



HISTORIC
FRANKLIN
TENNESSEE

ITEM #12
WRKS
10/08/13

MEMORANDUM

October 1, 2013

To: Board of Mayor and Alderman

From: Eric Stuckey, City Administrator *ES*
Vernon Gerth, ACA-Community & Economic Development

Subject: Consideration of establishing a Fire Suppression System Access Recapture Program for several historic properties located on the west side of Main Street between 3rd and 4th Avenues

Purpose

The purpose of this memorandum is to provide information to the Board of Mayor and Aldermen (BOMA) regarding the challenges small business owners encounter when expanding the use of an existing building in our historic downtown and to seek direction from the Board of Mayor and Alderman on establishing a Fire Suppression System Access Recapture Program for owners of property located on the west side of Main Street between 3rd and 4th Avenues.

Background

This summer, Michael and Joni Cole and Andy Marshall commenced work on the former Gray's Drug building located on the west side of Main Street between 3rd and 4th Avenues. Their renovation plans included converting all three floors of the vacant building into a specialty, southern-style restaurant. The project included the installation of a fire suppression system necessary to comply with minimum state and locally adopted building codes.

Since the existing water service was not adequate to service the property and its expanded use as a restaurant, a new water line needed to be installed in the alley located behind the building. Mr. John Ring, the owner of the adjacent building and a local construction company, agreed to install the new water line. The water line cost Mr. Ring approximately \$100,000.

This project highlights the challenges property and small business owners face when contemplating a change of use to an existing building in our historic downtown. The majority of our historic structures share common walls and are wood frame construction and very susceptible to fire. When owners consider changing the existing use to a more intensive use and expand to upper floors renovation plan typically require the installation of a fire suppression system to afford occupants additional time to safely exit buildings, limit loss of furnishings and merchandise, and to curtail the spreading of fire to adjacent buildings.

After Mr. Ring installed the new water line, the line was dedicated to the city for future maintenance. This water line is now accessible to the other building owners in the area should they elect to expand or increase the use of their building.



As the Gray's on Main Restaurant renovations were nearing completion, City staff began meeting weekly with the new owners, contractors, and interested parties to provide guidance in completing the project. City staff also assisted with obtaining easements and/or permission from property owners so the new water line could be installed. Alderman Blanton became interested in this project and participated in several of the weekly meetings. She expressed concern that Mr. Ring would be solely responsible for installing the water line without the ability to recoup any funds from the neighboring property owners since they now have access to the line without incurring the expense associated with its installation.

Alderman Blanton agreed to ask the BOMA if they would consider establishing a Fire Suppression System Access Recapture Program that would allow Mr. Ring to recapture a portion of cost associated with installing the new water line from the adjacent property owners if and when they elected to connect to the line. Part of this project also included the City asking Mr. Ring to furnish and install several taps for existing properties to reconnect their private domestic water services.

Conceptually, a Fire Suppression System Access Recapture Program would authorize the City to assess and collect an additional access fee from the property owners who elect to connect to the water line. This added fee would be in addition to the current fire line tap fee assessed by the City. This recapture program would authorize the City to return the additional access fee to Mr. Ring. It is important to note, Mr. Ring understands he may never recoup any fees from the City for either the additional taps or the neighboring property owners.

Financial Impact

There is minimal financial impact associated with this program. The City has received a new water line that provides several property owners the opportunity to expand the use of their buildings. Establishing a Fire Suppression System Access Recapture Program requires staff time to research and prepare the necessary documents for future consideration by the BOMA. Tracking of their recapture program would be accomplished primarily through the City's community development and regulatory software.

Recommendation

It is recommended the Board of Mayor and Alderman request staff to proceed with researching the Fire Suppression System Access Recapture Program and report back to the alderman at a future Worksession. The Fire Suppression System Access Recapture Program would also include the City reimbursing Mr. Ring for the cost associated with re-placing the existing taps.