each guiding policy effectively articulate action statements derived from general goals. Increasing the specificity of these strategies will strengthen the plan further.
- The plan is innovative in its goal to work with, not against, natural features such as detention areas and drainage ways to enhance drainage capabilities. The plan could take this approach in treating the quantity and quality of water runoff as well. Instead of reacting to water pollution, the County could, for example, determine means to decrease impervious surfaces.

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- Monitoring and maintenance are an important part of any plan. The County specifically mentions these actions, but only as two brief paragraphs at the end of the document.
- Four single-spaced pages at the beginning of the document are devoted to an explanation of how the plan evolved. While this is valuable information to a first-time reader, it is peripheral to understanding the plan's policies, and should be moved to an appendix.
- Increasing sewer service has implications for almost all land uses. This must be considered carefully to avoid over-commercialization that may destroy the rural character of the area.
- The plan should establish design guidelines such as pattern books or case studies from other similar mountain/tourism/rural/agricultural communities facing similar development pressure. The plan should call for the establishment of historic districts to preserve local architecture and other cultural resources.
- The plan should increase its emphasis on alternative transportation modes. Although traditional public transit such as a metro or tram system is not appropriate for the County, greenways, bicycling, and pedestrian traffic should be encouraged.
- A recycling program would be consistent with the guiding policy regarding city services such as landfill operations and toxic waste programs.
- The document shows continuity with the 1976 plan, but it may be unnecessary to include the specifics. Many recommendations made sense then, and will continue to make sense. In our opinion, the plan could benefit from a general review to reorganize the flow of information. This can be done without making substantive changes to ordinance provisions, but through a thorough editing.

## V. Evaluation of Blount County Conceptual Land Use Plan

The *Conceptual Land Use Plan for Blount County* also guides the County's physical development. The six-page plan was adopted March 23, 2000, to document and consolidate Planning Commission land use discussions, and includes considerations such as the newly adopted zoning regulations (discussed in section III of this memorandum) and the Public Chapter 1101 Growth Plan for the County. The plan "should be considered as a companion to the Blount County Policies Plan for guidance in future discussions of land use issues"<sup>5</sup> through 2020.

### A. Plan Overview and Organization

*The first part of the plan contains a conceptual land use map and delineates commercial, industrial, airport, suburban, rural, and parks land use categories throughout the County. The plan is "generally consistent" with the County recommendation for the Public Chapter 1101 Growth Plan, although it should be noted that the 1101 Plan had not been finalized at the time this county land use plan was completed. This consistency is very important if either plan is expected to have "teeth" and credibility as a guide to land use planning and growth regulations, and is a major strength of the plan.*

### B. Major Recommendations of the Plan

- **Commercial** land use is expected to be concentrated in and around Alcoa and Maryville, particularly along several major road corridors. Parts of the plan depend on the extension of a major southern loop connection. High-density commercial land use is expected in the cities, medium to low-density land use is projected in other areas of the County along arterial and collector roads, and low density commercial such as home occupations and family commercial enterprises will be in relation to individual homes and sites. Existing commercial will be allowed to expand as needed, and as appropriate to the surrounding development context and as consistent with requirements of state law.
- **Industrial** land use is expected to be concentrated in and around Alcoa and Maryville, mainly in industrial parks and larger, well established sites. Major concentrations of industrial land use are expected to the southwest of the airport, with other scattered industrial sites throughout the County.
- **Airport** land use applies to the McGhee-Tyson airport. Airport operations will develop under the Airport Authority.

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<sup>5</sup> Conceptual Land Use Plan for Blount County.

- **Residential** land use:
  1. **Suburbanizing** land use encompasses high- to medium-density residential development. High-density development will occur on public sewer, with gross densities over 1.5 units per acre. Medium density will occur on land suitable for septic fields, with 1.5 units per acre or less. Limited commercial activity is expected.
  2. **Rural 1** land use encompasses areas where medium- to low-density residential development is expected to occur. Densities will be suitable for septic fields, which allow 1.5 units per acre or fewer. Indicative lower limits on medium density will be .33 units per acre (one unit per three acres). Limited commercial development is expected.
  3. **Rural 2** land use refers to “areas in the County where land development is highly constrained by natural factors and infrastructure, and where low-density development is expected.” Most development will be low density. Limited commercial development is expected. Application of RN2 zoning is mainly in the mountainous areas.
- **National Park** land use refers to the Great Smoky Mountains National Park and the Foothills Parkway, both under National Park Service (NPS) jurisdiction. No private development is expected on this land.
- **Other** land use considerations not shown on the map are constraints associated with flooding, off-site impacts of airport operation, flood mitigation near rivers and streams, building heights, air traffic noise, signs, and telecommunication towers. Mixed use and flexible clustering are considered planned unit developments, and are an accepted type of development.

### **C. Implications for Future Planning**

The Conceptual Land Use Plan supports the zoning ordinance by delineating specific land use categories. Coordination between plans will strengthen the County’s overall growth strategy. The plan describes different land uses in simple terms, and presents a conceptual land use map. The following is a discussion of opportunities and constraints of the land use plan:

- The conceptual land use map is a major strength of the plan, and should be maintained throughout the tenure of the document. It should be noted that the map is significantly easier to read in color than in black and white. If the map will be primarily disseminated in black and white, attention should be paid to the amounts of grayscale used to delineate the different land use boundaries.

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- Another major strength of the plan is its consistency with the Public Chapter 1101 Growth Plan. The plan should remain consistent with the County’s zoning ordinance.
- The plan should address existing qualities that should be preserved, as well as desired characteristics. The plan should reference design guidelines that will determine the “look” of the land uses and maintain the area’s rural character.
- The plan could strengthen its discussion of environmental protection by creating protection land areas such as within flood plains, along rivers, and groundwater recharge areas. The plan should encourage clustered or low-density development in these natural features buffers. The plan should mention PDR, TDR, donation of conservation easement, clustered development, differential assessment to prevent farmland from taxation at its “highest and best use” and other mechanisms to regulate development.
- The planned unit development section could be strengthened by determining minimum lot sizes and design standards, and requiring developers to donate open space to parks or greenway projects.
- Zoning for sewer will largely determine where development occurs and should be done cautiously. This is expected to be primarily associated with the City of Maryville and Alcoa, but could also involve Townsend or other areas in the future.
- Currently, the plan’s only open space designation is the Smoky Mountain National Park. The plan could establish a separate land use category for open space/parks, especially if the County is to establish a parks and recreation plan as discussed in the *Blount County Policies Plan* (see section IV).
- The plan currently assumes construction of the southern loop without considering alternatives such as transit-oriented development, greenways etc. The “circumferential” roadway system proposed by Parsons Brinckerhoff in conjunction with the development of the Maryville Urban Growth Strategy may influence planning decisions in this area.

**Blount County Technical Memorandum #3**

To: Blount County, Tennessee  
From: Hunter Interests Inc.  
Subject: Market Analysis  
Date: June 25, 2004

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**I. Introduction**

The following market analysis begins with an assessment of regional and local economic conditions driving the primary market sectors that impact the economy of Blount County, including a discussion on the agricultural, residential, hospitality, and business/corporate/industrial sectors.

Data for this analysis was derived from various information sources including technical research, and meetings and interviews with government representatives, members of local organizations including the Chamber of Commerce, Industrial Development Board and East Tennessee Development District (ETDD), businesspersons, area residents, real estate brokers, and property owners. In addition, this report contains information, statistics, and observations from several tours of the County.

**A. Regional Economy**

The Knoxville Metropolitan Statistical Area (Anderson, Blount, Knox, Loudon, Sevier, and Union Counties) enjoys a diverse economic base that exhibited growth in 10 of the 11 major industry sectors from 2002 to 2003. The services cluster, which includes lodging, personal business, legal, education, social, management, and health services, added more than 6,600 jobs between 2002 and 2003, the highest increases occurring in Leisure and Hospitality (2,067) and Education and Health Services (1,942). Financial Activities saw significant increases as well, accounting for 1,667 new jobs during the same period. The economy is also supported by the manufacturing sector, which experienced a net job loss of 225 in 2002, but remains relatively stable, employing 42,075 people.

