

Hollie Berry
Mayor

City of Red Bank
Municipal Planning Commission

Tim Thornbury
City Manager

WORK SESSION AGENDA
April 13, 2021
12:00 pm
Red Bank City Hall

I. CALL TO ORDER

II. ROLL CALL – Secretary – Commissioner Cannon

- ☐ Commissioner Browder
- ☐ Commissioner Cannon
- ☐ Commissioner Luther

- ☐ Commissioner Millard
- ☐ Commissioner Skonberg

III. Agenda items for the regular planning commission meeting:

A. CONSIDERATION OF THE MINUTES

March 18, 2021

B. NEW BUSINESS

- 1. Request to Rezone 336 Sweetland Drive from R-1 Residential to R-3 Residential

C. UNFINISHED BUSINESS

- 1. Steep slope ordinance discussion
- 2. Rental unit regulation discussion
- 3. Screening requirement species list

D. OTHER BUSINESS

IV. ADJOURNMENT

City of Red Bank
Municipal Planning Commission

REGULAR MEETING AGENDA
April 15, 2021
6:00 pm
Red Bank Courtroom

I. CALL TO ORDER

II. ROLL CALL – Secretary – Commissioner Cannon

- | | |
|---|--|
| ☐ Commissioner Browder | ☐ Commissioner Millard |
| ☐ Commissioner Cannon | ☐ Commissioner Skonberg |
| ☐ Commissioner Luther | |

III. INVOCATION – Commissioner Smith

IV. PLEDGE OF ALLEGIANCE – Commissioner Browder

V. CONSIDERATION OF THE MINUTES – March 18, 2021

VI. NEW BUSINESS

1. Request to Rezone 336 Sweetland Drive from R-1 Residential to R-3 Residential

VII. UNFINISHED BUSINESS

1. Steep slope ordinance discussion
2. Rental unit regulation discussion
3. Screening requirement species list

VIII. OTHER BUSINESS

IX. ADJOURNMENT



MUNICIPAL PLANNING COMMISSION

Hollie Berry
Mayor

Tim Thornbury
City Manager

MINUTES
March 18, 2021
6:00 p.m.
Red Bank Courtroom

I. CALL TO ORDER

Commissioner Browder called the meeting to order at 6:06 PM.

II. ROLL CALL

Commissioner Cannon called the roll. Commissioners Browder, Cannon, Luther, Millard, and Skonberg were in attendance. The Commission's planning advisor from the Southeast Tennessee Development District, Ashley Gates, and was also present. Additional attendees are listed on the sign in sheet.

III. INVOCATION

Commissioner Millard gave the invocation.

IV. PLEDGE OF ALLEGIANCE

Commissioner Browder led the Pledge of Allegiance.

V. CONSIDERATION OF THE MINUTES

A. February 18, 2021 Meeting Minutes

Commissioner Browder asked for any additional corrections to the minutes. Having none, Commissioner Millard motioned to approve the minutes as written. Commissioner Skonberg seconded the motion. The motion passed unanimously.

VI. NEW BUSINESS

A. Rental Unit Regulation Discussion

Commissioner Browder stated that staff had provided a draft of a "white paper" to submit to the Board of Commissioners. She stated it is a good start, but that the issue required more study.

Staff stated that a response from the City Attorney on the issue was also provided, and that the Commissioners should read and consider that as well. Staff stated that it may not be possible to establish a landlord licensing program but should make their concerns and goals clear to the Board of Commissioners so that they could study other options.

Commissioner Cannon stated that he would like to see an information platform for prospective and current residents to be able to see all short-term and long-term rental properties. He also stated that he would like to see the rental regulations cover both short- and long-term rental owners.

The Commissioners agreed to table the topic.

VII. UNFINISHED BUSINESS

A. Backyard Chicken Ordinance

Staff stated that she had updated the ordinance to require best practices for waste management, and also require that all waste disposal containers or systems be limited to areas within the required setbacks. She also had made properties along Stringers Branch ineligible due to e-coli runoff concerns.

Commissioner Luther provided waste disposal best practice information. He stated that he felt it could be an educational piece to be included with the application materials. Commissioner Skonberg stated that the educational materials would be needed for those new to raising chickens.

Commissioner Browder asked if there were any further questions on the topic.

Commissioner Luther motioned to recommend backyard chicken ordinance as revised to the Board of Commissioners. Commissioner Cannon seconded the motion. The motion passed unanimously.

B. Zoning Ordinance Amendments

Staff provided an overview of all the Zoning Ordinance Amendments. Commissioner Skonberg asked why the minimum home size was 1,400 square feet, as she lived in a 1,200 square foot home and found it adequate. Staff stated that the City Manager had wanted the same minimum for all zones.

Commissioner Cannon asked if they had ever gotten clarification on why the minimum home size was needed. Commissioner Browder stated that the Planning Commission had not, but that the Board of Commissioners had gotten clarification. Commissioner Browder stated that the City Manager felt a minimum house size would allow new homes that are built to better fit in the existing neighborhoods.

Commissioner Cannon asked if the existing home sizes had been studied to find the 1,400 square foot minimum. Staff stated that the planner recommendation from 2018 did provide some analysis of this data, and that there were a few homes that were under 1,400 square feet.

Mayor Hollie Berry, as a member of the audience, asked Ashley Gates, staff planner, if she had recommended the minimum house square footage. Staff stated that she had recommended against it, and that planners typically do not recommend minimum house sizes, leaving that to the building codes.

Commissioner Browder asked if the Zoning Ordinance Amendments could be approved without including this particular change. Staff stated that any of the amendments that they do not feel are ready to be approved can be removed from the ordinance.

Regarding the changes to the Access Control, Commissioner Browder stated that it was confusing. Commissioner Cannon stated that he felt they needed to eliminate the exception for residences, but that he also had concerns about the amount of impervious surface will be built to allow vehicular turnarounds. Commissioner Browder asked that this item be studied further.

Commissioner Luther stated that he would like to have further review of the landscaping requirements as well. Don McKenzie, a Red Bank resident and wildlife expert, provided a draft list of recommended species. He asked how big of a landscaping program would the City want and that he could work on additional recommendations. Staff stated that having a native tree species list, as provided in the draft Zoning Ordinance, would be a good start towards improving the urban forest.

Commissioner Millard motioned to recommend the amendments to the Zoning Ordinance as presented, with the exception of the changes to the minimum house size, access control requirements, and landscaping requirements. Commissioner Skonberg seconded the motion. The motion was approved unanimously.

C. Steep Slope Ordinance

Staff presented an example ordinance that would require additional engineering and site plans for steep slopes over 15%. Staff stated that the City of South Pittsburg was considering this ordinance, but had concerns about requiring a geotechnical engineer to design the plans. They were also concerned about having such a low threshold for requiring the additional engineering.

Commissioner Skonberg stated that she had seen that Chattanooga was considering a similar ordinance, and that they were looking a 33% slope. Commissioner Skonberg suggested that they consider a two-tiered approach, with higher standards for very steep slopes.

Commissioner Luther stated that the slope directly under the building is not the only factor, but they also have to consider the geology of what is under the land. He stated that he could provide some more detailed maps. He also suggested that perhaps they require a Professional Engineer and a geologist to review.

The matter was tabled.

VIII. OTHER BUSINESS

Commissioner Cannon stated that he would like to see a program that encourages bee-keeping in Red Bank.

No other business was presented.

Commissioner Luther motioned to adjourn. Commissioner Cannon seconded the motion.
The meeting was adjourned at 6:52 PM.

Chairman

MEMORANDUM

To: Members of the Red Bank Planning Commission

Cc: Tim Thornbury, City Manager

From: Ashley Gates, Regional Planner

Date: April 9, 2021

Subject: Request to Rezone 336 Sweetland Drive from R-1 Residential to R-3 Residential

SUMMARY

Property Address:	336 Sweetland Drive	Property Owner:	Charlotte and Henry Franklin
Tax ID:	126C F 101	Applicant:	Charlotte and Henry Franklin
Deed Reference:	11278-0091	Current Zoning:	R-1
Flood Zone:	No	Requested Zoning:	R-3
Current Land Use:	Single-family residential	Surrounding Zoning:	R-1
Surrounding Land Use:	Single-family residential		
Proposed Use:	Short-term vacation rental		
Staff Recommendation:			

ANALYSIS

Current and Proposed Use

The property at 336 Sweetland Drive is a vacant single-family residence. Tax records indicate that it is a 1,828 square foot home built in 1925. Charlotte and Henry Franklin have requested that the property be rezoned to R-3 in order to establish a short-term vacation rental.

Zoning Ordinance

The Zoning Ordinance allows short-term rental units in the R-3, R-4, RT-1, R-5, C-1, C-2 and C-3 zones. Also allowed in the R-3 zone are duplexes and apartments if part of a mixed-residential development, and community facilities such as parks, golf courses, and churches.

