

**MINUTES OF THE SPECIAL WORK SESSION
BOARD OF MAYOR AND ALDERMEN
FRANKLIN, TENNESSEE
CITY HALL BOARDROOM
TUESDAY, MAY 1, 2018 – 5:00 P.M.**

Board Members

Mayor Ken Moore	P		
Vice Mayor Margaret Martin	P	Alderman Beverly Burger	P
Alderman Clyde Barnhill	P	Alderman Dana McLendon	P
Alderman Brandy Blanton	A	Alderman Ann Petersen	P
Alderman Pearl Bransford	P	Alderman Scott Speedy	P

Department Directors/Staff

Eric Stuckey, City Administrator	P	Jack Tucker, SES Director	
Vernon Gerth, ACA Community/Economic Dev	P	Lisa Clayton, Parks Director	P
Mark Hilty, ACA Public Works	P	Michelle Hatcher, Water Management Director	
Kristine Tallent, ACA/CFO	P	Paul Holzen, Engineering Director	P
Shauna Billingsley, City Attorney		Emily Hunter, Planning & Sustainability Director	P
Deb Faulkner, Police Chief		Kelly Dannenfelser, Long Range Planning Supervisor	P
Rocky Garzarek, Fire Chief		Kevin Townsel, HR Director	
Jordon Shaw, IT Director		Joe York, Streets Director	
Chris Bridgewater, BNS Director	P	Lanaii Benne, Assistant City Recorder	P
		Linda Fulwider, Board Recording Secretary	P

Call to Order

Mayor Ken Moore called the *Special Work Session* to order at 5:00 p.m.

WORK SESSION DISCUSSION ITEMS

1. 18-0341 Annexation and Growth Policy Discussion

Emily Hunter, Planning/Sustainability Director

Kelly Dannenfelser, Long Range Planning Supervisor

The State of Tennessee changed growth and annexation in the State by taking it out of the hands of municipalities and moving it to residents. Annexation is driven by property owner request. The City must plan accordingly under this new structure.

OVERVIEW

- Staff Presentation: Introductory Information
- Big Picture Policy Discussion
 - *Why should the City grow?
 - *What are we trying to achieve?
 - *What is important when we think about growth and annexation?
- Staff Presentation: Annexation Capabilities
- Annexation Policy Discussion
 - *Should the City consider an annexation policy?
 - *Should the City study investment decisions further?
 - *What is likely to happen if the City does not annex?

Envision Franklin: Managed Growth

- Strategic growth is encouraged in locations supported by existing City infrastructure and services or where they are planned to be provided in an efficient and orderly manner.
- The extension of infrastructure and public services should be used as a tool that strategically directs where growth should take place, not as a reactive response to development.
- Land-use policies, infrastructure improvements, and community facility investments should be coordinated to maximize efficiency and public benefit while minimizing negative impacts of growth.
- Annexation within the UGB should be approached in a comprehensive manner that promotes contiguity and orderly growth, efficient delivery of municipal services, and proactive planning for future development.

- Suitability Analysis was explained using a color-coded map. Nine factors are taken into consideration, such as floodplain, floodway, sewer proximity, fire station, etc. This information was used to develop design concepts.
- Design Concepts explained using another color-coded map.
- Annexation Inquires identified via map.
- Annexation State Law:
 - Property owner request only, unless by referendum
 - Noncontiguous annexation allowed
 - Referendum allowed outside of UGB
- Franklin Growth and Annexation
 - Franklin grew from 2 square miles in the 1960s to 41 square miles by 2010
 - Population has increased 21,000 per decade since 1990
 - The 2017 population estimate was 77,400 (33,034 dwellings)

Future Projections

- Based on past growth, the population is projected to increase by 50,000 over the next 22 years.
- This projection is based on past population growth rates by decade (annexation + development approval + construction and absorption of dwellings into the Franklin market + household size).
- A table shows projected change in census from 1980-2040, with 128,600 population projected in 2040.

Future Buildout

- Existing Housing + Approved Housing = 92,000 Population. Projected to reach this population by 2025. Past growth does not necessarily indicate future trends.

Type of Housing	# Dwelling Units	% Future Total Housing Stock
Single Family	20,900	50%
Manufactured Home	405	1%
Westhaven Units	839	2%
Duplex	1,221	3%
Townhomes + Condos	6,023	14%
Apartment	10,466	25%
Assisted Living	1,535	4%
Residential Special Place	524	1%
TOTAL	41,913	100%

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Alderman McLendon joined the meeting at 5:13 p.m.