The total increase in average monthly employment in the Knoxville MSA was approximately 11,202, or 2.9%, between 2002 and 2003. See Table 1.

<b>Industry Type</b>	<b>2001</b>	<b>2002</b>	<b>Diff.</b>	<b>% Chg.</b>	<b>2003</b>	<b>Diff.</b>	<b>% Chg.</b>
Total Employment	339,958	344,233	4,275	1.3%	355,435	11,202	3.3%
Manufacturing	43,600	42,300	-1,300	-3.0%	42,075	-225	-0.5%
Agriculture, Forestry, Fishing, Mining	16,600	16,500	-100	-0.6%	17,125	625	3.8%
Trade, Transportation & Utilities	71,800	73,100	1,300	1.8%	74,742	1,642	2.2%
Information	6100	6,000	-100	-1.6%	6,275	275	4.6%
Financial Activities	16,000	16,300	300	1.9%	17,967	1,667	10.2%
Professional & Business Services	39100	40,100	1,000	2.6%	40,350	250	0.6%
Educational, Health, Social Services	34,300	35,700	1,400	4.1%	37,642	1,942	5.4%
Leisure & Hospitality	43,100	43,700	600	1.4%	45,767	2,067	4.7%
Other Services	13,900	14,300	400	2.9%	14,750	450	3.1%
Government	55,458	56,233	775	1.4%	58,742	2,509	4.5%

Source: East Tennessee Development District, Hunter Interests Inc.

**B. Local Economy**

During the decade of the 1990s, Blount County experienced notable increases in not only service sector, but the manufacturing sector as well, contrary to the overall regional trend. The County's gains in these sectors were due in large measure to the efforts of a strategic partnership consisting of four local economic development organizations and cooperation between the Blount County, Maryville, and Alcoa Governments. The Blount County Chamber of Commerce,

As Table 2 shows, increases in employment in the services categories far exceeded the job losses in trade, transportation and warehousing, and farming. By far, the greatest increase in real employment occurred in the services sectors with an increase of 72% in the 1990s, contributing to a net gain of over 10,000 jobs. The manufacturing sector gained over 1,500 jobs in the same time period, and still remains a dominant local industry sector.

Much of the relative health of Blount County's industrial sector is due to successfully shifting from the metals and textiles clusters to transportation equipment and technology. In spite of employment losses in traditional industries, the manufacturing sector has diversified, and retains a strong presence

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in Blount County. The presence of the Aluminum Company of America (ALCOA), with its employment of 2,300 workers, continues to exert major influence on the economic and social state of the County; however, it has been surpassed by Denso Manufacturing in total employment.

While Table 2 presents employment by industry type of the resident workforce of Blount County, it should be understood that a portion of resident workers are employed by businesses in other jurisdictions outside of the County, just as the employment figures in Table 3 include residents of other jurisdictions who commute to jobs in Blount County.

<b>Industry Type</b>	<b>1990</b>	<b>2000</b>	<b>Diff.</b>	<b>% Chg.</b>
Educational, Health and Social Services	7,025	10,262	3,237	46%
Other Services	4,834	10,425	5,591	116%
Finance, Insurance, Real Estate	1,763	2,763	1,000	57%
Public Administration	1,250	1,952	702	56%
Construction	2,974	4,062	1,088	37%
Trade	9,247	8,158	-1,089	-12%
Transportation & Warehousing, Utilities	3,011	2,705	-306	-10%
Manufacturing	7,683	9,225	1,542	20%
Agriculture, Forestry, Fishing, Mining	1,053	513	-540	-51%
<b>Total</b>	<b>38,840</b>	<b>50,065</b>	<b>11,225</b>	<b>29%</b>
Unemployment Rate	5.1%	4.2%		

Source: US Census Bureau, Hunter Interests Inc.

<b>Company Name</b>	<b>Product/Service</b>	<b>Number of Employees</b>
Denso Manufacturing TN Inc.	Motor Vehicle Parts & Accessories	2,380
Alcoa Inc.	Aluminum Ingot, Coiled Steel	2,300
Blount Memorial Hospital	Health Care	1,950
Blount County Schools	Public Education	1,090
Clayton Homes	Manufactured Homes and Buildings	750
Blount County Government	Public Administration	613
I.J. Company	Wholesale Food Distribution	446
Eldon	Office Products Supplier	386
APAC-TN/Harrison Division	Paving Concrete	350
US Food Service-Knoxville	Wholesale Food Distribution	344
Ceramaspeed Ltd.	Heating Coils for Glasstop Stoves	300
Rockford Manufacturing	Yarn and Cordage	300
Breed Technologies	Safety Restraint Airbags	250
Standard Aero Alliance, Inc.	Jet Engine Repairs	242
Skiers Choice	Inboard Ski Boats	200

Source: Hunter Interests Inc.

Blount County continues to experience economic growth, as the employment figures in Table 4 indicate. The County experienced a net increase of 4,449 jobs from 2000 to 2003, or 8.9%. The average unemployment rate was 4.1% for 2003, compared to 5.9% for Tennessee and 6.0% nationally. See Table 3.

	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>% Change 2000-2003</b>
Total Labor Force	53,318	52,772	56,071	56,456	5.9%
Number Employed	49,738	50,671	53,987	54,187	
Number Unemployed	1,580	2,101	2,084	2,269	
Unemployment Rate	3.1	4.0	3.8	4.1	
Tennessee Rate	4.0	4.5	5.1	5.9	
National Rate	4.1	4.8	5.7	6.0	

Source: East Tennessee Development District, Hunter Interests Inc.

A pro-business attitude and effective business recruitment efforts, combined with desirable quality-of-life characteristics in the County and region, should contribute to a healthy and growing economy through the balance of the decade.

**C. Agricultural-Based Rural Economy**

In 1997, 93,209 acres, or approximately 26% of the 357,760 acres comprising Blount County, were under use for farming according to the USDA-NASS 1997 Census of Agriculture. Between the years 1987 and 1997, the amount of land in farming decreased by 8,188 acres, representing an 8.5% loss, and the number of farms decreased from 1,185 in 1987 to 1,053 in 1997. As Table 5 shows, most of the decrease occurred among farms ranging in size from 10 to 499 acres, while the number of farms over 500 acres increased, indicating a consolidation of some farmland by larger operations. Nonetheless, there was a net loss of over 8,000 acres of Blount County farmland in that period.

<b>Table 5</b>					
<b>Highlights of Agriculture: 1987, 1992, 1997</b>					
<b>Blount County</b>					
	1987	1992	1997	<b>1987 to 1997</b>	
				<b>Change</b>	<b>% Change</b>
Farms	1,185	1,012	1,053	-132	-13.0%
Land in farms	101,397	96,181	93,209	-8,188	-8.5%
Avg. size of farm - acres	86	95	89	3	3.2%
Farms by size					
1 to 9 acres	106	89	99	-7	-7.9%
10 to 49 acres	499	419	458	-41	-9.8%
50 to 179 acres	453	377	387	-66	-17.5%
180 to 499 acres	107	101	82	-25	-24.8%
500 to 999 acres	16	22	21	5	22.7%
1,000 acres or more	4	4	6	2	50.0%
Operators by principal occupation					
Farming	422	362	341	-81	-22.4%
Other	763	650	712	-51	-7.8%

Source: USDA-NASS 1997 Census of Agriculture, Hunter Interests Inc.

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The decrease in farms and farmland continues a trend that has occurred unabated since 1950, when that year's agricultural census reported 2,946 farms on 182,692 acres. During a period of almost 50 years, 89,483 acres of Blount County farmland was converted to other uses.

As the number of farms and amount of land in farming decreased, the value of agricultural property, including land and buildings, increased 68.7%, from approximately \$201 million in 1987 to \$359 million in 1997. Average value per acre of land rose from \$2,135 in 1987 to \$3,812 in 1997, or 67.6%. The estimated market value of all farming machinery and equipment was approximately \$31 million in 1997, much of which was likely bought and serviced by businesses residing in Blount County. The market value of agricultural products sold from County farms was approximately \$18.6 million, an increase of 28.1% from 10 years before. See Table 6.

