Initial Response to Advisory Services Panel Report

March 30, 2015

www.cityofknoxville.org/urbanlandinstitute
City’s Strategy for Downtown

Vision:
- From disinvestment to investment; reinvigorate tax base in city core
- Strong residential, retail, and office segments; emphasis on mixed use
- Development outward from a strong core
- Strategic investment in public infrastructure
- Strategic and careful use of tools to foster quality private development
City’s Strategy for Downtown

Principles

- Continuity across Administrations
- Market driven development
- Organic growth
- Sound urban design - not rigid prescription
- Benefits: economic growth, preservation of historic structures, community building

Process

- From conflict to collaboration in making public decisions
- Intensive public input and discussion: public meetings and forums
- Transparent dissemination of information: website, blogs, social media
The Panel’s Assignment – October 5-10, 2014

- How can Knoxville set the stage for future growth and development on the periphery of the downtown core?

- What are strategies to connect these resources to downtown and to each other?

- What are key, implementable steps to address development and connectivity issues in the short term?
The Panel’s Assignment – October 5-10, 2014

- How can Knoxville set the stage for future growth and development on the periphery of the downtown core?

- What are strategies to connect these resources to downtown and to each other?

- What are key, implementable steps to address development and connectivity issues in the short term?

“The panel has been extremely impressed with the progress made in downtown Knoxville in recent years and encourages the city to continue with these efforts.

The panel also recognizes the vast amount of effort that has been made over the years in revitalizing downtown, both the physical investment that is so readily apparent walking through the area and the intellectual investment that has been made in a number of prior studies and planning work.”
Summary of Panel Recommendations

- Further define Knoxville’s “brand”
- Identify specific development objectives and methods
- Consolidate and mobilize resources to continue to redevelop downtown consistent with the City of Knoxville’s goals and vision
- Five study area sites
Site: State Supreme Court

- Former 1950’s court building, 1.97 acres; full city block
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- Recommendation:
  - Redevelop the site with active uses, such as a mixed-use development with a performing arts component, guide design and program
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- Initial Responses:
  - City plans to purchase the property to ensure local control of development
  - Engage in public process prior to development
Site: 400/500 West Jackson Ave.

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- Recommendation:
  - Consider a master-developer approach to ensure successful and contextual redevelopment
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**Recommendation:**
- Consider a master-developer approach to ensure successful and contextual redevelopment

**Initial Responses:**
- Top priority
- Begin process to select master developer
- Challenge of developing 1 parcel or several – master developer may be able to allow both
Site: World’s Fair Park & KCC

- Annual attendance for the park is more than 240,000 and more than 300,000 for KCC
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- Recommendations:
  - Preserve the green space as an amenity for residents
  - Activate adjacent underused sites with synergistic uses
  - Extend the greenway connection north from WFP

Note: There was an incorrect perception of KCEC space
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- Initial Responses:
  - Preserve green space
  - Activate edges
  - Continue connectivity
Site: Civic Auditorium & Coliseum

- Sits on more than 26 acres
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  Auditorium capacity: 2,500
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- Recommendations:
  - Relocate uses to core of downtown – start over
  - Public planning process for reuse
  - Create mixed-use, mixed-income community
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- Initial Response:
  - Needs a lot more study and full public process
Site: Henley Street/US441

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Recommendations:
- Enhance connectivity to WFP, Henley and Downtown
- Transform by adding on street parking
- Activate with retail and pedestrian friendly environment
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- Enhance connectivity to WFP, Henley and Downtown
- Transform by adding on street parking
- Activate with retail and pedestrian friendly environment

Initial Responses:
- Pursuing connectivity by enhancing pedestrian crossings
- Coordination with TDOT required for any changes to roadway
- Consider strategic, incremental improvements
Other Items – Market Scan

- **Hotel**
  - Information pertaining to Hotels was gathered at the County level
  - City focus shows about a 10% higher occupancy rate (64%)
  - Higher average daily rates ($112/night vs. $76/night) and increasing about 1% from 2013
  - Conclusion – Knoxville’s market can support additional hotels

- **Office**
  - Vacancy rate hovers around 15%

- **Residential**
  - Downtown demand has outpaced supply
  - Stable rental rates

- **Retail**
  - Doing well – resurgence of food, beverage, entertainment and other
  - Increased population will create need for additional offerings (i.e. pharmacies and groceries)

### Demographics, Knoxville MSA Trade Area and Downtown Knoxville

<table>
<thead>
<tr>
<th></th>
<th>Knox trade area</th>
<th>0.5-mile radius</th>
<th>1-mile radius</th>
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<tbody>
<tr>
<td>Population</td>
<td></td>
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<tr>
<td>2010 (actual)</td>
<td>837,971</td>
<td>2,470</td>
<td>12,769</td>
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<td>2014 (estimated)</td>
<td>853,922</td>
<td>2,538</td>
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<td>2019 (estimated)</td>
<td>882,177</td>
<td>2,616</td>
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<td>Historic annual growth (2010–2014)</td>
<td>0.5%</td>
<td>0.7%</td>
<td>0.5%</td>
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<tr>
<td>Projected annual growth (2014–2019)</td>
<td>0.8%</td>
<td>0.8%</td>
<td>0.5%</td>
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<tr>
<td>Households</td>
<td></td>
<td></td>
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<tr>
<td>2010</td>
<td>349,335</td>
<td>1,951</td>
<td>4,669</td>
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<tr>
<td>2014</td>
<td>352,764</td>
<td>1,409</td>
<td>4,870</td>
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<td>2019</td>
<td>363,167</td>
<td>1,482</td>
<td>5,121</td>
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<td>Household income, 2014</td>
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<tr>
<td>Average household income</td>
<td>$62,940</td>
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<td>Median household income</td>
<td>$48,312</td>
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<td>Households earning $75,000–$99,999</td>
<td>39,652</td>
<td>111</td>
<td>241</td>
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<td>Percentage</td>
<td>11.2%</td>
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<td>Households earning $100,000–$149,999</td>
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<td>Households earning $150,000 and above</td>
<td>23,767</td>
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<td>6.7%</td>
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<td>Age profile, 2014</td>
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<td>Median age (years)</td>
<td>39.5</td>
<td>28.4</td>
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<td>Education 2014: Age 25+</td>
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<td>Associate degree only</td>
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<td>Bachelor’s degree only</td>
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<td>Graduate degree</td>
<td>10.0%</td>
<td>26.9%</td>
<td>17.1%</td>
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Source: DM Advisory Services, Inc.
In Summary – Initial Responses

- Top Priority - begin process to select a Master Developer for Jackson Avenue
- Purchase State Supreme Court Site
- Preserve greenspace at World’s Fair Park, work to activate edges
- KCAC – develop strategy for public process post feasibility study
- Consider strategic, incremental improvements to Henley Street
Questions & Comments

For more information, please visit our website:
www.cityofknoxville.org/urbanlandinsitute

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