Big Picture Questions

- What is important when we think about growth and annexation?
- Is maintaining the growth rate important?
- Should we focus on maximizing the benefit of investment and direct private investment in places that make sense?
- Focus on commercial areas and return on investment?

Return on Investment Study – Raleigh, NC

Strategic planning adds value

- * It would take 600-single family homes on a 150-acre subdivision to equal the tax value of the Wells Fargo Capital Center, which sits on 1.2 acres of land.
- * Wells Fargo Capital Center in downtown Raleigh has 90 times the tax value per acre than the average suburban acre.

Return on Investment

- * Downtown high rise residential on 3-acre site pays off its infrastructure in 3 years. The return on infrastructure investment is 35%.
- * Suburban multi-family complex on a 30-acre site pays off its infrastructure in 42 years. The return on infrastructure investment is 2%.

Raleigh Property Tax Yield Per acre, 2011 was depicted on color-coded maps

BIG PICTURE POLICY DISCUSSION

1. Why should the City grow?
2. What are we trying to achieve as a City?
3. What is important when we think about growth and annexation?
 - * Is maintaining the growth rate important?
 - * Should we focus on maximizing the benefit of investment and direct private investment in places that make sense?

- ☛ Alderman Burger: Return on investment. Length of time for payoff, the cost doesn't stop there. There are ongoing maintenance costs.
- ☛ Alderman Bransford: Interested in data with single-family and multi-family payoffs, where to put them and with mixed neighborhood with retail. The Hill property is ideal for housing because people can walk to work and other places. That's the type housing she wants.
- ☛ Alderman Barnhill: The choice most make is grow and catch up with infrastructure. He hadn't heard the information about 92,000 population in 2025.
- ☛ Alderman McLendon: Why the City should grow is completely academic. Don't pick a City that doesn't have cranes in the horizon. We are growing because we're doing things right. What is it we are doing to make Franklin a desirable place to live. In other cities people are leaving because of rising crime rates, jobs are gone.
- ☛ Vice Mayor Martin: Either grow or fall down. Continue our high standards to keep people here. She used to think the growth would destroy the City. Do you want to live in a dying community? People say every day, when will we put the cap on. She has seen the community evolve to a place where people from all over come to visit.
- ☛ Alderman Burger: Has seen Franklin grow and evolve since the 1960s. If you don't grow you'll die. Some say it's ruined Franklin. Franklin is morphing into a better economic community. Need good polices to grow properly or lose quality of life.
- ☛ Alderman Speedy: Do we have the resources and access to sewer and water and maintain the capability.
- ☛ Alderman Bransford: By growing, corporations will want to come here. Creates economic stability. People want to be in a vibrant City.
- ☛ Mayor Moore: The question of why grow was answered in these comments. Franklin is a place where people want to live, play, work and raise families. The third question, think about growth and annexations. What is important. Infrastructure.
- ☛ Vice Mayor Martin: Instead of saying growth, say why should the City improve. Growth has a bad connotation for some people.
- ☛ Alderman Barnhill: What is important is infrastructure with roads, water sewer, etc. Growth and annexation. We cannot outgrow the ability to serve and can't outgrow the parameters. Look at what we do to impact the county schools. Look at all the areas affected.
- ☛ Alderman McLendon: Maintaining quality of life is important. Entry barriers exist. Not everyone can live here. Maintaining the growth rate is not important. Private investment makes sense. It is not the government's job to be recruiters or facilitators of investment. Our charge is to maximize our constituent's quality of life and be good stewards of their tax money. The investment shouldn't be a goal.
- ☛ Mayor Moore: The third question, what is important when we think about growth and annexation? The Legislature took away our orderly, predictable system. Investment is in the streets, etc.
- ☛ Alderman Burger: Too often people think we forget about the people living here now. Recruiting businesses here is healthy. We have a Chamber that actively recruits businesses and the Convention and Visitors Bureau. We need to be proactive.
- ☛ Emily Hunter: We have talked a lot about growth overall. The annexation inquiries are far from the core of the City. Even if a developer pays for the roads, etc., the City must pay to maintain them. There are the ramifications from the State Law.
- ☛ Eric Stuckey: How do we make choices when if we can't realistically honor those in the next 3-5 years.