**Table 6**  
**Economics of Agriculture: 1987, 1992, 1997**  
**Blount County**

	1987	1992	1997	1987 to 1997	
				Change	% Change
Farms	1,185	1,012	1,053	-132	-13.0%
Value of land and buildings	\$200,909,640	\$230,086,296	\$358,992,972	\$158,083,332	68.7%
Average per farm	\$169,544	\$227,358	\$340,924	\$171,380	75.4%
Average per acre	\$2,135	\$2,482	\$3,812	\$1,677	67.6%
Estimated market value of all machinery and equipment	\$24,459,585	\$22,923,824	\$31,081,401	\$6,621,816	28.9%
Average per farm	\$20,641	\$22,652	\$29,517	\$8,876	39.2%
Market value of agricultural products sold	\$13,689,000	\$17,385,000	\$18,568,000	\$4,879,000	28.1%
Average per farm	\$11,552	\$17,179	\$17,634	\$6,082	35.4%
Total farm production expenses	\$11,096,000	\$12,390,000	\$14,659,000	\$3,563,000	28.8%
Average per farm	\$9,364	\$12,231	\$13,934	\$4,570	37.4%
Farms by value of sales					
Less than \$2,500	522	353	427	-95	-26.9%
\$2,500 to \$4,999	248	215	229	-19	-8.8%
\$5,000 to \$9,999	195	190	185	-10	-5.3%
\$10,000 to \$24,999	124	150	124	0	0.0%
\$25,000 to \$49,999	44	48	34	-10	-20.8%
\$50,000 to \$99,999	26	25	27	1	4.0%
\$100,000 or more	26	31	27	1	3.2%

Source: USDA-NASS 1997 Census of Agriculture, Hunter Interests Inc.

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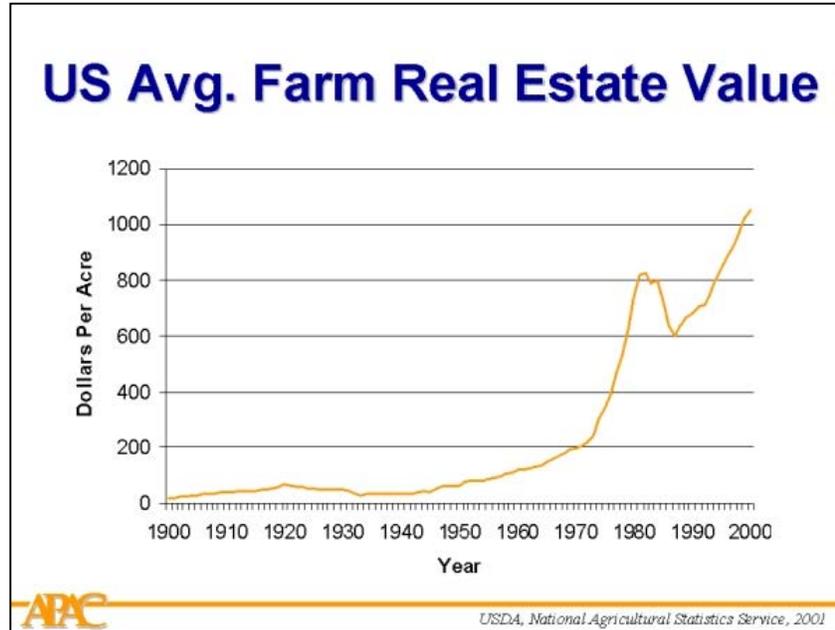
In 1997, 956, or approximately 90%, of Blount County's 1,053 farms had sales of less than \$25,000, and the average farm netted \$3,700 in profit. In that year, 341 operators identified farming as their principle occupation, compared to 712 operators who farm as a secondary occupation. Essentially, 68% of Blount County's farms are run by part-time operators. The Agricultural Policy Analysis Center (APAC) classifies these types of farms as "residential/lifestyle" operations.

According to an APAC study conducted in 1998, approximately 62% of farm operators nationwide were part-time, reporting a major occupation other than farming. Although there is no one-size-fits-all description of a farm today, large and very large family farms are most likely to be viable economic businesses employing full-time operators. The logical question therefore becomes: what are the motivations for "residential/lifestyle" farm operators? Just as farms vary greatly in terms of what they produce, characteristics, economic situation, and household and business arrangements, so do the reasons for operating a farm as a part-time occupation.

Aside from the attractiveness of the rural lifestyle, there are many other compelling reasons why property owners may choose to live on farms as part-time operators. One oft-cited reason is the tax advantage associated with an agricultural assessment. In most instances, actively farmed agricultural property is subject to much lower tax assessments than residential property, which can effectively decrease annual property taxes to a fraction of those for a comparable, non-agricultural residential property. For example, a 50-acre farm in Blount County may have a fair market value of \$400,000, which would assess as a residential property at \$100,000, or 25% of value. However, when its agricultural use is factored in, the property may wind up with an assessment of something less than \$30,000, lowering the effective property tax considerably. In cases where the owner is not inclined towards farming, he or she may contract out all of the farm-related work to an independent operator, effectively maintaining the agricultural assessment.

During the age of rapid suburbanization, owning farmland has proved to be a very lucrative investment for many in growth areas such as Blount County. As Table 6 shows, the average value of an acre of farmland increased from \$2,135 in 1987 to \$3,812 in 1997, or just over 67%. By comparison, the average per acre value of farmland in the State of Tennessee was \$1,859. However, the downside to increasing land values has been to increase the fixed costs of agricultural production without a corresponding increase in productivity, often without increasing the active farmer's wealth. Nonetheless, many of those who sold farmland for development realized much higher profits than land values would indicate, due to additional increases associated with rezoning and subdividing. While many urban and suburban workers have chosen to retire on a farm for a change in lifestyle, many farmers have chosen to dispose of land assets to fund their own, entirely different, retirement lifestyle. Figure 1 is a graphic illustration of how U.S. farmland values have increased from 1900 to 2000.

Figure 1



Conventional farming (field crop production, animal husbandry) continues to dominate the rural agricultural economy of Blount County. In an effort to conserve farmland, the USDA encourages farmers to move towards value-added commodities and niche markets that have proven to be more profitable than conventional farming in many cases. Examples of added value commodities may include something as simple as apple butter and cider made from apples, or agri-tourism, which the Amish farmers of Lancaster County, Pennsylvania, have so successfully exploited. The promotion of value-added products is just one means of maintaining the viability of farming as an economic sector.

#### D. Housing

Housing and population growth trends both track and reflect the same phenomena—where people live. Employment usually drives population and household growth. If an area has an increasing employment base, new workers will likely take up residence in the local area, and the increasing demand will drive construction of new dwellings. As Table 2 illustrates, the stable regional and local economies continue to generate net new employment, which is driving household growth in Blount County. The area is also a popular retirement destination, and in-migrating retirees are a factor in past and projected population increases.

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What is readily apparent in the following tables, which show the addition of housing units over time in Blount County, is the surge in new housing that occurred in the decade of the 1990s, and the robust pace in which they continue to be added on an annual basis. See Tables 7 and 8.

<b>Table 7</b>		
<b>2000 Est. Housing Units by Year Structure Built in Blount County</b>		
	<b>Units</b>	<b>Percent</b>
Total	50,436	
Housing Unit Built 1999 to March 2000	1,743	3.46
Housing Unit Built 1995 to 1998	5,929	11.76
Housing Unit Built 1990 to 1994	5,653	11.21
Housing Unit Built 1980 to 1989	8,222	16.30
Housing Unit Built 1970 to 1979	8,481	16.82
Housing Unit Built 1960 to 1969	5,199	10.31
Housing Unit Built 1940 to 1959	8,380	16.62
Housing Unit Built 1939 or Earlier	3,452	6.84

Source: Claritas; Hunter Interests Inc.

<b>Table 8</b>					
<b>Blount County</b>					
<b>Residential Construction Activity</b>					
	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>
Units	1,403	1,340	1,476	1,363	1,098

Source: East Tennessee Development District, Hunter Interests Inc.