All short-term rentals are subject to the requirements of Title 9 Chapter 16 of the Red Bank Municipal Code. These regulations require a permit to operate short-term rental units which may be revoked should three or more code violations be cited within 12 months.

Compatibility with Surrounding Land Use

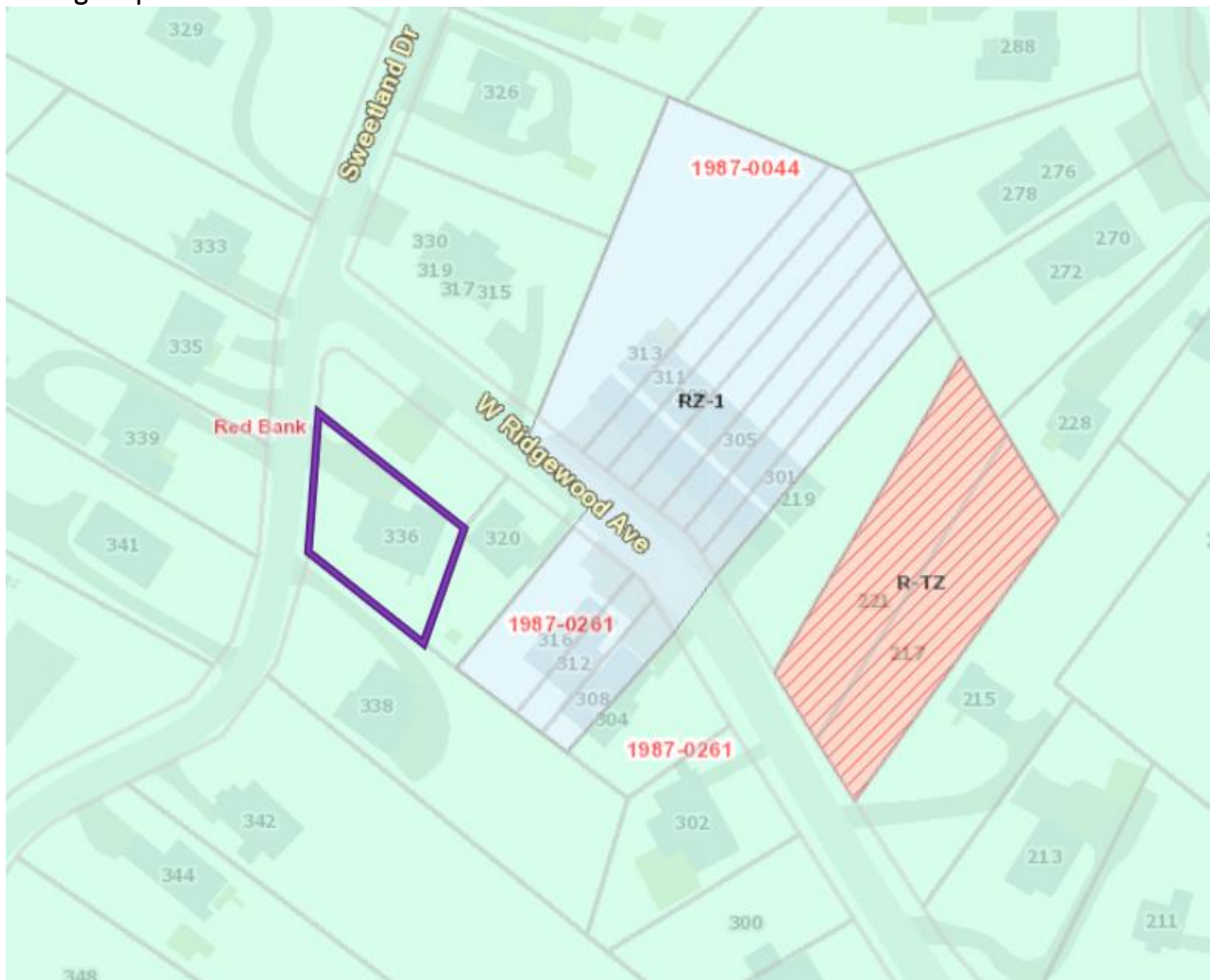
The properties abutting 336 Sweetland are all single-family residences. In the vicinity is a multi-family building and several townhomes. Across the street is a church.

The area is zoned R-1 Residential, with R-Z1 and R-TZ nearby, which allow zero lot-line and townhome developments. Per public feedback and the established Zoning Ordinance, short-term rentals do not appear to be compatible with established single family neighborhoods. About 450 feet to the southeast, a large parcel is zoned R-3. This property is a 10-acre apartment complex known as Liberty Heights apartments.

If the property were to be rezoned, a 10-foot wide planted buffer would need to be installed along both side lot lines and the rear lot line. There does not appear to be the room needed to install such a buffer. The existing home also does not appear to meet the minimum rear yard requirements, at only 13-15 feet from the rear lot line. The home appears to touch the northern side lot line.

The lot is estimated to be between 7,000 and 7,500 square feet. The minimum lot size for R-3 properties is 7,500 square feet. If the property meets this minimum, there is still very limited room to establish the needed buffers and setbacks even if a new structure is built.

Zoning Map



Land Use Plan

The D-Goal of the Land Use Plan is to protect single-family residential development. The establishment of a commercial use within a single-family residential neighborhood can be interpreted as contrary to this goal. Additionally, the land use plan specifically seeks to eliminate spot zoning.

A. Land Use

A-GOAL: Stabilize residential community and increase property values by stopping the continued proliferation and reverse the negative impact of spot zones for inappropriately located duplexes and multi-family dwellings.

ACTION: Adopt new zoning regulations that enhance control over such uses and assure a public hearing process for all such development proposals.

ACTION: Adopt new zoning for entire City of Red Bank that downzones all inappropriate spot R-2 and R-3 zones to R-1 or R-1A.

D-GOAL: Increase value of and protect single-family residential development.

ACTION: New R-1A Zone that has a 2,000 square foot minimum house size requirement and rezone certain appropriate areas to R-1A as part of Zoning Study. Minimum 1,200 sqft house size for R-1.

ACTION: New screening and landscaping regulations that is required of all multi-family, commercial, office and industrial development under certain conditions.

ACTION: More stringent zoning regulations for apartment development.

Spot Zoning

A rezoning is considered spot zoning if the new zone is not compatible with the overall development pattern of the neighborhood and creates economic harm to the neighboring property owners. When a spot zoning occurs, there is a risk that neighboring property owners will take legal action against the municipality.

While there are many small R-3 zones throughout Red Bank, the nearest R-3 zone is about 450 feet away, and is a large, managed apartment complex. This small R-3 zone would not appear to fit in the overall development pattern of the neighborhood.

Strict conditions could potentially mitigate any negative impact on neighboring property owners.

RECOMMENDATION

Staff recommends denying the rezoning request for the following reasons:

1. The rezoning may be considered spot zoning, as short-term rentals can have negative impacts on residential neighborhoods.
2. The lot appears to be at or under 7,500 square feet, which is the minimum lot size for the R-3 zone. This would leave little room for the required screening even if a new, smaller structure were to be built.

If the Planning Commission chooses to recommend rezoning this property, staff recommends the following conditions:

1. The only use permitted shall be a single-family home housing a maximum of one (1) short term rental unit.
2. If the short -term rental license should be revoked or lapses more than 90 days, the zoning shall revert to R-1.

MEMORANDUM

To: Members of the Red Bank Planning Commission

Cc: Tim Thornbury, Public Works Director

From: Ashley Gates, Regional Planner

Date: February 12, 2021; Updated April 8, 2021

Subject: Short-term rental unit regulations

Summary

Staff has summarized three ordinances including Chattanooga, Oak Hill, and Williamson County. Williamson County provides a comprehensive approach with two tiers – moderate and very steep slopes. Staff recommends that the Planning Commission use the table listed under “Examples and Recommendations” to identify the ideas and regulations that Red Bank would like to adopt. Staff will then draft an ordinance based on this discussion.

Goal of Steep Slope Ordinance

The goal of a steep slope ordinance is to establish standards that will mitigate flooding, erosion, and, in extreme cases, landslides.