STAFF ANALYSIS OF POTENTIAL ANNEXATION AREAS

- Studied each drainage basin along edges of the UGB:
 - Developable acreage
 - Future land use
 - Ability to serve
 - * Sewer (gravity vs. pump stations and force mains)
 - * Road Infrastructure
 - * Fire Service (stations/response times)
 - Magnitude of investment needed

- Assigned a short-, mid-, or long-term capability classification
- Used best available data, but may need additional analysis

Color-coded map exhibited where each drainage basin is in the City and in the UGB

A. WEST BASIN

Short-Term Capability

Development Potential

- * Significant developable area (1,600 acres) excluding floodplain

Future Land Use

- * Residential and open space

Sewer Service

- * Sewer infrastructure is nearby
- * Planned relocation of pump station from Old Charlotte Pike & new force main to the plant

Road Infrastructure

- * Mack Hatcher Parkway scheduled in State TIP
- * Del Rio Pike improvement is long-term

Emergency Services

- * Fire Station #8 (Westhaven) can serve the area adequately

B. CENTRAL FRANKLIN BASIN

Long-Term Capability

Development Potential

- * Limited developable area due to terrain (0 acres)

Future Land Use

- * Existing large-lot development pattern is expected to remain

Sewer Service

- * No improvements planned

Road Infrastructure

- * No improvements planned

Emergency Response

- * There would be extended response time and potentially water supply issues with existing Fire Station 3 and 4.
- * Water supply and large setbacks may be an issue re: hydrant availability. Potentially need to supplement tanker support for water supply, which is not currently in fleet.

C. SPENCER CREEK BASIN

Long-Term Capability

Development Potential

- * Limited developable area due to terrain (580 acres)

Future Land Use

- * Berry's Chapel Road: Existing large-lot development pattern is expected to remain
- * Meadow Farm has higher development potential

Sewer Service

- * No improvements planned
- * Currently designing low pressure system for few lots along Franklin Road within City

Road Infrastructure

- * Berry's Chapel intersection improvement near-term need

Emergency Response

- * Berry's Chapel Road: Existing Station 3 & 4 could service the area. However, there may be increased response times than the City's average. Water supply and large setbacks may be an issue re: hydrant availability. Potentially need to supplement tanker support for water supply, which is not currently in fleet.

D. MAYES CREEK

Mid-Term Capability

Development Potential: Significant amount

- * Within UGB (3,500 acres)
- * Outside of UGB (4,350 acres)

Future Land Use

- * Likely residential with commercial nodes

Sewer Service

- * Could be served with gravity sanitary sewer
- * Major sewer extension/investment needed

Road Infrastructure

- * Murfreesboro Road in State TIP this fiscal year

- * McEwen Drive extension is near term
- * Wilson Pike is mid-term (up to State)
- * Arno Road improvement is long-term
- * Liberty Pike extension is long-term

Emergency Services

- * New station needed. Extended response times would necessitate a temporary station. Station 6, 2 & potentially 7 would serve in the interim. Water supply, large setbacks, hydrant availability. Supplement tanker support for water supply, not currently in fleet.

E. GOOSE CREEK

Short-Term Capability

Development Potential

- * Within UGB (1,800 acres)
- * Outside of UGB (2,115 acres)
 - High interest for property owner annexation
 - Limitations in current annexation State law

Future Land Use

- * Some existing County subdivisions on north side
- * Residential and potentially more commercial

Sewer Service

- * Infrastructure is in the area to serve with gravity sewer
- * Sewer extension investment has already been made

Road Infrastructure

- * Proximity to I-65 and planned major arterial extension
- * Pratt Lane improvements near term
- * Carothers extension near term
- * Long Lane overpass near term
- * Peytonsville extension near and mid-term sections
- * Lewisburg Pike improvements long term (up to State)

Emergency Response

- * Existing fire stations 7 (Goose Creek) and 2 would be able to serve adequately

SW 3 BASIN

Long-Term Capability

Development Potential

- * Limited developable area (1,050) acres due to hillsides and hilltops

Future Land Use

- * Residential

Sewer Service

- * Gravity sanitary sewer not possible
- * Significant extension and investment needed (pump station, 3.7-mile force main, plus upgrades to existing lines)

Road Infrastructure

- * Minimal existing road network
- * Goose Creek Bypass improvements long term (up to State)
- * Columbia Pike improvements long term (up to State)
- * Minor collector improvements/development driven long term

Emergency Services

- * There would be extended response times and potentially water supply issues with existing Fire Stations 5 & 7

SW 2 BASIN

Long-Term Capability

Development Potential

- * Developable area (1,500 acres)
- * Significant constraints (hillsides and hilltops)

Future Land Use

- * Residential

Sewer Service

- * Gravity sanitary sewer not possible
- * Significant extension and investment needed (pump station, 3-mile force main, plus upgrades to existing lines)