The development of detached, single-family dwellings typically consumes raw, undeveloped land at rates ranging generally from one-quarter to five acres per house, or an average of one dwelling per acre overall. Dense, urban-type residential development such as garden and high-rise apartments and condominiums consume much less land on the average, and can often go into existing buildings adapted for reuse, or replace some obsolete use on an existing property. In these instances, the development can also take advantage of existing public infrastructure and facilities such as roads and utilities, requiring a much lower public investment than greenfield development, while fulfilling housing demand. High demands for water and sewer typically require access to public facilities, therefore most multi-family development has taken place in the cities of Alcoa and Maryville.

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# HUNTER INTERESTS

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As Table 9 shows, apartment development activity was slow between 1999 and 2002, when 76 new units were added to the inventory, compared to the following year, when 349 units were brought on line. Most significantly, the vacancy rate remained at 2.5%, lower than the previous year despite the 30% increase in inventory and a 10% increase in average rent, indicating a strong demand for multi-family housing. See Table 9.

<b>Year</b>	<b># of Units</b>	<b>Avg. Mo. Rent</b>	<b>Vacancy Rate</b>
1999	1,107	\$411	2.6%
2002	1,183	\$404	2.8%
2003	1,432	\$446	2.5%

Source: East Tennessee Development District  
Hunter Interests Inc.

## **E. Retail**

According to *Sales & Marketing Management's* 2003 Survey of Buying Power, the estimated 44,800 households of Blount County have an effective buying income (EBI) for retail purchases alone of approximately \$2.0 billion and the Metro Knoxville population of 704,500 has an overall EBI of \$13.4 billion. This buying power supports a variety of entertainment, food and beverage, and retail businesses in the area. Much of the goods and services demanded by this population are available in several retail nodes in Blount County. Indeed, the County's EBI accounts for approximately 15% of the Metro Knoxville EBI.

In Blount County 25.5% of households have incomes between \$20,000 and \$35,000; 20.8% between \$35,000 and \$50,000; and 30.5% over \$50,000, which is comparatively close to the statistics for the Knoxville Metro Area. Median effective buying income in 2003 was estimated to be approximately \$35,922. See Table 10.

	<b>Total EBI (\$000)</b>	<b>Median H/H EBI</b>	<b>% of Households by EBI Group</b>		
			<b>A \$20,000- \$34,999</b>	<b>B \$35,000- \$49,999</b>	<b>C \$50,000 &amp; Over</b>
Blount County	1,983,368	35,922	25.5	20.8	30.5
Metro Knoxville	13,377,369	35,092	24.7	19.1	31

Source: Sales and Marketing Magazine, Hunter Interests Inc.

The EBI statistics for Blount County reveal some interesting data. Total retail sales in Blount County are estimated to be \$1.7 billion annually. Of these retail sales: \$219.8 million are for food bought in grocery and convenience stores; another \$158.4 million are made in eating and drinking establishments; \$245.8 million are for general merchandise; \$19.9 million are for furniture, furnishings and appliances; and \$624.9 million are for automotive purchases. See Table 11.

	<b>Total Retail Sales</b>	<b>Food &amp; Beverage Stores</b>	<b>Eating &amp; Drinking Places</b>	<b>General Mdse.</b>	<b>Furniture Home Furn. Appliances</b>	<b>Automotive</b>
Blount Co.	1,690,765	219,758	158,353	245,768	19,852	624,952
Knoxville Metro	13,077,515	1,899,395	1,326,767	1,915,955	461,460	3,505,717

Source: Sales and Marketing Magazine, Hunter Interests Inc.

Retail development is primarily a function of population and income characteristics. It follows development; it is not a leading land use. A retail center cannot generate new business or create new buying power; it can only attract customers from existing businesses within or beyond the trade area that are not meeting market expectations, or fulfill a demand that has not been met within the market area. It can also capture the increase in purchasing power that results from population, household, employment, or income growth. New retail space can cause a redistribution of business outlets and consumer patronage, but it cannot create new consumers.

The supply side of the Blount County retail market has generally followed the national trend in retail expansion while responding to the population increases that have characterized the region over recent decades. As is typical of retail, most of the major shopping nodes are located in the population centers of Maryville and Alcoa, with the largest concentration in the vicinity of the Foothills

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# HUNTER INTERESTS

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I N C O R P O R A T E D

Mall in Maryville. Indeed, a line of power centers, big-box stores, a regional mall, and community retail extends along US-129 from the Wal-Mart Super Center in Alcoa to the South Haven Plaza in Maryville.

In addition to Wal-Mart, national chain stores in the Route 129 retail corridor include Lowe's Home Improvement, Staples, Target, K-Mart and Home Depot. The 477,000-square-foot Foothills Mall features four department stores including J.C. Penney, Proffitt's, Sears, and Goody's, along with 50 specialty stores and nine food and beverage establishments.

Major area community shopping centers include the New Midland Plaza, located off of Washington Street in Alcoa, and Brown's Creek on E. Lamar Alexander Parkway in Maryville. The 370,000-square-foot New Midland Plaza features national and chain retailers, including United Grocery Outlet, Wynn's Department Store, Heilig-Meyers Furniture, Radio Shack, and Dollar General along with a variety of other service and merchandise vendors. The Brown's Creek Shopping Center is anchored by Food Lion and Dollar General. The 175,000-square-foot Foothills Plaza, just south of the Foothills Mall, is anchored by the Foothills 12 Cinema and Dollar General, and is also home to an 80,000-square-foot J.D. Kinder Furniture Store. Area community shopping centers also offer a wide range of dining opportunities, from regional and franchised to locally operated sit-down restaurants, along with national chain fast-food concerns.

Various neighborhood centers are also interspersed throughout the cities of Maryville and Alcoa, selling convenience goods and providing personal services that meet the day-to-day living needs of the immediate area. Takeout food and small sit-down restaurants are common in these neighborhood centers. Retail stores in Townsend also serve neighborhood needs, as well as those of the large numbers of tourists visiting the Great Smoky Mountains National Park.

The direction and rate of residential development, which is driven by population growth, will be the primary determinant of future retail development. As development spreads outward from urban or suburban areas, the demand will first increase for neighborhood centers, then subsequently increase for community centers as transportation and drive times to remote shopping centers become issues. Although the "big box" stores, such as Home Depot and Staples, cover large trade areas in terms of meeting the demands in certain retail categories, convenience remains a strong motivator. Small retail nodes will follow concentrations of housing in any area, particularly near major crossroads.

In the case of regional malls, such as the Foothills, their capacity to serve large trade area populations can preclude similar local development for decades into the future. The Foothills Mall currently serves a trade area population of over 300,000, a number significantly higher than the estimated County population of 111,510. Drawing from what is presumably a large geographic area, the Foothills

Mall is positioned to absorb most of the demand that will be created through increases in the local population in the years to come.

# HUNTER INTERESTS

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Table 12 shows that overall retail sales increased 2.7% from 2001 to 2002, and 4.8% from 2002 to 2003. Overall retail sales increased approximately 26% from 1998 to 2003, reflecting a combination of population increase, rising affluence, and a greater number of retail opportunities in Blount County.

<b>Item</b>	<b>2001</b>	<b>2002</b>	<b>% Change 2001-2002</b>	<b>2003</b>	<b>% Change 2002-2003</b>
Building Supplies	114,853	116,705	1.6%	121,288	3.9%
General Merchandise	185,695	204,141	9.9%	222,766	9.1%
Food Stores	203,639	200,357	-1.6%	209,623	4.6%
Autos, Boats, Planes	530,949	526,339	-0.9%	527,124	0.1%
Apparel	10,827	9,731	-10.1%	10,385	6.7%
Furniture	24,100	16,895	-29.9%	17,915	6.0%
Eating Places	104,773	112,225	7.1%	116,346	3.7%
Service Stations	19,711	16,425	-16.7%	17,382	5.8%
Miscellaneous	148,918	176,411	18.5%	202,262	14.7%
<b>Area Total</b>	<b>1,345,466</b>	<b>1,381,231</b>	<b>2.7%</b>	<b>1,447,094</b>	<b>4.8%</b>

Source: East Tennessee Development District, Hunter Interests Inc.