Examples and Recommendations

Consideration	Examples and Recommendations
Two-tiered approach	The following is a summary of the Steep Slope rules from Williamson County, which may provide a good starting point for Red Bank. Moderate Slope: 15 to 25% • Require engineered site plan • Roads and driveways to follow contours as much as practicable Very Steep Slope: Greater than 25% • Preserved as open space OR outside building envelop • Uses limited to: Passive recreation; minor utilities and driveways (less than 50% slope only, and only when no other location is feasible) Slippage Soils – Determined Soil Scientist Report

Consideration	Examples and Recommendations
	- On slopes over 15%: Preserved as open space or outside building envelop - On slopes less than 15%: Require geotechnical report and design of drainage system by geotechnical engineer; Development must be supervised by geotechnical engineer - Red Bank may consider utilizing K-Factor of greater than 0.4 (or the appropriate value) to establish location of slippage soils
Amount of Disturbance Permitted	Many cities strictly limit land disturbance to areas with a slope of under a certain level, in Williamson County that is 25%. Others limit by percentage at each site. In Hamilton County the original proposal was: - For slopes of 15% to 25%, no more than 50% of the sloped area may be cleared, graded or disturbed - For slopes of 25% or greater, no more than 25% of the sloped area may be cleared, graded or disturbed Further assessment of the vacant properties in Red Bank needs to be completed.
Engineering Requirements	Based on Williamson County's approach, the following engineering is required: - For moderate slopes, plans must be stamped by a qualified engineer as determined by the Tennessee Board of Architectural and Engineering Examiners. Red Bank could consider review by a licensed geologist. - For slippage soils on slopes under 15%, require a geotechnical engineer stamp. - Limit uses on very steep and high-risk slippage soils. Any utilities or driveways in steep slope shall require a stamp from a qualified engineer.
Allowed Uses	Very Steep Slopes: Typically, cities select a slope where development is limited to open space, passive recreation, certain agricultural uses, short driveways and minor utilities. Removal of topsoil, clearing, grading and fill are often prohibited as well. Moderate Slopes: Typically determined by the underlying zoning, with steep slope regulations applying to the design of the structure. Critical infrastructure could be prohibited (hospitals, schools, for example). Activities such as logging or mineral extraction are often prohibited (though not likely to occur in Red Bank).
Densities	Some cities and counties have large minimum lot sizes for steep slope areas. This is often an alternative to limiting the uses in these areas because it results in lots that are designed with more options for buildable areas. Builders and property owners will typically build in the flattest area of the lot due to the cost of building on steep slopes.

Consideration	Examples and Recommendations
Retaining Walls	Retaining walls over 24 inches in height that support anything other than soil already must be engineered per the building code. Any further regulation of these would be within the building code. Red Bank may require these plans to be submitted with the required site plan to the Planning Commission.
Road Grades	The current maximum grade is 15%, with a 4% grade requirement for the 30 feet approaching an intersection. Language requiring roads to follow contours as much as possible can be added to the Subdivision Regulations.
Vegetation Requirements	Existing vegetation is one of the best means of preventing erosion. Newly planted vegetation takes several years to provide the level of protection of existing, rooted vegetation. Red Bank may consider provisions such as: • Prohibiting the clearing of very steep slopes • Requiring that development on moderate slopes preserves the existing vegetation to the maximum extent possible • Require that any cleared vegetation be replaced
Incentives / Density Bonuses	With Red Bank having few large developable lots left, density bonuses will have little use. They are typically used for large developments. Additionally, they must be carefully designed and take more staff review time.
Other Considerations	Red Bank may consider the following provisions for moderate or very slope development: • Require that natural water courses be maintained • Limit the impervious surface area as a percentage of the lot. This may not be needed if land disturbance limitations are established.

City of Chattanooga Ordinance

The City of Chattanooga passed the first reading of a steep slope vegetation ordinance that is limited regulations for slopes over 30%.

- Slopes of 30% or more must adhere to vegetative planting requirements
- Required vegetative cover is based on lot size
- Incentives for the preservation of existing trees

Key Objectives of the Steep Slope Vegetation Policy:

1. Encourages a “stay away from steep slopes” mentality by placing additional vegetation replacement program.
2. Encourages preservation of existing established trees.

3. Offers property owner a menu of items allowing an array of vegetation types while encouraging the use of native species.
4. Defines anything above a thirty (30%) percent grade officially as a Steep Slope with a distance of at least 100 linear feet.
5. Allows for the possibility of a credit program for maintaining placement of mature trees and the protection of native trees.
6. Vegetation program allows for covering more ground per sq. ft. vs. number of trees methodology.
7. Policy creates a formula to provide flexibility and choice while maintaining a sq. ft. focus and tree conservation.
8. Allows the Land Development Office to review Landscape Plan submittals prior to the issuance of a Land Disturbing permit to review Steep Slope development plans before vegetation is removed to retain placement of mature trees, the protection of native trees, and the planting of new trees, which are considered for any credit on a Steep Slope as part of the Land Disturbance permit application process.

City of Oak Hill Ordinance

The regulations from Oak Hill, Tennessee provides a simple option that requires additional engineering and design standards for steep slope development. Their ordinance applies to slopes over 15%, but other cities limit steep slope restrictions to slopes over 25%. The ordinance requires:

- A site plan that includes additional information on the vegetation, slope, and long-term stabilization plans
- The site plan to be stamped by a certified engineer
- To meet design principals that mitigate runoff and erosion, including the preservation of natural vegetation and drainage ways

14-238 Regulations for steep slope areas

It is a substantiated fact that areas of steep slopes, when developed into buildings and streets, present a significant threat of landslides or soil movement. This generally occurs on slopes exceeding fifteen to twenty (15-20%) percent grades. (See: *Landslides in the Nashville, Tennessee Area-Winter 1975*, Robert A. Miller and John D. Wiethe, Tennessee Division of Geology, 1975) Oak Hill contains many such areas. Therefore, it is the policy of the City of Oak Hill to protect life and property by requiring special review procedures for construction on any area of fifteen percent (15%) or greater slopes. The applicant shall pay, as adopted by Board of Commissioners resolution, for review by the Planning Commission for steep slopes or in connection with the Radnor Lake Impact Ordinance. The following regulations shall apply:

14-238.1 Site plan required

No building permit shall be issued for construction on any area of 15% or greater slopes until a site plan meeting the following requirements has been approved by the Planning Commission. Said site plan shall show:

- (a) The exact size, shape, and location of the lot, and the existing drainage pattern,

- (b) The proposed location of all buildings, driveways, drainage ways, and utilities,
- (c) Contours at vertical intervals of no more than five feet (5') taken from aerial photography or field survey,
- (d) The extent of natural tree cover and vegetation,
- (e) The location of any on-site soil absorption sewage disposal systems,
- (f) The type and location of erosion control methodology,
- (g) The exact area where any natural vegetation is proposed to be removed,
- (h) The size, type, and height of all buildings proposed to be constructed.
- (i) The location and extent of colluvial soil areas as determined by soil test borings,
- (j) The engineer's stamp that prepared the plan,
- (k) Certification as to the stability of the structures and slope and compliance with sound construction methods for areas with steep slopes and landslide problems by a registered geotechnical engineer. Said engineer shall also certify such features after completion of construction prior to issuance of the certificate of occupancy,
- (l) When the Planning Commission determines that additional information is required, an additional soils or geotechnical engineer may be employed to be funded by the developer. The Planning Commission may then require additional standards for development of the lot or tract if substantiated by the facts.

14-238.2 *Development standards*

The following standards shall be used as a guide in determining the suitability of the construction proposed for the particular site in question. The engineer's certification required in § 14-238.1 above shall address these standards:

- (a) Natural vegetation shall be preserved to the maximum extent possible. Existing vegetation on slopes fifteen percent (15%) or greater shall not be removed except as approved by the Planning Commission. The Planning Commission may require replacement of removed trees up to the caliper inches removed. Any grass areas shall be sodded,

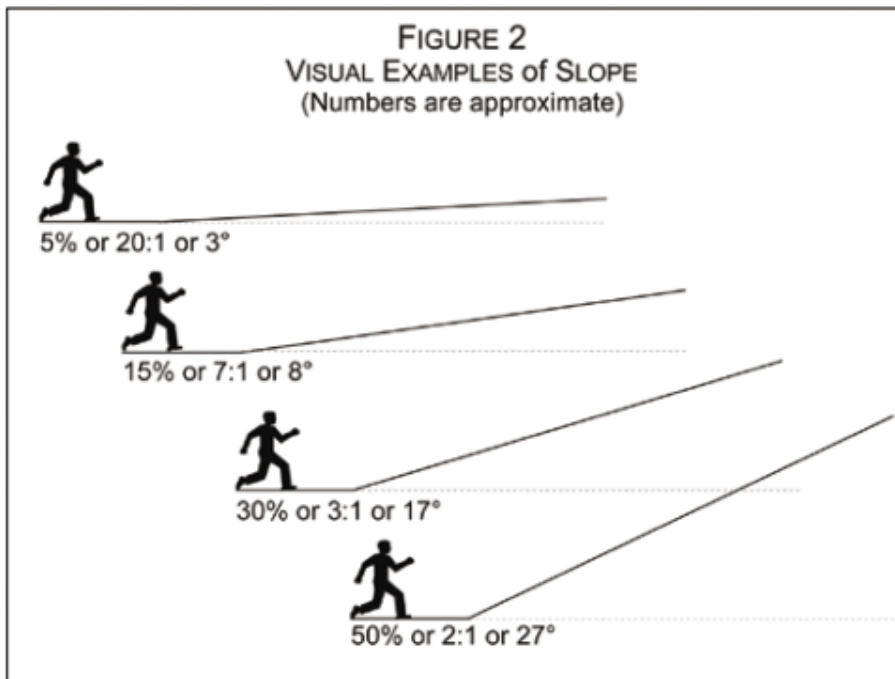
- (b) Natural drainage ways and systems shall be maintained, except that surface water may be diverted around a house or slope area to a natural drain using acceptable construction techniques,
- (c) Development shall require a minimum of two (2) acres of land per parcel. The Planning Commission may require additional acreage when justified by the soil tests and/or slope of the site and limit development to a maximum of ten percent (10%) of the lot,
- (d) Off-road vehicles shall be prohibited from all such areas and may not be operated off streets and driveways,
- (e) Operations that increase loads, reduce slope support, and cause instability of the slope shall be prohibited to the maximum extent possible which will permit reasonable development of the site. These include filling, irrigation systems, accessory buildings, and on-site soil absorption sewage disposal systems,
- (f) Where sanitary sewers are not available, any on-site sewage disposal system shall be shown on the site plan and located to avoid slide prone areas. Said system shall be approved by the County Health Department prior to the Planning Commission's review taking into account these requirements,
- (g) Erosion control measures shall be employed to prevent all soil material from leaving the site. Additionally, soil from excavation on the site shall not be deposited as fill on a potential slide area. Additionally, all aspects of the Metropolitan Nashville Storm Water Management Ordinance shall apply,
- (h) No construction, including for roads which would cut the toe of the slope shall be permitted, except as approved as a part of a soil stabilization plan submitted by a licensed geotechnical engineer on behalf of developer.