Road Infrastructure

- * Minimal existing road network

- * Columbia Pike improvements long term (up to State)

Emergency Services

- * There would be extended response times and potentially water supply issues with existing Fire Stations 5 & 7

SW 4 BASIN

Long-Term Capability

Development Potential

- * Developable area (230 acres)
- * Much of area developed with County subdivisions

Future Land Use

- * Residential

Sewer Service

- * Gravity sanitary sewer is limited
- * Significant extension needed (pump station, 3-mile force main, plus upgrades to existing lines)

Road Infrastructure

- * Columbia Pike improvements long term (up to State)
- * Henpeck Lane is long-term

Emergency Services

- * There would be extended response times and potentially water supply issues

SW 1 BASIN

Long-Term Capability

Development Potential

- * Limited developable area (1,280 acres) due to hillsides & hilltops

Future Land Use

- * Residential

Sewer Service

- * Gravity sanitary sewer not possible
- * Significant extension needed (pump station, 1-mile force main, plus upgrades to existing lines)

Road Infrastructure

- * Minimal existing road network
- * Carters Creek Pike is long-term (up to State)
- * Horton Lane minor collector/developer driven

Emergency Services

- * Extended response times and hydrant and water supply issues with existing Fire Stations 8 & 1
- * Would need a new Fire Station to serve over 400 dwellings

Annexation Capabilities

Table and map showing Short-, Mid-, or Long-Term Capability Classification based on:

1. Developable acreage
2. Future land use
3. Ability to provide services
4. Magnitude of investment

DISCUSSION ON ANNEXATION CAPABILITIES

- Thoughts on the annexation capabilities by basin?
- Does the BOMA want to consider an annexation policy?
- Should the City study investment decisions further?
- What is likely to happen if the City does not annex?

Mayor Moore asked that the last question be addressed first – What is likely to happen if the City does not annex?

- ☞ Mayor Moore: County roads are not up to City standards, there is no connectivity, a lot of sprawl. Failing septic systems. What are the other negatives?
- ☞ Eric Stuckey: Very little commercial because of lack of sewer system. Balance with residential. Can't have one without the other.
- ☞ Mayor Moore: Public safety since it is harder to provide police and fire services because of the sprawl.
- ☞ Alderman Speedy: No schools if there is no sewer service.
- ☞ Alderman Petersen: What is the highest number of dwelling units our sewer plant can serve and projected to serve with upgrades. How much can the City put back in the small Harpeth River. There may be some caps and trouble getting water to properties. All the water districts that serve this area should be factored in as well.

- Mr. Stuckey: It depends on the mix of users. Operating at 85% capacity now and moving to 16 MGD. It is not just a capacity question, it is the upgrading capabilities such as removing nutrients.
- Mayor Moore is serving on a State board that is analyzing long-term water needs in Tennessee.
- Vice Mayor Martin: Development should pay. Are developers willing to finance all the infrastructure? This is one big issue with people who are against growth. They don't want private citizens to pay, especially in her Ward.
- Emily Hunter: There are requests to the Board to have assistance because of the recent law.
- Mayor Moore: Perhaps further financial analysis is needed.
- Ms. Hunter: The Plan of Services is drafted so that development pays. Some are far out of boundaries now.
- Alderman McLendon: What is the cheapest for taxpayers. Study this further to consider an annexation policy by looking at an array of places of interest, infrastructure and cost. What is our capacity. If all infrastructure is paid by development, they would then turn it over to the City to maintain. What are the costs over the next 10-20 years. We can only annex when asked by property owners. It is premature to consider an annexation policy. Know the timelines and costs first which might make a policy obvious. Look at the City's capacity to maintain roads, pick-up trash, etc. Project those things for BOMA to look at. That should make it clearer what annexation requests can be taken.
- Alderman Petersen: When Westhaven was proposed they were required to extend sewer out there. Not long after that the City put all the money out for Five-Mile Creek to go to Goose Creek. If we are going to have policies we need to stick to the policies.
- Alderman Bransford: Agreed there should be a study.
- Alderman Barnhill: Need to factor that into the Wastewater Plant.
- Alderman Speedy asked about Goose Creek area annexations.
- Mr. Stuckey commented that some legislators say the UGB doesn't matter anymore.
- Mayor Moore noted the annexation law will probably not change for a long while. However, staff is building a case for change.

Other Business

None

Adjournment

Work Session adjourned @ 6:30 p.m.

Dr. Ken Moore, Mayor

Minutes prepared by: Linda Fulwider, Board Recording Secretary, City Administrator's Office - 5/18/2018