## **F. Industrial**

The availability of industrial land is an important element in the economic and fiscal planning of local units of government. Building on the economic base established by the Alcoa Plant, Blount County has created conditions favorable to industrial growth through the development of six industrial parks in the area (see Table 13). The Blount County Industrial Board has been proactively involved in both national and overseas recruitment efforts, which has fostered a favorable climate contributing substantial industrial growth in the past decade through 2002. Indeed, Blount County has been the beneficiary of 36 new plants and/or expansions over that period, for a total investment of approximately \$817 million.

<b>Table 13</b>					
<b>Blount County Industrial Properties - Public</b>					
<b>Park Name</b>	<b>Location</b>	<b>Ownership/ Management</b>	<b>Total Acres</b>	<b>Avail. Acres</b>	<b># of Tenants</b>
Big Springs Park	Maryville	BCIDB	273	143	5
Blount County Industrial Park	Maryville	BCIDB	304	0	31
Partnership Park South	Maryville	BCIDB	210	190	2
Partnership Park North	Alcoa	BCIDB	226	226	0
Springbrook Corporate Center	Alcoa	City of Alcoa	105	12	13
Stock Creek Development Centre	Rockford	BCIDB	357	30	12
<b>Total</b>			<b>1,475</b>	<b>601</b>	<b>63</b>

Source: East Tennessee Development District, Hunter Interests Inc.

There are currently 28 separate industrial properties in Blount County comprising approximately 1,670 acres of available land. The properties range in size from approximately 230 acres down to just under two acres, and are located on both finished and unfinished sites. The six industrial parks listed in Table 13 are either owned by the Blount County Industrial Development Board (BCIDB), a municipality, or partnerships between the BCIDB, the County, and one or more municipalities. These parks contain approximately 1,470 acres in aggregate, accommodating 49 individual commercial tenants that employ an estimated 4,463 people. There are approximately 619 acres still available for development in these parks. Privately owned property accounts for an additional 1,051 acres of available industrial land in the County.

### **G. Office**

Much of the information contained in the following analysis was obtained from a recent office survey and study conducted by the firm Charles M. Smith & Associates, out of Knoxville, Tennessee, and through the assistance of the Chamber of Commerce and members of the local real estate community. Acknowledging the validity of this information and the professional standing of the firms that provided it, we summarize those findings relevant to potential office development in Blount County.

The office market in Blount County can be characterized as almost entirely demand driven, with very little speculative construction, as evidenced by the large percentage of small buildings. The County's office inventory resides mainly in the urban areas of Alcoa and Maryville.

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# HUNTER INTERESTS

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I N C O R P O R A T E D

In 2002, the City of Alcoa's office inventory totaled 618,967 square feet in 58 buildings. Since 1980, 31 buildings totaling 446,110 square feet have been constructed, accounting for 72% of inventory through 2002. Average annual office growth since 1980 equals approximately 20,278 square feet per year. Average annual office growth over the 10-year period through 2002 equals approximately 32,091 square feet per year, which includes a 135,000-square-foot facility built in 1998, at 5000 Clayton Road. A new, 70,000-square-foot "East Tennessee Medical Group" office is under development off of S. Hall Road in Alcoa, which is a consolidation of their existing offices scattered about Maryville into a single facility.

Out of Maryville's total inventory of 154 properties, 95, or 62%, are around 3,000 square feet or less. Fifty-nine percent, or 435,698 square feet of Maryville's total 2002 inventory of 736,514 square feet, has been constructed since 1980. Average annual office growth since 1980 equals approximately 19,804 square feet per year. Average annual office growth over the 10-year period through 2002 equals approximately 28,465 square feet per year. There was no new office space constructed in 2002.

Much of Maryville's office inventory is clustered in nodes, two of the most notable being the downtown central business district (CBD) and the area around Blount Memorial Hospital. Most of the office buildings constructed prior to 1960 are located in the CBD. An office corridor of sorts exists along Route 321 through the City, with clusters at Morgantown Square and in the vicinity of the Foothills Mall.

The expansion of employment in the health services industry has been one of the primary drivers in Blount County's office market over the past 20 years, and particularly the past decade. The demand for other services from a steadily increasing population has contributed as well. Based on projected absorption rates of approximately 7,000 to 8,000 square feet per year in Maryville and 9,000 to 10,000 square feet of space in Alcoa, it is likely that office development will continue to occur within existing commercial centers and corridors over the next 20 years.

## **H. Tourism and Hospitality**

Blount County's most significant natural resource, the Great Smoky Mountains, is also the primary generator of tourism and visitation to the County. The half-million-acre Great Smoky Mountains National Park straddles the border between Tennessee and North Carolina, and attracts over nine million visitors per year, a great many of whom stay in local hotels, eat in local restaurants, and patronize other local businesses. Business and group activity also contribute to Blount

County’s tourism and hospitality economy, by virtue of the large cluster of hotels and restaurants located near McGhee Tyson Airport, which serves the entire Knoxville metropolitan area and the East Tennessee region.

In 2003, direct spending associated with travel and visitation in Blount County was approximately \$100 million, up 34% from four years ago. Fiscal revenues generated from spending equaled approximately \$1.9 million in local taxes collected, an increase of 27% over the same time period. See Table 14.

<b>Table 14</b>					
<b>Blount County</b>					
<b>Travel Generated Revenues</b>					
	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
Local Sales	\$74,856,503	\$83,257,446	\$86,919,873	\$93,009,802	\$100,103,924
Local Tax	\$1,507,199	\$1,668,550	\$1,693,708	\$1,820,939	\$1,916,059

Source: Tennessee Department of Tourist Development, Hunter Interests Inc.

Blount County possesses a total inventory of 26 hotel/motel properties consisting of 1,627 rooms, and is comprised of large and small hotels and motels, inns and guesthouses, and bed and breakfast establishments. The lodging industry in Blount County can be divided into two main groups that are differentiated by geography, demand drivers, and market segmentation. These are the “airport cluster” and the “Smoky Mountain leisure cluster.” According to the Smoky Mountains Convention and Visitors Bureau, both clusters contribute roughly the same amount of hotel tax revenue per year.

The “airport cluster” is a group of 11, mostly national franchise operations located in the City of Alcoa, near McGhee Tyson Airport. The cluster caters largely to the commercial and group business segments. The Knoxville Airport Hilton, which is literally connected to the airport, boasts the County’s only conference center. The conference center recently expanded, almost doubling in size, and has the capacity to host 1,000 people for receptions and 650 for banquets or in theater style. Table 15 is a list of lodging properties in Alcoa.

Also of note are the many cabins interspersed in the foothills of the Great Smokey Mountains, a majority of which are rented at least part of the year. The cabins as well as rental trailers contribute to the spending associated with travel as noted in Table 14.

# HUNTER INTERESTS

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<b>Property</b>	<b>Rooms</b>
Days Inn Knoxville Airport	145
Family Inns of America Alcoa	75
Hilton Knoxville Airport	236
Comfort Suites Alcoa Airport	59
Hampton Inn Knoxville Airport	118
Fairfield Inn Alcoa	90
Executive Lodge	21
Mainstay Suites Knoxville Airport	80
Holiday Inn Express Alcoa	80
Jameson Inn Alcoa	67
Country Inn and Suites	62
<b>Total</b>	<b>1,033</b>

Source: Smith Travel Research, Hunter Interests Inc.

The concentration of franchised hotels in the airport cluster enables an examination of performance trends over the past five years. The information contained in Table 16 uses data from 8 of 11 properties in Alcoa, accounting for 875 Of the 1,033 rooms in the cluster. As the data shows, room supply increased from 1999 to 2003 along with the average daily rate for hotel rooms, while the occupancy levels continue to rise from their low in 2001. An important indicator of lodging industry is the revenue per available room, or RevPAR. RevPAR for 2003 was the highest during the five-year subject period, indicating an increasingly healthy hospitality market in Blount County. See Table 16.