Attachment 1. Slope Information.

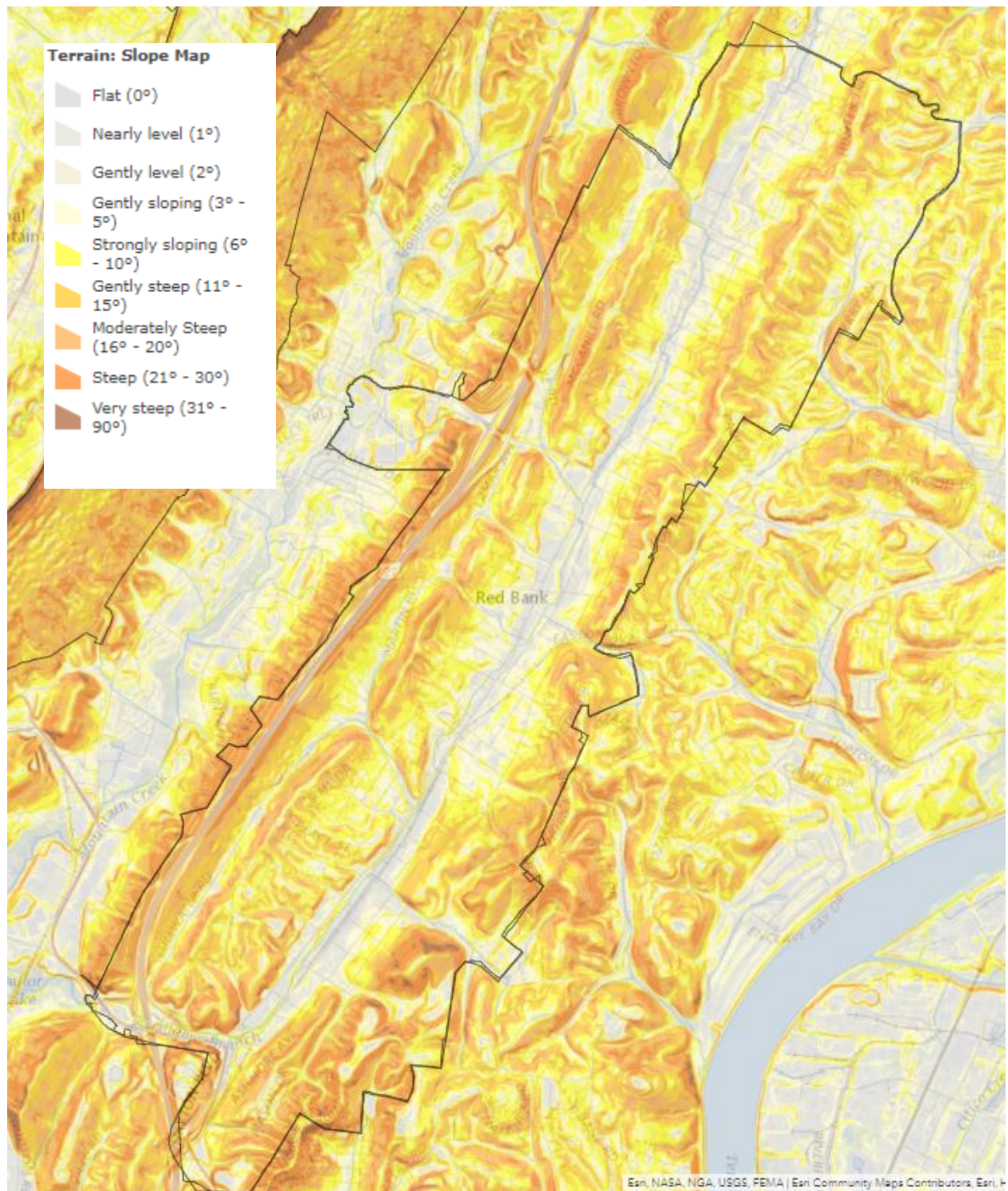
TABLE 1
Degree of Slope

Degree of slope	Development Potential
0% to 3%	Generally suitable for all development and uses.
3% to 8%	Suitable for medium density residential development, agriculture, industrial and institutional uses.
8% to 15%	Suitable for moderate to low-density residential development, but great care should be exercised in the location of any commercial, industrial or institutional uses.
15% to 25%	Only suitable for low-density residential, limited agricultural and recreational uses.
Over 25%	Only used for open space and certain recreational uses.

Source: Soil Surveys of Lehigh/Northampton Counties, Pennsylvania, Soil Conservation Service. 1963, 1974.



Attachment 2. Red Bank Slope Map.



Section 13.03: Steep Topography and Slippage Soil Protection Standards

(A) APPLICABILITY

This Section shall apply to all land disturbing activity and development activities proposed on:

- (1)** Properties that contain slopes of 15 percent or more;
- (2)** Hilltops and ridgetops; and
- (3)** Slippage Soils.

34 These standards are rewritten to conform with the more recent Williamson County Storm Water Regulations. This Section replaces the current Section 7113. We have also eliminated Section 7220 related to stormwater runoff since storm water is regulated by the County's Storm Water Regulations.

35 We will add a new image for this definition.

(B) STEEP SLOPES

(1) Measurement of Steep Slopes³⁶

- a)** The restrictions on development on steep slopes refer to existing (pre-development) site conditions.
- b)** Slopes shall be determined by dividing the vertical rise in elevation by the horizontal run of the same slope and converting the result into a percentage value.

(2) Identification of Steep Slope Areas

Steep slope areas are classified into one of the following categories:

- a) Moderately Steep Slope Areas**

Moderately steep slope areas are areas with slopes from 15 to 25 percent.

- b) Very Steep Slope Areas**

Very steep slope areas are areas with slopes in excess of 25 percent.

(3) Minimum Size of Steep Slope Areas

The steep slopes standards of this Section do not apply to isolated steep slope areas that are less than 5,000 square feet in area. For purposes of this provision, the entire contiguous area of the steep slopes shall be included in the minimum size calculation, regardless of the number of individual lots or property lines involved.

(4) Protection Standards

- a) Very Steep Slopes**

- i)** Where open space is required as part of a development, all very steep slope areas shall be preserved as open space, subject to [Article 14: Open Space Set-Aside Standards](#).
- ii)** Where open space is not required as part of a development, very steep slope areas may be located on a lot, provided that the area(s) are not located within a building envelope or areas subject to land disturbing activities.

- b) Moderately Steep Slopes**

Where moderately steep slopes are located within a building envelope, an engineered site plan shall be required. All roads and driveways located within moderately steep slope areas shall follow natural contour lines to the maximum extent practicable.

(5) General Prohibition on Land Disturbance

Land disturbing activities, including but not limited to clearing, excavation, grading, construction, reconstruction, and investigative land disturbing activities such as test wells, are prohibited on any very steep slope area, except for the following activities:

³⁶ We are working on a new graphic for the measurement of steep slopes.

- a) Passive recreation uses, including trails for non-motorized use only;
- b) Minor utilities and driveways, subject to standards in the Williamson County Subdivision Regulations and this Subsection;
- c) No driveways or minor utilities shall cross very steep slopes greater than 50%;
- d) Where driveways and/or minor utilities cross very steep slopes between 25 and 50 percent, the applicant must submit a geotechnical study with findings that:
 - i) Such driveway and/or minor utility will not have significant adverse visual, environmental or safety impacts, or appropriate engineering or other measures will be taken by the developer to substantially mitigate any such adverse impact; and
 - ii) No alternative location for access or minor utilities is feasible or available.