	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
Occupancy Rate	66.1%	68.1%	59.5%	64.9%	65.3%
Room Supply	281,068	286,570	294,920	294,920	294,920
Room Demand	182,488	190,252	171,227	187,193	195,159
Demand Change	1.6%	2.3%	-12.5%	9.3%	4.3%
Average Daily Rate	\$64.84	\$65.95	\$65.33	\$66.35	\$66.20
Rate Change		1.7%	-0.9%	1.6%	-
RevPAR*	\$42.10	\$43.78	\$37.93	\$42.11	\$44.83
Revenues	\$11,832,579	\$12,547,129	\$11,186,520	\$12,420,405	\$12,895,802

\*Revenue per available room

Source: Smith Travel Research; Hunter Interests Inc.

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# HUNTER INTERESTS

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I N C O R P O R A T E D

Blount County’s other significant lodging cluster is located in the foothills of the Smoky Mountains, most notably in Townsend, one of the key gateways into the Great Smoky Mountains National Park. Among the roughly nine million people who visit the park annually, an estimated two million people visit Cade’s Cove alone, which is easily accessible from Townsend, and still within Blount County. Consequently, lodging facilities in Townsend cater more to tourists and leisure travelers, and many are independent, “mom and pop” type operations with fewer rooms, but nonetheless offering such amenities as restaurants and swimming pools. The community of Walland, located on Route 321 between Maryville and Townsend, is home to one of the region’s renowned bed and breakfasts, the Blackberry Farm.

Eleven lodging properties comprise Blount County’s tourism and leisure segment, accounting for a total of 500 rooms. Table 17 is a listing of lodging properties in Townsend and Walland.

<b>Property</b>	<b>Rooms</b>
Tally Ho Inn	48
Best Western Valley View Lodge	138
Comfort Inn Townsend	53
Highland Manor Inn	50
Family Inns of America Townsend	39
Big Valley Motel	19
Laurel Valley Cabins	43
Docks Motel	25
Riverstone Lodge	16
Headricks River Breeze Hotel	23
Blackberry Farm (Walland)	46
<b>Total</b>	<b>500</b>

Source: Smith Travel Research, Hunter Interests Inc.

Continued growth in the population and economy of the Mid-Atlantic and Sunbelt states will result in higher numbers of leisure and business travelers to the Knoxville/Smoky Mountains region. This will, in turn, increase demand for lodging and hospitality facilities, particularly in the Townsend area.

## II. Conclusion

The external dynamics that drive population and household growth, such as a stable economy, quality of life, natural amenities, access to transportation, etc., are in place, and not likely to change in Blount County in the foreseeable future. The County will experience continued development pressure within all of the aforementioned market sectors to accommodate demands for housing, employment, and services. Where future development occurs will be largely determined by the availability of public facilities, access and transportation issues, and the regulatory environment in Blount County.

Development pressure will continue to be exerted on **agricultural lands**, as the economic benefits of selling farmland far surpass those of remaining in farming. Unless fundamental shifts occur in the basic conventions of farming that make it a more profitable enterprise, the number of farms and land in farms will continue to decline, as landowners find it more lucrative to cash in on their accumulated equity.

**Residential demand** is expected to remain strong and will be accommodated primarily by single-family homes, if current trends continue. Although much of this development will be confined to the proposed urban growth boundaries in the near term, an increasing amount will occur outside as well, by virtue of lower land values. Low vacancy rates in the multifamily sector point to a persistent demand, which could most likely accommodate near-term additions to inventory.

The **retail sector** will grow with population, but will most likely be in the form of neighborhood/community-serving enterprises as the regional centers and “big box” stores are expected to fulfill future demand for the next 15 to 20 years. Auto-oriented and transient-serving retail will be drawn to major crossroads and commuter corridors.

New **industrial business** can be accommodated in the County’s industrial parks, but there is little to preclude locating outside of an industrial park, if that were desired. Business development efforts are geared towards steering industrial enterprises into parks, however, where there is adequate infrastructure to serve industrial uses.

The **office market** is projected to absorb 16,000 to 18,000 square feet of inventory annually over the next 10 to 15 years. Although this could be accommodated within the urban growth boundaries, new clusters located at major crossroads could develop over time.

The growth potential for the **tourism and hospitality market** remains strong, as the Smoky Mountains National Park becomes increasingly popular and the regional population increases. The net economic benefits to the County from this sector are high due to the spending that is generated in the local economy without the burden on public services.

**Blount County Technical Memorandum #4**

**To:** Blount County, Tennessee  
**From:** Hunter Interests Inc.  
**Subject:** Blount County Citizen Input  
**Date:** July 9, 2004

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**I. Introduction**

This Technical Memorandum conveys community input received by the Hunter Interests team during a public forum held in Blount County on June 29, 2004. Input is presented essentially in a verbatim format, and the content and context will be assimilated into the Blount County Growth Strategy development process.

**II. Blount County Citizen Input**

- Focus on drawing people to the region/to downtown? Possible hotel/ performing arts center.
- Density/growth projections dictate mass transit? Maryville growth @ 1%.
- Development of green space/parks — actual land identified for specific parks.
- Market analysis: Definition? Top down/up, is one in progress?
- Biggest problem in County is uncontrolled growth. What good is a plan if it is ignored?

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# HUNTER INTERESTS

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I N C O R P O R A T E D

- Concentrate growth in areas with existing infrastructure.
- Fiscal County strategies to deal with budget issues.
- Southern loop alternative may help preserve rural character of the County. Policy must target this area in specific, realistic terms.
- Should one action area be specifically targeted to population growth?
- Should the action plan be “no-growth” versus population growth?
- What are the measurements of growth?
  - Tax base
  - Commercial, industrial development (jobs)
  - Wages, salaries
  - Sales tax
- Practical ways to encourage conservation? Positive strategies for landowners to protect/preserve land?
  - PDR programs, foothills land conservatory, development.
- Look at what’s appropriate for the land — look at protecting resources for the long term.
- Look at the Little River — protections and green space to protect this resource.
- What input will you get from Alcoa and surrounding towns since you are hired by Blount County and the City of Maryville?
- Hunter Interests is here because of the concern about projected growth. Economic growth helps to balance the influx of population growth. Recommendations are meant to bring back balance.
- Tension in the County between people who believe the land is their own to do with what they will, while others believe all live in the County. Can government policy help bring these two together? Can there be a public process to work out these issues?

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# HUNTER INTERESTS

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I N C O R P O R A T E D

- Projected growth rate of Bounty County? 2% estimate with declining growth approaching year 25.
- The growth plan for the planning commission is in place, give the tools needed to control growth? Planning commission doesn't seem to be interested in controlling growth.
- Some road widenings will destroy homeowners' front yards (Ridge Road). This is one of the most densely populated areas in the County and the road plans should be revised.
- That can be an overall development plan, but fiscal issues will influence the final development outcomes.
- Changes to roads include a public process so a proposed plan must be open to public review so that homeowners have a say in what happens to their land. The challenge is to find consensus on overall growth plans, implementation strategies and final products.
- If population growth does not increase, taxes do not go up, so what is the break-even level of new growth vs. increasing taxes?
- \*Lets put the burden of the cost of new development on the newcomers, not the existing landowners.
- Will the loop road happen regardless of alternative plans if the government/county/city wants it to be built?
- In deliverables: will you look at recent studies to look at what has not worked in the past?
- From 1992 to 2002, population increased 23%. In 10 years, 25,000 new residents will move to Blount County. If it is true that population growth is too high, the challenge is to make it positive/smart growth.
- What is the age population of the next decade? Somewhat aging population.
- Are biologists/scientists being consulted about our sensitive areas? Would it be included in the growth plan?
- Is I-40 an interstate highway? So will they pay most of the cost of the loop? Will Blount County have to pay for alternate road plans?

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# HUNTER INTERESTS

I N C O R P O R A T E D

- The transportation plan should be done now before houses get in the way.
- What type of jobs are you recommending for economic development? R and D, tech., 'clean' techs. industry. Diversity workforce to bring the high end paying jobs.
- Lets look at an array of transportation alternatives. Consider the effect on communities.

**Blount County Technical Memorandum #5**

**To:** Blount County, TN  
**From:** Hunter Interests Inc. and The Growth Management Institute  
**Subject:** Evaluation of Subdivision Regulations and Procedures  
**Date:** July 16, 2004

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**I. Introduction**

This Technical Memorandum evaluates the provisions and procedures of the Blount County subdivision regulations currently administered by the Blount County Regional Planning Commission. The regulations were initially adopted in 1978 and substantially amended in 1985. Every two or three years since 1985 a number of additional amendments, consisting of clarifying language and additional sections, have been approved. In response to the Policies Plan recommendation for review and revision of the County's subdivision regulations, the planning staff began a comprehensive revision, mostly to assemble changes within a single document, about three years ago. Various events have postponed finalization of a revised document.

**II. Significance of the County Subdivision Regulations**

Blount County's subdivision regulations play a prominent role as a growth management tool to implement the County's policies plan. The County's zoning ordinance, adopted just four years ago, provides for only three zoning districts and establishes relatively low densities for development. Few other regulatory tools exist to guide development. Thus the controls that subdivision regulations establish over such development factors as lot size, road widths and construction, drainage, and consideration of impacts on public facilities such as schools, are significant in implementing County growth policies.

The application of Blount County’s subdivision regulations is guided by the County’s land use plan and its zoning ordinance. Introductory statements in the regulations declare that the Planning Commission’s policy is to consider subdivision approvals under the regulations as subject to the “most recent adopted land use plan of the County” and according to “all applicable rules and regulations of the Zoning Resolution.” A third policy provides that land to be subdivided must be capable of being developed “safely without danger to health or peril from flood, fire, lack of water supply or other menace....” In addition, land cannot be subdivided until public facilities and improvements exist, listed as drainage, water, sewerage, schools, parks, recreation facilities, transportation facilities, and other capital improvements.

The subdivision regulations are applicable outside the planning regions established by the urban growth boundaries of Alcoa and Maryville. Other small towns in the County do not have planning regions and therefore do not exercise authority for subdivision regulation outside their city limits; instead, the County’s subdivision regulations pertain to the growth areas of these towns as well as parts of the County outside the planning regions of Alcoa and Maryville.

### **III. Major Elements of the Subdivision Regulations**

Subdivision regulations are intended to prescribe standards for the design of building lots and provision of public or common improvements necessary to support development, including water supply, wastewater collection and disposal, stormwater drainage, and roads. Regulations also provide for protection of flood-prone areas and water quality.

Following the initial statements of authority, jurisdiction, and definitions, the major sections of the County’s subdivision regulations include:

- Assurances for completion and maintenance of improvements (Sec. 3)
- Application procedure and approval process for different classes of subdivisions (Sec. 4)
- Specifications for preliminary and final plat documents to be submitted (Sec. 5)
- Requirements and standards for improvements, reservations, and design of roads and lots (Sec. 6)
- Provisions for developing improvements prior to final plat approval (Sec. 7)
- Procedure and standards for road construction (Sec. 8)
- Provisions for hillside developments (Sec. 9)

In addition, several separate amendments have been adopted, including:

- Amendment to replace Appendix 1, standards for hillside subdivisions (now inserted in the regulations document)
- Amendment of requirements for drainage plans and detention facilities;
- Amendment to replace provisions for water hazard areas
- Amendment to replace requirements for setback lines from streets
- Appendix II to provide standards for campground subdivisions
- Appendix III to provide standards for mobile home subdivisions
- Appendix IV to provide standards for planned unit developments
- Appendix V to provide certification forms for preliminary and final approval
- Appendix VI to provide the application form for preliminary subdivision approval
- Appendix VII to provide “notations” for subdivisions within the airport hazard area or with no water utility available to the site
- Appendix VIII to provide standards for condominium projects
- Amendments to alter the definitions section

The list of changes in the regulations, plus other changes made and inserted within the document, illustrates the intent of County staff and the Planning Commission to respond to concerns as they are encountered in the subdivision approval process. A revised document has been prepared by County staff to incorporate all amendments and reorganize the order of some sections. However, formal approval of the document has been on hold due to identification of new issues to be resolved, replacements of some planning commissioners, and court decisions on matters relating to subdivision requirements.

#### **IV. The Changing Nature of Subdivision Regulations**

Blount County’s current subdivision regulations represent an intensive effort over many years to put in place regulations that meet the needs of the County. They are based on standards and provisions adopted by other similar areas and on recommended subjects and language provided by planning literature on the subject. Appropriately, the regulations have been continually evaluated and revised as the County has gained experience in examining subdivision designs and proposed improvements—a valuable learning experience “on the job,” as it were.

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Over recent decades, urban planners and subdivision designers across the nation also have learned new approaches and techniques. They have been responding to concerns about upgrading standards and functions of subdivision infrastructure, about designing attractive residential and commercial areas, and about conserving natural and environmental qualities of landscape and hydrologic systems. They have proposed innovative approaches such as conservation subdivisions, cluster development, and traditional neighborhood designs, that are widely utilized to decrease traffic congestion, improve quality-of-life factors, and reduce impacts on land and water resources. Most approaches utilize flexible standards and review procedures so that project designs can reflect site and market conditions.

Use of these innovative approaches in Blount County currently is constrained by the lack of public sewer service in most areas of the County. Some sewer lines have been extended from existing city systems to serve school sites and one or two “community” septic systems have been approved to serve clustered subdivisions. But future applications of innovative designs utilizing urban development densities will be hampered or prohibited by the County’s stated intention to not be a provider of public sewer service. This issue becomes a major question to be resolved in implementation of the Blount County Growth Strategy.

In addition, local jurisdictions throughout the nation are increasingly taking a more proactive approach to guiding growth and development. One often-heard phrase is “development is too important to leave to developers.” Communities have learned that they can thrive or fail according to the quality of development they promote—that well-designed and well-located development can enrich not only the landowner and new residents but also the community as a whole. For this reason, cities, towns, and counties are seeking ways to encourage subdivision plans and developments that incorporate high-quality design and improvements that add long-term value to the project and to the community.

Most communities also are concerned with the fiscal consequences of new growth and development. Residents (voters) are increasingly reluctant to pay for expanding public improvements to support new development. Instead, communities are requiring developers to shoulder some of these costs—not just the basic streets, water, and sewer facilities but other improvements such as parks, recreation areas, and other types of open space. Not only do these improvements enhance the value of the project, but they help to conserve natural assets such as water quality.

These factors are changing the character of subdivision regulations as they are commonly adopted and administered. The evaluation below suggests some directions for adapting County regulations to meet the realities of current trends in guiding the development process.

## V. Evaluation of the Subdivision Regulations

**Organization of the Text:** First, a general comment. Subdivision regulations by their very nature are complicated. They contain many provisions relating to standards (such as building setbacks and road grading) and procedures (such as mapping requirements and the sequence of decision making by public officials). Professional engineers and planners find them difficult to master in their totality and the general public is frequently more confused by, than conscious of, their detailed requirements. Thus every effort should be made to simplify at least the organization, if not the language, of the regulations.

The proposed revision of the regulations moves in the right direction to meet this goal. It consolidates amendments within the previous text and rearranges sections to put important sections first and similar provisions together. It adds page numbers and a table of contents to make it easier to navigate the text. Still, more could be done. As an example, Section 2 (of the proposed revision) defines the classes of subdivisions (major, minor, one-lot), then defines divisions of land that do and do not qualify as subdivisions, then in Section 4 the three classes of subdivisions are defined again to introduce the separate procedures for each type. This repetition increases the wordiness of the document and can induce reader confusion. A similar problem arises in the three-step procedure (informal consultation, preliminary plat, final plat) where in Section 4 the three steps are introduced, then repeated with explanatory information, then additional preliminary plat and pre-construction conferences are described in a later section. A fresh edit of the whole text would help to reduce such repetition and make sure that the most important information comes first.

Otherwise, our evaluation of the *content* of the regulations identified some areas where improvements might make the regulations beneficial in meeting current and future needs for guiding development.

**The Issue of Desirable Standards:** The opening section of the regulations includes a passage as follows:

“... [L]and shall not be subdivided until available public facilities and improvements exist and proper provision has been made for drainage, water, sewerage, and capital improvements such as schools, parks, recreation facilities, transportation facilities, and [other] improvements.”