(C) HILLTOPS AND RIDGETOPS

(1) Identification of Hilltop and Ridgetop Areas³⁷

- a) Hilltops and ridgetops are areas of land with a slope of less than 15%, located directly above moderately steep and/or very steep slope areas (See [Section 13.03:\(B\)\(2\)Identification of Steep Slope Areas.](#)), and that are completely surrounded by such steep slope areas. See Figure <>.
- b) Hilltops and ridgetops may be exempted from the requirements of this Section where the applicant can demonstrate to the Planning Director that the hilltop or ridgetop is less predominate than surrounding features and/or that proposed development activities will achieve better aesthetic and structural results than the protection standards established in this Section.

(2) Protection Standards

- a) Where open space is required as part of a development, a minimum of 80% of each hilltop and ridgetop area shall be preserved as open space, subject to [Article 14: Open Space Set-Aside Standards](#).
- b) Where open space is not required as part of a development, hilltop and ridgetop areas may be located on a lot, provided that a minimum of 80 percent of the hilltop and ridgetop area(s) are not located within a building envelope or areas subject to land disturbing activities.
- c) Development and uses on hilltops and ridgetops shall be planned to minimize disturbance to soil geology, hydrology, and environmental features.

(D) SLIPPAGE SOILS

Slippage soils shall be those where the parent material is Colluvium, e.g., Delrose as classified by The Natural Resources Conservation Service (NRCS).

(1) Identification of Slippage Soils

The applicant shall hire a qualified soil scientist or geotechnical engineer to identify all areas of slippage soils present on the subject property, whenever the Williamson County Soil Survey indicates the presence of slippage soils on such property. The soil scientist or geotechnical engineer shall determine the extent and depth of this soil on the site.

(2) Protection Standards

When a qualified soil scientist identifies areas of slippage soils, the following protection standards shall apply:

³⁷ We are working on a new graphic for the identification of hilltops and ridgetops.

a) Slippage soils on slopes of 15 percent or greater

i) Where open space is required as part of a development, all land containing slippage soils on slopes of 15 percent or greater shall be preserved as open space, subject to [Article 14: Open Space Set-Aside Standards](#).

ii) Where open space is not required as part of a development, land containing slippage soils on slopes of 15 percent or greater may be located on a lot, provided that the area(s) are not located within a building envelope or areas subject to land disturbance activities.

b) Slippage soils on slopes of less than 15 percent

Where slippage soils on less than 15 percent slopes are located in areas of a site that will be subject to land disturbing activities, the following requirements shall be met:

i) A geotechnical engineer shall prepare a report identifying the location, character, and extent of the slippage soil areas. The report shall include a design for proper drainage and construction of development.

ii) Development identified in the report prepared in accordance with Section (i) above shall be designed by a qualified geotechnical engineer. The design shall be in compliance with the geotechnical report.

iii) The development shall be supervised and certified upon completion by a geotechnical engineer in order to ensure that all development is in compliance with the approved design.

³⁸ This Section replaces the current Section 7116.

ORDINANCE NO. _____

AN ORDINANCE AMENDING CHATTANOOGA CITY CODE, PART II, CHAPTER 31, BY ADDING A NEW SECTION 31-324.3, VEGETATIVE PLANTING REQUIREMENTS WHEN STEEP SLOPES ARE DISTURBED, A NEW SECTION 31-324.4, STEEP SLOPE VEGETATION POLICY AND PLANTING REQUIREMENTS, AND A NEW SECTION 31-324.5, INCENTIVES FOR PRESERVATION OF EXISTING TREES.

WHEREAS, the Chattanooga City Council has requested review and reporting on the development of Steep Slopes in the City of Chattanooga due to numerous complaints from citizens about infill development in residential and commercial areas due to the construction which has occurred on ridges and valleys in our City; and

WHEREAS, the Regional Planning Agency staff and development professionals have provided comments on the vegetative planting requirements and vegetation policies that should be adopted by the City when steep slopes are disturbed and how existing trees should be preserved in such areas to avoid flooding and runoff issues which are exacerbated by the removal of existing vegetation by new land disturbance during and after development.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHATTANOOGA, TENNESSEE:

SECTION 1. That Chattanooga City Code, Part II, Chapter 31, be amended by adding a new Section 31-324.3, entitled Vegetative Planting Requirements when Steep Slopes are disturbed as follows:

Sec. 31-324.3. Vegetative Planting Requirements when Steep Slopes are disturbed.

- A)** Steep slopes shall be defined as being slopes of thirty (30%) percent or more. Slopes that have been cleared and graded with thirty (30%) percent or higher slope may have to be compacted, and may require a certified engineer design to ensure slope stability which may require analysis of vegetative planting.
- B)** All residentially zoned properties containing steep slopes shall adhere to following vegetative replanting requirements for areas with disturbed steep slopes as indicated below. A diverse, multiple canopy planted area provides the maximum stormwater mitigation and it is recommended that all steep slopes provide a simple ratio as outlined in the following charts that includes required numbers of trees, shrubs, evergreen trees, all underplanted with a herbaceous ground surface layer. These regulations apply to lots where the proposed land disturbing activity is disturbed based upon the following lot sizes:

Detached Building Development Requirements
(Single Family Homes)

Lot Size	Max. Area of Steep Slope w/o Mitigation	Req'd Plant Coverage Based Upon Area
3,000 - 5,000 ft2 Values	1,000 SF	Min 1,200 SF/Coverage
5001 ft2 - 7,500 ft2 Values	2,000 SF.	Min 1,200 SF/Coverage
7,501 ft2 - 10,000 ft2 Values	2,500 SF.	Min 1,200 SF/Coverage
10,001 ft2 - 25,000 ft2 Values	4,000 SF.	Min 1,200 SF/Coverage
25,001 ft2 – 35,000 ft2 Values	7,000 SF.	Min 1,200 SF/Coverage
35,001 ft2 – 1.00 acres Values	12,000 SF.	Min 1,200 SF/Coverage
1.00 acres – Greater Values	20% or greater	Min 1,200 SF/Coverage

Attached Building Development Requirements (Duplexes, Townhomes, Apartments)

	Max. Area of Steep Slope w/o Mitigation	Req'd Plant Coverage Based upon Area
3,000 - 7,500 ft ²	2,000 SF	Min 1,000 SF/Coverage Values
7,501ft ² - 10,000 ft ²	3,000 SF	Min 1,000 SF/Coverage Values
10,001ft ² - 25,000 ft ²	5,000 SF	Min 1,000 SF/Coverage Values
25,001ft ² – 35,000 ft ²	10,000 SF	Min 1,000 SF/Coverage Values
35,001 ft ² – 1.00 acres	15,000 SF	Min 1,000 SF/Coverage Values
1.01 acres – Greater	20% or greater of lot	Min 1,000 SF/Coverage Values

These regulations shall adhere to all R-1, R-2, R-3, R3MD, R-4, R5, RTZ, RZ1, and RT1 zoned properties.

SECTION 2. BE IT FURTHER ORDAINED, that Chattanooga City Code, Part II, Chapter 31, be amended by adding a new Section 31-324.4, entitled Steep Slope Vegetation Policy and Planting Requirements as follows:

Sec. 31-324.4. Steep Slope Vegetation Policy and Planting Requirements.

The following tree planting requirements shall apply in all areas where steep slopes as defined in Section 38-603 are disturbed.

Class I Shade Trees: These trees are used to meet the tree planting requirements for large canopy trees. Evergreen trees can be treated as Class I shade trees provided, they meet the minimum maturity height and canopy spread criteria.

Class II Shade Trees: These trees are intended to be used for planting as under story canopy and ornamental type trees. Only Class II trees shall be planted under overhead power lines.

Evergreen Screening Trees: Screening trees are used for Screening, Evergreen accents, Anchors, and Framing in the landscape.

Shrubs: Shrubs shall be installed at a minimum size of one (1) gallon. Shrubs are used for foundation plantings, accents, mass plantings, hedging, screening, groundcover, ornamental, and habitat. Shrubs will vary in height and spread and shall be spaced accordingly. No shrub plantings shall be planted in overcrowded masses in a single location to meet this ordinance.

Groundcovers/Perennials (excludes all turf areas):

Groundcovers/Perennials shall be installed at a minimum size of four (4") inch pots and up. Groundcover/Perennials shall achieve a mature height of 4-18 inches with a mature spread one (1') to four (4') foot diameter. Groundcovers/Perennials are used for groundcover, mass plantings, erosion control, flowering accents, and habitat. Groundcovers/Perennials will vary in height and spread and shall be spaced accordingly.

Replacement Trees/Plantings and coverage values:

Trees replacement plantings installed in any areas where steep slopes are disturbed shall consist of Class I, Class II Shade Trees and Evergreen Screening Trees, Shrubs and Groundcover/ Perennials with sufficient minimum canopy to meet this requirement. No single tree species shall constitute more than fifty (50%) percent of total trees required. The following coverage values shall be maintained in all replacement plantings where steep slopes have been disturbed.

Class I Tree with 20-30'diameter minimum canopy = 500 SF coverage values

Class II Tree with 10-20'diameter minimum canopy = 200SF

coverage values

Evergreen Screening Tree with 8' mature spread = 50 SF coverage values

Shrub with 3-6' mature height and spread = 20 SF coverage values

Groundcover/Perennials with 1-4' mature spread = 1 SF coverage values

*Evergreen Screening Trees, Shrubs, and Groundcover/Perennials may be used for meeting the required tree replacement plantings up to 25%.

SECTION 3. BE IT FURTHER ORDAINED that Chattanooga City Code, Part II, Chapter 31, be amended by adding a new Section 31-324.5, entitled Incentives for Preservation of Existing Trees as follows:

Sec. 31-324.5. Incentives for Preservation of Existing Trees.

The following tree planting requirements and credits for preservation of existing trees shall apply in all areas where steep slopes as defined in Section 38-603 are disturbed.

For lots 25,000 sq. ft. to 1.00 acres developers may receive up to seventy (70%) percent credit for the required tree plantings for all existing tree(s) preserved on slopes equal to or greater than thirty (30%) percent. During land disturbance and construction any trees eligible for credit shall be protected, shall be in good health, and shall be at least four (4") inch (DBH) or greater.

For lots 1.01 acres developers may receive up to seventy (70%) percent credit for the required tree plantings for all existing tree(s) preserved on slopes equal to or greater than thirty (30%) percent. During land disturbance and construction any trees eligible for credit shall be protected, shall be in good health, and shall be at least four (4") inch (DBH) or greater.

- Any tree plantings as required with Article IX of the Landscape Provisions for a development shall count towards meeting these requirements, but such plantings shall not exceed ten (10%) percent of the required coverage required.
- A ten (10%) percent credit of the required replacement tree plantings will be allowed for using native plant species.
- All credits utilized for plantings using native species or credits utilized for those trees as would normally be required for meeting the current landscape ordinance shall not cumulatively exceed a twenty (20%) percent reduction towards meeting the coverage requirements.

Key Objectives of the Steep Slope Vegetation Policy:

1. Encourages a “stay away from steep slopes” mentality by placing additional vegetation replacement program.
2. Encourages preservation of existing established trees.
3. Offers property owner a menu of items allowing an array of vegetation types while encouraging the use of native species.
4. Defines anything above a thirty (30%) percent grade officially as a Steep Slope with a distance of at least 100 linear feet.
5. Allows for the possibility of a credit program for maintaining placement of mature trees and the protection of native trees.
6. Vegetation program allows for covering more ground per sq. ft. vs. number of trees methodology.
7. Policy creates a formula to provide flexibility and choice while maintaining a sq. ft. focus and tree conservation.

8. Allows the Land Development Office to review Landscape Plan submittals prior to the issuance of a Land Disturbing permit to review Steep Slope development plans before vegetation is removed to retain placement of mature trees, the protection of native trees, and the planting of new trees, which are considered for any credit on a Steep Slope as part of the Land Disturbance permit application process.

SECTION 4. BE IT FURTHER ORDAINED, that this Ordinance shall take effect on July 1, 2021 to allow staff, engineers, and land owners be provided additional training so that they may be better able to adapt to these new vegetative requirements. This Ordinance shall further have a one (1) year review by the Council on or before July 1, 2022, to determine if any changes need to be made.

Passed on second and final reading:_____

CHAIRPERSON

APPROVED:____ DISAPPROVED:____

MAYOR

PAN/mem/Alternate v4/JM

MEMORANDUM

To: Members of the Red Bank Planning Commission

Cc: Tim Thornbury, City Manager

From: Ashley Gates, Regional Planner

Date: March 8, 2021; Updated April 9, 2021

Subject: Long-Term Rental Regulations

Staff Updates – April 9, 2021

1. Staff has received and attached an attorney opinion from MTAS, which was also provide at the last meeting. The landlord registration program does not appear to be a viable option without a statute being passed by the Tennessee legislature.
2. The attorney also states that any incentive programs must pass the “public purpose” doctrine in Tennessee.
3. City staff have indicated that they have been in contact with East Ridge staff, which have a rental registration program as authorized by Tennessee statute
4. Staff has provided in the March packet the blight clearance tools available to Tennessee cities. In the short term, Red Bank may consider utilizing these options to improve property upkeep.
5. Staff does not recommend combining long-term and short-term rental regulations at this time. The state of Tennessee regulates them separately and provides cities with more oversight with regards to short-term rental properties.
6. Staff does recommend providing a memo or policy paper to the Board of Commissioners in the short term. Staff recommends keeping the memo short, providing specific concerns and goals. In the long term, the Commission may explore working with the Tennessee Legislature to start a rental registration program.

Rental home communities are increasing considerably in the United States. These are known as “build-to-rent” or BTR communities. These have taken off in recent years, especially in the United Kingdom and Australia. These are fairly new to the United States, but very in-demand cities have seen a huge increase in these projects.

Given their novelty, there are very few academic research or best practice approaches available. One recent master’s thesis from an MIT student suggested that demand for BTR homes are driven by the following:

1. Propensity to rent (i.e., personal preference for renting over home ownership)
2. Access to credit
3. Student Debt
4. Stage of Life
5. Income Inequality
6. Growing Families

The demand is further fueled by many relocations from large, expensive markets to smaller cities due to the increase in remote work.

Many international cities have worked to encourage BTR developments, as they face significant housing shortfalls. With individual families unable to afford building a home, governments have pushed an increase in institutional investment in housing. This has not generally been the case in the United States but may change as the industry grows.

Though the relationship is complex, an increase in housing supply generally improves housing affordability overall. While many in Red Bank would have preferred a mix of rental and owner-occupied homes, these BTR developments likely will help many families and generally improve the rental housing market. One important benefit that build-to-rent homes have over apartment complexes is that the homes could conceivably be converted to owner-occupied units should the market conditions change.

It is the planning staff’s opinion that in the long term, a mixture of rental and owner-occupied housing within neighborhoods will offer the most stability. However, with the factors listed above driving investment towards the BTR market, there is likely more to come. Little can be done at the municipal level to alter these factors. Staff has found no policies that treat BTR differently from single family homes in the United States. If the City wishes to deter institutional investment, staff recommends that policies be focused on owners of several rental units. Additionally, staff recommends that the City continue to promote homeownership through the many state, county, and nonprofit homeownership programs that exist.

Existing Conditions

The existing conditions pertaining to long-term rentals in Red Bank can be summarized as follows:

1. Red Bank has many older properties, multi-family properties, and duplexes that serve as rental properties. These are throughout the city. Some are very well-maintained, and some are in poor condition.
2. Two newly planned single-family developments are being established as rental-only subdivisions. These properties have a total of 103 units.
3. About 41% of all units are renter-occupied, according to ESRI Business Analyst (2020), or about 2,693 units. This higher than the overall rate of renter-occupied housing in Hamilton County, which is 37.3%, but consistent with the general pattern of having more rental units in higher-density areas of the county.
4. Most of the residential parcels in Red Bank, 88.4%, are used for single-family residences. See table below.

Land Use	# of Parcels	Percent of Residential Parcels
Single Family Residential	3,640	88.4%
Duplex	223	5.4%
Duplex, Owner-occupied	50	1.2%
Apartments, 4-9 units	45	1.1%
Triplex	9	0.2%
Condominium	111	2.7%
Apartments: 10+ Units	38	0.9%
Group Quarters	0	0.0%
Mobile Home Park	1	0.0%

Note: The above statistics are for **parcels**, not housing units. Some apartment complexes are on multiple parcels, and others are on one single parcel.