In addition, one of the stated purposes of the regulations in Section 1.04 is “to ensure that public facilities are available and will have a sufficient capacity to serve the proposed subdivision.”

The requirement is backed up in later sections by detailed provisions and standards for roads and water, sewer, and drainage facilities. (The planning staff has thoroughly researched road standards to guide Commission decisions about road requirements.) In addition, Section 6.5 provides for developers to set aside

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up to 10 percent of the gross area of the tract for schools, neighborhood parks, recreation areas, and access to water frontage *as identified in a Planning Commission plan*, and additional land for utility, pedestrian, and drainage easements.

Requirements for ensuring that public facilities to be used by future project residents are adequate to support the planned development are quite common in today's subdivision regulations. They are intended to alleviate impacts on existing facility capacities and provide improvements beneficial for new residents and tenants of the development.

The County's current standards for facilities impacted by new development are not up to par with those of many other growing communities. The Planning Commission generally is not applying provisions regarding the adequacy of schools, parks, and recreation facilities as a condition of approval for proposed subdivisions. According to John Lamb's memo of March 18, 2004 on off-site road standards, the Commission has insisted on upgrading proposed road widths in a number of subdivisions considered since 1996. However, required widths have not been based on traffic projections or a County long-range plan for future road needs. (The standard used by County administrators for County roads serving large subdivisions requires an 18-foot paved width.) The bottom line is that current subdivision approvals are undoubtedly creating needs for planning and funding future public improvements, an unwelcome burden for current and future residents.

A central problem is adoption of appropriate standards for development-related facilities. Steven Wise, a land use attorney, advised the Planning Commission in a recent training session that such provisions cannot be legally imposed without specific standards by which to measure the adequacy of the proposed facilities. As of this date, standards for these facilities have not been created by the Commission.

- School overcrowding is an issue in the County and the Commission has taken an important step in considering impacts of proposed subdivisions on school capacities. The Board of Education has prepared a rating system to indicate currently overcrowded schools. The Commission is considering how to use this information in considering approval of proposed subdivisions.
- The regulations include very detailed standards for road design and construction, especially within the development. However, current requirements for off-site road improvements are minimal at best, so it is likely that developments will be generating traffic that some narrow County roads will be unable to handle. The Commission needs to consider upgrading road improvement requirements to avoid adding to future traffic congestion and public costs to improve roads.

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- Developers have not been required to dedicate land for parks and recreation facilities to serve future residents of their projects. The Commission has not adopted the plan necessary for the Commission to request such dedications and in any case the provision is optional rather than a requirement. The Commission should consider establishing and applying standards and requirements for dedicating sites and improvements for parks and recreation facilities that are more specific than the 10-percent rule specified in the regulations, which in any case is optional rather than required. The plan currently being prepared for the Parks and Recreation Commission may establish standards that the Planning Commission could adopt to guide requirements for subdivision approval. (In addition, it should be noted that neither the Commission nor the County has established a source of funding for purchasing open space prior to subdivision development.)
- Inadequate standards may also raise issues in conserving valuable natural assets, including stream valleys subject to erosion, tree conservation and replacement, and protection of wetlands and wildlife areas. Streams are now protected only by a prohibition of septic systems closer than 25 feet to stream banks. The Water Quality Plan adopted in 2003 contained many recommendations for further planning, some of which are being pursued, but specific actions are still needed. The proposed Mountain Areas plan, incorporating a worthwhile set of conservation recommendations, was roundly rejected by anti-zoning groups. The June 2003 “Report on Progress” for implementing the Policies Plan reports that no progress has been made in formulating design guidelines for preservation of open space and natural features, which could form the basis for subdivision requirements in this area.
- We understand that the impact assessment required in Section 5.01, to be drafted by the developer and/or planning staff, is proving unworkable. Some of the data is difficult to quantify and some must be obtained from agencies (such as the school board) which have been slow to respond. Yet many of the listed items of information provide significant data (such as traffic generation) by which other communities judge the desirability of proposed subdivisions. It appears that the assessment should be overhauled to require an impact assessment that provides meaningful data.

### **Improving Opportunities for Innovative Subdivisions:**

As indicated in Section IV above, subdivision designers have introduced several new approaches to subdivision development, including clustered development, conservation subdivisions, and traditional neighborhood development. All contribute substantially to so-called sustainable and smart-growth principles of development and all call for designing development in compact arrangements that save natural features of the landscape and hydrologic systems.

Blount County's regulations ostensibly allow clustering, conservation of natural features, and flexible application of standards in subdivision design. However, these somewhat higher-density forms of development are only feasible for areas served by sewer or community septic systems rather than individual septic systems, which require a minimum of 23,000 square-foot and often larger lot sizes. Lacking sewer systems, the County is virtually locked into what is generally considered to be a low-density development pattern, which has several downsides:

- Spreading development over large areas of the County, in the process replacing much of the open space and natural areas that local residents have identified as an important quality-of-life asset
- Installing large areas of septic systems that, over time and with haphazard management of individual systems, further endangers surface and underground water quality
- Constructing networks of minimum-capacity roads and installations of other facilities that will inevitably require costly upgrades as development continues in future years

Without County sewer service, the alternative to such extensive low-density development is to require a substantial share of new development to locate in city growth areas where municipal sewer services can be extended. To be effective, such a policy must be accompanied by County actions to limit development outside growth areas through a variety of regulatory initiatives.

Thus the County's subdivision regulations, coupled with its sewer service policy, will play a significant role in determining the County's future form of development: one based on promoting innovative forms of development in areas served by sewer or one that promotes extensive low-density development throughout the County.

**Other Considerations for Regulatory Improvement:**

The County's apparent preference for maintenance of common areas and facilities by myriad property owners' associations raises an issue about how dozens of relatively small associations can manage such areas and facilities adequately over the long term. Management failures in such circumstances could lead to future public problems. Either County assumption of maintenance responsibilities or a collaborative private management agreement for maintenance would be more likely to achieve adequate standards of maintenance on an ongoing basis.

- We are told that significant numbers of lots— perhaps as many as one-quarter to one-third of the annual total—are being created through minor subdivisions and lot splitting. That type of incremental growth occurring without contributions to public improvements can prove troublesome in the future as accumulated service needs impact County facilities, especially in rural areas where public improvements may be difficult and costly to provide.
- No standards are provided for landscaping parking areas in commercial and industrial developments or buffering them from adjoining residential development, such as requirements for planting strips and setbacks. (Such requirements are often contained in subdivision regulations rather than zoning ordinances.)
- Street construction standards do not provide for sidewalks or associated pedestrian pathways for any roads, which mitigates against walking or biking as a travel option.
- A minor point: the definition of “mobile home” might be considered more properly as a “manufactured home.”
- An updated list of references would be useful for Planning Commission. Many publications newer than 1977 provide insights and ideas for contemporary approaches to subdivision regulation.

## **VI. Conclusion**

The County has worked hard to put in place workable subdivision regulations that serve County objectives to create desirable living and working areas and at the same time conserve open space and natural qualities. Through experience, it has upgraded and refined the regulations to provide for needed improvements and flexible design options. Now, in considering future changes in subdivision regulations, the County is faced with a growth strategy choice that can affect the form of development for years to come. The choice of strategy will dictate the evolution of the current subdivision regulations to focus primarily on either creating largely rural, low-density subdivision designs or developing a higher proportion of more compact designs that preserve rural and natural open spaces

### **Primary Ordinances, Reports and Plans Consulted for This Evaluation**

Blount County Subdivision Regulations and Current Amendments

Proposed Revision of County Subdivision Regulations

Blount County Water Quality Plan

Blount County Policies Plan

“Off-site Road Standards as Criteria Precedent to Platting,” Memorandum to  
Planning Commission from John Lamb, March 18, 2004.

“School Capacity Standards as Criteria Precedent to Platting,” Memorandum to  
Planning Commission from John Lamb, April 7, 2004.

Blount County Flood Plain Zoning Resolution

Resolution on Overcapacity Conditions of the Blount County Schools

”Report on Progress, July 1999 to June 2003,” Blount County Policies Plan  
Implementation Agenda.