Existing Regulations

Existing Regulation	Summary	Staff Comment
Title 12, Building, Utility, Etc. Codes	Adopts building codes, mostly by reference. Establishes requirements for inspections as buildings are constructed. Establishes a codes enforcement process.	Building codes are largely in line with what most municipalities in Tennessee follow. Updated codes are adopted every few years, as they are published and reviewed. Building codes and codes enforcement is generally outside the scope of the Planning Commission, though care should be taken to ensure the regulations are not in conflict.
Title 12, Chapter 5, Housing Code, Slum Clearance and Re Development	Establishes standards for residences. Establishes complaint-driven inspection, citation, and repair/demolition processes.	Code enforcement is outside the jurisdiction of the Planning Commission. Codes Enforcement is enforcement of the law, and inspections do require probable cause or an administrative warrant. If regularly scheduled inspections were to take place, they'd need to be uniformly applied.
Title 12, Chapter 13. Property Maintenance Code	International Property Maintenance Code is adopted, and penalties are established.	Building code adoption is outside the jurisdiction of the planning commission, though care should be taken to ensure the regulations are not in conflict.
Title 13, Property Maintenance Regulations	Establishes standards for outdoor property maintenance. Establishes remedies for abandoned vehicles and portable outdoor storage units.	While the initial design of some landscaping is under the purview of the planning commission, maintenance falls under the authority of codes enforcement.
Tennessee Code, Title 66, Chapter 28, Uniform Residential Landlord and Tenant Act	State-wide landlord and tenant regulations. Rental registration requirements only apply to Nashville.	Landlord – Tenant relations are outside the jurisdiction of the Planning Commission.

Existing Regulation	Summary	Staff Comment
	Landlord must follow all local health, safety and building codes.	Red Bank does have access to all property owner information that is provided to the Hamilton County Tax office.
HUD / Housing Authority housing inspections	To be approved for HUD vouchers, residences must meet certain basic requirements known as the 13 Housing Quality Standards. Housing is inspected every one to three years based on the owner's past inspection performance.	
Short-Term Rental Ordinance	Addressed in separate memo	

Proposed Rental Regulations

The table below is adapted from the document "Raising the Bar: Linking Landlord Incentives and Regulation Through Rental Licensing" by Alan Mallach for the Center for Community Progress. All text is from this document, with staff comments in the last column.

Element	Description	Rationale	Staff Comment
Landlord registration or licensing ordinances	A <i>registration</i> ordinance requires landlords to register their properties with the municipalities and provide contact information A <i>licensing</i> ordinance requires registration and a regular health and safety inspection, and may also require other actions by the landlord.	A registration system is informational only, and does not affect the right of a landlord to own and operate rental property. A licensing system conditions that right on compliance with appropriate public interest standards, and raises the bar for landlords in the community. Where legally permitted, a licensing system is a much more effective way of improving rental housing quality.	Licensing may not be legal in Tennessee. Review by the City Attorney is needed. Business licensing is generally regulated outside the Zoning Ordinance. Note that all contact information for property owners is available through the property tax system.
Mechanisms to ensure landlords are registered and/or licensed	Procedures (see Sec. 1.1 of the guide) to ensure that landlords register or comply with licensing requirements.	No ordinance is self-enforcing, and simply passing a registration or licensing ordinance does not get landlords, especially small landlords of single-family properties to comply.	Staff has no expertise in the enforcement of these requirements and defers to the city manager should such

		Proactive steps are needed to get landlords into the system.	a registry be established.
Rental property information system	A data base of registered/licensed rental properties in the community, including information about code compliance, police calls, and tax/fee payment status.	The ability to track landlords and rental properties is a key to effective enforcement. A strong property information system allows a municipality to target resources to problems more effectively	The City Codes Enforcement Officers maintain logs of inspections, citations, and complaints.
Compliance-oriented fee structure	Fee structures that are oriented to generating positive outcomes and maximizing compliance rather than revenues	Fees should not be seen as a revenue generating mechanism, but as a way of motivating landlords to affirmatively comply with ordinances as responsible owners.	Staff defers to the Board of Commissioners for all fees, particularly when fees are to be used as a penalty.

Limitations of the Planning Commission

Note, 4/9/21: This section is intended to describe the Planning Commission's role in writing and recommended ordinances, not the Planning Commission's power to review and advise on specific developments.

At this time, the Red Bank Municipal Planning Commission's role in **policy making** is limited to four documents:

- Zoning Ordinance and Map – advisory only
- Land Use Plan
- Subdivision Regulations
- Design Review Standards – advisory only

These documents are also limited as to what they may include. The Zoning Ordinance, for instance, is limited to regulating the "location, height, bulk, number of stories and size of buildings and other structures, the percentage of lot occupancy, the required open spaces, the density of population and the uses of land buildings and structures." (TCA-7-301). Property maintenance is not considered part of the zoning power of the city, but rather part of codes enforcement.

The Planning Commission may also review and advise on ordinances that reference the Zoning Ordinance or Zoning Map. For instance, the Backyard Chicken Ordinance will designate specific zones for adopting the ordinance. Therefore, it is appropriate for the Planning Commission to comment on the ordinance.

While the Board of Commissioners may wish to seek guidance from the Planning Commission on related matters, it is staff's opinion that such topics should first be discussed by elected officials. The Board of Commissioners has the benefit of an attorney's advice, as well as insight and influence over the City's budget. Often, significant funds are required to implement these changes.

Furthermore, these proposed ordinances are beyond the expertise of the planning staff. While staff can provide sample ordinances, there are other organizations and consultants that would be better suited to crafting such regulations. If the Planning Commission spends significant time in a public forum workshopping policy that may be illegal, unpractical, or, in a worst-case scenario, unconstitutional, it may erode the public confidence in the Planning Commission.

Staff Recommendation

The establishment of rental-only neighborhoods is a new concept and we cannot yet know the impact it will have on the wider community. However, staff has found no options for preventing such development as Tennessee is a landlord-friendly state that tends to favor property rights.

Regarding property maintenance, there are existing codes that address these issues. Staff has not reviewed Codes Enforcement policies or procedures. The attached document provides the options that are available to Tennessee cities, though some are not available to Red Bank. These are generally outside the scope of the Zoning Ordinance and Planning Commission.

As a next step, staff recommends that the Board of Commissioners, if interested, review the proposed regulations with City Staff (particularly Codes Enforcement), City Attorney and the appropriate MTAS consultant.

MEMORANDUM

To: Members of the Red Bank Planning Commission

Cc: Tim Thornbury, Public Works Director

From: Ashley Gates, Regional Planner

Date: February 12, 2021

Subject: Short-term rental unit regulations

Summary of Regulations

In 2018, extensive discussions regarding Short Term Rentals took place and Red Bank adopted an ordinance to regulate these units in accordance with the recently passed state-wide Short Term Rental Act. The ordinance, which remains in place, includes the following restrictions:

- Limited to R-3, R-4, R-5, and Commercial zones
- Maximum rental period of 30 days
- Does not include a hotels or bed and breakfasts
- “Grandfathered” units could continue operating, provided they paid the appropriate taxes and submitted their permit application and fees
- Limited to one unit per structure
- Maximum of 5 bedrooms, occupancy of 2 people per 70 square feet of bedroom
- Must pay all applicable taxes and meet all safety and building code requirements
- Must apply for and renew a permit with the city
- Three code violations, and the permit shall be revoked

Analysis

Current Short-Term Rental Units

Red Bank has eight (8) short-term rental units that are registered and properly remit taxes to the City. Hamilton County maintains a listing of short-term rental units that remit taxes to the County that is shared with city staff.

A cursory search of Airbnb.com indicated that 21 units are currently listed within city limits. Staff does not have statistics on which units have received code enforcement citations. Having some “under the table” units is very common in cities. Codes enforcement is typically complaint-driven with this type of regulation, as there are numerous inspections and codes violations that are of more immediate importance. However, staff has not verified the process with Codes Enforcement staff.

A total of 150 lots are properly zoned for a short-term rental. So, most requests for short-term rental units requires rezoning. Within single-family residential neighborhoods, this often is considered spot zoning which is illegal in Tennessee.

Impact of Short-Term Rental Units

The impact of short-term rental units on neighboring properties depends almost entirely on the way the short-term rental unit is managed. Being part of an owner-occupied home or duplex ensures that any issues that arise will be dealt with quickly and that the owner will take safety precautions as to who they rent the unit to. Otherwise, the enforcement of municipal and state laws is often complaint driven and up to law enforcement and the neighbors. In neighboring Chattanooga, it is much easier to get a permit to operate an owner-occupied short-term rental than one that is not owner-occupied.

Positive Impacts

The positive impacts of short-term rentals are almost entirely economic. It provides income for property owners, increases the number of visitors to some degree, and creates tax revenue for the city.

If there is an excessive amount of vacant housing, it may serve to fill blighted properties. However, this would be a rare situation as such areas are unlikely to become tourist destinations.

Negative Impacts

The potential negative impacts include:

- Displacing income of established hotels
- Impact on neighborhood character due to increased tourism and decreased long-term residents
- Traffic increase
- Noise, trash and other “un-neighborly” behavior
- Most importantly, the displacement of long-term renters

Short-Term Rental Market Conditions

The greater Chattanooga area brings in many tourists each year, with \$1.16 billion worth of expenditures in Hamilton County in 2019. In 2017, AirBnB reported that 62,000 people stayed in an AirBnB in the Chattanooga market (including Cleveland and other areas). Nearby Signal Mountain saw 1,300 people that year, with short-term rental owners earning \$133,000.

(Source: AirBnB via Times Free Press)

These statistics indicate that the market for these rentals does exist, and if Red Bank increased the area where these rentals were allowed, the units will surely be built. However, even at double or triple the amount of income that was seen in Signal Mountain in 2017, the tax revenue would not be so significant as to drive policy.

More significant would be the impact on property owners and small businesses, who would see the benefits of increased income and spending. However, poorly run short-term rentals could negatively impact property values. Additionally, some of these properties are owned by residents of other communities, so the income would not necessarily be spent in Red Bank.

At least a portion of the income generated by these rentals will be displacing the income that would normally go to a hotel, motel, or inn. Red Bank does not appear to have any hotels at this time, so the income generated is income that would otherwise go to businesses outside the city limits of Red Bank.

An estimated 40% of housing units are renter-occupied, which is slightly above that of Hamilton County which is 37.3%. The vacancy rate (12.9%) is also slightly above Hamilton County's rate of 10.5%. Given that Red Bank is on average more urban and denser than the county overall, Red Bank's occupancy statistics appear to be in line with the larger market trends rather than localized conditions.

Red Bank Housing Stock

Measure	2020 Units	2020 Percent
Total Housing Units	6,592	100.0%
Occupied	5,741	87.1%
Owner	3,048	46.2%
Renter	2,693	40.9%
Vacant	851	12.9%

Source: ESRI Business Analyst

When assessing policies that will alter the housing market, it is essential to consider the burden of housing costs on residents. A study by the National Low Income Housing Coalition showed that the density of short-term rentals correlated with higher property prices, both ownership and rental costs. Essentially, this is because short-term rentals create an increased demand for housing, driving the costs up. (Source: National Low Income Housing Coalition, www.nlihc.org)

Increased property values do have benefits for the community, including property tax revenue and better return for property owners. It also drives people to invest in property improvements. However, when the driver of this increased demand is short-term rentals and not increased interest in living in the community, those seeking long-term housing bear the burden of higher costs with few benefits.

A 2019 study by the United Way showed an estimated 50%, or about 2,600, households in Red Bank struggle to meet their basic needs.

Share of Renters with Severe Housing Cost Burdens – Metro Area ¹	18.1%
Share of Homeowners with Severe Housing Cost Burdens – Metro Area	6.0%
ALICE Households ² (Asset Limited, Income Constrained, Employed) + Poverty in Red Bank	50%

Staff Recommendation

The Tennessee Short Term Rental Act of 2018 provides clear protections for short-term rental operators that are operating at the time new regulations are in place. Should new regulations allow additional short-term rental units to be established, they would be “grandfathered” under any new regulations. In other words, any new, legally operating short term rental units would be essentially permanent until the owner decides to cease operations.

For that reason, staff recommends careful study of the previous short-term rental regulation effort. Staff did not find any areas that are not in line with cities of a similar size in Tennessee. The regulations were put into place with significant study and public participation. Any further changes should happen incrementally with careful consideration.

¹ Source: Joint Center for Housing Studies, Harvard University. <https://www.jchs.harvard.edu/son-2019-cost-burdens-map>

² ALICE is a measure of poverty developed by the United Way to measure the number of households struggling to meet their basic needs and includes both income and expenditure data based on location and family size. See <https://www.unitedwaysela.org/>

Attachment 1: MTAS Attorney opinion

Good morning-

The language in Tenn. Code Ann. Section 66-28-107 relative to registration only applies to Davidson County. The language reads:

(a)(1) Each landlord of one (1) or more dwelling units is required to furnish the following information with the agency or department of local government that is responsible for enforcing building codes in the jurisdiction where the dwelling units are located:

(A) The landlord or the landlord's agent's name, telephone number, and physical address, which does not include a post office box; and

(B) The street address and unit number, as appropriate, for each dwelling unit that the landlord owns, leases, or subleases or has the right to own, lease, or sublease.

(2) The information required under subdivision (a)(1) shall be furnished on a form provided by the agency or department responsible for enforcing building codes. The agency or department is authorized to collect from a landlord filing the form a fee not to exceed ten dollars (\$10.00) per year.

(3) If any information required under subdivision (a)(1) or the ownership of the dwelling units changes, the landlord who transferred the property by sale or otherwise, or the landlord's agent, shall notify the agency or department of such change within thirty (30) days of the change in ownership.

(b)(1) Any landlord who fails to register or who fails to send notification of change of ownership as required by this section shall be assessed a fine in the amount of fifty dollars (\$50.00) per week by the agency or department of local government that is responsible for enforcing building codes in the jurisdiction where the dwelling units are located.

(2) Prior to the assessment of the fine, the landlord shall be given an opportunity to appear and be heard at a hearing to be held concerning the landlord's failure to register or failure to send notification of change of ownership. A written notice of the date, time and place of the hearing shall be mailed the landlord at least fifteen (15) days prior to the scheduled hearing.

(c) This section shall only apply to any county having a metropolitan form of government and a population in excess of five hundred thousand (500,000), according to the 2000 federal census or any subsequent federal census.

Tenn. Code Ann. Section 6-54-511 also addresses residential rental inspections in Davidson County, Shelby County and Oak Ridge. The language in that provision reads:

(a)(1) If any residential rental property has three (3) code violations cited on three (3) separate dates within a six-month period, the municipal agency or department that is responsible for enforcement of building codes is authorized to conduct an in-home inspection of the property, regardless of whether the landlord or a tenant is in possession of the property.

(2) The municipal agency or department that is responsible for enforcement of building codes may enter the dwelling unit only:

(A) With the consent of the tenant in possession;

(B) With a validly issued search warrant; or

(C) In the event of an emergency presenting an immediate threat to the health, safety, and welfare of the tenant in possession.

(3) Entry shall comply in all respects with [Amendment IV of the Constitution of the United States](#), as well as [Article I, § 7 of the Constitution of Tennessee](#). Entry shall be made in such manner as to cause the least possible inconvenience to the tenant in possession.

(b) This section shall apply to any county having a metropolitan form of government and a population in excess of five hundred thousand (500,000), according to the 2000 federal census, or any subsequent federal census, and to any county having a population in excess of eight hundred thousand (800,000), according to the 2000 federal census or any subsequent federal census.

(c) This section shall apply to any municipality having a population of not less than thirteen thousand seven hundred (13,700) nor more than thirteen thousand eight hundred (13,800), and to any municipality having a population of not less than twenty-seven thousand two hundred (27,200) nor more than twenty-seven thousand four hundred (27,400).

Finally, Tenn. Code Ann. Section 13-21-3012 et seq. also addresses residential rental inspection and registration. This language applies to Davidson County, East Ridge, Oak Ridge, and Goodlettsville. Here is a link to the information on Oak Ridge's website relative to the residential rental registration program there. <http://oakridgetn.gov/departments/CommDev/Code-Enforcement/Rental-Registration>

Please note that all of these programs have been authorized by statute.

I reviewed the attachment and have several concerns about the section that addresses "incentives." I believe many of the incentives listed violate the public purpose doctrine.

Please let me know if you have other questions.

City of Red Bank

Municipal Planning Commission

To: Red Bank Mayor and Board of Commissioners
CC: Tim Thornbury, City Manager
From: Members of the Red Bank Municipal Planning Commission
RE: Rental Property Regulations in Red Bank
Date: March 18, 2021

Introduction

In response to recent rental housing developments and short-term rental unit complaints, the Red Bank Municipal Planning Commission has studied rental property regulations. The Red Bank Municipal Planning Commission recommends that the Red Bank Board of Commissioners, together with city staff and expert consultants, study the options identified below to address these concerns.

Findings and Concerns

- Red Bank residents have expressed concerns to the Red Bank Municipal Planning Commission regarding both short-term and long-term rental properties. Concerns have included increased incidents of crime and general property upkeep violations.
- Two new developments are under construction which are slated to be 100% rental properties, creating 103 rental units. This is part of the overall trend towards build-to-rent housing developments throughout the U.S. and in many fast-growing cities across the globe.
- Renter-occupied units make up ####% of units in Red Bank
- Having a mix of rental and owner-occupied units within neighborhoods would create more stable neighborhoods with strong community ties.
- Increasing homeownership to over two-thirds of homes will create a more stability, increase investment in neighborhoods, and benefit Red Bank families.
- Other cities have successfully reduced blight by through landlord licensing and rental registry programs.

Recommended Action

To address these findings, the Red Bank Municipal Planning Commission recommends the following course of action:

- Study and implement a landlord licensing or rental registry program
- Consult with Red Bank City staff, the City Attorney, and MTAS regarding proactive inspections code enforcement measures

Goals

The Red Bank Municipal Planning Commission recommends these actions in order to meet the following goals:

- Reduce Rental the rental occupancy rate to below 33%
- Increase property values and protect single family neighborhoods, as outlined in the Red Bank Land Use Plan 2035
- Increase regulatory requirements and fees to deter non-local investors from creating rental-only neighborhoods